

**AN INNOVATIVE SCAMPER MODEL FOR THAI AIRWAYS TO IMPROVE  
ITS BRAND PROPOSITION AND CUSTOMER'S EXPERIENCE**



AN INNOVATIVE SCAMPER MODEL FOR THAI AIRWAYS TO IMPROVE ITS  
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### **ABSTRACT**

The objectives of this individual study are: 1) To identify and create new ideas to help Thai Airways from the management side, 2) To identify the factors which make customers less price sensitive and willing to pay premium price for Thai Airways flights. This particular objective only valid if Thai Airways has a purpose to focus on the premium markets and boost the sales revenue, while the cost of operations part remains untouched. 3) To create recommendations that improve sales and profit sustainably through the recovery plan for 2021/2022 and possibly beyond.

The research tools are based on 7 item-interview questions, which based on SCAMPER models, and 29-item- questionnaires with the IOC quality of items from 3 experts and 5 pilots tests before launching online survey.

The research objectives aim to help Thai Airways understand its customers and increase their willingness to pay double over the low-cost airlines. The first step of collecting data, this study implements the SCAMPER model of innovative thinking to emphasize which parts of Thai Airways business need creativity to uplift the company and be recognized as a thriving premium airline. The second step of collecting data, while uses customer satisfaction and customer experience as

theoretical framework, this research collects data from a large sample size to evaluate if the first step findings can be generalized.

This research based on the 11 in-depth interviewees, and 117 questionnaires respondents. Specific samples are from Thai and foreign customers who ever used Thai Airways business. Additionally, to make sure the research data is consistent without bias, this study implements a cross triangulation technique. As a result, this research gathers data from the total number of 170 participants, consisted with 25 foreign customers, 117 Thai Customer and 27 Thai Airways staff.

Regardless of research participants' age range, gender, and nationality, the key findings indicate that Thai Airways currently are not able to compete against neither premium airlines nor low-cost airlines. Thai Airways do not provide the same performance comparing to other premium airlines. On the other hand, even though Thai airways charge customers almost twice as much as low-cost airlines, its inflight services is recognized as inadequacy when compare to the low-cost airlines.

The study findings also indicate that the high-end customers who can afford high pricing and the customers who desire Thai Airways brand propositioning share many common interests, i.e., Gen X & Baby Boomers and Gen Y individuals are more satisfied with Thai Airways services than Gen Z due to different in perceptions and preferences. Additionally, the linear regression analysis was used to further investigate research objectives two and three. The results indicated there was three significant correlations between a dependent variable, customers' wiliness to pay twice as much for Thai Airways compared to low-cost airlines, 1) inflight services at 0.01 significant level ( $\beta$ -.195,  $\alpha$  0.006), 2) inflight entertainment at 0.05 significant level ( $\beta$ .245,  $\alpha$  0.017) , 3) newer airplanes at 0.01 significant level ( $\beta$ .276,  $\alpha$  0.003).

As a result, the findings can be used to identify Thai Airways customers' insight and realize what factors could persuade them to pay twice as much compared to low-cost airlines pricing.

*Keywords: Airline Industry, Luxuries Brand, Pricing Elasticity, Customer Experience and Satisfaction*



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# CHAPTER 1

## INTRODUCTION

Chapter 1 investigates Thai Airways existing services model as of June 2020. To develop differentiation and promote novel brand propositioning of Thai airways to deviate from the low-cost airline, this research applies SCAMPER Model and most-least questionnaire survey. The individual study is concentrated on customers' experiences, customers' current desire to pay for Thai Airways' services and what customers would like the airline to improve in terms of services and facilities practices.

### 1.1 Introduction

Since the world's first ever commercial flight on 1st January 1914, air travel has been developed and rapidly expanded around the world. In our today's society, Air travel becomes much more efficient and sufficient than ever. Traveling far distances both domestically and internationally has become much more accessible to individuals who wish to do so. In addition, with the continuous advancement in technology and the "Open Sky Policy" around the world, the number of air travelling passengers in 2019 increased 228% from the numbers in 2004, from 1.993 billion in 2004 to 4.543 billion in 2019 (Mazareanu, 2020). Because of the exponential increase in demand over the years, along with the "Open Sky Policy", new entrants became more capable to enter the industry and air travel becomes a cutthroat business. Consequently, airlines start to lower prices to attract air travelers. Camilleri (2018) indicates that commercial airlines now serve a wide range of products between many

cities in many countries with modern jet equipment. Some of them present themselves as full-service carriers (FSCs), while some focus themselves as low-cost carriers (LCCs). Despite the fierce competition in the industry, a rise in the number of airlines and the price war between them, the remarkable increase in air traveling in 2019 made it tenth consecutive year of profitability for the global airline industry. Nonetheless, Thai airways was the only airline that reported a loss in income, which later led to implementing a reform plan on 14 September 2020 to reorganize its business structure and strategic plan (thaiairways.com). According to Wakefield (2001), only study the tangible services quality of airline might be insufficient to explain all circumstances in customer's values and willingness to pay for full-service like Thai airways anymore.

#### 1.1.1 Why we Need to Explore New Ideation for Thai Airways?

From one of the world leading airlines in the past, on 26 May 2020, Thai Airways filed in bankruptcy protections to Bangkok's Central Bankruptcy Court on Tuesday and the petition was immediately accepted on the next day (Bangprapa, 2020) Thai Airways is one of the most conversational topics in Thailand at the moment and the difficult challenges for the national airline are higher cost of operations which resulting in no price competitiveness. Thai airways ended the 2019 with 10,802-million-baht loss and a decline in operating revenue by 7.7% from the previous year (Thai Airways International Public Company, 2020). While Thai airways is one of the world's best service airlines and gained an increase of 1 % in number of passengers (Thai Airways International Public Company, 2020), how did the company still report a loss and is currently facing a critical financial crisis?

Thai Airways is a full-service airline that provide more economy seats than the other full-service airlines in the industry as a strategy to lower the price to



compete with the low-cost airlines. The company started to modify its business with a purpose to attract more cost driven customers and turned out to be one of the vital mistakes Thai airways has ever made. The confusion occurred inside the company. The high-end standards of a full-service airline in the economy class were not met, while the price was still higher than the other low-cost airlines

According to Munhunthan (2011) in “Thai Airways International an in-depth Analysis” Thai Airways is recognized as one of the most conservative airlines that always a step slower than competitors in the field of technology and innovation. He refers to its domestic aircrafts those still do not provide individual television per one seat which may cause some customers’ dissatisfaction and second thought on flying with the airline

Hence, under the competitive industry in the current high-tech society, Thai Airways service must be differentiated and up to the standard in order to create customer satisfaction. By being able to come up with new innovative solutions, will essentially help Thai Airways improve the overall performance and recover from the downfall.

#### 1.1.2 Identification of new idea with SCAMPER Models

Based on “Scamper Technique for Creative Thinking” by Sirbiladze (2017), the word “Scamper, is a new creative approach to ideate innovative solutions. Organization must apply all thinking dimensions and framework to ensure the creative ideas covers all aspects to be considered as innovative solutions. After all, testing ideas with various groups of individuals is a sufficient approach to avoid biased perspective. Thus, this research aims to validate ideas with customers whose experience with Thai airways and employees who know exact problems inside the

company. Essentially, this study provides solutions those are feasible from the Thai Airways' point of view. While, also able to provide an in-depth understanding and explanation on why customers are losing their interest to the product. By scrutinizing this way, the research helps avoid "Daydream marketing and selling campaign before launching.

### 1.1.3 Brand Propositioning

Moreover, an increase in the usage of structured customer experiences eases comparison to the opposing entrant, lower brand proposition competitors. Thai Airways ought to make comparison to airlines that have similar brand positioning levels and disregard to those that that use competitive pricing propositions. By doing so, Thai Airways would reflect the right propositioning and could be recognized as the first preference in some of the customers groups.

### 1.1.4 The Changes in the Airline Industry

The two most common propositions in the airline industry, competitive pricing, also known as low-cost airlines, and exclusive propositioning, also known as full-service airlines, have different targeted customers. However, as airlines try to attract more customers, the overlaps between the two propositions starts to occur. The premium brands' customers may occasionally find low-cost airlines, offering at a much lower price, provide some aspects of services that merely satisfy them. Misetic, Steiner & Tatalovic (2007), in "Airline Marketing Factors", argues that since the intensive use of internet and the existence of low-cost airlines, every group of customers become more price sensitivity.

McLellan, Overton & Wolfram (1997) introduces the "Price Elasticity of Demand", the most common measurement of consumers' sensitivity to price to

explain the changing behavior in the market. With the higher price elasticity of demands, the factors to lessen price sensitivity to demands such as high degree of nationalism, supporting national airline, starts to diminish. This change in the industry essentially causes Thai Airways to lose its sales and competitiveness. Thus, this independent study focuses on “What can make people to pay more without price sensitivity?” The major findings to save Thai Airways business are focused on lowering the “Price Elasticity of Demand”

#### 1.1.5 Driven Factors in the Airline Industry

In order to confirm which factors are practical to innovation in services, this IS study included, “Drivers of airline loyalty: Evidence from the business travelers in China” by Valchos and Lin (2014), concludes the key findings conclude that there are five attributes that could affect business travelers’ decisions; 1) Airline reputation, 2) In-flight staff service, 3) Frequent Flyer programs, 4) Aircraft, and 5) Punctuality. For an airline to excel and have competitive advantage, it must analyze customers’ behavior. By identifying the needs and wants for each customer segments, an airline can make campaign and services that fit to customer insights, for example, Muslim based travelers in Malaysia by De Jager & Van Zyl (2013). The key findings to attracted premium customers who are not looking for something cheap 1) the most important aspect for both South African and Malaysian sample is timeliness of flights, both in-flight and off-flight convenient service including no-delays and seamless reservation such as online booking, 2) the second most important aspect is cabin service quality including comforts of the seats, cleanliness and quality of the food,

3) the third important aspect is the service elements such as cabin crew's credibility (the highest average importance rating), cabin crew's ability to response to unexpected questions, and the physical appearance of cabin crew (the lowest rating)

The customer insights could be smell, air, taste, sound, appearances, words of choices and cultures either inflight or out flight service. Therefore, this study uses qualitative approach tools to identify these kinds of needs, and then uses quantitative survey to ensure that the findings can be generalized and satisfied to all segments.

Additionally, the age range and generations between Gen X and Gen Y are also different in terms of customers' behaviors for airlines. Gen X and Gen Y prioritize their preferences in air travelling differently. Palnychenko (2017) conducted a research "The Study on factors influencing customer satisfaction" concludes in her study that the two generations have different perceptions on the significance of physical safety in air transportation. Therefore, this research will also compare the differences in customer perception towards Thai airways across different age range and generations.

## **1.2 Objective of This Study**

This research's the objectives of this study are

1.2.1 To identify and ideate new ideas to help Thai Airways from the management side.

1.2.2 To identify the factors which make customers less price sensitive and willing to pay double for Thai Airways flights. This particular objective represents Thai Airways purpose to focus on the premium markets and boost the sales revenue while the cost of operations part remains untouched.

1.2.3 To create recommendations that improve sales and profit sustainably through the recovery plan for 2021/2022 and possibly beyond.

### **1.3 Research Question**

1.3.1 Based on the SCAMPER model, what new ideations can change customers' perception on Thai Airways and influence them to recognize its brand proposition as a premium service brand?

1.3.2 What are the factors that Thai Airways can emphasize on to make customers less price sensitive and willing to pay double for its service?

1.3.3 What are recommendations that can generate sales and increase profit in the recovery plan for 2021/2022

### **1.4 Scope of Study**

1.4.1 Brainstorming with scamper technique and analyzing with the neuromarketing psychology from Thai Airway's customer experience point of views.

1.4.2 This study covers only parts of the air travelling customer journey that Thai airways are involved or could be involved in. Excluding border control, sortation, security, make-up and loading, border control, unloading, bag claim, customs.

Figure 1 illustrates an overview of the customer journey in air travelling to help visualize and understand the scope of study presented in this study. The process can be defined in 16 steps. However, airlines could not get involved in some of the process that is provided by the airport operator. Thus, this research will focus majority on booking, visa, check-in, flight, and onward travel.

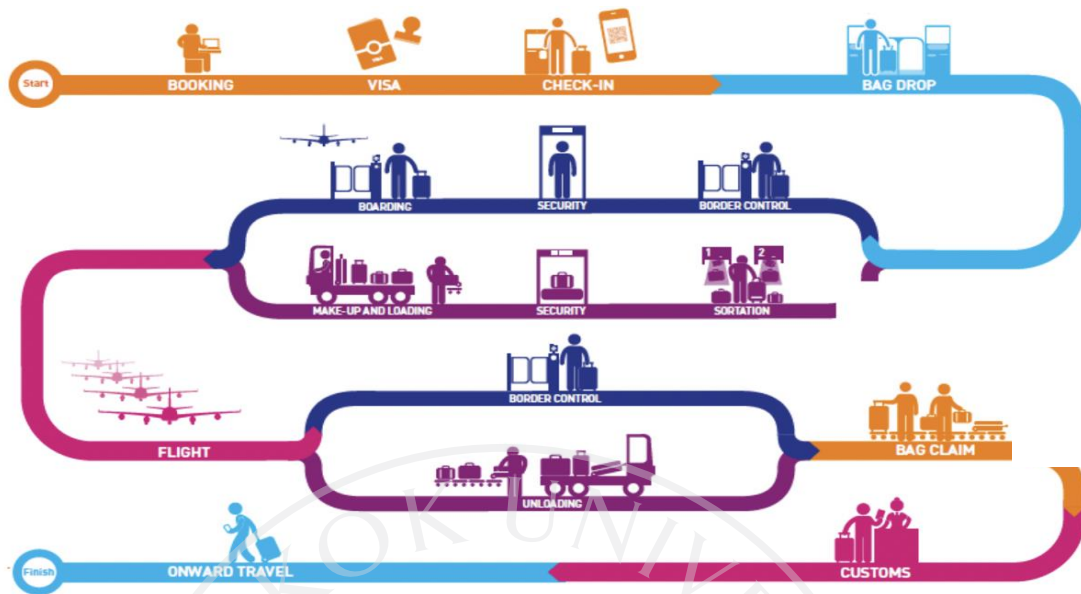


Figure 1.1: Customer Journey

Source: Challis, S. (2017). *SITA whole journey identify management*. Retrieved from [https://na.eventscloud.com/file\\_uploads/3cad4064929e88b4eb9ad15b22211b34\\_01-EUROATIS2017-StephenChallis-SITAWholeJourneyIdentityManagement.pdf](https://na.eventscloud.com/file_uploads/3cad4064929e88b4eb9ad15b22211b34_01-EUROATIS2017-StephenChallis-SITAWholeJourneyIdentityManagement.pdf).

### 1.5 Research Goals

Academic outcomes publish it explicitly in a written format in order to support strategic long-term planning. Additionally, this research will be offered to anyone to use it as a credible source for future studies of the company.

Practitioner outcomes–To understand the concept of customer loyalty, challenges that interfere premium brands and to identify the flaws inside the Thai Airways as well as provide possible solutions

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 The Airline Industry**

Based from the book, “Operations research in the airline industry” by Yu (2012), air transportation is described as a unique business that “The product offered by airlines is represented by flights that carry passengers or cargo from various origins to various targeted destinations”. Air transportation is recognized as the fastest way to commute from one destination to another. It can cover far distance with a much shorter time-period than any other transportations. According to Forbes, the aviation industry contributes about \$ 2.7 trillion or 3.6 % of the world’s GDP (Asquith, 2020). With such a high valuation of the industry and Thailand’s Open Sky policy in 2001, industry becomes liberal for foreign airlines, the number of flights has risen rapidly which led Thailand’s main international airport to exceed its capacity of 45 million passengers per year (Sritama, 2015). The “Open Skies” policy means foreign airlines are liberated to fly in and Thai Airways has lost its monopolized position ever since.

For Thai Airways to regain its position in the cutthroat industry against the low-cost and premium service airlines, new solutions must be introduced. Nevertheless, it is necessary to firstly understand what the products that airlines provide to customers are and what are the important factors that differentiate the successful airlines from the rest. Camilleri (2018) wrote “The Airline Business” explaining different aspects of the airlines products and different customers groups may have distinctive needs and wants. For instance, leisure travelers who have limited

income to spend may consider the opportunity cost or the alternative choices. While, Valchos and Lin (2014) argues that business travelers may think differently.

A study “Service Quality”, by Wakefield (2001, p. 58), defines service quality as “The difference between expectations of service and perceptions of service actually received”. Additionally, Wakefield (2001) claims that there are two aspects of service quality: 1) the tangible aspect that consists with physical sense such as smell, see or touch when the services are delivered. 2) The intangible aspect that consists with the manner such as how the services are delivered.

Additionally, according to the book “Travel Marketing, Tourism Economics and the Airline Product”, in chapter 10 named “The Airline Business”, Camilleri (2018) once states, “there are tangible and intangible aspects of the airlines’ products. The tangible characteristics of the business class service may include; the provision of separate check-in counters, special lounges, priority boarding. The intangible features of the airlines’ products include; friendly check-in employees, courteous cabin crew, etcetera” This writing objective is to discuss about the customer’s service provided by the airlines and the customers’ changing behavior in the airline business. The author states that airlines services, both tangible and intangible ones, could powerfully effect customers’ experience and their opinions towards the airlines. Furthermore, Camilleri (2018) argues that each customer segment such as the long haul and short haul passengers, or the business and leisure travelers may have different expectations and an airline should be able to identify the differences as well as servicing up to each expected standard.

Camilleri (2018)’s article provides examples as well as makes suggestions on tangible and intangible services that an airline ought to have. The key findings from



the reading are: 1) the idea of using Frequent Flyer Programs to some extent should be included as part of intangible services to attract the business travel market and 2) an airline should execute “Online Engagement with Customers” well because it has such a potential to increase the reputation in customer service by showing that the airline care for their future customers.

Even though Thai Airways was once one of the successful airlines that well-delivered both tangible and intangible services, everything in the airline industry changed since the 2001 “Open Skies” policy. According to Gillen (2006) in the book, “Airline Business Models and Networks: Regulation, Competition and Evolution in aviation Market”, the deregulation created freedom to airlines to adapt their strategy accordingly to demand in the market. Thus, the industry evolved into an extremely competitive market and created new entrants, which originated two different types of airline service strategy, full-service and low-cost strategy. Gillen (2006, p. 370) describes a full-service airline as “the FSA business model favors a high level of service and the creation of a large service bundle (in-flight entertainment, meals, drinks, large numbers of ticketing counters at the hub etc.) which serves to maximize the revenue yields from business and long-haul travel”. On the other hand, Gillen (2006, p. 370) describes a low-cost airline in his research as “LCCs have created a unique value proposition through product and process design that enables them to eliminate, or ‘unbundle’ certain service features in exchange for a lower fare. These service feature trade-offs are typically: less frequency, no meals, no free, or any in many cases, alcoholic beverages, more passengers per flight attendant”.

In addition, according to a study, by De Jager & Van Zyl (2013) conducted a research “Airline Service Quality in South Africa and Malaysia-An International

Customer Expectations Approach” through a survey method involving face-to-face interviews with 196 participants from South Africa and 189 from Malaysia. The objective is to identify service and value variables that impact domestic passengers in South Africa and to compare with domestic passengers in Malaysia. The key findings are 1) the most important aspect for both South African and Malaysian sample is timeliness of flights, both in-flight and off-flight convenient service including no-delays and seamless reservation such as online booking, 2) the second most important aspect is cabin service quality including comforts of the seats, cleanliness and quality of the food, 3) the third important aspect is the service elements such as cabin crew’s credibility (the highest average importance rating), cabin crew's ability to response to unexpected questions, and the physical appearance of cabin crew (the lowest rating).

In a study, “Drivers of airline loyalty: Evidence from the business travelers in China” by Valchos and Lin (2014), concludes the research findings from 462 questionnaire in the second largest civil aviation market in the world, China. The key findings conclude that there are five attributes that could affect business travelers’ decisions; 1) Airline reputation, 2) In-flight staff service, 3) Frequent Flyer programs, 4) Aircraft, and 5) Punctuality. For an airline to excel and have competitive advantage, it must analyze customers’ behavior as well as identify the needs and wants for each customer segments.

