Au Journal of Management

Assumption University

AU JOURNAL OF MANAGEMENT

Vol. 5 No. 1   Jan.-Jun. 2007

MESSAGE FROM THE EDITOR

Like our previous issues, the current one strives to address business perspectives, emerging concepts and ideas, and topics of relevance to academics and practicing managers. Scholars from several disciplines have pooled their insight, knowledge and efforts in researching and understanding the wide variety of implications, benefits and challenges that arise in the constantly changing world of business.

Our first author, Panjakajornsak, examines the relationships between patient satisfaction, loyalty and hospital performance of four public hospitals in Bangkok. He argues that understanding these issues is important in establishing positive relationships between hospitals and customers in the rapidly changing healthcare industry.

Our second author, Nakhata, has conducted research on SME entrepreneurs in Thailand. Her findings provide theoretical and empirical evidence for the crucial role of human capital and entrepreneurial competencies in determining the career success of these entrepreneurs.

In our third article, Gibbins, studies the impact of frequency programs on hotel diners' loyalty in Thailand. Her findings show that social influence plays an important role in developing loyalty among frequency program members.

Our fourth article, authored by Thananuraksakul, examines the factors influencing online purchasing intention of Thai consumers in Bangkok. Positive attitude toward online shopping and subjective norms were found to have the strongest influence on online shopping behavior of consumers in Bangkok.

In our final article, D'souza and Tanchaisak, use the Big Five Personality Theory to examine self-monitoring behavioral differences between Thai and foreign students at Assumption University. Their findings offer important implications for administrators in both academic and organizational settings.

I express my gratitude to all the contributors, any meaningful improvements in the Journal are dependent upon submissions. I urge those of you who previously have submitted manuscripts to the Au Journal of Management to continue to do so. I also invite new contributors to send the Journal your very best.

Patricia Arttachariya, Ph.D.
Managing Editor

AU JOURNAL OF MANAGEMENT

Volume 5, Number 1 (Jan. - Jun. 2007)

Contents

Statement from the Managing Editor

INVESTIGATING RELATIONSHIPS BETWEEN PATIENT SATISFACTION, PATIENT LOYALTY AND HOSPITAL PERFORMANCE IN THAILAND

by
Vinai Panjakajornsak
Faculty of Business Administration, Eastern Asia University

Abstract

This study attempts to investigate the relationships between patient satisfaction, patient loyalty, and hospital performance in four public hospitals in Bangkok. They are listed on the Stock Exchange of Thailand. The service profit chain was adapted to examine such relationships. The data of the four hospitals were processed and analyzed using the simple bivariate correlation analysis. The overall results of both methods reveal that the three hypotheses were to some extent supported, there were some positive associations among patient satisfaction, patient loyalty, and hospital performance.

INTRODUCTION

The service sector has gained more significance in the economy of Thailand. It contributed to 53 per cent of GDP in 2003 (Bank of Thailand, 2004). Despite its growing importance in terms of revenue generation and workforce employment, relatively little empirical research has been undertaken to examine factors or variables that affect and improve the performance of service firms in Thailand. This is particularly the case with the private hospital business which is one of the service segments that has become an important contributor to the economy, since the government plans to promote Thailand as "the medical hub of Asia". This study is an attempt to investigate the relationships among three constructs (patient satisfaction, patient loyalty, and hospital performance) in four private hospitals in Bangkok.

LITERATURE REVIEW

The service profit chain (SPC) is a term coined by the Service Management Interest Group at the Harvard Business School (Loveman, 1998) to link employee, customer and shareholder value relationships. In 1994, Heskett *et al.* introduced the service profit chain model in the Harvard Business Review Journal. Its roots are derived from Reichheld and Sasser's work (1990) on various aspects of customer satisfaction and loyalty and their impact on organizational profitability. The ideas underlying this model and its subsequent developments are derived not only from the research on value domains which explores linkages among customer value, employee value and shareholder value, but also from early studies on the organization of work and its impact on quality, productivity and employee satisfaction (Payne *et al.*, 2000). The model is an integration of research from several academic fields, including services marketing, human resources, and service operations (Lovelock and Wirtz, 2004). After learning about problems from frustrated managers in many service industries, Heskett *et al.* (1997) conducted research on several well-known service organizations in different industries to study the reasons for their success.

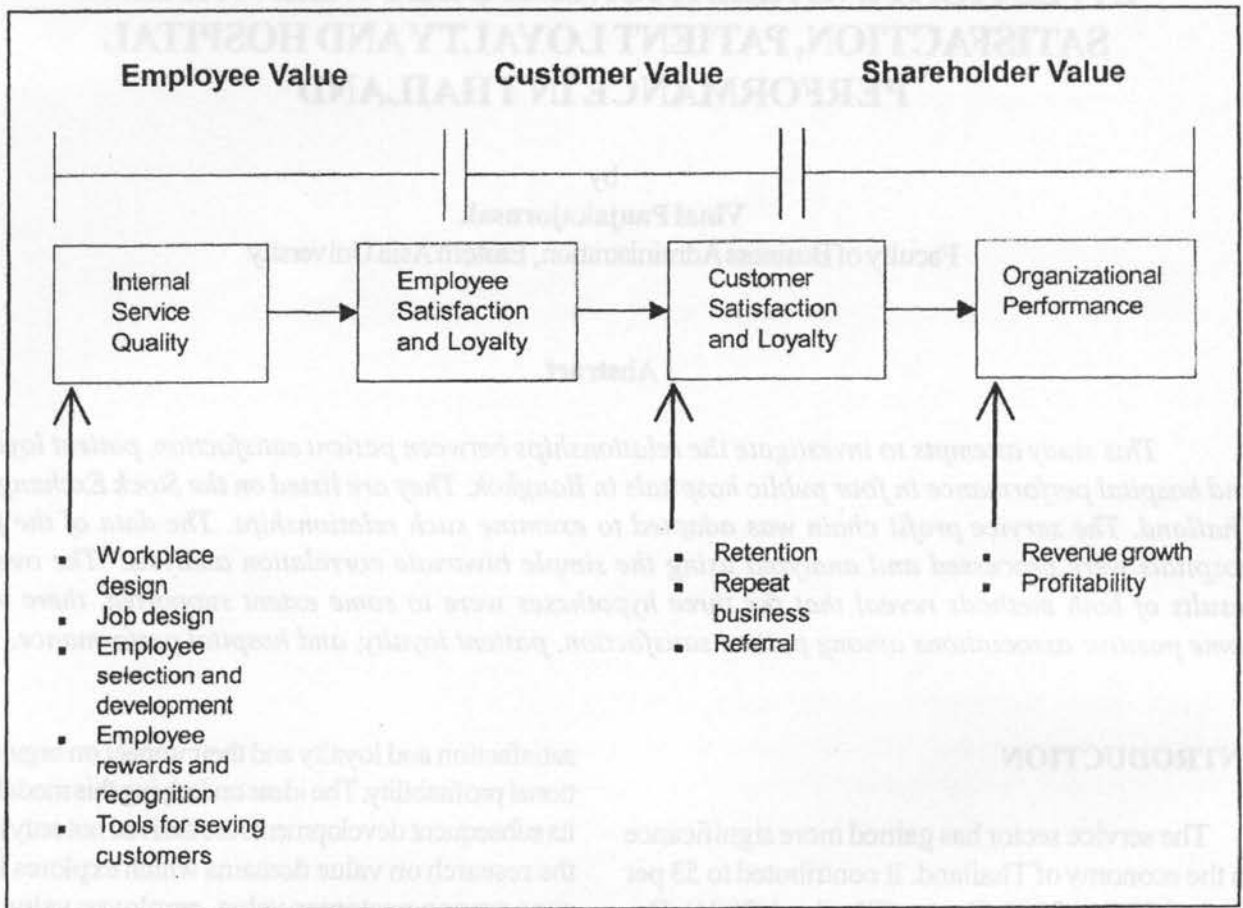### Concepts of the Service Profit Chain

Heskett *et al.* (1994, 1997) laid out a series of hypothesized links in achieving success in service businesses and developed the service profit chain model as shown in Figure 1. The service profit chain highlights the behaviors required of service organizations in order to manage effectively. The links (Fitzsimmons and Fitzsimmons, 2004), are explained as follows:

Figure 1: The Service Profit Chain

Source: Adapted from Heskett *et al.* (1994, 1997, 2003)

1. Customer loyalty drives profitability and growth.

2. Customer satisfaction drives customer loyalty.

3. Service value drives customer satisfaction. Customer value is measured by comparing results received to the total costs incurred in obtaining the service.

4. Employee retention and productivity drives service value.

5. Employee satisfaction drives retention and productivity. In most service jobs, the real cost of employee turnover is the loss of productivity and decreased customer satisfaction.

6. Internal quality drives employee satisfaction. Internal service quality describes the environment in which employees work and includes employee selection and development, rewards and recognition, access to information to serve the customer, workplace technology, and job design.

The central component of the model is customer value, suggesting that the value of goods and services delivered to customers is equivalent to the results cre-

ated for them as well as the quality of the processes used to deliver the results, all in relation to the price of the service to the customer and other costs incurred by the customers in acquiring the service (Heskett *et al.*, 1997).

The Three Stakeholders

As pointed out by and Payne and Holt (2001), the concept of value has received increasing interest in the relationship marketing literature and is regarded as a major source of competitive advantage. They suggest that, among many stakeholders of an organization, three stakeholder groups (employees, customers and shareholders), are becoming the central focus for organizations. There has been much research that has supported the relationships in the elements of the SPC (e.g. Hallowell, 1996; Rucci *et al.*; 1998, Bernhardt et al. 2000; Lau, 2000).

The Service Profit Chain in Thailand

After an extensive literature search of academic work, relatively no research in Thailand has been found to study all the elements in the SPC and the past re-

search so far has examined only one or two elements in the SPC. It was found that there are around half a dozen books on services marketing and some books and articles on customer relationship management (Tonsorn, 2003, Chaoprasert, 2004), the Balanced Scorecard (Decharin, 2003 and 2004), and Six Sigma (Lertwatthanapongchai, 2002; Kaycharanan *et al.*, 2004). Most of these Thai articles and books are translated or compiled from Western books or academic articles. None of them deals specifically with linking relationship between employees, customers and shareholders.

An important factor that has been empirically found to affect the same variables in different countries is national culture. One significant study on national cultures that is relevant to the Thai context is the research of Hofstede (1980). He conducted a study between 1967 and 1973 among employees of subsidiaries of a large US-based multinational corporation in 40 countries around the world to determine empirically the main criteria by which their national cultures differed. He found four criteria which he labeled dimensions; they are Power Distance, Uncertainty Avoidance, Individualism-Collectivism, and Masculinity-Femininity.

Two dimensions that are directly relevant to the Thai society are the Individualist-Collectivist Dimension and the Power Distance Dimension. The Individualism-Collectivism Dimension indicates the degree to which individuals are integrated into groups and the degree to which individuals are more inclined to look after themselves, and where their ties to each other are quite loose. Plotting the countries comparatively between these two dimensions, Thailand ranked 41st, indicating a strongly "collectivist" society characterized by a tight social framework of strong, integrated in-groups. The Power Distance Dimension indicates the extent to which a society accepts the fact that power in institutions and organizations is distributed unequally. On this dimension, Thailand ranked 21st, implying that Thai people of both junior and senior ranks expect to have greater hierarchical gaps among levels of management.

HYPOTHESES DEVELOPMENT

Operationalization of the Constructs and Hypotheses

As discussed previously, the available studies only

deal with one or two elements of the SPC, mostly customers. Relatively few studies have examined the relationships of all elements in the SPC. This is due to the fact that all data of measures of employee satisfaction and loyalty, customer satisfaction and loyalty, and financial performance, are needed at the same unit of analysis of the firm. Very few firms collect all the required data (Loveman, 1998, Kamakura *et al.*, 2002, Neely *et al.*, 2002). Therefore, taking into account the past research and the concepts of the SPC, this study's objective is to investigate the relationships between three key elements in four public hospitals in Bangkok, particularly patient satisfaction, patient loyalty and shareholders (hospital financial performance).

Customer satisfaction

Customer satisfaction has long been recognized as a central concept and an important goal of all businesses ((Bernhardt *et al.*, 2000; Chan *et al.*, 2003; Gupta *et al.*, 2003). Customer satisfaction is frequently cited as a key of non-financial measure of a firm and its management's performance (Gupta *et al.*, 2003). For this research, patient satisfaction is recognized as a profitable competitive strategy and many research studies on patient satisfaction have been conducted and supported (Andaleeb, 1998).

Satisfaction is a customer's post-purchase evaluation and affective response to overall service experience (Oliver, 1992). Past research has indicated that customer satisfaction is a reliable predictor and thus an antecedent to repurchase intentions (Patterson and Spreng, 1997). Customer satisfaction is considered to be the most basic of customer concepts and is defined as the customers' evaluation of a product or service in terms of whether that product or service has met their needs and expectations (Zeithaml and Bitner, 2000).

H 1: Patient satisfaction is positively associated with hospital performance.

Customer loyalty

Customer loyalty has been recognized by researchers as consisting of two components, attitudinal and behavioral (Dick and Basu, 1994; Too *et al.*, 2001; Peppers and Rogers, 2004). Customer loyalty as an attitude is defined as the different feelings a customer has toward a product or service that lead to the creation of the overall attachment (Hallowell, 1996) and is derived from a customer's intent to repurchase (Lau,

2000). As a behavior, customer loyalty, such as repeat purchase and recommendations or referrals, results from a customer's belief that the value received from one supplier is greater than that from another supplier (Hallowell, 1996) and is derived from customer satisfaction (Lau, 2000).

H 2: Patient satisfaction is positively associated with patient loyalty.

Organizational performance

Organizational performance is defined as the accumulated end results of all the organization's work processes and activities (Robbins and Coulter, 2002). The most used measures for organizational performance include organizational productivity, organizational effectiveness, and industry rankings. It can be classified into two major types; financial and non-financial measures. In regard to the hospital performance, several financial and non-financial indicators have been used. In a study by Naidu et al. (1999), six performance indicators were used to study their relationships with relationship marketing practices in US hospitals; (1) occupancy rates, (2) admissions per bed, (3) net income margin, gross patient revenue per patient day, total profit margin, and uncollectible ratio. The key measures of hospital financial performance used in another study included earnings before depreciation, interest, and taxes per bed, net revenue per bed, and return on assets (Nelson *et al.*, 1992).

H 3: Patient loyalty is positively associated with hospital performance.

Based on the literature review on the service profit chain, a model of patient satisfaction, patient loyalty, and hospital performance is thus proposed in Figure 2.

Figure 2: The Proposed Model of Patient Satisfaction, Patient Loyalty, and Hospital Performance
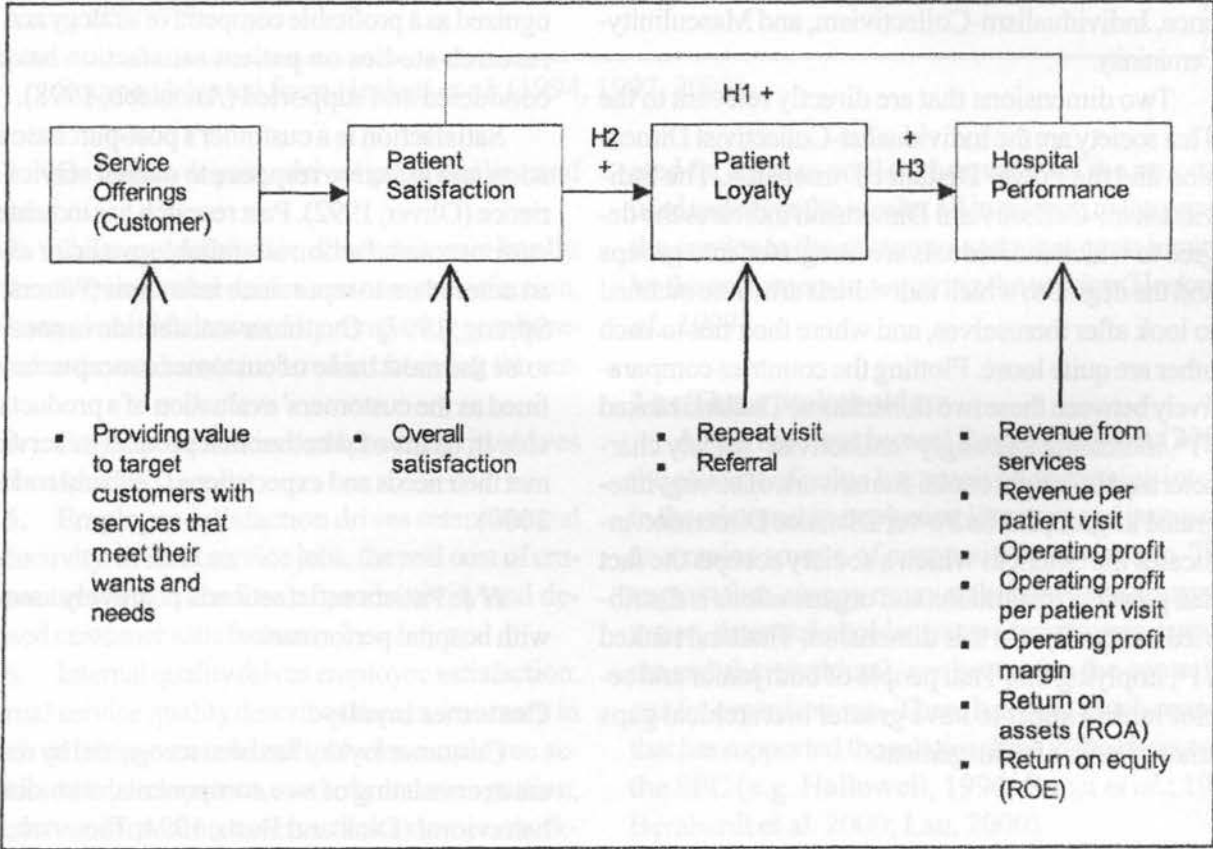
Source: Adapted from Heskett et al. (1994, 1997, 2003)

RESEARCH METHODOLODY

Research Design

The purpose of the study is to examine the relationships between patient satisfaction, patient loyalty and hospital performance. It is a cross-sectional study using both personal interviews and secondary data from the years 2001 to 2003 to test the hypotheses. The correlation analysis was used to study the data of the four hospitals. The three constructs in this study are measured as shown in Table 1.

