

ABSTRACT

This study was conducted by quantitative research), survey using questionnaires. The objective of this study is to investigate the relationship between marketing mixed factors such as product, price, place and promotion, demographic profiles and decision to travel by low-cost airlines. Samples of which are travelers with low-cost airline with the total amount of 400 responses collected by purposive sampling. The results showed that respondents have attitudes toward marketing mixed factors, which calculate by questionnaire forms. The answer in overall at agreeable level by an average number, the product is the highest mean that has 3.79 which mean this factor is the most important that people concern in order to choose low-cost airline, while others followed by promotion, place and price that have lower averages of number such as 4.05, 3.82 3.80 and 3.51 which also means there are less important factors which passengers take in to account before choosing low-cost airlines service respectively. The hypothesis to test factors that influence the decision to use low-cost airlines by Binary Logistic Regression found that age, education, income per month and experience (travel with the airlines) are significantly related to decision to travel by low-cost airlines.

CHAPTER ONE

INTRODUCTION

Air transportation can be classified as a basic services that are quite important to the economic development of the country because the transportation is very convenient, fast and more safe rather than others transport, especially in the current situation many country has more consecutive and communication so all developed countries had policies to promote and support the aviation of their countries in order to gain the benefits of highest value. Moreover, it is also increasing the potential of technology on the fly by give this work to the agency that tasked by government to take an action and then support private companies. The reason of doing this is to push for the aviation expands to be the industry as an aviation hub for air transportation services, As a result of the country's economy has expanded the airline has grown rapidly, an investors are really interested to invest more in the airline. By the way, the market that growing fastest is the airline businesses, which conclude as the market for tourism and business trips. This market is focusing on the needs of consumers who want a quick trip and saving money on travel. All those things that I have mentioned before make me want to know what is the factor that influence toward the decision making of consumer in order to choose low cost airlines service.

Nowadays, Thailand has many domestic airlines, which allow consumers to choose whether the national airline such as Thai Airways or the new airline which has low cost. Currently, the low cost airline is rapidly increasing in popularity due to strength in the price of airline tickets are cheaper than the normal. In term of the country has more airlines can be satisfy to increase the demand of customers who want to travel by airplane. The low cost airlines also satisfy more to the demand of customers who are middle and poor people. The two passenger groups are consumers who are the main of customers who have high demand of choosing airplane to be their transportation. The varieties of airlines can be an alternative to increasing the line with facilitates traveling by plane can be used in lower prices for travel services. On this paper, I will have research

gap by focus only the low-cost airlines that operate in Thailand domestic market. The airlines serving domestic routes which specifically in low-cost airline and finding the answer of what factors that have impact through decision-making to use low-cost airlines. By doing this, I will use marketing mixed as theory to support and classify the factors in to four groups such as product, price, place and promotion because all of them can be use to for effectively market a product or service.

The way of strategic that low cost airlines were different from normal airlines as we can say that normal airlines will focus on providing comfortable, luxury by charging the high prices ticket, whereas low-cost airlines will focus on the effective work and reduction in services or facilities that are unnecessary. The point of low cost airlines is emphasis on the cost of services in order to determine to reduce the cost and then they can charge low price tickets (Mullins, Walker, & Boyd, 2008). Strategies like this, it is critical to encourage passengers to use more low-cost airlines. The successful low-cost airlines were able to operate and survive as in time of economic downturn. Other airlines that are experiencing a variety problem, they began realizing usual in the business district of low cost airlines because of they see as the success of low-cost airlines have a strong position. As a result, the consumer welcomed to offers cheap flights during the recession so it is beneficial to low cost airlines in long-term solution they succeed and survive. Important factors that make successful low-cost airlines. In contradiction, not all airlines will be able to the strategic like this because of in order to lower the rate and cuts cost were really hard to determined, because the activities in airlines would be costly. It involves high-tech equipment. There may be restrictions on saving or cost reduction in addition. The most important factor that makes cost airlines can be profitable or worth to do this is the number of passenger aviation market should be large enough in term economic of scale. (Vidovic et al., 2013) say that one cost reduction strategy is using a new, homogeneous fleet of medium range, medium-size aircraft which enables the airline to reduce its operational and maintenance costs as well as realizing economies of scale. Other cost reduction and increased revenues include increased seat density, single-class service, and elimination of on-board amenities such as free food and drink, and charging

for ground amenities like check-in or checked baggage. It must be large enough to carry on business in both the short-term, long-term because this may take a long time to return on investment capital or profit.

