

A BUSINESS STRATEGY TO ENHANCE THAI SEAFOOD BEACH RESTAURANTS SERVICE AND MARKETING IN THE HUA HIN AREA

by

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ABSTRACT

This research will comprise of 2 objectives; these are: 1) to analyse the satisfaction of customers, allowing an enhanced service marketing strategy for Thai seafood beach restaurant businesses in the Hua Hin Area, and 2) to present the parsimonious model to enhance a service marketing strategy for Thai seafood beach restaurant businesses in the Hua Hin Area. 2 types of research technique, which are qualitative and quantitative, were carried out using a snowball sampling technique and One-Short Study Survey with 400 Thai Tourists in the Hua Hin Area. The test for accuracy and quality of tools according to content (Content Validity) and Item Objective Congruent (IOC) by 8 experienced professionals, show that the Content Validity index was over .05 and the average reliability of the research tool, Alpha Coefficient was 0.907, which was a high level and acceptable accuracy. The result of the first objective is to analyze data according to the objectives by using Exploratory Factor Analysis: EFA technique which found that only 28 factors out of 35 factors accept by criteria of statistic then using for the analysis of confirmatory factor analysis. The result of the second objective is to analyze data according to the objectives by using Confirmatory Factor Analysis: CFA and preparing a proper presentation guideline to the parsimonious model and acceptance of service marketing for Thai seafood restaurants in the Hua Hin Area. This research discovered is an appropriate strategy for a service marketing strategy to enhance food service quality for Thai seafood restaurant businesses presents a 6 S' Strategy. The priority of the strategy approach is composed of 1. Service Excellence Strategy, 2. Sensible Price Strategy, 3. Sea Ambience Strategy. 4. Supporting Public Relation Strategy, 5. Sales Allowance Strategy, and 6. Service Variety Strategy respectively.

KEYWORDS

Seafood Beach Restaurant, Marketing Strategy, Service Marketing

INTRODUCTION

The Tourism business industry of Thailand is one of core business industries that gains revenue from foreign currency into the country. The industry stimulates to economic and also related support industry. The figure of Gross Domestic Product (GDP) has grown 6 percent and continues the ongoing revenue about U.S. \$ 547.8 billion in 2006 and U.S. \$ 592.8 billion in 2009 (Thailand, 2011). The top 3 of purposes for travelers visiting are vacation, business, conference or seminar respectively and the top 3 from revenue generated by tourism value of U.S. \$ 40.79 billion, souvenir shop U.S. \$ 32.94 billion, food and beverage U.S. \$ 25.16 billion respectively (Thailand, 2012a, 2012b). Unfortunately the Tourism business industry is affected by several factors such as the appreciation of the baht, rise in oil prices, measures to raise taxes aviation. A controversy between Thailand - Cambodias political situation and natural disasters that have occurred in the country. However Bangkok obtained popular vote for the World's Best City by Travel & Leisure Magazine in Thailand. The Hua Hin area generates capital of around 6 billion baht per year from 2 million visiting tourists (Homsud, Ampai, & Anekpattanakij, 2012). Therefore several businesses, especially those in the service sector should be encouraged and assisted by the government by a combination of public and private cooperation. In order to stimulate the economy, Hua Hin has the ability to attract tourists and efficiently. The survey of travel habits in Thailand. The National Statistical Office, prepared in collaboration with the Tourism Authority of Thailand in 2011 found that more than 50 percent of people were aged 15 years and over on a trip to Thailand. Both overnight and do not stay overnight illustrates as 45.7 percentages and 34.3 percentages, respectively (Thailand, 2012a). One-third of the revenue is that the food and drinks are generally focused on Hua Hin beach is a major food and seafood on the beach become very popular seaside eating on the beach, especially with Thai tourists. Therefore, it is required to develop a strategy to enhance service marketing for Thai seafood beach restaurant businesses for Thai tourists.

The objectives of this study are: 1) to analyse customer satisfaction towards the enhanced service marketing strategy for Thai seafood beach restaurant businesses in the Hua Hin Area, and 2) to present the parsimonious model to enhance service marketing strategy for Thai seafood beach restaurant business at Hua Hin Area.