Sampling

The target population of the study was all 12 hospitals listed on the Stock Exchange of Thailand (SET). However, only eight hospitals were chosen as the sample group because they are all located in Bangkok. The other four hospitals are located in other provinces and thus beyond the research resources available as the study used both personal interviews and historical data of their patient surveys to investigate and answer the research questions and hypotheses. Thus, the sample group was the eight listed hospitals in Bangkok. Listed hospitals in the SET were selected as the sample group of this study because they usually conduct regular patient satisfaction surveys and their financial data are publicly available and reliable.

Data Collection

The data collection for the study was divided into two phases; 1) personal interviews and 2) obtaining patient surveys and other relevant data of the four participating hospitals.

Phase I

The eight hospitals were first contacted in early March 2004 by mailing them a formal letter that indicated the purpose and significance of the study and requesting their cooperation for an interview with one of their senior managers and for their patient survey data for the past three consecutive years (2001-2003). If they agreed to participate in the research, their senior managers would sign a consent letter and their managers who were interviewees would sign a consent form. After receiving their written approval to conduct the research, only four hospitals agreed to participate at the end of March 2004. Personal interviews were arranged with their senior managers to ask them about how they conduct patient surveys and to obtain samples of the questionnaires and survey data which are in Thai.

The type of interviews used in this study was face-to-face interviews. The semi-structured interview method was selected to ask the four senior managers prepared questions about their experience and views

Table 1: Constructs and measures used in the study

Constructs	Measures used
Patient satisfaction	Overall satisfaction scores
Patient loyalty	1) Referrals (willingness to recommend to others) 2) Repeat visits (intention to return)
Hospital performance	1) Operating profitsOperating profit per patient 2) Operatingprofit per patient visit 3) Revenue from services 4) Revenue from services per patient visit 5) Operating profit margin 6) Return on asset (ROA) 7) Return on equity (ROE)

Source: Developed for this study

because it was already known at the beginning of the study what information was needed. A list of pre-determined questions was posed to the four respondents. As they revealed their views and comments, the answers were noted down as tape-recording was not allowed. The same questions were asked of the four respondents in the same manner. The interviews lasted about 30-45 minutes and ended by thanking them and reassuring them that what they had said would be treated as confidential. After that, appointments were made to collect results of survey data and other relevant data.

Phase II

After their patient surveys of the past three consecutive years (2001-2003) were obtained in mid April 2004, they were checked for relevance for the study and how they could be processed and analyzed. The patient satisfaction and patient loyalty scores were derived from responses to two questions in the questionnaires. As regards the quarterly data of the hospital performance in the past three years (2001-2003) and the first quarter of 2004, it was accessed through the Stock Exchange of Thailand's online database. Other data such as numbers of patients, employees and beds were given by the hospitals. It was found that the survey data were usable and appropriate for the research purpose.

As the patient survey data were already collected by the four hospitals, the secondary data analysis method was used for this study. Contrary to primary research, the focus of secondary analysis is on analyzing existing data. It was found that the patient surveys were usable because their research designs, data collection, and data processing were appropriately conducted. The validity and reliability problems for this research do not develop and the survey data are suitable for the research objective and testing the three hypotheses and the four hospitals' data collection methods have not changed over time.

Data Analysis

The qualitative data derived from personal interviews of senior hospital managers were discussed and analyzed in the descriptive form. The patient survey data of the four sample hospitals were processed and analyzed using the Pearson bivariate correlation analysis method to investigate the relationships among patient satisfaction, patient loyalty, and hospital perfor-

mance. This correlation analysis of this study follows the same method used in previous research (Hallowell, 1996; Loveman, 1998; Silvestro and Cross, 2000). The data were analyzed using two methods. In Method I, the data of all four hospitals were processed and analyzed together as one aggregate. As for Method II, the data of each hospital were processed and thus analyzed separately in order to compare the results from this method with those of the first method. The objective of using two different methods is to ascertain whether there are any similarities and/or differences in both results.

FINDINGS AND DATA ANALYSIS

The sampling frame of the study was the eight listed hospitals located in Bangkok. They were contacted in March 2004 and four hospitals agreed to participate in the study, accounting for 50 percent of the sampling group. In addition to their different locations, the four hospitals differ in size and target patient groups. As they requested not to be identified, the hospitals were named Hospitals A, B, C and D, respectively, for anonymity purposes. Tables 2 shows the aggregate characteristics of all the four hospitals, including the customer value (patient satisfaction and loyalty) and shareholder value (seven measures of hospital performance measures) as a whole.

6

Table 2: Aggregate characteristics of the sample hospitals

Data	2001	2002	2003	Average per year
Number of employees	3,077	3,521	3,305	3,301
Number of patients	1,039,451	1,082,417	1,078,472	1,066,780
Number of beds	1,235	1,325	1,285	1,282
Overall satisfaction (%)	72.62	79.77	88.31	80.23
Referrals (%)	-	81.77	92.02	86.9
Repeat visits (%)	-	94.68	97.33	96
Revenue from services (baht)	1,969,836,538	2,312,538,462	2,537,283,018	2,273,219,339
Revenue from services per patient visit (baht)	23,969	99,555	94,125	72,549
Operating profit (baht)	-123,259,616	157,038,461	149,669,811	61,149,552
Operating profit per patient visit (baht)	-1,167	3,451	3,611	1,965
Operating profit margin (%)	0.39	10.73	9.11	6.74
ROA (%)	4.61	0.94	0.6	2.05
ROE (%)	15.30	0.88	0.65	5.61

Source: Developed for this study

The data of the sample hospitals were processed using the SPSS for Windows, version 11. Pearson bivariate correlation analysis was used to study relationships between all measures of the three constructs.

FINDINGS

Results of Personal Interviews

Personal interviews were conducted with senior managers of the four sample hospitals to obtain relevant qualitative data. The objectives of the interviews were as follows:

1. To ascertain whether their available data of patient surveys were relevant and appropriate for the purpose of this study.

2. To get their comments on the concepts of the service profit chain.

3. To obtain their personal opinions about the listed hospitals in Thailand.

The results of interviews can be summarized below:

1) The four managers were responsible for conducting patient satisfaction surveys and reporting the results to top management and departments concerned to improve the hospitals' service quality. They had working experience in this position for more than 3 years on average.

2) The four hospitals conducted patient surveys on a monthly or quarterly basis. The questionnaires used were designed and processed by their staff and those of three hospitals (A, C and D) had similar format and wording. The fourth one (B)'s questionnaire was more simple than the other three and did not include any questions to measure patient loyalty, but they planned to adjust it to include more relevant questions in the next questionnaire. All the four hospitals conducted monthly or quarterly patient surveys and reported the survey results to senior executives every month.

3) The interviewees generally agreed with the concepts of the proposed model that patient satisfaction, patient loyalty, and hospital performance should be related. However, the extent of the links between the elements in the model was not clear. Given the fact that they made changes and improvement based on the patient survey results, it was, thus, assumed in this study that the patient satisfaction in the following

months should improve or at least remain stable. However, they had never conducted employee surveys on their satisfaction and loyalty to the organizations and employee satisfaction with services they render to patients.

4) As regards their opinion about the listed hospitals in general, the health care services they provided were similar to those of other hospitals. The services could be divided into two types: general treatment and specialized treatment. It was revealed that the listed hospitals in Thailand adopt a "follower" strategy, meaning that they normally begin to offer new services after other hospitals have done.

DATA ANALYSIS

This part is divided into two methods of analysis. First, data of all sample hospitals were standardized, processed and analyzed collectively (Method I). The proposition is that there is a relationship between variables and is based on the assumption that the principles of the service profit chain model should apply across subjects, the four sample hospitals in this case. Second, the data of each hospital were processed and analyzed separately because their questionnaire designs were different and the data of each hospital were not complete (Method II). That is, of the four sample hospitals, the survey data of three hospitals (A, C and D) could be analyzed to test the relationships of patient loyalty construct with satisfaction and hospital performance constructs. In addition, the data on the loyalty construct of the two hospitals (A and C) were available for only two years (2002-2003) and one year (2003) for Hospital D. Quarterly satisfaction scores of each hospital were derived from combining the monthly data and dividing it by 3.

The three-year patient survey data of each hospital were processed with the SPSS for Windows, version 11. The level of statistical significance was set at 0.05. The values of relationships above 0.05 (p> 0.05) are considered statistically significant.

The variables used in the study are now explained.

1. Patient satisfaction (SAT) refers to the overall satisfaction scores derived from each hospital's patient surveys in the past three years, 2001-2003.

2. Referral (REF) refers to the scores derived from the answer to a question in the patient survey questionnaire that asks whether the patient respondent would recommend others to use the hospital's services.

3. Return visit (RET/V) refers to the scores derived from the answer of a question in the patient survey questionnaire whether the respondents would return to the hospital if they felt unwell.

4. Operating profit (OP) is derived from the operating profit in each quarter from the years 2001 to 2003.

5. Operating profit per patient (OP/P) is derived from the operating profit divided by the number of all patients in each quarter.

6. Revenue (REV) is the net revenue from providing medical services.

7. Revenue per patient (REV/P) is the net revenue from services divided by the number of all patients in each quarter.

8. Operating profit margin (OPM) is calculated by dividing operating profit by total revenue.

9. Return on assets (ROA) is calculated by dividing net revenue by total assets of each quarter.

10. Return on equity (ROE) is calculated by diving net income by shareholders' equity in each quarter.

* Patient satisfaction represents the customer satisfaction construct.

* Referrals and return visits represent the customer loyalty construct.

* The seven measures of financial performance (4-10) represent the organizational or hospital performance.

It should be mentioned here that the numerical data in the descriptive statistics for both methods of analysis are expressed in many digits because there were not as many data points. In addition, "N" represents the number of variables used in each set of the computations. Results from both methods are now discussed.

Method I

This method is based on the assumption that relationships between the variables in the service profit chain should hold for all service firms, so all variables of the four sample hospitals were standardized and analyzed in the aggregate.

Table 3 shows the interrelationships of variables for all hospitals. The available data of patient surveys were used to test the relationships of both measures of the patient loyalty construct, referrals and repeat visits.

Table 3: Pearson Correlation Matrix of Variables for All Sample Hospitals

	SAT	REF	REP/V	OP	OP/P	REV	REV/P	OPM	ROA	ROE
SAT	1	.527**	.989**	.103	.058	-.054	.001	.120	-.260	-.273
REF		1	.998**	-.149	.018	.330	.324	-.337	-.271	-.265
REP/V			1	-.028	-.010	-.407	-.353	-.012	-.287	-.150

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).
Source: Developed for this study

Table 4 summarizes the results of hypotheses testing for all hospitals

Table 4: Research Question, Hypotheses, and Results of All Samples

Research Question	Related Hypotheses	Results
Are there any relationships between patient satisfaction patient loyalty and hospital performance?	H 1: Patient satisfaction is positively associated with seven measures of hospital performance: (1) Operating profit (2) Operating profit per patient visit (3) Revenue (4) Revenue per patient visit (5) Operating profit margin (6) Return on assets (7) Return on equity	(1) Not Supported (2) Not Supported (3) Not Supported (4) Not Supported (5) Not Supported (6) Not Supported (7) Not Supported
	H 2: Patient satisfaction is positively associated with two measures of patient loyalty: (1) Referrals (2) Repeat visits	**(1) Supported** **(2) Supported**

	H 3: Patient loyalty (referrals and return visits) is positively associated with seven hospital performance measures:
	(a) Referrals
	  (1) Operating profit
	  (2) Operating profit per patient visit
	  (3) Revenue
	  (4) Revenue per patient visit
	  (5) Operating profit margin
	  (6) Return on assets
	  (7) Return on equity
	(b) Repeat visits
	  (1) Operating profit
	  (2) Operating profit per patient visit
	  (3) Revenue
	  (4) Revenue per patient visit
	  (5) Operating profit margin
	  (6) Return on assets
	  (7) Return on equity
		
		(1) Not Supported
		(2) Not Supported
		(3) Not Supported
		(4) Not Supported
		(5) Not Supported
		(6) Not Supported
		(7) Not Supported
		
		(1) Not Supported
		(2) Not Supported
		(3) Not Supported
		(4) Not Supported
		(5) Not Supported
		(6) Not Supported
		(7) Not Supported

Source: Developed for this study

The overall results of all hospitals indicate that patient satisfaction was positively associated with the two measures of patient loyalty only.

Method II

The output of data in Method II was derived from processing the data of each hospital separately for the academic purpose. Thus, the results of each hospital are explained next.

Hospital A

Table 5 shows the interrelationships of variables for Hospital A. The available data of patient surveys of this hospital were used to test the relationships of both measures of the patient loyalty construct, referrals and repeat visits.

Table 6 summarizes the results of hypotheses testing for Hospital A.

Table 5: Pearson Correlation Matrix of Variables for Hospital A

	SAT	REF	REP/V	OP	OP/P	REV	REV/P	OPM	ROA	ROE
SAT	1	.224	.475	.408	.386	.332	.186	.042	.368	.624*
REF		1	.782*	-.065	-.087	.352	.251	-.262	-.005	.118
REP/V			1	.364	.343	.398	.331	.163	.305	.502

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).
Source: Developed for this study

Table 6: Research Question, Hypotheses and Results of Hospital A

Research Question	Related Hypotheses	Results
Are there any relationships between patient satisfaction patient loyalty and hospital performance?	**H 1: Patient satisfaction is positively associated with seven measures of hospital performance:** (1) Operating profit (2) Operating profit per patient visit (3) Revenue (4) Revenue per patient visit (5) Operating profit margin (6) Return on assets (7) Return on equity	(1) Not Supported (2) Not Supported (3) Not Supported (4) Not Supported (5) Not Supported (6) Not Supported (7) Not Supported
	H 2: Patient satisfaction is positively associated with two measures of patient loyalty: (1) Referrals (2) Repeat visits	(1) **Supported** (2) **Supported**
	H 3: Patient loyalty (referrals and return visits) is positively associated with seven hospital performance measures: (a) Referrals (1) Operating profit (2) Operating profit per patient visit (3) Revenue (4) Revenue per patient visit (5) Operating profit margin (6) Return on assets (7) Return on equity (b) Repeat visits (1) Operating profit (2) Operating profit per patient visit (3) Revenue (4) Revenue per patient visit (5) Operating profit margin (6) Return on assets (7) Return on equity	 (1) Not Supported (2) Not Supported (3) Not Supported (4) Not Supported (5) Not Supported (6) Not Supported (7) Not Supported (1) Not Supported (2) Not Supported (3) Not Supported (4) Not Supported (5) Not Supported (6) Not Supported (7) Not Supported

Source: Developed for this study

Hospital B

The available patient survey data of Hospital B could be tested for only Hypothesis 1. Table 7 demonstrates the interrelationships between patient satisfaction and seven measures of hospital performance of this hospital.

Table 8 illustrates the results for patient satisfaction and each measure of hospital performance.

Hospital C

The overall findings of Hospital C support only the first hypothesis.

The patient survey data of this hospital were used to test one measure of patient loyalty, referrals, in 2002 and 2003. Table 9 illustrates the interrelationships between patient satisfaction, patient loyalty and hospital performance of Hospital C.

Table 7: Pearson Correlation Matrix of Variables for Hospital B

	SAT	OP	OP/P	REV	REV/P	OPM	ROA	ROE
SAT	1	-.001	-.057	.313	.018	-.009	-.098	-.268

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).
Source: Developed for this study

Table 8: Research Question, Hypotheses and Results of Hospital B

Research Question	Related Hypotheses	Results
Are there any relationships between patient satisfaction patient loyalty and hospital performance?	H 1: Patient satisfaction is positively associated with seven measures of hospital performance: (1) Operating profit (2) Operating profit per patient visit (3) Revenue (4) Revenue per patient visit (5) Operating profit margin (6) Return on assets (7) Return on equity	(1) Not Supported (2) Not Supported (3) Not Supported (4) Not Supported (5) Not Supported (6) Not Supported (7) Not Supported

Source: Developed for this study

Table 9: Pearson Correlation Matrix of Variables for Hospital C

	SAT	REF	OP	OP/P	REV	REV/P	OPM	ROA	ROE
SAT	1	.160	.630	.637*	.849**	.885**	.685*	-.754*	-.758*
REF		1	-.205	-.211	.309	.295	-.237	-.170	-.176

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).
Source: Developed for this study

Table 10 illustrates the results of hypothesis testing for Hospital C

Hospital D
The overall results of this hospital imply that patient satisfaction was positively associated with only one measure of hospital performance, that is, revenue.

The patient survey data of this hospital were used to test one measure of patient loyalty, referrals, in the year 2003 only. Table 11 reveals the interrelationships between patient satisfaction, patient loyalty and hospital performance of Hospital D.

