Tourists' Perception toward Handicraft Product in Chiang Mai Sunday Walking Street

by

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Manawin Songkroh
ABSTRACT

This study has realized the growing number of foreign tourists to Chiang Mai Province in Thailand and the importance of handicraft products as tourists' products. This study focused on handicraft products being sold at Sunday Chiang Mai Walking Street as it would be valuable to know what foreign tourist think about handicraft products here so sound adjustment and development can be conducted to improve the sales. The respondents were foreign tourists visiting Chiang Mai Walking Street during November 2012-February 2013 by self-administrating questionnaires and in the 2nd phase the interviewing method or qualitative data collection method was conducted to ensure the validity from the self-administering questionnaires. The results found that 1) there is significant difference between gender of tourists toward product, price, promotion and place 2) there is significant difference among age group of tourist toward marketing mix which the age group of 41-50 shows the highest mean score while the youngest (less than 20 years old ) show the least mean score. 3) there is significant difference in ethnicity of tourists’ perception as colored group shows the highest mean score and Asian shows the 2nd highest mean score while white group shows the least mean score.

Keyword: 4P’s Marketing Mix, Handicraft Product, Chiang Mai Walking Street
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This study has realized the growing number of foreign tourists to Chiang Mai Province in Thailand and the importance of handicraft products as tourists' products. This study focused on handicraft products being sold at Sunday Chiang Mai Walking Street as it would be valuable to know what foreign tourist think about handicraft products here so sound adjustment and development can be conducted to improve the sales. The respondents were foreign tourists visiting Chiang Mai Walking Street during November 2012-February 2013 by self-administrating questionnaires and in the 2nd phase the interviewing method or qualitative data collection method was conducted to ensure the validity from the self-administering questionnaires. The results found that 1) there is significant difference between gender of tourists toward product, price, promotion and place 2) there is significant difference among age group of tourist toward marketing mix which the age group of 41-50 shows the highest mean score while the youngest (less than 20 years old) show the least mean score. 3) there is significant difference in ethnicity of tourists' perception as colored group shows the highest mean score and Asian shows the 2nd highest mean score while white group shows the least mean score.

Keyword: 4P's Marketing Mix, Handicraft Product, Chiang Mai Walking Street
Chapter 1

Introduction

Tanon Kondern is the term used widely in Thailand, literally it means “Walking Street”— which is not quite correct in its initial sense. If this “Walking Street” term is searched on www.en.wikipedia.org, you would see “Walking Street, Pattaya”— explaining that “...is a tourist attraction draws foreigners and Thai nationals primary for the night life.” This definition is contradictory to the other part of Thailand “Walking Street”. The more precise term would be “pedestrian mall” (as stated in www.th.wikipedia.org) which suggests that it is the place where many roadside stand (stall) sells cultural and handicraft products on the pathway while the tourists are walking on the street.

Tanon Kondern or Walking Street Project was one of the development plans aligning with the locals’ way of life. The project aimed to utilize city area to show local culture and arts hoping it to be the tourists’ place. The first “Walking Street” was set up at Silom Road in Bangkok for 7 weeks and the project was successful. The government felt that this success could be applied to the other parts of Thailand, like Chiang Mai.

Chiang Mai, Thailand is in the North of Thailand and the 4th ranks popular city of Thailand destination (TAT, 2012). It is the city with prosperity in culture (Lanna), accompanied with the economic constant growth. Chiang Mai applied the success of Silom Walking Street in 2001 and set up its own Walking Street hoping to publicize its Lanna culture and increase the level of tourism industry by focusing on its uniqueness of Lanna, in turn, the locals earn more income from tourists. In the beginning “Walking Street” activities had been arranged for 3 months (10 times) on every Sunday during 3rd February– 7th April, 2002 and because of its success, Chiang Mai Municipality has continued its Walking Street since then.

“Tourism number have grown from 336,000 foreign visitors and 54,000 R&R soldiers in 1967 to 22 million international guest visiting Thailand in 2012” (Porphant, 2001; TAT, 2012). The average duration of their stay in 2007 was 9.19 days, generating 547,782 million Thai Baht (approximately USD 18,000 million). In 2008, Chiang Mai
ranked the 4th destination with 1.8 million behind Bangkok (1st), Pattaya (2nd) and Phuket (3rd) in Thailand.