METHODOLOGY

This research focuses to explore the results of: a service marketing strategy based on theory and applies to Thai seafood beach restaurants. The researcher uses the technique of mixed methodology, which were carried out using snowball sampling techniques and One-Short Study Survey with 400 Thai Tourists in the Hua Hin Area. The qualitative methodology was obtained by collecting Secondary data from literature, especially on service marketing of restaurant, primary data from in-depth interview with experienced professionals with seafood beach restaurant regulatory bodies, and experts who are involved for the policy regulator and then establishing 35 questions of factors. (Figure out: The Questions of the Questionnaire). The quantitative methodology uses Exploratory Factor Analysis: EFA to analyse customer towards an enhanced service marketing strategy for the Thai seafood beach restaurant business in the Hua Hin Area (Figure out: Objective 1) and Confirmatory Factor Analysis: CFA to present the parsimonious model to enhance service marketing strategy for Thai seafood beach restaurant business in the Hua Hin Area (Figure out: Objective 2). Would later was focus group by interviewing with experts in the seafood beach restaurant. In order to verify that the application of Thai seafood beach restaurant business for Thai tourists.

Results, Discussion and Conclusion: The first objective is the result from the satisfaction of customer towards the enhanced service marketing strategy for Thai seafood beach restaurant businesses in the Hua Hin Area. The result of exploratory factor analysis as measurement model (Jöreskog & Sörbom, 1996; Wiratchai, Jöreskog, & Sörbom, 1995) found that Kaiser-Meyer-Olkin Measure of Sampling Adequacy equal to 0.947 and total Variance Explained has 6 factors component which initial eigenvalues is greater than 1. The result from exploratory factor analysis is determining factor score as following:-

TABLE 1
EXPLORATORY FACTOR ANALYSIS: EFA FACTOR SCORE RESULT IS GREATER THAN 0.50

| List of Questions | Factor Score ≥ 0.50 | | | | | |
|---|--------------------------|------|------|------|------|------|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| Cleanliness of the seafood beach restaurant equipment in service. | 0.76 | | | | | |
| The validity of the order by the Customer. | 0.73 | | | | | |
| Cleanliness of the restroom. | 0.72 | | | | | |
| Speed of service. | 0.70 | | | | | |
| The beautifully presented dishes. | 0.67 | | | | | |
| The accuracy of the calculation as the actual service. | 0.65 | | | | | |
| Preparing materials on the table. | 0.63 | | | | | |
| Customer service at all levels equally. | 0.61 | | | | | |
| The staff is friendly. | 0.60 | | | | | |
| Knowledgeable about the employees of the restaurant. | 0.59 | | | | | |
| Politeness of the staff. | 0.57 | | | | | |
| Value of the goods received. | | 0.76 | | | | |
| The food prices are reasonable. | | 0.75 | | | | |
| Drink prices reasonable. | | 0.75 | | | | |
| The value of the services received. | | 0.73 | | | | |
| Diversity of seafood. | | 0.62 | | | | |
| The freshness of the seafood. | | 0.53 | | | | |
| Through advertising government agencies. | | | 0.76 | | | |
| The seafood beach restaurant opened by Festival. | | | 0.72 | | | |
| Seafood beach restaurant advertising through local media. | | | 0.68 | | | |
| Linguistic diversity of the staff. | | | 0.58 | | | |
| The beauty of decorative plates. | | | 0.52 | | | |
| Seafood beach restaurant near the beach. | | | | 0.79 | | |
| Decor for beach ambience. | | | | 0.61 | | |
| The menu offers a variety of dishes. | | | | | 0.74 | |
| Services drink of alcohol. | | | | | 0.73 | |
| The customer service business partnerships for hotels discount. | | | | | | 0.71 |
| Services for customers with credit cards. | | | | | | 0.69 |

Table 1 is explaining the factor is greater than 0.50 and determines the list of each strategy as 1. Service Excellence Strategy which consist of 1.1 Cleanliness of the seafood beach restaurant equipment in service, 1.2 The validity of the order by the Customer, 1.3 Cleanliness of the restroom, 1.4 Speed of service, 1.5 The presentation of dishes, 1.6 The accuracy of the calculation as the actual service, 1.7 Preparation of materials on the table, 1.8 Customer service at all levels, 1.9 The friendliness of staff, 1.10 Knowledgeable about the employees of the restaurant and 1.11 Politeness of the staff, 2. Sensible Price Strategy consisting of 2.1 Value of the goods received, 2.2 Reasonable food prices, 2.3 Reasonable drink prices, 2.4 The value of the services received, 2.5 Diversity of seafood, and 2.6 The freshness of the seafood, 3. Supporting Public Relation Strategy consisting of 3.1 Advertising through government agencies, 3.2 The seafood beach restaurant opened by Festival, 3.3 The advertising of the beach restaurant through local media, 3.4 The linguistic diversity of the staff, and 3.5 The beauty of decorative plates, 4. Sea Ambience Strategy consisting of 4.1 Seafood beach restaurants near the beach and 4.2 Decor to give a beach ambience, 5. Service Variety Strategy consisting of 5.1 The menu offers a variety of dishes and 5.2 various drinks of alcohol, 6. Sales Allowance consisting of 6.1 The customer service business partnerships for hotel discount and 6.2 Services for customers with credit cards respectively. Therefore the total of 28 factors from the above have a factor loading score which is greater than 0.50 and 7 questions have factor loading score which is lower than 0.50 as following:-

