



The Strategy of Service Marketing-Mix and The Decision Making of Chinese Tourists to Visit Chiang-Mai from Covid-19 Perspective

^{1*} Xiaoxiao Wang , ² Nutteera Phakdeephrot 

^{1,2} Rattanakosin International College of Creative Entrepreneurship,
Rajamangala University of Technology Rattanakosin, Thailand

*Corresponding Author: wang.xiaoxiao@rmutr.ac.th

Information of Article	ABSTRACT
<p><i>Article history:</i> Received: Feb 2023 Revised: Mar 2023 Accepted: May 2023 Available online: Jun 2023</p> <p><i>Keywords:</i> Chiang Mai Tourism Chiang Mai Market Chinese Tourists Tourism Market Marketing Strategy</p>	<p>After Covid-19, the tourism industry in Chiang Mai continued to develop, and an increasing number of Chinese tourists brought a booming market to Chiang Mai's tourism development. This study aims to discuss the impact of service marketing strategies on consumer travel decisions in Chiang Mai. The study analyzed 714 valid questionnaires using SPSS and Amos to process the data. It was found that the service marketing mix in Chiang Mai tourism is multifaceted and requires businesses to consider a wide range of factors to be successful in this highly competitive market by focusing on price, distribution channel, promotion, personnel, process, tangible display, and service performance factors, businesses can develop a comprehensive marketing mix that meets the unique needs of this market. Research is beneficial for enriching marketing theories and providing more strategies and suggestions for developing tourism in Chiang Mai.</p>

1. Introduction

The development of tourism in Thailand has injected new vitality into the development of transportation, energy, food, hospitality and tourism business, and the development of these industries has also provided and created many jobs and economic value for Thailand. China's tourism consumption market has always been one of the most important markets in Thailand's tourism industry, and the Chinese government also encourages its citizens to travel to Thailand. However, due to the full-scale outbreak of the Covid-19 in 2020, the tourism industry in Thailand and even the world has been severely affected. Most countries have adopted "lockdown" policies to limit population movement and maintain social distance to fight the pandemic (Stefan, Daniel, & C. Michael, 2020), which led to cutting off most of the tourism behaviour at the root, which in turn affected the entire tourism industry and brought tourism to a halt (Darja, 2021). This study aims to examine the service marketing mix in tourism industry and to develop the marketing strategy to attract Chinese tourists after Covid-19.

2. Literature Review

2.1. Chiang Mai Tourism

As a famous tourist destination, Chiang Mai relies on the development of tourism in Thailand, and its local tourism industry environment is also relatively mature. In the development and design of tourist routes and products, many themed tours suitable for all kinds of tourists have been launched. Therefore, natural tourism resources, cultural tourism resources, and the experience of colourful and rich tourism projects, are highlights of Chiang Mai's tourism attraction. In addition, foreign tourists are also attracted by the mature tourism environment, high-quality tourism practitioners, residents, convenient and cheap transportation, cheap and delicious local Thai food and accommodation of various grades and prices can meet the needs of different groups of people, and they have become the driving force for attracting tourists to travel.

2.2. Theory of tourism marketing

Tourism marketing can be defined as the process of conducting marketing activities in a certain region according to the market tourism demand within a certain period, targeting the actual and potential tourist groups who are willing to

travel. To achieve the goals of their own organizations and meet the needs of tourists, tourism authorities or tourism companies formulate sales plans and product pricing for tourism products in the process and use various methods to implement product promotion and distribution.

2.3. 8Ps marketing mix

The 8Ps marketing-mix is more suitable for private companies seeking to build a competitive advantage through service offerings (Mathur, 2018). In addition, the people who provide the service (People), the physical display related to the service (Physical) and service performance (Performance) are significantly associated with enhancing brand image and brand equity (Mukherjee, & Shivani, 2016). Product refers to whether the tourism products and services related to Chiang Mai, Thailand, including the related products produced by the tourist attractions and the services provided by the staff, meet the needs of Chinese tourists. Price refers to the cost-effectiveness of products and services, and whether the cost-effectiveness is within the acceptable range for tourists. Placement is a channel through which products and services are displayed or sold to consumers. Promotion is a communication and incentive measure designed to stimulate consumer interest in buying. People refers to service personnel in tourism-related businesses. Process refers to the process in which customers or tourists are often involved in the production and provision of services in the tourism service business. Physical refers to the tourist facilities or service environment that affects the customer experience, including establishing the service quality and overall tourist image of the entire Thai tourism industry, which is something that tourists can see and touch. Service performance refers to what kind of service an enterprise provides to customers, and the changes and value added by customers who purchase and use service products, which affect customers' recognition of service products.