Based on statistics data, it is undeniable that there have been the big leap in term of number of tourists visiting Chiang Mai and to “Chiang Mai Sunday Walking Street”. Therefore, the knowledge of tourists’ perception toward handicraft product at Walking Street is invaluable. These perceptions would be amplified to vendors, producers and related suppliers in order to improve their products.

As faculty of Business Administration, Maejo University has been providing educational services to community and in turn the Faculty has learned about entrepreneurs’ problems from various community in Chiang Mai, the research team links the real problems of entrepreneurs and this paper together in order to find the applicable or real world solution. The educational community services have been provided to entrepreneurs and employees in handicraft industry—which is the major production sector in Chiang Mai. There have been regular training program for community in accounting, finance, production, marketing and information technology. After several training programs, some problematic issues from entrepreneurs or vendors have been raised and one of them was the pricing and quality issues of handicraft products. It is perceived that a linkage between production and marketing is nowadays more important than in the past. The production design and development process should be started from the end users, not from the production department. There have been the successful evidence that Adidas, Nike, and iPad follow this path for products development. Handicrafts, though even a much smaller scale, can follow the best practices stories of those companies to ensure their sustainable growth and income.

In 2011 there were 2,506,750 tourists from all over the world and the biggest tourist groups are from Malaysia, China and Japan respectively (Tourism Authority of Thailand, 2012). Tourists visit Chiang Mai for different reasons, i.e., experiencing Northern Thai Culture, seeing mountainous view, transiting to Chiang Rai and so on. Hand-made products has become one of the major sources income of Chiang Mai, apart from tourism-related sectors. Hand-made premium products in Chiang Mai are antiques, terracotta, furniture, home fountains, candle holders, wooden bangles, rattans, and flower light. The
less premium products can be found at “Chiang Mai Sunday Walking Street” downtown, one the most visited area in Chiang Mai. There are more than 5,000 vendors gathering every Sunday and the products that can be found with good quality and reasonable price are hill- tribe handicraft, original artwork, costume jewelry, hand-made paper products, and ceramic (Cassandra James, 2011). There is an estimated number of 700,000 tourists visiting “Chiang Mai Sunday Walking Street” (CSWS) and based on the observation of the researcher it is found that the majority of tourist purchasers for handicraft products are Thai and Asian Tourists especially from China, Malaysia, India, Myanmar, Laos, and Taiwan. It should be noted that there are other types of products at CSWS such as food, desserts, leather bags, thai massage or drawing services.

It is interesting to understand tourists’ perception toward handicraft products in CSWS. This comprehension is the valuable knowledge which will assist the production process and, in turn, will increase the number of sales of handicraft products.

Tourists’ purchasing behaviors are different by countries. The distinct behavioral difference is “bargaining process.” Asian tourists, including Thai, tend to make ‘big’ bargain while western tourists are more interested in the quality and then make the reasonable bargain. It is interesting to learn objectively about tourists’ perception toward handicraft products at CSWS.

Research questions of this study are 1) What do foreign tourists think about handicraft products at Chiang Mai Sunday Walking Street? 2) Are 4P's marketing mix substantiated for handicraft products at CMSWS? These questions has led to the purpose of the study which are

1. to study foreign tourists’ perception toward handicraft product
2. to test whether there is difference in tourists’ perception from different back ground.

Therefore, the following are hypothesis in this study:

H10: There is significant difference in gender, age and ethnicity of tourist’s perception toward product, promotion, price and place spent on handicraft products at
CMSWS. 

H1a: There is no significant difference in gender, age and ethnicity of tourist’s perception toward product, promotion, price and place.
Chapter 2

Literature Review

Literature Review

Tan, Kun and Luh (2013) has explored the essence of ‘creativity’ in ‘creative tourism’ from a tourist perspective. Creative tourism is receiving an increasing amount of attention, although the concept remains rather vague, and more research is needed. Data was collected using in- depth interviews with tourists and observations at four ‘Creative Life Industry’ sites in Taiwan. Grounded theory approach was employed, and the findings show that ‘outer interactions’ and ‘inner reflections’ construct the model of tourists’ creative experience. The former refer to tourists’ interactions with ‘environment’, ‘people’, and ‘product/service/experience’, while the latter refer to ‘consciousness/awareness’, ‘needs’ and ‘creativity’, and these dimensions ‘interact’ in tourists’ inner-self throughout the experience. Moreover, ‘consciousness/ awareness’ is a prerequisite for ‘creative experience’, differentiating it from other types of experiences.