Research Objectives

1. To study the behaviors of passengers who choose to travel by low-cost airlines.
2. To study marketing mixed and demographic factors of passengers who choose to travel by low-cost airlines.

Scope and limitations

The research limit into mentioned only focusing in to the behavior of passengers who choose to use the normal and low cost airlines service in the case of Bangkok-Chiangmai, Bangkok-Phuket and Bangkok-Khonkaen. The factors that influence toward the decision making of customers in order to choose low cost airlines, in case of Bangkok-Chiangmai, Bangkok-Phuket and Bangkok-Khonkaen. Because of limited of time, the sample size is only 400 people in total, which collect in Suwunnaphume and Donmueang Airport.

Definition of terms

1. Low Cost Airline = an airline that generally has lower fares and fewer comforts. To make up for revenue lost in decreased ticket prices, the airline may charge for extras like food, priority boarding, seat allocating, and baggage etc.
2. Normal Airline = an airline that give the service in normal price such as Thai Airways and Bangkok Airways.
3. Passenger= a term of people who ride on buses, passenger trains, airliners, ships, ferryboats, and other methods of transportation.

CHAPTER TWO

LITERATURE REVIEW

This chapter reviews the literature in five main areas. Those, also, are applied to this research. The topics are shown as follows:

2.1 THE CONCEPT OF LOW COST CARRIERS (LCCs)

The main industry sector in this study is the LCC. LCCs are no-frills airlines that focus on cost leadership, rather than a service experience, for short-haul and medium-haul routes (Vidovic, Stimac, & Vince, 2013). This can be contrasted to the full network service airlines (FNSAs) which typically operate hub-and-spoke network services, coordinate with other carriers, and offer higher and differentiated service classes. Vidovic et al. (2013) identify the third major airline business model as the charter airline, which offers unscheduled (charter) services to various destinations, typically in conjunction with holiday or tour operators.

The LCC business model is typified by several cost reduction strategies (Vidovic et al., 2013). One cost reduction strategy is using a new, homogeneous fleet of medium-range, medium-size aircraft (like Airbus A320 or Boeing 737), which enables the airline to reduce its operational and maintenance costs as well as realizing economies of scale. Other cost reduction and increased revenues include increased seat density, single-class **service**, and elimination of on-board amenities such as free food and drink, and charging for ground amenities like check-in or checked baggage. Furthermore, the LCC typically operates short-haul or medium-haul routes directly between destinations and often uses secondary destinations, such as smaller airports within a city or smaller cities located near major cities (Vidovic et al., 2013). These differences can result in 50% reduction in per-passenger costs, which are then passed on in the form of lower fares.

Asia is one of the fastest-growing regions for LCCs with fierce competition between national and regional competitors such as LionAir (Indonesia) and AirAsia (Bland, 2014). Part of this growth can be attributed to current under-service of large parts of Asia, despite its large population. However, the price of LCCs is also attractive in the region, with FNLCs rapidly losing ground to their lower-price competitors (Bland, 2014).

This has resulted in rapid growth of LCCs in many countries, including Thailand. Thai LCC passengers (including international and domestic flights) have increased from about 10 million in 2009 to more than 20 million in 2012 (AOT, 2014). This market grew even more rapidly in 2013, with a recorded of more than 26 million passenger in the LCC segment (CAPA, 2014). Major LCCs in Thailand include Thai AirAsia, Nok Air, and Thai Lion Air (CAPA, 2014). Thai AirAsia reached 10.5 million passengers in 2013, including 4.1 million international and 6.5 million domestic passengers (CAPA, 2014). Currently, political unrest is causing uncertainty in the LCC market, but the market is still expected to keep growing (CAPA, 2014).

2.2 LOW COST CARRIERS AND AIRLINE SELECTION

Some previous studies have been conducted on consumer choice of low-cost carriers. However, since most of these studies focus on price and service quality as well as Western LCC passengers, this research area still has room for improvement. In particular, few studies of LCCs and passenger choice in Thailand have been conducted. This section expands on the brief discussion of the existing literature in Chapter 1, further examines the methods and findings of the studies reported earlier.