3. Methodology

This paper is based on the decision-making factors and tourism needs of Chinese tourists visiting Chiang Mai as the research framework. We are using the 5-point Likert-type scale. The research object is only for Chinese tourists. The original data is based on the distribution and recovery of questionnaires to a sample of 714 Chinese tourists in this study. This will be the first-hand information obtained by this research, the most real data support behind the research analysis and formulation of Chiang Mai tourism marketing strategy.

4. Data Analysis and Results

4.1 Reliability and Validity

This study used SPSS and the Cronbach Alpha coefficient to conduct a rank test on the questionnaire scale, while KMO and Bartlett's sphericity were used for validity testing. The test results are in Table 1 and Table 2:

Table 1. Reliability Analysis

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.972	.970	110

Table 2. KMO and Bartlett's Test

KMO Measure of Sampling Adequacy.		.945
Bartlett's Test of Sphericity	Approx. Chi-Square	52900.890
	df	5995
	Sig.	.000

4.2. Descriptive Statistics Analysis

The distribution of male and female participants was relatively even, with 365 males and 349 females. From the perspective of age, they are mainly between 25-45 years old, accounting for nearly 80% of the participants. Most of the participants were unmarried, with 354 participants. Secondly, the number of people who were married and had children also accounted for the majority, exceeding 40%. The number of participants who were married without children and divorced was relatively small. The number of participants with a bachelor's degree or above has an absolute advantage, 437 participants have a bachelor's degree and 133 have a master's degree or above. Among the participant groups, company employees, government or public institutions and freelancers are the main ones. From the perspective of monthly income, the three stages of 3001–6000-yuan, 6001-9000-yuan, and 9001-12000-yuan are relatively evenly distributed. There are not many tourists who choose to travel alone, and they prefer to travel with family and friends, but independent travel has an absolute advantage. Social media has become the main way to obtain travel information. Compared with traditional media, newspapers, and travel information, the way of obtaining information has almost changed. More tourists tend to travel in Chiang Mai for 3-10 days, so maybe Chiang Mai is more suitable for short-distance travel. Sightseeing is the main form of tourism in Chiang Mai, and more tourists tend to choose boutique hotels with distinctive features or artistic designs, while youth hostels are not popular with Chinese tourists. Regarding future travel plans, Chiang Mai, Bangkok, and Phuket all have good impressions. This is also the opportunity for Thailand to seize the most Chinese tourists. The attractions of Chiang Mai tourism are prominent in three aspects: Characteristic ancient city and history and culture (422), Beautiful natural landscape (534), and Specialty Local Cuisine (429). From the three dimensions of Buddhist temple cultural atmosphere, Low consumption price and the local simple and friendly folk customs, it is not as obvious as the previous ones, but it is also representative. The online platform search (539) is the main way to obtain information, followed by the hotel front desk (268). Airports, peer sharing, travel distribution centres, transportation platforms and restaurants also have certain meanings. However, in the digital age, online platform search is very important, which inspired the local tourism department to change the model of tourism promotion, and the tourism market has also changed in attracting consumers. The study states that tourism in Chiang Rai, and Pai County ranks second with 340 choices. Mae Hong Son, Golden Triangle, Chiang Dao, and Nan are representative to a certain extent, but they are not as famous as the previous ones. There are also some tourists who choose not to visit the surrounding cities.

