# YANGON UNIVERSITY OF ECONOMICS DEPARTMENT OF COMMERCE

# MASTER OF HOSPITALITY AND TOURISM MANAGEMENT PROGRAMME

# MARKETING MIX, CUSTOMER SATISFACTION, AND CUSTOMER LOYALTY AT PRINCE HOTEL

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MHTM (1st BATCH)

# YANGON UNIVERSITY OF ECONOMICS DEPARTMENT OF COMMERCE MASTER OF HOSPITALITY AND TOURISM MANAGEMENT

# MARKETING MIX, CUSTOMER SATISFACTION, AND CUSTOMER LOYALTY AT PRINCE HOTEL

A thesis submitted as a partial fulfilment towards the requirements
for the degree of Master of Hospitality and Tourism Management (MHTM)

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# **ABSTRACT**

This study investigates the effect of marketing mix elements, customer satisfaction, and customer loyalty at Prince Hotel. The objectives of the study are to examine the effect of various marketing mix elements, including product, price, place, promotion, people, process, and physical evidence, on customer satisfaction. Additionally, the study aims to understand how customer satisfaction influences customer loyalty at the hotel. The research utilises a quantitative approach with data collected through a survey of 97 respondents. The data was analysed using regression analysis. The major findings of the study reveal that product, promotion, people, process, and physical evidence show strong effect with customer satisfaction. Moreover, customer satisfaction demonstrates a positive significant with customer loyalty, indicating that satisfied customers are more likely to become loyal patrons of the hotel. Based on these findings, the study suggests that Prince Hotel should focus on improving and maintaining the marketing mix elements to gain customer satisfaction. Furthermore, implementing exceptional customer service that positive customer experiences and enhance long-term loyalty.

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# CHAPTER I

## INTRODUCTION

The hotel and tourist business stands apart from other services because of its emotional, aspirational, and aesthetic appeal. Customers with essential feelings such as comfortable, secure, elegant, welcome, and relaxed require a customer-oriented marketing mix approach. In contrast to other services, the hospitality sector is built on the host–guest interaction, which has social and cultural connotations, as opposed to other services, which are primarily centred on the commercial manager–customer relationship. In marketing, there is a new paradigm that emphasizes personalized services and focuses on consumer knowledge and information to develop strong partnerships. Providing personalized services necessitates the collection of knowledge and information, such as client purchase habits and reaction to marketing efforts, in order to comprehend various sorts of customers. The marketing mix is one of the most often utilized tactics for providing firms with a variety of options for bringing their product or service to market.

According to (Kotler, 2013) marketing mix is a technique used by a corporation to persuade customers to buy their product in order to generate money then service marketing expanded into 7Ps that include people, process, and physical evidence. In other words, hotel marketers use items and services to develop loyalty merchandising in the hopes of convincing consumers to repurchase a product or use a service. To suit the different demands of customers, there is a global trend demonstrating a growth in the number and quality of hotel services with new marketing strategies.

The marketing mix's many aspects have a significant impact on the service's ability to achieve its aim. The marketing mix refers to the numerous variables of various targeted strategies aimed at increasing customer satisfaction and loyalty. Customer satisfaction is a corporate activity that focuses on creating value for customers, anticipating and managing their expectations, and showing the capacity and responsibility to meet their demands. Customer loyalty is described as a deep-seated internal commitment that leads to future repurchase or patronization of a favoured product or service, despite external circumstances that may trigger switching behaviour.

Prince Hotel is a 4-star Hotel located in Yangon, 3.3 miles from Shwedagon Pagoda, Prince Hotel provides accommodations with a shared lounge, free private

parking, a restaurant and a bar. It is owned by a Taiwanese investor Mr. Lin. It has 90 rooms with around 50 employees. It has many both local and foreign guests, especially Chinese businessmen visiting before the Covid-19 pandemic.

# 1.1 Rationale of the Study

The outbreak of the coronavirus, Covid-19 in early 2020 has brought the world economy to its knees, with the tourism and hotel sectors, which are highly trafficked and crowded, bearing the brunt. With the exception of a few other countries, where the outbreak is better controlled and is gradually recovering, however, most countries are still struggling in the hotel sector although the global outbreak has improved compared to 2020, vaccination levels are also increasing. The United Nations World Tourism Organization estimates that the global tourism and hotel industry will not return to normal until 2024, in the aftermath of the Covid-19, people have shifted their consumption philosophy, demand and behaviour (Cao, 2020).

The current state of the hotel industry is characterised by three main features: (1) Hotel closures are widespread, with the Covid-19 causing a total of around 2% of hotels worldwide to close permanently (Yang, 2020). Even if they survived until after the Covid-19, many hoteliers were unable to continue their operations due to their own financial strength and the hotels eventually had to close down. There were also some hotel operators who knew that the development of the hotel industry would be very difficult in the post-Covid-19 era and therefore voluntarily chose to close down, which made hotel closures common (Yang, 2020). The development of the hotel industry is limited by the requirements of regular prevention and control of the Covid-19.

Prince hotel had to closed for about one year due to the pandemic lockdown and it has faced some financial crisis. After re-opening the hotel now when the Covid-19 situations got better, the hotel is now trying to provide the premium quality service to its guests. Nevertheless, after the pandemic, since the tourism industry in Myanmar has to meet downfall, the Prince Hotel gets lesser customers every month. The arriving customers are also demanding more health and safety procedures and additional services from the Prince Hotel. Therefore, Prince Hotel is now upgrading its services so it is important to analyse the impact of practising activities in marketing mix, customer satisfaction and customer loyalty for this hotel. This study will provide better

marketing mix activities and their impact for higher customer satisfaction and customer loyalty at Prince Hotel.

# 1.2 Objectives of the Study

The main objectives of the study are as follows:

- To examine marketing mix activities at Prince Hotel.
- To analyse the effect of marketing mix activities on customer satisfaction at Prince Hotel.
- To analyse the effect of customer satisfaction on customer loyalty at Prince Hotel.

# 1.3 Scope and Method of the Study

This study focuses on the marketing mix, customer satisfaction and customer loyalty at Prince Hotel. This study uses descriptive and quantitative research methods. Both the primary and secondary data were collected in this study. For the primary data, a customer survey method with structured questionnaires with 5-point Likert scale were used (1= strongly disagreed to 5= strongly agreed). The secondary data were collected from relevant text books, journals, articles, reports, internet websites and research papers from the previous studies. Population of this study is the unknown population of the customers who are visiting the Prince Hotel. Using the Cochran Formula (Cochran, 1977), the sample size of this study is 97 respondents who are visiting to the Prince Hotel. The duration for collecting survey data of this research takes two weeks from 1<sup>st</sup> July 2023 to 15<sup>th</sup> July 2023.

# 1.4 Organization of the Study

This study is structured into five chapters to explore the effect of marketing mix activities on customer satisfaction, and customer loyalty at Prince Hotel. Chapter 1 provides an introduction to the study, outlining the purpose and objectives, as well as the significance of examining these factors within the hotel industry. Chapter 2 presents the theoretical background, drawing upon relevant literature and theories to establish a foundation for understanding the concepts of marketing mix, customer satisfaction, and customer loyalty. Chapter 3 focuses on the marketing mix activities specifically implemented at Prince Hotel. It examines how the hotel manages its product, price, place, promotion, and process strategies to attract and satisfy customers. Chapter 4

conducts an analysis of the marketing mix, customer satisfaction, and customer loyalty at Prince Hotel. It explores the relationship between these variables, utilising data and insights gathered from customer surveys or other relevant sources. Finally, Chapter 5 presents the conclusion of the study, summarising the key findings, implications, and recommendations for Prince Hotel and the broader hospitality industry. It also highlights potential areas for further research and invites further discussion on the topic.

# **CHAPTER II**

# THEORETICAL BACKGROUND

In this chapter, the theoretical background of the research is explored to establish a solid foundation for understanding the concepts of marketing mix, customer satisfaction, and customer loyalty. This chapter includes relevant literature and theories that inform the study's framework and provide valuable insights into the factors influencing customer behaviour and loyalty within the hotel industry.

# 2.1 Concept of Marketing

Marketing is a comprehensive set of activities and processes undertaken by organizations to promote, distribute, and sell their products or services to customers (Kotler, Armstrong, Harris, & Piercy, 2021). It plays a pivotal role in understanding customer needs, creating value, and fostering strong relationships to achieve business goals. At the heart of marketing lies the marketing concept, which centres on the idea of placing customers at the forefront of all marketing endeavours. This concept revolves around the notion that businesses should strive to satisfy customer needs and desires more effectively than their competitors. It recognizes customers as the foundation of a successful business and underscores the importance of meeting their needs and creating value to ensure long-term success.

The marketing concept encompasses several core principles. Firstly, customer orientation is vital, as businesses need to thoroughly comprehend their target customers and gain insights into their preferences, needs, and desires. By segmenting and analysing customer groups, organizations can tailor their marketing strategies to effectively meet specific customer needs. Secondly, integrated marketing ensures that marketing efforts are coordinated across various channels and departments within the organization, ensuring a consistent message and brand experience for customers. This synchronization reinforces the desired customer perception and maximizes impact. Thirdly, delivering customer value is paramount. Businesses must create and deliver superior value to customers by offering products or services that fulfil their needs, providing exceptional customer service, and ensuring a positive overall experience. Consistently delivering value helps foster customer loyalty and satisfaction.

# 2.2 Marketing Mix

Marketing mix known as 7 P's is the combination of product and services categories. It is an essential tool for any business to analyse the services or products offering. 7 P's refers to Product, Price, Place, Promotion, People, Process and Physical Evidence (Perreault & McCarthy, 2005). The marketing mix definition is about putting the right product or a combination thereof in the place, at the right time, and at the right price. The 7Ps of marketing mix are shown in the following Figure 2.1.

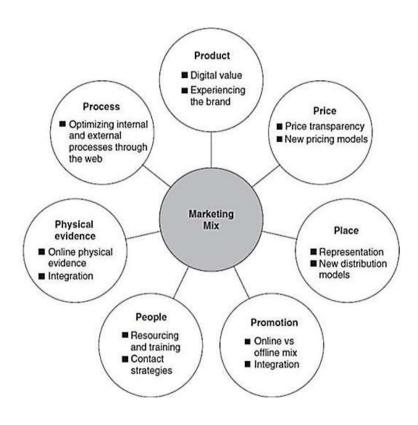


Figure (2.1) The 7 Ps of Marketing Mix

Source: Perreault & McCarthy, 2005

According to the Figure (2.1), marketing mix consists of 7Ps such as product, price, place, promotion, people, process and physical evidence.

# 2.2.1 Product

Product refers to the goods and services offered by the organisation. The product refers to the item actually being sold. Product can be described as a bundle of benefits which a marketer offers to the consumer for a price. A service is any activity or benefit that one party can offer to another that is essentially intangible and does not result in

the ownership of anything. Product is defined as a physical product or service to the consumer for which he is willing to pay. It includes half of the material goods, such as furniture, clothing and grocery items and intangible products, such as services, which users buy. (Singh, 2012) emphasises that the product is the first and one of the key marketing elements.

Service flower, also known as the service-profit chain or the service delivery system, is a conceptual framework used to understand the relationship between service quality, customer satisfaction, employee satisfaction, and business performance. It is called a "flower" because the framework resembles the shape of a flower with interconnected components. The service flower model suggests that there is a sequential and interconnected relationship between the different elements. It starts with the internal environment of the organisation, including employee satisfaction and engagement. Satisfied and motivated employees are more likely to provide high-quality service to customers.

The next step in the service flower is the delivery of high-quality service to customers. When customers receive excellent service, they are more likely to be satisfied with their experience. Customer satisfaction, in turn, leads to increased customer loyalty, positive word-of-mouth, and repeat business. The final step in the service flower is the impact on business performance. Satisfied and loyal customers generate higher revenue and profitability for the organisation. Additionally, positive customer experiences and feedback attract new customers and enhance the reputation of the business. The service flower emphasises the importance of creating a positive cycle where satisfied employees lead to satisfied customers, which ultimately leads to improved business performance. It highlights the need for organisations to focus on both the internal and external dimensions of service delivery to achieve sustainable success. Overall, the service flower provides a visual representation of the interconnectedness between service quality, customer satisfaction, employee satisfaction, and business performance, highlighting the critical role of each component in achieving long-term success in service-oriented industries.