Belcher’s study (1999) summarized that there is a need to improve the bargaining power of raw material producers. Market information is poorly available to participants in most of the PCS studied. Improved market information might help. Stronger horizontal linkages at the early stages in a PCS could also help increase the bargaining power of producers and local traders. Project or policy interventions could seek to encourage associations at this level. The experience of the rattan gatherers associations in the Philippines provides a useful model. Some of these associations have been effective in consolidating their bargaining power, and also in taking on some extra functions and thus effecting more value addition.

- The issue of property rights always emerges. Without secure tenure for raw material producers, there is no incentive for sustainable resource management, or for resource enhancement, and raw material producers have much stronger bargaining positions.

- There is also scope for technical interventions. In many cases, there is need for improved planting material and planting models that are suitable for small-
holders. The models need not be plantation-based. There are intermediate models of rattan cultivation that offer great potential. These intermediate approaches have received no attention to date. Research emphasis has been on purely extractive systems at the one extreme or on intensive plantation management at the other extreme. Small-holder bamboo management, especially as a part of agro-forestry systems, also has strong potential.

- Policy measures have, if anything, discouraged low-intensity and medium-intensity rattan production. A range of institutional and technical interventions is needed to realize the potential of intermediate production systems. The studies identified a number of policy constraints.

- There is also great scope for improvement at the processing stages. Although there are some capital-intensive, mechanized processing enterprises in some industries rattan furniture, various processed bamboo products small-scale manufacturers and sub-contractors account for the largest numbers and the most disadvantaged people. As the Java rattan PCS study showed, smaller-scale enterprises tend to have lower benefit-cost ratios, they are less efficient and/or unable to access higher value-added markets. The reasons for this are similar to those faced by raw material producers' weak bargaining positions, limited access to information and technology, relatively poor quality of output and poor market access. The Anji County case showed the great potential in bamboo processing, an area that has been barely been tapped.

- Absolute raw material shortages are an issue in the rattan sector and, regionally, in the bamboo sector. It is likely to become more serious in the future as resource bases are depleted and, especially in the bamboo sector, as demand increases for industrial raw material. This will result in hardship for small-scale handicraft and subsistence users as prices rise and raw material becomes less available. It may also act as a brake on further development.

Nepal aggressively liberalized its foreign trade during the 1990s taking the aim to proliferate its market with many countries. Nepal is known as more liberalized country in comparison to other South-Asian nations. This research work is about the impact of International Trade Fairs on the export of Nepalese Handicraft products. This
study is based on the handicraft products of Nepal. Handicrafts are third major export item of Nepal. These handicraft products are exhibited in international trade fairs held in different continents of the World. This paper aims to study the effectiveness of international trade fairs as a promotional activity for the expansion of Nepalese handicraft products in international market. It also analyses the emergence of Nepalese trade to gain comparative advantage from its handicraft industry. It also examines the position of the handicraft firms after participating in international trade fairs. It analyzes the potential economic benefits from its handicraft trade and the problems faced by Nepalese handicraft exhibitors while participating in international trade fairs. This research is based upon the data available from 2004 to 2010 so, the analysis part is confined within this period. To analyze the impact of trade fairs precisely, author has taken a case about Nepalese handicraft products. Based upon the articles, journals and research papers from different local and international organizations and the content analysis done by author, this paper suggests that no significant improvements were recorded in the overall productivity growth and spatial distribution of manufacturing which appear to be due mainly to the lack of basic infrastructure and the shortage of skilled manpower. Nepal’s participation in international trade fair is encouraging, but unavailability of proper information and the location, inadequate government support in terms of funding, cooperation, market intelligence, mode of payment for export, inconvenient and long process of selection are some problems that the Nepalese exhibitors are facing in the process of participation in international trade fairs. Nepal’s unrest political insurgency is hindering the overall trade performance so, without solving the biggest problem of peace restoration and state by rule, the potential benefits of liberalization should not be fully achieved.