Some studies have focused on perceptions of LCCs, often in comparison to their perception of full-service airlines, and the impact of perceptions on airline choice. One study examined cross-cultural perceptions across four airlines: Ryanair, Aer Lingus, AirAsia and Malaysia Airlines (O'Connell & Williams, 2005). The authors used a survey of LCC and full-service passengers. The main reason for choosing an LCC (65%) was the lower price of LCCs compared to full-service airlines. However, 65% of LCC passengers also did not check the cost of the ticket, which suggests that the LCC's lower cost may be perceived instead of actual. An exploratory study in China suggested that perception of the service levels of the airline influenced the choice of a full-service airline but had much less influence on the LCC (Chiou & Chen, 2010). Instead, Chinese LCC passengers preferred service value perceptions (Chiou & Chen, 2010).

A study in South Africa suggests that these perceptions may be limited in their usefulness (Diggines, 2010). This study used a questionnaire of airport passengers in Cape Town and Johannesburg. It found that most passengers actually do not perceive much difference between LCCs and FSCs except for price. One study compared passengers on LCC and FSC routes between Taipei and Singapore (Chang & Hung, 2013). Chang and Hung (2013) (n = 338 business passengers) used a survey approach to collect data about the factors that encouraged and discouraged the consumer selection of LCCs. Price was found to be a significant positive factor in the selection of LCCs, with the lower cost associated with LCCs encouraging selection. Convenient booking also influences the selection of LCCs. However, the safety considerations factor can reduce the intention to select LCCs (along with airline image). Another group of authors studied passenger LCC choice in Turkey (Atalık & Özel, 2007). This study surveyed passengers of Pegasus Airlines (n = 100). It found that the most important factors in choice of LCC included price, schedule convenience, on-time performance, and safety. Factors that were not as important were found to be travel agent recommendations, type of aircraft, and food and drink (Atalık & Özel, 2007). Factors including the origin-destination pair, the need to transfer, the duration of the trip, and weekend travel can also influence the choice of LCCs (Castillo-Manzano & Marchena-Gómez, 2010). A study from Malaysia had similar findings (Ong & Tan, 2010). This study found that desire to control routes and bookings as well as journey purpose and booking method were determining factors in choice of LCC.

Some studies have examined consumer behavior in regard to LCCs and full-service airlines. For example, one study examined records held by the U.S. Department of Transportation and determined that LCC passengers were actually less likely to complain about service quality than full-service airlines passengers (Wittman, 2014). The authors attributed this to lower service expectations, lack of information about how to complain, or differences in qualitative service perceptions (Wittman, 2014). Another study found that LCC passengers were more price-sensitive than full-service passengers,

while LCC passengers would readily switch airlines for a cheaper ticket; this was not the case for full-service passengers (Diggines, 2010).

A third study found that price offered the highest utility for airline passengers, while direct itineraries between destinations was the second most important (van Eggermond, 2007). This study used a complex methodology and a sociological framework (network analysis and actor network theory), making it difficult to directly apply the method used in this study. Finally, a study of passenger loyalty for German full-service airlines and LCCs identified two key factors in the formation of passenger loyalty for both airline business models: service quality and price satisfaction (Mikulic & Prebezak, 2011). One area that has not been successful is demographic variable profiling. For example, an attempt to profile LCC passengers in Spain did not find any significant demographic or behavioral differences from full-service airlines passengers except nationality (non-Spanish) and frequent travelers who have taken more than 12 flight in one year (Castillo-Manzano & Marchena-Gómez, 2010). This was also true for passengers traveling on AirAsia and Malaysia Airlines from Penang International Airport in Malaysia (Ong & Tan, 2010).

2.3 THE THEORY OF AIRLINE MARKETING

Marketing has a variety of meanings defined by a variety of related experts. According to the Faculty of Business Administration, Rajamangala University of Technology (วัลลภนิมมานนท์, 2547) the definitions of marketing are shown as follows:

- A scholar defines that marketing is the development and delivery of living standards.
- An economist defines that marketing is the cooperation between human and the market so that any changes are met in order to serve human needs and wants as well.
- A marketing man defines that marketing is a social and management process in which each person achieves his/her needs and wants by the act of creating, offering and exchanging of valuable products.

According to the definition used by the UK Chartered Institute of Marketing as cited by Shaw (2007), “marketing” is the management process responsible for identifying, anticipating, and satisfying customer requirements profitably. He also indicates that in airline terms, successful airlines are likely to be those which anticipate changes and are ready for them to occur.

In the case of airlines, marketing is a dynamic discipline. Moreover, “Consumer” as well as “Industrial” marketing should be clearly distinguished. Consumer marketing is the activity targeted at individuals or the family while industrial marketing is the term used to describe business-to-business or firm-to-firm.