# **2.2.2** Price

Price is one of the most important marketing mix items and many scientists consider the price as one of the most important elements of the market, which increases not only profits, but also market share (Singh, 2012). However, the price is not only

one of the key factors in a competitive situation, which directly affects the company's sales and profitability indicators, but also one of the most flexible marketing mix elements, which can quickly adapt to environmental changes.

Therefore, price is perceived as the only element of the marketing mix, generating revenue and the most important customer satisfaction and loyalty factor. (Singh, 2012) highlights that a very important factor in determining prices is influenced by the cost of the product, marketing strategy and costs associated with the distribution, advertising costs or price changes in the nature of the market. Pricing is dependent on volume of marketed production, so there is always an inverse relationship: the higher the price, the sales decline. Setting the right price is essential for achieving marketing objectives and meeting customer expectations. Price can be used strategically to position a product or service in the market and differentiate it from competitors. It can also influence customer perception of quality, value, and affordability.

When determining the price, companies consider various factors such as production costs, market demand, competition, and desired profit margins. Pricing strategies can vary, including premium pricing, penetration pricing, price skimming, value-based pricing, and competitive pricing. Premium pricing involves setting a relatively high price to position the product as exclusive or of higher quality. Penetration pricing, on the other hand, involves setting a low initial price to quickly gain market share and attract customers. Price skimming refers to setting a high initial price and gradually reducing it over time. Value-based pricing considers the perceived value of the product or service to customers. Competitive pricing involves setting prices based on the prevailing market rates.

Price decisions also involve considerations such as discounts, promotions, and pricing structures. Companies may offer discounts, bundle products or services, or implement loyalty programs to incentivize customer purchases and enhance perceived value. It is important for companies to find the right balance between pricing their offerings competitively and ensuring profitability. Price adjustments may be made in response to changes in costs, market conditions, or customer demand. Overall, price is a critical component of the marketing mix as it directly impacts customer behavior, profitability, and the overall positioning of a product or service in the market. By carefully considering pricing strategies and monitoring market dynamics, companies can effectively use price as a tool to achieve their marketing objectives and meet customer needs.

#### **2.2.3** Place

Another important element of marketing is a place that is also called the distribution, which is defined as the process and methods by which products or services reach customers (Singh, 2012). In the marketing mix, place refers to the distribution channels and methods used by a company to make its products or services available to customers. Also known as "distribution," place is one of the key elements of the marketing mix, alongside product, price, promotion, people, process, and physical evidence. Place involves determining the most effective ways to deliver products or services to the target market. It encompasses decisions related to the selection of distribution channels, logistics, and the physical location of sales outlets or service delivery points. When considering a place in the marketing mix, companies need to assess various factors such as the target market's preferences and convenience, competition, cost considerations, and the nature of the product or service being offered. Some key aspects related to place are discussed as follow.

**Distribution Channels:** Companies need to decide on the appropriate distribution channels to reach their target customers. This can include direct distribution (selling directly to customers) or indirect distribution (using intermediaries such as wholesalers, retailers, or online marketplaces). The choice of distribution channels depends on factors such as product complexity, customer preferences, and the company's resources and capabilities.

**Physical Location:** For businesses with physical locations, the choice of where to establish sales outlets or service centers is crucial. Factors such as proximity to target customers, accessibility, visibility, and local market conditions need to be considered. Physical locations can include retail stores, showrooms, service centres, or even vending machines.

**Online Presence:** With the rise of e-commerce and digital channels, the online presence has become a critical aspect of place. Companies need to establish an effective online presence, whether through their own e-commerce platforms or by partnering with online marketplaces, to reach and engage with customers who prefer online shopping or services.

**Logistics and Supply Chain Management:** Efficient logistics and supply chain management are vital for ensuring that products or services reach customers in a timely and cost-effective manner. This includes activities such as inventory management, transportation, warehousing, and order fulfilment.

Place decisions are crucial because they directly impact customer convenience, availability, and accessibility to the company's offerings. By strategically selecting the appropriate distribution channels, establishing physical locations strategically, and leveraging online channels effectively, companies can enhance customer satisfaction, reach a wider customer base, and gain a competitive edge in the market.

#### 2.2.4 Promotion

In the marketing mix, promotion refers to the various activities and communication strategies used by a company to promote its products or services and persuade customers to make a purchase. Promotion is one of the key elements of the marketing mix, alongside product, price, place, people, process, and physical evidence. Promotion encompasses a range of marketing activities designed to create awareness, generate interest, and ultimately drive sales. These activities can include advertising, sales promotions, public relations, personal selling, and direct marketing. The specific promotional mix employed by a company may vary based on its target market, industry, and marketing objectives. Promotion is a very important component of marketing as it can boost brand recognition and sales (Kotler, 2013). Promotion is comprised of various elements such as:

**Advertising:** Advertising involves paid, non-personal communication through various media channels such as television, radio, print, outdoor billboards, and digital platforms. It aims to reach a large audience and create brand awareness, inform potential customers about products or services, and persuade them to consider making a purchase.

**Sales Promotions:** Sales promotions are short-term incentives or offers that encourage customers to buy a product or service. Examples include discounts, coupons, limited-time offers, buy-one-get-one-free promotions, loyalty programs, and contests. Sales promotions are often used to stimulate immediate sales or attract new customers.

**Public Relations (PR):** Public relations activities focus on managing and enhancing the reputation and image of a company. This can involve activities such as media relations, press releases, sponsorships, events, and community engagement. PR efforts aim to build positive relationships with the public, customers, and other stakeholders. Personal Selling: Personal selling involves direct, face-to-face communication between a company's sales representatives and potential customers. It allows for personalised

product presentations, addressing customer questions and concerns, and building relationships. Personal selling is particularly relevant for high-value or complex products or services.

**Direct Marketing:** Direct marketing involves directly reaching out to potential customers through targeted communication channels such as email marketing, direct mail, telemarketing, and SMS marketing. It enables companies to deliver personalised messages, offers, and product information directly to individual customers or specific target segments.

# **2.2.5** People

7 P's services marketing framework, people are all people directly or indirectly involved in the service encounter, namely the firm's contact employees, personnel and other customers. Due to the inseparability of production and consumption for services which involves the simultaneous production and consumption of services, service firms depend heavily on the ability of contact employees to deliver the service. Contact employees contribute to service quality by creating a favourable image for the firm, and by providing better service than the competitions. Much of what makes a service special derives from the fact that it is a lived-through event. Service firms must find ways in which they can effectively manage the contact employees to ensure that their attitudes and behaviours are conducive to the delivery of service quality. This is especially important in services because employees tend to be variable in their performance, which can lead to variable quality i.e. heterogeneity in the performance of services.

The quality of a service (a visit to a hospital for medical check-up, having a meal at the restaurant, accountancy and consulting services) can vary from service providers and customers among many other factors. This lack of homogeneity in services creates difficulties for the service firms. As delivery of services occurs during interaction between contact employees and customers, attitudes and behaviours of the service providers can significantly affect customers' perceptions of the service. This is important, because customers' perceptions of service quality and its value can influence customer satisfaction, and in turn, purchase intentions.

#### 2.2.6 Process

Process refers to the procedures, mechanisms and flow of activities by which the service is delivered i.e. the service delivery and operating systems. The process of travelling with a budget airline is very different from that with a full-fledged premium airline. Because services are performances or actions done for or with the customers, they typically involve a sequence of steps and activities. The combination of these steps constitute a service process which is evaluated by the customers. r service to customers. It focuses on the steps and interactions that take place throughout the customer journey, from the initial contact to the final purchase and beyond. Process is one of the key elements of the marketing mix, alongside product, price, place, promotion, people, and physical evidence. Process is concerned with ensuring that the customer experience is smooth, efficient, and consistent. It involves managing and optimizing various internal and customer-facing processes to meet customer needs and expectations. Furthermore, in a service situation customers are likely to have to queue before they can be served and the service delivery itself is likely to take a certain length of waiting time. It helps if marketers ensure that customers understand the process of acquiring a service and the acceptable delivery times. Creating and managing effective service processes are essential tasks for service firms.

# 2.2.7 Physical Evidence

Physical evidence refers to the environment in which the service is assembled and in which the seller and customer interact, combined with tangible commodities that facilitate performance or communication of the service (Johnson, Whittington, Scholes, Angwin, & Regner, 2014). The physical evidence of service includes all the tangible representations of service such as brochures, letterhead, business cards, reports, signage, internet presence and equipment. Physical evidence refers to the tangible elements that customers encounter when interacting with a company's products, services, or brand. It encompasses the physical environment, facilities, equipment, packaging, and other visible aspects that shape the customer's perception of the offering. Physical evidence is one of the key elements of the marketing mix, alongside product, price, place, promotion, people, and process. Physical evidence plays a crucial role in establishing credibility, building trust, and creating a positive impression in the minds of customers. It helps to convey the quality, value, and reliability of a product or service. Effective management of physical evidence is crucial for creating a positive and memorable customer experience. It helps customers form perceptions of quality, trustworthiness, and professionalism. By paying attention to physical evidence, companies can strengthen their brand image, differentiate themselves from competitors,

and enhance customer satisfaction and loyalty. Overall, physical evidence in the marketing mix encompasses the tangible elements that customers encounter during their interactions with a company's offerings. By carefully managing and optimising these physical aspects, companies can create a favourable impression, influence customer perceptions, and ultimately drive customer satisfaction and loyalty.

# 2.3 Customer Satisfaction

Customer satisfaction is defined as a measurement that determines how happy customers are with a company's products, services, and capabilities. Customer satisfaction information, including surveys and ratings, can help a company determine how to best improve or change its products and services. As a result of comparing the results to expectations, customer satisfaction may be characterised as a feeling of pleasure or disappointment. Customer satisfaction is also a corporate activity that focuses on creating value for customers, anticipating and managing their expectations, and showing the capacity and responsibility to meet their needs.

Customer satisfaction is a critical aspect of business success, as it measures the extent to which customers' expectations and desires are met or exceeded by a product, service, or overall customer experience (Kotler & Keller, 2016). It reflects the overall evaluation and perception of customers towards a brand, company, or specific offering. Satisfied customers exhibit positive behaviours such as repeat purchases, brand loyalty, positive word-of-mouth recommendations, and a higher willingness to pay for products or services (Homburg, Wieseke, & Hoyer, 2009). Conversely, dissatisfied customers can have a detrimental impact on a business, leading to negative reviews, decreased customer loyalty, and potential loss of future business.

To measure customer satisfaction, businesses employ various tools and techniques, including customer surveys, feedback forms, online reviews, and social media monitoring (Parasuraman, Zeithaml, & Berry, 1988). These methods provide valuable insights into customers' perceptions, opinions, and expectations, helping businesses identify areas of improvement and make necessary adjustments to enhance the overall customer experience. Several factors contribute to customer satisfaction, including product quality, price fairness, customer service, convenience, reliability, and effective communication (Cronin & Taylor, 1992). Understanding these factors and consistently meeting or exceeding customer expectations across all touchpoints is essential for achieving high levels of customer satisfaction.

# 2.4 Customer Loyalty

Customer loyalty is defined as a deep-seated internal commitment to repurchase or re-patronize a chosen product or service in the future, despite environmental circumstances that may promote switching behaviour (Kotler, 2013). Customer loyalty is vital in business since it allows a firm to keep consumers while enhancing its financial performance and ensuring its survival. It is the primary motive for a business to keep its clients. Customers should feel more than happy, and simply satisfying them may not be enough; it must result in loyalty. As a result, customer loyalty is seen as a significant goal of many selling tactics, as well as an underlying strategic marketing goal. Customer's repurchase behaviour is estimated as a basic requisite for loyalty that is followed by satisfaction. Customer loyalty refers to the degree of attachment, commitment, and repeat patronage exhibited by customers towards a particular brand, product, or service (Oliver, 1999). It reflects the extent to which customers choose to continue their relationship with a specific company and demonstrate a preference for its offerings over competitors.