Koinola (2011) pointed out that Nepal aggressively liberalized its foreign trade during the 1990s taking the aim to proliferate its market with many countries. Nepal is known as more liberalized country in comparison to other South-Asian nations. This research work is about the impact of International Trade Fairs on the export of Nepalese Handicraft products. This study is based on the handicraft products of Nepal. Handicrafts are third major export item of Nepal. These handicraft products are exhibited in international trade fairs held in different continents of the World. This paper aims to study
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Raisiene and Buteniene (2012) summarized that “a revival of handicraft culture may be observed in Lithuania. In a modern society handicrafts are thought to be a part of leisure time, a hobby instead of a necessity as earlier. However, the craftsmen are beginning to combine the results of creative inspiration with economical benefit – the possibility to sell their creations. Assuming that the primary motive of handicraft lovers is the materialization of creativity, masters mostly concentrate to creative–productive process and do not give significant attention to the development of activity. The craftsmen often do not know how marketing decisions and collaboration with other organizations functioning in the same sector could change the business possibilities. Masters obtain
materials and spread their creations rather primitive. Due to this reason the organizational interaction - benefit trades between material providers, creators and creation sellers is becoming especially relevant. The article presents an empirical research made. The results of this research show that without taking care of the efficiency of organizational interaction and joint marketing decisions, organizations reach lesser economical benefit. According to the results of theoretical analysis and empirical research, a model of inter-organizational collaboration enabling the motivating the balanced development of handcraft sector is proposed.”

Songkaworn and Mujtaba (2011) studied marketing practices of hotels and resorts in Chiang Mai: a study of products, pricing, and promotional practices. The objective of this research is to explore marketing practices in the hospitality industry in terms of product offering, pricing, and promotion along with the relationship of customers’ satisfaction with such practices. The study was limited to the hotels and resorts that provide sleeping accommodations and meal options in Chiang Mai. The respondents are 189 clients who checked-in during the research time period and 19 owners/managers of these businesses. The findings show that the hotels and resorts are mostly sole proprietorship, and most managers are college graduates and female. They offer discounts, assist and greet customers, work in a friendly manner, and provide clean rooms. Also, no significant relationship was found between the level of marketing practices and the business-related factors. Likewise, there was no significant relationship between the level of customer’s satisfaction and the marketing practices.

Phouphe Kophilavong (n.a.) summarized that mall and medium-sized enterprises (SMEs) play a very important role in enhancing economic development in Laos. However, SMEs in Laos are small and lack competitiveness. The inflow of foreign direct investment (FDI) and trade liberalization in Laos bring opportunities and challenges for SMEs in Laos. Moreover, issues of SMEs and assessment of SMEs promotion policy are not well understood for lack of studies. This paper study provides an overview of the current situation, issues, and policies confronting SMEs in Laos. It evaluates the impact of FDI and trade liberalization on SME development. Although the government of Laos has defined policies and strategy to support SMEs, it lacks specific programs that could flesh out these
policies. SMEs are thus faced with the problems of high tax collection, high inflation, unstable exchange rate, and inadequate funding. Moreover, SMEs are confronted with problems of innovativeness, lack of competitiveness, limited market, and networking. FDI provides SMEs with opportunities to increase their production through subcontracting production linkages. The impact of trade liberalization on SMEs is not well understood but trade liberalization seems to have a negative impact rather than positive impact on SMEs.

Ruengsombat et al. (2010) compare the satisfaction of tourists toward handicraft products—elephant dung paper in Ayutthaya Province, and it is found that there are significant differences between satisfaction with different product design. Tourists prefer the new design to the traditional design.

In the work of Redzuan and Fairborn (2011, p. 6), the paper has concluded that "the promotion of industrial development in Malaysia is seen as one of the principal means whereby the government seeks to achieve the objectives of the New Economic Policy. The importance of the handicraft industry in providing occupation alternatives is becoming less significant despite considerable government effort and expenditure which is directed to this sector." It clearly states that government should take part in handicraft industry to ensure the sustainable success.

Aree Wiboonpongse (2006) found that factors related to specific products attributes and being art appreciator are significant determinants of willingness to pay for handicrafts products. The prediction model has been created.

Duangkamol Lookin studied the marketing mix and it is found that it is as important as attitudes and behavior when developing the marketing strategy of a particular area such as Jatujak Weekend Market. The research investigates the relations between the marketing mix, consumer' attitudes and behaviors of foreign tourists' expenditure which influenced their purchasing decision.