4.3. Structural Equation Modelling

In confirmatory factor analysis, combined reliability (CR) and average variance extracted value (AVE) were used as the evaluation criteria of convergent validity. When the CR value of each factor is greater than 0.7 and the AVE value is greater than 0.50, it is considered that the convergent validity is good. The passing standard of discriminant validity is that the square root value of each factor AVE is greater than the correlation coefficient between this factor and other factors. From the convergent validity and discriminant validity table, the AVE values of all latent variables are more than 0.5, and the CR index reaches the standard. Table 3 elaborated the hypothesis testing using structural equation models.

Table 3. Structural Equation Model Path Tests (Total)

Hypotheses	Path	Estimate	β	S.E.	C.R.	P	Result
H1	Product → Requirement confirmation	0.050	0.055	0.035	1.423	0.155	Unsupported
H2	Price → Requirement confirmation	0.069	0.091	0.033	2.098	0.036	Supported
H3	Placement → Requirement confirmation	0.117	0.155	0.030	3.885	***	Supported

H4	Promotion → Requirement confirmation	0.012	0.016	0.033	0.354	0.723	Unsupported
H5	People → Requirement confirmation	0.037	0.045	0.038	0.973	0.331	Unsupported
H6	Process → Requirement confirmation	0.109	0.118	0.043	2.540	0.011	Supported
H7	Physical → Requirement confirmation	0.249	0.290	0.044	5.641	***	Supported
H8	Performance → Requirement confirmation	0.141	0.190	0.036	3.879	***	Supported
H9	Product → Information Search	0.034	0.025	0.058	0.592	0.554	Unsupported
H10	Price → Information Search	0.101	0.088	0.054	1.859	0.063	Unsupported
H11	Placement → Information Search	0.186	0.164	0.049	3.791	***	Supported
H12	Promotion → Information Search	0.137	0.124	0.054	2.525	0.012	Supported
H13	People → Information Search	-0.128	-0.102	0.063	- 2.030	0.042	Supported
H14	Process → Information Search	0.157	0.112	0.071	2.231	0.026	Supported
H15	Physical → Information Search	0.224	0.172	0.071	3.157	0.002	Supported
H16	Performance → Information Search	0.285	0.254	0.059	4.797	***	Supported
H17	Product → Case Evaluation	0.024	0.023	0.039	0.606	0.544	Unsupported
H18	Price → Case Evaluation	0.023	0.027	0.036	0.637	0.524	Unsupported
H19	Placement →	0.084	0.100	0.033	2.562	0.010	Supported

	Case Evaluation						
H20	Promotion → Case Evaluation	0.076	0.092	0.037	2.079	0.038	Supported
H21	People →Case Evaluation	0.156	0.167	0.043	3.650	***	Supported
H22	Process →Case Evaluation	0.074	0.070	0.047	1.558	0.119	Unsupported
H23	Physical → Case Evaluation	0.305	0.315	0.049	6.277	***	Supported
H24	Performance → Case Evaluation	0.166	0.198	0.040	4.149	***	Supported
H25	Product → Purchase Decision	0.079	0.063	0.048	1.647	0.099	Unsupported
H26	Price → Purchase Decision	0.021	0.020	0.045	0.476	0.634	Unsupported
H27	Placement → Purchase Decision	0.103	0.101	0.040	2.561	0.010	Supported
H28	Promotion → Purchase Decision	0.212	0.213	0.046	4.648	***	Supported
H29	People → Purchase Decision	0.006	0.005	0.052	0.115	0.908	Unsupported
H30	Process → Purchase Decision	0.084	0.066	0.058	1.436	0.151	Unsupported
H31	Physical → Purchase Decision	0.301	0.257	0.059	5.074	***	Supported
H32	Performance → Purchase Decision	0.265	0.262	0.049	5.391	***	Supported

In summary, the price, placement, process, physical and performance factors in the marketing mix strategy have a positive effect on demand confirmation, so H2, H3, H6, H7 and H8 are Supported. However, product, promotion and people factors have no effect on demand confirmation, and H1, H4, and H5 are rejected. In the marketing mix strategy, except product and price factors have no effect on information search, placement, promotion, people, process, physical, and performance have positive effects on information search. Therefore, H9, H10 are rejected, and H11-H16 are

Supported. In the case evaluation perspective, product, price, and process have no significant impact on program evaluation. However, placement, promotion, people, process, physical presentation, and performance contribute positively to case evaluation. Therefore, H17, H18, and H22 are rejected, and H19, H20, H21, H23, and H24 are Supported. Finally, marketing mix strategy factors that have an impact on purchasing decisions include placement, promotion, physical, and performance. Therefore, H27, H28, H31, H32 are Supported, and H25, H26 and H29, H30 are rejected.