Loyal customers are more likely to make repeat purchases, show resistance to competitive marketing efforts, and engage in positive word-of-mouth. They contribute significantly to a company's revenue and profitability, as they tend to spend more and have a higher lifetime value. Moreover, loyal customers can act as brand ambassadors, promoting the company to their social networks and attracting new customers. Building customer loyalty requires understanding and meeting customer needs, delivering consistent quality, and providing exceptional customer experiences (Hennig-Thurau, Gwinner, & Gremler, 2002). This can be achieved through personalised communication, rewards programs, superior customer service, and creating emotional connections with customers (Mittal & Kamakura, 2001).

# 2.5 The Relationship of Marketing Mix and Customer Satisfaction

Marketing mix is a combination of; seven variables, which are product, price structure, promotion activity, place, people, process and physical evidence. These seven elements of marketing mix are related and affect each other, therefore an attempt to generate a marketing policy which leads to an effective service and customer loyalty is needed. In marketing mix, there are variables that mutually support each other, which later will be combined by the company to get a desired response from the target market. With such devices, a company can affect the demand of its product. So, the more the

company understands the demand of the customers, the more satisfied the customers will be. The marketing mix elements play a significant role in shaping customer satisfaction. The quality, features, and functionality of the product or service offered directly impact customer satisfaction. Pricing strategies that align with perceived value and fairness contribute to customer satisfaction. Effective promotional activities that accurately communicate benefits and generate interest enhance satisfaction. The accessibility and convenience of the location where customers can access the product or service also affect satisfaction.

The interactions and service provided by employees play a crucial role, as friendly, knowledgeable, and attentive staff members enhance customer satisfaction. Streamlined processes and hassle-free experiences contribute to higher satisfaction levels, as do well-maintained environments and appealing physical evidence. When the marketing mix elements are aligned with customer needs and expectations, customer satisfaction increases. Understanding customer preferences, monitoring satisfaction levels, and making necessary adjustments to the marketing mix are key in enhancing customer satisfaction and fostering long-term loyalty. The relationship between the marketing mix and customer satisfaction is reciprocal, as a well-executed marketing mix positively influences customer satisfaction, leading to repeat business, positive word-of-mouth, and increased loyalty.

# 2.6 The Relationship of Customer Satisfaction and Customer Loyalty

The relationship of marketing mix and customer satisfaction is not always the same due to it being affected by several factors, one of which is the product itself. In an industry where a product has a low involvement, satisfaction is often the dominant driving factor in forming customer loyalty. While a product with high involvement, other factors are more dominant in forming their customer loyalty. Despite that customer satisfaction becomes one of elements in forming customer loyalty in spite of its influence. Thus, when a customer feels satisfied with a product with high involvement, a customer will not necessarily become loyal due to other dominant factors in forming customer loyalty. Customer satisfaction plays a pivotal role in driving customer loyalty. When customers are satisfied with their experiences, they are more likely to develop a sense of trust and loyalty towards the brand. Customer satisfaction creates a positive emotional connection between the customer and the brand. When customers have positive experiences and feel valued, they are more likely

to develop an emotional attachment to the brand. This emotional bond strengthens customer loyalty and increases the likelihood of repeat business. Customer satisfaction creates a positive emotional connection between the customer and the brand. When customers have positive experiences and feel valued, they are more likely to develop an emotional attachment to the brand. This emotional bond strengthens customer loyalty and increases the likelihood of repeat business. Satisfied customers tend to have higher levels of engagement, repurchase intention, and positive word-of-mouth, all of which contribute to increased customer loyalty.

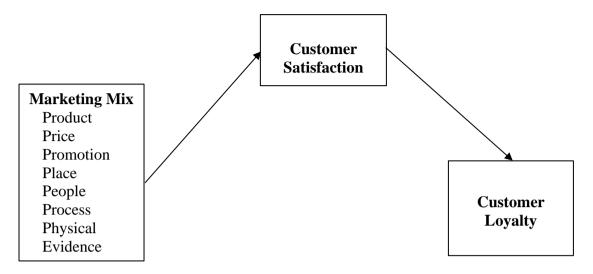
## 2.7 Previous Studies

There are various numbers of research papers studied on the marketing mix, customer satisfaction and customer loyalty. Among them, three papers are studied for this research.

Ashraf Jahmani, Omar Jawabreh, Reneh Abokhoza, Ali Mahmoud Alrabei (2023) studied the impact of marketing mix elements on tourist's satisfaction towards five stars hotel services in Dubai during Covid-19. The objective of this study was to devise and implement a methodology enabling five-star hotels to identify factors that enhance tourist satisfaction amidst the pandemic. A sample of 100 randomly selected tourists in Dubai, staying at five-star hotels, participated as respondents.

The findings revealed that, with the exception of the physical evidence pertaining to the Covid-19 situation, none of the marketing mix elements exhibited a significant impact on tourist satisfaction. These outcomes signify that the Covid-19 pandemic has influenced the services offered by five-star hotels in Dubai, and the utilisation of marketing mix elements by these hotels plays a crucial role in determining tourist satisfaction. In conclusion, Dubai should recognize the significance of employing an effective marketing mix to meet tourist expectations and enhance services, thereby strengthening its position within the tourism industry. The conceptual framework for this research study is shown in Figure (2.2).

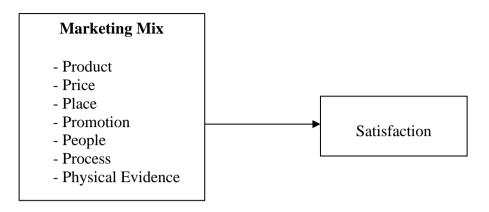
Figure (2.2) The Impact of Marketing Mix Elements on Tourist's Satisfaction towards Five Stars Hotel Services in Dubai During COVID-19



Source: Ashraf Jahmani, Omar Jawabreh, Reneh Abokhoza, Ali Mahmoud Alrabei (2023)

Asfaw Abebe (2020) indicated the effect of marketing mix elements on customer satisfaction: of selected four-star rated hotels in Hawassa City. The aim of this study is to examine the impact of seven marketing mix elements, including product, price, promotion, people, place, process, and physical evidence, on customer satisfaction. The researcher employed a mixed-methods approach, incorporating both qualitative and quantitative research methods. An explanatory research design was adopted to observe the effect of the independent variables on the dependent variable through regression analysis. A total of 320 out of 350 questionnaires were collected as primary data from respondents. A binary logistic regression model was utilized to assess the effect of the seven explanatory variables on customer satisfaction, which was measured on a nominal scale. The results of the regression analysis revealed that product, place, promotion, and people had a statistically significant positive effect on customer satisfaction. Conversely, price exhibited a statistically significant negative effect on customer satisfaction. The conceptual framework for this research study is shown in Figure (2.3).

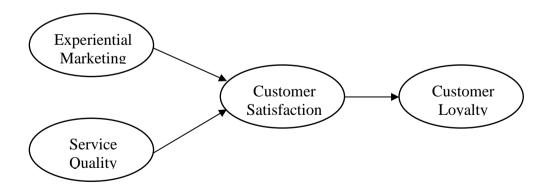
Figure (2.3) The Effect of Marketing Mix Elements on Customer Satisfaction:
A Case from Selected Four-Star Rated Hotels in Hawassa City



Source: Asfaw Abebe (2020)

Walter Tabelessy, Rainier H. Sitaniapessy, Dian M. Lekatompessy (2023) analysed the experiential marketing, service quality, customer satisfaction, and customer loyalty. The research focuses on a quantitative survey conducted at the Collin Beach Hotel in the village of Latuhalat, Ambon. The sample consists of 124 respondents, selected through a Non-Probability Sampling technique known as Purposive Sampling. To test the hypotheses, the research utilizes PLS-SEM with the SmartPLS application. The conceptual framework for this research study is shown in Figure (2.4).

Figure (2.4) Establishing Customer Satisfaction to Increase Customer Loyalty in Collin Beach Hotel



Source: Walter Tabelessy, Rainier H. Sitaniapessy, Dian M. Lekatompessy (2023)

According to figure (2.4), the findings indicate that experiential marketing has a positive and significant impact on customer satisfaction. Similarly, service quality

demonstrates a positive and significant influence on customer satisfaction. Furthermore, the results reveal that customer satisfaction positively and significantly influences customer loyalty.

# 2.8 Conceptual Framework for the Study

Based on the theoretical background and related studies, the conceptual framework of the study is shown in Figure (2.5).

Product

Price

Place

Customer

Satisfaction

Customer Loyalty

People

Process

Physical Evidence

Figure (2.5) Conceptual Framework of the Study

Source: Own Compilation (2023)

The presented figure is the conceptual framework for this research paper. The marketing mix activities are the independent variables and consists of seven components. The customer satisfaction and customer loyalty are the dependent variables for this research paper. The relationship between the variables will be analysed by the regression analysis.

The working definitions of the variables in this study are described as follows, **Product:** Product in this study means service quality, variety of accommodations, hotel facility and safety measures.

**Price:** Price in this study means pricing of the rooms and accommodations, value for money of services, price-quality ratio of the room and offering competitive prices.

**Place:** Place in this study refers to the surroundings of the hotel, location, online booking system and direct channels.

**Promotion:** Promotion in this study refers to promotional offers, reward programs and discounts.

**People:** People in this study means staff reply responses for social media, handling complaints and the skills and knowledge of staff.

**Process:** Process in this study means booking, check-in and check-out process.

**Physical Evidence:** Physical Evidence refers to exterior and interior designs, clean and sanitised environment and safety.

# **CHAPTER III**

# PROFILE AND MARKETING MIX ACTIVITIES OF PRINCE HOTEL

This chapter presents the profile and marketing activities of Prince Hotel. There sections included in this chapter are the organisation background, customer segmentation, and each marketing mix activities of Prince Hotel.

# 3.1 Background of Prince Hotel

Prince Hotel is located in the Tarmwe Township in Yangon, next to ARYU International Hospital, which is also a crowded area and a 15 minute drive to the famous ShweDagon Pagoda. Prince hotel is a full-service business hotel with 92 luxurious rooms offering extraordinary hospitality to a variety of guests. Prince is the first branded hotel to integrate local culture of Myanmar founded by Mr. Lin (Myanmar Taiwan Business Association Vice-President), and is entrusted to Spring Park International Co., Ltd. to manage, operate and dispatch a general manager with professional profound experience in international five-star hotels. Prince offers a comfortable and secure room environment and quality service to travellers who understand the value of taste. In addition, within Prince, it can be found a unique fine-dining international restaurant, a business centre with office functions, a standard meeting room for 50 people, a relaxing aromatherapy spa, a 360 city-view 2-story sky bar, etc. The hotel provides visitors with world-class facilities and amenities so that they enjoy a variety of amazing experiences that will make their trip even more exciting. The organisation structure of Prince Hotel is shown in figure (3.1).

Figure (3.1) Organization Structure of Prince Hotel



Source: Prince Hotel (2023)

The organisational structure of Price Hotel is the functional organisation structure. Hotel breaks down the department based on their specialised functions and assigns the specific tasks to the people each with specialised skills for specific positions. Prince Hotel then departmentalized based on two main functions, which are back of house consisting of sale and marketing, F&B kitchen, engineering, HR/ Admin, finance and front of house consists of front office, activities, housekeeping, F&B service. As for chain of command, Prince Hotel's scalar chain structure is quite tall, as each level of management has to report to their superiors step by step. However, as a whole organisation, the span of control is quite wide. Centralization is high as the top management mostly makes the decisions. Last but not least there are also the written rules and regulations for each department and Standard operation procedure for daily activities that individuals have to follow. Moreover, as a service provider, employees need to wear a formal dress code to be neat and clean.

# 3.2 Customer Segmentation of Prince Hotel

Prince Hotel employs various types of customer segmentation strategies to effectively target and cater to the diverse needs and preferences of its guests. One of the primary types of customer segmentation utilised by Prince Hotel is demographic segmentation. Prince Hotel targets the luxury segment, comprising affluent individuals with high disposable incomes, by offering premium amenities, personalised services, and exclusive packages to create a luxurious and indulgent experience. They also target the family segment, which includes families with children, by providing family-friendly

rooms, recreational activities, and amenities such as children's play areas and babysitting services. Additionally, Prince Hotel targets the business traveller segment by offering amenities like fully equipped business centres, meeting rooms, high-speed internet access, and convenient location near business districts. They also provide special corporate rates and services tailored to the needs of business travellers, such as express check-in/check-out and flexible cancellation policies. Moreover, Prince Hotel engages in psychographic segmentation, which involves categorising customers based on their lifestyle, values, interests, and attitudes.