Dash (2010) concludes that "The success of handicrafts depends on how well the artisans can produce the articles in keeping with the tastes and preferences of consumers. Industrialization in any kind of arts and crafts, must be recognized by the market of consumers, through the exchange of commodities in order to make the artistic and ethnic value with a touch of innovation."
Numerous studies regarding handicraft products in Southeast Asia have been conducted as these countries are aware of its importance in term of culture preservation and source of income. However, these studies seems to have different directions and to serve different stakeholders. The work of Center for ASEAN Studies (Ang & Teo, 2008) stressed on building competitive advantage via related industry and related promotional organizations. Many studies concentrated the importance of design in boosting the sales (Wiboonponse,n.a.; Wherry, 2006).

There are several research on handicrafts product in Thailand concerning satisfaction of customers (Ruengsombat et al.,2010) independent factors affecting willingness to buy (Wiboonpongse, 2006), and marketing mix (Lookin, 2007) and product design improvement (Das, D. & Mulkerjee, K.,2008). Despite of the variety of handicrafts research, there are few studies focusing on tourists' perception on handicraft product in "Chiang Mai Sunday Walking Street".

In this chapter, research studies of related material has been reviewed under the keyword tourist, 4P's marketing mix and handicraft products. Some studies focus on marketing perspective which is of this research's interest while several studies focus on the other perspectives; i.e., implementation of creative tourism (Ton et al., 2013), supply chain management for material in the production of handicraft products (Belcher, 1999), attempt to enter world market for handicraft product (Koinola, 2011; Phuangphet,2011), and application of 4P's marketing mix in hotel industry (Sonkaworn & Mufate, 2011; Lookin, 2009; Ruengsombat, 2010). It can be clearly stated that the application of 4P's marketing mix has been widely used in various industry and in different aspects. Some tests whether 4P's is substantiated, others test whether 4P's can be linked to customers' satisfaction. The amplification of 4P's still is numerous and infinite. However, it has provided us some room for improvement or the originality of this paper whether tourist's perception toward handicraft products can be studied via 4P's marketing mix. In the next chapter, the research methodology for this study will be introduced and clarified.
Chapter 3
Research Methodology

This chapter describes research methodology for this research paper. Be noted that this paper has applied mix research method: both qualitative and quantitative methodology. Each method severs different perspectives. It has been found that many researcher prefer one method from the other. In the following section, the benefits of applying both methods will be introduced and clarified.

Research Methodology

This research study will apply the use of mixed-research methodology, that is, utilizing both quantitative research and qualitative research. (Charles Teddle & Abbas Tashakkori (Sep 18, 2008) Teddle and Tashakkori clearly states that quantitative research explores the fact as ‘what is’ by showing the degree of perception in number, percentage, frequency or hypothesis testing. Many research prefer quantitative research to qualitative research; however, there is the limitation on using this method. Quantitative research is unable to clarify on those found numbers; in the other word, it is unable to answer the ‘Why’ question. Supplementary to quantitative research, qualitative research lacks of the objective evidence in term of number or percentage; but it offers the insights of why people act on ‘that’ particular way. Therefore, it is found that utilizing both method be useful to gain knowledge objectively and subjectively.

The research will be conducted with tourists who come to Chiang Mai Sunday Walking Street during December 2012-February 2013. The respondents will be foreign tourists, excluding Thai tourists. This research method comprises two phases as follows:

Phase I. Objective Phase: Distributing and collecting questionnaires to answer purpose of the study (1) and (2)

Phase II. Subjective Phase: Interviewing tourists at CSWS to gain the insights based on the responses in Phase I.

Phase I is scheduled to be in December 2012-January 2013 and Phase II is in February 2013. December and January are appropriate months as it is considered to be
the high tourism season for Chiang Mai.

Research tools comprise self-administered and interview questionnaires (for Phase II). The questionnaire will be consisted of (A) demographic information (B) tourists’ perception questions by using Likert scale. Apart from this, the outlier detector will be blended in questions to ensure the reliability of the tool. The pilot study of 30 respondents will be distributed. The relational coefficient, then, will be calculated. The acceptable of r-coefficient should be between 0.80–0.90 (Kumar, R., 2010). The questionnaire is examined by English specialist to ensure its content and correct as appropriate. After the completion of collecting questionnaires, the Cronbach-coefficient will be calculated to ensure that it is reached the acceptable level of 0.80.