Many authors such as Vlachos and Lin (2014) and Misetich, Steiner & Tatalovic (2007) claim that it has become more and more difficult for FSAs to attract business travelers from using the LCCs’ “unbundle” services. According to the Cranfield University (2004) Corporate Air Travel Survey as displayed below,

business travelers are influence most by the fares in short-haul travels, while they are influence most by the seat comfort for the long-haul flights.

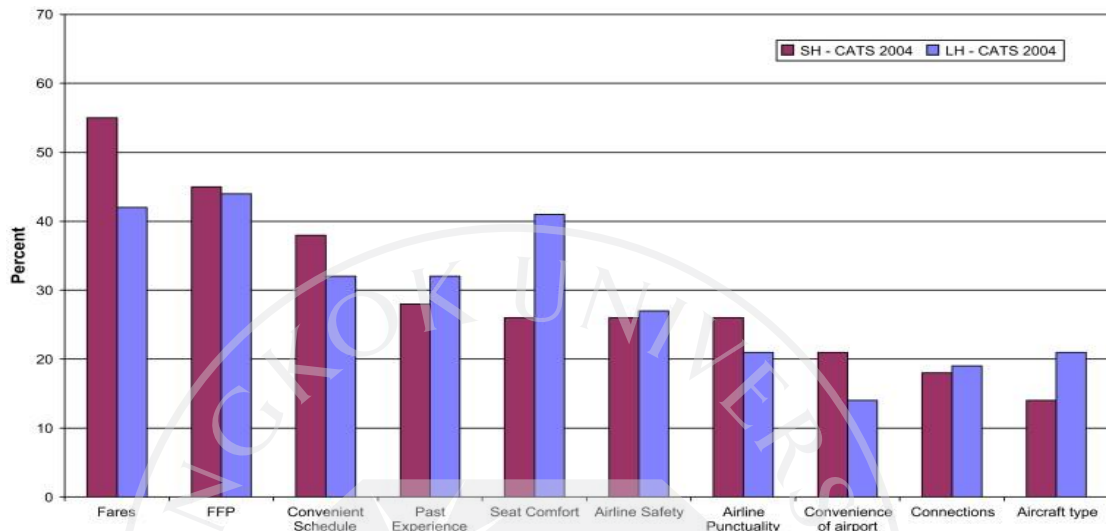


Figure 2.1: Factors Influencing Carrier Choice

Source: Cranfield University. (2004). *Analysis of the EU air transport industry: Final report*. Retrieved from [https://ec.europa.eu/transport/sites/transport/files/modes/air/observatory\\_market/doc/annual\\_report\\_2004.pdf?fbclid=IwAR28v\\_tXrnQ27uQZ04jWtDiYPKioHwGZZiiIOwEMysPRJIjEuBJIEp1025U](https://ec.europa.eu/transport/sites/transport/files/modes/air/observatory_market/doc/annual_report_2004.pdf?fbclid=IwAR28v_tXrnQ27uQZ04jWtDiYPKioHwGZZiiIOwEMysPRJIjEuBJIEp1025U).

Thai Airways is recognized as one of the full-service airlines in the industry and being threaten by LCCs over the years as confirmed by many academic researches. The company started to modify its business with a purpose to attract more cost driven customers and turned out to be one of the vital mistakes Thai airways has ever made.

As mentioned above, there are several significant factors such as physical sense for in-flight service, creative frequent flyers program, in-flight entertainment, Thai authentic meals and drinks, charming personalities, soft skills, appearance, physicality of cabin crew. Consequently, these factors: 1) seats, 2) space 3) in-flight meals, 4) cabin crew 5) entertainment and along with neuro marketing that will be represented as a significant framework for the Thai Airways research in this individual study.

## **2.2 Pricing Elasticity and Customer Segmentation**

This part of the literature review will emphasize on customer segmentation and how some customer groups are more elastic in pricing than other is.

According to an article, “Price Elasticity of Demand”, by Anderson, McLellan, Overton & Wolfram (1997), the most common measurement of consumers’ sensitivity to price is “price elasticity of demand”. Anderson, McLellan, Overton & Wolfram (1997, p. 1) explains price elasticity, as “It is simply the proportionate change in demand given a change in price. If a one-percent drop in the price of a product produces a one-percent increase in demand for the product, the price elasticity of demand is said to be one”. In other words, elasticity is the stretchiness between price and demand in the customers’ point of views. Anderson, McLellan, Overton & Wolfram (1997, p. 1) further explains, “Goods that are more essential to everyday living, and that have fewer substitutes, typically have lower elasticities; staple foods are a good example. Goods with many substitutes, or that are not essential, have higher elasticities. Goods that are considered luxuries, or whose purchase can be easily postponed, often have elastic demand”. If products or services

are considered as essential goods with fewer substitutes, they tend to be lower in elastic or also known as “inelastic”. On the other hand, if the products or services are considered as non-essential goods with many substitutes, they tend to be more in elastic. Below is the table from “Price elasticity of demand”. (n.d.) for a better explanation.

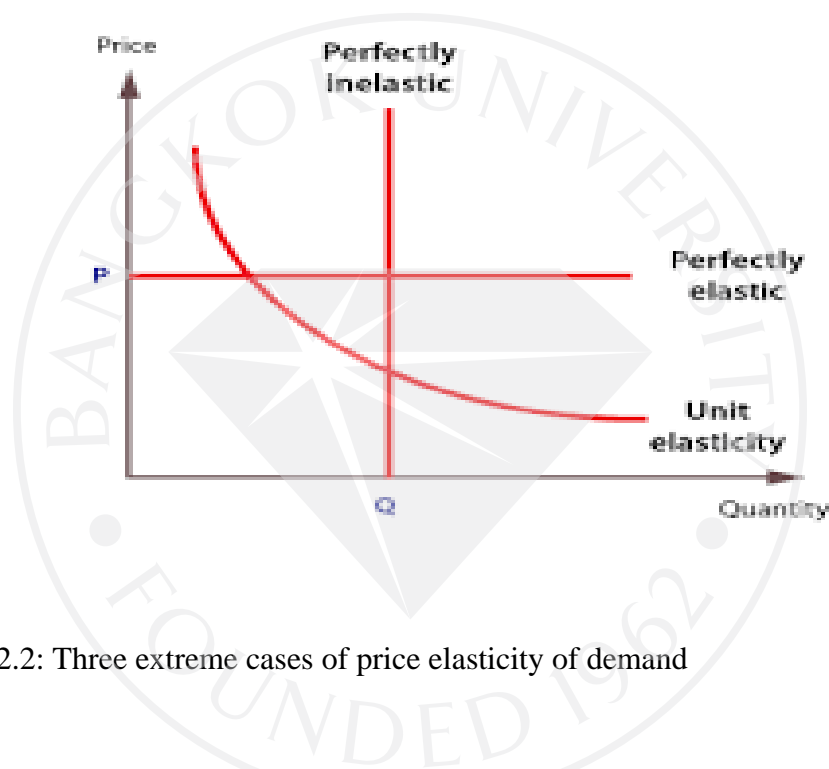


Figure 2.2: Three extreme cases of price elasticity of demand

Source: *Price elasticity of demand*. (n.d.). Retrieved from

[https://www.economicsonline.co.uk/Competitive\\_markets/Price\\_elasticity\\_of\\_demand.html](https://www.economicsonline.co.uk/Competitive_markets/Price_elasticity_of_demand.html).

Based on a book, “Data Mining Techniques in CRM: Inside Customer Segmentation” by Tsipstis and Chorianopoulos (2010), Customer segmentation is a method of dividing customers into different segments based on their behavior’s and preferences in order to develop distinctive marketing strategies. This method helps

businesses, regardless of what industries they are in, to analyze the relevant data and identify segments based on customers' needs, wants, characteristics, and perceptions (Tsiptsis & Chorianopoulos 2011). By being able to do so, business will be able to manage and identify with customized experience, promotions and product offering more efficiently.

In such a competitive industry, Thai Airways must precisely segment customers into different groups and initiate the right marketing strategies to induce them to use the its airline service.

Gillen (2006), in an article, "Airline Business Models and Networks: Regulation, Competition and Evolution in aviation Market", states that LCCs is the greatest threat for the FSAs. Since LCCs has a lower fare structure that has potentials to entice business travelers from small or medium size companies, they are stealing away the market share in the aviation industry. FSAs are under pressured and would need to consider whether to increase the proportion of lower fare seats within the yield management system or focus on service differentiations to a few customer segments.

This assumption above is supported by Misetic, Steiner & Tatalovic (2007) in "Airline Marketing Factors". Misetic, Steiner & Tatalovic (2007) argues that since the intensive use of internet and the existence of low-cost airlines, every group of customers become more price sensitivity. As a result, he claims pricing and pricing elasticity are one of the methods that could be considered as an optimal strategy to gain market share and increase revenue. The pricing elasticity depends on the demands such as preferences, services, and customer segmentations, such as business or tourist trips, long haul or short haul travelling, et cetera. Factors such as distance of

travelling and availability of alternative transportation used make longer flights less elastic in the past. Below is a table provided in Misetic, Steiner & Tatalovic (2007)'s research based on the realized price elasticity on the result of air transportation over the last 15-20 years from 2003.

Table 2.1: Evaluation of Price Elasticity of Demand for Air Transport Service

Type of Air Transportations	Price Elasticity of Demand
Air transport total	-1,1
Short-haul transport	-1,5
Tourist and VFR trips	-0,7
Business trips	
Long-haul transport	
Domestic	
Tourist and VFR trips	-1,1
Business trips	-1,1
International	

(Continued)

Table 2.1 (Continued): Evaluation of Price Elasticity of Demand for Air Transport

## Service

Type of Air Transportations	Price Elasticity of Demand
Tourist and VFR trips	-1,0
Business trips	-0,3

\*Note: Price elasticity for -1.5 means that the price increase of 10% results in demand decrease of 15%

Source: Gillen, D. W., Morrison, W. G., & Stewart, C. (2003). Air travel demand elasticities: Concepts, issues and measurement. *Department of Finance, Government of Canada*, 2, 365-410.

In addition, evidently, different age group such as individuals in Gen X and Gen Y prioritize their preferences in air travelling differently. Palnychenko (2017) conducted a research “Perception of Service in Airlines: A Comparison of Generation X and Generation Y” with 67 respondents in survey and 4 from interviews in order to run the statistical test and highlight the findings of the study. Palnychenko (2017, p. 45) concludes in her study “there is a difference in perception of the importance of physical safety in airline service of both FSCs and LCCs between Generation X and Generation Y. The Generation X tends to highlight the security of the aircraft as the most important criterion of airline service”. In this research survey findings, Gen X preferred to travel with FSCs than Gen Y because of their differences in perceptions, preferences and needs from an airline service.



From the literature review above, a change in price has high elasticity to the youth individuals. While a change in price seem to be more inelastic to the seniors and business travelers. There are interesting factors such as space per passenger, comfortness, safetiness and security, and individual subjective such as hyper nationalism. Currently, Thai Airways is not known as one of the companies that have the best marketing strategies. Thus, focusing on customer segmentation and developing different strategies, while taking pricing elasticity into account, could be one of the solutions that help the airline attract more customers in.

Comparing different customers' segmentation in Thailand, according to Wongsuwan's (2016), research study Thai premium and low-cost airline customers have different preferences and behaviors. Wongsuwan (2016) conducted the research "a study on service quality and customer satisfaction: a comparison between a premium airline and a low-cost long-haul airline" with a quantitative method consisted of 90 sample size. The research respondents are consisted of Thai and foreigner while also separated into two groups: 1) Thai Airways customers, and 2) Thai AirAsiaX customers. The objectives are: 1) to identify demographic variables that influence customer behaviors' decision to choose an airline, 2) investigate customer satisfaction level regarding service quality between a premium airlines to a low-cost long-haul airline. 3) To observe what are the most influencing factor to customer decisions when selecting an airline. The key findings are: 1) mostly the respondents from Thai airways' customers are males in in the age range between 40-60 years old who had their own business within come range from 40,001-60,000 baht. While the AirAsia X's respondents are mostly male at the age between 21-40 years old with an income level between 20,001 – 40,000 baht. 2) Thai Airways' satisfaction

level in the two main areas this study investigated, in-flight services and cabin attendants, are higher than AirAsia X's, 3) The most important factors that influence respondents to select Thai Airways are excellence in service, first-rate facilities and equipment, and professional well-trained staff. Meanwhile the least important factor was the attractive sales promotion. On the other hand, the most important factors that influence respondents to select AirAsia X are attractive sales promotion and the location of the Don Mueang international airport, while the least important factor was excellence in service. As a result, this research helps identify the different customers' preferences and behaviors in Thai premium and low-cost airlines. By precisely segmenting target customers into different groups, Thai airways can initiate the right marketing strategies to induce the ideal customers to use its airline service.

### **2.3 Customer Satisfaction and Loyalty**

According to Gitman and McDaniel (2008, p. 291) in "The Future of Business" book, customer satisfaction is defined as "the customer's feeling that a product has met or exceeded expectations". Once customer received worthy experience from the product/service and his/her satisfaction increases, the level of customer loyalty will likely to increase. From the rising number from customer loyalty, it leads to a secure future revenue and likely to reduce pricing elasticity. In other words, customer satisfaction increases the loyalty level and potentially leads to more revenue in the future because of likelihood of repurchasing. Additionally, once the level of loyalty rises, customers are likely to remain with the product/service from a particular company. Thus, customers become less elastic in the changes in pricing.

Laming & Keith (2014) conducted research, “Customer experience: An analysis of the concept and its performance in airline brands” by using a quantitative data analysis method, a survey and was distributed in Europe, Asia, and the Middle East based on a plan created by IATA over one-year period. The research objectives of this study are to specifically study the customer satisfaction levels into very detail parts of their travelling such as pre-flight and post-flight experience. As a result of 18,567 survey responses, the key findings of this research are;

1) There is a strongest correlation between cabin features, cabin crew and pilots, and the overall satisfaction for ten of the fifteen airlines.

2) There was a strong correlation between the ratings for inflight food & drink and the overall satisfaction for seven of the fifteen airlines.

3) The web services & check-in were weakly to moderately correlate with the overall satisfaction across all fifteen airlines.

Additionally, another significant finding in this research is that customers travelling in different class will have different expectation and their satisfaction level will vary accordingly. Even though if a customer from an economy class luckily get upgraded to the business class, he/she will rate his/her satisfaction according to the expected services in the business class and not the economy one. Thus, this study concludes with suggestions that an airline should meet customers, not just one but, in all classes in order to gain customer satisfaction, advocacy and loyalty. Laming & Keith (2014) also emphasizes on “the total quality concept”, which suggests that customer service training should not be focused only on the front-line employees, however, it should be applied to staff from the top to bottom who are incorporated in decisions regarding the airline products. Thus, if any airline, especially full-service

carriers that emphasize in differentiation, is not utilizing the principle of “the total quality concept” into its daily practice, it is exposed to the risk of falling behind competitors.

Kumar, Batista & Maull (2011, p. 166) conducted the research “The Impact of Operations Performance on Customer Loyalty” with a longitudinal consisted with monthly measurements of factors considered as representatives for demand, speed, quality, dependability, and customer loyalty from 2003 to 2006 for the installation of broadband service to individual consumers. The study consists with sample size of 2000 adults collected monthly through the telephone interviews. The objectives are to 1) to identify whether the processes of a service delivery system (quality, dependability, speed) do not perform in an isolated manner, each process can affect he performances of the other processes 2) When quality of service, dependability, or speed of operation is negatively affected by the increase in demand, there is a negative impact on customer loyalty. The key findings are; 1) “the outcome path model shows that variations in ‘arrival on first promise’ directly impacts ‘quality’ and ‘average lead time’”. “The outcome model shows that ‘quality’ and ‘arrival on first promise’ have a direct and positive relationship with loyalty. This suggests that as ‘arrival on first promise’ falls (with rising orders) then loyalty is likely to fall as well.” This study concludes that failing to meet expectation (dependability), do as promise (speed of operation) or underperforming (quality) side frankly and negatively impacts customer loyalty.

Additionally, in the 21<sup>st</sup> century, internet becomes such a powerful influence on every individual’s life. Customers can share their experiences and satisfaction through online platforms such as blogs, online reviews, et cetera. In “E-WOM and

Accommodation: An Analysis of the Factors That Influence Travelers' Adoption of Information from Online Reviews", Filieri & Mcleay (2013) conducted his research with a quantitative method, a questionnaire survey in English and Italian version. The research was based in Italy and the objective was to identify the influences of online reviews and how travelers adapt it into their decision-makings. The key findings of the research are; 1) overall product rankings on online reviews have the strongest influence on travelers and 2) the information quality, such as accuracy, and which aspects the information was introduced highly influence travelers' decision-makings. This study from Filieri & Mcleay (2013) essentially supports the earlier research from Misetic, Steiner & Tatalovic (2007) that the existence of internet powerfully influences customers' decision making.

In case of Thai Airways, nowadays, the unsatisfied customers are able to share their perspectives on the cut-cost strategy and the drop in performance through online reviews. The word of mouths spread quicker than ever. Evidently, there are some bad reviews about Thai Airways especially in local online review platform such as "Pantip.com". For instance, a post in Pantip criticizing Thai cabin crew was headlined as, "Thai Airways' cabin crew if you are not willing to work, stay at home" ("Thai Airways' cabin crew", 2017). Hence, it is undeniable that the current high technology in society influences customers' perceptions towards companies to be more fragile and sensitive. Individuals' purchasing decisions are more depended on previous customers' experience, satisfaction and loyalty. Thus, Thai Airways service must improve, differentiate, and consistently perform up to the standard in order to create customer satisfaction.

From the social media complains about the service as well as the research theory framework and findings, it will be constructed into this independent study research and further explain Thai Airways phenomenon in 2020 in details.

#### **2.4 Luxury Brand Positioning**

According to Heine (2012, p. 41) in “The Concept of Luxury Brands” book, many authors define luxury as “non-necessity and super fluity”, while Heine (2012, p. 42) summarizes as “Luxury is anything that is desirable and more than necessary and ordinary.”. In other words, luxury is defined by “availability or exclusivity of resources. While necessities are possessed by virtually everyone, luxuries are available exclusively to only a few people or at least only on rare occasions”.

According to Heine (2012, p. 41)’s definition of luxury, full-service airlines have many identical characteristics and similarities to the high-end luxury brands. Thus, this literature review section will explore more on how luxury brands excel in their industry in order to find applicable solutions for Thai Airways in the future.

In a book “The End of Luxury as we Knew It?”, Kapferer (2017) claims that “The luxury strategy also aims to create intangible value that makes luxury brands incomparable with any other brand, so they can avoid commoditization, which is the fate of most growth markets. Instead, to build incomparability, luxury brands must inject ‘time, space and blood’ in the brand.”. Following this quote, Kapferer (2017) further explains “time” as the history, legacy, and the storytelling of a brand. “Space” as to never completely delocalize production from its original location to create intangibles value. At last, “blood” as a validation of authenticity. Additionally, Kapferer (2017) suggests several tactics such as “multiply small collections, produced

in limited quantities and “Limit distribution” to deliver exclusive value within the limitations of luxury brand management. In other words, the opposing tactics, mass production will make customers’ demand for products decrease because the brands will experience a loss of distinctiveness and supremacy. Therefore, luxury brands cannot only think about increase in production, but they need to find the right balance to maintain its distinctiveness and supremacy.

Luxury brands positioning themselves differently in order create unique customers experience and satisfaction is only the first step of becoming prosperous. Maintaining brand authenticity is one of the difficulties luxury brands will likely face.