TABLE 2
EXPLORATORY FACTOR ANALYSIS: EFA FACTOR SCORE RESULT IS LOWER THAN 0.50

| List of Questions | Factor Score |
|---|--------------|
| | <= 0.50 |
| The appropriate to open and close the seafood beach restaurant. | 0.76 |
| The cleanliness of the seafood beach restaurant. | 0.73 |
| The dress of the staff. | 0.72 |
| The convenience of a trip to seafood beach restaurant. | 0.70 |
| Seafood spicy flavors. | 0.67 |
| The adequacy of the parking facilities. | 0.65 |
| The use of natural materials in the seafood served. | 0.63 |

Table 2 is explaining the factor is lower than 0.50 and eliminated by the factor loading score from exploratory factor analysis which is less than 0.50 are: 1) the appropriateness to open and close the seafood beach restaurant, 2) the cleanliness of the seafood beach restaurant, 3) the dress of the staff, 4) the convenience of a trip to the seafood beach restaurant, 5) seafood spicy flavors, 6) the adequacy of parking facilities, and 7) the use of natural products in the seafood. Therefore these first results are used for exploratory factor analysis are only 28 factors for the analysis of confirmatory factor analysis in the next step.

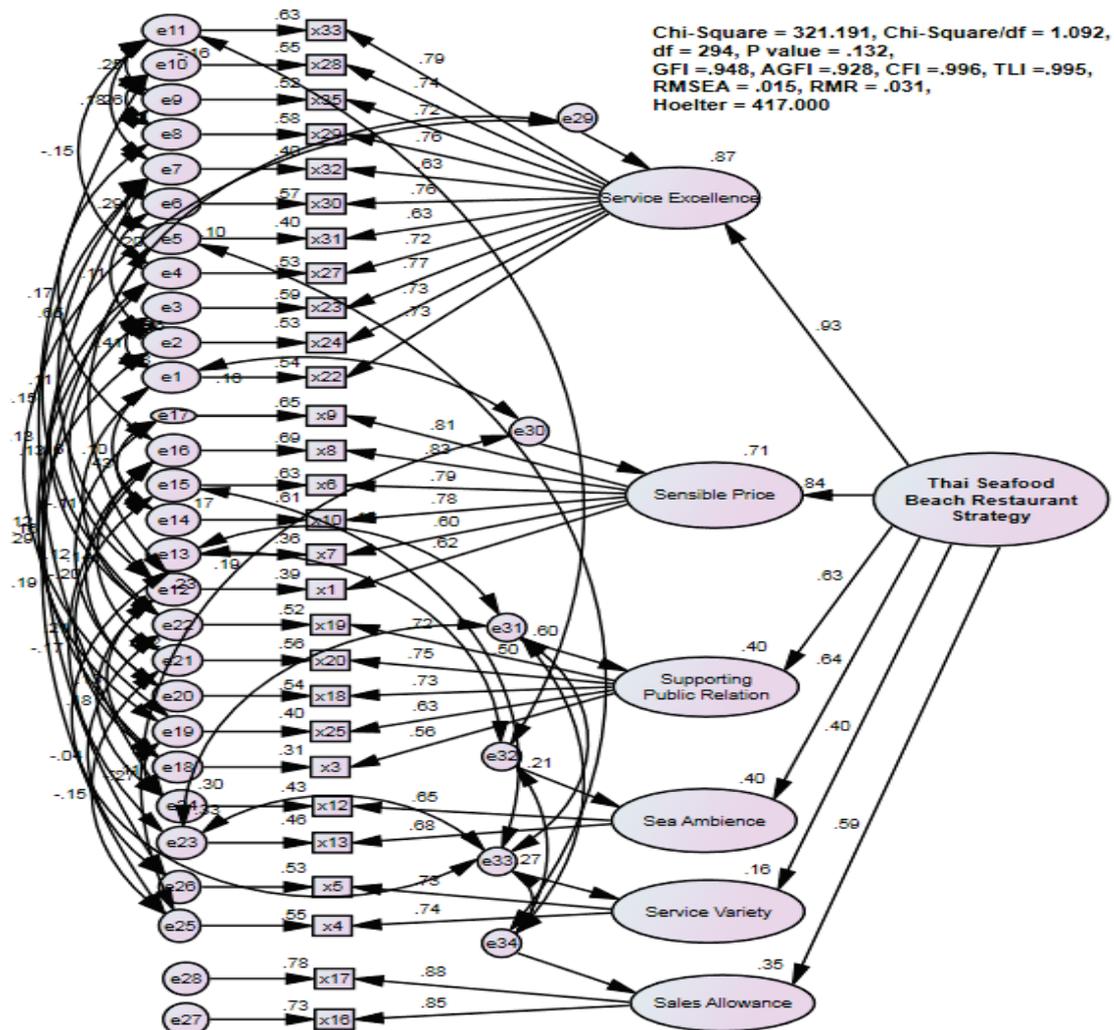
The second objective is to achieve a result using Confirmatory Factor Analysis: CFA to present the parsimonious model to enhance the service marketing strategy for Thai seafood beach restaurant business at Hua Hin Area. The After using 28 factors analysis from criteria consider of statistic by χ^2 / df (CMIN/DF), P value, GFI, AGFI, NFI, TLI, IFI, CFI, RMR, RMSEA, HOELTER (Jöreskog & Sörbom, 1996; Wiratchai et al., 1995) as followed:

TABLE 3
CRITERIA CONSIDER BY CONFIRMATORY FACTOR ANALYSIS: CFA

| Index Value | Criteria Consider | Statistics obtained from the analyses. |
|-------------------------|-------------------|--|
| χ^2 / df (CMIN/DF) | < 2 | 1.092 |
| P | ≥ 0.05 | 0.132 |
| GFI | ≥ 0.90 | 0.948 |
| AGFI | ≥ 0.90 | 0.928 |
| NFI | ≥ 0.90 | 0.953 |
| TLI | ≥ 0.90 | 0.995 |
| IFI | ≥ 0.90 | 0.996 |
| CFI | ≥ 0.90 | 0.996 |
| RMR | < 0.08 | 0.031 |
| RMSEA | < 0.08 | 0.015 |
| HOELTER | > 200 | 417 |

Table 3 demonstrates the results found that the statistics obtained from the analyses the criteria consider of statistic have pass of all values, then the analyses by using Confirmatory Factor Analysis: CFA has the results through the criteria as above that the model is good-fit to the empirical data and the relationship of testing statistic can be shown as following figure:

FIGURE 1
CONFIRMATORY FACTOR ANALYSIS: CFA FOR THAI SEAFOOD BEACH RESTAURANT STRATEGY



Therefore this research discovered an appropriate strategy for a service marketing strategy to enhance foods service quality for Thai seafood beach restaurant businesses and can be presented by 28 factors and the 6 S' Strategy as shown below:

TABLE 4 6
S' STRATEGY FOR THAI SEAFOOD BEACH RESTAURANT

| | |
|---|--------------|
| Thai Sea Food Beach Restaurant | Factor Score |
| Service Excellence | 0.935 |
| Cleanliness of the seafood beach restaurant equipment in service. | 0.795 |
| The staff is friendly. | 0.767 |
| Speed of service. | 0.765 |
| The accuracy of the calculation as the actual service. | 0.757 |
| The validity of the order by the Customer. | 0.742 |
| Politeness of the staff. | 0.733 |
| Knowledgeable about the employees of the restaurant. | 0.730 |
| Customer service at all levels equally. | 0.725 |
| Cleanliness of the restroom. | 0.719 |
| The beautifully presented dishes. | 0.634 |
| Preparing materials on the table. | 0.629 |
| Thai Sea Food Beach Restaurant | Factor Score |
| Sensible Price | 0.840 |
| The food prices are reasonable. | 0.832 |
| Value of the goods received. | 0.806 |
| Drink prices reasonable. | 0.794 |
| The value of the services received. | 0.781 |
| The freshness of the seafood. | 0.621 |
| Diversity of seafood. | 0.604 |
| Sea Ambience Strategy | 0.636 |
| Decor for beach ambience. | 0.680 |
| Seafood beach restaurant near the beach. | 0.654 |
| Supporting Public Relation Strategy | 0.629 |
| The seafood beach restaurant opened by Festival. | 0.746 |
| Seafood beach restaurant advertising through local media. | 0.732 |
| Through advertising government agencies. | 0.724 |
| Linguistic diversity of the staff. | 0.630 |
| The beauty of decorative plates. | 0.556 |
| Sales Allowance | 0.589 |
| The customer service business partnerships for hotels discount. | 0.881 |
| Services for customers with credit cards. | 0.855 |
| Service Variety Strategy | 0.402 |
| Services drink of alcohol. | 0.739 |
| The menu offers a variety of dishes. | 0.729 |