5. Conclusion

In summary, the service marketing mix in Chiang Mai tourism is multifaceted and requires businesses to consider a wide range of factors to be successful in this highly competitive market. By focusing on price, distribution channel, promotion, personnel, process, tangible display, and service performance factors, businesses can develop a comprehensive marketing mix that meets the unique needs of this market. Based on the results of the study's descriptive statistical analysis, used to enhance the city's appeal as a top tourist destination. The research reminds local governments, travel agencies, hotels and accommodation providers, and businesses catering to tourists, to take the following steps. Local governments and tourism bureaus should focus on promoting Chiang Mai as a short-distance travel destination, suitable for 3–10-day tours. Work with social media platforms and influencers to promote Chiang Mai as it is the main source of travel information for tourists. Emphasis on family and group travel experiences as most travelers prefer to travel with family and friends. Travel agents should create custom travel packages suitable for groups, families, and friends, as independent travel is less common. Different price ranges are offered to accommodate different income levels, as my research results show that tourists are relatively evenly distributed across income brackets. Partner with local businesses and institutions to provide exclusive experiences to company employees, government or public agency workers, and freelancers who make up the majority of visitors to Chiang Mai. Hotels and accommodation providers should invest in boutique hotels that offer unique and artistic designs, as tourists tend to prefer such accommodations. Special packages are offered for families and groups of friends, as these are the most common types of travelers. Provide amenities and services suitable for more educated travelers, since a large percentage of participants in my study had a bachelor's degree or above. Local businesses such as restaurants, attractions, and retail stores should develop family- and group-friendly offerings to satisfy the majority of travelers traveling with family and friends. Partner with travel agencies to offer exclusive offers or promotions to attract more tourists. Take advantage of social media platforms to create engaging content and showcase your products, as it is the main source of information for most visitors. By leveraging these insights, stakeholders in Chiang Mai can optimize their strategies to attract more tourists and enhance their overall experience, ultimately. Although the research combines marketing theories and tourism consumption theories, these theories are relatively basic and cannot answer related questions from the latest perspective, for example, in the digital age, the Chiang Mai travel decisions of Chinese tourists in the post-epidemic era are still not clearly reflected. The sample is based on Chinese consumers, and the sample range is too large, which cannot accurately reflect the tourism decisions of Chiang Mai in different regions, different groups of people, and different research backgrounds. This paper studies the impact of marketing mix strategies on Chinese tourists' travel decisions in Chiang Mai. Future research directions can be developed from comparative study, cross-cultural, sustainability research, social media marketing strategies, tourism product innovation, destination branding, cooperation in the tourism industry, and negative effects.

References

- Darja, K. G. (2021). Psychological Characteristics of Tourist Behavior During a Pandemic and Expectations of Future Tourists. *Handbook of Research on the Impacts and Implications of Covid-19 on the Tourism Industry*. Chapter 19, 23.
- Hanliang, L. (2015). Travel Demand and Behavior Influence Mechanisms of Domestic Tourists: An Empirical Study Based on Travel Career Patterns, Perceived Limitations, Attitudes and Revisit Intentions. *Zhejiang University*, (06).
- Mathur, D. (2018). Policing: Reinvention strategies in a marketing framework. *South Asian Journal of Management*, 25(2), 214–216.
- Mukherjee, S., & Shivani, S. (2016). Marketing mix influence on service brand equity and Its dimensions. *Vision*, 20(1), 9–23.
- Okaka, W. (2011). The Role of Media Communications in Developing Tourism Policy. *Journal of Business Studies*, (3): 25-38.
- Stefan, G., Daniel, S., & Michael, H. (2020). Pandemics, tourism, and global change: A rapid assessment of COVID-19. *Sustain*.