Table 10: Research Question, Hypotheses and Results of Hospital C

Research Question	Related Hypotheses	Results
Are there any relationships between patient satisfaction, patient loyalty and hospital performance?	H 1: Patient satisfaction is positively associated with seven measures of hospital performance: (1) Operating profit (2) Operating profit per patient visit (3) Revenue (4) Revenue per patient visit (5) Operating profit margin (6) Return on assets (7) Return on equity	(1) Not Supported (2) **Supported** (3) **Supported** (4) **Supported** (5) **Supported** (6) **Supported** (7) **Supported**
	H 2: Patient satisfaction is positively associated with one measure of patient loyalty: (1) Referrals	(1) Not Supported
	H 3: Patient loyalty (Referrals) is positively associated with hospital performance measures: (1) Operating profit (2) Operating profit per patient visit (3) Revenue (4) Revenue per patient visit (5) Operating profit margin (6) Return on assets (7) Return on equity	(1) Not Supported (2) Not Supported (3) Not Supported (4) Not Supported (5) Not Supported (6) Not Supported (7) Not Supported

Source: Developed for this study

Table 11: Pearson Correlation Matrix of Variables for Hospital D

	SAT	REF	OP	OP/P	REV	REV/P	OPM	ROA	ROE
SAT	1	.908	.343	.212	.700**	-.175	.260	-.496	-.502
REF		1	.639	.551	.940	-.538	.603	.716	.705

* Correlation is significant at the 0.05 level (2-tailed).
** Correlation is significant at the 0.01 level (2-tailed).
Source: Developed for this study

12

Table 12 illustrates the results of hypothesis testing for Hospital D.

Analytical Comparison of Results from Methods I and II

The results obtained from both methods of analysis reveal that there are some noteworthy differences. First of all, in Method I, patient satisfaction was positively related to only the two measures of patient loyalty, referral and return visit, but not related to any of the seven measures of hospital performance. On the contrary, in Method II, patient satisfaction was correlated with almost all the seven measures of hospital performance (except for Hospital B in which no relationships were found), but had no correlation with the two measures of patient loyalty. Nevertheless, in the case of Hospital B, although no associations between patient satisfaction and hospital performance measures were found, the relationships between patient satisfaction and patient loyalty and between patient loyalty and hospital performance measures cannot be tested because this hospital did not have any data that could be used to represent patient loyalty measures

of referrals and return visits.

The findings imply that the hypotheses stating that there are relationships between three elements of the service profit chain model (SPC), customer satisfaction/loyalty and organizational performance, are supported to some extent in this study. This may be due to the fact that the samples used in the study were too small, that is only four hospitals. In addition, the data on patient loyalty of each hospital were not complete in all four quarters of the three-year period between 2001 to 2003. Therefore, the results can be concluded on a limited extent to only the sample hospitals in the study. More empirical research is warranted to replicate this study to get more conclusive results.

CONCLUSIONS

This study is probably the first that attempted to empirically examine three key elements of the service profit chain (SPC), that is, patient satisfaction, patient loyalty, and hospital performance. The purpose of the study was to test whether these three variables were

Table 12: Research Question, Hypotheses and Results of Hospital D

Research Question	Related Hypotheses	Results
Are there any relationships between patient satisfaction, patient loyalty and hospital performance?	H1: Patient satisfaction is positively associated with seven measures of hospital performance: (1) Operating profit (2) Operating profit per patient visit (3) Revenue (4) Revenue per patient visit (5) Operating profit margin (6) Return on assets (7) Return on equity	(1) Not Supported (2) Not Supported (3) Supported (4) Not Supported (5) Not Supported (6) Not Supported (7) Not Supported
	H2: Patient satisfaction is positively associated with one measure of patient loyalty: (1) Referrals	(1) Not Supported
	H 3: Patient loyalty (Referrals) is positively associated with seven measures of hospital performance: (1) Operating profit (2) Operating profit per patient visit (3) Revenue (4) Revenue per patient visit (5) Operating profit margin (6) Return on assets (7) Return on equity	(1) Not Supported (2) Not Supported (3) Not Supported (4) Not Supported (5) Not Supported (6) Not Supported (7) Not Supported

Source: Developed for this study

associated in any significant way. The units of analysis were four hospitals listed on the Stock Exchange of Thailand. It started with an overview of the Thai service sector of the economy and followed with a review of the health care and Thai hospital industry. After that, it reviewed past literature related to the SPC model and its key components, explained the intellectual roots, and proposed the adapted version of the SPC to investigate patient satisfaction, patient loyalty and hospital performance. It then described how the three constructs were operationalized and some limitations of the study. Next, the design of the research, sampling, data collection, data management, and data analysis were described. Finally, the findings of this study were presented and analyzed.

The analysis of the relationships between variables was divided into two methods. Method I standardized and analyzed the data of all four hospitals. As for Method II, the data of each hospital were processed and analyzed separately. The overall results of both methods reveal that the three hypotheses were to some extent supported that there were some positive associations among patient satisfaction, patient loyalty, and hospital performance.

Implications for Practice and Theory

Implications for Marketing Practitioners and Senior Executives

1)   In the introduction of new services or improvement of existing services, service firms should consider first the value that target customers will receive from paying for the services before the services are created. This can be done by conducting focus groups of existing and potential patients. After the new service is launched, top management and senior executives of listed hospitals need to pay special attention and get involved in the service delivery process. As pointed out in many studies (Heskett *et al.*, 1997; Reichheld, 2003), top management in outstanding service firms are committed to the importance of employee and customer loyalty by treating their employees right to deliver superior value to customers.

2)   Given the fact that Thai people are highly relationship-oriented, service firms should attempt to implement relationship marketing programs which enhance customer satisfaction and loyalty, which in turn can lead to growth and profitability on a long-term basis. The internal marketing within firms is also required to make all departments in the firms function effectively to support the marketing concept that the

purpose of any business is to create satisfied customers. However, most researchers emphasize that long-term relationships between customers and firms must be reciprocal. That is, a relationship still continues as long as both the customers and firms can benefit from it.

3)   As Leisen and Hyman (2004) suggest, patient satisfaction is a subjective evaluation of services received from health care providers. Patients are satisfied when performance meets or exceeds their expectation. As patient expectations become latent over time, they suggest that a performance-only appraisal is most appropriate in a health care context. Patient satisfaction is, therefore, an attitude that reflects patients' post-exposure likes and dislikes of medical services. They indicate that patient satisfaction can change rapidly because healthcare-related expectations shift over time. Thus, it is recommended that hospitals should make regular surveys of patient satisfaction and loyalty.

4)   Hospitals' executives need to monitor that the values or benefits that their key stakeholders (employees, patients and shareholders) receive are profitably and appropriately balanced in the long run.

5)   Last but not least, hospitals are recommended to conduct regular patient surveys monthly or quarterly, with questions that can measure patient loyalty such as referrals, intention to return, included in their questionnaires. Moreover, they should also undertake employee surveys to measure their satisfaction and loyalty in order to link the results with patient satisfaction/loyalty and company performance measures.

Implications for Academics

First, more empirical research needs to be conducted to examine the key elements in the proposed model, patient satisfaction/loyalty and hospital performance, in the healthcare market. Moreover, attempts should be made to investigate all the elements in the SPC model, from employees to customers to firm performance in the listed hospitals. This requires complete data on employee satisfaction and loyalty, patient satisfaction and loyalty, and measures of hospital performance. More samples of hospitals are needed to obtain more satisfactory conclusions. It will certainly take some time before all necessary data is available.

Second, research in other service industries, such as banks, hotels, life insurance firms, and retailers, is recommended to investigate all elements in the SPC

model or at least the three elements in this study to determine whether the concepts are applicable to service firms in Thailand.

Third, causal models should to be developed and tested in service firms, provided that all relevant data is available. It is noted that relationships between variables in the service profit chain model may not necessarily be linear as pointed out by some academics (Dean, 2004). Lastly, the proposed model of patient satisfaction, patient loyalty, and hospital performance was rather simple. Subsequent studies should investigate by integrating other moderating or intervening variables such as trust, customer commitment, and length of relationship, which have been found in previous empirical research to affect relationship outcomes.

REFERENCES

Bank of Thailand. 2004, *Economic and Financial Statistics*, fourth quarter, pp.149 and 153.

Bernhardt, K.L., Donthu, N. and Kennett, P.A. 2000, "A Longitudinal Analysis of Satisfaction and Profitability", *Journal of Business Research*, 47, pp.161-171.

Chaoprasert, C. 2003, *Service Quality Improvement in Banking Industry*, DBA research paper, University of South Australia, Adelaide, Australia.

Chaoprasert, C. 2004, *Service Marketing*, Se-Education Publisher, Bangkok, Thailand.

Choi, K.S., Cho, W.H., Lee, S., Lee, H. and Kim, C. 2004, "The relationships among quality, value, satisfaction and behavioral intention in health care provider choice: A South Korean study", *Journal of Business Research*, 57, pp.913-921.

Dean, A.M. 2004, "Links between organizational and customer variables in service delivery: Evidence, contradictions and challenges", International Journal of Service Industry Management, Vol.15, No.4, pp.332-350.

Decharin, P. 2003, *Balanced Scorecard*, 2nd, Chulalongkorn University Press, Bangkok, Thailand.

Decharin, P. 2004, "Implementing the Balanced Scorecard in Thailand Listed Companies", *Chulalongkorn Review*, Vol.62, January-March.

Dick, A.S. and Basu, K. 1994, "Customer Loyalty:

Toward an Integrated Conceptual Framework", *Journal of the Academy of Marketing Science*, Vol.22 No.2, pp.99-113.

Gupta, M., Narasimhan, C., Niraj, R. and Foster, G. 2003, *Understanding Customer Level Profitability Implications of Satisfaction Programs*, Working Paper Series, Teradata Center for Customer Relationship Management, Duke University.

Hallowell, R. 1996, "The relationships of customer satisfaction, customer loyalty, and profitability: an empirical study", *International Journal of Service Industry Management*, Vol.7 No.4, pp.27-47.

Heskett, J.L., Jones, T.O., Loveman, G.W., Sasser Jr, W.E. and Schlesinger, L.A. 1994, "Putting the Service Profit Chain to Work", *Harvard Business Review*, March-April, pp.164-74.

Heskett, J.L., Sasser Jr, W.E and Schelesinger, L.A. 1997, *The Service Profit Chain*, The Free Press, New York, NY.

Heskett, J.L., Sasser Jr, W.E and Schelesinger, L.A. 2003, *The Value Profit Chain*, The Free Press, New York, NY.

Hofstede, G. 1980, "Motivation, Leadership, and Organization: Do American Theories Apply Abroad?", *Organizational Dynamics*, Summer, pp.42-63.

Kamakura, W.A., Mittal, V., de Rosa, F. and Mazzon, J.A. 2002, "Assessing the Service Profit Chain", *Marketing Science*, Vol.21 No.3 Summer, pp.294-317.

Kaycharanan, N, Patpu, T., Thong-in, C. 2004, Six Sigma, 3nd, ExpertNet, Bangkok.

Lau, R.S.M. 2000, "Quality of work life and performance: An ad hoc investigation of two key elements in the service profit chain model", *International Journal of Service Industry Management*, Vol.11 No.5, pp.422-437.

Leisen, A. and Hyman, M.R. 2004, "Antecedents and consequences of trust in a service provider: The case of primary care physicians", *Journal of Business Research*, 57, pp.990-999.

Lertwatthanapongchai, S. 2002, *Six Sigma*, Se-Education Publishing, Bangkok.

Loveman, G.W. 1998, "Employee Satisfaction, Customer Loyalty, and Financial Performance: An Empirical Examination of the Service Profit Chain in Retail Banking", *Journal of Service Research*, Vol.1 No.1, August, pp.18-31.

Naidu, G.M., Parvatiyar, A., Sheth, J.N. and Westgate, L. 1999, "Does Relationship Marketing Pay? An Empirical Investigation of Relationship Marketing Practices in Hospitals", *Journal of Business Research*, 46, pp.207-218.

Neely, A., Adams, C. and Kennerley, M. 2002, *The Performance Prism*, Pearson Education Ltd., Great Britain.

Nelson, E.C., Rust, R.T., Zahorik, A.J., Rose, R.L., Batalden, P. and Siemanski, B.A. 1992, "Do Patient Perceptions of Quality Relate to Hospital Financial Performance?", *Journal of Health Care Marketing*, December, pp.6-13.

Neuman, W.L. 2003, *Social Research Methods*, 5th, Allyn and Bacon, Boston, MA.

Oliver, R.L. 1992, "An investigation of the attribute basis of emotion and related effects in consumption: suggestions for a stage-specific satisfaction framework", in Sherry, J. and Sternthal, B. (Eds), *Advances in Consumer Research*, Vol.19, Association for Consumer Research, pp.237-244.

Patterson, P.G. and Spreng, R.A. 1997, "Modeling the relationship between perceived value, satisfaction and repurchase intentions in a business-to-business, services context: an empirical examination", *International Journal of Service Industry Management*, Vol.8 No.5, pp.414-434.

Payne, A., and Holt, S. 2001, "Diagnosing Customer Value: Integrating the Value Process and Relationship Marketing", *British Journal of Management*, Vol.12, pp.159-182.

Peppers, D and Rogers, M. 2004, *Managing Customer Relationships: A Strategic Framework*, John Wiley & Sons, Inc., New Jersey.

Reichheld, F.F. and Sasser, W.E.Jr. 1990, "Zero defections: quality comes to services", *Harvard Business Review*, Vol.28, September-October, pp.105-111.

Robbins, S.P. and Coulter, M. 2002, *Management*, 7th ed., Pearson Education, NJ.

Rucci, A.J.; Kirn, S.P. and Quinn, R.T. 1998, "The Employee-Customer-Profit Chain at Sears", *Harvard Business Review*, January-February, pp.82-97.

Silvestro, R. and Cross, S. 2000, "Applying the service profit chain in a retail environment", *International Journal of Service Industry Management*, Vol.11 No.3, pp.244-68.

Tonsorn, M. 2003, *Customer Relationship Management*, 2nd, Top Publishing, Bangkok, Thailand.

Too, L.H.Y., Souchon, A.L. and Thirkell, P.C. 2001, "Relationship Marketing and Customer Loyalty in a Retail Setting: A Dyadic Exploration", *Journal of Marketing Management*, 17, pp.287-319.

Zeithaml, V.A. and Bitner, M.J. 2000, *Services Marketing*, 2nd ed, McGraw-Hill, New York, NY.

THE RELATIONSHIPS BETWEEN HUMAN CAPITAL, ENTREPRENEURIAL COMPETENCIES AND CAREER SUCCESS OF SME ENTREPRENEURS IN THAILAND

by
Chinintorn Nakhata
Department of Entrepreneurship, School of Business Administration, Bangkok University

Abstract

In order to survive and compete in the new knowledge-based economy, Thai SME entrepreneurs must enhance their human capital and entrepreneurial competencies. Thus, this study aims to provide a better understanding of the relationships between human capital and entrepreneurial competencies, and the career success of Thai SME entrepreneurs. The hypothesis testing from 388 questionnaires completed by Thai SME entrepreneurs showed that all three human capital and ten entrepreneurial competency factors evinced positive relationships with both objective and subjective career success. This implies that successful SME entrepreneurs are people who have relatively high levels of human capital and entrepreneurial competencies.

INTRODUCTION

Small and Medium Enterprises (SMEs) provide the solid foundation for Thailand's industrial development, their products being utilized in larger industries as semi-products or raw materials (Tapaneeyangkul, 2001). In addition to their industrial role, SMEs constitute the key element in gauging and linking all crucial units of industry together and in filling the small gaps in industrial clusters (Simachokedee, 1999). SMEs also compensate for the limited success that large enterprises in Thailand have had in generating jobs. The concentration of economic power and the financial and physical-capital-intensive nature of large enterprises are, in many instances, in direct conflict with the goals of the Thai government's social and economic development plan. In contrast SMEs employ a large proportion of the human capital, provide a productive outlet for expressing the entrepreneurial spirit of individuals, and assist in dispersing economic activity throughout the country. This makes SMEs more effective job creators than large enterprises; therefore, SMEs promote free enterprise and a sufficiency economy by creating wealth and spreading it out to the grassroots level, which stimulates the economic and social development of Thailand (Wasuntiwongse, 1999).

Entrepreneurs around the world can be divided into two types: opportunity-based and necessity-based (GEM, 2002; 2005). Opportunity-based entrepreneurs are entrepreneurs with high levels of human capital and entrepreneurial competencies. They choose to become SME entrepreneurs when they perceive business opportunities; thus, pursuing an entrepreneurial career is their choice. Necessity-based entrepreneurs, on the other hand, are entrepreneurs with low levels of human capital and entrepreneurial competencies. They generally lack other viable options for earning a living; thus, pursuing an entrepreneurial career is not their choice but a compulsion. As in other developing countries, a majority of SME entrepreneurs in Thailand have been identified as necessity-based entrepreneurs (GEM, 2004).

As human capital and entrepreneurial competencies can be improved through education and training (Parry, 1998), and as the career success of SME implies an improvement in SME entrepreneurs' quantity and quality of life (Lau, 2002), it is incumbent on potential and practicing SME entrepreneurs, consultants, educational-training program developers, academic researchers, and policy makers to improve their understanding of the effects of human capital and entrepreneurial competencies on the career success of SME entrepreneurs in Thailand. In other words, there is a need to gain a better understanding of the effects of human capital and entrepreneurial competencies

on the career success of SME entrepreneurs in Thailand. This study then addresses the research question: *To what extent are human capital and entrepreneurial competencie related to the career success of SME entrepreneurs in Thailand?*

LITERATURE REVIEW

The Oxford English Dictionary (2002) defines entrepreneurs as individuals who start or organize commercial enterprises. Schumpter (1934) states that entrepreneurs are the decision makers in a particular cultural context who command a range of behaviors that exploit certain opportunities. The idea that entrepreneurs function primarily as creators of innovation in the production process has influenced much of the literature on entrepreneurship in developed economies where entrepreneurs are commonly associated with the founding of business ventures (Chusimir, 1988; and Kirzner, 1979). However, in recent years, there has been an alternative explanation of entrepreneurial roles that focus more on the entrepreneurs' abilities to organize rather than to create, which has resulted in the interchangeable use of the terms *entrepreneurs and small business owners* (Spring & MacDade, 1998).