In principle, a low fare airline’s competitive strategy can be profitable only when the firm’s costs are also low. Each firm, thus, has to manage their capacity with the sufficiency in mind. Unfortunately, the low operating costs occur as reduction at the expense of a customer’s comfort and convenience. For instance, the operation of Ryanair, Europe’s first low fare and no frill airline, in which the cost for some services provided on board are clearly reduced. However, the airline is considered as Europe’s largest and most profitable airlines even though the passengers not only have to find their way to and from small airports far from the big cities, but also have to carry and stow their own bags.

Moreover, there are no meals, drinks, and other flight services as are provided freely by full service airlines. However, the promotion as well as advertising costs are among those areas where airlines do not try to cut costs more than competitors as both of these strategies play a major role in developing each airline and help the airline become well known in situations where some services are cut off compared to full service airlines (Mullins, Walker, & Boyd, 2008)

As airline product is an intangible term, customers cannot go to the showroom and the actual product cannot be shown in an advertisement to produce any psychological effect in the customers’ mind except only for the quality and services they are going to receive later. As such, any advertisement regarding any good service and sales promotion is important so that the strongest points when compared to any other airline are shown.

CHAPTER 3

THE THEORY OF MARKETING MIX (4PS)

Marketing mix" is a general phrase used to describe the different kinds of choices organizations have to make in the whole process of bringing a product or service to market. I use this theory to analysis of the marketing mix for services is performed by considering literature dealing with service management in general and by reviewing marketing mix analyses which have already been developed especially for the airline industry as I divided all factors in questionnaire part in to four elements. In this sense it is possible to clearly distinguish the airline product from other services. There are four elements are adjusted until the right combination is found that serves the needs of the product's customers, while generating optimum income.

PRODUCT

The product is either a tangible good or an intangible service that is seem to meet a specific customer need or demand. A company could not be successful with a poorly developed core product (Lovelock, 2008). The airline product further consists of aspects like safely, reliabilities in terms of punctual departure and arrival, services provided prior to the flight which are mostly experienced at the airport, in flight services including food and beverages and convenience seats. (Kossman,2006). Moreover, the product differentiation will be the thing that makes the company successful (Wensveen,2007). (Shaw ,2011) mentions that in order to get a competitive advantage due to differentiation airlines have to be innovative.

PRICE

Price covers the actual amount the end user is expected to pay for a product. It is the most flexible element of the marketing mix and also the most problematic one (Kolter,2008). (Wensveen, 2007) asserts that since the deregulation of the market price is the main competitive element for any airline. The price basically reflects the costs which arise for the delivering a certain service. Marketers in general choose between various pricing

strategies which follow a cost based or value- based strategy. Following a cost- based approach, the price is determined by investigating the costs that occur for the company, a value based strategy is not solely concerned about production costs, but takes the perceived value that customers have of a product or service into consideration for making pricing decisions (Kolter,2010). (Wensveen,2007) As customers are very sensitive, airlines might find a cost-based strategy more appropriate. When customers evaluate whether a service is worth buying they might not solely consider the monetary outlay but also consider time and effort.

PROMOTION

The marketing communication strategies and techniques all fall under the promotion heading. The purposes of promotional activities is persuading potential customers to choose the product of the own company and not products from competitors (Armstrong et al,2009) These may include advertising, sales promotions, special offers and public relations. Whatever the channel used, it is necessary for it to be suitable for the product, the price and the end user it is being marketed to. It is important to differentiate between marketing and promotion. Promotion is just the communication aspect of the entire marketing function (Kolter, 2008)

PLACE

Place or placement has to do with how the product will be provided to the customer. In the airline industry this dimension covers the selection right distribution channel which enable the company to reach their target market (Wensveen, 2007). The internet created countless new opportunities to maximize the performance and minimize cost by enabling customers to directly book on the company's website. Airlines try to support this development by constantly increasing the attractiveness of their electronic services. At the end, the companies should ensure that customers perceive their website as trustworthy and user-friendly in order to motivate them to book online (Buhalis&Law,2008)

CHAPTER 4

METHODOLOGY

In this study, the first objective is set to investigate factors that influence the decision making of passenger in order to choose low cost airline specifically. This study uses binary-choice model because the model can analyze variables that their qualitative data have only two values, which in this case is passengers traveling by low cost airlines or choose not.

3.1 THE DATA

In the first method of data collection and field survey divided into three units, namely the size of the sample, population, method of sampling and data collection.

(1) Population

Total population represents a group of things to study or summary. The population in this study is defined as the amount of passengers traveling by air. According to a statistical survey of the Department of Air Transport, the amount of passengers traveling by air, both from normal airlines and low cost airline at the airport in Bangkok in the year 2556, a total of 86,133,227 people.