# 3.3 Marketing Mix Activities of Prince Hotel

Marketing mix activities of Prince Hotel are product, price, place, promotion, people, process and physical evidence. Each marketing mix activity is discussed in the following.

# 3.3.1 Product (Service) Provided by Prince Hotel

Prince Hotel is a good service providing 4-star hotels for customers and provides (24) hours service to customers and it focuses in foreign customers. Products provided by this hotel include the hotel building, service and facilities, machinery and equipment. The main service offered by Prince Hotel is the customer service and it can be categorised into two criteria: service and facilities which means its equipment and supporting service.

Prince Hotel is designed with an apartment building structure and it has eight floors with 92 rooms. The rooms are classified as superior double rooms, deluxe double room and standard double room. The main things that attract foreign customers are these interior decorations of pictures and wooden statues. Each room has inspired traditional interior design styles in order to appreciate Burmese culture and also filled with the best facilities, creating a luxurious surrounding. Prince Hotel also offered 24-hour Wi-Fi service, kitchen and laundry services for guests. Moreover, the hotel ensures the guests' safety as a priority with security of the established environment equipment, supplies and information.

Prince Hotel has also developed and maintained safety and security management by implementing the security service of the guests and staff. Furthermore, Prince Hotel also provides additional services such as a restaurant, gym, business centre, aromatherapy spa, private vvip room, sky bar and car parking which support its

service sector. Moreover, after the Covid-19 pandemic, the hotel makes sure its provided services align with the Covid-19 restrictions and provide additional services if one of the guests tested positive during the stay such as free stay until recovery.

Table (3.1) Total Numbers of Rooms at Prince Hotel

No.	Categories	<b>Number of Rooms</b>	Price
1.	Superior double room	27	\$ 53
2.	Deluxe double room	35	\$ 44
3.	Standard double room	30	\$ 40
	Total	92	

Source: Prince Hotel (2023)

## 3.3.2 Price of Prince Hotel

In Prince Hotel, there are 92 double-rooms fully air-conditioned with full facilities. Rooms are classified by two categories: Superior Double room and Deluxe Double Room. Prince Hotel also offers a special price for single traveller guests although all of its rooms are double room types.

Price usually depends on the room conditions selected by the guests. Prince Hotel offers the seasonal price and flexibility price. Seasonal price is usually offered in the travel season and flexibility price is usually offered for loyal customers. Moreover, demand based pricing strategy is a general pricing strategy used in Prince Hotel as the company tries to get the maximum room rate when demand is high and ensure the higher room occupancy rate when demand is low. However, hotel also offers different kinds of rates as shown in Table (3.2).

**Table (3.2)** Price Rates at Prince Hotel

Rack or Published Rates	Rates for walk in customers with no reservation
Corporate Rates	Special rates for clients who usually stay for work
Commercial Rates	Discounted rates to attract for business tourists
Contracted Rates	Rates negotiated between airlines, travel agents and hotel
Package Plan Rates	Rates for accommodation plus extra services such as European Plan, Continental Plan, American Plan, Modified American Plan, Bed & Breakfast
Discounted Rates	Rates for special events and festivals

Source: Prince Hotel (2023)

## 3.3.3 Place Activities of Prince Hotel

Prince Hotel is located in Yangon City junction, adjacent to ARYU International Hospital, overlooking the 9-story face of Yangon City and Shwe Dagon Pagoda. It can be assumed that the location of Price Hotel is also convenience for the guests. Furthermore, as the accessibility is a key in service business, Prince Hotel uses both direct channel and indirect channel bookings. As for direct channel, hotel accepts the bookings through its own website, Facebook, Email and Telephone. As for indirect channel, hotel sells the rooms via Tour operators, Travel Agents, and Hotel booking agent such as Agoda and TripAdvisor. Distribution channels of Prince Hotel are shown in Table (3.3).

**Table (3.3)** Distribution Channels of Prince Hotel

Direct Channel	Own website, Facebook, Email and Telephone
Indirect Channel	Tour operators, Travel Agents, and Hotel booking agents
	such as Agoda and TripAdvisor.

Source: Prince Hotel (2023)

#### 3.3.4 Promotion Activities of Prince Hotel

In order to achieve marketing objectives, Prince Hotel provides the hotel-related information to customers to stimulate their desire to purchase hotel service and in order to meet the needs of the guests. Prince Hotel do not usually advertise on Print Media and Billboards but on Social Media for awareness, especially on Facebook. Hotel organizes with local community and set up the Trash Hero Activity to clean up the trashes in Yangon region to minimize the impact of pollution. Hotel good environment with the local community in helping them develop the region by establishing a local community centre for SMEs to increase their income.

Moreover, Prince Hotel's 70 percent of hotel associations are from local people. As for personal selling, hotel emphasizes on sale interactions with customers via Internet and telephone and tries to personalize the stay of customers in order to enhance their desire. Last but not least, Prince Hotel mostly use pull strategy through physical evidence, reputation and brand image but advertising is seldom. Hotel carries out push strategy only when demand is decreasing by offering incentive to tour operators, travel agents and hotel booking agents.

## 3.3.5 Service Personnel of Prince Hotel

Service providers in Prince Hotel are general manager, supervisor and staffs in real time production of service. The hotel staffs are degree holders, have past experiences in hotel industry and well trained by the hotel's training and development team. So, these persons are full knowledge and skills provide service for the guests. Moreover, they are friendly and good looking person. Prince Hotel comprises various departments that work together to provide a seamless guest experience. Sales and marketing department is responsible for promoting the hotel, attracting guests, and managing sales strategies. Food and beverage department oversees the hotel's dining outlets, including restaurants, bars, and room service. The housekeeping department ensures cleanliness, maintenance, and the overall appearance of guest rooms and public areas. The front office department handles guest services, including check-ins, checkouts, reservations, and guest inquiries. The finance department manages financial operations, including accounting, budgeting, and financial analysis. These service providers, whether front-line or back-line staff members, and various departments collectively contribute to delivering high-quality services and ensuring a memorable experience for guests at Prince Hotel. Front-line and back-line operation of Prince Hotel are shown in Table (3.4).

**Table (3.4)** Operation Lines of Prince Hotel

	Receptionists
	Concierge
Front-line operation	Bellmen/Porters
	Room Service Attendants
	Housekeeping Staff
	Maintenance Staff
Back-line operation	Kitchen Staff
	IT Staff
	Administrative Staff

Source: Prince Hotel (2023)

#### 3.3.6 Design Process of Prince Hotel

Prince Hotel uses four main operating processes such as housekeeping process, the process of supplying necessary inputs, guest arrivals, departure and service process and producing and serving food and beverage process together with other supporting processes and managerial processes. The following Figure (3.2) demonstrates the stages of process at Prince Hotel.

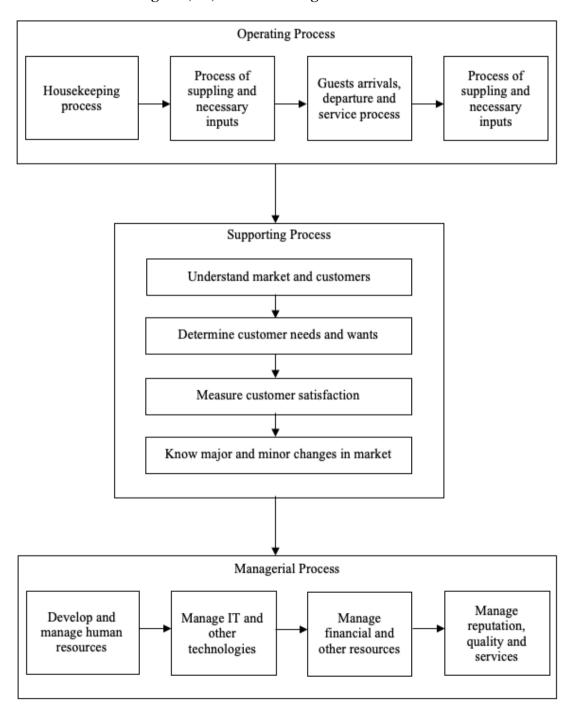


Figure (3.2) Process Stages of Prince Hotel

Source: Prince Hotel (2023)

Figure (3.2) shows the process stages of Prince Hotel. It consists of three main stages operation process, supporting process and managerial process. The operation process includes housekeeping process, the process of supplying necessary inputs, guest arrival, departure and service process, and producing and serving food and beverage process. The supporting process and managerial process includes four stages each.

Hygiene hotel rooms and hotel service

Laundry, dry cleaning, and bed making

Technical Maintenance

Decorating the interior of hotel

Figure (3.3) Housekeeping Process of Prince Hotel

Source: Prince Hotel (2023)

Figure (3.3) shows the house keeping process of Prince Hotel and it consists of four processes such as hygiene hotel rooms and hotel service, laundry, dry cleaning, and bed making, technical maintenance and decorating the interior of the hotel.

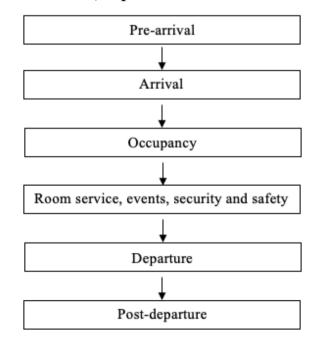


Figure (3.4) Guest Arrival, Departure and Service Process of Prince Hotel

Source: Prince Hotel (2023)

Figure (3.4) shows the guest arrival, departure and service process of Prince Hotel such as pre-arrival, arrival, occupancy, room service, event, security and safety, departure and post departure stages.

#### 3.3.7 Physical Environment at Prince Hotel

Prince Hotel provides neat and tidy uniforms for both male and female staffs. Each of its room is fully air conditioned with full facilities including (7" x 6") modern double bed, traditional inspired wooden wardrobe and sofa sets, refrigerator, 32" flat TV and Sky Net Digital Set-up box providing all channels. Besides, each room has attached private bathroom and toilet including bathtub, simple shower accessories, shower cup, towels, tissues, toilet paper, cosmetic mirror, etc. Moreover, as it is located beside the main street and its building is apartment type and the hotel compound is filled with colourful flowers and big trees, creating a peaceful home-alike-environment and landscape for its guests. Furthermore, it has its own website for the inquires of guests. Before the onset of the Covid-19 pandemic, the physical evidence and service quality at Prince Hotel were cantered on creating an immersive and luxurious guest experience. The hotel's physical environment was meticulously designed to reflect elegance and comfort, from the lobby to guest rooms and common areas. The layout was thoughtfully organized, and interior décor exuded a sense of sophistication, catering to both leisure and business travellers. Staff were trained to offer personalized services, ensuring that guests felt welcomed and attended to throughout their stay. The hotel's facilities, including fitness centres, spas, and dining areas, were maintained to high standards, contributing to a positive overall impression.

However, the arrival of the Covid-19 pandemic brought about significant changes to the physical evidence and service landscape. Health and safety measures became paramount. The hotel implemented stringent sanitation protocols, which were visibly evident to guests, reflecting a commitment to their well-being. This included measures such as contactless check-in and check-out, enhanced cleaning practices, and the availability of hand sanitizers in public areas. The layout of common spaces was adapted to facilitate social distancing, and capacity limits were enforced in dining areas. The hotel's communication shifted towards reassuring guests about the safety measures in place, both on its website and through direct channels. Overall, while the physical evidence and service at Prince Hotel underwent substantial changes due to the pandemic, the core commitment to guest satisfaction remained intact. The shift towards

prioritising health and safety reinforced the hotel's dedication to providing a comfortable and secure environment for its guests, ensuring that their experiences were positive even amidst the challenging circumstances brought about by Covid-19.

#### **CHAPTER IV**

# ANALYSIS ON MARKETING MIX, CUSTOMER SATISFACTION AND CUSTOMER LOYALTY

This chapter consists of research design, reliability test, demographic data of customers, customer perception of marketing mix, customer satisfaction and customer loyalty to measure the analysis on the effect of marketing mix on customer satisfaction and the effect of customer satisfaction on customer loyalty.