Athwal and Harris (2018) conducted a research, “Examining how brand authenticity is established and maintained: the case of the Reverso” by using a longitudinal approach, over a five years period, and the used of several data sources such as interviews, magazine articles and newspaper with a purpose to explain how luxury brands such as “LeCoultre”, a high-end Swiss watch manufacturer, could continue maintain its authenticity while the customers demand do not shift away to new products. Athwal and Harris’s (2018) objectives are; “1) to move beyond an exploration of building brand authenticity to an investigation of how that authenticity is maintained. 2) To understand the role, relevance and evolution of authenticity.” The key findings are that a collection of LeCoultre, Reverso has maintained its authenticity and sincerity since 1931 by adapting through 3 different phases of strategic approaches; 1) Conception-Germination strategy, 2) Growth-Cultivation strategy 3) Maturity-Preservation strategy. This research concludes that brands in different phases should focus on different matters. For instance, a brand in conception stage should focuses on the quality commitment in order to create authenticity. While

in the growth strategy, a brand in luxury sector should not emphasize on brand exploitation. Instead, it should focus on consistently meeting the quality standards in production line rather than expanding it. At last, in the maturity stages, a brand should focus on emphasizing its distinctiveness, such as originality, and strengthening its communications to deliver messages to targeted customers about its high standards.

In this research, we perceive Thai Airways as a full-service airline that provides quality service, which leads to exclusive customers' experience. In the recent years, Thai Airways has been struggling to find the right strategy and its positioning in the industry has been heavily criticized.

According to Thai Airways' former board of director, Mr. Banyong Pongpanich (2020) in The Standard's podcast interview, Thai Airways was a full-service airline that provided more economy seats than the other full-service airlines as a strategy to lower the price to compete with the low-cost airlines. This essentially created confusion within the company. The high-end standards in the economy class were not met, while the price was still higher than the other low-cost airlines. Thai Airways experience a loss of prestigiousness and exclusivity, which effect its customer' experience and satisfaction. Thai Airways was once known as a very successful full-service airline that provided exclusivity and uniqueness. Nonetheless, by not being able to maintain its quality standard and emphasize its distinctiveness throughout the years, Thai Airways lost its authenticity and its' positioning. This may be one of the main factors the company is currently facing its worst downfall.

From the literature review about luxury brand positioning, Thai Airways must redefine its positioning and strategy as an utterly luxury brand that provides a full-service journey. To attract high-ended customers in the niche market, this



research will focus on identifying what the customers expect and demand from Thai Airways. By using psychological questionnaires, this research can help Thai Airways determine what sort of brand authenticity and quality commitment are currently misplaced or missing.

## **2.5 SCAMPER and Its Innovative Strategies**

Thai Airways is considered as one of the most conservative and outdated airlines that are always one-step slower than its competitors in the field of technology and innovation. In “Thai Airways International an in-depth Analysis” Munhunthan (2011, p. 8), states, “The Annual Report of Thai Airways International Public Company (2010) shows that Thai Airways has only 91 Aircrafts with an average age of 11.7 years”. Additionally, some of its domestic aircrafts still does not provide private television, which may cause some customers’ dissatisfaction and second thought on flying with the airline (Munhunthan, 2011). To be able find new solutions that can help Thai Airways regain its position in the airline industry, this research introduces a brainstorming technique, a scamper model, which was first invented by Alex Osborn and later organized by Bob Eberle in 1991(Serrat, 2017).

According to the “Knowledge Solutions: Tools, methods, and approaches to drive organizational performance” book by Serrat (2017, p. 312) “The Scamper technique, for one, uses a set of directed, idea-spurring questions to suggest some addition to, or modification of, something that already exists. It has also received much attention as a leaning tool that fosters awareness drive, fluency, flexibility, and originality.” In other words, Scamper is an acronym, which represents a framework to

help companies analyze itself and stimulate creativity, which can lead to innovative solutions.

According to Levitt (1965), every product has its own life span, which is an inevitable process. No product can remain in the market development, growth or maturity stage eternally. The concept of product life span from Levitt (1965) is displayed in the below figure 2.3

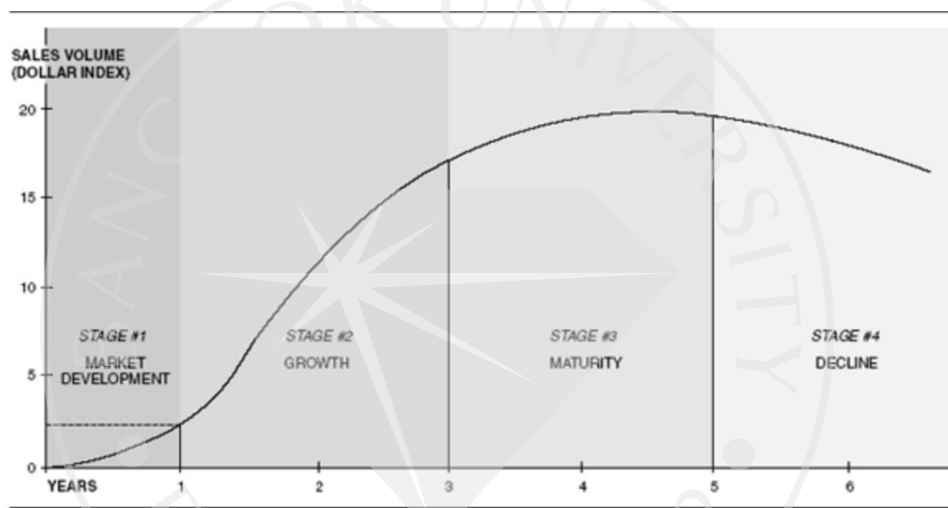


Figure 2.3: Product Life Cycle- Originating Company

Source: Levitt, T. (1965) Exploit the product life cycle. *Harvard Business Review*.

Retrieved from <https://hbr.org/1965/11/exploit-the-product-life-cycle>.

Consequently, the solution to avoid businesses and products to remain in the decline stage was discovered. It is called “innovation”. Innovation is defined as “The implementation of a new or significantly improved product (good or service), or

process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations” (Organisation for Economic Co-operation and Development, 2005). Additionally, the product innovation is defined as “A product innovation is the introduction of a good or service that is new or significantly improved with respect to its characteristics or intended uses. This includes significant improvements in technical specifications, components and materials, incorporated software, user friendliness or other functional characteristics” (Organisation for Economic Co-operation and Development, 2005).

According to “Reinvent Your Business Before it’s too late” by Nunes & Breene (2011), “Sooner or later, all businesses, even the most successful, run out of room to grow. Faced with this unpleasant reality, they are compelled to reinvent themselves periodically. The ability to pull off this difficult feat to jump from the maturity stage of one business to the growth stage of the next is what separates high performers from those whose time at the top is all too brief”. In other words, introducing innovation to Thai Airways will help the company seek and discover a new curve take itself back to stage one, stage two or stage three. Essentially, seeking new curve action will disrupt the obsolete approaches, reinvent itself and give a first mover advantage to the company in its industry. The below figure from “Reinvent Your Business Before it’s too late” by Nunes and Breene (2011) is displayed to help obtain a better understanding.

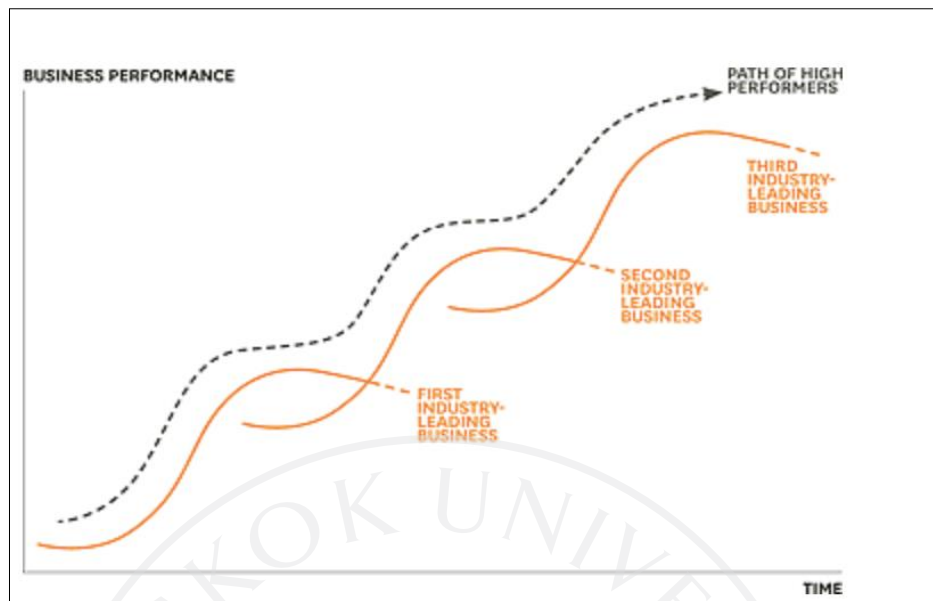


Figure 2.4: Jumping the S curve

Source: Nunes, P., & Breene, T. (2011). Reinvent your business before it's too late.

*Harvard Business Review*. Retrieved from <https://hbr.org/2011/01/reinvent-your-business-before-its-too-late>.

In the Economist's article, "The bag-storage industry is taking off" (2018), argues that entrepreneurs often provide solutions that customers do not realize they need it until it exists. The baggage storage is another example. "The bag-storage industry is taking off" (2018) states in the article "Vertoe's research suggests that about 30% of travelers face conundrums about where to store their bags. In time, when one or two of these businesses gain substantial market share, they may become household names just as Airbnb has become for lodging and Uber and Lyft for getting around a city". As a result, according to the Economist, luggage storage is a potential

industry that may provide a new curve for Thai Airways. This article essentially presents the unmet need from customers that Thai Airways could potentially satisfy. While airports and trains are worried about terrorism until they dismissed the opportunity, Thai Airways could potentially develop a new business starting at Suvarnabhumi airport. With the availability of human, facilities resources and its reputation, Thai Airways are likely to have advantage over other storage companies such as Guardforce and Airportels in Thailand.

Additionally, since the global pandemic, coronavirus, at the beginning of 2020, the customer behaviors are drastically changing and causing global trends to shift permanently. According to Mckinsey&Company's article, "Adapting to the next normal in retail: The customer experience imperative", the coronavirus pandemic triggers an electronic e-commerce trend (Briedis, Kronschnabl, Rodriguez & Ungerman, 2020). The article states, "COVID-19 has dramatically and suddenly shifted more customer traffic to digital channels. Consider that online sales, which increased at a 14 percent compound annual growth rate (CAGR) over the past four years, grew by 25 percent in a two-week period in March 2020 led by grocery purchases. The profound impact of the pandemic on consumer shopping habits has increased the urgency for retailers to expand their digital presence quickly" (Briedis, Kronschnabl, Rodriguez & Ungerman, 2020). Additionally, customers increasingly expect digital channels from companies to deliver good performance in speed, stability and delivery time.

Therefore, this independent study introduces a scamper approach to help brainstorming, generate creativity and create innovative solutions to enhance Thai Airways' business performance.

Based on “Scamper Technique for Creative Thinking” by Sirbiladze (2017), the word “SCAMPER” consists with;

S-Substitute (what parts in the product, service or solution can we substitute or replace with another)

C-Combine (what services or product can we put together for better efficiency in the output)

A-Adaptive (brainstorming discussion on what services can we change, adjust or refine product or service with the existing resources for better outputs)

M-Modify (what existing process or procedures should be improved in order to unleash more innovative capabilities or resolve the problems)

P-Put it to other use (with the resource that we have, can we use for other purposes? or how can we utilize the existing service or product to solve problems)

E-Eliminate or elaborate (nonessential resource or process that needed to be cut out in order to improve the process of product or service)

R-Reverse (can we turn the brand around? Explore the innovative prospects when altering the procedure in the production or service line)

SCAMPER model is a useful technique that practically helps solve problems. Pitchai and Mack (2009) in “SCAMPER - a new ideas machine for the battery business” argued that scamper model is a new idea machine for the battery industry. The evolution of battery technology was analyzed to examine demonstrate how scamper technique could be useful and practical by inventors. For instance, Li-poly batteries, which are in iPods and laptops, is the result from the use of scamper on rechargeable Lithium-ion (Li-ion) battery (Pitchai & Mack, 2009). This below is a table from Pitchai and Mack (2009)’s article to provide a better understanding:

Table 2.2: A case of SCAMPER elements to create new ideas for Li-ion Batteries

SCAMPER element	Examples
Eliminate	Eliminate the use of toxic heavy metals
Substitute	1) Use of graphite in place of coal 2) Use of organic carbonates in place of organic ethers as electrolytes 3) Use of ionic liquids as electrolytes
Adapt	Adapting the chemistry of mixed metal oxide to hold oxygen as oxide
Minify	1) Use of nano form of mixed metal oxides
Modify	2) Use of solid dry polymers and heating them
Combine	1) Doping phosphates with aluminum, niobium and zirconium 2) Combining separator and electrolyte (soaked polymers)

(Continued)

Table 2.2 (Continued): A case of SCAMPER elements to create new ideas for Li-ion Batteries

SCAMPER element	Examples
Put to other use	Use of Li-ion battery technology in automobiles

Source: Pitchai, R., & Mack, M. (2009). *SCAMPER - A new ideas machine for the battery business*. Retrieved from [https://www.researchgate.net/publication/280927674\\_SCAMPER\\_-\\_a\\_new\\_ideas\\_machine\\_for\\_the\\_battery\\_business](https://www.researchgate.net/publication/280927674_SCAMPER_-_a_new_ideas_machine_for_the_battery_business).

According to Nikkei Asia news' article, "Thai Airways recorded net losses for seven of the past ten years. The airline made a net loss of 28 billion baht for the first half of 2020" (Yuda, 2020). Thus, it is well explicit that the company's current management and strategy is unacceptable. As a result, this research uses SCAMPER in the ideation phase to help stimulate creativity and find innovative strategies for Thai Airways to solve its current position.

## 2.6 Goal of the Exploratory Mixed Method

Based from the literature review above, there is a research gap to further study particularly about Thai Airways. Thus, by using a SCAMPER approach with eleven participants, nine foreigners and two Thais, to generate new ideas and a quantitative methodology, 170 questionnaire survey this independent study aims to;



1) solve Thai Airways' luxury positioning, 2) investigate what are the related factors that influence customer satisfaction and loyalty, 3) study Thai customer segmentation and develop different strategies in both tangible and intangible services, while taking pricing elasticity into account.



## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

This chapter consists of the presentation of research methodology. The chapter clarifies the research is conducted in order to find results answering the problems as identified in the research objective. This study uses mixed method-methodology, both qualitative and quantitative, to better understand customers' perception towards Thai airways in the airline industry. The chapter is composed of topics, as follow: 1. Research Condition and Design 2. Research Framework 3. Data collection 4. Data analysis.

#### **3.1 Research Condition and Design**

##### **3.1.1 Research Condition**

This study conducts research with the assumption that Thai Airways has much fixed cost and cannot exercise lower price strategy in order to continue in the premium sectors. Thus, this study emphasizes on how to keep Thai airways in business while also improve its profitability.

##### **3.1.2 Research Design and triangulation**

This study will use both qualitative and quantitative studies to allow the researcher to gain view that is more extensive and avoid bias perspective. Firstly, by the archive-published data about Thai Airways services, pricing issues and its business failure. Secondly, collecting data from the customers' point of view, and thirdly, collecting data from the employees' point of view. Thus, this study creates triangulation that promotes validation of data through cross-verification from several

sources. This mixed qualitative and quantitative methodology increases reliability and help accurately identify relations to build a theory and better investigate a phenomenon in the real-world context.

### **3.2 Research Framework**

This research framework figure 3.1 created based on the theoretical and practical gaps found after the literature review process. The figure illustrates the research process and its working flow from neuromarketing factor, luxury and high-end brand positioning, and Thai Airways' current issues in services until reaching the decision-making activity, buy or not buy. It displays to emphasize what are the independent variables and dependent variables in this study. In other words, the framework figure 3.1 demonstrates the required steps before achieving new theoretical and practical ideas that can provide competitive advantages to Thai Airways in the future.

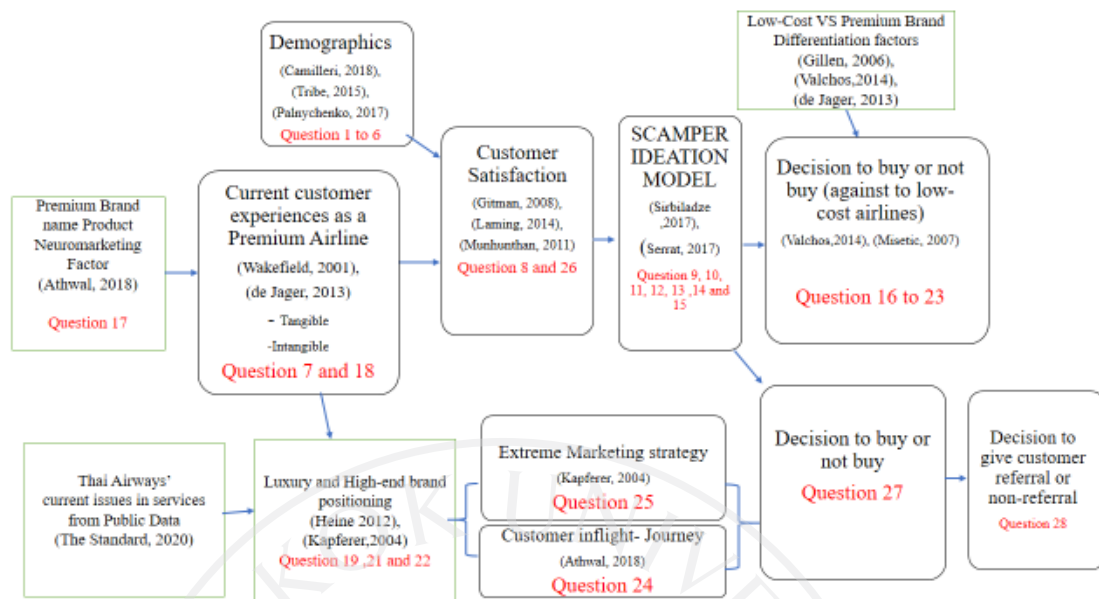


Figure 3.1: Thai Airways' research framework

### 3.3 Data Collection

#### 3.3.1 Qualitative Analysis

In order to gain a broader perspective about Thai Airways and initiate new ideas from different point of view, foreign individuals were mainly chosen for the in-depth interviews where the SCAMPER model was introduced. According to Reja, Hlebec, and Vehovar (2003) in “Open-ended vs. Close-ended Questions in Web Questionnaires”, Opened ended questions do not restrict interviewees with apparent ease to the alternatives like in close-ended forms. Thus, in this research, the questions were asked in open-ended forms in order to prevent regulated answers and let the interviewees have their freedom on how they would like to answer. The questions for interviewees mostly begin with “How” or “Why” and avoid questions such as “Is the following idea can be used as a substitute of Thai Airways current products/services”

in order to prevent merely “yes” or “no” answer. The eleven research participants are from Thailand, India, Australia, New Zealand, Singapore, China, Japan, Sweden, Canada and the Philippines. Seven single individuals and two couples who experienced flying with Thai Airways were participated. The in-depth interviews mainly focused on their experiences with Thai Airways and each person’s interview was via a phone or video call for about 60 minutes and was transcribed verbatim (Figure 3.2)

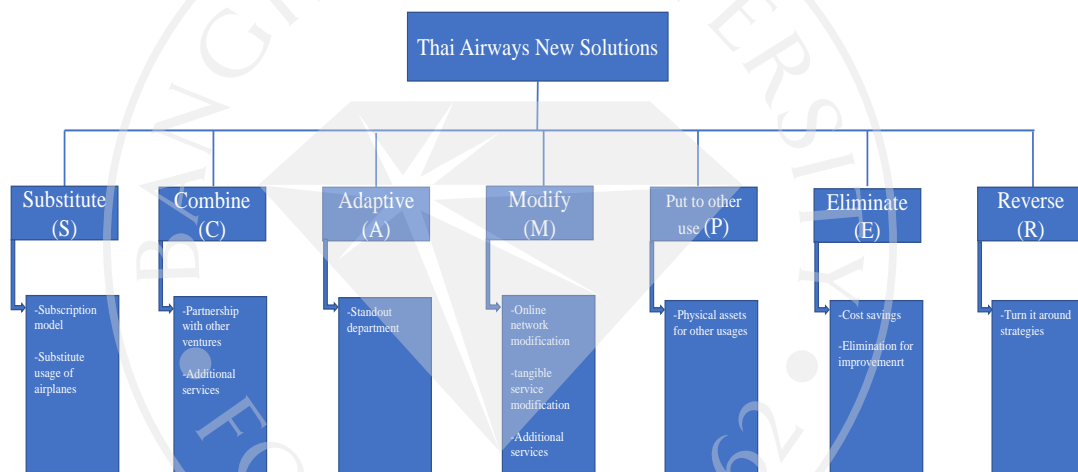


Figure 3.2: SCAMPER ideation concept and categories of ‘new solutions for Thai Airways’ identified in the qualitative analysis of nine verbatims.