(2) The size of the sample

The sample represents the population of the group members were selected in various ways. The study analyzed and then the results will be used according to the population. Because the study has some limitations in terms of time and budget spent on education. Therefore, the study of the nature of the population needs to be studied by the representative of the population. The samples will be used to represent the population has to be enough. In this formula to calculate the sample size by Yamane (1973) (in appearance Siri, 2538) as following.

$$n = \frac{N}{1 + N(e)^2}$$

Where n is the size of the sample.

N is the population size in this study equals 15,303,612

e is the error of the sample in this study is set at 0.05.

From a population of 15,303,612 people, calculated using the above formula will equal 399.99, so the size of the sample used in this study consisted of 400 people.

(3) Methods of sampling and data collection

Sampling means to select a representative sample, the study by members of the sample who picked up the chance to be selected as well or picked up without bias (Unbiased) for which the statistics was calculated from a sample to the properties or almost as much as the parameters of the population, which is smaller than the population so it is necessary to choose only a portion of the population studied in this sample of 400 people from a population of 15,303,612 people.

The sample used in the study population has to be in reasonable size. Selected samples were also studied to reflect the characteristics of the population too. The population in this case, passengers who choose to travel by air. The different characteristics of the population are an important goal that passengers choose to travel in Thailand. All 36 airports to choose specific examples, one airport in this study may not reflect the characteristics of the population. In the people who have been chosen are all in airports by selecting two airports with most passengers at the airports which are Don Mueng and Suwannaphume Airport because I want to collect the survey from people who have been use airplane as if they were in airport, it will have high chance that before they were travel by airplane. The main location to collect data is a domestic area in Don Muang airport terminal, the survey period is during November 2015 by members who are waiting to check in the Don Muang and Suwannaphume Airport.

3.2 BINARY LOGISTIC MODEL, STATA

In this study, the relationship of various factors can be estimated their coefficients from the equation. Factors that determining the demand for the low-cost airlines, tourists from both Thailand and overseas with the use of binary-choice model, the model can analyze the variables that are characterized as qualitative data with two choices. After data collection, they can be prepared for the analysis by data conversion in the form of 0 or 1 in order to adopt the binary logistic model according to the passenger who choose low-cost airline or not. The results will be analyzed the relationship between different factors with the amount of travel by low cost airlines and the parameter estimation using maximum likelihood.

The demand for the use of low-cost based on fundamental economic and demographic characteristics of the trip. They can be written in the form of a logistic model which can be expressed in general as followings.

$$Z_i = \log\left(\frac{P_i}{1-P_i}\right)$$

$$Z_i = \beta_0 SEX_i + \beta_1 AGE_i + \beta_2 EDU_i + \beta_3 OCU_i + \beta_4 INCOME_i + \beta_5 OBJ_i + \beta_6 COST_i \\ + \beta_7 FL_i + \beta_8 BFF_i + \beta_9 QU_i + \varepsilon_i$$

When Z_i is a function of factors that influence the choice of low-cost airlines

P_i = the probability of selection of low-cost airlines which is between 0-1

SEX = sex of travelers

AGE = age of travelers

EDU = education of travelers

OCU = occupation of travelers

INCOME = monthly income per household of travelers.

OBJ = the purpose of the trip

COST = flight cost

FL = frequency of travelling (within six months)

BEF = travelling experience.

QU = the security feeling of travelers.

Factors that are used in the study can be explained in more details as follows.

Factors	Literature Review	Regression Model
1. Gender (Sex)	A work of Robert W. Simpson (1974) who studied factors that determine and explain the demand for air travel and found that gender is a factor that affects the choice of air travel. And gender also influences the decisions about the format of the trip because they have different attitudes and different social conditions. So the gender of passengers should influence the decision of low-cost airlines either positive or negative.	Sex= 1 if the traveler is male. = 0 if a female traveler.
2. Education (Education).	A work of Robert W. Simpson (1974) found that the level of education is a variable that can be used to determine and describe the function of the demand for air travel. There are factors that make people know the difference. Perception of society, the higher education traveler who has been informed in more details of the trip by low cost airlines should affect their decision of air travel by using the services of low cost airlines. Therefore, it is expected that the study that education will influence the decision to use low-cost airlines in a positive way because passengers with higher education. Air travel is likely to be selected than those with lower education.	EDU= education of travelers