Table 4 explains the priority of the Thai seafood beach restaurant strategy approach using the 6'S strategy where consistency with The research purpose was to focus on restaurant chains effectively implementing and developing Marketing strategies and Service innovation, the result is based on Marketing, Operation performance, Service innovation and Marketing strategies. (Grönroos, 2000; Inkson & Minnaert, 2012; Yung-Sheng & Jui-Min, 2011). Therefore this research result were application all strategy with focus group by interviewing with experts in the seafood beach restaurant and several seafood restaurant received the award (Fleming, Miller, & Washington, 2008). Thai seafood beach restaurant strategy described as followed:

1. Service Excellence Strategy consisting of 1.1 Cleanliness of the seafood beach restaurant equipment in service, 1.2 The friendliness of staff, 1.3 Speed of service, 1.4 The accuracy of the calculation of the actual service, 1.5 The validity of the order of the Customer, 1.6 Politeness of the staff, 1.7 Knowledgeable about the employees of the restaurant, 1.8 Customer service at all levels, 1.9 Cleanliness of the restroom, 1.10 How beautifully presented the dishes are, and 1.11 The Preparation of materials on the table respectively. Because the service excellent of seafood beach

restaurant are important and first priority to concern about excellent in part of service in quality and affordability offered in a clean and comfortable environment, with food served by really warm, friendly people (Burns, 2010).

2. Sensible Price Strategy consisting of 2.1 The food prices are reasonable, 2.2 Value of the goods received, 2.3 Reasonable drink prices, 2.4 The value of the services received, 2.5 The freshness of the seafood, 2.6 The diversity of the seafood respectively. The sensible price strategy is consistency to concern of vendor for tourist focus about reasonable prices, quality of food (Jared Hunt Daily Mail Capitol, 2012; Lundberg & Lundberg, 2012)

3. Sea Ambience Strategy consisting of 3.1 Decor for beach ambience and 3.2 How close the Seafood beach restaurants are near the beach respectively. The sea ambience strategy is consistency with restaurant ambience and beach restaurant have to concern about decoration and location of restaurant is very attractive for tourist visiting (Inkson & Minnaert, 2012; NewsBank, 2013; Vajir, 2008)

4. Supporting Public Relation Strategy consisting of 4.1 the seafood beach restaurant being opened by a Festival, 4.2 The seafood beach restaurant being advertising through local media, 4.3 Through advertising government agencies, 4.4 Linguistic diversity of the staff, 4.5 The beauty of decorative plates respectively. The variety of media are very popular and many outcomes was proved by local media advertising spending Traditional such as direct mail, magazines, newspapers, outdoor, radio, television, and the yellow pages. Digital includes email, mobile, and online/interactive (Miller & Washington, 2013; Villano, 2011) and the local advertising decision makers perceptions of media effectiveness and substitutability are focus on decision makers reveal from 1. Daily newspapers and radio are perceived as the most effective media for local advertising, 2. Media interchange ability in local advertising is limited to a particular set of media options, namely, daily newspapers and radio, and 3. Patterns of media effectiveness and substitutability do not vary substantially by the type of local advertiser or the amount of money spent in daily newspaper advertising (Reid, King, Martin, & Soh, 2005).

5. Sales Allowance Strategy consisting of 5.1 the customer service business partnerships for hotels discount and 5.2 Services for customers with credit cards respectively. This sales allowance strategy is concern with making the tourist feel comfortable and the willingness to pay for their services acceptance. Several sales allowance techniques such as partnership, and payment method then consistency of tourist royalty and allowance is based on vendor application for sales allowance. (Ford & Suttora, 2011; Józsa & Keller, 2012)

6. Service Variety Strategy consisting of 6.1 Services drink of alcohol and 6.2 the menu offers a variety of dishes respectively. The service variety strategy is concerned about creative ability of dish decorate, The combination of the food and beverage of Thai seafood beach restaurant for compatibility between fresh seafood and beverages, especially beverages with alcohol which affect the consumption of food and drink. For example, white wine and red wine have a difference taste with the seafood diversification. They are almost called "Fusion Foods" and consistency of wine and food matching to explain of personal taste and willingness to experiment and consumption trends rather than strict standards such as sparkling wines for meal, seafood, and pork (Cook, 2008; StateWays, 2012).

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