### 3.3.2 Quantitative analysis

Categories identified in the qualitative analysis exploited to create the questionnaire survey for the quantitative analysis process in this research. The questionnaire survey created based on the identified gap in the literature review section and the identified categories from in the in-depth interviews. The survey

consisted with five parts: demographics, previous experience & satisfaction, perception on scamper's new solutions, customer's expectation & wiliness to pay, and their personal insights on Thai Airways. As a result, the questionnaire survey contained 29 questions with multiple choice, check boxes, rating scales, and short answers. For the rating scales questions, this research implements a 1 to 5 point of scale consists with 1 = Very Unsatisfied/Very Disagreed, 2 = Unsatisfied/Disagreed, 3 = Neutral, 4 = Satisfied, Agreed, and 5 = Very Satisfied/ Very Disagreed. By doing the survey this way, the research would accurately explain the respondents' satisfaction, perception, expectation and insights towards Thai Airways.

The survey aims to collect data from three different survey groups: 1. Thai customers, 2. foreign customers and 3. Thai Airways' staff. In addition, to eliminate a completed bias behavior and perspective, this research attempts to distribute to customers in different age group as much as possible. This research will categorize different generations based on the information provided by McKinsey & Company's article by Francis and Hoefel (2018). Thus, the less than 21 years old and 21-25 years old individuals, who were born from 1995-2010 categorized as "Gen Z". The 26-30, 31-35, and 36-40 years old categorized as "Gen Y". The over 40 years will be categorized as "Gen X & Baby boomers" (Francis and Hoefel, 2018). The questionnaire survey was designed on Google Forms and was distributed out in both Thai and English version. The total number of respondents are as shown in the table 3.1 below.

Table 3.1: Number of each interview group's respondents by generations

Generarions	Employee	Foreigner	Thai	Total
1) Gen X & Baby Bloomers	25	6	47	78
2) Gen Y	2	10	34	46
3) Gen Z		9	37	46
Total	27	25	118	170

In table 3.1, due to the covid-19 situation, all questionnaires were distributed and completed online. The survey was collected in the month of October and November in 2020. The total number of collected survey was 173, nonetheless, after assorting all data, there were three duplicate responses. Therefore, the total number of 170 respondents were recognized as usable for quantitative data analysis.

### 3.4 Data Analysis

For the qualitative analysis in chapter 4.1 section, the answers received from the interviewees in verbatim relating to research questions are emphasized with underlining or highlights and are sorted with keywords as well as categories based on their correspondences and relationships. This research analyzes the key findings from the in-depth interviews with eleven research participants and use them to structure questionnaire survey for the qualitative analysis part.

For the qualitative analysis, this research uses Microsoft Excel as a tool for cleaning data collected from the online questionnaires. Following the cleaning

process, the useable data implemented in four statistical analyses: 1) frequency analysis, 2) descriptive statistics, 3) correlation, and 4) ANOVA, by SPSS software to identify the variables and parameters, which applied into this study. The analyzed data is introduced in forms of charts and tables to interpret the significant and insignificant findings from the 170 size of sampling.





## CHAPTER 4

### FINDINGS

#### 4.1 Qualitative Analysis

The qualitative research process in this research interviewed eleven research participants. Based on the seven dimensions of the SCAMPER model, the outcome is shown in appendix page 112.

Table 4.1: Key findings from SCAMPER model to generate new ideas for Thai Airways in 2021

Interviewee	Nationality	S	C	A	M	P	E	R
1	Australian & Thai	X	X		X		X	
2	Indian	X	X		X		X	X
3	Singaporean		X		X		X	X
4	New Zealander	X	X	X	X		X	X
5	Swedish	X		X	X	X		
6	Filipino			X	X	X	X	
7	Canadian				X	X	X	X
8	Japanese			X	X		X	
9	Chinese & Thai		X		X	X		

The significant findings are:

#### 4.1.1. Substitute (S)

##### 4.1.1.1 Subscription model (S)

Agency of every services (A4, 61 years old) – subscription model to get Royal Orchid membership or ticketing discount

##### 4.1.1.2 Substitute Usage of Airplanes (S)

1) Whole plane adjustment (A1, 46 & 33 years old) – Millionaire flight with suite rooms and called it “Thai Airways Elite”

2) Seating adjustment (A2, 29 years old) – whole section of the plane for premium economy or business class seats with extra charges.

3) Unique flight service (A4, 61 years old) – flights for sightseeing and land back at the same place.

##### 4.1.1.3 Outsource as substitution (S)

Outsource other airlines’ experts (A5, 24 years old) - to do some operations from times to times for lower margin, e.g., outsourcing engineers

#### 4.1.2 Combine (C)

##### 4.1.2.1 Partnership with other ventures (C)

1) Visa service (A4, 61 years old)

2) Hospitality partnership (A2, 29 years old)

3) Local e-commerce and retailer partnership (A9, 32 & 29 years old)

4) Restaurant partnership (A1, 46 & 33 years old)

5) Independent partnership (A4, 61 years old)

##### 4.1.2.2 Additional services (C)

1) New energy source (A3, 25 years old)

2) Chef on plane, made to order (A2, 29 years old)

3) Unique in-flight services (A4, 61 years old) – put all ethnicity into one.

E.g., cabin crew have different uniforms representing different districts.

#### 4.1.3 Adaptive (A)

##### Standout departments (A)

1) Emphasize the excellent departments (A4, 61 years old and A5, 24 years old) – adapt successful departments, e.g., develop engineering into school academies or develop cargo service into a standalone delivery business.

2) Thai Airways Cargo business (A4, 61 years old) - emphasizes to B2B market shipping valuable commodities for private and public sectors.

3) Prospective adaptations (A4, 61 years old) – adapt social media engagement and marketing from its enormous customer database

#### 4.1.4 Modify (M)

##### 4.1.4.1 Online network modification (M)

1) E-website improvement (A2, 29 years old)

2) Intangible benefits (A7, 30 years old and A9, 32 & 29 years old) – offer WIFI at a reasonable cost or more in-flight entertainment

##### 4.1.1.2 Entertainment modification (M)

Quality and quantity in entertainment – magazines, newspapers, and movies

##### 4.1.1.3 Tangible service modification (M)

1) Seating adjustment (A8, 26 years old) – more comfortable seats

2) Unique inflight services (A8, 26 years old and A2, 24 years old) - e.g., inflight massages and a section with a big window for sightseeing

#### 4.1.1.4 Additional services (M)

Airline benefits (A2, 29 years old and A6, 28 years old and A8, 26 years old) - e.g., student and senior benefits

#### 4.1.5 Put to other use (P)

##### 4.1.5.1 Physical assets for other usages (P)

1) Rental estate (A6, 28 years old and A5, 24 years old) – e.g., outsource building space or use the unused space for storage service

2) Vehicle services (A9, 32 & 29 years old) – Convert cargo vehicles into mega limousines

3) Inventory sellouts (A7, 30 years old)

##### 4.1.5.2 Inventory for other usages (P)

Catering ingredient for Thai snacks (A7, 30 years old)

#### 4.1.6 Eliminate (E)

##### 4.1.6.1 Cost savings (E)

1) Employees' welfare (A1, 46 & 33 years old and A2, 29 years old)

2) Rental estates (A7, 30 years old)

##### 4.1.6.2 Elimination for improvement (E)

1) Employees' soft skills (A8, 26 years old)

2) Unique inflight services (A2, 29 years old and A1, 46 & 33 years old) – e.g., get rid of floor cleaner smell

3) Airline benefits (A3, 25 years old) – e.g., eliminate long boarding time

#### 4.1.7 Reverse (R)

##### 4.1.7.1 Turn it around strategies (R)

1) Employees' soft skills (A3, 25 years old and A4, 61 years old) – e.g., put cabin crew's good hospitality skills to host events or reuse cabin crew expertise

2) Prospective reformation – become a service provider that offers a seamless flight to hotel (A7, 30 years old)

3) E-website improvement (A2, 29 years old) – e.g., move to application base

The key findings from their customer experiences with Thai Airways are:

1) Australian and Thai couple (46 and 33 years old) – the Australian husband believes that Thai Airways loses its brand positioning and place the company in a very awkward positioning in the industry. Currently, he rather flies with other premium service airlines such as Emirates, Etihad or SIA. While the Thai wife is a price driven customer who would rather fly with Low-cost airlines. In their opinion, Thai Airways need a major meaningful change that can bring a strong Thai characteristic.

2) Indian (29 years old) – states the services in the business class has good quality and does amazing job in contrast to its economy class. For him, Thai Airways' staff are always helpful, and its flights connectivity is the best.

3) Singaporean (25 years old) – is a price driven customer who prefers to fly with low-cost airlines. Nonetheless, if he has to choose premium airline, he will choose Singaporean Airlines over because of its reputation and services.

4) New Zealander (61 years old) – perceives Thai Airways in the late 80s as modern as the Etihad nowadays. Nonetheless, the airline has not really improved

since then. He also believes that Thai Airways has been mismanaging for the last few years.

5) Swedish (24 years old) – is a price driven customer who would endure long flights with the economy seat, while believes his parents would pay extra for better travelling quality.

6) Filipino (28 years old)–is a price driven customer who puts quality of services as his last priority. Nonetheless, he prefers Emirates or Etihad airlines more than Thai Airways because, his experience with Thai Airways was not stand out enough to make him switch airlines.

7) Canadian (30 years old)–states that the services is his number priority. Even though he has been flying with Thai Airways for many years and is satisfied with the services, he believes SIA and Emirates provide better overall services such as modernize style or in-trend entertainment.

8) Japanese (26 years old)–who enjoys reading magazines during flights, prefers ANA over Thai Airways because of the differences in in-flight services such as cabin crew's ability to meet needs and in-flight food.

9) Chinese and Thai couple (32 and 29 years old)–the aircraft and equipment are old, while the seats are not really functional. The couple think Thai Airways the in-flight entertainments are outdated and not good in quality. While the Thai wife has a strong sense of nationalism who supports Thai Airways as much as she can.

From the qualitative findings above, this study expands the research framework to focus on differentiation between the premium airlines versus low-cost airlines. It appears that premium customers are still content to pay for Thai Airways

service, if there is improvement modification or elimination within the brand. Thai Airways must be able to create customer experience and provide inflight services those that satisfy the premium customer segments. Unfortunately, Thai Airways current services and facilities are not able to create differentiation from the local low-cost airlines.

In summary, the quantitative findings above on customer satisfaction level cannot conclude the general customers' demand and willingness to pay for Thai airways' services. Thus, this study develops 29-items-questionnaire in part two to analyze with larger sample size in order to ensure the qualitative findings can be generalized to the major population. With the triangulation check, it eliminates bias perspective from only a certain point of view and generates new ideations that are highly demanded by the customers.

## **4.2 Quantitative Analysis**

The quantitative research process in this research conducted a 29 questions survey to 170 individuals. The results are shown in six different parts as following.

### **4.2.1 Demographic of respondents**

The descriptive summary of all the respondents' profiles is shown in Table 4.1. As displayed in the table 4.1 below, the questionnaires respondents were distributed into seven main demographic variables.

Table 4.2: Descriptive Summary of Respondents

Demographics Variable		Number of respondents	Percentage
How long have they used Thai Airways services?	Less than 1 year	27	15.9
	1-3 years	22	12.9
	More than 3 years	121	71.2
		170	100.0
Age	Less than 21 years old (Gen Z)	14	8.2
	21-25 years old (Gen Z)	32	18.8
	26-30 years old (Gen Y)	34	20.0
	31-35 years old (Gen Y)	6	3.5
	36-40 years old (Gen Y)	6	3.5
	Over 40 years old (Gen X & Baby boomers)	78	45.9
		170	100.0
Gender	Male	95	55.9
	Female	75	44.1
		170	100.0
Interview groups	Thai customers	118	70.4
	Foreign customers	25	14.7
	Thai Airways' staff	27	15.9
		170	100.0
Nationality	Thais	145	85.3
	Westerners	13	7.6
	Asians	7	4.1
	Others	5	2.9
		170	100.0
Education	Highschool degree	18	10.6
	Bachelor's degree	84	49.4
	Master's degree	57	33.5
	Ph.D.	6	3.5
	Other	5	2.9
		170	100.0
Occupation	Student	30	17.6
	Free lancer	31	18.2
	Business owner	21	12.4
	Office worker	82	48.2
	Other	6	3.5
		170	100.0

Based on the table 4.1, there are 27 (15.9%) respondents who have been using Thai Airways for less than one year. 22 respondents (22%) who have been using Thai Airways for one to three years. 121 respondents (71.2%) who have been using Thai Airways for more than three years.



For the second demographic variable, age, there are 14 respondents (8.2%) who are less than 21 years old. 32 respondents (18.8%) are between 21 to 25 years old. 34 respondents (20%) who are between 26 to 30 years old. 6 respondents (3.5%) who are between 31-35 years old. 6 respondents (3.5%) who are between 36-40 years old. 78 respondents (45.9%) who are over 40 years old.

For the third demographic variable, gender, from the total number of 170 research respondents, the majority are male at 55.9%, 95 respondents, while the minority are female at 44.1%, 75 respondents.

For the fourth demographic variable, interview groups, there are 118 respondents (70.4%) who are considered as Thai customers. While there are 25 respondents (14.7%) who are considered as foreign customers and 27 respondents (15.9%) who are considered as Thai Airways' staff.

For the fifth demographic variable, nationality, 145 respondents (85.3%) are Thais, 13 respondents (7.6%) are westerners, 7 (4.1%) are Asians, and 5 respondents (2.9%) are other nationalities.

For the sixth demographic variable, education, 18 respondents (10.6%) have high school degree. 84 respondents (49.4%) have bachelor's degree. 57 respondents (33.5%) have master's degree. 6 respondents (3.5%) have Ph.D. degree and 5 respondents (2.9%) have other types of degree.

For the seventh demographic variable, occupation, there are 30 respondents (17.6%) who are students. 31 respondents (18.2%) who are Freelancer. 21 respondents (12.4%) who are business owners. 82 respondents (48.2%) who are office workers and 6 respondents (3.5%) who have other occupations.

#### 4.2.1.1 Customers' experience based on their gender

Based on the figure 4.1, the female's average customers' experience with Thai Airways was between Satisfied =4 and Very Satisfied = 5 (4.23), while the male's average customers' experience with Thai Airways was right on satisfied (3.99).

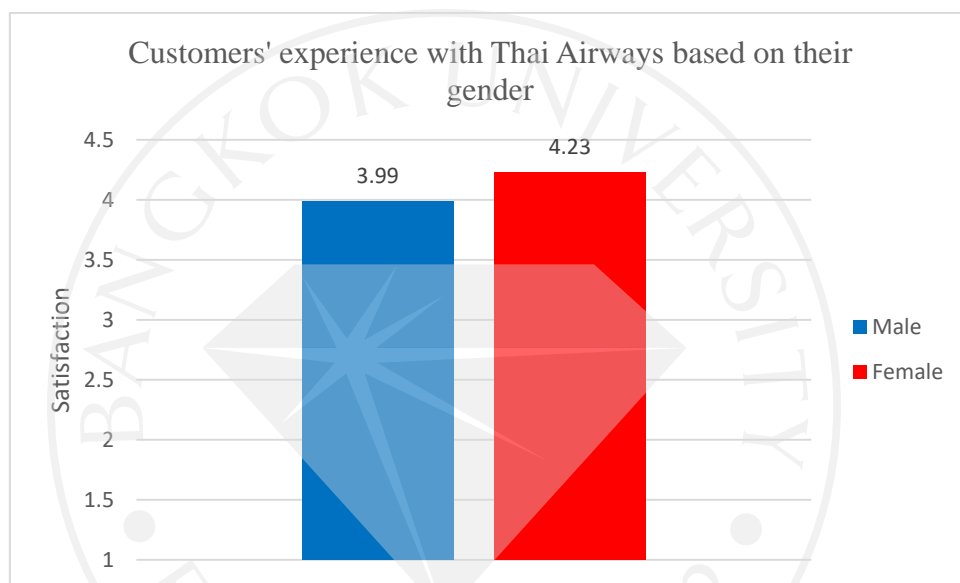


Figure 4.1: Customers' experience with Thai Airways based on their gender

#### 4.2.1.2 Customers' experience on the amount of time they have been using Thai Airways

In figure 4.2, customers who have been using Thai Airways from one to three years have the highest satisfaction from their experience with the airline, on both male (4.21) and female (4.38). On the other hand, the customers who have been using Thai Airways less than one year have the lowest satisfaction level from both male (3.69) and female (3.82).

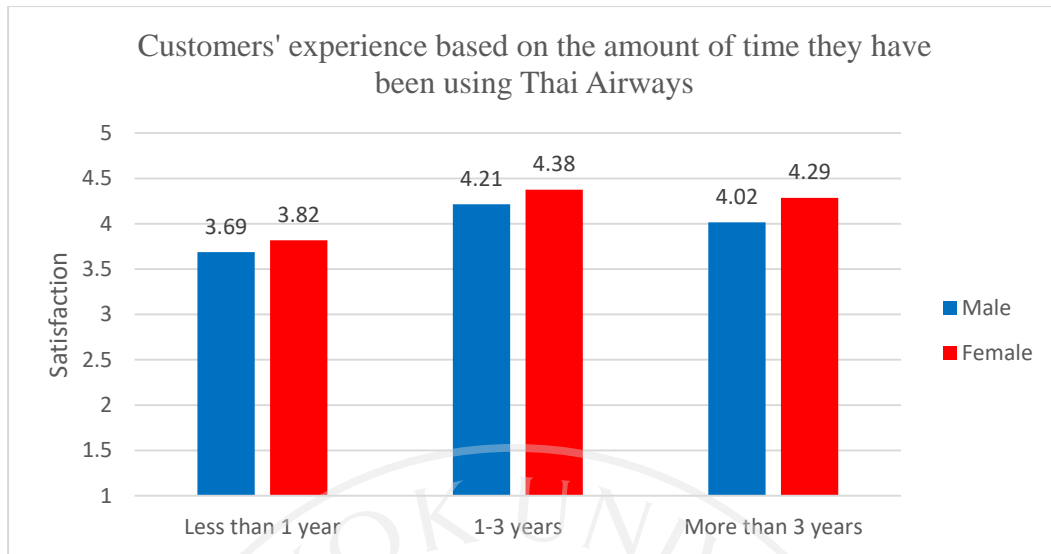


Figure 4.2: Customers' experience based on the amount of time they have been using Thai Airways

#### 4.2.1.3 Customers' experience based on different generations

According to the figure 4.3, Females in generation Y are the most satisfied customers with their Thai Airways experience (4.35), while males in generation Z & baby Boomers are the most satisfied customers with their Thai Airways experience (4.03). Nonetheless, as in an overall picture of each generation, generation Y has the highest satisfaction level.

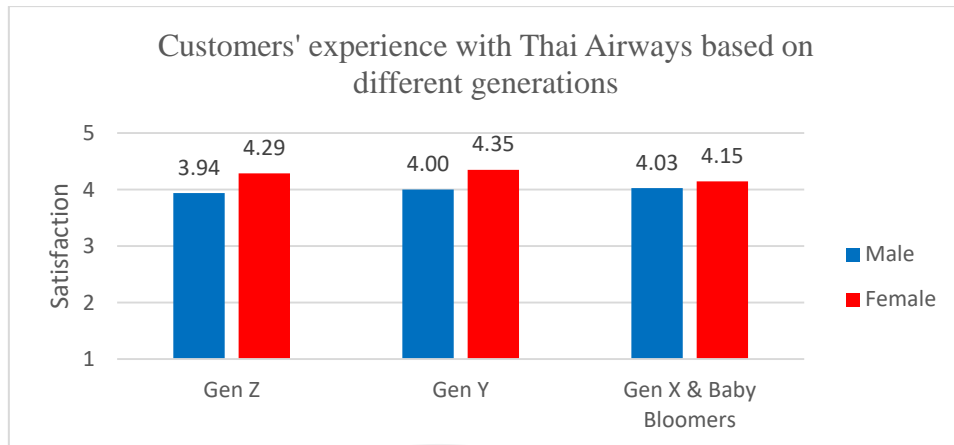


Figure 4.3: Customers' experience with Thai Airways based on different generations

#### 4.2.1.4 Each interview group's experience with Thai Airways

Analyzing the data by each interview group, for the female's side, the foreign females are most satisfied with their Thai Airways experience (4.50). While for the male's side, the employee males are most satisfied with their Thai Airways experience (4.36).