In Phase I, the data collection will be conducted by research team to distribute the questionnaire randomly and collect the complete ones. The research team are instructed to inform the respondents regarding the purpose, the scope, the expected benefit and the discretion of this study. The research team are required to raise any problematic issues related to questionnaires so it will be corrected.

In Phase II, the interviewing method will be recorded with the permission of the respondents, hoping to find the insights to explain those behavior found in Phase I. The interviewed questions will be constructed based on the results found.

Data analysis will be done by using SPSS to find the descriptive analyzes and hypothesis testing. The descriptive analysis illustrates the frequency and percentage of demographic information of tourists. The hypothesis testing analysis compares tourists’ perception from different countries or other related personal information toward products and tourists’ perception in relation to price and quality. The t-test method will be used for this process. Data analysis in Phase II will be analyzed and to find justification based the results found in Phase I.
Chapter 4

Result of the study

Phase I: Quantitative analysis

Result of the study can be divided into two parts which are 1) the descriptive analysis and 2) i analysis. The result of part I is as follows:

<table>
<thead>
<tr>
<th>Gender</th>
<th>Amount</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>157</td>
<td>32</td>
</tr>
<tr>
<td>Female</td>
<td>338</td>
<td>68</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;20</td>
<td>69</td>
<td>14</td>
</tr>
<tr>
<td>21–30</td>
<td>248</td>
<td>50</td>
</tr>
<tr>
<td>31–40</td>
<td>101</td>
<td>20</td>
</tr>
<tr>
<td>41–50</td>
<td>24</td>
<td>5</td>
</tr>
<tr>
<td>51–60</td>
<td>44</td>
<td>9</td>
</tr>
<tr>
<td>&gt;60</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>Ethnicity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>314</td>
<td>63</td>
</tr>
<tr>
<td>Colored</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>Asian</td>
<td>172</td>
<td>35</td>
</tr>
<tr>
<td>Occupation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student</td>
<td>223</td>
<td>45</td>
</tr>
<tr>
<td>Consultant</td>
<td>53</td>
<td>11</td>
</tr>
<tr>
<td>Teacher</td>
<td>43</td>
<td>9</td>
</tr>
<tr>
<td>Nurse</td>
<td>30</td>
<td>6</td>
</tr>
<tr>
<td>Journalist</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>Others</td>
<td>129</td>
<td>26</td>
</tr>
</tbody>
</table>
The majority of the respondents are female in the amount of 338 respondents or 69% which provides the rest 157 males or 32%. The biggest age group is tourists who are between 21-30 years old in the amount of 248 respondents or 50% while the 2nd biggest group is 31-40 years old age group in the amount of 101 or 20%. The third biggest group is tourist under 20 years old (69 or 14%). Regarding ethnicity, occupation and residing area, it is found that the majority is white (314 or 63%), Asian tourists (172, 35%) which give the rest of 9 respondents or 2% to colored group. Meanwhile, it is found that the student is the biggest group in the amount of 223 (45%), consultant (53, or 11%), teacher (43, or 9%), nurse (30, or 6 %), and journalist (15, or 3%) and others (129, or 26%). They live in urban area representing 403 respondents or 81% which give the rest of 92 respondents or 19%— who lives in rural area. When asked with how frequent they travel per year, it is found that tourists normally travel abroad 1-2 times per year (410, or 83%), and 3-4 times per year in the amount of 48 or 10%. Tourist who travel more than 4 times per year is 37 respondents or 7%. Among these, there are 360 first time travelers to Chiang Mai or 73%, 86 (18%) of them have been to Chiang Mai 2-3 times, while 34 (7%) of them visited Chiang Mai 4-5 times and 5 or 3% of them visited Chiang Mai more than 5 times.
Hypothesis Testing:

H10: There is significant difference in gender of tourist’s perception toward product, promotion, price and place.

H1a: There is no significant difference in gender of tourist’s perception toward product, promotion, price and place.

