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RESEARCH ARTICLE

EFFECTS OF TOURIST'S DEMAND ON SEASIDE RESORT AREAS STRATEGIC MANAGEMENT: A CASE OF CHINESE TOURISTS IN PHUKET

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ABSTRACT

The objectives of this study were to investigate the current demand of Chinese tourists in the seaside resorts in Phuket, to explore the current strategic management situation of the seaside resort in Phuket, and to survey the Chinese tourist's evaluation of the seaside resort and evaluate seaside resort strategic management in Phuket. The researcher used the survey questionnaire to collect data from 400 Chinese tourists who visited Phuket province, Thailand and used descriptive statistics to analyze the data. The results found that Chinese tourists have demand on having a legal framework to protecting Chinese tourists, having technology support for online payment methods such as Alipay and We Chat pay, having a reasonable price for food items and having unique natural tourism landscape. The results also found that the tourists have a high level of satisfaction in Phuket seaside resorts, and the willingness to travel in Phuket again is also high. Chinese tourists are most concerned about the traveling expenses in Phuket, such as accommodation, food items, transportation, commodity price, and the having a reasonable price for food items, and work efficiency of staffs. The Chinese tourists demand that related parties should introduce laws and policies to protect the rights and interests of Chinese tourists in Thailand.

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INTRODUCTION

Tourism is one of Phuket's most important industries. It promotes local economic development, increases local employment opportunities and increases people's income. In 2017, Phuket received a total of 17.6 million foreign tourists, an increase of 18% from 2016, second only to Bangkok. Among them, the number of Chinese tourists was 9.67 million, ranking first among foreign tourists (Oversea property information, 2018). Phuket is the first choice for Chinese outbound island tours, and one of the most popular islands around the world. Although the ship overturning accident occurred in 2018, 47 people were killed, and official data showed that the number of Chinese tourists going to Phuket fell by 15% - 20% in the fourth quarter. However, the number of Chinese tourists in early 2019 have rebounded a lot. Kongsak Khuphongsakon, Chairman of the Southern Region of the Thailand Hotel Association, stated that "the occupancy rate of Phuket hotels during the Spring Festival is over 90%" (The Thaiger, 2019). Phuket is likely to become the first choice for Chinese tourists to travel abroad.

According to the data in the past two years, the number of Chinese tourists accounts for the first place in Phuket's total foreign tourists. Therefore, the experience of Chinese tourists in Phuket has a strong research value for the tourism industry in Thailand. In addition, the expectation and perceived service quality of Chinese tourists play a key role in improving the quality of tourism in Phuket. An analysis of tourists' expectation and perceived service quality will also play an important role in improving resort strategic and improving service quality in Phuket. The purpose of this study is to reveal the existing management advantages and analytical management problems in Phuket and to help improve the strategic management in Phuket. Providing a better touring plan for the future of Phuket, urging the Phuket tourism management team to create a higher level of satisfaction for Chinese tourists who will visit to the seaside resort areas of the province. Finally, the results from this study could provide recommendation for Chinese tourists who plan to visit Phuket. The study is a quantitative research using questionnaire to collect data from 400 Chinese tourists who have been to Phuket or are traveling in Phuket in the past two years. The content of the questionnaire covers the survey of the expectation and perceived service quality of Chinese tourists of the following six aspects: landscapes, food, accommodation, transportation, shopping and entertainment.

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Through the data analysis of expectation and perceived service quality of Chinese tourists, we can understand the current strategic management in Phuket. Analyze the advantages and disadvantages of the current Phuket strategic management and provide some advice to Phuket managers.

LITERATURE REVIEW

Kotler (1999) mentioned that customer satisfaction as the customer's experience, comparing the customer's pre-purchase expectations with the post-purchase experience. Oliver (1981) stated that customer satisfaction is an assessment of a customer's specific transaction and reflects the relationship between the customer's expectations and their true experience with the products and services they receive. Expectations are short-term forecasts. Customer satisfaction is the embodiment of service quality. When the two are equal or the latter exceeds the former, customer satisfaction will appear. Customer satisfaction is influenced by the quality of products and services as well as customer sentiment. Customer satisfaction is the assessment of the customer's service after purchase, not their expectations (Zeithaml and Bitner, 1996). Fornell et al (1996) mention that customer satisfaction is the overall experience of customers when purchasing and consuming products and services. This is a cumulative experience. It will affect product quality, service quality and customer repurchase decisions. Customer satisfaction and service quality are directly related. Improving service quality is to improve customer satisfaction. Quality of service, price, environment and personal differences can affect customer satisfaction (Bitner, 1992; Bolton, 1998).