# 4.1 Research Design

The quantitative research component involves conducting a survey among guests at Prince Hotel. A structured questionnaire is designed to collect data on various marketing mix elements, customer satisfaction, and customer loyalty. The survey uses a Likert scale or other rating scales to measure respondents' perceptions and attitudes towards the hotel's products, pricing, place, promotion, people, process, and physical evidence. The sample size was determined, and data was collected from a representative sample of 97 hotel guests, with 95% confidence level and 10% margin of error. ensuring adequate representation of different customer segments. After data collection, statistical analysis was performed on the survey data. Techniques such as regression analysis, correlation analysis, and analysis of variance may be used to examine the relationships between marketing mix elements, customer satisfaction, and customer loyalty. The significance of each marketing mix component in influencing satisfaction and loyalty was assessed. Throughout the research process, ethical considerations were upheld, ensuring informed consent, anonymity, and confidentiality of respondents' information. Sample size calculation of this study is described as follow:

$$n=\frac{z^2pq}{e^2}$$

$$n = \frac{(1.96)^2(0.5)(0.5)}{(0.1)^2} = 96.04 = 97$$
 respondents

#### 4.2 Reliability Test

Table (4.1) demonstrates the reliability analysis for the independent and dependent variable of this research.

**Table (4.1)** Reliability Analysis for Variables

Variable	Number of items	Cronbach's Alpha
Product	5	0.788
Price	5	0.847
Place	5	0.881
Promotion	5	0.753
People	5	0.895
Process	5	0.765
Physical Evidence	5	0.824
Customer satisfaction	7	0.849
Customer loyalty	5	0.896

Source: Survey data (2023)

The Table provided above shows the Cronbach's Alpha values and the number of items for each variable in the study on marketing mix, customer satisfaction, and customer loyalty at Prince Hotel. Cronbach's Alpha is a measure of internal consistency or reliability of a scale, indicating how well the items in a variable correlate with each other. Higher Cronbach's Alpha values generally indicate greater internal consistency and reliability. From the Cronbach's Alpha values, it can be seen that most of the variables have acceptable levels of internal consistency. Generally, Cronbach's Alpha values above 0.70 are considered reliable, and all the variables in this study meet are reliable to proceed.

# 4.3 Demographic Data of Respondents

The demographic characteristic includes: gender, martial status, age, occupation, monthly income level and their frequency of visit at the prince hotel. This section is carried out to analyse the personal data of the survey respondents.

#### **4.3.1** Gender of the Respondents

The following Table (4.2) demonstrates the gender of respondents which are male and female.

**Table (4.2)** Number of Respondents by Gender

Gender	Number of Respondents	Percentage (%)
Male	59	60.8
Female	38	39.2
Total	97	100

Source: Survey data (2023)

The survey shows that the majority of the respondents were male, accounting for around 61% of the total respondents, while females made up around 39% of the participants. It can be assumed that most of the customers visiting to the Prince Hotel are male customers.

# **4.3.2** Marital Status of the Respondents

The following Table (4.3) demonstrates the marital status of respondents which are single, married and others.

**Table (4.3)** Number of Respondents by Marital Status

Marital Status	Number of Respondents	Percentage (%)
Single	35	36
Married	57	59
Others	5	5
Total	97	100

Source: Survey data (2023)

Understanding the demographic distribution of respondents based on marital status can be valuable in the context of the study. Marital status might influence customer preferences, behaviours, and needs, which can impact marketing strategies, customer satisfaction levels, and customer loyalty. From the data, it can be observed that the majority of the respondents were married, comprising nearly 59% of the total participants. Single respondents accounted for around 36% of the total, while individuals with other marital statuses constituted approximately 5% of the total respondents.

#### 4.3.3 Age Group of the Respondents

The following Table (4.4) demonstrates the age group of respondents which are grouped by below 20 years, 21-30 years, 31-40 years, 41 to 50 years, above 50 years.

Table (4.4) Number of Respondents by Age

Age Group	Number of Respondents	Percentage (%)
Below 20 years	7	7.2
21-30 years	24	24.7
31-40 years	14	14.4
41-50 years	22	22.7
Above 50 years	30	31
Total	97	100

Source: Survey data (2023)

From the data, the largest age group was respondents above 50 years old, representing around 31% of the total participants. The age group with the next highest representation was the 21-30-year category, accounting for approximately 25% of the total respondents. The other age groups had varying percentages of representation, with the lowest being below 20 years at around 7%.

# 4.3.4 Occupation of the Respondents

The following Table (4.5) demonstrates the occupation of respondents which are student, employed, self-employed and others.

**Table (4.5)** Number of Respondents by Occupation

Occupation	Number of Respondents	Percentage (%)
Students	6	6.2
Employed	42	43.3
Self-employed	41	42.3
Others	8	8.2
Total	97	100

Source: Survey Data (2023)

From the data, it can be observed that the distribution of respondents across different occupational categories. The majority of the respondents were either

employed or self-employed, accounting for approximately 43% and 42% of the total participants, respectively. Students constituted a smaller portion at around 6% of the total respondents, while respondents with other occupations made up around 8% of the total.

## 4.3.5 Monthly Income Level of the Respondents

The following Table (4.6) demonstrates the monthly income level of respondents.

**Table (4.6)** Number of Respondents by Income Level

<b>Monthly Income Level (MMK)</b>	<b>Number of Respondents</b>	Percentage (%)
Below 500,000	9	9.3
500,001 - 1,000,000	21	21.6
1,000,001 - 1,500,000	21	21.6
1,500,001 – 2,000,000	18	18.6
Above 2,000,000	28	28.9
Total	97	100

Source: Survey Data (2023)

The largest group of respondents falls into the category of "Above 2,000,000 MMK," representing nearly 29% of the total participants. The other income level categories have varying percentages of representation, with the lowest being "Below 500,000 MMK" at around 9%.

## 4.3.6 Frequency of Visit to the Hotel

The following Table (4.7) demonstrates the frequency of visit to the Prince Hotel of respondents.

**Table (4.7)** Number of Respondents by Frequency of Visit

Frequency of Visit	Number of Respondents	Percentage (%)
Monthly	15	15.5
Every 3 month	35	36.1
Quarterly	19	19.6
Semi-annually	15	15.5
Annually	13	13.4
Total	97	100

Source: Survey Data (2023)

The most common frequency of visit is every three months, with approximately 36% of the total participants falling into this category. The other frequency categories have varying percentages of representation, with the lowest being annually at around 13%. Customers who visit more frequently may have a higher level of satisfaction and loyalty, while those who visit less often may need additional incentives or targeted marketing efforts to encourage more frequent visits and repeat business.

# 4.4 Customer Perception on Marketing Mix of Prince Hotel

This section describes customer perception on the marketing mix of Prince Hotel such as product, price, place, promotion, people, process and physical evidence. In this study, the mean score is used for evaluating the customer perception on marketing mix, customer satisfaction and customer loyalty. A mean score in descriptive statistical analysis represents the average value of a set of data points. It's calculated by adding up all the individual values in the dataset and then dividing that sum by the total number of data points. The mean provides a central tendency measure, giving an idea of the typical value in the data. The mean score interpretation used in this study is described in the following Table (4.8).

**Table (4.8) Mean Score Interpretation** 

Mean Scale	Level	
1.00 - 2.00	Low	
2.00 - 3.00	Medium Low	
3.00 - 4.00	Medium High	
4.00 - 5.00	High	

Source: Nunnally and Berstein (1994)

#### **4.4.1** Customer Perception of Product

Table (4.9) represents the descriptive statistics for product including its mean value and standard descriptive.

**Table (4.9)** Mean Value of Customer Perception on Product

No.	Particular	Mean	Standard
1,00		1/2002	Deviation
1.	Better service quality	4.12	.711
2.	Variety of accommodations to choose.	3.96	.889
3.	Well-maintained facilities, such as the gym or pool.	4.40	.825
4.	Providing Covid-19 safety measures and protection in order to meet customer expectations	4.20	.687
5.	Providing comfortable and pleasant stay to meet customer expectation	4.14	.750
	Overall Mean	4	.17

Source: Survey Data (2023)

According to the Table, the data reveals guests' perceptions of Prince Hotel's service quality and Covid-19 safety measures. With a mean score of 4.12, customers perceive the service quality provided by the hotel to be at a high level. The mean score of 3.96 suggests that customers perceive the variety of accommodations offered by the hotel to be at a medium high level. The high mean score of 4.40 indicates that customers highly appreciate the well-maintained facilities of the hotel, such as the gym or pool. With a mean score of 4.20, customers perceive the hotel's provision of Covid-19 safety measures and protection to be at a high level. Customers' perception of a comfortable and pleasant stay at the hotel, with a mean score of 4.14, falls within the high level. Overall, the analysis reveals that the hotel has generally garnered positive perceptions across these attributes. The majority of mean scores fall within the medium high to high level range, indicating that the hotel is meeting or exceeding customer expectations in terms of service quality, accommodation variety, facility maintenance, Covid-19 safety measures, and providing a comfortable stay.

#### 4.4.2 Customer Perception of Price

Table (4.10) represents the descriptive statistics for price including its mean value and standard descriptive.

Table (4.10) Mean Value of Customer Perception on Price

No.	o. Particular	Mean	Standard
110.	i ai ucuiai		Deviation
1.	The price of the room and accommodation meet	4.15	.684
	customer expectations.		
2.	Offering the fair value for money of the additional	3.75	.945
	services and amenities.		
3.	Having the price-quality ratio of the room meets	4.04	.811
	customer satisfaction.		
4.	Offering competitive prices compared to other	4.24	.884
	establishments in the area.		
5.	Providing prices that reflect the quality and level of	4.11	.951
	service.		
	Overall Mean		4.06

Source: Survey Data (2023)

According to the Table, the provided data showcases guests' perspectives on pricing-related aspects at Prince Hotel. The mean score of 4.15 indicates that customers perceive the pricing of the room and accommodations as meeting their expectations in terms of quality and service. With a mean score of 3.75, customers view the hotel's provision of fair value for money regarding additional services and amenities as falling within the medium high range. The mean score of 4.04 suggests that customers find the price-quality ratio of the rooms to meet their satisfaction at a high level. Customers highly appreciate the hotel's competitive pricing compared to other establishments, as indicated by the high mean score of 4.24. The mean score of 4.11 implies that customers believe the prices charged by the hotel accurately reflect the quality and level of service they receive. The overall mean score of 4.06 indicates that, on average, customers view the hotel's pricing attributes as falling within the high range. This suggests that the hotel is generally successful in pricing its services in a way that corresponds to perceived value.

#### 4.4.3 Customer Perception of Place

Table (4.11) represents the descriptive statistics for place including its mean value and standard descriptive.

**Table (4.11)** Mean Value of Customer Perception on Place

No.	Particular	Mean	Std.
110.	T ut treutur		Deviation
1.	Surroundings of the hotel are appealing and well-	3.99	.852
	maintained.		
2.	Location provided a suitable environment for both	3.98	.821
	business and leisure travellers.		
3.	The ease and convenience of the online booking	4.15	.725
	system		
4.	Effective communication of the direct channels	3.95	.851
5.	The information provided through direct channels	4.03	.656
	reflect the safety and security measures in place		
	regarding the Covid-19 restrictions at Prince Hotel.		
	Overall Mean		4.02

Source: Survey Data (2023)

According to the Table, the data provides guests' perceptions of Prince Hotel's place-related attributes. With a mean score of 3.99, customers find the surroundings of the hotel appealing and well-maintained at a medium high level. Customers perceive the hotel's location as suitable for both business and leisure purposes, with a mean score of 3.98. The mean score of 4.15 implies that customers find the online booking system easy and convenient, reflecting the hotel's user-friendly approach in facilitating reservations. Customers view the hotel's direct channels as effectively communicating convenience and accessibility with the mean score of 3.95 which is medium high level. The mean score of 4.03 indicates that customers find the information provided through direct channels regarding Covid-19 safety measures accurate and reflective of the reality at the hotel. The overall mean score of 4.02 suggests that, on average, customers perceive these aspects positively, falling within the high range. This implies that the hotel is largely successful in creating a favourable perception related to location, communication, and safety measures.

#### 4.4.4 Customer Perception of Promotion

Table (4.12) represents the descriptive statistics for promotion including its mean value and standard descriptive.