3. Household Income	The concept of transport demand with income, the use of public transport is in contrary to revenue and at the same time, car ownership also increases too. Public transport in many situations has become inferior good that is substantially higher revenue but demand for public transport even is less. Therefore, travelers with less income are likely to travel by choosing low-cost airline. Marc Ivaldi, Catherine Vibes (2005) found that the income of traveller is a significant factor in the selection of the air travel Consequently, income is one factor that affects the choice of air travel by low-cost airlines negatively. The study will use household income because it should influence the decision over the income of the trip alone.	INCOME= Monthly income per household of travelers
4. Occupation	The difference between careers (Robert W. Simpson, 1974) is a factor that can be used as variables that define and explain the function of the demand for air travel. And from the main occupation of the different traveler will result in the ability to travel differently because in some professions have different travel patterns, some may take the time to travel less and required to be more punctual and some professions can choose to travel by air. The career of travelers It will influence the decision to use low-cost airlines positive and negative.	OCU1= 1 if the traveler is a government officer = 0 for other OCU2= 1 if the traveler works at private company = 0 for other OCU3= 1 if the traveler is self-employed = 0 for other OCU4= 1 if the traveler is a housewife or retiree = 0 for other OCU5= 1 if the traveler is a student = 0 for other

5. Age	People with age difference will affect the selection of the trip varies. As the work of Robert W. Simpson (1974) found that the age factor is the nature of the variables that influence travel choices, such as air travel during adolescence. Most people pay more attention to the speed of travel. Choosing to travel by air in low-cost airline are preferred in middle age, with a focus on the cost of the trip. Because when they are older, they take account into more security as it depends on the family as well. Therefore, it was expected to influence the decision to use low-cost airlines in a negative way.	AGE= Age of travelers
6. The purpose of the trip	The concept of transport demand, the purpose of the trip that is for leisure travelers, its higher elasticity to fares than travelers who are on business trip when prices fell as the price of a ticket low-cost airline which is cheaper prices typically nearly half. This is a factor that affects the choice of low-cost airline and in the Dipasis Bhadra (2003), Berry, Carnall and Spiller (1997), Marc Ivaldi and Catherine Vibes (2005) found that purpose of the trip is a major factor in their decision of choosing low-cost airline for travel. For those traveling on business travelers, ticket prices are not concentrated because the expense can be paid by their companies in most of the passengers traveling on the airline who choose this type of work and the Robert W. Simpson (1974) and Sri major victory Monday (2537) also found that a significant factor in the selection of air travel. The purpose of the trip, that is, those who travel for business will influence the decision to use low-cost airlines negatively.	OBJ = 1 if the travel is a business trip. = 0 if the trip is not business travelers.
7. Fare (Cost)	The cost of the trip is an important parameter. Although the prices of transportation services that could be meant for the cost of money in fares or during transport (freights). In transport modeling, it might take other components of such costs. the time required to travel, waiting and uncertainty in the	COST= fare

	travel, etc., combined with fare (freight) to create a common index for transport costs, but this study will consider only the price of a ticket at the last minute to pay. Thus, the cost of travel in this study should influence the decision to use low-cost airlines negatively.	
8. The sense of security for travelers	The base fare of low-cost airlines has a lower price than normal, nearly 50% of general airlines and their aircrafts are not new. It was later bought another plan may make travelers feel less safe than regular airline. Moreover, in order to measure the feeling of safety which is measured by the travelers themselves choose the level of security felt, by 5 represents means that they feel safe the most and 1 means that they do not feel safe at all. Safety factor may be one thing that affects the selection of Low-cost airline to go or not in the future. So we can say that the safety feeling of passengers should influence the decision to use low-cost airlines in a positive way.	QU = 1 if the traveler feels the least secure. = 2 if the traveler feels less secure. = 3 if the traveler feels neutral. = 4 If a traveler feels more secure. = 5 if the traveler feels the most secure.
9. Frequency of travel	The traveler who had traveled by air tends to choose next trip by air over again rather than other travelers who choose to travel by other transportation. If travelers choose to travel by air already, the opportunity that they choose to travel by low cost airlines for next trip is even more. The base fare of low-cost airlines tickets cheaper than the regular airlines, traveler who had traveled in economy class. The frequency of air travel services affects the choice of traveling in low cost airlines. The frequency of air travel services in six months which expects to influence the decision to use low-cost airlines in a positive way.	FL = the number of traveling by air in six months.
10. Low-cost airlines experience	The travelers who have chosen air travel by low-cost airlines will have the opportunity to choose low-cost airlines again. The next trip is higher chance because the fare of low-cost airlines is cheaper usually at least 50% that increases the opportunity to travel by	BEF = 1 if travelers have traveled by low-cost airlines before. = 0 if the traveler does not have traveled by low-cost

	low-cost airlines again. Therefore, travelers have access to low-cost airlines will affect the selection of low-cost airlines in a positive way.	airlines before.
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CHAPTER 5