Ostrom and Iacobucci (1995) mention that satisfaction is a subjective opinion. Customers benefit from the purchase of a product or service. Customer satisfaction often varies from person to person. Different levels of satisfaction lead to different needs and motivations of customers. Customer satisfaction is an overall assessment of the service. This is a reflection of the customer's previous purchase. If it always exceeds their expectations, their loyalty will increase. Customer satisfaction should be highly valued. Tribe and Snaith (1998) defined tourists satisfaction as the degree to which tourists assess the attributes of the destination or the expectations of those attributes. Pizam, Neumann, and Reichel (1978) define tourists satisfaction as the result of a comparison between a tourist's experience and expectations. Swan and Combs (1976) stated that tourist satisfaction is a post-consumer attitude. Kolter (1999) considers tourists satisfaction as a comparison of the tourist's pre-tourism expectations with the post-tourism experience. Thongphon Promsaka Na Sakolnakorn and Naipinit (2011) mentioned seven factors affecting sustainable tourism management including natural resource protection, traffic congestion, taxation policies, travel costs, labor, waste management, and crime. The study shows that there is a problem with the Phuket waste management system. More and more people and tourists are generating a lot of garbage, which the government cannot manage properly. This problem directly affects the image of the city, the tourism industry and the health of residents. Castellani and Sala (2010) also mentioned waste management problems in Phuket and suggested that local government should develop policies and practical plans to deal with waste management issues. Nick Kontogeorgopoulos (2005) mentioned that Phuket is a typical public tourist resort, with crowded beaches, seawater pollution, and the constant construction of high-rise hotels that

take up a lot of natural resources. For a time, Phuket's ecological environment was seriously damaged. Phuket managers draw on the case of Sea Canoe, a success story of community-based ecotourism in southern Thailand. Sea Canoe is one of the oldest and most famous ecotourism companies in Thailand. Phuket managers adjust their management strategies to transform tourism development into community-based ecotourism. That is, the environmental sensitivity and responsibility promoted by ecotourism can also serve the political, economic, social and environmental interests of the communities.

METHODOLOGY

The research is a quantitative research. Firstly, the research summarized the main contributions and shortcomings of previous researches, and construct the focus of this research. Secondly, a sample survey of Chinese tourists is conducted to verify the rationality of the theoretical model and assumptions. Finally, the researcher used survey questionnaires to obtain the data from 400 Chinese tourists who were visiting the Phuket resort areas. The questionnaire was tested for reliability using the Cronbach's Alpha which the result was 0.889 presenting highly reliable.

RESEARCH FINDINGS

The research results found that majority of the Chinese tourists coming to Phuket are female, ages are between 18-24 years old, unmarried, hold bachelor degrees, are students, and have monthly salary between 3,000-5,999 Yuan. Most of the tourists who visit Phuket come from North and East China. They choose to stay in Phuket for 2-4 days. Before coming to Phuket, the Chinese tourists got information about Phuket tourism from the websites and other social media, followed by travel agencies and introduction by friends. There are fewer tourists who got information through TV and broadcast. Finally, the tourists choose to come to Phuket with friends, and they never been to Phuket before.