**Table (4.12)** Mean Value of Customer Perception on Promotion

No.	Particular	Mean	Std. Deviation
1.	Attractiveness of the promotional offers and	3.86	.724
	packages provided by Prince Hotel		
2.	Persuasive factor of the promotional offers and deals	4.13	.733
3.	Promotions based on loyalty and reward programs	4.03	.818
4.	Announcement of reward programs on social media	3.63	1.011
5.	Perception of added value to the overall experience	3.80	.882
	due to the promotional offers		
Overall Mean			3.89

Source: Survey Data (2023)

The Table shows that the data reveals guest perceptions of Prince Hotel's promotional strategies, with mean scores ranging from 3.63 to 4.13, culminating in an overall mean of 3.891. With a mean score of 3.86, customers perceive the attractiveness of the promotional offers and packages provided by Prince Hotel at a medium high level. Customers find the promotional offers and deals persuasive, as indicated by the mean score of 4.13. The mean score of 4.03 indicates that customers perceive the hotel's promotions based on loyalty and reward programs positively. Customers' perception of the announcement of reward programs on social media is represented by a mean score of 3.63 with a medium high level. Customers' perception of the added value to their overall experience due to promotional offers has a mean score of 3.80. The overall mean score of 3.89 suggests that customers perceive these promotional aspects at a medium high level. This indicates that while there are positive elements, there are also areas where improvements could be made to enhance the overall effectiveness and attractiveness of promotional strategies.

#### 4.4.5 Customer Perception of People

Table (4.13) represents the descriptive statistics for people including its mean value and standard descriptive.

Table (4.13) Mean Value of Customer Perception on People

No.	Particular	Mean	Std. Deviation
1.	Satisfaction of customer inquiries	4.18	.764
2.	Response time of social media inquiries	4.05	.782
3.	Customer service	4.31	.741
4.	Complaint resolution of the staff	4.11	.734
5.	Satisfaction of skill and knowledge of Prince Hotel	4.01	.743
	staff		
	Overall Mean	4	4.13

Source: Survey Data (2023)

The data shows the guests' perceptions of Prince Hotel's staff-related attributes, with mean scores ranging from 4.01 to 4.31, and an overall mean of 4.132. Customers express a high level of satisfaction with the hotel's ability to address their inquiries. With a mean score of 4.05, customers find the response time of social media inquiries satisfactory. The mean score of 4.31 indicates that customers highly value the quality of customer service provided by Prince Hotel. The mean score of 4.11 suggests that customers feel that their complaints are adequately addressed and resolved at a high level. With a mean score of 4.01, customers are satisfied with the skill and knowledge of Prince Hotel's staff members. The overall mean score of 4.13 suggests that customers perceive these service-related aspects at a high level. This indicates that the hotel has been successful in providing quality customer service experiences, prompt responses to inquiries, effective complaint resolution, and knowledgeable staff.

#### 4.4.6 Customer Perception of Promotion

Table (4.14) represents the descriptive statistics for process including its mean value and standard descriptive.

**Table (4.14)** Mean Value of Customer Perception on Process

No.	Particular	Mean	Std. Deviation		
1.	Receiving confirmation promptly after the reservation process	4.01	.770		
2.	Ease and convenience of the check-in and check-out services	n and check-out 3.79			
3.	Providing desired accommodation to customers	3.95	.834		
4.	Providing personalised services at the customers request.	4.03	.847		
5.	Offering contactless services and technologies to enhance safety during the stay	3.90	.835		
	Overall Mean	3	3.94		

Source: Survey data (2023)

The Table shows that the provided data captures guests' perceptions of Prince Hotel's processes and services, with mean scores spanning 3.79 to 4.03, and an overall mean of 3.936. The mean score of 4.01 indicates that customers appreciate the efficiency and effectiveness of the confirmation process at a high level. The mean score of 3.79 suggests that customers find the check-in and check-out process to be convenient with medium high level. With a mean score of 3.95, customers generally perceive that Prince Hotel meets their expectations in providing their desired accommodation. The mean score of high level at 4.03 indicates that customers value the hotel's responsiveness to their individual preferences. The mean score of 3.90 suggests that customers perceive the hotel's efforts to offer contactless services and technologies to enhance safety during their stay as satisfactory. The overall mean score of 3.94 implies that customers perceive these service-related aspects as being at a medium-high level.

#### 4.4.7 Customer Perception of Physical evidence

Table (4.15) represents the descriptive statistics for physical evidence including its mean value and standard descriptive.

 Table (4.15)
 Mean Value of Customer Perception on Physical Evidence

No.	Particular	Mean	Std.
			Deviation
1.	Customer Satisfaction of provided accommodation	3.82	.804
2.	Attractiveness of interior and exterior designs of	4.27	.685
	Prince Hotel		
3.	Customer perception of luxury during stay	4.14	.829
4.	Maintenance of sanitised environment in response to	4.30	.615
	COVID-19		
5.	The physical evidence of COVID-19 safety	3.99	.729
	measures, such as hand sanitising stations and		
	protective barriers, make the customer feel secure		
	and comfortable.		
	Overall Mean		4.11

Source: Survey data (2023)

The table shows that the data indicates guests' perceptions of Prince Hotel's physical evidence, with mean scores ranging from 3.82 to 4.30, and an overall mean of 4.105. The mean score of 3.82 indicates that customers perceive the satisfaction with the provided accommodations as being at a medium high level. With a mean score of 4.27, customers find the interior and exterior designs of Prince Hotel to be attractive. The mean score of 4.14 indicates that customers find the hotel successful in providing an upscale and luxurious ambiance. The mean score of 4.30 suggests that customers perceive Prince Hotel as maintaining a highly sanitised environment in response to the Covid-19 pandemic. The mean score of 3.99 indicates that the Covid-19 safety measures are positively influencing customers' perception of safety. The overall mean score of 4.11 highlights that customers perceive these physical evidence aspects as being at a high level. Overall, the data points toward positive perceptions of physical evidence, with scope for refining certain aspects to enhance guest comfort and security.

Table (4.16) represents the descriptive statistics for overall mean values for the independent variables.

Table (4.16) Overall Mean Values for Independent Variables

Variables	Overall Mean Value	Rank
Product	4.165	1
Price	4.057	4
Place	4.019	5
Promotion	3.891	7
People	4.132	2
Process	3.936	6
Physical Evidence	4.105	3

Source: Survey results (2023)

The variables were ranked based on their mean values from the highest to the lowest. Product received the highest mean value of 4.165, followed by people with 4.132, and physical evidence with 4.105. price and place received mean values of 4.057 and 4.019, respectively. process had a mean value of 3.936, and promotion received the lowest mean value of 3.891. Overall, respondents rated the product aspects the most positively, while promotional activities received slightly lower ratings.

#### 4.5 Customer Perception of Customer Satisfaction

Table (4.17) represents the descriptive statistics for customer satisfaction including its mean value and standard descriptive.

**Table (4.17)** Mean Value for Customer Satisfaction

No.	Particular	Mean	Standard Deviation
1.	Being satisfied with the overall product and service	4.33	.659
2.	quality of Prince Hotel.  Being satisfied with the overall price of Prince	3.91	.730
2	Hotel.	2.76	0.47
3.	Being satisfied with the overall place of Prince Hotel.	3.76	.847
4.	Being satisfied with the overall promotion of Prince Hotel.	4.18	.618
5.	Being satisfied with the overall people of Prince Hotel.	4.16	.624
6.	Being satisfied with the overall process of Prince Hotel.	4.18	.714
7.	Being satisfied with the overall physical evidence of	4.17	.595
Prince Hotel.  Overall Mean			4.01

Source: Survey data (2023)

According to the Table, the data provides customers' perceptions of customer satisfaction on Prince Hotel. The high mean score of 4.33 indicates that customers are highly satisfied with the overall product and service quality of Prince Hotel. Customers' satisfaction with the overall price of Prince Hotel falls within the medium high range, with a mean score of 3.91. The mean score of 3.76 for overall place satisfaction indicates that customers are generally satisfied with the location and surroundings of Prince Hotel. With a high mean score of 4.18, customers are satisfied with the overall promotions offered by Prince Hotel. The mean score of 4.16 for overall people satisfaction indicates that customers are highly satisfied with the behaviour and service provided by the staff of Prince Hotel. Customers' satisfaction with the overall process

of Prince Hotel, such as booking, check-in, and check-out, is high with a mean score of 4.18. Customers' satisfaction with the overall physical evidence, including the hotel's appearance and facilities, is high with a mean score of 4.17. The overall mean score of 4.01 highlights that customers are generally highly satisfied with various aspects of Prince Hotel's marketing mix activities.

# 4.6 Customer Perception of Customer Loyalty

Table (4.18) represents the descriptive statistics for customer loyalty including its mean value and standard descriptive.

**Table (4.18)** Descriptive Statistics for Customer Loyalty

No.	Particular	Mean	Std.
110.	i ai ticulai	Wican	Deviation
1.	Valued and appreciated as a customer during the	3.81	.961
	stay		
2.	The overall satisfaction with the customer's current	3.25	1.031
	experience		
3.	Being likely to choose Prince Hotel over other	3.90	.941
	accommodation options in the same area.		
4.	The hotel's membership and rewards program	3.68	.930
	contribute positively to enhance customer loyalty		
5.	Customer willingness to leave positive reviews and	3.69	.983
	feedback about Prince Hotel on social media		
	Overall mean	•	3.67

Source: Survey data (2023)

According to the Table, the data provides customers' perceptions of customer loyalty on Prince Hotel. The mean score of 3.81 suggests that customers feel valued and appreciated during their stay at Prince Hotel, reflecting a medium-high level of satisfaction in this aspect. The mean score of 3.25 for overall experience satisfaction indicates a medium-low level of satisfaction with the current experience at Prince Hotel. Customers' likelihood to choose Prince Hotel over other accommodations in the same area is reflected in the mean score of 3.90 with a high medium level. Customers' satisfaction with the hotel's membership and rewards program is demonstrated by the mean score of 3.68. The mean score of 3.69 indicates that customers are willing to leave

positive reviews and feedback about Prince Hotel on social media platforms. The overall mean score of 3.67 suggests medium-high satisfaction levels across various dimensions of customer loyalty.

# 4.7 Relationship between Marketing Mix and Customer Satisfaction

Table (4.19) Correlation of Marketing Mix and Customer Satisfaction

No.	Particular	Customer Satisfaction
1.	Product	.686**
2.	Price	.734**
3.	Place	.556**
4.	Promotion	.797**
5.	People	.779**
6.	Process	.772**
7.	Physical Evidence	.884**

Source: Survey results (2023)

The Table above presents the results of the Pearson correlation analysis conducted for the study on marketing mix, customer satisfaction, and customer loyalty at Prince Hotel. The correlation coefficients reveal the strength and direction of the relationships between different variables. The findings indicate significant positive correlations between various marketing mix elements, including product, price, place, promotion, people, process, and physical evidence, with customer satisfaction. These results suggest that improvements or positive changes in any of these marketing mix elements are likely to have a favourable impact on customer satisfaction levels at the hotel.

#### 4.8 Analysis on the Effect of Marketing Mix on Customer Satisfaction

Table (4.20) demonstrates the regression of marketing mix and customer satisfaction.

Table (4.20) Regression Analysis of Marketing Mix and Customer Satisfaction

Coefficients							
Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF	
	В	Std. Error	Beta				
(Constant)	116	.190		613	.542		
Product	.153**	.060	.154	2.551	.012	2.508	
Price	005	.063	006	077	.939	3.919	
Place	057	.046	065	-1.229	.222	1.908	
Promotion	.190**	.061	.198	3.138	.002	2.743	
People	.129**	.060	.144	2.148	.034	3.087	
Process	.148**	.062	.153	2.369	.020	2.885	
Physical Evidence	.476***	.068	.473	6.965	.000	3.180	
R		1	.933				
R Square			.871				
Adjusted R Square	.861						
F value			85.906***				

Source: Survey results (2023)

The results indicate that product has a positive and significant impact on customer satisfaction, meaning that customers' perceptions of the hotel's offerings, amenities, and services influence their satisfaction levels. Price and place, on the other hand, show negligible effects on customer satisfaction, indicating that pricing and the hotel's location have limited influence on customers' overall satisfaction. In contrast, promotion, people, and process exhibit positive and significant effects on customer satisfaction, highlighting the importance of effective marketing promotions, competent and attentive staff, and streamlined operational processes in enhancing customer satisfaction since their t value is greater than 1.96. Notably, physical evidence emerges as the most influential factor, significantly impacting customer satisfaction. This emphasises the significance of the hotel's physical facilities, amenities, and overall

environment in shaping customer satisfaction levels. The model's collinearity statistics indicate no major multicollinearity issues among the independent variables. Overall, the study suggests that improving physical evidence, promotional efforts, staff interactions, and operational efficiency can significantly enhance customer satisfaction at Prince Hotel.