Table 4.2 Gender Difference in Tourist’s Perception Toward 4P’s

<table>
<thead>
<tr>
<th>4P</th>
<th>Sig.</th>
<th>Gender Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product</td>
<td>0.001*</td>
<td>Female</td>
</tr>
<tr>
<td>Promotion</td>
<td>0.022*</td>
<td>Female</td>
</tr>
<tr>
<td>Price</td>
<td>0.001*</td>
<td>Female</td>
</tr>
<tr>
<td>Place</td>
<td>0.000*</td>
<td>Female</td>
</tr>
</tbody>
</table>

* indicates that the difference is significant

Table 4.2 shows that there is significant difference of gender in tourist’s perception toward handicraft products in product, promotion, price, and place. Female tourists have more mean score than those of male.

H20: There is significant difference in age of tourist’s perception toward product, promotion, price and place.

H2a: There is no significant difference in age of tourist’s perception toward product, promotion, price and place.
Table 4.3 Age Difference in Tourist’s Perception toward Marketing Mix

<table>
<thead>
<tr>
<th>Age</th>
<th>Mean</th>
<th>21-30</th>
<th>31-40</th>
<th>41-50</th>
<th>51-60</th>
<th>&gt;60</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;20</td>
<td>59.82</td>
<td>0.00*</td>
<td>0.00*</td>
<td>0.00*</td>
<td>0.00*</td>
<td>0.013*</td>
</tr>
<tr>
<td>21-30</td>
<td>68.74</td>
<td>-</td>
<td>0.095</td>
<td>0.043*</td>
<td>0.017*</td>
<td>0.369</td>
</tr>
<tr>
<td>31-40</td>
<td>67.25</td>
<td>-</td>
<td>-</td>
<td>0.006*</td>
<td>0.283</td>
<td>0.756</td>
</tr>
<tr>
<td>41-50</td>
<td>72.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.001*</td>
<td>0.060</td>
</tr>
<tr>
<td>51-60</td>
<td>65.79</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.814</td>
</tr>
<tr>
<td>&gt;60</td>
<td>66.44</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

* indicates that the difference is significant

Table 4.3 shows that there is significant difference among age group of tourist. Tourist age between 41–50 years old has the highest mean score of 72.00 and the second highest mean is in the age group of 21–30 years old. The third highest mean is in 21–30 years old age group of 68.74. The tourist under the age of 20 years old has significant difference perception with all other groups and shows the lowest mean score of 59.82. The perception of age group 21–30 is not significantly different than tourist older than 60 years old and between 31–40 years old. The tourist's perception in 21–30 years old has different perception than those in 41–50 and 51–60 years old. When compared 31–40 years old, there is significant different in perception of tourist's who is between 41–50 but no different in 51–50 and older than 60 years old while 51–60 years old has different perception than that of under 20, 21–30 and 41–50 years old.
H30: There is significant difference in ethnicity of tourist's perception toward
marketing mix (4P's)

H3a: There is no significant difference in ethnicity of tourist's perception toward
marketing mix (4P's)

Table 4.4 Ethnicity Difference in Tourist's Perception Toward Marketing Mix

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Mean</th>
<th>Colored</th>
<th>Asian</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>66.31</td>
<td>0.004*</td>
<td>0.026*</td>
</tr>
<tr>
<td>Colored</td>
<td>74.22</td>
<td>–</td>
<td>0.025*</td>
</tr>
<tr>
<td>Asian</td>
<td>68.02</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

* indicates that the difference is significant

Table 4.4 shows that tourists from different ethnicity has different opinions toward handicraft products on Sunday Walking Street. Among these, colored tourist group has the highest score of 74.22 with Asian tourists' and 'White' tourists' of 68.02 and 66.31 respectively.

In summary, based on the quantitative analysis, it is interesting to know why such differences takes place among tourist in different age, gender and ethnicity especially in tourists age under 20, which represents the lowest mean score of 59.82, and white tourist' with the mean score of 66.31. Again the quantitative analysis has answered the questions of "what" which has led us to the next step to understand why they think that way. Qualitative analysis has been conducted to clarify on these findings in the next section.
Phase II Qualitative analysis results

This section aims to clarify on the previous quantitative findings. The interviewed questions are as follows:

1. What type of products respondent has made a purchase?
2. What does respondent think about 4Ps marketing mix (product, price, promotion, place)?