Expectations and Perceived Service Quality Analysis of the Respondents: The results from Table 1 illustrated that from the external environment factors, having a legal framework in protecting Chinese tourists and having technical support are the most important at very high level (mean=4.21, rank 1), followed by being friendly towards Chinese tourists and welcome Chinese tourists to travel and having sufficient funds to support the development of local tourism (mean=4.18, rank 2). The results from Table 2 illustrated that from the marketing mix factors, having a reasonable price for food items is the most important at very high level (mean=4.27, rank 1), followed by being able to provide fast services (mean=4.24, rank 2), followed by having first-class ability to handle emergency situations (mean=4.21, rank 3), followed by having a healthy image, being well-dressed, and having excellent service skills and providing services as advertised (mean=4.19, rank 4), followed by supporting online bookings (mean=4.18, rank 6). The results from Table 3 illustrated that from the external business factors, having unique natural tourism landscape is the most important at very high level (mean=4.25, rank 1), followed by having reasonable commodity prices (mean=4.22, rank 2), followed by having convenient and easy access to transportation in the area (mean=4.21, rank 3), followed by having provided reasonable price at entertainment (mean=4.20, rank4).

Table 1. Descriptive Statistics of External Environment Factors

	<i>Mean</i>	<i>Level</i>	<i>Rank</i>
Q1. The seaside resorts with good service quality should be friendly towards Chinese tourists and welcome Chinese tourists to travel	4.18	High	2
Q5. The seaside resorts with good service quality should have a legal framework in protecting Chinese tourists	4.21	Very High	1
Q9. The seaside resorts with good service quality should have sufficient funds to support the development of local tourism	4.18	High	2
Q14. The seaside resorts with good service quality should have technical support, such as using online payment	4.21	Very High	1

Table 2. Descriptive Statistics of Marketing Mix Factors

	<i>Mean</i>	<i>Level</i>	<i>Rank</i>
Q18. The seaside resorts with good service quality should have a first-class tour guide service team	4.15	High	7
Q22. The seaside resorts with good service quality should have a reasonable price for food items	4.27	Very High	1
Q25. The seaside resorts with good service quality should support online bookings	4.18	High	6
Q30. The seaside resorts with good service quality should provide services as advertised	4.19	High	4
Q33. The staff of the seaside resorts with good service quality should have first-class ability to handle emergency situations	4.21	Very High	3
Q37. The staff of the seaside resorts with good service quality should be able to provide fast services	4.24	Very High	2
Q41. The staff of seaside resorts with good service quality should have a healthy image, be well-dressed, and have excellent service skills	4.19	High	4

Table 3. Descriptive Statistics of External Business Factors

	<i>Mean</i>	<i>Level</i>	<i>Rank</i>
Q45. The seaside resorts with good service quality should have unique natural tourism landscape	4.25	Very High	1
Q49. The seaside resort areas with good service quality should have convenient and easy access to transportation in the area	4.21	Very High	3
Q54. The seaside resort areas with good service quality should have reasonable commodity prices	4.22	Very High	2
Q58. The seaside resort areas with good service quality should have provided reasonable price at entertainment	4.20	High	4

Satisfaction of Chinese Tourists in Phuket: According to the expectations and perceived service quality of Chinese tourists, the satisfaction of Chinese tourists can be analyzed. If the expectation is higher than the perceived service quality, the trip to Phuket did not meet the expectations of the tourists, and the tourists were not satisfied with the trip. If the expectation is equal to the perceived service quality, the trip to Phuket has reached the expectations of Chinese tourists, and the tourists are satisfied with the trip. If the expectation is beyond the perceived service quality, the trip to Phuket exceeds the expectations of Chinese tourists, and the tourists are very satisfied with the trip. From the following comparison of Chinese tourist expectations and perceived service quality, tourists can be analyzed for their satisfaction in Phuket.

The result from Figure 1 illustrated that from the external environment factors, having sufficient funds to support the development of local tourism is the biggest gap between expectations and perceptions (gap=0.33, rank 1), followed by having a legal framework in protecting Chinese tourists (gap=0.32, rank 2), followed by having a well-developed infrastructure (gap=0.30, rank 3), followed by having excellent public security situation (gap=0.24, rank 4), followed by having technical support, such as getting information on travel Apps (gap=0.23, rank 5), followed by having technical support, such as using online payment (gap=0.21, rank 6), followed by paying attention to the expectations of Chinese tourists, such as actively developing tourism projects suitable for Chinese tourists (gap=0.15, rank 7), followed by being friendly towards Chinese tourists and welcome Chinese tourists to travel (gap=0.05, rank 8).