- Almahdi Ejreaw, A. M., & Annowari, N. B. (2023). Knowledge and use of Information Communication Technology in Libyan SMEs. *Journal of Reproducible Research*, 1(1), 37–49. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/15>
- 12 *Journal of Reproducible Research (JRR) Issue (1) – Volume (2) - 2023 - e- ISSN - 2948-5282*
- Alkipsy, E., Hanston, E., & Raju, V. (2023). Comprehending the Value of Process Communication Model (Pcm): in the Context of Management, Personal, Inter-Culture and Scientific Perspectives. *Journal of Reproducible Research*, 1(1), 103–108. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/23>
- Qu, W., & Raju, V. (2022). Research on the Relationship Between the Development of Start-up Companies and The Quality of Entrepreneurs. *Journal of Reproducible Research*, 1(1). Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/7>
- Kee, L. H. (2023). Analysis of Entrepreneurial Growth and Skill: Case Study on Global Innovation. *Journal of Reproducible Research*, 1(1), 90–93. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/21>
- Dahwan, A., Raju, V., & Kassim, S. (2022). The Role of Organizational Challenges and Technical Challenges on the Implementation of E-government Military Institutions: . *Journal of Reproducible Research*, 1(1), 9– 21. <https://doi.org/10.58288/jrr.v1i1.5>
- Rasadurai, M., & Raju, V. (2023). Entrepreneurship and Innovation – A Review. *Journal of Reproducible Research*, 1(1), 83–89. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/18>
- Agarwal, M., Dr. Valliappan Raju, Dr. Rajesh Dey, & Dr. Ipseeta Nanda. (2023). Descriptive Research on AI-based tools to aid personalized customer service: Case of ChatGPT. *Journal of Reproducible Research*, 1(1), 140–146. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/27>
- Gao, H., & Raju, V. (2023). Entrepreneur Ability And Firm Growth. *Journal of Reproducible Research*, 1(1), 61–66. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/16>
- Huiwu, Y., & Hongmei, Y. (2023). The Influencing Factors of Turnover Intention of Post-90s Employees — Evidence from small and medium-sized graphic design enterprises in Chongqing. *Journal of Reproducible Research*, 1(1), 109–122. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/24>
- alkhaled, Y., Raju, V., & Kassim, S. (2023). Factors to Improve Customer Loyalty towards Yemeni Student Recruitment Agencies in Malaysia. *Journal of Reproducible Research*, 1(1), 50–60. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/12>
- Alfawazan, L. (2023). The effect of firm size, profitability, liquidity and industry type on firm value. *Journal of Reproducible Research*, 1(1), 94–102. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/22>
- Lumeizi, F., & Hongmei, Y. (2023). The Influencing Factors on Employees' Job Well-being -- Data from Architectural Material Enterprises in Guangdong Province, China. *Journal of Reproducible Research*, 1(1), 123–139. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/25>
- Elburase, E. A., & Addokali, B. M. (2023). Business intelligence technology success factors determine business performance within Libyan commercial businesses. *Journal of Reproducible Research*, 1(1), 71–82. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/20>
- BUSADRA, A. (2023). Abdulgawad. H.A. busadra Libyan national football assessment and future prospective: Asia metropolitan University, Malaysia, *Corresponding Author: coachjawad239@gmail.com. *Journal of Reproducible Research*, 1(1), 67–70. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/17>
- Lumeizi, F., & Hongmei, Y. (2023). The Influencing Factors on Employees' Job Well-being -- Data from Architectural Material Enterprises in Guangdong Province, China. *Journal of Reproducible Research*, 1(1), 123–139. Retrieved from <https://journalrrsite.com/index.php/Myjrr/article/view/25>
- Annamalai, R., Kalathinathan, A., & Vally, M. (2022). Pratt Software's Phonological Characteristics, Prosodic Features, and Importance. *Journal of Reproducible Research*, 1(1), 1–7. <https://doi.org/10.58288/jrr.v1i1.4>