# 4.9 The Effect of Customer Satisfaction on Customer Loyalty

Table (4.21) demonstrates the regression result of customer satisfaction and customer loyalty.

Table (4.21) Regression Result of Customer Satisfaction and Customer Loyalty

Coefficients							
Model	Unstandardized Standardized Coefficients t		t	Sig.			
	В	Std. Error	Beta				
(Constant)	1.377	.318		4.325	.000		
Customer Satisfaction	.627***	.083	.615	7.594	.000		
R		<u> </u>	.615		l		
R Square			.378				
Adjusted R Square	.371						
F value			57.664***				

Source: Survey results (2023)

The regression model investigates the relationship between customer satisfaction and customer loyalty. The results show that customer satisfaction has a significant positive effect on customer Loyalty. The unstandardized coefficient for customer satisfaction is 0.627, indicating that for each unit increase in customer satisfaction, there is a corresponding increase of 0.627 units in customer loyalty. The standardized coefficient (Beta) of 0.615 further confirms the strong positive impact of customer satisfaction on customer loyalty. The t-value of 7.594 indicates that the relationship between customer satisfaction and customer loyalty is highly significant (p < 0.001). The constant term in the model is 1.377, indicating the expected customer loyalty score when customer satisfaction is zero. However, given the nature of the variables, this value may not have practical significance. The 95% confidence level and

5% margin of error ensure the reliability of the findings. Overall, the results suggest that higher levels of customer satisfaction lead to increased customer loyalty at Prince Hotel. Furthermore, the analysis demonstrates significant positive correlations between customer satisfaction and customer loyalty, implying that higher levels of customer satisfaction are associated with increased customer loyalty to Prince Hotel. These insights emphasise the importance of implementing effective marketing strategies, enhancing service quality, and maintaining well-maintained facilities to enhance customer satisfaction and foster customer loyalty at Prince Hotel. By understanding and addressing the factors that influence customer satisfaction and loyalty, the hotel can better meet the needs and expectations of its customers, leading to long-term success and a competitive advantage in the hospitality industry.

# **CHAPTER V**

#### CONCLUSION

This chapter consists of finding and discussion as well as the recommendation and suggestions based on the data analysis of pervious session.

#### 5.1 Findings and Discussion

The findings of this research provide valuable insights into marketing mix activities, customer satisfaction, and customer loyalty of Prince Hotel.

The research investigated various dimensions of marketing mix activities at Prince Hotel, including product, price, place, promotion, people, process, and physical evidence. The mean scores indicate that customers perceived favourable levels of service quality, pricing, facilities, online booking systems, communication channels, and safety measures. These findings suggest that Prince Hotel has successfully implemented a comprehensive marketing mix strategy to address various aspects of customer experience.

The analysis of the effect of marketing mix activities on customer satisfaction revealed that certain factors such as product, promotion, people, process, physical evidence positively influence customer satisfaction. Customers expressed higher satisfaction when it came to service quality, facilities, and effective communication of information. However, there were areas, such as pricing and promotional offers, where the satisfaction levels were comparatively lower. This underscores the need for the hotel to further optimise pricing strategies and develop promotion activities to enhance overall customer satisfaction.

The research findings also determined the relationship between customer satisfaction and customer loyalty. It was studied that high levels of customer satisfaction positively correlate with increased customer loyalty. This implies that when customers are content with their experience at Prince Hotel, they are more likely to choose the hotel for their future stays, leave positive reviews, and participate in loyalty programs. This demonstrates the significance of customer satisfaction in building a loyal customer base and fostering repeat business.

Furthermore, the study's findings align with existing research in the hospitality industry, which underscores the importance of product quality and service in driving

customer satisfaction and loyalty. Customers tend to value a hotel's core offerings, such as comfortable accommodations, well-maintained facilities, and attentive staff. These factors contribute to creating positive customer experiences and fostering loyalty. The weaker influence of pricing and location on customer satisfaction suggests that while they remain relevant considerations, they might not be the primary drivers of overall satisfaction. This finding underscores the need for hotels to strike a balance between competitive pricing and delivering high-quality services to enhance customer satisfaction. The strong link between customer satisfaction and loyalty is consistent with the literature, confirming that satisfied customers are more likely to become repeat customers and brand advocates. Investing in customer satisfaction initiatives can lead to long-term benefits for Prince Hotel, including increased customer retention and positive word-of-mouth marketing. Based on these findings, hotel management should prioritise continuous improvement in product quality and service delivery. Training staff to provide exceptional customer service and maintaining the physical evidence of the hotel's facilities can have a direct impact on customer satisfaction. Moreover, targeted promotional strategies and streamlined processes can further enhance overall customer experiences. In conclusion, this study provides valuable insights into the factors that drive customer satisfaction and loyalty at Prince Hotel. By understanding the influence of marketing mix elements on guest perceptions, the hotel can implement strategic improvements to create positive customer experiences and foster long-term customer loyalty.

# 5.2 Suggestions and Recommendations

Based on the study's findings, several recommendations and suggestions can be proposed to enhance customer satisfaction and loyalty at Prince Hotel. The hotel should prioritise improving product quality and service delivery. Regular evaluations of customer feedback can identify areas for enhancement, ensuring that accommodations, dining experiences, and facilities meet or exceed customer expectations. Investing in staff training and development is crucial to empower employees with excellent customer service skills. Creating a customer-centric culture among the staff fosters positive customer interactions and enhances overall customer experiences. Maintaining and enhancing the hotel's physical evidence, including facilities, ambiance, and aesthetics, is essential. A well-maintained and visually appealing environment creates a positive impression on customers and contributes to their overall satisfaction.

Offering personalised and customised services can make customers feel valued and appreciated. Utilising data-driven insights and customer profiling can tailor experiences to individual preferences, enhancing customer satisfaction. Implementing competitive pricing strategies that balance affordability with perceived value is important. Attractive promotional offers and packages can attract new customers and incentivize repeat visits. Streamlining operational processes, such as check-in and check-out procedures, can minimise waiting times and improve efficiency, leading to a more seamless customer journey. Engaging with loyal customers through loyalty and reward programs can foster long-term loyalty. Personalised offers and special privileges create a sense of exclusivity, encouraging repeat visits. Actively responding to online feedback and reviews demonstrates a commitment to customer satisfaction. Addressing customer concerns promptly and professionally shows that their opinions are valued. Lastly, continuously measuring customer satisfaction through regular surveys can provide valuable insights for improvement. Utilising these insights to drive continuous enhancements in service delivery will lead to increased customer satisfaction and loyalty. By implementing these recommendations, Prince Hotel can create exceptional customer experiences, build strong customer relationships, and ultimately, thrive in the competitive hospitality industry.

# 5.3 Needs for Further Research

This study focuses more on marketing mix, customer satisfaction and customer loyalty of Prince Hotel. However, this study does not cover other factors such as service quality, hotel image that influence customer satisfaction. Therefore, further research should be conducted into the factor influencing customer satisfaction of the Prince Hotel. Further research could explore mediating factors, the impact of technology on customer satisfaction, and the role of cultural differences in shaping perceptions. Additionally, investigating long-term loyalty, customer segmentation, and effective service recovery strategies would be beneficial for hotel management in crafting more effective marketing and customer retention strategies.

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# **APPENDIX**

## **Survey Questions**

# Dear participants.

I am a master student pursing in Master of Hospitality and Tourism Management at the Yangon University of Economics. I would like to carry out a survey at this Hotel to fulfil the require of my thesis for the master degree. This survey will take around 15-20 minutes to take part in. This is for educational purpose only and all the answers on this survey will be kept highly confidential. The participants name will be unknown and may I request you to take part in this survey honestly. Thank you so much for your participation.

#### 1. Gender

- Male
- Female

#### 2. Marital Status

- Single
- Married
- Others

# 3. Age

- Below 20 years
- 20 30 years
- 31 40 years
- 41 50 years
- Above 50 years

#### 4. Occupation

- Student
- Self-employed
- Employed
- Others

- 5. Monthly Income level
  - Below 500,000 MMK
  - 500,000 1,000,000 MMK
  - 1,000,001 1,500,000 MMK
  - 1,500,001 2,000,000 MMK
  - Above 2,000,000 MMK
- 6. How often do you stay at Prince Hotel?
  - Monthly
  - Every 3 month
  - Quarterly
  - Semi-annually
  - Annually

# Please answer the following questions with

1 = strongly disagreed 2 = disagreed 3 = neutral 4 = agreed 5 = strongly agreed

No.	Product	1	2	3	4	5
1	The service quality of Prince Hotel is better than the hotels in					
	the market.					
2	Prince Hotel has variety of accommodations to choose.					
3	The hotel's facilities, such as the gym or pool, are well-					
	maintained.					
4	The hotel's COVID-19 safety measures and protocols meet					
	up to my expectations.					
5	The hotel meet my expectations in terms of providing a					
	comfortable and pleasant stay.					

No.	Price	1	2	3	4	5
1	The pricing of the room and accommodations meet my					
	expectations in terms of the quality and level of service					
	provided					
2	The value for money of the additional services and amenities					
	offered by the hotel are fair,					
3	The price-quality ratio of the room I stayed in at Prince Hotel					
	meet my expectation.					
4	I find the hotel offered competitive prices compared to other					
	establishments in the area.					
5	I feel that the prices reflected the quality and level of service					
	provided by the hotel.					

No.	Place	1	2	3	4	5
1	I find the surroundings of the hotel appealing and well-					
	maintained.					
2	I find that the hotel's location provided a suitable					
	environment for both business and leisure travellers.					
3	The online booking system of Prince Hotel is also easy and					
	convenience.					
4	The direct channels such as websites and Facebook					
	effectively communicate the convenience and accessibility of					
	Prince Hotel's location					
5	The information provided through direct channels accurately					
	reflect the safety and security measures in place regarding the					1
	Covid-19 restrictions at Prince Hotel.					

No.	Promotion	1	2	3	4	5
1	I find the promotional offers and packages provided by Prince					
	Hotel attractive and enticing.					
2	The promotional offers and deals influence my decision to					ì
	choose Prince Hotel over other accommodations.					
3	Prince Hotel offers promotions based on loyalty and reward					ì
	programs to its regular customers.					
4	Prince Hotel always announce their promotions on social					
	media.					
5	I feel that the promotional offers and discounts added value					
	to my overall experience at Prince Hotel.					ı

No.	People	1	2	3	4	5
1	The staffs of Prince Hotel can answer the customers' inquires					
	until the customers are satisfied.					
2	The reply from people of Prince Hotel social media Facebook					
	page is fast.					
3	The customer service of Prince Hotel is great.					
4	The staffs of Prince Hotel can handle the customers'					
	complains very well.					
5	I'm satisfied with the skills and knowledge of Prince Hotel's					
	staffs.					

No.	Process	1	2	3	4	5
1	I receive confirmation and relevant details promptly after					
	completing the reservation process.					
2	The booking, check-in and check-out process of Prince Hotel					
	are easy and convenience.					
3	Prince Hotel makes sure the customers' get their desired					
	accommodation type.					
4	The hotel provide personalized services and gestures as my					
	request.					
5	The hotel offer contactless services and technologies to					
	minimize physical contact and enhance safety during the					
	stay.					

No.	Physical Evidence	1	2	3	4	5
1	The accommodation types of Prince Hotel are great.					
2	The exterior and interior designs of Prince Hotel are					
	attractive.					
3	I feel luxurious and superior staying at Prince Hotel.					
4	The hotel maintain a clean and sanitized environment in					
	response to COVID-19.					
5	The physical evidence of COVID-19 safety measures, such					
	as hand sanitizing stations and protective barriers, make me					
	feel secure and comfortable.					

No.	Customer Satisfaction	1	2	3	4	5
1	I am satisfied with the overall product and service quality of					
	Prince Hotel.					
2	I am satisfied with the overall price of Prince Hotel.					
3	I am satisfied with the overall place of Prince Hotel.					
4	I am satisfied with the overall promotion of Prince Hotel.					
5	I am satisfied with the overall people of Prince Hotel.					
6	I am satisfied with the overall process of Prince Hotel.					
7	I am satisfied with the overall physical evidence of Prince					
	Hotel.					