The result from Figure 2 illustrated that from the marketing mix factors, having reasonable accommodation price is the biggest gap between expectations and perceptions (gap=0.48, rank 1), followed by having a reasonable price for food items (gap=0.45, rank 2), followed by being able to provide fast services (gap=0.38, rank 3), followed by having first-class ability to handle emergency situations (gap=0.37, rank 4), followed by providing services as advertised (gap=0.31, rank 5), followed by having trustworthy staffs. (gap=0.30, rank 6), followed by having a first-class tour guide service team (gap=0.27, rank 7), followed by being able to provide personalized service to Chinese tourists (gap=0.26, rank 8), followed by having promotions for Chinese tourists (gap=0.24, rank 9), followed by setting up pre-sale tickets point (gap=0.23, rank 10), followed by having a brochure for major tourism attractions and around the district (gap=0.22, rank 11), followed by supporting online bookings and having a healthy image, be well-dressed, and have excellent service skills (gap=0.20, rank 12), followed by having staffs with respectful, use polite language, smile service, be professional towards Chinese tourists (gap=0.10, rank 14).

The result from Figure 3 illustrated that from the external business factors, having reasonable commodity prices (gap=0.52, rank 1), followed by having reasonable transportation cost (gap=0.46, rank 2), followed by having provided reasonable price at entertainment (gap=0.34, rank 3), followed by having convenient and easy access to transportation in the area (gap=0.34, rank 4), followed by having facilities for Chinese tourists recreational (gap=0.28, rank 5), followed by keeping a good memory for

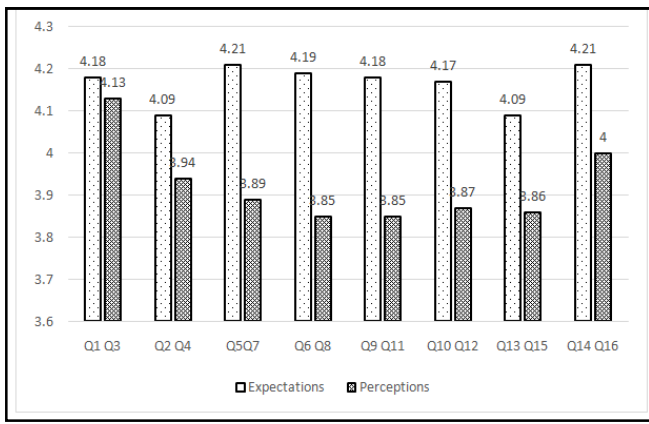


Figure 1. Comparison of Chinese Tourists' Expectations and Perceived Service Quality of External Environment Factors

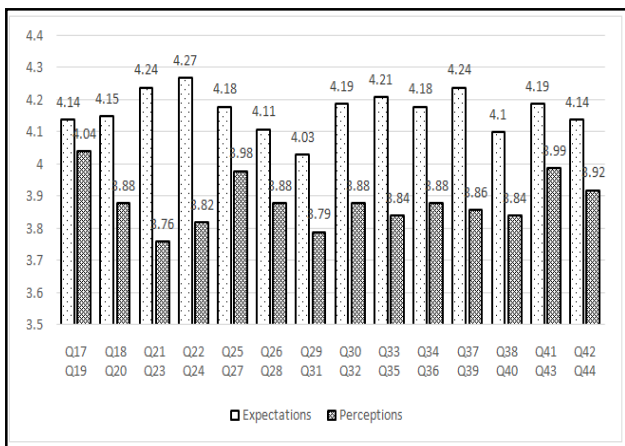


Figure 2. Comparison of Chinese Tourists' Expectations and Perceived Service Quality of Marketing Mix factors