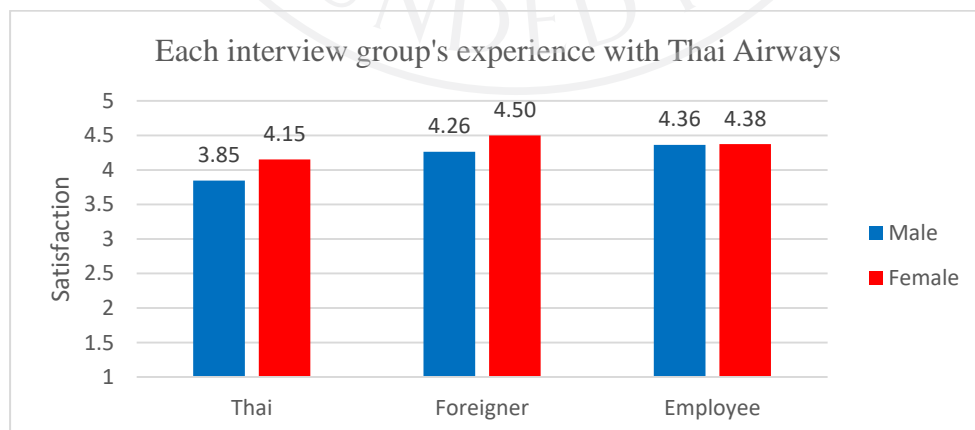


Figure 4.4: Each interview group's experience with Thai Airways

#### 4.2.1.5 Customers experience based on different nationality

Due to the limitation to acquire the large size of the foreign customers in this research sampling, this figure combines male and female together to increase the number sample size and provide more accurate analysis. Based on the figure 4.5, Asian customers have the highest satisfaction level (4.43), while western customers have the second highest satisfaction level (4.31).

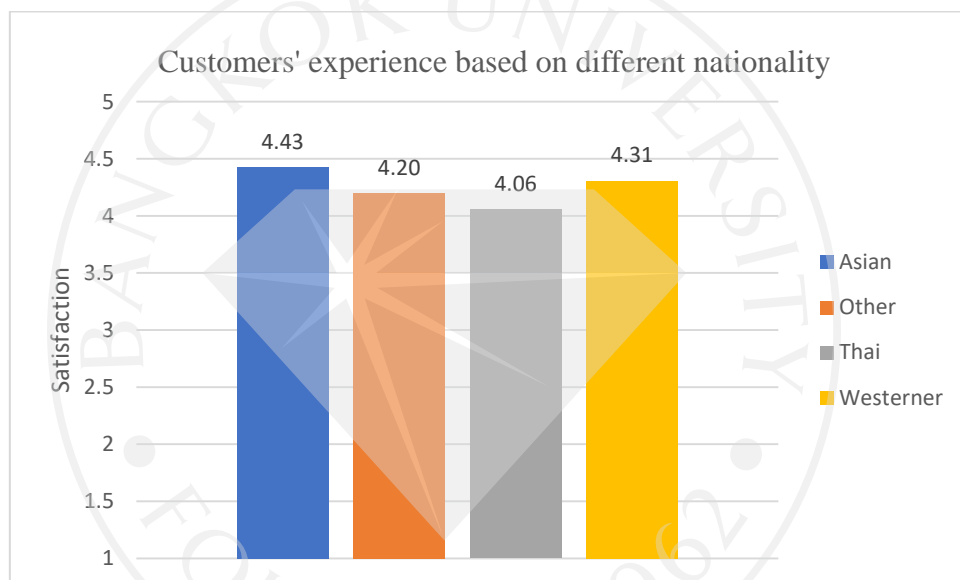


Figure 4.5: Customers' experience based on different nationality

#### 4.1.2.6 Customers' experience based on their education level

Due to the limitation to acquire the large size of sampling in different educational levels, this study combines male and female respondents in this figure to produce analysis that is more accurate. As displayed in the figure below, the two-education level with the highest satisfaction level are bachelor's degree (4.24) and

other (4.2). While the two-education level with the lowest satisfaction level are high school degree (3.83) and Ph.D. (3.83)

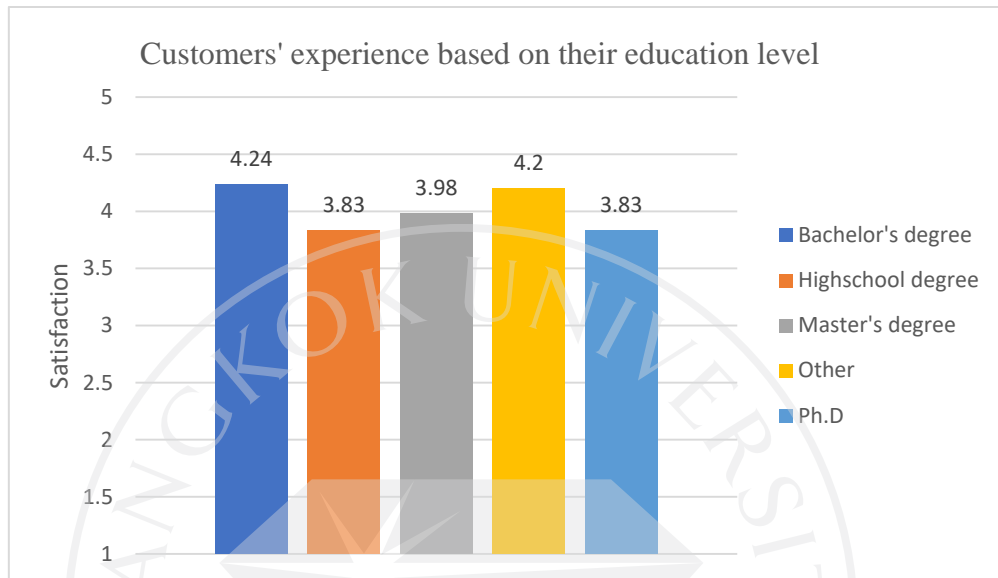


Figure 4.6: Customers' experience based on their education level

#### 4.2.1.7 Customers' experience with Thai Airways based on their occupation

Due to the limitation to acquire the large size of sampling in different occupation, this research combines male and female together in order to generate analysis that is more accurate. As a result, the two occupation that have highest satisfaction level are business owner (4.19) and office worker (4.15). While, the lowest two are freelancer (3.97) and other occupation (4.00).

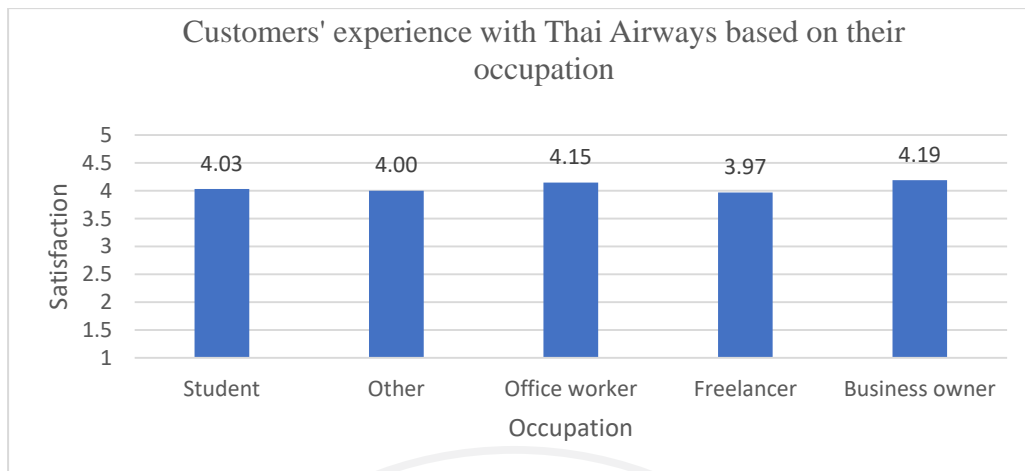


Figure 4.7: Customers' experience with Thai Airways based on their occupation

#### 4.2.2 Respondents' satisfaction towards Thai Airways' domestic and international flights

##### 4.2.2.1 Each interview's group experience with Thai Airways' domestic flights

According to Figure 4.8, employee has the highest (4.36), followed by foreigner (4.33) while Thai has the lowest (4.00) average rate of satisfaction. Nevertheless, this may mean that the Thai employee have bias perspective towards their own company, while foreigners are really satisfied with Thai Airways services in domestic flights comparing to other airlines.



Figure: 4.8: Each interview's group experience with Thai Airways' domestic flights

#### 4.2.2.2 Each interview group's experience with Thai Airways

international flights

Similarly, to the previous figure, figure 4.9 represents that Employee has the highest (4.35), followed by foreigner (4.30), while Thai has the lowest (4.00) average rate of satisfaction. This may be due to different expectations from international air travelling.





Figure 4.9: Each interview's group with Thai Airways' international flights

#### 4.2.2.3 Customers' experience with Thai Airways domestic flights based on their occupation

Based on the figure 4.10, other occupation (4.25) and the office worker (4.18) are the two most satisfied customers. Their average satisfaction rate on the experience flying domestic flights with Thai Airways are slightly higher than student (4.14) and business worker (4.08). The freelancer is the only occupation that has an average rate of satisfaction below satisfied = 4 (3.84).

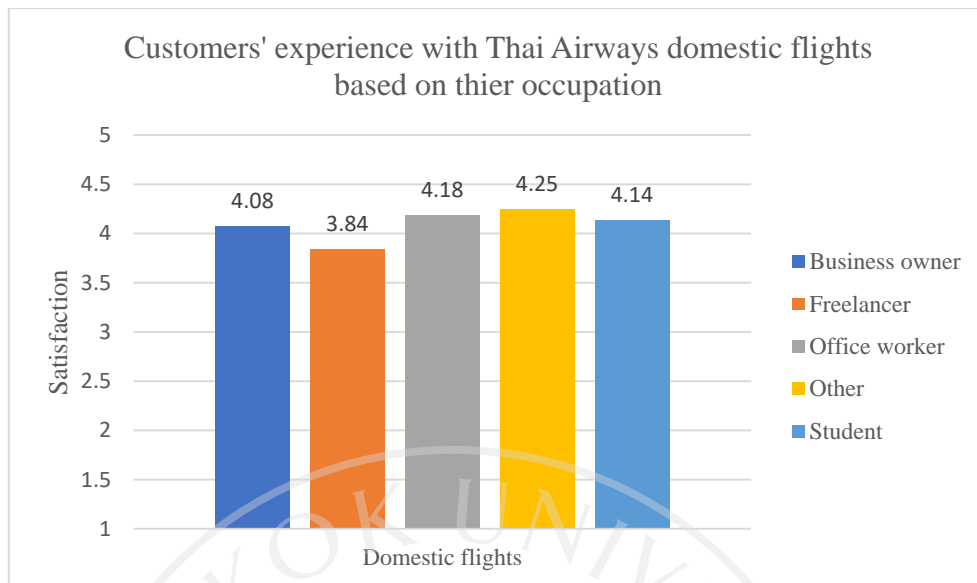


Figure 4.10: Customers' experience with Thai Airways domestic flights based on their occupation

#### 4.2.2.4 Customers' experience with Thai Airways international flights

based on their occupation

Analyzing customers' experience with Thai Airways' international flights by occupation, the highest average satisfaction rate is business owner (4.28), followed by office worker (4.15) and freelancer (4.05). The only occupation that has the average satisfaction rate lower than satisfied =4 is student (3.95).

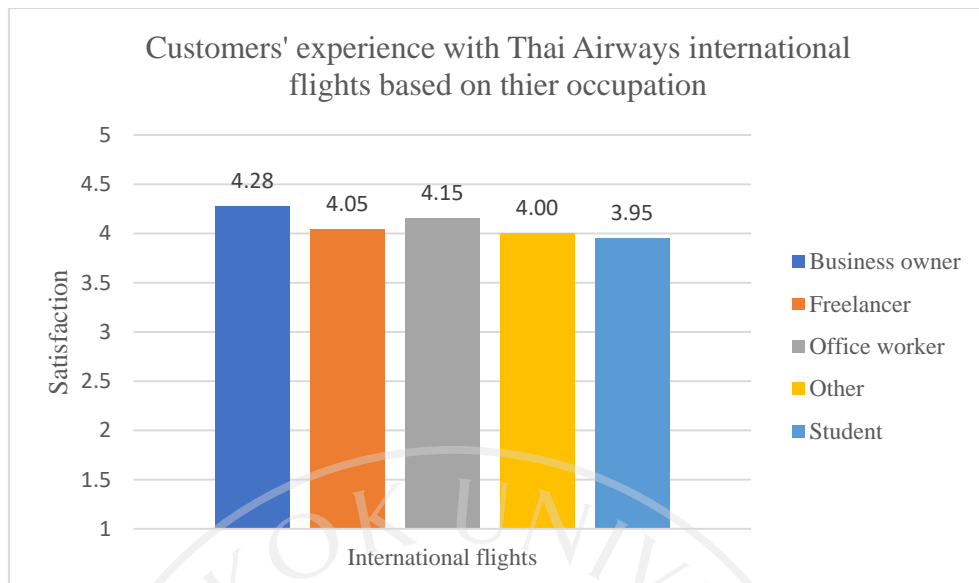


Figure 4.11: Customers' experience with Thai Airways international flights based on their occupation

#### 4.2.2.5 Customers' experience with Thai Airways domestic flights based on their generation

According to figure 4.12, generation Y find their experience with Thai Airways domestic flights (4.25) more satisfied than generation X & Baby Boomers (4.08) and generation Z (4.04). This data shows that Thai Airways domestic flights most sensibly fulfils generation Y expectations than any other generations

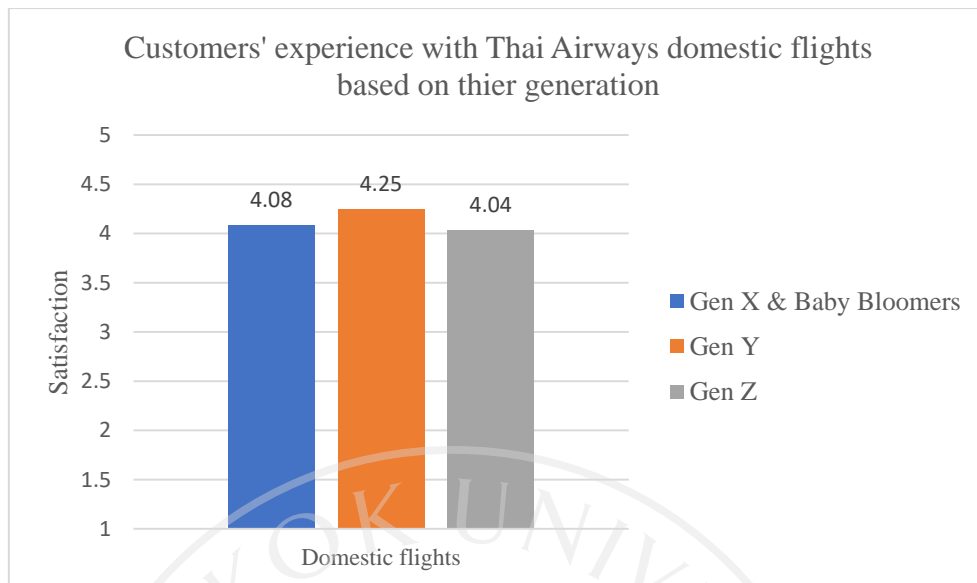


Figure 4.12: Customers' experience with Thai Airways domestic flights based on their generation

#### 4.2.2.6 Customers' experience with Thai Airways international flights based on their generation

Analyzing data in figure 4.13, even though generation Z average satisfaction rate stays relatively the same (4.03), generation X & Baby Boomers increases by 0.04 (4.12) while generation Y decreases by 0.06 (4.19). This could mean that the tangible and intangible services in Thai Airways international flights are slightly suited generation X & baby boomer's preferences than generation Y's, while generation Z does not sense any differences. This potentially causes both average satisfaction on the two generations to move in the opposite way.

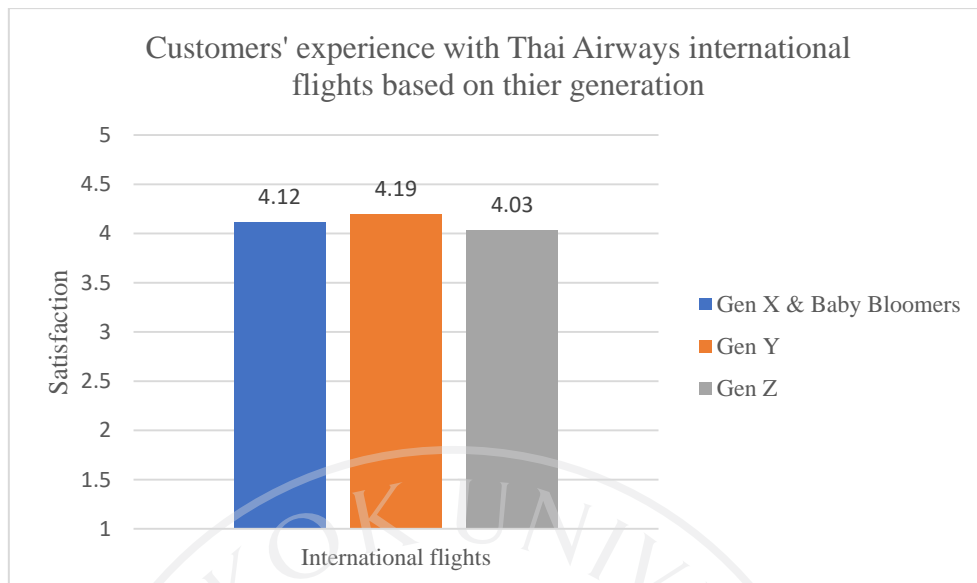


Figure 4.13: Customers' experience with Thai Airways international flights based on their generation

#### 4.2.3 Respondents' feedback on SCAMPER model

From the qualitative research, this study has received many primary new ideas, however, when confirms with a large sample size of 170 respondents, only a few ideas are workable. After the SCAMPER model for ideation with checkboxes method from question number 9 to 15, after 170 samples (Thai customers n=118, Foreigners n=25, Thai Airways' employee = 27) of questionnaire surveys, this 4.3 section presents the obtained data and analysis.

4.2.3.1 Substitute (Question number 9 on substituted ideas to replace Thai Airways' existing services that would significantly be attractive to customers)

Based on the figure 4.14, from 170 samples, choices number 2 (57%) and number 1 (36%) are the most favorite substituted solutions for Thai Airways. 97 out of 170 respondents (57%) picked "More space just extra more" or pay more for extra

legroom and space for long-distance flights as a substituted solution for Thai Airways. While 62 out of 170 respondents (36%) picked “Subscription model” (e.g. pay \$2.99 per month to have royal orchid plus membership or 10% discount when buy tickets) as a substituted solution for Thai Airways.