In Thailand, a majority of the SME entrepreneurs in the past had relatively little formal education. For example, Tambunlertchai (1986) found that 58.5% of SME entrepreneurs received only primary or secondary educations, while university graduates comprised only 14.5%. They were also unlikely to develop their performance through formal training programs, as they perceived that operational issues were more important than acquiring and developing new knowledge and skills. However, due to the knowledge-based economy that has been evolving since the late 1990s, the new generation of SME entrepreneurs is tending to pay more attention to the pursuit of higher education. Due to the characteristics of financial and SME development-service centers that are not fully developed, SME entrepreneurs in Thailand have relatively low level of entrepreneurial competencies compared to their counterparts in developed countries (Phagaphasvivat, 2002; and Wasuntiwongse, 1999).

Human Capital theory (Becker, 1964; 1993) posits that individuals with more or higher-quality human capital perform better at executing relevant tasks, so human capital pertains to individual knowledge and abilities that allow for changes in action and economic growth. Human capital may be developed through formal training and education aimed at updating and renewing an individual's capabilities in order to do well in society. Applying this theory to SME entrepreneurs, one expects a positive association between SME entrepreneurs' human capital and their performance and, subsequently, between their performance and their career success.

The concept of entrepreneurial competencies relates to entrepreneurs' performance (Draganidis and Mentaz, 2006). As entrepreneurs perform the roles of both owners and managers, it is believed that the areas of entrepreneurial competencies are broader than managerial competencies (Johnson and Winterton, 1999). Johnson and Winterton (1999) also argue that, as it is difficult to analyze the activities performed by entrepreneurs when they are either pure managerial-administrative activities or pure entrepreneurial activities, the term *entrepreneurial competencies* should refer to managerial-entrepreneurial competencies. While there is no universally accepted list of entrepreneurial competencies, this study follows Man's (2001) entrepreneurial competencies as a theoretical framework. Man (2001) defines entrepreneurial competencies as individual characteristics, including personality traits, knowledge, and skill, that lead to effective or higher entrepreneurial job performance, which can be assessed through the behaviors of entrepreneurs. His framework was developed in a qualitative study by interviewing 19 successful SME entrepreneurs in Hong Kong and then empirically testing his framework through a mail survey. The 10 clusters of entrepreneurial competencies identified in his framework consist of 1) opportunity, 2) relationship, 3) analytical, 4) innovative, 5) operational, 6) human, 7) strategic, 8) commitment, 9) learning, and 10) personal strength competencies.

The generic term *career success* can be distinguished into objective and subjective forms (Judged et al., 1995; Melamed, 1996; and Nabi, 1999). *Objective career success* has been measured in terms of society's evaluation of achievement with reference to extrinsic measures, such as salary and managerial level (Melamed, 1996). In contrast, *subjective career success* has been defined as a conceptually distinct construct referring to individuals' judgments of their own success evaluated against personal standards, age, aspirations, and views of significant others (Gattiker and Larwood, 1988, 1989). A number

of researchers have suggested investigating both objective and subjective aspects of the career success of SME entrepreneurs (Greenbank, 2001; Lau, 2002; and Parasuraman et al., 1996). Thus, in this study the career success of SME entrepreneurs in Thailand will be measured by income (objective career success) and career satisfaction (subjective career success) as they are indicators of entrepreneurial career success that have been widely used in previous studies (Gattiker and Larwood, 1988; Judge et al., 1995; and Lau, 2002).

CONCEPTUAL FRAMEWORK

As this study aims to investigate the effects of human capital and entrepreneurial competencies on the career success of SME entrepreneurs in Thailand, the conceptual model for this study consists of two main independent variables (human capital and entrepreneurial competencies) and one main dependent variable (career success). There are three sub-independent variables under human capital: years of formal education, years of prior industry experience, and years of entrepreneurial experience; 10 sub-independent variables under entrepreneurial competencies: opportunity, relationship, analytical, innovative, operational, human, strategic, commitment, learning, and personal strength competencies. The dependent variable, career success, consists of two sub-dependent variables: objective career success (income), and subjective career success (career satisfaction).

Figure 1: The Career Success of SME Entrepreneurs Conceptual Model

19
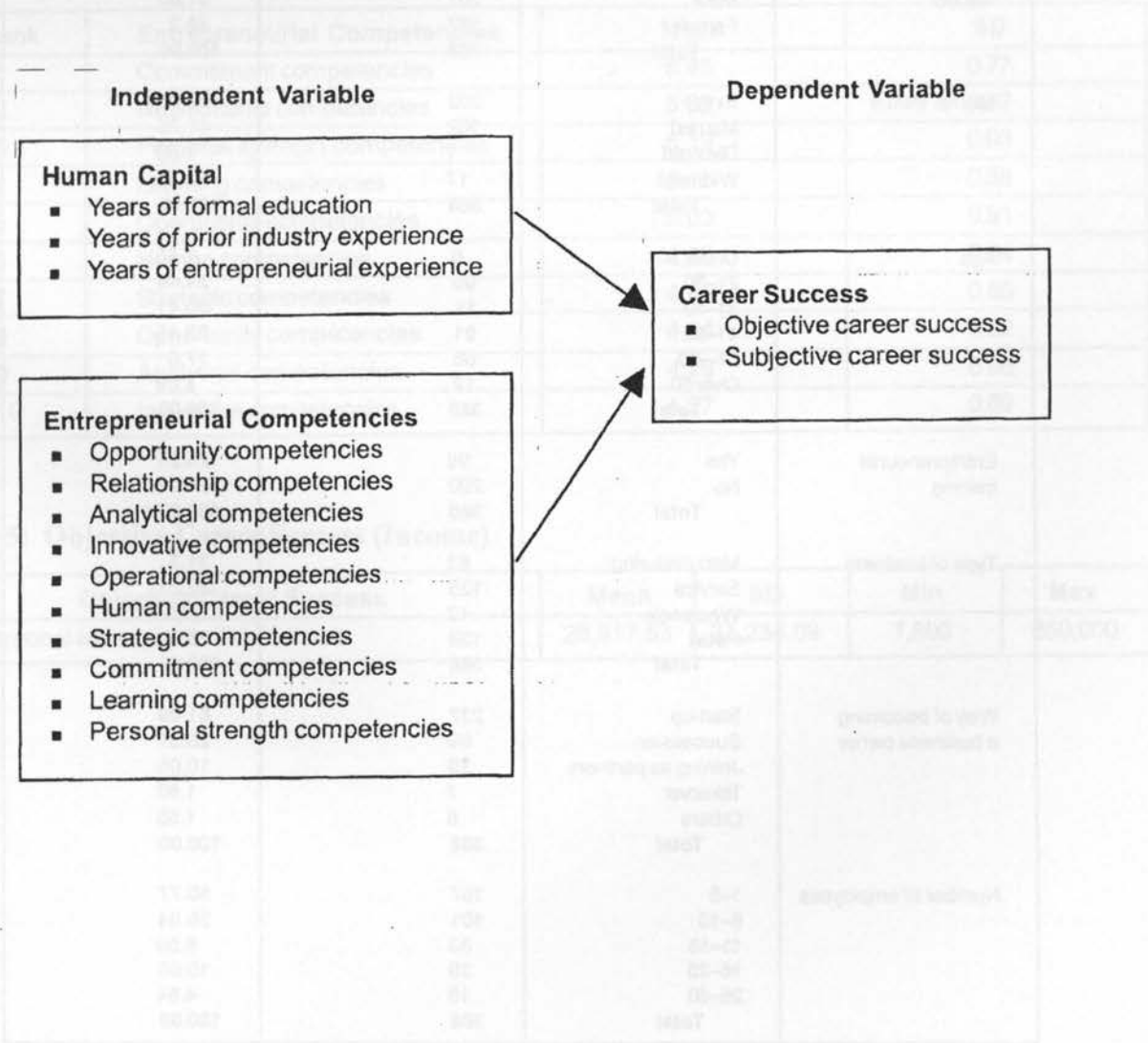
RESEARCH HYPOTHESES

H1: There is no relationship between human capital and a) objective career success; b) subjective career success.

H2: There is no relationship between entrepreneurial competencies and a) objective career success; b) subjective career success.

METHODS

This study has entailed gathering descriptive information about the human capital, the entrepreneurial competencies, and the career success of SME entrepreneurs in Thailand. It has also involved correlation analysis to determine the degree of the relation-

ship between the selected independent variables (human capital and entrepreneurial competencies) and the dependent variables (objective and subjective career success).

The survey instrument used in this study is a self-administered questionnaire and the questionnaire-delivering/collecting period occurred during 7 April-5 July 2006. The Statistical Package for Social Science (SPSS) for Windows, version 11.5, was used to analyze the data from the 388 completed questionnaires. Two types of data analysis, descriptive analysis and hypothesis testing (correlation analysis), were employed.

RESULTS

Table 1: General Information of the Respondents

			Frequency	Percentage
Gender		Male	201	51.80
		Female	187	48.2
		Total	388	100.00
Marital status		Single	202	52.06
		Married	162	41.76
		Divorced	7	1.80
		Widowed	17	4.38
		Total	388	100.00
Age		Under 20	6	1.55
		21–30	95	24.49
		31–40	11	30.41
		41–50	91	23.45
		51—60	66	17.0
		Over 60	12	3.09
		Total	388	100.00
Entrepreneurial training		Yes	98	25.26
		No	290	74.74
		Total	388	100.00
Type of business		Manufacturing	83	21.3
		Service	125	32.22
		Wholesale	42	10.82
		Retail	138	35.57
		Total	388	100.00
Way of becoming a business owner		Start-up	237	61.09
		Succession	99	25.51
		Joining as partners	39	10.05
		Takeover	7	1.80
		Others	6	1.55
		Total	388	100.00
Number of employees		1–5	197	50.77
		6–10	101	26.04
		11–15	33	8.50
		16–25	39	10.05
		26–50	18	4.64
		Total	388	100.00

Table 2: Summary of the Human Capital

Variable	Mean	SD	Max	Min
Years of Formal Education	15.02	3.81	22	6
Years of Prior Industry Experience	5.69	4.58	27	0
Years of Entrepreneurial Experience	7.51	11.23	52	2

Table 3: Arbitrary Level Used for Entrepreneurial Competencies

Arbitrary Level	Descriptive Rating
6.16-7.00	Strongly Agree (SA)
5.30-6.15	Moderately Agree (MA)
4.44-5.29	Agree (A)
3.58-4.43	Undecided/ Neutral (UND)
2.72-3.57	Disagree (D)
1.86-2.71	Moderately Disagree (MD)

Table 4: Summary of Entrepreneurial Competencies

Rank	Entrepreneurial Competencies	Mean	SD
1	Commitment competencies	5.45	0.77
2	Relationship competencies	5.32	0.82
3	Personal strength competencies	5.19	0.93
4	Learning competencies	5.11	0.88
5	Operational competencies	5.03	0.91
6	Human competencies	4.76	0.94
7	Strategic competencies	4.45	0.85
8	Opportunity competencies	4.34	0.92
9	Analytical competencies	4.29	0.95
10	Innovative competencies	4.27	0.89

Table 5: Objective Career Success (Income)

Objective Career Success	Mean	SD	Min	Max
Personal average monthly income	26,917.53	33,234.09	7,800	350,000

21

Table 6: Arbitrary Level Used for Subjective Career Success

Arbitrary Level	Descriptive Rating
4.20-5.00	Strongly Agree (SA)
3.40-4.19	Agree (A)
2.60-3.39	Undecided/ Neutral (UND)
1.80-2.59	Disagree (D)
1.00-1.79	Strongly Disagree (SD)

Table 7: Subjective Career Success (Career Satisfaction)

Career Satisfaction	Mean	SD	Rating
I am satisfied with the success I have achieved in my career.	3.43	1.14	A
I am satisfied with my progress toward meeting my overall career goals.	3.21	1.11	UND
I am satisfied with my progress toward meeting my goals for income.	3.01	1.07	UND
I am satisfied with my progress toward meeting my goals for advancement.	3.35	1.10	UND
I am satisfied with my progress toward meeting my goals for the development on new skills.	3.36	1.05	UND
Total	3.27	0.94	UND

Table 8: Summary of the Hypothesis Testing Results

Hypothesis	Objective Career Success (a)	Subjective Career Success (b)
Ho1: There is no relationship between years of formal education and career success.	Moderate positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho2: There is no relationship between years of industry experience and career success.	Moderate positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho3: There is no relationship between years of entrepreneurial experience and career success.	Weak positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho4: There is no relationship between opportunity competencies and career success.	Weak positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho5: There is no relationship between relationship competencies and career success.	Weak positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho6: There is no relationship between analytical competencies and career success.	Moderate positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho7: There is no relationship between innovative competencies and career success.	Moderate positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho8: There is no relationship between operational competencies and career success.	Moderate positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho9: There is no relationship between human competencies and career success.	Weak positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho10: There is no relationship between strategic competencies and career success.	Weak positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho11: There is no relationship between commitment competencies and career success.	Weak positive correlation Ho Rejected	Weak positive correlation Ho Rejected
Ho12: There is no relationship between learning competencies and career success.	Moderate positive correlation Ho Rejected	Moderate positive correlation Ho Rejected
Ho13: There is no relationship between personal strength competencies and career success.	Moderate positive correlation Ho Rejected	Moderate positive correlation Ho Rejected

It was found that SME entrepreneurs have an average personal monthly income (objective career success) of 27,000 baht, which lies in the same range as the 25,000 - 35,000 per month reported as the average salary of managers with a tertiary education and 5 - 10 years of work experience who are employed in large organizations in Thailand. It was found that SME entrepreneurs generally have moderate levels of satisfaction towards their career success (subjective career success).

When compared to previous surveys of SME entrepreneurs in Thailand (Viriyavidhayavongs, 1990; Wasuntiwongse, 1999), this study reveals a clear increase in the respondents' number of years of formal education. Most of SME entrepreneurs have had some relevant work experience prior to becoming business owners and have, likewise, had experience as business owners. It is found in this study that on average, they have 5.69 years of prior industry experience and 7.51 years of entrepreneurial experience; while only 25% of them have experience in formal entrepreneurial training. This implies that the skills and knowledge of these SME entrepreneurs have generally been accumulated through prior industry experience and entrepreneurial experience rather than through formal management and/or technical training. Of the ten total entrepreneurial competencies, four competencies, consisting of commitment competencies, relationship competencies, personal strength competencies, and learning competencies, receive the highest ratings; three competencies, consisting of operational competencies, human competencies, and strategic competencies, lie in the middle range; and the other three competencies, consisting of opportunity competencies, analytical competencies and innovative competencies, are at the lower end (See Table 4).

The results of the hypotheses testing show that all three human capital and ten entrepreneurial competencies factors have positive relationships with objective and subjective career success (See Table 8). This implies that achieving high levels of these factors provides reasonable assurance of the attainment of both objective and subjective career success.

CONCLUSIONS AND RECOMMENDATIONS

The findings of this study contribute to the contextual understandings of SME entrepreneurs in Thailand particularly in terms of human capital, entrepreneurial competencies, and career success as well as to the theoretical explanation of the effects of human capital and entrepreneurial competencies on career success. The results from the hypotheses testing support a theoretical model of the career success of SME entrepreneurs. As all of the human capital and entrepreneurial competencies have positive relationships with both objective and subjective career success, this study provides both theoretical and empirical evidence for the crucial role of these factors in determining the career success of SME entrepreneurs and corresponds to earlier research efforts to re-emphasize the individual perspective in entrepreneurship and career research.

In particular, learning competencies and personal strength competencies had moderate positive relationships with both objective and subjective career success and years of formal education had a moderate positive relationship with objective career success and a weak positive relationship with subjective career success. This suggests that SME entrepreneurs need to emphasize the importance of higher education (tertiary level) due to the fact that lower education levels generally result in lower management competencies and in being unqualified to participate in some managerial training courses. Furthermore, SME entrepreneurs should emphasize 'life-long learning' and need to pay more attention not only on to participating in relevant formal entrepreneurial training but also to continuously creating their own 'in-house entrepreneurial training'.

LIMITATIONS AND FURTHER RESEARCH

The sample of this study was chosen from among the SME entrepreneurs in Bangkok, Thailand. Further comparative works may be conducted across different industries, regions in Thailand, and countries/cultures. In addition, as this study is a cross-sectional quantitative study, which employs only correlation analysis for hypotheses testing, our understanding of the phenomenon under examination could be improved by engaging a longitudinal qualitative-quantitative research employing more sophisticated statistical techniques. The more recent generation of SME entrepreneurs in Thailand might have some unique entrepreneurial behaviors and characteristics. Furthermore,

classifications of SME entrepreneurs in previous studies have been made with reference to personal characteristics such as personality traits, motivations, behaviors, education attainment, work experience, and family background. As entrepreneurial competencies are identified as a higher characteristic level, which are closely linked with SME entrepreneur performance, this suggests using entrepreneurial competencies as a basis for classifying SME entrepreneurs for research concerning entrepreneurial education and training.

REFERENCES

Becker, G.S. (1964), *Human Capital: A Theoretical and Empirical Analysis*, with special reference to education, New York: Columbia University Press.

Becker, G.S. (1993), *Human Capital: A Theoretical and Empirical Analysis*, Chicago: University of Chicago Press.

Chusimir, L.H. (1988), "Entrepreneurship and MBA degrees: How well do they know each other?, *Journal of Small Business Management*, July, pp. 71-74.

Draganidis, F. and Mentzas, G (2006), "Competency based management: a review of systems and approaches", *Information Management and Computer Security*, 14(1), pp. 51-62.