No.	Customer Loyalty	1	2	3	4	5
1	Prince Hotel makes me feel valued and appreciated as a					
	customer during the stay.					
2	I am going to choose Prince Hotel for my future stays based					
	on the overall satisfaction with my current experience.					
3	I am likely to choose Prince Hotel over other accommodation					
	options in the same area.					
4	The hotel's membership and rewards program contribute					
	positively to enhance my loyalty as a customer.					
5	I am going to leave positive reviews and feedback about					
	Prince Hotel on social media.					

#### Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	38	39.2	39.2	39.2
	Male	59	60.8	60.8	100.0
	Total	97	100.0	100.0	

# **Marital Status**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	57	58.8	58.8	58.8
	Others	5	5.2	5.2	63.9
	Single	35	36.1	36.1	100.0
	Total	97	100.0	100.0	

# Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21 - 30 years	24	24.7	24.7	24.7
	31 - 40 years	14	14.4	14.4	39.2
	41 - 50 years	22	22.7	22.7	61.9
	Above 50 years	30	30.9	30.9	92.8
	Below 20 years	7	7.2	7.2	100.0
	Total	97	100.0	100.0	

# Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Employed	42	43.3	43.3	43.3
	Others	8	8.2	8.2	51.5
	Self-employed	41	42.3	42.3	93.8
	Student	6	6.2	6.2	100.0
	Total	97	100.0	100.0	

# **Monthly Income level**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1,000,001 – 1,500,000 MMK	21	21.6	21.6	21.6
	1,500,001 – 2,000,000 MMK	18	18.6	18.6	40.2
	500,000 – 1,000,000 MMK	21	21.6	21.6	61.9
	Above 2,000,000 MMK	28	28.9	28.9	90.7
	Below 500,000 MMK	9	9.3	9.3	100.0
	Total	97	100.0	100.0	

# How often do you stay at Prince Hotel?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Annually	13	13.4	13.4	13.4
	Every 3 month	35	36.1	36.1	49.5
	Monthly	15	15.5	15.5	64.9
	Quarterly	19	19.6	19.6	84.5
	Semi-annually	15	15.5	15.5	100.0
	Total	97	100.0	100.0	

# **Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.788	.794	5

# **Item Statistics**

	Mean	Std. Deviation	N
The service quality of Prince Hotel is better than the hotels in the market.	4.12	.711	97
Prince Hotel has variety of accommodations to choose.	3.96	.889	97
The hotel's facilities, such as the gym or pool, are well-maintained.	4.40	.825	97
The hotel meet my expectations in terms of providing a comfortable and pleasant stay.	4.20	.687	97
The hotel meet my expectations in terms of providing a comfortable and pleasant stay.	4.14	.750	97

# **Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	4.165	3.959	4.402	.443	1.112	.025	5

**Reliability Statistics** 

Trondomity Granding							
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items					
.847	.850	5					

#### **Item Statistics**

	Mean	Std. Deviation	N
The pricing of the room and accommodations meet my expectations in terms of the quality and level of service provided.	4.15	.684	95
The value for money of the additional services and amenities offered by the hotel are fair.	3.75	.945	95
The price-quality ratio of the room I stayed in at Prince Hotel meet my expectation.	4.04	.811	95
I find the hotel offered competitive prices compared to other establishments in the area.	4.24	.884	95
I feel that the prices reflected the quality and level of service provided by the hotel.	4.11	.951	95

# **Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	4.057	3.747	4.242	.495	1.132	.035	5

**Reliability Statistics** 

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items					
.881	.874	5					

#### **Item Statistics**

nom stationes							
	Mean	Std. Deviation	N				
I find the surroundings of the hotel appealing and well-maintained.	3.99	.852	96				
I find that the hotel & amp;#39;s location provided a suitable environment for both business and leisure travelers.	3.98	.821	96				
The online booking system of Prince Hotel is also easy and convenience.	4.15	.725	96				
The direct channels such as websites and Facebook effectively communicate the convenience and accessibility of Prince Hotel's location.	3.95	.851	96				
The information provided through direct channels accurately reflect the safety and security measures in place regarding the Covid-19 restrictions at Prince Hotel.	4.03	.656	96				

# **Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	4.019	3.948	4.146	.198	1.050	.006	5

# **Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.753	.763	5

# **Item Statistics**

	Mean	Std. Deviation	N
I find the promotional offers and packages provided by Prince Hotel attractive and enticing.	3.86	.724	95
The promotional offers and deals influence my decision to choose Prince Hotel over other accommodations.	4.13	.733	95
Prince Hotel offers promotions based on loyalty and reward programs to its regular customers.	4.03	.818	95
Prince Hotel always announce their promotions on social media.	3.63	1.011	95
I feel that the promotional offers and discounts added value to my overall experience at Prince Hotel.	3.80	.882	95

# **Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.891	3.632	4.126	.495	1.136	.038	5

**Reliability Statistics** 

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.895	.896	5

#### **Item Statistics**

	Mean	Std. Deviation	N
The staffs of Prince Hotel can answer the customers' inquires until the customers are satisfied.	4.18	.764	97
The reply from people of Prince Hotel social media Facebook page is fast.	4.05	.782	97
The customer service of Prince Hotel is great.	4.31	.741	97
The staffs of Prince Hotel can handle the customers' complains very well.	4.11	.734	97
I'm satisfied with the skills and knowledge of Prince Hotel's staffs.	4.01	.743	97

# **Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	4.132	4.010	4.309	.299	1.075	.014	5

**Reliability Statistics** 

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.765	.766	5

# **Item Statistics**

	Mean	Std. Deviation	N
I receive confirmation and relevant details promptly after completing the reservation process.	4.01	.770	97
The booking, check-in and check-out process of Prince Hotel are easy and convenience.	3.79	.803	97
Prince Hotel makes sure the customers' get their desired accommodation type.	3.95	.834	97
The hotel provide personalized services and gestures as my request.	4.03	.847	97
The hotel offer contactless services and technologies to minimize physical contact and enhance safety during the stay.	3.90	.835	97

# **Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.936	3.794	4.031	.237	1.063	.009	5

**Reliability Statistics** 

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.824	.832	5

# **Item Statistics**

	Mean	Std. Deviation	N		
The accommodation types of Prince Hotel are great.	3.82	.804	97		
The exterior and interior designs of Prince Hotel are attractive.	4.27	.685	97		
I feel luxurious and superior staying at Prince Hotel.	4.14	.829	97		
The hotel maintain a clean and sanitized environment in response to COVID- 19.	4.30	.615	97		
The physical evidence of COVID-19 safety measures, such as hand sanitizing stations and protective barriers, make me feel secure and comfortable.	3.99	.729	97		

# **Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	4.105	3.825	4.299	.474	1.124	.039	5

**Reliability Statistics** 

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.849	.858	7

# **Item Statistics**

	Mean	Std. Deviation	N
I am satisfied with the overall product and service quality of Prince Hotel.	4.33	.659	95
I am satisfied with the overall price of Prince Hotel.	3.91	.730	95
I am satisfied with the overall place of Prince Hotel.	3.76	.847	95
I am satisfied with the overall promotion of Prince Hotel.	4.18	.618	95
I am satisfied with the overall people of Prince Hotel.	4.16	.624	95
I am satisfied with the overall process of Prince Hotel.	4.18	.714	95
I am satisfied with the overall physical evidence of Prince Hotel.	4.17	.595	95

# **Summary Item Statistics**

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	4.096	3.758	4.326	.568	1.151	.038	7

**Reliability Statistics** 

	Cronbach's	
	Alpha Based on	
Cronbach's	Standardized	
Alpha	Items	N of Items
.896	.898	5

# **Item Statistics**

	Mean	Std. Deviation	N
Prince Hotel makes me feel valued and appreciated as a customer during the stay.	3.81	.961	97
I am going to choose Prince Hotel for my future stays based on the overall satisfaction with my current experience.	3.25	1.031	97
I am likely to choose Prince Hotel over other accommodation options in the same area.	3.90	.941	97
The hotel's membership and rewards program contribute positively to enhance my loyalty as a customer.	3.68	.930	97
I am going to leave positive reviews and feedback about Prince Hotel on social media.	3.69	.983	97

**Summary Item Statistics** 

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Item Means	3.666	3.247	3.897	.649	1.200	.063	5

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.933ª	.871	.861	.21168	1.913

a. Predictors: (Constant), Physical\_Evi, Place, Product, Process, Promotion, People, Price

b. Dependent Variable: Customer\_S

#### **ANOVA**<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	26.946	7	3.849	85.906	.000 <sup>b</sup>
	Residual	3.988	89	.045		
	Total	30.934	96			

a. Dependent Variable: Customer\_S

b. Predictors: (Constant), Physical\_Evi, Place, Product, Process, Promotion, People, Price

#### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	В	Std. Error	Beta			Tolerance	VIF
1 (Constant)	116	.190		613	.542		
Product	.153	.060	.154	2.551	.012	.399	2.508
Price	005	.063	006	077	.939	.255	3.919
Place	057	.046	065	-1.229	.222	.524	1.908
Promotion	.190	.061	.198	3.138	.002	.365	2.743
People	.129	.060	.144	2.148	.034	.324	3.087
Process	.148	.062	.153	2.369	.020	.347	2.885
Physical_Evi	.476	.068	.473	6.965	.000	.314	3.180

a. Dependent Variable: Customer\_S

**Model Summary** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.615ª	.378	.371	.51942	

a. Predictors: (Constant), Customer\_S

#### **ANOVA**<sup>a</sup>

			7110171			
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.558	1	15.558	57.664	.000 <sup>b</sup>
	Residual	25.631	95	.270		
	Total	41.189	96			

a. Dependent Variable: Customer\_L

b. Predictors: (Constant), Customer\_S

#### Coefficients<sup>a</sup>

Model	Unstandardize	d Coefficients	Standardized Coefficients	t	Sig.	
	B Std. Error		Beta			
1 (Constant)	1.377	.318		4.325	.000	
Customer_S	.627	.083	.615	7.594	.000	

a. Dependent Variable: Customer\_L

# Correlations

		Product	Price	Place	Promotion	People	Process	Physical_Evi	Customer_S	Customer_L
Product	Pearson Correlation	1	.753**	.497**	.540**	.567**	.516**	.638**	.686**	222*
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.029
	N	97	97	97	97	97	97	97	97	97
Price	Pearson Correlation	.753**	1	.639**	.653**	.710**	.696**	.693**	.734**	230 <sup>*</sup>
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000	.024
	N	97	97	97	97	97	97	97	97	97
Place	Pearson Correlation	.497**	.639**	1	.524**	.613**	.503**	.590**	.556**	087
	Sig. (2-tailed)	.000	.000	Į	.000	.000	.000	.000	.000	.398
	N	97	97	97	97	97	97	97	97	97
Promotion	Pearson Correlation	.540**	.653**	.524**	1	.707**	.711**	.727**	.797**	217 <sup>*</sup>
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000	.033
	N	97	97	97	97	97	97	97	97	97
People	Pearson Correlation	.567**	.710**	.613**	.707**	1	.720**	.723**	.779**	190
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.062
	N	97	97	97	97	97	97	97	97	97
Process	Pearson Correlation	.516**	.696**	.503**	.711**	.720**	1	.703**	.772**	002
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000	.988
	N	97	97	97	97	97	97	97	97	97
Physical_Evi	Pearson Correlation	.638**	.693**	.590**	.727**	.723**	.703**	1	.884**	174
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.088
	N	97	97	97	97	97	97	97	97	97
Customer_S	Pearson Correlation	.686**	.734**	.556**	.797**	.779**	.772**	.884**	1	.615**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000		.000
	N	97	97	97	97	97	97	97	97	97
Customer_L	Pearson Correlation	222 <sup>*</sup>	230 <sup>*</sup>	087	217 <sup>*</sup>	190	002	174	.615 <sup>**</sup>	1
	Sig. (2-tailed)	.029	.024	.398	.033	.062	.988	.088	.000	
	N	97	97	97	97	97	97	97	97	97

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

\*. Correlation is significant at the 0.05 level (2-tailed).