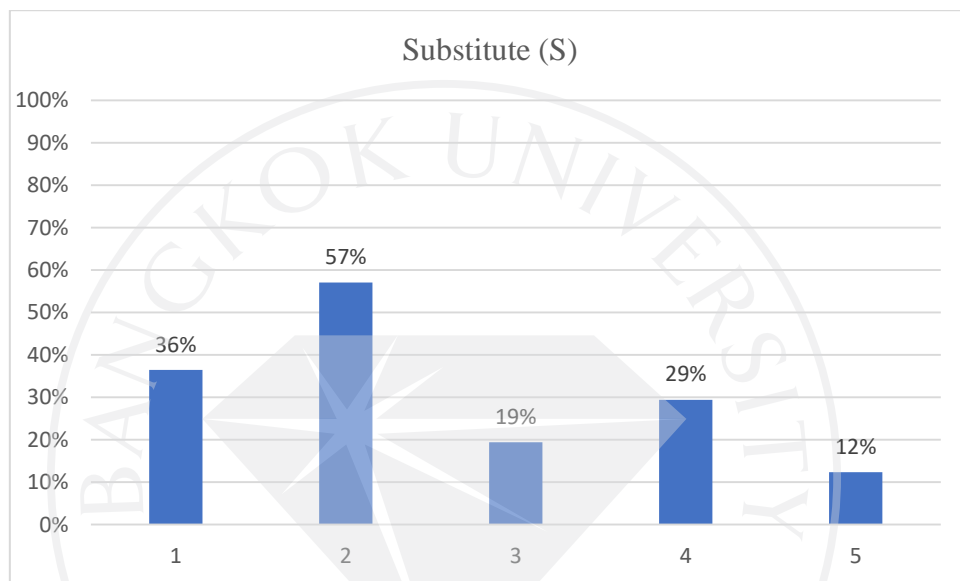


Figure 4.14: Substitute (S)

4.2.3.2 Combine (question number 10 on combine new ideas with Thai Airways’ existing services that can significantly make the airline more attractive to customers)

According to figure 4.15, the most two selected ideas are choices number 1 (59%) and number 6 (46%). From 170 respondents, 101 respondents (59%) picked “Visa applying service” as the favorable idea to combine with Thai Airways’ existing services. While 79 out of 170 respondents (46%) picked to partner with Lemongrass,

Blue Elephant, or other Michelin stars restaurant to serve preorder authentic Thai meals during flights (extra charge) as the desired combination.

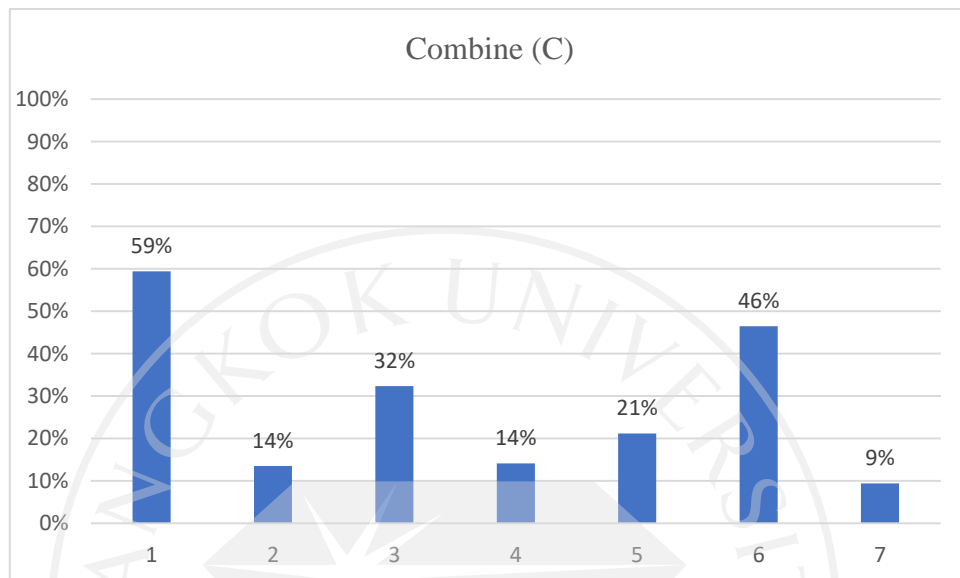


Figure 4.15: Combine (C)

4.3.1.3 Adaptive (question number 11 on new adaptive ideas that Thai Airways can implement to significantly be attractive to customers)

Data from 170 respondents on the new adaptive ideas represents that choice number 1 (50%). 85 out 170 respondents believed that “Thai Do delivery” is the most preferable choice. In other words, Thai Airways should further adapt its cargo service from airport to airport and provide delivery service from home to home. On the other hand, 68 respondents (40%) picked choice number 4, while 66 respondents (39%) picked choice number 3, and 65 respondents (38%) picked choice 2.

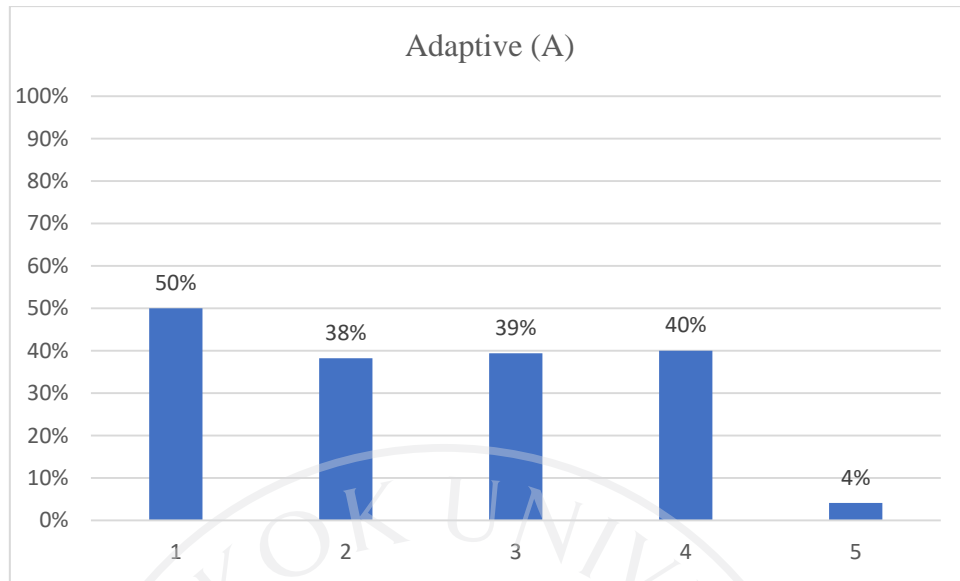


Figure 4.16: Adaptive (A)

4.2.3.4 Modify (question number 12 on new ideas that modify Thai Airways' existing services to become more attractive to customers)

Analyzing figure 4.17, the most selected idea is choice number 5. 95 respondents (56%) of a total sample size of 170 picked the modified idea "Flexible return date" or offers only flexible return date option as an alternative from the common flexible 2 ways ticket that are generally more expensive. The second most selected idea is choice number 2. 85 respondents (50%) of a total sample size of 170 picked the modified idea "Make more comfortable seats", e.g., modified a small flappable headstand on the side where customers can lean their head on and sleep.



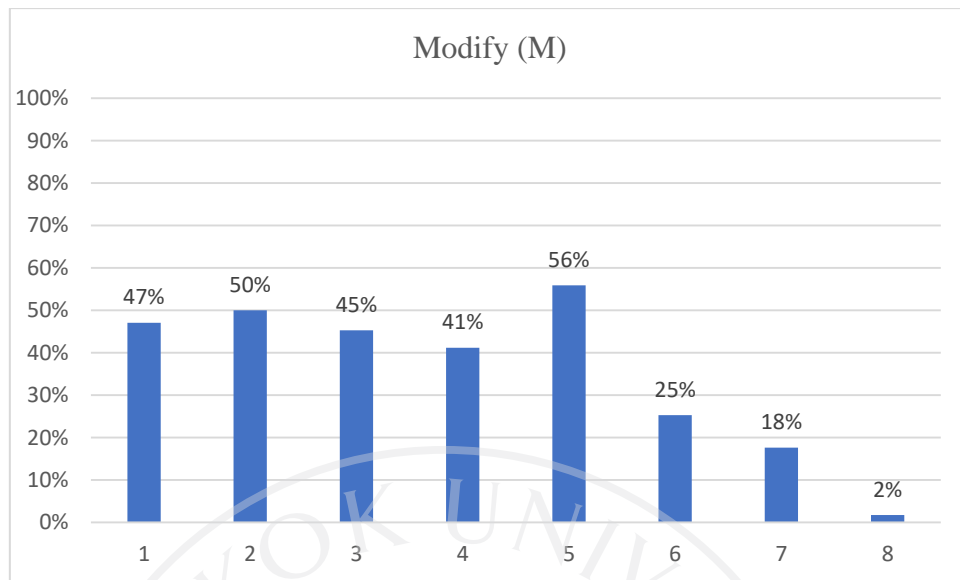


Figure 4.17: Modify (M)

4.2.3.5 Put to other use (question number 13 on new ideas that can put Thai airways existing services to other use to attract new customers)

Based on the figure 4.18, the most selected idea is choice number 2. 107 respondents (63%) of the total 170 respondents selected the idea is “Airport storage service” or bag deposits & rental storage up to 20 days. The second most selected idea is choice number 3. 77 respondents (45%) of the total 170 respondents selected the idea is “Use company’s vehicles for the transportation service”. Consequently, the questionnaire survey data in figure below represents that 107 respondents (63%) and 77 (45%) respondents suggesting Thai Airways to focus on adding on and improving these services. The company should put its’ current physical assets for the two previously mentioned usages.

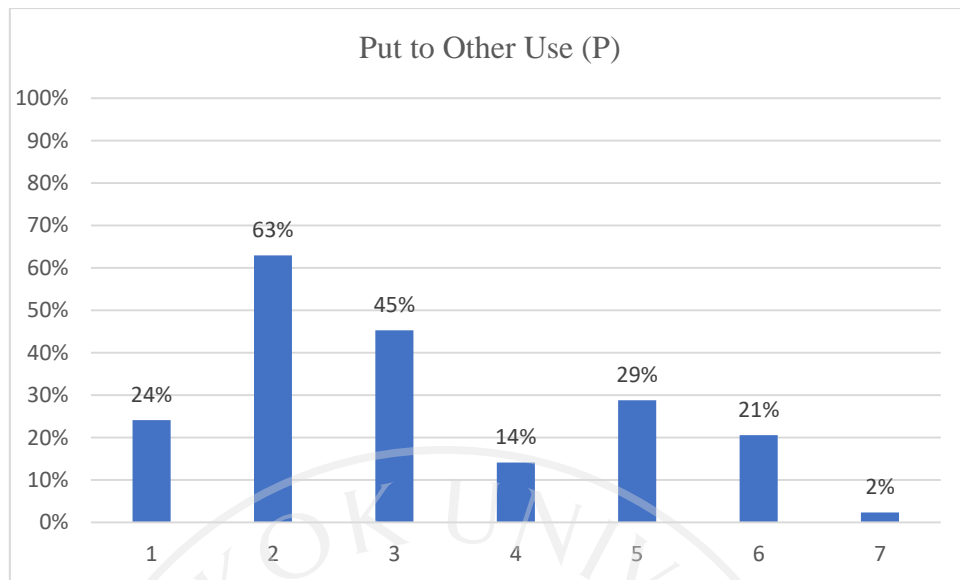


Figure 4.18: Put to other use (P)

4.2.3.6 Eliminate (question number 14 on new ideas that can eliminate the underperformed services in order to make Thai airways more attractive to customers)

Based on the figure 4.19, the most preferred idea is choice number 3 or “Counter staff and front-line employees’ personalities” at 55% of the total 170 respondents. This means 93 respondents (55%) believed that eliminating bad personalities from staff that often interact with customers creates improvement and make Thai Airways more attractive. 64 respondents (38%) and 65 respondents (38%) picked choices number 1 and 2 are even for the second most preferred idea. Therefore, this indicates that Thai Airways should further study both choices, “remove the westernization and present more Thai”. E.g., no peanuts for snacks, it should be all Thai snacks and “Remove the typical airplane smells. Provide unique smell”. E.g., Jasmine rice smell for the toilet in the airplanes.

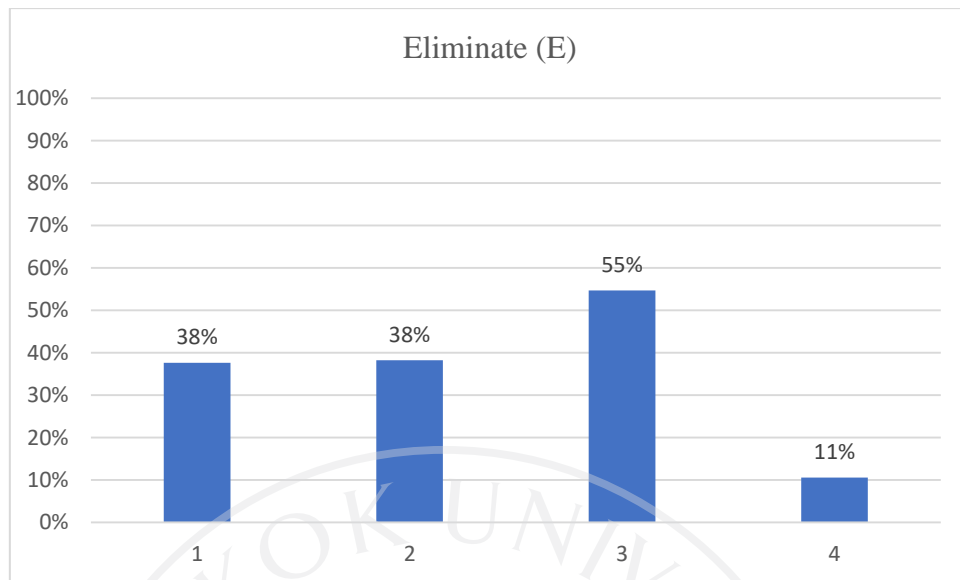


Figure 4.19: Eliminate (E)

4.2.3.7 Reverse (question number 15 on new ideas that can reverse Thai Airways' existing services into something attractive to customers)

Figure 4.20 displays that choice number 1 (59%) and number 2 (40%) are the most selected ideas of a total 170 respondents. According to the data, 101 respondents (59%) elected the idea "Become a service provider and more than just an airline service provider". This implies that Thai Airways should not only provide service from airport to airport, but instead, from home to home with transportation service like Grab in other countries. Additionally, 68 respondents (40%) out of total 170 selected "move it to the App base" as a suitable reversed solution.

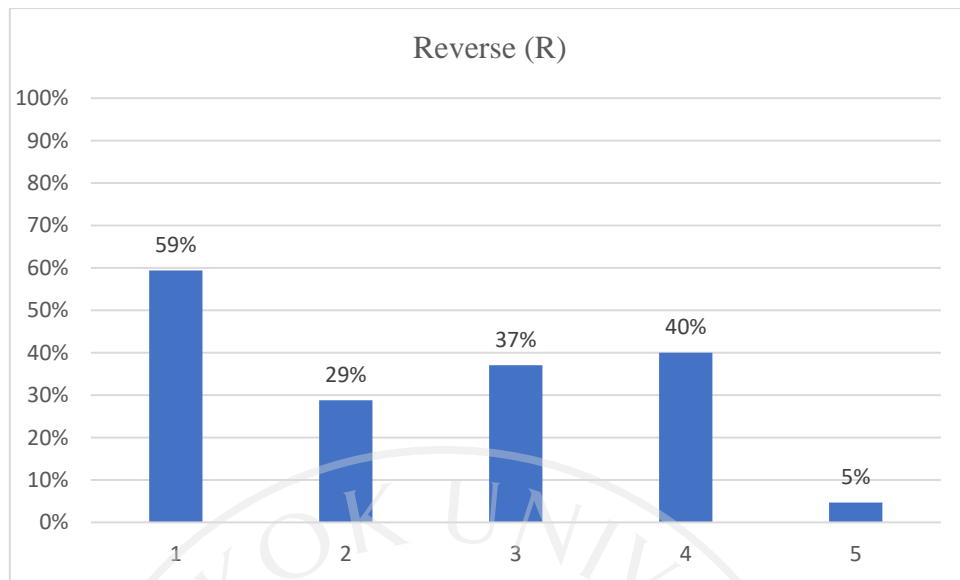


Figure 4.20: Reverse (R)

#### 4.2.4 Descriptive statistical analysis

The following question 8 and 26 are in a 5-point satisfied scale, while question 16-24 are all a 5-point Likert scale. Thus, both scales are similarly used as from 1 = “Strongly disagreed” or “Very unsatisfied” to 5 = “Strongly Agreed” or “Very satisfied”.

The below 4.3 table presents descriptive analysis that illustrates customer’s satisfaction level towards Thai Airways based on the 170 questionnaire surveys data.

Table 4.3: Descriptive Statistic in a 5-point Satisfaction Scale

	N	Minimum	Maximum	Mean	Std. Deviation
8. Overall, how satisfied are you with your experience with Thai Airways and its services?	170	1	5	4.09	.732
26. Please rate the following areas of our service [Customer service]	170	1	5	3.79	.791
26. Please rate the following areas of our service [Quality of work]	170	1	5	3.73	.736
26. Please rate the following areas of our service [Pricing / Value]	170	1	5	3.01	.867
26. Please rate the following areas of our service [Professionalism]	170	1	5	3.71	.832
26. Please rate the following areas of our service [Ability to meet needs]	170	1	5	3.64	.796

According to the data in Table 4.3, respondents are “Satisfied” with their experience with Thai Airways and its services (mean = 4.09 and standard deviation = .73). Nonetheless, once breaking down to different areas, this study finds that Thai Airways are not as superb. There are certain areas Thai Airways could improve which will significantly help the airline increase its customers overall experience. Thai

Airways' pricing/value have significantly lower rate of satisfaction than the rest of the areas. With mean (3.01) and standard deviation (.87), it indicates that the average answer from all of the respondents is "Neutral" about Thai Airways' pricing/value. Nonetheless, with one standard deviation (.87) from mean (3.01), this study concludes that 68% of all responses on Thai Airways' pricing/value vary from 3.88 to 2.14.

According to the data, Thai Airways customer service has the second highest mean (3.79) and standard deviation (.79). It can be concluded that with one standard deviation, 68% of all responses on Thai airways' customer service are within the range of 4.58 to 3.0, from above "Satisfied" to "Neutral".

According to the data, Thai Airways' quality of work has the mean (3.73) and standard deviation (.74). It can be concluded that with one standard deviation, 68% of all responses on Thai Airways' quality of work are within the range of 4.47 to 2.99, from above satisfied to below neutral.

Based on the data, Thai Airways' professionalism has the mean (3.71) and standard deviation (.83). It can be concluded that with one standard deviation, 68% of all responses on Thai Airways' professionalism are within the range of 4.54 to 2.88, from above "Satisfied" to below "Neutral"

Based on the data, Thai Airways' ability to meet needs has the mean (3.64) and standard deviation (.80). It can be concluded that with one standard deviation, 68% of all responses on airline's ability to meet needs are within the range of 4.44 to 2.84, from above satisfied to below neutral. As a result, Thai Airways may need to carefully observe its ability to meet needs.

To summarize the data in table 4.3, the total 170 respondents' satisfaction level with Thai Airways is above "Neutral but has yet reached "Satisfied" in all five

areas. The most significant findings from is the satisfaction level on Thai Airways' pricing/value. Since this particular area is much lower than the rest of the areas, it means that respondents have strong opinions that there is a gap between pricing and the value offered from Thai Airways services.

The below 4.4 table presents descriptive analysis that illustrates customer's opinions level with Likert scale (Strongly Disagreed = 1 and Strongly Agreed = 5) towards Thai Airways based on the 170 questionnaire surveys data.