Gattiker, U.E. and Larwood, L. (1988), "Predictors of managers' career mobility, success, and satisfaction", *Human Relations*, 41, pp.569-591.

Gattiker, U.E. and Larwood, L. (1989), "Career success, mobility and extrinsic satisfaction of corporate managers", *Social Science Journal*, 26, pp.75-92.

Global Entrepreneurship Monitor (2002), *The definitive study of entrepreneurhsip*, USA, Babson College Press.

Global Entrepreneurship Monitor (2004), *Global Results*, USA, Babson College Press.

Global Entrepreneurship Monitor (2005), *The report on women and entrepreneurship*, USA, Babson College Press.

Greenbank, P. (2001), "Objective setting in the micro-business", *International Journal of Entrepreneurial Behavior and Research*, 7(3), pp. 108-27.

Johnson, S. and Winterton, J. (1999), *Management Skills*, Skills Tasks Force Research Paper 3, SKT8, London: Department for Education and Employment.

Judge, T.A., Cable, D.M. and Boudreau, J.W. (1995), "An empirical investigation of the predictor of career success", *Personal Psychology*, 48(Autumn), pp. 485-519.

Kirzner, I.M. (1979), *Perception, Opportunity and Profit*, Chicago: University of Chicago Press.

Lau, V.P. (2002), *Developing and validating the entrepreneurial career success scale and testing its antecedents and consequences in the context of Southeast Asian values*, unpublished Ph.D. dissertation, The Hong Kong Polytechnic University, Hong Kong.

Man, T.W.Y. (2001), *Entrepreneurial competencies and the performance of small and medium enterprises in the Hong Kong service sector*, unpublished Ph.D. dissertation, The Hong Kong Polytechnic University, Hong Kong.

Melamed, T. (1996), "Validation of a stage model of career success", *Applied Psychology: An International Review*, 45(1), pp. 35-65.

Nabi, G.R. (1999), "An investigation into the different profile of predictors of objective and subjective career success", *Career Development International*, 4(4), pp. 212-224.

Parasuraman, S., Purohit, Y.S., Godshalk, V.M., and Beurell, N.J. (1996), "Work and family variables, entrepreneurial career success, and psychological well-being", *Journal of Vocational Behavior*, 48, pp. 275-300.

Parry, S.B. (1998), "Just what is a competency", *Training*, 35(6), pp. 58-61.

Nabi, G.R. (1999), "An investigation into the different profile of predictors of objective and subjective career success", *Career Development International*, 4(4), pp. 212-224.

Parry, S.B. (1998), "Just what is a competency?", *Training*, 35(6), pp. 58-61.

Parasuraman, S., Purohit, Y.S., Godshalk, V.M., and Beurell, N.J. (1996), "Work and family variables, entrepreneurial career success, and psychological well-being", *Journal of Vocational Behavior*, 48, pp. 275-300.

Phagaphasvivast, S. (2002), *Entrepreneurship in Thailand*, Bangkok: Office of SMEs Promotion.

Schumpeter. K.A. (1934), *The Theory of Economic Development*, Cambridge, MA, Harvard Uni-

versity Press.

Simachokedee, W. (1999), *SMEs the main pillar of industry* (in Thai), Technology Promotion Association (Thailand-Japan), Bangkok.

Spring, A. and McDade, B.E. (1998), *African Entrepreneurship: Theory and Reality*, Gainesville, USA, University Press of Florida.

Tapaneeyangkul, P. (2001), *Government policies in assisting SMEs for sustainable development*, White Paper on SME 2001, Institute of SMEs Development, Thailand.

Trumble, W. and Brown, L. (2002), *Oxford English Dictionary*, 5th edition, USA, Oxford University Press.

Viriyavidhayavongs, V. (1990), *Success in Small-Scale Industry Entrepreneurship in Thailand*, unpublished Ph.D. dissertation, De la Salle University, Manila.

Wasuntiwongse, M. (1999), *Need and characteristics of a sample of micro and small enterprises in Thailand*, Micro and small enterprise development and poverty alleviation in Thailand Project ILO/UNDP: THA/99/003, Working Paper 5.

THE IMPACT OF FREQUENCY PROGRAMS ON CUSTOMER LOYALTY: A PRELIMINARY STUDY OF HOTEL DINER LOYALTY IN THAILAND

by
Anchalee Gibbins
Faculty of Mass Communication, Chiangmai University

Abstract

This study adopts Dick and Basu's (1994) customer loyalty conceptual model as a research framework. It is a comprehensive model of customer loyalty that presents a relationship of two constructs: repeat patronage and relative attitude. The specific aims of this study are to identify a classificatory scheme of loyalty conditions and investigate how a frequency program can shift the attitudinal dimension of members in order to improve loyalty and to gain a deeper understanding of the effectiveness of frequency programs used in the hotel industry in Thailand. A multi-scale items of loyalty measurement from member's perspective was used in accordance with the two dimensional loyalty model developed by Dick and Basu (1994).

INTRODUCTION

The widespread use of customer loyalty and frequency programs by all manner of companies would suggest that they are proven effective tools (Duffy, 1998; Noordhoff et al., 2004). However, this is not a convincing point to foster a belief in the efficacy of frequency programs on customer loyalty. There are deeper issues raised by managers about the cost benefit of frequency programs.

Most customer loyalty programs available across the service industry have largely focused on building repeat patronage. There is now a combined approach through a theoretical framework of customer loyalty, that uses both repeat patronage and relative attitude constructs in measuring loyalty (Dick and Basu, 1994).

Two different kinds of frequency programs are employed by hotels: frequent stay and frequent diner. A frequent stay program requires no membership fee, while a frequent diner program charges an annual membership fee for privileged services and benefits.

The frequency program examined in this study is a structured fee-based frequency program. Loyalty conditions of members with different lengths of membership are measured using a combined approach, focusing particularly on motives of repeat patronage and level of relative attitude. In addition, the impact of Social Influences on loyalty development is also

tested.

The repeat patronage construct focuses on customer behavior. Its inclusion provides a basis for measuring and evaluating what customers do. The relative attitude construct focuses on how customers evaluate services they use, and provides a basis for understanding the reasons behind the behavior.

LITERATURE REVIEW

An increase in customer loyalty from both behavioral and attitudinal dimensions is the anticipated outcome among hotel managers, and the importance of customer loyalty is recognized as a key to profitability in service business (Andreassen and Lindstad, 1998; Bowen and Chen, 2001; Dick and Basu, 1994; Gwinner et al., 1998; Javalgi and Moberg, 1997; Pritchard and Howard, 1997; Uncle et al., 2003).

Dick and Basu (1994) developed a comprehensive customer loyalty conceptual model, which then became a springboard for researchers to investigate the level of customer loyalty in various businesses. The model describes four different types of customer loyalty conditions through the relationship matrix of repeat patronage dimension and relative attitude dimension, namely: no loyalty, latent loyalty, spurious loyalty and sustainable loyalty. It offers a wider view

in understanding customer loyalty. The model suggests that in order to increase the degree of customer loyalty from spurious loyalty to true loyalty, relative attitude dimension needs to be reinforced while maintaining motives that drive repeat patronage (Dick and Basu, 1994). This consensus was referred similarly in many relevant studies, namely Berry and Parasuraman (1991), Gwinner et al. (1998), Javalgi and Moberg (1997), Patterson and Smith (2001).

It is therefore crucial to measure customer loyalty in both the repeat patronage dimension and the relative attitudinal dimension in order to define the level of member loyalty. The result from the combined approach of Dick and Basu (1994) offers a more in-depth view of customer loyalty in addition to the assessment of Social Influences variables and loyalty development among frequency program members.

In the literature reviewed, the impact of the frequency programs on customer loyalty in the area of service businesses remains to be discovered, particularly those programs with annual membership fee. Moreover, among the structured membership programs, there is a profound lack of understanding about the level of customer loyalty from both the repeat patronage and the relative attitude.

Repeat patronage intention seemed to be a widely used construct in measuring customer loyalty (Evans, 1999; Hellier et al., 2003). This suggests that the degree of loyalty tends to be measured more by the customers' repeat patronage level - or behavioral level - than by the customer's attitudinal level. However, attitudinal or emotional attachments have increasingly gained attention as important factors leading to customer loyalty (Butcher et al., 2001).

Measuring and recognizing members' attitudinal loyalty condition consequently allows managers to optimize the effect of non-financial benefits and to capitalize on them as a competitive advantage to the firm. For this reason, there is a clear tendency within the literature to adopt a combined approach in studying frequency programs.

The combined approach facilitates not only the design of a financial benefit based programs, but also the design of effective frequency programs. If the service providers can identify the levels of customers' attitude, they will be more aware of their customers' inclination to switch or become less loyal. They can then design programs that accommodate the attitude of their customers so as to retain them (Blattberg et al., 2001).

In the service businesses with high contact environment between customers and service employees for example, the fine dining restaurant business environment, the interpersonal bond between customers and service employees was found to be one of the factors that influence loyalty continuance (Butcher et al., 2001). Therefore, when measuring customer loyalty in this particular service business, it is necessary to combine the customers' attitude measurement with their behavior measurement. This is in contrast to the retail businesses environment which usually offers price-incentive to motivate repeat visits or to increase behavioral loyalty.

Social Influences are reflected through non-financial benefits such as customer recognition, social support, the interpersonal relationship between customers as well as between customers and employees of the service provider (Berry and Parasuraman, 1991; Butcher et al., 2002; Gwinner et al., 1998; Patterson and Smith, 2001).

Gwinner et al. (1998) and Javalgi and Moberg (1997) stated that if businesses gained only high behavioral loyalty (repurchase) from their customers, but low attitudinal loyalty (no strong perceived differentiation or preference towards product or service), they would more likely encounter switching behavior to competitors. Because the low attitudinal loyalty represents the weak level of desire or commitment to the product or service, once the competitor offers lower prices they are more likely to switch.

Frequency programs with mere economic benefits or rewards can be replicated easily and rapidly (Palmer et al., 2000). This disadvantage becomes more serious when new competitors with similar programs crop up. The customers' switching behavior might occur as soon as they have reached beyond the breakeven point of their initial investment in entrance membership fee.

The significant and common arguments in the literature reviewed so far can be summed up as follow: most frequency program members appear to express spurious loyalty; the financial benefits are key motivations for repeat purchase; and membership fees promote immediate attitudinal loyalty. Nevertheless, these points could prove to be right or wrong in different business situations.

RESEARCH DESIGN AND METHODOLOGY
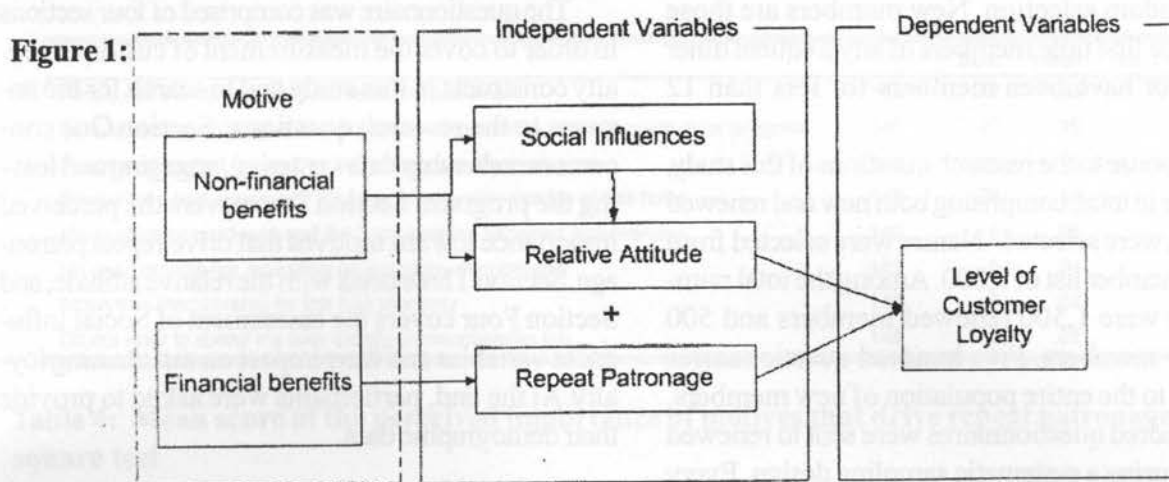
Figure 1:

Research questions and the proposition development

Based on the conceptual framework of this study shown in Figure 1 the research questions are formed below.

Question 1: To what extent can frequent diner programs build customer loyalty?

Question 2: What is the difference in the level of loyalty between renewed and new members of the hotel frequent diner program?

Question 3: How do Social Influences impact on the development of customer loyalty among members?

This generates the following research propositions:

P1. Members of hotel frequent diner programs expressed a high level of perceived importance of motives that drive repeat patronage but a low level of relative attitude.

P2. New members and renewed members of hotel frequent diner programs differ in their perceived importance of motives that drive repeat patronage.

P3. New members and renewed members of hotel frequent diner programs differ in their level of relative attitude.

P4. Social Influences are positively related to the decision to renew membership or to maintain loyalty with the program.

P5. New members and renewed members of hotel frequent diner programs differ in their preference of Social Influences.

The first proposition above is devised under the establishment of research question 1: To what extent can frequent diner programs build customer loyalty?

Propositions 2 and 3 above are set to serve the

research question 2: What is the difference in level of loyalty between renewed and new members of the hotel frequent diner program?

Lastly, propositions 4 and 5 are developed to serve the onset of the research question 3: How do Social Influences impact on the development of customer loyalty among members?

Research methodology

This study utilized a self-administered questionnaire to measure the degree of customer loyalty. It was designed to examine the level of relative attitude and the level of perceived importance of motives that drive repeat patronage. Furthermore, it also measured the level of perceived importance of Social Influences variables among members with different lengths of membership.

Sample selection

Respondents were selected from a database of new and renewed members of the participating hotel. The researcher gained permission to access the member list of one hotel that is currently implementing a frequent diner program. The hotel selected is one of the top five star hotels located in the central district of Bangkok, Thailand. The hotel targets executive-level business travelers as well as local residents with high social and economic status. Selecting one hotel avoids list duplication because members may belong to more than one hotel frequent diner program. Respondents were recruited through a mail survey. A stratified random sampling technique based on length of membership was utilized prior to mailing out. The member

database was separated by length of membership before random selection. New members are those who are the first time members of any frequent diner program or have been members for less than 12 months.

In response to the research questions of this study, the sample in total, comprising both new and renewed members, were selected. Names were selected from the total member list of 2,000. Among the total number, there were 1,500 renewed members and 500 were new members. Five hundred questionnaires were sent to the entire population of new members. Three hundred questionnaires were sent to renewed members using a systematic sampling design. Every 5th renewed member was chosen from the entire population of renewed members. This is to ensure that the whole range of membership was covered.

Research instrument

The questionnaire was comprised of four sections in order to cover the measurement of customer loyalty constructs in this study and to search for the answers to the research questions Section One concerns membership data - entering, engaging and leaving the program. Section Two covers the perceived importance toward motives that drive repeat patronage. Section Three deals with the relative attitude, and Section Four covers the assessment of Social Influences variables and their impact on maintaining loyalty. At the end, participants were asked to provide their demographic data.