RESULT

In this chapter, the analysis for the hypothesis testing and all information from questionnaires are separate. Data have been collected to categorize demographic profiles and investigate the relationship between marketing mixed factors, demographic profiles and decision to travel by low-cost airlines. The statistical package for the social sciences (SPSS) has been used for the data analysis and the main findings of this research are summarized as follows.

1. General information of respondents.
2. Respondents' attitudes toward marketing mixed factors.
3. The hypothesis analysis.

In this part of study, after gathering the data from respondents finishing questionnaires with the total amount of responses received was 400, the results from questionnaires can be shown as following parts.

4.1 General Information

In the demographic profiles part, three questions have been asked, including age, occupation and income per month. The details of answers are discussed in the next part to present information responses from the questionnaire form

Table 4.1 Demographic profiles

Demographic profile	Frequency	Percentage (%)
1. Sex		
Male	198	49.5
Female	202	50.5
Total	400	100.00
2. Age		
Not over 20 year old	9	2.3
21 - 30 year old	135	33.8
31 - 40 year old	124	31.0
41 - 50 year old	63	15.8
51 - 60 year old	39	9.8
61 year old and over	30	7.5
Total	400	100.00
3. Education		
Junior high school	24	6.0
Senior high school	79	19.8
Vocational	97	24.3
Bachelor's degree	157	39.3
Master degree or higher	43	10.8
Total	400	100.00
4. Occupation		
Student	18	4.5
Government officer	34	8.5
Private company	142	35.5
Self-employed	110	27.5
Housewife/husband or retiree	73	18.3
Others	23	5.8
Total	400	100.00
5. Income per month		
Less than 10,000 Baht	26	6.5
10,001 - 20,000 Baht	64	16.0
20,001 - 30,000 Baht	90	22.5
30,001 - 40,000 Baht	118	29.5
40,001 - 50,000 Baht	74	18.5
More than 50,001 Baht	28	7.0
Total	400	100.00

Table 4.1 Demographic profiles

General Information	Frequency	Percentage (%)
6. Purpose of the trip		
Business	100	25.0
Visiting friend or relative	118	29.5
Tourist	134	33.5
Others	48	12.0
Total	400	100.00
7. What airlines are you travelling by?		
Thai Airways	42	10.5
Nok Air	126	31.5
Thai AirAsia	96	24.0
One Two Go Orient Thai Airlines	78	19.5
Bangkok Airways	46	11.5
Others	12	3.0
Total	400	100.00
8. Before travelling by low-cost airlines, have you ever travelled by air?		
No	116	29.0
Yes	284	71.0
Total	400	100.00
9. In a past year, how many time have you travelled by air?		
1-3 times	264	66.0
4-6 times	100	25.0
7-9 times	32	8.0
10-12 times	4	1.0
Total	400	100.00
10. What airlines do you prefer to travel by?		
Normal airlines	122	30.5
Low-cost airlines	278	69.5
Total	400	100.00

From table 4.1, the result shows that highest respondents are female with 202 responses (50.5%), aged between 21 – 30 years old with the amount of 135 responses (33.8%). Their educations are mostly from bachelor's degree with the amount of 157 responses (39.3%). Their occupations are in private company with the amount of 142 responses (35.5%). Income per month for most respondents is between 30,000 – 40,000 baht with the amount of 118 responses (29.5%). Most of them travel as tourists with the

amount of 134 responses (33.5%). And travelling by Nok Air with the amount of 126 responses (31.5%). They have travelled with low-cost airlines before with the amount of 284 responses (71.0%). In a past year, most of them travel 1-3 times with the amount of 264 responses (66.0%). Finally, they prefer to travel by low-cost airlines with the amount of 278 responses (69.5%).

4.2 Respondents' attitudes toward marketing mixed factors

In this part, questions regard on attitudes toward marketing mixed factors. The details of answers are discussed in the next table to present information responses from the questionnaire forms.