Table 4.4: Descriptive Statistic in a 5-point Likert Scale

Item number/Question	N	Minimum	Maximum	Mean	Std. Deviation
16. As luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low cost airline?	170	1	5	3.62	.992
17. Do you agree to "Thai Airways' crew should have better appearance compared to the low-cost airlines"?	170	1	5	2.97	1.068

(Continued)

Table 4.4 (Continued): Descriptive Statistic in a 5-point Likert Scale

Item number/Question	N	Minimum	Maximum	Mean	Std. Deviation
18. Do you agree to “Thai Airways’ in-flight services should be much better than low-cost airline”?	170	1	5	3.24	1.183
19. Do you agree to “Thai Airways’ in-flight entertainment should be much better than to low-cost airline”?	170	1	5	4.05	.944
20. For inflight food & beverage, do you agree that Thai Airways’ catering should have better Thai Food choices than any other low-cost airline?	170	1	5	3.92	.890
21. Do you agree to “Thai Airways’ airplanes should have newer airplanes than low-cost airlines”?	170	1	5	3.69	.917

(Continued)



Table 4.4 (Continued): Descriptive Statistic in a 5-point Likert Scale

Item number/Question	N	Minimum	Maximum	Mean	Std. Deviation
22. Do you agree to “Thai Airways should provide more business and first-class seats than low-cost airline”?	170	1	5	3.11	.850
23. Do you agree that Thai Airways should have better flying benefits such as duty-free more than the low-cost airline?	170	1	5	3.66	.884
24. What do you think of the idea “Tourism in Thailand should not start when they land, instead it should start when they enter the plane”. Currently, there is nothing Thai about Thai Airways. Promote something else nobody has done, emphasize the entire experience, and consider rebranding. Do you agree or disagree?	170	2	5	3.64	.701

According to the table 4.4, question number 16, “as luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low cost airline?” has the mean (3.62) and standard deviation (.73). This data indicates that the average responses received from 170 research participants are between “Agreed” and “Neutral” to pay twice as much for Thai Airways compared to low-cost airlines.

Question number 17, “Do you agree to Thai Airways’ crew should have better appearance compared to the low-cost airlines?” has the mean (2.97) and deviation (1.07). This data indicates that the average responses received from 170 research participants are slightly below “Neutral”. This means the research participants do not agree and think it is not necessary for Thai Airways’ cabin crew to have better appearance than the low-cost airlines

Question number 18, “Do you agree to Thai Airways’ in-flight services should be much better than low-cost airline?” has the mean (3.24) and standard deviation (1.183). This means the responses from 170 research participants are mostly “Neutral”, while some are “Agreed” to the idea that Thai Airways’ should have much better in-flight services than the low-cost airlines.

Question number 19, “Do you agree to Thai Airways’ inflight entertainment should be much better than to low-cost airline?” has the mean (4.05) and standard deviation (.94). This data specifies that the average answer from respondents is “Agreed” that Thai Airways should have a much better inflight entertainment than the low-cost airlines.

Question number 20, “For inflight food & beverage, do you agree that Thai Airways’ catering should have better Thai Food choices than any other low-cost airline?” has the mean (3.92) and standard deviation (.89). This data specifies that the

average answer from respondents is “Agreed” that Thai Airways should have better Thai Food choices than any other low-cost airline.

Question number 21, “Do you agree to Thai Airways’ airplanes should have newer airplanes than low-cost airlines?” has the mean (3.69) and standard deviation (.92). This means the responses from 170 research participants are mostly “Agreed”, while some are “Neutral” to the idea that Thai Airways’ should have newer airplanes than the low-cost airlines.

Question number 22, “Do you agree to “Thai Airways should provide more business and first-class seats than low-cost airline?” has the mean (3.11) and standard deviation (.85). This means the response from 170 research participants are predominantly “Neutral” to the idea that Thai Airways’ should provide more business or first-class seats than the low-cost airlines.

Question number 23, “Do you agree that Thai Airways should have better flying benefits such as duty-free more than the low-cost airline?” has the mean (3.66) and standard deviation (.88). This means the responses from 170 research participants are mostly “Agreed”, while some are “Neutral” to the idea that Thai Airways should provide better flying benefits to customers than the low-cost airlines.

Question number 24, “What do you think of the idea “Tourism in Thailand should not start when they land, instead it should start when they enter the plane”. Currently, there is nothing Thai about Thai Airways. Promote something else nobody has done, emphasize the entire experience, and consider rebranding. Do you agree or disagree?” has the mean (3.64) and standard deviation (.70). This means the responses from 170 research participants are mostly “Agreed”, while some are “Neutral” to the

idea of promoting unique ideas to emphasize on flying experience and possibly rebrand Thai Airways.

In sum, the data presented in table 4.4 represents 170 research participants' opinion towards independent variables that could significantly influence customers' decisions in purchasing between Thai Airways and low-cost airlines. The most significant findings are: 1) the research participants do not agree that Thai Airways' cabin-crew should have better appearance than. 2) The research participants most agree on Thai Airways should have much better entertainment than the low-cost airlines.

#### 4.2.5 Correlation statistical analysis

This study uses the SPSS software for correlation analysis to help distinguish what variable can help Thai Airways differentiate itself from the low-cost airlines. The analysis processed to determine whether there is a correlation between the following variables: 1) customers' willingness to pay, 2) cabin crew appearance, 3) In-flight services, 4) inflight entertainment, 5) inflight Thai food & beverages, 6) newer airplanes, 7) business and first-class seats, 8) flying benefits. The results displays in Table 4.5.

Table 4.5: Correlation Statistical Analysis

Correlations									
		16. As luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low cost airline?	17. Do you agree to "Thai Airways' crew should have better appearance compared to the low-cost airlines"?	18. Do you agree to "Thai Airways' in-flight services should be much better than low-cost airline"?	19. Do you agree to "Thai Airways' in-flight entertainment should be much better than to low-cost airline"?	20. For inflight food & beverage, do you agree that Thai Airways' catering should have better Thai Food choices than any other low-cost airline?	21. Do you agree to "Thai Airways' airplanes should have newer airplanes than low-cost airlines"?	22. Do you agree to "Thai Airways should provide more business and first-class seats than low-cost airline"?	23. Do you agree that Thai Airways should have better flying benefits such as duty-free more than the low-cost airline?
16. As luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low cost airline?	Pearson Correlation	1	.045	-.140	.155*	.040	.242**	.147	.087
	Sig. (2-tailed)		.558	.069	.044	.601	.002	.056	.262
	N	170	170	170	170	170	170	170	170
17. Do you agree to "Thai Airways' crew should have better appearance compared to the low-cost airlines"?	Pearson Correlation	.045	1	.366**	.125	.041	.075	.030	.008
	Sig. (2-tailed)	.558		<.001	.105	.594	.329	.702	.916
	N	170	170	170	170	170	170	170	170
18. Do you agree to "Thai Airways' in-flight services should be much better than low-cost airline"?	Pearson Correlation	-.140	.366**	1	.291**	.315**	.149	.069	.207**
	Sig. (2-tailed)	.069	<.001		<.001	<.001	.053	.370	.007
	N	170	170	170	170	170	170	170	170
19. Do you agree to "Thai Airways' in-flight entertainment should be much better than to low-cost airline"?	Pearson Correlation	.155*	.125	.291**	1	.631**	.306**	.045	.319**
	Sig. (2-tailed)	.044	.105	<.001		<.001	<.001	.564	<.001
	N	170	170	170	170	170	170	170	170
20. For inflight food & beverage, do you agree that Thai Airways' catering should have better Thai Food choices than any other low-cost airline?	Pearson Correlation	.040	.041	.315**	.631**	1	.464**	.081	.282**
	Sig. (2-tailed)	.601	.594	<.001	<.001		<.001	.293	<.001
	N	170	170	170	170	170	170	170	170
21. Do you agree to "Thai Airways' airplanes should have newer airplanes than low-cost airlines"?	Pearson Correlation	.242**	.075	.149	.306**	.464**	1	.171*	.316**
	Sig. (2-tailed)	.002	.329	.053	<.001	<.001		.026	<.001
	N	170	170	170	170	170	170	170	170
22. Do you agree to "Thai Airways should provide more business and first-class seats than low-cost airline"?	Pearson Correlation	.147	.030	.069	.045	.081	.171*	1	.237**
	Sig. (2-tailed)	.056	.702	.370	.564	.293	.026		.002
	N	170	170	170	170	170	170	170	170
23. Do you agree that Thai Airways should have better flying benefits such as duty-free more than the low-cost airline?	Pearson Correlation	.087	.008	.207**	.319**	.282**	.316**	.237**	1
	Sig. (2-tailed)	.262	.916	.007	<.001	<.001	<.001	.002	
	N	170	170	170	170	170	170	170	170

\*. Correlation is significant at the 0.05 level (2-tailed).  
 \*\*. Correlation is significant at the 0.01 level (2-tailed).

The Pearson correlation coefficient ( $r$ ) is range from +1 to -1. If a value is 0, it means there is no correlation between the two variables. If a value is in a range between  $1 \Rightarrow r > 0$ , it means there is a positive correlation between the two variables. The closer the value is to 1, the stronger the relationship is between the two variables. On the contrary, if a value is in a range  $0 > r \Rightarrow -1$ , it means there is a negative correlation and the two variables always move in an opposite direction.

Additionally, a significance level ( $\alpha$ ) determines the probability of rejection or the statement being untrue. In other words, a significance level defines the likelihood of the statements are being rejected. E.g.,  $\alpha = 0.05$  implies 5% chances of error occurs when there is no error. The lower number of a significance level, the better likelihood of the statements are not being rejected. Therefore, this study considers a positive correlation ( $r$ ) with a significance level  $\alpha \leq 0.05$ .

Based on the table 4.5, the first variable, customers' willingness to pay double price for Thai Airways compared to low-cost airlines has a correlation with 1) inflight entertainment ( $r = .155^*$  and  $\alpha = .044$ ), and 2) newer airplanes ( $r = .242^{**}$  and  $\alpha = .002$ ). Thus, the significant findings are that customers' willingness to pay has a correlation with inflight entertainment and even a stronger correlation with newer airplanes.

The significant findings of the second variable, Thai Airways' cabin crew appearance has a correlation with inflight services ( $r = .366^{**}$  and  $\alpha < .001$ ).

The significant findings of the third variable, Thai Airways' inflight services has strong a correlation with 1) cabin crew appearance ( $r = .366^{**}$  and  $\alpha < .001$ ), 2) inflight entertainment ( $r = .291^{**}$  and  $\alpha < .001$ ), 3) Thai food & beverages ( $r = .351^{**}$  and  $\alpha < .001$ ), and 4) flying benefits ( $r = .207^{**}$  and  $\alpha = .007$ )

The fourth variable, Thai Airways' inflight entertainment has a correlation with 1) willingness to pay ( $r = .155^*$  and  $\alpha = .044$ ), 2) inflight services ( $r = .291^{**}$  and  $\alpha < .001$ ), 3) Thai food and beverages ( $r = .631^{**}$  and  $\alpha < .001$ ), 4) newer airplanes ( $r = .306^{**}$  and  $\alpha < .001$ ), and 5) flying benefits ( $r = .319^{**}$  and  $\alpha < .001$ )

The significant finding of the fifth variable, Thai Airways' inflight Thai food and beverages has a strong correlation with 1) inflight services ( $r = .351^{**}$  and  $\alpha <$

.001), 2) inflight entertainment ( $r = .631^{**}$  and  $\alpha < .001$ ), 3) newer airplanes ( $r = .464^{**}$  and  $\alpha < .001$ ), and 4) flying benefits ( $r = .282^{**}$  and  $\alpha < .001$ ).

The sixth variable, Thai Airways' newer airplanes has a correlation with 1) wiliness to pay ( $r = .242^{**}$  and  $\alpha = .002$ ), 2) inflight entertainment ( $r = .306^{**}$  and  $\alpha < .001$ ), 3) inflight Thai food & beverages ( $r = .464^{**}$  and  $\alpha < .001$ ), 4) business and first-class seats ( $r = .171^*$  and  $\alpha < .026$ ), and 5) flying benefits ( $r = .316^{**}$  and  $\alpha < .001$ ). As a result, the significant findings are that the newer airplanes have a correlation to business and first-class seats, while has even a strong correlation to wiliness to pay, inflight entertainment, inflight Thai food & beverages, and flying benefits.

The seventh variable, Thai Airways' business and first-class seats has a correlation with 1) newer airplanes ( $r = .171^*$  and  $\alpha < .026$ ) and 2) flying benefits ( $r = .237^{**}$  and  $\alpha < .002$ ). As a result, the significant findings are that the business and first-class has a correlation with newer airplanes and a stronger correlation with flying benefits.

The significant findings of the eighth variable, Thai Airways' flying benefits has a strong correlation with 1) inflight services ( $r = .207^{**}$  and  $\alpha = .007$ ), 2) inflight entertainment ( $r = .282^{**}$  and  $\alpha < .001$ ), 3) inflight Thai food & beverages ( $r = .282^{**}$  and  $\alpha < .001$ ), 4) newer airplanes ( $r = .316^{**}$  and  $\alpha < .001$ ), 5) business and first-class seats ( $r = .237^{**}$  and  $\alpha < .002$ ).

#### 4.2.6 Linear Regression analysis

This quantitative data which we collected 170 samples to respond our questionnaire. The model 1 out of 4 is chosen.

Table 4.6: Linear Regression Statistical Analysis

	Coefficients <sup>a</sup>				
	Unstandardized	Coefficients	Standardized		
	B	Std. Error	Beta	t	Sig.
1 (Constant)	2.297	.490		4.690	.000
17. Do you agree to “Thai Airways’ crew should have better appearance compared to the low-cost airlines”?	.079	.073	.085	1.077	.283
18. Do you agree to “Thai Airways’ in-flight services should be much better than low-cost airline”?	-.195	.070	-.233	-2.782	.006
19. Do you agree to “Thai Airways’ in-flight entertainment should be much better than to low-cost airline”?	.245	.102	.233	2.408	.017

(Continued)



Table 4.6 (Continued): Linear Regression Statistical Analysis

	Coefficients <sup>a</sup>				
	Unstandardized	Coefficients	Standardized		
	B	Std. Error	Beta	t	Sig.
20. For inflight food & beverage, do you agree that Thai Airways' catering should have better Thai Food choices than any other low-cost airline?	-.183	.115	-.164	-1.592	.113
21. Do you agree to "Thai Airways' airplanes should have newer airplanes than low-cost airlines"?	.276	.092	.255	3.005	.003
22. Do you agree to "Thai Airways should provide more business and first-class seats than low-cost airline"?	.140	.088	.120	1.596	.113

(Continued)

Table 4.6 (Continued): Linear Regression Statistical Analysis

	Coefficients <sup>a</sup>				
	Unstandardized		Standardized		
	B	Std. Error	Beta	t	Sig.
23. Do you agree that Thai Airways should have better flying benefits such as duty-free more than the low-cost airline?	-.003	.091	-.003	-.037	.970

a. Dependent Variable: 16. As luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low-cost airline?

For the multivariate statistic, this IS Study applies linear regression analysis with backward step regression. To test if respondents would pay double price for Thai Airways' services rather than the budget airline's, this research explores correlation from the data findings.

This research presents four model regressions. The first model is chosen to explain Dependent Variable 16, "as luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low-cost airline?"

Question number 18,19 and 21 are perceived as highly significant factors with correlations to Variable 16, “as luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low cost?”.

Factor 18, Do you agree to “Thai Airways’ in-flight services should be much better than low-cost airline”? ( $\beta$ -195,  $\alpha$  0.006). Evidently, the finding indicates the better inflight services do not encourage people to pay more for Thai airways.

Factor 19, Do you agree to “Thai Airways’ in-flight entertainment should be much better than to low-cost airline”? ( $\beta$ .245,  $\alpha$  0.017). It means the modern, various and excellent inflight entertainment could increase people’s willingness to pay double price for Thai Airways compared to budget airlines.

Factor 21 Do you agree to “Thai Airways’ airplanes should have newer airplanes than low-cost airlines” ( $\beta$ .276,  $\alpha$  0.003). It means that if Thai Airways can provide new airplane with modern equipment to customers for their safety concern, they are willing to pay twice as much for full in-flight services rather than taking low-cost airline.

From this selected decision-making model, Thai airways is able to identify customers’ insight and realize what factors could persuade them pay to twice as much compared to the low-cost airlines pricing. The World Class services, Thai culture focus and in-flight meals should not be primary priorities in Thai Airways’ reforming plan to help regain its competitiveness.

In summary, if Thai Airways would like to attract premium customers can afford the high pricing, they should provide service new airplanes, offer excellent and up to date in-flight entertainment. While, the airline should reduce the extreme emphasis on services such as overemphasis on Thai culture.

## CHAPTER 5

### CONCLUSION AND DISCUSSION

The summary of this research finding to be discussed empirical results with our theoretical framework. This IS research finding is divided to be two parts, first, the qualitative and the second quantitative analysis were to 1) identify and ideate new ideas to help Thai Airways management, 2) to identify the factors which make customers less price sensitive and willing to pay double the low-cost airlines prices, 3) to create recommendations that improve sales and profit sustainably through the recovery plan for 2021/22 and possibly beyond. The results of this research show many significant findings as follows:

#### **5.1 The Qualitative In-depth Interviews**

The results indicate that Thai Airways' performance and reputation have been declining in recent years. The airline's services and facilities are currently not providing enough differentiation from the low-cost airlines. This finding is essentially consistent with Pongpanich (2020) and the loss of profits in the company's annual report (Thai Airways International Public Company, 2020). Nevertheless, interviewees who are premium cost customers and price driven customers on their special occasions are still willing to pay double of the low-cost airlines price for Thai Airways as long as its services are up to the premium standards. The information received from interviewees essentially indicate that Thai Airways should improve, modify and eliminate its tangible as well as intangible services to refine customers experience and be more attractive.

Additionally, in the qualitative part, this research focuses on generating ideas from the customers' side. The interview questions mainly focused on "What kind of innovative ideas Thai Airways should initiate to be recognized as a premium airline. Would those ideas increase customers' willingness to pay double of the low-cost airlines prices?" In this regard, researcher used SCAMPER model to eleven interviewees to help identify and generate new ideas for Thai Airways management. The ideas focused on parts of customer journey that airlines could get involved with and remain apart from the processes that provides by the airport operator.

As a result, there are significant findings from all seven dimensions of SCAMPER that were further studied along other independent variables, such as cabin crew appearance, inflight entertainment, etc. in the quantitative analysis.

From the first dimension, Substitute (S), the prominent solutions are: 1) whole plane adjustment (A1, 46 & 33 years old), e.g., millionaire flight with suite rooms and called it "Thai Airways Elite", 2) seating adjustment (A2, 29 years old), e.g., whole section of the plane for premium economy or business class seats with extra charges, 3) unique flight service (A4, 61 years old), e.g., flights for sightseeing and land back at the same place.

As a result, the findings from Substitute (S) dimensions were consistent with Camilleri's (2018) argument. Camilleri (2018) wrote in "The Airline Business" explaining different aspects of the airline's products. Different customers groups may have distinctive needs and wants. Leisure travelers who have limited income to spend may consider the opportunity cost or the alternatives. In this study's qualitative findings, some of the interviewees are price driven type of customers who concerns

less about their experience during flights. Whereas, some interviewees are willing to pay more for their comfort during air transportation.

For the second dimension, Combine (C), the prominent solutions are: 1) Partnership with other ventures, e.g., visa service (A4, 61 years old), hospitality partnership (A2, 29 years old), etc., 2.) New energy source (A3, 25 years old), 3) Unique in-flight services (A4, 61 years old) – put all ethnicity into one. E.g., cabin crew have different uniforms representing different districts with are unique for only Thailand contexts and Thai Airways.

Additionally, the emerging luxury lifestyles are influential to customers who are able to afford added services. These customers favor premium partnership solution such as Thai Airways with Blue elephant, Bamrungrad hospital, etc.

The fresher airplanes are critical factors of Thai Airways' attraction, which are not consistent with the previous research, "Corporate Air Travel Survey" by Cranfield University (2004). According to the IATA, airline punctuality and aircraft type are not the leading influential factors that motivate customers' decisions. This may be the result from the changing preferences in society.

On the other hand, for the inflight food and beverages, our findings are consistent Laming & Keith (2014)'s research and provide even deeper information on the matter. Our findings were consistent with Laming & Keith (2014)'s argument that there is a strong correlation between inflight food & drink to overall customers' satisfaction. Furthermore, our findings also discovered that foreigners prefer authentic Thai in-flight food rather than Western food taste and would be happy to pay 100-150 baht extra for the alteration.

For the third dimension, Adaptive (A), the most prominent finding is to adapt successful departments such as catering and engineering into school academies. The finding from quantitative analysis is consistent with Thai Airways current practices in 2020, e.g., selling Thai deep-fried dough sticks. Surprisingly, the new idea to use existing facility and adapt to social media engagement as well as marketing from its enormous customer database are proposed by one research participant. However, the privacy and data protection acts do not allow doing so.