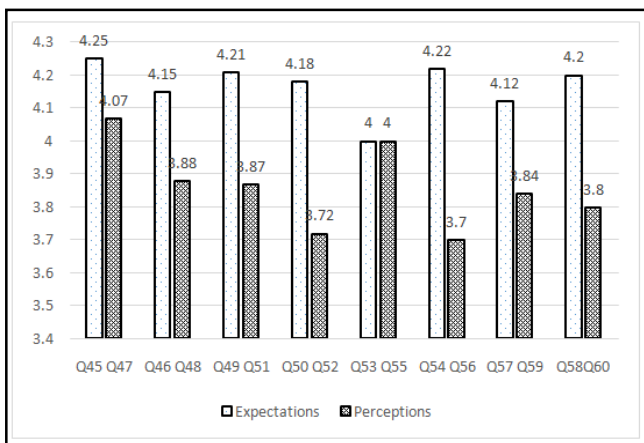


Figure 3. Comparison of Chinese Tourists' Expectations and Perceived Service Quality of External Business Factors

Tourists (gap=0.27, rank 6), followed by having unique natural tourism landscape (gap=0.18, rank 7), followed by having stores that sell souvenirs and special local products (gap=0, rank 8).

DISCUSSION

The most expectative aspects of the Phuket resort areas for Chinese tourists are Thailand should have a legal framework in protecting Chinese tourists, having technology support, such as using online payment, having a reasonable price for food items and having unique natural tourism landscape.

There is no tourists' perception surpasses the tourists' expectations. It can be seen that the service level of the Phuket resort areas does not exceed the expectations of Chinese tourists. There is a clear gap between the expectations and perceptions of Chinese tourists in the following service items, having reasonable commodity prices (gap=0.52), having reasonable accommodation price (gap=0.48), having reasonable transportation cost (gap=0.46), having a reasonable price for food items (gap=0.45), being able to provide fast services (gap=0.38). There is no gap or no clear gap between the expectations and perceptions of Chinese tourists in the following service items, having stores that sell souvenirs and special local products (gap=0), being friendly towards Chinese tourists and welcome Chinese tourists to travel (gap=0.05), having staffs with respectful, use polite language, smile service, be professional towards Chinese tourists (gap=0.10), paying attention to the expectations of Chinese tourists, such as actively developing tourism projects suitable for Chinese tourists (gap=0.15), having unique natural tourism landscape (gap=0.18).

Conclusion

In conclusion, Chinese tourists have a high level of satisfaction in Phuket seaside resorts, and the willingness to travel in Phuket again is also high. Chinese tourists can buy commodities in stores that sell souvenirs and special local products, feel the hospitality of the Thai service staff, experience the projects specially designed for Chinese tourists, and enjoy the unique landscapes. But there are still a few gaps between expectations and perceived service quality of several aspects, such as commodity price, accommodation price, transportation fare, food price, and staffs' fast services, which shows that Chinese tourists are most concerned about the traveling cost in Phuket.

Research Contribution

The findings from this research contribute to the knowledge in order to find out the new knowledge that for different groups of tourists from different part of the world, they have different demands. For the Chinese tourists, their demands are different from the tourists from the western countries, so that the services that the seaside resorts used to provide to the western tourists may not be satisfied by the Chinese tourists. Thus, the following research findings from this study present the demand and perception of Chinese tourists who visited Phuket in the year 2019. The findings from this research also could be benefits for many parties who are related to seaside resorts particularly the resorts located in Phuket, Thailand. First, the contribution for practice, it found that the management of seaside resorts should strategy plan for the control of cost of accommodation, food items, transportation, commodities to be more rationalized. In order to set up the prices, they must carefully by considering many factors. They need to control individual or collective price hike, rectifying the phenomenon of disrupting market prices and stabilizing market prices. With the better management, it will present a higher standard of tourist seaside resorts and upgrading the resorts to international standard. Thereby attracting more Chinese tourists to visit Phuket seaside resort areas. The findings from this research, finally, stated that by adjusting several management strategies that Chinese tourists are most concerned such as the introduction of laws and policies to protect the rights and interests of Chinese tourists in Thailand,

improving the ability of resort staffs to provide faster services; promoting more types of online payments, developing a more unique landscaping to attract more Chinese tourists should be serious overlooking. In addition, the comment from the tourists stated that the resort managers should learn, accept, and self-adjustment to reach the most anticipated aspects of Chinese tourists to boost a seaside resort areas services to reach the Chinese tourists' satisfaction.

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