THE RESULTS

Table 1: Respondents' profile by length of membership

		Frequency	Percent	Percent of Population
Valid	<1 year	28	19.3	25.0
	1-3 years	46	31.7	75.0*
	>3-5 years	33	22.8	
	>5 years	38	26.2	
	Total	145	100	100.0

*75% of population represents members whose length of membership is 1 or more years

Table 2: Reasons for joining a hotel's frequent diner program

	n	Sum	Mean	Std. Deviation
Value for money	145	113	.78	.416
Satisfaction with the quality of food	145	76	.52	.501
Satisfaction with the variety of menu	145	71	.49	.502
Convenient location	145	63	.43	.497
Satisfaction with the quality of service	145	58	.40	.492
Satisfaction with the restaurant ambiance	145	49	.34	.475
Hotel's reputation and image	145	48	.33	.472
Convenient parking	145	46	.32	.467
For business use	145	44	.30	.461
Having relatively high frequency of dining out	145	38	.26	.441
Hotel sales' persuasion	145	33	.23	.421
Recommend by friend who has been a member	145	11	.08	.266
The popularity of restaurants	145	9	.06	.242
Membership fee waived	145	7	.05	.215
The program represents a symbol of high social status	145	4	.03	.164

Table 3: Reasons for leaving a hotel's frequent diner program

	n	Sum	Mean	Std. Deviation
Hardly use the card and felt not worth to renewing it	145	72	.50	.502
Annual membership fee is too expensive compared to other frequent diner program	145	27	.19	.391
Found and applied for another better frequent diner program	145	26	.18	.385
Encounter a bad experience about product and/or service of this hotel	145	26	.18	.385
Move office or residence and the hotel location becomes inconvenient	145	8	.06	.229
No one contacts me regarding renewing my membership	145	6	.04	.200
Attain free membership for the first year only	145	3	.02	.143
Do not want to spend my own money on membership fee	145	1	.01	.083

Table 4: Mean score of the perceived importance of motives that drive repeat patronage and Chi-square test

		Length of membership		
		New member (n=28)	Renewed member (n=117)	Total
Do not want to waste the membership fee without enjoying any benefits	Mean	3.86	3.90	3.89
	Std. Deviation	1.208	1.309	1.286
I can use complimentary rewards, free voucher	Mean	4.21	3.90	3.96
	Std. Deviation	.957	1.170	1.136
I can use the discount vouchers	Mean	4.07	3.51	3.62
	Std. Deviation	1.086	1.201	1.196
This program provides me more value for money than other frequent diner program	Mean	3.43	3.79	3.72
	Std. Deviation	1.103	1.141	1.139
Special deal / discount given by this frequent diner program	Mean	4.04	3.95	3.97
	Std. Deviation	.793	1.057	1.010
The more I dine the more points I can earn through this program	Mean	2.54	2.55	2.54
	Std. Deviation	1.232	1.256	1.247

Note: 1= Not important at all; 5 = very important

Test Statistics [a,b]

	Chi-Square	df	Asymp. Sig.
Do not want to waste the membership fee without enjoying any benefits	.182	1	.669
I can use complimentary rewards, free voucher	1.627	1	.202
I can use the discount vouchers	5.751	1	.016
This program provides me more value for money than other frequent diner program	2.849	1	.091
Special deal / discount given by this frequent diner program	.001	1	.981
The more I dine the more points I can earn through this program	.003	1	.957

a. Kruskai Wallis Test
b. Grouping Variable; length of membership

31

Table 5: Factor loading of motives that drive repeat patronage

Component Matrix [a]

	Component
	1
Special deal / discount given by this frequent diner program	.779
I can use the discount vouchers	.746
I can use complimentary rewards, free voucher	.741
Do not want to waste the membership fee without enjoying any benefits	.660
This program provides me more value for money than other frequent diner program	.543
The more I dine the more points I can earn through this program	.466

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Table 6: Mean score of relative attitude and Chi-square test

		Length of membership		
		New member (n=28)	Renewed member (n=117)	Total
I recommend others to apply for membership	Mean	2.96	2.98	2.98
	Std. Deviation	1.071	1.122	1.108
I tell others about the good benefits	Mean	3.36	3.22	3.25
	Std. Deviation	.951	1.060	1.038
I have no intention to switch to other better program	Mean	2.36	2.75	2.68
	Std. Deviation	1.283	1.033	1.092
I never search for better programs	Mean	2.64	2.94	2.88
	Std. Deviation	1.311	1.234	1.250
I gave or I will give any comments/ recommendations	Mean	3.00	3.34	3.28
	Std. Deviation	1.305	1.138	1.175
I would remain a customer of this hotel even if there would be no Frequent Diner Program offering	Mean	2.61	2.79	2.76
	Std. Deviation	1.397	1.200	1.238

Note: 1= Totally unlikely; 5 = Totally likely

Test Statistics [a,b]

	Chi-Square	df	Asymp. Sig.
I recommend others to apply for membership	.007	1	.934
I tell others about the good benefits	.532	1	.466
I have no intention to switch to other better program	3.786	1	.052
I never search for better programs	1.601	1	.206
I gave or I will give any comments/ recommendations	1.579	1	.209
I would remain a customer of this hotel even if there would be no Frequent Diner Program offering	.578	1	.447

a. Kruskal Wallis Test

b. Grouping Variable: Length of membership

Table 7: Factor loading of relative attitude variables

Rotated Component Matrix

	Component	
	1	2
I tell others about the good benefits	.912	.036
I recommend others to apply for membership	.898	-.037
I gave or I will give any comments/ recommendations	.560	.177
I never search for better programs	-.011	.853
I have no intention to switch to other better program	.066	.812
I would remain a customer of this hotel even if there would be no Frequent Diner Program offerin	.137	.692

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

34

Table 8: Mean score of perceived importance toward Social Influences and Chi-square test

		Length of membership		
		New member (n=28)	Renewed member (n=117)	Total
Recognizing me and greet me personally	Mean	2.93	3.44	3.34
	Std. Deviation	1.464	1.309	1.350
Remembering my seating preference	Mean	2.64	3.18	3.08
	Std. Deviation	1.446	1.400	1.420
Sending me relevant communication regularly	Mean	3.64	3.68	3.67
	Std. Deviation	1.420	1.097	1.161
Offering me a customised service	Mean	3.14	3.50	3.43
	Std. Deviation	1.433	1.317	1.343
F&B outlet manager or senior staff is friendly	Mean	3.18	3.39	3.35
	Std. Deviation	1.335	1.358	1.352
Offering a dedicated hotline service exclusively for members	Mean	3.04	3.09	3.08
	Std. Deviation	1.319	1.336	1.329
Providing me a personal customer relationship officer	Mean	2.57	2.83	2.78
	Std. Deviation	1.200	1.288	1.272
Offering exclusive community activities	Mean	2.89	2.97	2.96
	Std. Deviation	1.343	1.323	1.322
Providing superior treatment apart from giving discount benefits	Mean	3.39	3.61	3.57
	Std. Deviation	1.397	1.319	1.332

Note: 1 = Not important at all; 5 =Very important

Test Statistics [a,b]

	Chi-Square	df	Asymp. Sig.
Recognizing me and greet me personally	2.930	1	.087
Remembering my seating preference	3.194	1	.074
Sending me relevant communication regularly	.200	1	.655
Offering me a customised service	1.491	1	.222
F&B outlet manager or senior staff is friendly	.719	1	.396
Offering a dedicated hotline service exclusively for members	.058	1	.809
Providing me a personal customer relationship officer	.911	1	.340
Offering exclusive community activities	.098	1	.754
Providing superior treatment apart from giving discount benefits	.652	1	.419

a. Kruskal Wallis Test

b. Grouping Variable: Length of membership

Table 9: Factor loading of Social Influences variables

Rotated Component Matrix [a]

	Component	
	1	2
Recognizing me and greet me personally	.879	4.701E-02
Remembering my seating preference	.837	.241
F&B outlet manager or senior staff is friendly	.732	.252
Offering me a customised service	.644	.432
Sending me relevant communication regularly	.511	.324
Providing me a personal customer relationship officer	.274	.779
Offering exclusive community activities	.115	.776
Providing superior treatment apart from giving discount benefits	.310	.740
Offering a dedicated hotline service exclusively for members	.199	.738

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Regression analysis is used to determine the strength of association between dependent variables, thereby revealing the strength of the two factors derived from factor loadings. The purpose is to find out what the key factor of non-financial benefits (Social Influences) is for frequent diner program to create greater impact on loyalty development. Table 10 shows the result of regression analysis. A regression model includes two factors derived from factor loadings. The independent variable is the mean score of Social Influences measurement, the dependent variable is the loyalty continuance (y) and the equation is:

$$\hat{y} = \quad b_0 + b_1 + b_{2+}$$

Where: b0 is a constant; b1 is Factor 1-an Implicit Concern; and b2 is Factor 2 - an Explicit Concern. The estimated model is: . Both factors were significant at p<0.05. The result indicates that Implicit Concern (b1 = .918) has a higher influence than Explicit Concern (b2 = .00365) in encouraging members to stay loyal and maintain their membership with the program.

R square is 1 as the regression is run using the measurement of mean score of Social Influences (constant) which is the key construct that predicts the probability of customer loyalty continuance. (Mean score of Social Influences is 3.25 which equal to the probability of loyalty continuance among member of frequency program).

Table 10: Results of Regression Analysis Loyalty Continuance

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	1.000[a]	1.000	1.000	.01763

a. Predictors: (Constant), REGR factor score 2 for analysis 1 , REGR factor score 1 for analysis 1

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	121.450	2	60.725	195417.368	.000[a]
	Residual	.044	142	.000		
	Total	121.495	144			

a. Predictors: (Constant), REGR factor score 2 for analysis 1 , REGR factor score 1 for analysis 1

b. Dependent Variable: Mean of SI

Coefficients [a]

Model		Unstandardized Coefficients		t	Sig.
		B			
1	(Constant)	3.250		2219.927	.000
	REGR factor score 1 for analysis 1	.918		625.163	.000
	REGR factor score 2 for analysis 1	3.653E-03		2.486	.014

a. Dependent Variable: Mean of SI

Loyalty Continuance $\hat{y} = 3.25 + 0.918(\text{Fac1\_1})$ Implicit Concern $+ 0.00365(\text{Fac2\_1})$ Explicit Concern

CONCLUSION

The findings revealed that loyalty continuance for each year is more likely to depend upon the economic benefits given at the renewal stage, upon the knowledge of what the competitors are offering through their programs, and upon the monitoring of the frequency of the members' return visits.

The findings showed that Social Influences, provided by fulfilling the Implicit Concern function, could become a competitive advantage and a powerful tool for loyalty development among frequency program members. This outcome is consistent with the findings from Butcher et al.'s (2002) study. In conclusion, this initial analysis shows:

Proposition 1 (P1) - that members of hotel frequent diner programs express a high level of perceived importance of the motives that drive repeat patronage but a low level of relative attitude - is verified by the test results.

Proposition 2 (P2) - that the new members and renewed members of hotel frequent diner programs differ in their perceived importance of motives that drive repeat patronage - received rather weak support from the test.

Proposition 3 (P3) - that the new members and renewed members of hotel frequent diner programs differ in their level of relative attitude - is rejected as false.

Proposition 4 (P4) - that Social Influences are positively related to the decision to renew membership or to maintain loyalty with the program - was analyzed and found positive by the test result.

Proposition 5 (P5) - that the new members and renewed members of hotel frequent diner programs differ in their preference of Social Influences - is tested and rejected as false.

FUTURE RESEARCH

In terms of future research, the results suggest the need to examine the impact of the frequency program through the comparative degree of loyalty between members and non-members of the hotels' frequent diner programs. Furthermore, extending the work by using the factors underlying repeat patronage among non-members as compared with members could possibly help to discover what may diminish churn.

As this study has confirmed, monetary benefits are inevitable factors in attracting new members. A further research topic could also be geared towards the issue of member valuation, finding out the optimal amount for the value of financial benefits given in exchange for the membership fee. Future research could also involve the examination of the weaknesses and strengths of charging a membership fee for the frequency program.

REFERENCES

Andreassen, T., Lindestad, B. (1998), "Customer Loyalty and Complex Services: The Impact of Corporate Image on Quality, Customer Satisfaction and Loyalty for Customers with Varying Degrees of Service Expertise", *International Journal of Service Industry Management*, Vol. 9, No. 1, pp. 7 - 23.

Berry, L., Parasuraman, A. (1991), Marketing Services: *Competing Through Quality*, New York: Free Press.

Blattberg, R., Getz, G, Thomas, J. (2001), Customer Equity: Building and Managing Relationships as Valuable Assets, Boston: Harvard Business School Press.

Bowen, J., Chen, S. (2001), "The Relationship Between Customer Loyalty and Customer Satisfaction", *International Journal of Contemporary Hospitality Management*, Vol. 13, No. 5, pp. 213 - 217.

Butcher, K., Sparks, B., O'Callaghan, F. (2001), "Evaluative and relational influences on service loyalty", *International Journal of Service Industry Management*, Vol. 12, No. 4, pp. 310 - 327.

Butcher, K., Sparks, B., O'Callaghan, F. (2002), "Effect of Social Influences on Repurchase Intentions", *Journal of Services Marketing*, Vol. 16, No. 6, pp. 503 - 514.

Dick, A. (1995), "Using Membership Fees to Increase Customer Loyalty", *Journal of Product & Brand Management*, Vol. 4, No. 5, pp. 65 - 68.

Dick, A., Basu, K. (1994), "Customer Loyalty: Toward and Integrated Conceptual Framework", *Journal of Academy of Marketing Science*, Vol. 22, Spring, pp. 99 -113.

Duffy, D. (1998), "Customer Loyalty Strategies", *Journal of Consumer Marketing*, Vol. 15, No.

5, pp. 435 - 448.

Evans, M. (1999), "Food Retailing Loyalty Schemes - and the Orwellian Millennium", *British Food Journal*, Vol. 101, No. 2, pp. 132 - 147.

Gwinner, K., Gremler, D., Bitner, M. (1998), "Relational Benefits in Services Industries: The Customer's Perspective", *Journal of the Academy of Marketing Science*, Vol. 26, No. 2, pp. 101 - 114.

Hellier, P., Geursen, G., Carr, R., Rickard, J. (2003), "Customer Repurchase Intention: A General Structural Equation Model", *European Journal of Marketing*, Vol. 37, No. 11/12, pp. 1762 - 1800.

Javalgi, R., Moberg, C. (1997), "Service Loyalty: Implications for Service Providers", *The Journal of Services Marketing*, Vol. 11, No. 3, pp. 165 - 179.

Noordhoff, C., Pauwels, P., Odekerken-Schoder(2004), "The Effect of Customer Card Programs: A Comparative Study in Singapore and The Netherlands", *International Journal of Service Industry Management*, Vol. 15, No. 4, pp. 351 - 364.

Patterson, P., Smith, T. (2001), "Relationship Benefits in Service Industries: A Replication in a Southeast Asian Context", *Journal of Services Marketing*, Vol. 15, No. 6, pp. 425 - 443.

Palmer, A., McMahon-Beattie, U., Beggs, R. (2000), "A Structural Analysis of Hotel Sector Loyalty Programmes", *International Journal of Contemporary Hospitality Management*, Vol. 12, No. 1, pp. 54 - 60.

Pritchard, M.P., Howard, D.R. (1997), "The loyal traveler: Examining a typology of service patronage", *Journal of Travelers Research*, Vol. 35, No. 4, pp. 2 - 11.

Uncles, M., Dowling, G., Hammond, K. (2003), "Customer Loyalty and Customer Loyalty Programs", *Journal of Consumer Marketing*, Vol. 20, No. 4, pp.294 - 316.

FACTORS INFLUENCING ONLINE SHOPPING BEHAVIOR INTENTION: A STUDY OF THAI CONSUMERS

by
Siriporn Thananuraksakul
International School of Business, University of South Australia

Abstract

This research is aimed at contributing to the literature on factors influencing Thai online shoppers' purchasing intention, particularly on shoppers in Bangkok. The Theory of Planned Behavior is adapted as the theoretical foundation for the conceptual model used in the research. Descriptive research and an anonymous questionnaire are designed as the data collection methodology and are used in the survey fieldwork conducted at central shopping malls in Bangkok during November and December, 2005 covering 384 sample participants aged 25 years old and older, with Internet competency. The One-way analysis of variance (ANOVA) and Multiple Regression are used for inferential statistics. The findings show that the most important factor is positive attitude toward online shopping followed by trust and subjective norm.

INTRODUCTION

Electronic Commerce is a relatively new business channel, which entails selling and buying goods and services using a technology channel, namely, the World Wide Web or Internet. It is a state-of-art technology that is comprised of hardware, software and network equipment whereby each of the components work as a single system bringing people closer together. This new technology has been used and implemented worldwide so that people can be connected to each other, in both personal and business matters, by just clicking a mouse anywhere and at any time. Being easy to use and inexpensive, Electronic Commerce has been rapidly growing each year (Chang, Cheung, & Lai, 2004, and Yang & Lester, 2004) and is currently utilized for shopping, information search, bills payment, news, weather reports, and online games.

The use of the Internet has been growing tremendously in Thailand since 1998. There were 1.1 million, 2.4 million, 3.7 million, 5.6 million, 7.7 million, 10.4 million, and 11.9 million users in 1998, 1999, 2000, 2001, 2002, 2003, and 2004, respectively (National Electronics and Computer Technology Center, 2005). The numbers of Internet users are relevant to the numbers of online shoppers advised by So, Wong, and Sculli (2005), in that the Internet users are likely to also become online buyers. This also indicates that any business that is conducted via the Internet channel, such as Electronic Commerce, and online games tend to have a good opportunity for business success since potential consumers are already there. In addition, there are approximately 11.9 million Thai users at present who use the Internet, 20 percent of whom have had experience of buying online (National Electronics and Computer Technology Center, 2005). Given that the large majority of Thais have not yet made any actual purchase on the Internet, Gunawardana and Avatchanakorn (2000); Yawai (2004) argue that Thai online businesses have not been successful in boosting their selling volumes so far whereas other foreign online businesses have. In contrast, the number of Thai Internet users has grown tremendously since 1998 and continues to do so (National Electronics and Computer Technology Center, 2005). For these reasons, there needs to be research on what factors drive Thai consumers toward online shopping.

The major objective of this research is to examine Thai consumers' behavioral intentions toward online shopping. The study also surveys the factors that influence them to shop online. As suggested by the National Statistical Office report (2004) the majority of Internet users are located in Bangkok; therefore, the target survey location was in Bangkok. The Theory of Planned Behavior (TPB) was adapted and

used as the conceptual model throughout the study. The TPB was selected as the theoretical base because it has been validated by prior studies (Cook, Kerr, and Moore, 2002; George, 2004; Hansen, Jensen, and Solgaard, 2004; Limayem, Khalifa., and Frini 2000; Zhang, Chan, and Fang, 2004) as being suited for predicting consumers' behavioral intention, especially in terms of adoption of technology.

LITERATURE REVIEW

The most influential factors for online shopping from prior studies are convenience, and time saving (Bellman, Lohse, and Johnson, 1999; Bhatnagar, Misra, and Rao, 2000; Chang et al, 2004; Limayem et al, 2000; Sim and Koi, 2002) for online shoppers. Moreover, online technology is simple to operate (Ahn, Ryu, and Han, 2004; Chang et al, 2004; Liu and Wei, 2003; O'Cass and Fenech, 2003). Some specific products, such as books, CDs, and computer software (Bhatnagar et al, 2000; Chang et al, 2004; Sim and Koi, 2002) are usually cheaper than at other

stores. That is, they can offer a competitive price to the shoppers. Trust in the online shop is another factor which directly affects the online business as revealed in the literature (Bhatnagar et al, 2000; Chang et al, 2004; Hoffman, Novak, and Peralta, 1999; Limayem et al, 2000; Martinez-Lopez, Luna, and Martinez, 2005). Bhatnagar et al (2000); Chang et al, 2004; Corbitt, Thanasankit, and Yi (2003); Mahmood, Bagchi, and Ford (2004); Monsuwe, Dellaert, and Ruyter (2004). Wu (2003) found that not only will those factors influence online shoppers but demographic data also do. Thus, the influencing factors advised by previous studies in online shopping are convenience, time saving, pricing, trust, and consumer demographics. These additional factors are added into the model as the variables of this research to test whether they are factors influencing Thai online shoppers' purchasing intentions.