Table 4.2 Attitudes toward service quality

Statements	Mean	Standard Deviation
Product	4.04	0.301
1.1 Travel easily	4.17	0.831
1.2 Services on time	4.25	0.688
1.3 Enough flights per day	4.04	0.745
1.4 Safety	3.97	0.519
1.5 Comfortable seat	4.18	0.393
1.6 Enough room for luggage	3.70	0.865
Price	3.50	0.347
2.1 Reasonable price	3.45	0.908
2.2 Price set for competitive market	3.25	0.554
2.3 Price set reasonably for its services	3.83	0.378
Place	3.79	0.389
3.1 Booking or reserve easily	3.70	0.756
3.2 Have many agents provide	3.85	0.589
3.3 Payment is easy	3.84	0.595
Promotion	3.82	0.306
4.1 Advertisements on medias	4.04	0.538
4.2 Has other extra benefits	3.85	0.426
4.3 Special event participation	3.57	0.566
Overall	3.79	0.204

Table 4.2 shows respondents' attitudes toward marketing mixed factor in overall are in agreeable level with the mean of 3.79 and standard deviation of 0.204. The results show that product has the highest mean followed by promotion, place, and price in which they are all in agreeable level with the mean of 4.04, 3.82, 3.79 and 3.50 respectively.

4.3 The hypothesis analysis

In this part of study is the investigation of the relationship between marketing mixed factors, demographic profiles and decision to travel by low-cost airlines in which their results can be presented in the next table.

Table 4.3 Hypothesis analysis between customer satisfaction and service quality

Variables	Coefficient	Standard Error	z	P>z
Cons	6.325562	1.265844	4.46	0.000*
Sex	0.326589	0.268958	1.012	0.412
Age	1.536584	0.323658	2.698	0.023*
Education	1.386254	0.756958	2.254	0.035*
Occupation	0.332541	0.125141	1.113	0.451
Income	1.110298	0.689587	2.123	0.041*
Purpose	0.265845	0.112012	0.958	0.658
Experience	1.359854	0.858962	2.548	0.021*
Flight	0.442513	0.212513	1.235	0.089

* significant at 0.05 level

From table 4.3, the hypothesis testing between demographic profiles and customer satisfaction and service quality with significant relationships at 0.05 significant level. The z-stats show that which factor is significantly related to dependent variable can be summarized as follows.

For gender, the result of hypothesis test shows the value of z-stats is less than critical value at 0.05 significant level ($P > 0.05$) which means this factor is not significantly related to dependent variable.

For age, the result of hypothesis test shows the value of z-stats is more than critical value at 0.05 significant level ($P < 0.05$) which means this factor is significantly related to dependent variable.

For education, the result of hypothesis test shows the value of z-stats is more than critical value at 0.05 significant level ($P < 0.05$) which means this factor is significantly related to dependent variable.

For occupation, the result of hypothesis test shows the value of z-stats is less than critical value at 0.05 significant level ($P > 0.05$) which means this factor is not significantly related to dependent variable.

For income, the result of hypothesis test shows the value of z-stats is more than critical value at 0.05 significant level ($P < 0.05$) which means this factor is significantly related to dependent variable.

CHAPTER 6

CONCLUSION

In this chapter, the analysis for the hypothesis testing and all information from questionnaires from previous chapter have been summarized as to investigate the relationship between marketing mixed factors, demographic profiles and decision to travel by low-cost airlines. Findings of this research are summarized as followings.

The result shows that most of respondents are female, aged between 21 – 30 years old. Their educations are mostly from bachelor's degree; occupations are in private company. Their income per month for most respondents are between 30,000 – 40,000 baht and most of them travel as tourists by Nok Air. They have travelled with low-cost airlines before and in a past year they have travelled 1-3 times. They prefer to travel by low-cost airlines

Respondents' attitudes toward marketing mixed factor in overall is in agreeable level and the results show that product has the highest mean which mean people always concern about this factor to be their decision making. In contradiction, from literature review found price was be a significant positive factor in the selection offered by low-cost airline, which give the highest utility for people. Next, the other factors, which have, lower an average mean followed by promotion, place, and price in which they are less important respectively.

For the hypothesis testing shows that age and education (according to Robert W. Simpson (1974), income (according to Marc Ivaldi, Catherine Vibes (2005)) and respondents' experience with low-cost airlines have significant relationships with dependent variable at 0.05 significant level. This study shows that gender, occupation have no relations to dependent variable which is contrast to Robert W. Simpson (1974) and the purpose which is contrast to Dipasis Bhadra (2003), Berry, Carnall and Spiller (1997), Marc Ivaldi and Catherine Vibes (2005).