There are variety of handicraft products purchased by respondents; i.e., T-shirt (R1, R4, R5), candles (R1, R3, R4), Earrings and bracelets (R2), and paintings (R4). There are conflicting opinions regarding the quality of the product as it is perceived as lack of durability (R1, R3) while the rest (R2, R4, R5) feel that the product is durable enough at the purchased price. All respondents agreed on the the uniqueness of the product and product price as R2 stated that "...earnings are very cool and unique and I think they are cheaper than (that of) the other place like "Night Bazaar" or "Cha-am Walking Street". And at these prices, I can shop all night!" R3—who loves painting and arts—showed his love of arts at Walking Street "...the first time I was here, I was amazed by all the beauty of all paintings being sold here. I was very happy to see this. When I walked a little bit further, I felt disappointed 'cause the painting seemed to look alike from all vendors." R4 has made the point by saying that "the price of T-shirt is too expensive but after bargaining I can't resist to buy it." In addition R3 shows preference to handicraft product stating that "I don't think the price is expensive at all as they all are hand-made, which is very difficult to make. I, personally, bought some for aunt in Hong Kong." Apart from this, R5 has made interesting comments about pricing strategy as he experienced different pricing on T-shirt as he said that "I really loved those cool T-shirts so I asked the vendor and she told me that the price depends on the size. It seems that the biggest size seems to have the highest price which I should feel relieved as I wear medium. However, part of me feel bad for 'large-L' or 'extra large- XL' person cause they must pay higher price than me. And if this pricing setting up in my country, off course, it is against the laws!"
Regarding being able to bargain (the price), there is contradictory attitudes of respondent. R1 mentions that “the negotiable price should be eliminated to save time or to ensure the quality of the product by the vendor, if un-negotiable.” while R2 feels that “it is part of the fun if the price can be negotiated.” Vendors’ communicative skill seems to be the problem as all respondents have difficulty when asking for further information about the product. R1 mentioned that “one time I was walking by a stall, hearing that a foreigner trying to ask for product information but the only response he received was the price of the product so he walked away!” R2–experienced the same difficulty– said that “I tried to ask for more style or different color or size but it seemed that the vendors didn’t understand my questions at all. It turned out that I bought 2 scarves instead of 10 as I originally planned.”

Regarding the place (Chiang Mai Walking Street), R3, R4 & R5 mentioned that they feel that the street is too narrow and many time, they would not be able to shop any cause of the crowd. R1 and R2 have used the word “unorganized” and “inconvenient” by saying that “I feel the stalls are unorganized because the stall look the same to me. One time I wanted to go back and by more T-shirts but I didn’t know where to start.” R2 has amplified on this point by saying that “...at first, it looked exciting: seeing stalls, many products, but if you asked to it again, I doubt that! I know that the street is 2 km long and if I can’t remember how to get to the stall I want, I probably won’t be able to find it again. By the way, I like it and I think the others like it too because it is part of the fun here!”

In summary, the constructed interview has amplified the findings in the previous section. The age group of 21–30 who has the lowest mean score provides the reason of the street is too narrow, unorganized, and difficult to find the products in case of repeating purchase (R3). Regardless of ethnicity all respondents in Phase II seems to have common perception with regards to quality, and uniqueness of product which is complementary to the previous finding H20.
Chapter 5
Discussion of Result

This study was conducted from two big key words; “Chiang Mai Walking Street” and “Handicraft Product” as Chiang Mai is the 4th ranked destination in Thailand for one reason and handicraft product represents the big proportion of sales/income for the locals in Chiang Mai. The 4P’s marketing mix was used to construct the framework and the results confirm the validity of 4P’s though there are three independent variables that was not significantly substantiated.

This study also confirmed the validity of 4P’s of tourists’ perception toward the handicraft products in Chiang Mai Sunday Walking Street; the results seem to match the studies of Ruengssambat’s, Lookin’s and Dash’s study.

Recommendations based on the results are as follows:
1. Tourist thinks that the handicraft has its own uniqueness and they simply like the product the way they are. The change of production in design or style is not necessary.
2. Tourist feels that the price is reasonable enough and cheaper compared with those from the other places. None of pricing strategy is recommended.
3. Being negotiable by tourists seems to have negative effect on the amount spent.
4. As it can be summarized that female and tourist from urban area tend to make more purchase; thus, “Walking Street Campaign” can focus on female tourists and urban tourists.
5. The use of 4P’s marketing mix must be clearly balanced otherwise it effects would be decreased as the importance of each factors is equally distributed.
References


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