Conceptual Model
The conceptual model is adapted from the Theory of Planned Behavior (Ajzen, 1991), see Figure 1.

Figure 1: The Conceptual Model: Factors Affecting Online Shopping Behavior
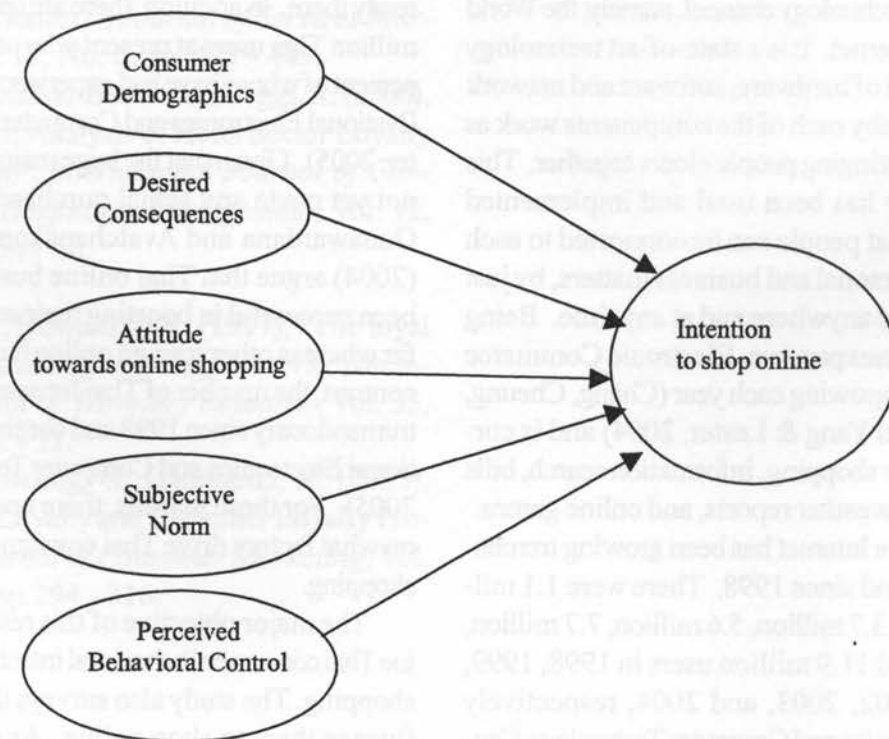
Source: adopted from Ajzen (1991)

For all of the five constructs indicated in the conceptual model, each independent variable (Consumer Demographics, Desired Consequences, Attitude towards online shopping, Subjective Norm, Perceived Behavioral Control) has influence on the dependent variable (Intention to shop online) which indicates whether shoppers are more likely to buy products online or not. There is no behavioral construct in the framework since this research intends to find the intention to shop online, not the actual shopping behavior.

Hypotheses

H1 Men will have a higher online buying intention than women.

H2 Those with a higher level of education will have a higher online buying intention than those with a lower level of education.

H3 Those with a higher income will have a higher online buying intention than those with a lower income.

H4 Those who are older will have a higher online buying intention than those who are younger.

H5 Those who have a career in a computer-related field will have a higher online buying intention than those who have not.

H6 Those who have previously shopped online will have a higher online buying intention than those who have not.

H7 Convenience of purchase significantly predicts online buying intentions.

H8 Time saving significantly predicts online buying intentions.

H9 Price significantly predicts online buying intentions.

H10 Trust significantly predicts online buying intentions.

H11 Attitude towards online shopping significantly predicts online buying intentions.

H12 Subjective Norm significantly predicts online buying intentions.

H13 Perceived Behavioral Control significantly predicts online buying intentions.

RESEARCH METHODOLOGY

This cross-sectional study was conducted using self-administered questionnaries, and convenient sampling method.

Target population

As there was evidence that working adults aged 25 years old and older were recorded in the National Statistical Office (2004) as those who were the greatest users of the Internet in Bangkok, therefore, the target respondents in this research were Thai citizens, working adults aged 25 years and older, who had access and were capable of using the Internet and who visited the shopping malls in the central Bangkok area (Bangkok.com, 2005; Wikitravel, 2005), for example, the Emporium, Siam Square Center, Gasorn Plaza, Siam Discovery, The Mall Department Stores, and Central Department Stores, during the month of November and December, 2005. These were selected as the data collection venues. The sample size for this research was determined at 384. A total of 462 questionnaires were distributed and 384 were collected during the survey time. The response rate was 83 percent.

Questionnaire

There were two sections in the survey questionnaire. The questions in section 1 were to classify the demographic data related to age, gender, education level, income level, occupation level, and whether the sample had purchased goods online in a multiple-choice format. Questions in section 2 were to ascertain whether convenience, time saving, price, trust, attitude towards online shopping, opinion leader/influential persons (Subjective Norm), and Perceived Behavioural Control influenced the online shoppers' purchasing intent in Bangkok which used a Likert type scale with 7 levels.

Method of Analysis

The One-way analysis of variance (ANOVA) method was used to examine whether there is a significant mean difference in a nominal independent variable (Convenience, Time saving, Price, Trust, Subjective Norm, attitude, and Perceived Behavioral Control) on a single interval dependent variable (intention to shop online). Multiple Regression method was used to analyze the variance in the interval dependent variable (intention to shop online) when the interval independent variables (Convenience, Time saving, Price, Trust, Subjective Norm, attitude, and Perceived Behavioral Control) are used.

RESULTS

Table 1: Respondents' Demographic Profile

Demographics' Profile	Frequency	Percentage
Gender		
Male	188	49.0
Female	196	51.0
Total	**384**	**100.0**
Education level.		
High school or below	29	7.6
Diploma	48	12.5
Bachelor degree	251	65.4
Master degree or higher	56	14.6
Total	**384**	**100.0**
Salary		
less than 10,000 Baht	89	23.2
10,000 - 29,999.99 Baht	204	53.1
30,000 - 49,999.99 Baht	62	16.1
more than 49,999.99 Baht	29	7.6
Total	**384**	**100.0**
Age		
25 - 28 year	187	48.7
over 28 - 35 year	133	34.6
over 35 - 45 year	47	12.2
over 45 year	17	4.4
Total	**384**	**100.0**
Occupation		
Accounting related	41	10.7
Computer related	44	11.5
Education related	19	4.9
Engineering related	33	8.6
Management related	42	10.9
Marketing related	59	15.4
Other	146	38.0
Total	**384**	**100.0**

Consequently, five out of thirteen hypotheses are supported. They are as follows:

a. H1: Men will have a higher online buying intention than women.

b. H6: Experienced online shoppers will tend to have a higher online buying intention than non-experienced ones.

c. H10: Trust significantly predicts online buying intentions.

d. H11: Attitude towards online shopping significantly predicts online buying intentions.

e. H12: Subjective Norm significantly predicts online buying intentions.

H2, H3, H4, H5, H7, H8, H9, and H13 are rejected; all of these variables have a relatively weak influence on online shoppers' intentions. From these findings, men tend to have a stronger purchasing intention than women. Also, the more experience with online shopping, the more likely were shoppers to shop online. Attitude towards online shopping is found to be the most influential factor in online buying intentions from the findings. Subjective Norm and Trust follow.

CONCLUSIONS

This research examined the factors influencing Thai online shoppers' purchasing intentions. The findings will be valuable in providing new knowledge to business-to-consumer investors in the following areas: improving their businesses and setting their marketing strategies by analyzing online shoppers' behavior, staying competitive in the market and increasing business value. By utilizing these findings, marketers can also offer online shoppers a greater variety of products, better price offerings, and the opportunities to buy things whenever they are available since the online shop will be open 24 hours every day. These are obviously significant benefits to both online sellers and shoppers. Online sellers may increase their sales, expand their customer bases through the Internet channel, and make their customers feel more satisfied with having an alternative way of buying products. Other parties, such as corporate management, marketing executives, web developers, web designers, and government agencies, can also obtain benefits from the findings of this research.

LIMITATIONS

There are three limitations. First, the limitation on research timing, this research was a cross-sectional study. It was a one time study from November to December 2005; the results might change as respondents' evaluative criteria change. Second, there is a possibility of having biased answers since most respondents were not alone; they came with friends, families, or spouses. Finally, the results only offer a partial contribution to knowledge of the actual shopping behavior since the research focused on the purchasing intentions of Thai online shoppers rather than their actual purchasing behavior.

FUTURE RESEARCH

Future research can be in three areas of shopper behavior. First, future research should study what products are most frequently purchased in the Thai online market in order to identify these along with shoppers' behavior which will be beneficial to online businesspersons, and other interested parties. Second, this study focused on online consumers in Bangkok, future research could expand the study to Thai people in other provinces. Studies should also be repeated at regular intervals to monitor changes in online shopping behavior. Lastly, most studies on online shopping behavior have been quantitative. In order to gain a deeper understanding, there is a need for qualitative research studies that will provide richer details on perception, attitude and online purchasing behavior in the Thai context.

REFERENCES

Ahn, T., Ryu, S., and Han, I. (2004) "The impact of the online and offline features on the user acceptance of Internet shopping malls", *Electronic Commerce Research and Applications volume*, May 19, 2004, pp. 1-16, http://www.elsevier.com/locate/ecra.

Ajzen, I (1991) "The theory of planned behavior", *Organizational Behavior and Human Decision Processes*, vol. 50, pp. 179-211.

Bangkok.com [online], Available from; http://www.bangkok.com/area-guide/ploenchit.html, [Accessed: May 19, 2005].

Bhatnagar, A., Misra, S., and Rao, H. (2000) "On Risk, Convenience, and Internet Shopping Behavior", *Communications of the ACM*, vol. 43, no. 11, pp. 98-105.

Bellman, S., Lohse, G., and Johnson, E. (1999) "Predictors of Online buying Behavior", *Communications of the ACM*, vol. 42, no.12, pp. 32-38.

Chang, M.K., Cheung, W. & Lai, V. (2004) "Literature derived reference models for the adoption of online shopping", *Information & Management*, February 2, 2004, pp. 1-17, http://www. elsevier.com/locate/dsw (Accessed 6 June, 2005).

Corbitt, B.J., Thanasankit, T., and Yi, H. (2003) "Trust and c-commerce: a study of consumer perceptions", *Electronic Commerce Research and Applications*, vol.2, pp. 203-215.

Cook, A.J., Kerr, G.N., and Moore, K. (2002) "Attitude and intentions towards purchasing GM food", *Journal of Economic Psychology*, vol. 23, pp 557-572.

Electronic Commerce Section, (2004) "An exploratory study project on Electronic Commerce business", Thailand: Electronic Commerce Section, Department of Business Development, Ministry of Commerce, Thailand, September 2004, pp. 1-147.

George, J.F. (2004) "The theory of planned behavior and Internet purchasing", *Internet Research*, vol. 14, no. 3, pp. 198-212.

Gunawardana, K.D., Avatchanakorn, V. (2000), "The Measures of E-Commerce Awareness in Thailand Industries: Survey and Analysis Perspectives", ICMIT, pp. 653-658.

Hansen, T., Jensen, J.M., and Solgaard, H.S., (2004) "Predicting online grocery buying intention: a comparison of the theory of reasoned action and the theory of planned behavior", *International Journal of Information Management*, vol. 24, pp. 539-550.

Hoffman, D.L., Novak, T.P., and Peralta, M. (1999) "Building consumer trust online", *Communications of the ACM*, vol. 42, no. 4, pp. 80-85.

Limayem, M., Khalifa, M., and Frini, A. (2000) "What makes Consumers Buy from Internet? A Longitudinal Study of Online Shopping", *IEEE Transactions on Systems, Man, And Cybernetics*, vol. 30, no.4, pp. 421-432.

Liu, X. and Wei, K.K. (2003) "An empirical study of product differences in consumers' E-commerce adoption behavior", *Electronic Commerce Research and Applications*, vol. 2, pp. 229-239.

Martinez-Lopez, F.J., Luna, P., and Martinez, F.J. (2005) "Online shopping, the standard learning hierarchy, and consumers' interest expertise", *Internet Research*, vol. 15, no.3, pp. 312-334.

Mahmood, M.A., Bagchi, K., and Ford, T.C. (2004) "On-line Shopping Behavior: Cross-Country Empirical Research, *International Journal of Electronic Commerce*, vol. 9, no. 1, pp 9-30.

Monsuwe, T.P., Dellaert, B.G.C., and Ruyter, K. (2004) "What drives consumers to shop online? A Literature Review, *International Journal of Service Industry Management*, vol.15, no.1, pp 102-121.

National Electronics and Computer Technology Center, (2005), "Thailand ICT Indicators 2005", February 2005, NECTEC, Thailandwww.nectec. or.th/pub/book/ICTIndicators.pdf.

National Statistical Office [online], Available from: http://www.nso.go.th, [Accessed:December 4, 2005].

O'Cass, A. and Fenech, T. (2003) "Web retailing adoption: exploring the nature of Internet users Web retailing behaviour", *Journal of Retailing and Consumer Services*, vol. 10, pp.81-94.

Sim, L.L. and Koi, S.M. (2002) "Singapore's Internet shoppers and their impact on traditional shopping patterns", *Journal of Retailing and Consumer Services*, vol. 9, pp. 115-124.

So, W.C.M., Wong, T.N.D., Sculli, D. (2005) "Factors affecting intentions to purchase via the internet", *Industrial Management & Data System*, vol. 105, no. 9, pp. 1225-1244.

Wikitravel [online], Available from: http:// wikitravel.org/en/Bangkok/Sukhumvit, [Accessed: May 19, 2005].

Wu, S. (2003) "The relationship between consumer characteristics and attitude toward online shopping", *Marketing Intelligence & Planning*, vol. 21, pp. 37-44.

Yang, B. & Lester, D. (2004) "Attitudes Toward Buying Online", *CyberPsychology & Behavior*, vol. 7, no. 1, pp 85-91.

Yawai, W. (2004) "E-Commerce: Cover Story", *The Magazine for e-Commerce & e-Business*, vol.6, no. 70, pp. 72-73.

Zhang, J., Chan, S. and Fang, X. (2004) "Enterprise User Adoption of VoIP", *New Media Age*, April 29, 2004, http://facweb.cti.depaul.edu/ctiphd/ ctirs04/submissions/camera-ready/Zhang.doc.

A CROSS-CULTURAL STUDY OF SELF-MONITORING IN RELATION TO THE BIG FIVE PERSONALITY TRAITS OF THAI AND FOREIGN STUDENTS AT ASSUMPTION UNIVERSITY, THAILAND

June Bernadette D'souza
and
Krisda Tanchaisak
ABAC School of Management, Assumption University

Abstract

This study examined if differences in self-monitoring which is a specific dispositional trait are related to differences in the big five general dispositional traits of personality for both Thai and Foreign BBA students at Assumption University. Out of a sample of 321 students, 151 were low and 170 were high self-monitors. The only trait that students differed on was extraversion with low self-monitors having higher scores on extraversion. The Thai and Foreign students were further divided into high and low self-monitors. Results indicated that both groups, high and low self-monitors for both Thai and Foreign students have differences in extraversion, emotional stability and conscientiousness traits.

INTRODUCTION

Some people readily change their behavior to match each situation they encounter, and they strive to make the best possible impressions on others. As a result they adopt one style when dealing with their subordinates and another-perhaps more respectful style when dealing with their boss. This aspect of personality is referred to as "*Social Chameleons*" or "*High Self-Monitors*". In contrast, other individuals are less willing to change their personal style in this manner; with them, "*what you see is what you get*" across a wide range of contexts. Such people are unlikely to behave differently toward members of different groups with whom they interact. This aspect of personality is referred to as "*Devil's Advocates*" or "*Low Self-Monitors*".

"Personality is the combination of stable physical and mental characteristics that give the individual his or her identity". (McCrae, 1993). These characteristics or traits are a product of genetic and environmental influences. Personality psychologists Gordon Allport, Raymond Cattell and Hans Eyesenck tried to extract adjectives that they believed described observable and relatively permanent traits. Today, most researchers use the Big Five as a common basis for making comparisons between persons. Each of the Big Five, which include extraversion, emotional sta-

bility, conscientiousness, agreeableness and openness to experience can be called "*Super Traits*" because each of these broad dimensions comprises smaller number of narrow traits. Because support for the Big five can be found in many different countries researchers conclude that the basic structure of human personality arises from some universal living experience rather than being shaped by individual cultures. (McCrae & Costa, 1999; Katigbak et al, 2002).

The purpose of this study is to examine the differences between high and low self- monitors with regard to the big five dimensions of personality because this can lead to important differences between high and low self-monitors regarding important factors such as task performance, career success and relations with others.

RELATED LITERATURE

Previous research has found that that high self-monitors, compared with low self-monitors, perform better in boundary spanning positions (Caldwell & O'Reilly, 1982). High self-monitors have also been found to emerge as group leaders (Dobbins, Long & Dedrick, 1990; Zaccaro, Foti, & Kenny, 1991). High self-monitors are likely to resolve conflict through collaboration and compromise rather than through

47

avoidance and competition (Baron, 1989). High self-monitors are likely to be promoted (Kilduff & Day, 1994). High self-monitors are also more likely to perform organizational citizenship behaviors (Blakely, Fuller & Smith, 1996). High self-monitors also perform better in jobs which require good communication skills (Larkin, 1987) So far, one research has examined self-monitoring as a moderator of the relationship between personality traits and performance (Barrick, Parks & Mount, 2005). The preceding suggests that self- monitoring could be related to dimensions of personality.

The Big Five personality traits of conscientiousness, emotional stability, extroversion, agreeableness, and openness to experience have been shown to strongly relate to performance (Barrick & Mount, 1991). In addition, conscientiousness has been found to be the strongest and most generalizable predictor of these personality traits (Mount & Barrick, 1995). The Big Five traits have been found to be related to individual-level outcomes such as happiness, physical and psychological health, spirituality, and identity; interpersonal-level outcomes such as quality of relationships with peers, family, and romantic others; and organizational- or social-level outcomes such as occupational choice, satisfaction, performance, community involvement, criminal activity, and political ideology (Ozer & Benet-Martfnez, 2006). These personality traits have also been found to be positively related to entrepreneurship (Zhao & Seibert, 2006), cultural intelligence (Ang, Van Dyne, & Koh, 2006), and satisfaction with teams (Peeters, Rutte, van Tuijl, & Reymen, 2006) and negatively associated with undesirable outcomes such as burnout (Bakker, van der Zee, Lewig, & Dollard, 2006). Further contribution to the prediction of job performance beyond each of the global Big Five personality traits has recently been attributed to the "narrow traits" that constitute those traits (Dudley, Orvis, Lebiecki, & Cortina, 2006). A recent promising trend in personality research has also been to study the interactions between the Big Five personality traits and more transient states or situational factors that can enhance or dampen their impact on various work-related outcomes (Ilies, Scott, & Judge, 2006; Stewart & Nandkeolyar, 2006).

CONCEPTUAL FRAMEWORK

The two major variables of this study were self-

monitoring and the big five personality traits. Self-monitoring which is the dependent variable, can be either high or low. In the present study the researchers examined two groups namely Thai and Foreign students who were either high and low self-monitors. The big five personality traits which was the independent variable consists of five dimensions (Burger 2004) namely:

1. **Extraversion (E)** consists of traits such as outgoing, gregarious, optimistic and sociable.

2. Neuroticism **(N)** or (inversely) **Emotional Stability (ES)** consists of traits such as anxiety, anger and depression.

3. **Agreeableness (A)** consists of traits such as trust, tender-mindedness and cooperation.

4. **Conscientiousness (C)** consists of traits such as reliable, hardworking, competence, order and self-discipline.

5. **Openness to Experience** (OP) consists of traits such as imagination, creativity, originality, and fantasy.

HYPOTHESES

Six Null hypotheses were formulated:

1) There is no significant difference in the degree of extraversion between low and high self-monitors.

2) There is no significant difference in the degree of emotional stability between low and high self-monitors.

3) There is no significant difference in the degree of agreeableness between low and high self-monitors.

4) There is no significant difference in the degree of conscientiousness between low and high self-monitors.

5) There is no significant difference in the degree of openness to experience between low and high self-monitors.

6) There is no significant difference between Thai and foreign students regarding the level of self-monitoring and personality traits.

METHODOLOGY:

The random sampling technique was used to collect data from 321 students, of which 151 were Foreign and 170 were Thais from the BBA faculty at Assumption University, Bang-na campus only.

MEASURES:

a) Self-monitoring was measured with the 25 item true-false scale developed by Snyder (1974) in which the responses are coded 0 and 1, with a 1 indicating high self-monitor. The Cronbach's Alpha for the present study was .72.

b) The Big Five Traits scale containing 41 items, 19 positively and 22 negatively worded, using a 5 point Likert-type response was developed by the researchers themselves. The Cronbach's Alpha for the present study was .82.

DATA ANALYSIS

In the descriptive analysis the mean and the standard deviation was calculated in order to find out the differences between low and high self-monitors with regard to each of the big five traits. In the inferential analysis one-way ANOVA was used to test hypotheses 1 to 5 and students were grouped based on their nationality and level of self-monitoring into 4 groups, then a one-way ANOVA procedure was performed to test hypothesis 6.

FINDINGS AND CONCLUSIONS

Hypothesis 1 was rejected since there was a significant difference between low and high self-monitors on extraversion trait ($F=17.989$, $p<.01$). The mean extraversion score for students with high self-monitoring score was 2.57 and the mean extraversion score for students with low self-monitoring score was 2.88.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Openness to new experience	Between Groups	.445	1	.445	1.191	.276
	Within Groups	119.077	319	.373		
	Total	119.522	320			
Emotional Stability	Between Groups	.461	1	.461	1.192	.276
	Within Groups	123.255	319	.386		
	Total	123.716	320			
Extraversion	Between Groups	7.721	1	7.721	17.989	.000
	Within Groups	136.924	319	.429		
	Total	144.645	320			
Conscientiousness	Between Groups	.030	1	.030	.092	.762
	Within Groups	104.760	319	.328		
	Total	104.790	320			
Agreeableness	Between Groups	.349	1	.349	.761	.384
	Within Groups	146.367	319	.459		
	Total	146.716	320			

Hypotheses 2, 3, 4, and 5 failed to be rejected.

Descriptives

		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
						Lower Bound	Upper Bound		
Openness to new experience	Low	151	2.5356	.59200	.04818	2.4404	2.6308	1.00	4.50
	High	170	2.4610	.62732	.04811	2.3660	2.5560	1.25	5.00
	Total	321	2.4961	.61115	.03411	2.4290	2.5632	1.00	5.00
Emotional Stability	Low	151	2.9561	.63508	.05168	2.8540	3.0582	1.33	4.67
	High	170	3.0320	.60938	.04674	2.9397	3.1242	1.00	4.83
	Total	321	2.9963	.62178	.03470	2.9280	3.0645	1.00	4.83
Extraversion	Low	151	2.8805	.64500	.05249	2.7768	2.9842	1.25	4.57
	High	170	2.5697	.66404	.05093	2.4692	2.6703	1.00	4.29
	Total	321	2.7159	.67232	.03753	2.6421	2.7897	1.00	4.57
Conscientiousness	Low	151	2.8368	.62588	.05093	2.7361	2.9374	1.20	5.00
	High	170	2.8562	.52172	.04001	2.7772	2.9352	1.40	4.40
	Total	321	2.8470	.57225	.03194	2.7842	2.9099	1.20	5.00
Agreeableness	Low	151	2.2437	.65651	.05343	2.1381	2.3493	1.20	4.80
	High	170	2.1776	.69536	.05333	2.0724	2.2829	1.00	4.80
	Total	321	2.2087	.67712	.03779	2.1344	2.2831	1.00	4.80

For hypothesis 6, the ANOVA test with nationality and level of self-monitoring as grouping variables revealed a significant difference only in the degree of extraversion among Thai and foreign students who have low and high self-monitoring levels (F=6.43, p<.01).

ANOVA could not detect differences among overall scores for emotional stability and conscientiousness but an LSD post-hoc analysis revealed a significant difference in emotional stability scores between high self-monitoring foreign students and low self-monitoring Thai students with a mean difference of .23482 (p<.05). There is a significant difference in conscientiousness scores between high self-monitoring Thai and foreign students (mean difference of .19167, p<.05).

Regarding extraversion scores, there are significant differences between high self-monitoring and low self-monitoring foreign students (mean difference of -.39765, p<.05), high self-monitoring foreign students and low-self monitoring Thai students (mean difference of -.35885, p<.05), low self-monitoring foreign students and high self-monitoring Thai students (mean difference of .28490, p<.05), high self-monitoring and low-self-monitoring Thai students (mean difference of -.24611, p<.05).

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Openness to new experience	Between Groups	1.501	3	.500	1.344	.260
	Within Groups	118.020	317	.372		
	Total	119.522	320			
Emotional Stability	Between Groups	2.152	3	.717	1.871	.134
	Within Groups	121.563	317	.383		
	Total	123.716	320			
Extraversion	Between Groups	8.297	3	2.766	6.430	.000
	Within Groups	136.348	317	.430		
	Total	144.645	320			
Conscientiousness	Between Groups	1.553	3	.518	1.590	.192
	Within Groups	103.236	317	.326		
	Total	104.790	320			
Agreeableness	Between Groups	.615	3	.205	.445	.721
	Within Groups	146.100	317	.461		
	Total	146.716	320			

LSD

Dependent Variable	(I) fourgroup	(J) fourgroup	Mean Difference (I-J)	Std. Error	Sig.
Openness to new experience	F-low	F-high	.01093	.10185	.915
		T-low	-.16439	.09931	.099
		T-high	-.01909	.09246	.837
	F-high	F-low	-.01093	.10185	.915
		T-low	-.17532	.10217	.087
		T-high	-.03002	.09553	.753
	T-low	F-low	.16439	.09931	.099
		F-high	.17532	.10217	.087
		T-high	.14529	.09281	.118
	T-high	F-low	.01909	.09246	.837
		F-high	.03002	.09553	.753
		T-low	-.14529	.09281	.118
Emotional Stability	F-low	F-high	-.06690	.10337	.518
		T-low	.16792	.10079	.097
		T-high	.05712	.09384	.543
	F-high	F-low	.06690	.10337	.518
		T-low	.23482*	.10369	.024
		T-high	.12402	.09695	.202
	T-low	F-low	-.16792	.10079	.097
		F-high	-.23482*	.10369	.024
		T-high	-.11080	.09419	.240
	T-high	F-low	-.05712	.09384	.543
		F-high	-.12402	.09695	.202
		T-low	.11080	.09419	.240
Extraversion	F-low	F-high	.39765*	.10948	.000
		T-low	.03880	.10674	.717
		T-high	.28490*	.09938	.004
	F-high	F-low	-.39765*	.10948	.000
		T-low	-.35885*	.10982	.001
		T-high	-.11275	.10268	.273
	T-low	F-low	-.03880	.10674	.717
		F-high	.35885*	.10982	.001
		T-high	.24611*	.09976	.014
	T-high	F-low	-.28490*	.09938	.004
		F-high	.11275	.10268	.273
		T-low	-.24611*	.09976	.014
Conscientiousness	F-low	F-high	.10817	.09526	.257
		T-low	.02534	.09288	.785
		T-high	-.08350	.08647	.335
	F-high	F-low	-.10817	.09526	.257
		T-low	-.08282	.09556	.387
		T-high	-.19167*	.08934	.033
	T-low	F-low	-.02534	.09288	.785
		F-high	.08282	.09556	.387
		T-high	-.10884	.08680	.211
	T-high	F-low	.08350	.08647	.335
		F-high	.19167*	.08934	.033
		T-low	.10884	.08680	.211
Agreeableness	F-low	F-high	.04644	.11332	.682
		T-low	-.07740	.11050	.484
		T-high	.01507	.10287	.884
	F-high	F-low	-.04644	.11332	.682
		T-low	-.12384	.11368	.277
		T-high	-.03137	.10628	.768
	T-low	F-low	.07740	.11050	.484
		F-high	.12384	.11368	.277
		T-high	.09247	.10326	.371
	T-high	F-low	-.01507	.10287	.884
		F-high	.03137	.10628	.768
		T-low	-.09247	.10326	.371

*. The mean difference is significant at the .05 level.

DISCUSSION

Analyses of the results indicate that Thai and Foreign students who are low self-monitors achieved higher scores for extraversion, the reason being that low self-monitors tend to form fewer but deeper and more sincere relationships with others compared to high self-monitors who are preoccupied with trying to make an impression on others. Low self-monitors tend to be more reliable, consistent and less manipulative compared to high self-monitors who tailor their behavior to fit a given situation. In addition high self-monitors generally seek different friends for different settings and tend to change their behavior across situations. Low self-monitors could be less sensitive and less concerned with their impact on others since they are guided more by their internal feelings and attitudes rather than by situational cues and hardly pay attention to verbal and non-verbal cues which makes them form more stable and less shallow relationships with others compared to high self-monitors.

Further analysis revealed that high self-monitors foreign students are more emotionally stable- that is they tend to control their emotions compared to low self-monitor Thai students because it could be that high self-monitors try hard to make an impression and often learn to emphatize with others-that is to 'walk in their shoes' and adjust behavior according to what the situation demands.

Finally, high self-monitor Thai students are more conscientiousness than high-self monitor foreign students. This could be associated with high Power Distance - that is the degree to which the less powerful members of organizations and institutions accept and expect that power is distributed unequally (Hofstede, 1980; 2001). In Thai culture children are socialized towards obedience and initiative and dutifully obey the orders they receive from parents and teachers. Thai society would be described as a developing economy and it could be that people from these economies tend to be more conscientious than people from wealthier countries. Prosperity allows people to behave less conscientiously or more wasteful (Smith and Bond, 1993).

PRACTICAL SUGGESTIONS AND FURTHER RESEARCH

Although one study of self-monitoring with the big five personality traits provides limited evidence about the nature of the differences between high and low self-monitors there are potential implications for management. Managers might use such knowledge when considering an applicant for particular assignments. For example one may take into consideration self-monitoring when making assignments into teams, which require a great deal of collaboration and cooperation or when boundary-spanning activities have to be performed. High self-monitors may have higher ability to empathize with colleagues-that is to see the world through their eyes compared to low self-monitors. On the other hand when putting together a decision group, perhaps too many high self-monitors might suffer from group think compared to low self-monitors.

Further research can be conducted to study the relationship between high self-monitoring and job satisfaction, leadership, organizational commitment and organizational citizenship behaviors of both teachers and students in Thai culture since there are individual differences in the traits of the Five Factor Model. Studies could be conducted on the dimensions of culture and personality traits. It would be possible to conduct experimental studies of the effects of personality on organizational culture.

REFERENCES

Allport, G.W. (1935) Attitudes. In C. Murchison (Ed.), *Handbook of social psychology*, vol.2. Worcester, MA: Clark University Press.

Ang, S., Van Dyne, L., & Koh, C. (2006) Personality correlates of the four-factor model of cultural intelligence. *Group & Organization Management*, 31: 100-123.

Bakker, A. B., van der Zee, K. 1., Lewig, K. A., & Dollard, M. F. (2006) The relationship between the Big Five personality factors and burnout: A study among volunteer counselors. *Journal of Social Psychology*, 146(1): 31-50.

Blakely, G.L., Fuller, J., & Smith D.H. (1996) The Relationship between Self-Monitoring and Organizational Citizenship Behavior. Annual Conference of Southern Management Association, New Orlean, Louisiana.

Barrick M.R., Parks L., & Mount M.K. (2005). Self-Monitoring as a Moderator of the Relationships between Personality Traits and Performance. *Per-*

sonnel Psychology, 58, 745.

Barrick, M. R., & Mount, M. K. (1991) The Big Five personality dimensions and job performance: A meta-analysis. *Personnel Psychology*, 44:1-26

Cattell, R.B. (1943) The description of personality: Basic traits resolved into clusters. *Journal of Abnormal and Social Psychology*, 38, 476-506.

Caldwell, D.F., & O'Reilly, C.A., III. (1982) Boundary spanning and individual performance: The impact of self-monitoring. *Journal of Applied Psychology*, 67, 124-127.

Dudley, N. M., Orvis, K. A., Lebiecki, J. E., & Cortina, J. M. (2006) A meta-analytic investigation of conscientiousness in the prediction of job performance: Examining the intercorrelations and the incremental validity of narrow traits. *Journal of Applied Psychology*, 91: 40-57.

Dobbins, G.H., Long, W.S., & Dedrick, E.J. (1990) The role of self-monitoring and gender on leader emergence: A laboratory and field study. *Journal of Management*, 16, 609-618.

Hofstede, G. (1980) Culture's consequences; *International differences in work related- values*. Beverly Hills, CA: Sage.

Hofstede, G. (2001) Culture's consequences (2nd ed): *Comparing values, behaviors, institutions and organizations across nations*. Thousand Oaks, CA: Sage.

Ilies, R., Scott, B. A., & Judge, T. A. (2006) The interactive effects of personal traits and experienced states on intraindividual patterns of citizenship behavior. *Academy of Management Journal*, 49: 561-575.

Katigbak, M.S., Church, A.T., Guanzon-Lapena, M.A., Carlota, A., & del Pilar, G.H. (2002) Are indigenous personality dimensions culture specific? Philippine inventories and the five-factor model. *Journal of Personality and Social Psychology*, 82, 89-101.

Kilduff, M., & Day, D.V. (1994) Do chameleons get ahead? The effects of self-monitoring on managerial careers. *Academy of Management Journal*, 37, 1047-1060.

Larkin, J.E. (1997). Are good teachers perceived as high self-monitors? *Personality and Social Psychology Bulletin*, 23, 64-72.

McCrae, R.R.(1993) Moderated analyses of Longitudinal Personality Stability. *Journal of Personality and Social Psychology*, pp. 577-85.

McCrae, R.R., & Costa, P.T., Jr. (1999) A five-factor theory of personality. In L.A. Pervin & O.P. John (Eds). *Handbook of personality* (2nd Ed.). New York: Guilford.

Mount, M. K., & Barrick, M. R. (1995) The Big Five personality dimensions: Implications for research and practice in human resources management. *Research in Personnel and Human Resource Management*, 13: 152-200.

Ozer, D. J., & Benet-Martfnez, V. (2006) Personality and the prediction of consequential outcomes. *Annual Review of Psychology*, 57: 401-421.

Peeters, M. A., Rutte, C. G., van Tuijl, H. F, & Reymen, I. M. (2006) The Big Five personality traits and individual satisfaction with the team. *Small Group Research*, 37: 187-211.

Snyder, M. (1974). The self-monitoring of expressive behavior. *Journal of Personality and Social Psychology*, 30, 526-537.

Smith, P.B., & Bond, M.H. (1993). *Social Psychology across cultures; Analysis and perspectives*. New York: Harvester Wheatsheaf.

Zaccaro, S.J., Foti, R.J., & Kenny, D. A. (1991). Self-monitoring and Trait-based variance in leadership: An investigation of leader flexibility across multiple group situations. *Journal of Applied Psychology*, 76, 308-315.

Zhao, H., & Seibert, S. E. (2006) The Big Five personality dimensions and entrepreneurial status: A meta-analytical review. *Journal of Applied Psychology*, 91: 259-271.