For the fourth dimension, Modify (M), the prominent findings are 1) online network modification, e.g., E-website improvement (A2, 29 years old and offer WIFI at a reasonable cost or more in-flight entertainment, 2) tangible service modification, e.g., seating adjustment (A8, 26 years old) and inflight massages (A3, 25 years old). Consequently, the crew personality and age are not much of concerns for premium customers as long as the inflight space per person during long distance flights is larger than low-cost airlines. This finding is consistent with the data provided by Cranfield University (2004)'s Corporate Air Travel Survey 2004 as the seat comfort is the third priority, after frequent flyers programs and fares, when choose an airline.

For the fifth dimension, if business loss idea of Put to other use (P) is Physical assets for other usages (P) and Vehicle services (A9, 32 and 29 years. in flight Training center services seem not fit to Thailand market comparing to rent out building for co office spaces or digital park services which is new ideas never met this before in any previous research.

For the sixth dimension, Eliminate (E), the prominent findings are 1) cost savings, e.g., eliminate some employees' welfares and rented space, 2) elimination for

improvement, e.g., counter staff personalities, floor cleaner smell on airplanes and western snacks. The majority of our research participants recommend enhancing the Thai cultures in services while also eliminate some of the unnecessary spending due to the company's current circumstances.

The seventh dimension, Reverse (R), the prominent finding is turn it around strategies, e.g., become a completed service provider not just airline, reskill or reuse employees in different fields, and move to app base. Consequently, the findings are consistent with "Reinvent Your Business Before It's Too Late" by Nunes & Breene (2011). The article suggests companies to find new business curve and gain the first mover business advantage. Additionally, one of the findings, move to app base, is also consistent with De Jager & Van Zyl (2013) research, "Airline Service Quality in South Africa and Malaysia-An International Customer Expectations Approach" that passengers seek not only in-flight convenient but also do off-flight convenient services like seamless reservation through online book.

From the qualitative data above, the findings seem consistent with previous findings. However, there are some specific expectations to Thai Airways, which need quantitative data to generalize to mass populations.

## **5.2 Part 2: The Quantitative Analysis**

As for the Part 2: The quantitative analysis is introduced to as a second methodology to increase the study's reliability and ensure the findings can be generalized to the major population without bias perspective by sequential orders as follows:

- 1) The longer years of services and high expectation:



This may be the results of drop of performance and quality in 2019 comparing to other airlines (Pongpanich, 2020). While the customers who have been using Thai Airways' services for longer than three years may have experienced the airlines' services in its prime in mid-2000s which caused them to have higher expectations over than new customers.

2) Customers' experience with Thai Airways domestic flights based on their generation

Generation Y find their experience with Thai Airways domestic flights (4.25) more satisfied than generation X & Baby Boomers (4.08) and generation Z (4.04). This data shows that Thai Airways domestic flights most sensibly fulfils generation Y expectations than any other generations. The finding is not consistent with the findings from Palnychenko (2017) that generation X preferred to travel with full-service airlines than generation Y.

3) Customers' experience with Thai Airways international flights based on their generation

Generation Z average satisfaction rate stays relatively the same (4.03), generation X & Baby Boomers increases by 0.04 (4.12) while generation Y decreases by 0.06 (4.19). The average satisfaction of Gen X and Gen Y move in the opposite way. This could mean that the tangible and intangible services in Thai Airways international flights are slightly shifted towards generation X & baby boomer's preferences than generation Y's, while generation Z does not sense any differences. The finding is consistent with the findings from Palnychenko (2017) that generation X preferred to travel with full-service airlines than generation Y. This is due to generation X's perceptions, preferences and needs from an airline service.

#### 4) Gender

The number indicates customers are relatively satisfied with Thai Airways' products or services regardless of their gender. The numbers implicate that females are more satisfied with their experience with Thai Airways more than the males. Even though the females seem to prefer Thai Airways over than the males, there are insignificant differences between males and females among generations.

#### 5) Each interview group's experience with Thai Airways:

The significant finding is that the Thai customers have much lower satisfaction level than the remaining two, foreign customers and employee. The data indicates that the current experience offered by Thai Airways through products and services do not meet Thai customers' expectation as much as they do to the foreigners nor employees.

#### 6) Customers experience based on different nationality

Asian customers have the highest satisfaction level (4.43), while western customers have the second highest satisfaction level (4.31). Surprisingly, once again, the Thai customers have the lowest satisfaction rate (4.06) even though Thai Airways is national airline providing a premium service standard.

#### 7) Customers' experience based on their education level

The two-education level with the highest satisfaction level are bachelor's degree (4.24) and other (4.2). While the two-education level with the lowest satisfaction level are high school degree (3.83) and doctoral degree. (3.83)

#### 8) Customers' experience with Thai Airways based on their occupation

The data concludes that occupation with higher or stabler income tend to be more satisfied with their experience with Thai Airways than those who have lower

income or not as stable which consistent with the finding of Wongsuwan (2016) that Thai premium and low-cost customers have different behaviors and preferences regarding their needs, wants, characteristics and perceptions. As a full-service airline like the one Gillen (2006) mentioned in his book, Thai Airways, mostly produce a large service bundle to serve business and long-haul travel. Thus, as a result, Thai Airways may not satisfy the lower income as much as the stable income groups.

#### 9) Substitute (S)

This means that 57% suggests that Thai Airways should focus on one of the tangible in-flight services during long-distance flights, extra legroom and space. Whereas 36% suggests that Thai Airways should have a subscription model, a periodic recurring payment for access to products or services, instead of the current purchase model. The finding is consistent with De Jager & Van Zyl (2013)'s research findings that cabin service quality, including comforts of the seats and cleanliness, is the second most important aspect after timeliness of flights. While subscription model is consistent with the Nunes & Breene (2011) which claims successful, businesses ought to have an ability to reinvent themselves and seek new business curves. Then, the business can survived

#### 10) Combine (C)

The most two selected ideas are choices number 1 (59%) and number 6 (46%). From 170 respondents, 101 respondents (59%) picked "Visa applying service" as the favorable idea to combine with Thai Airways' existing services. While 79 out of 170 respondents (46%) picked to collaborate with other food ventures to provide authentic Thai meals during flights. "Visa applying service" is one of the most time-consuming process for customers who want to travel overseas.

As a result, the findings are consistent with De Jager & Van Zyl (2013) research findings that claims the most significant aspect for customers is timeliness of flight, both in-flight and off-flight convenient services. Additionally, the second most picked idea is also consistent with De Jager & Van Zyl's (2013) second most important aspect is cabin service quality involving comforts of the seats, cleanliness and quality of the food. This essentially means Thai Airways should add on the "Visa applying service" as an additional service and consider partner up with other food ventures to heighten customers' in-flight meal experience.

#### 11) Adapt (A)

Respondents believed that "Thai Do delivery" is the most preferable choice. In other words, Thai Airways should further adapt its cargo service from airport to airport and provide delivery service from home to home. On the other hand, 68 respondents (40%) picked choice number 4, while 66 respondents (39%) picked choice number 3, and 65 respondents (38%) picked choice 2.

Therefore, this research concludes that Thai Airways should further investigate on choice number 4, "Thai Training center" or adapt successful departments into school academies that can certify individuals for their training with Thai Airways, choice number 3, "Adapt social media engagement" or marketing capture recent trends and implement on different in-trend social platforms such as Tik-Tok, and choice number 2, "Thai Airway Cargo Business" or emphasize on B2B market shipping valuable commodities for private and public sectors. Nonetheless, the most picked adaptive idea is consistent with Mckinsey & Company's article that recent incidents have drastically changed customers' behavior to use more digital

channels and expect excellent delivery times from companies. (Briedis, Kronschnabl, Rodriguez & Ungerman, 2020)

#### 12) Modify (M)

95 respondents (56%) of a total sample size of 170 picked the modified idea “Flexible return date” or offers only flexible return date option as an alternative from the common flexible 2 ways ticket that are generally more expensive. 85 respondents (50%) of a total sample size of 170 picked the modified idea “Make more comfortable seats”, e.g., modified a small flappable head stand on the side where customers can lean their head on and sleep. This means Thai Airways should emphasize on the current ticket options offered and one of its tangible service modifications, a small flappable headstand for in-flight seats. Hence, the finding is consistent with Gillen (2006) that claims full-service airline, like Thai Airways, should provide a high level of service and a large bundle of service in exchange for the higher pricing.

#### 13) Put to other use (P)

63% or 107 respondents selected the idea is “Airport storage service”, e.g., bag deposits & rental storage up to 20 days. The finding is consistent with the Economist’s article, “The bag-storage industry is taking off” (2018) that claims travelers face difficulties about where they can temporally store their bags. This essentially is an industry that Thai Airways should further investigate for more information.

#### 14) Eliminate (E)

The most preferred idea is “Counter staff and front-line employees’ personalities” at 55% of the total 170 respondents. This means 93 respondents (55%)

believed that eliminating bad personalities from staff that often interact with customers creates improvement and make Thai Airways more attractive. The majority of respondents believe Thai Airways, as a full-service airline, should provide better intangible value to customers. Thus, the result finding is consistent with Kapferer (2017)'s statement in his article that luxury brands ought to create intangible value, such as the manners when the services deliver, to make themselves incomparable.

#### 15) Reverse (R)

59% or 101 respondents elected the idea "Become a service provider and more than just an airline service provider". As of today, there has no emerging technology, which could replace the airline like when the airplane replaces the train in mid-20<sup>th</sup> century. There is not transportation that could transport individuals from one country to another without stopping at the airport. Thus, the possible solution for an airline to combine air and ground transportations together so the customers do not have to put effort into booking with multiple transporters. Additionally, in the future, regarding to the fast-growing technology and innovation, there might be shared airplane business with full flexibility, like shared ground transportation in Grab application, in order to for maximize capacity and lower the costs.

#### 16) Descriptive statistical analysis

16. 68% of all responses on Thai Airways' pricing/value vary from 3.88 to 2.14. This indicates that Thai air ways has a gap between pricing and the value offered. Customers generally find Thai Airways' pricing and value provided as "Neutral" and yet to the point they are "Satisfied" with. The finding is consistent with Mr. Banyong Ponpanich's interview (2020) that claims Thai Airways high-end standards in the economy class do not match the ticket pricings, which are still higher than the low-cost airlines.

17). When testing customer opinion? The question, “as luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low-cost airline?”, has the mean (3.62) and standard deviation (.73). This data indicates that the average responses received from 170 research participants are between “Agreed” and “Neutral” to pay twice as much for Thai Airways compared to low-cost airlines. The finding is consistent with Wonsuwan’s research (2015) that claims Thai Airways’ customer prioritize the attractive sales promotion as the least important factor was. This means Thai Airways’ customers are not price driven and do not mind paying more for better quality.

18). When testing customer opinion? The question, “Do you agree to Thai Airways’ crew should have better appearance compared to the low-cost airlines?”, has the mean (2.97) and deviation (1.07). This means the research participants do not agree and think it is not necessary for Thai Airways’ cabin crew to have better appearance than the low-cost airlines. It may indicate that Cabin crew appearance is not the main priorities that influence the customers’ purchasing decisions. The finding is consistent with De Jager & Van Zyl (2013)’s findings that cabin crew’s physical appearance has the lowest rating in the service elements. De Jager & Van Zyl (2013)’s argues that Cabin crew’s physical appearance is not important unlike cabin crew’s credibility (the highest average importance rating) and cabin crew's ability to response to unexpected questions.

19). When testing customer opinion? The question, “Do you agree to Thai Airways’ in-flight services should be much better than low-cost airline?”, has the mean (3.24) and standard deviation (1.183). This means the responses from 170 research participants are mostly “Neutral”, while some are “Agreed” to the idea that

Thai Airways' should have much better in-flight services than the low-cost airlines. The finding is inconsistent with Wonsuwan (2016)'s research that the most essential factors, which influence customers to select Thai Airways over low-cost airlines, are excellence in service, first-rate facilities and equipment, and professional well-trained staff.

20). When testing customer opinion? "Do you agree to Thai Airways' inflight entertainment should be much better than to low-cost airline?" has the mean (4.05) and standard deviation (.94). This data specifies that the average answer from respondents is "Agreed" that Thai Airways should have a much better inflight entertainment than the low-cost airlines. It significantly implies that Thai Airways should consider improving its inflight entertainment quantity and quality to attract more customers. The finding is consistent with Munhunthan (2011)'s article which states that some of Thai Airways' domestic aircrafts still does not provide private television which cause some customers' dissatisfaction and second thought on flying with the airline.

21). When testing customer opinion? "For inflight food & beverage, do you agree that Thai Airways' catering should have better Thai Food choices than any other low-cost airline?" has the mean (3.92) and standard deviation (.89). This data specifies that the average answer from respondents is "Agreed" that Thai Airways should have better Thai Food choices than any other low-cost airline. The finding is consistent with Athwal and Harris (2018)'s research that a brand ought to focus on emphasizing its distinctiveness to targeted customers via food or drinks.

22) When testing customer opinion? "Do you agree to Thai Airways' airplanes should have newer airplanes than low-cost airlines?" has the mean (3.69)



and standard deviation (.92). Participants are mostly “Agreed”, while some are “Neutral” to the idea that Thai Airways’ should have newer airplanes than the low-cost airlines. The finding is consistent with Munhunthan (2011)’s article that identifies Thai Airways’ average age of 11.7 years old as a weakness that causes customers’ dissatisfaction.

23) When testing customer opinion? “Do you agree to “Thai Airways should provide more business and first-class seats than low-cost airline?” has the mean (3.11) and standard deviation (.85). Participants are predominantly “Neutral” to the idea that Thai Airways’ should provide more business or first-class seats than the low-cost airlines. It concludes that respondents do not feel increasing number of business or first-class seats is the right strategy of Thai Airways to implement. The finding is consistent with De Jager & Van Zyl finding that cabin service quality including comforts of the seats, cleanliness and quality of the food is an important aspect for air travelers.

24) When testing customer opinion? “Do you agree that Thai Airways should have better flying benefits such as duty-free more than the low-cost airline?” has the mean (3.66) and standard deviation (.88). Participants are mostly “Agreed”, while some are “Neutral” to the idea that Thai Airways should provide better flying benefits to customers than the low-cost airlines. The finding is consistent with Camilleri (2018)’s and IATA’s findings that flying benefits, such as frequent flyers points, are important for premium airlines’ customers.

25) When testing customer opinion? “What do you think of the idea “Tourism in Thailand should not start when they land, instead it should start when they enter the plane” has the mean (3.64) and standard deviation (.70). This means the

responses from 170 research participants are mostly “Agreed”, while some are “Neutral” to the idea of promoting unique ideas to emphasize on flying experience and possibly rebrand Thai Airways. The significant finding of this question is that more than half of the 170-sample size agreed that there must be a meaningful change at Thai Airways. The finding is consistent with Heine (2012)’s argument in “The Concept of Luxury Brands” book. Heine (2012) states that luxury brands ought to provide a sense of exclusivity and distinctiveness to customers.

#### Correlation statistical analysis

26) The variable, customers’ willingness to pay double price for Thai Airways compared to low-cost airlines has a correlation with 1) inflight entertainment ( $r = .155^*$  and  $\alpha = .044$ ), and 2) newer airplanes ( $r = .242^{**}$  and  $\alpha = .002$ ). As a result, if Thai Airways would like to increase customers’ willingness for Thai Airways full-service price tickets, the company must have new airplanes than the low-cost airlines and emphasize on inflight entertainment. Additionally, the finding is consistent with Laming’s research (2014) states a strongest correlation between cabin features, cabin crew and pilots to overall customers’ satisfaction. While there was also a strong correlation between the ratings for inflight food & drink to the overall customers’ satisfaction.

27) The significant findings of the variable, Thai Airways’ cabin crew appearance has a correlation with inflight services ( $r = .366^{**}$  and  $\alpha < .001$ ). Therefore, if Thai Airways would like to have better cabin crew appearance in customers’ perceptions, the company must elevate the inflight services to higher standard than the low-cost airlines

28) The significant findings of the variable, Thai Airways' inflight services has strong a correlation with 1) cabin crew appearance ( $r = .366^{**}$  and  $\alpha < .001$ ), 2) inflight entertainment ( $r = .291^{**}$  and  $\alpha < .001$ ), 3) Thai food & beverages ( $r = .351^{**}$  and  $\alpha < .001$ ), and 4) flying benefits ( $r = .207^{**}$  and  $\alpha = .007$ ). Thus, if Thai Airways would like to be recognized for its better inflight services, the company must improve cabin crew appearance, provide better inflight entertainment, deliver quality Thai food & beverages, and offer better flying benefits than the low-cost airlines.

29) Variable, Thai Airways' inflight entertainment has a correlation with 1) willingness to pay ( $r = .155^*$  and  $\alpha = .044$ ), 2) inflight services ( $r = .291^{**}$  and  $\alpha < .001$ ), 3) Thai food and beverages ( $r = .631^{**}$  and  $\alpha < .001$ ), 4) newer airplanes ( $r = .306^{**}$  and  $\alpha < .001$ ), and 5) flying benefits ( $r = .319^{**}$  and  $\alpha < .001$ ) According to the correlation analysis, if Thai Airways increase its entertainment to a higher standard, the wiliness to pay will increases. In addition, if Thai Airways would like to be known for better inflight entertainment than the low-cost airlines, the company must improve its inflight services, deliver quality Thai food & beverages options, fly with newer airplanes, and provide more flying benefits. By emphasizing on the previously mentioned variables, customers may feel more entertained during flights once they fly Thai Airways rather than the low-cost airlines.

30) Variable, Thai Airways' inflight Thai food and beverages has a strong correlation with 1) inflight services ( $r = .351^{**}$  and  $\alpha < .001$ ), 2) inflight entertainment ( $r = .631^{**}$  and  $\alpha < .001$ ), 3) newer airplanes ( $r = .464^{**}$  and  $\alpha < .001$ ), and 4) flying benefits ( $r = .282^{**}$  and  $\alpha < .001$ ). Consequently, if Thai Airways

increase the quality of its inflight Thai food and beverages, its inflight services, inflight entertainment, newer airplanes and flying benefits will increase.

31) Variable, Thai Airways' newer airplanes has a correlation with 1) willingness to pay ( $r = .242^{**}$  and  $\alpha = .002$ ), 2) inflight entertainment ( $r = .306^{**}$  and  $\alpha < .001$ ), 3) inflight Thai food & beverages ( $r = .464^{**}$  and  $\alpha < .001$ ), 4) business and first-class seats ( $r = .171^*$  and  $\alpha < .026$ ), and 5) flying benefits ( $r = .316^{**}$  and  $\alpha < .001$ ). Consequently, if Thai Airways have newer airplanes, it is likely that they will be more business and first-class seats, additional entertainment more quality on Thai food & beverages as well as flying benefits will be included. Subsequently, the rise in numbers of newer airplanes create a differentiation between Thai Airways and low-cost airlines which further influence customers' willingness to pay double the price to increase.

32) The seventh variable, Thai Airways' business and first-class seats has a correlation with 1) newer airplanes ( $r = .171^*$  and  $\alpha < .026$ ) and 2) flying benefits ( $r = .237^{**}$  and  $\alpha < .002$ ). As a result, the significant findings are that the business and first-class has a correlation with newer airplanes and a stronger correlation with flying benefits. According to the correlation analysis, if Thai Airways increases business and first-class seats, it influences customers' opinion on the newness of the airplanes, and extend the flying benefits to a higher standard.

33) The significant findings of the eighth variable, Thai Airways' flying benefits has a strong correlation with 1) inflight services ( $r = .207^{**}$  and  $\alpha = .007$ ), 2) inflight entertainment ( $r = .282^{**}$  and  $\alpha < .001$ ), 3) inflight Thai food & beverages ( $r = .282^{**}$  and  $\alpha < .001$ ), 4) newer airplanes ( $r = .316^{**}$  and  $\alpha < .001$ ), 5) business and first-class seats ( $r = .237^{**}$  and  $\alpha < .002$ ). As a result, if Thai Airways would like to

be known for better flying benefits, the company should consider improve its inflight services, increase its inflight entertainment, emphasize on inflight Thai food & beverages, fly with a newer airplane, and provide more business and first-class seats.

34) After classifying question 16, “as luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low-cost airline?”, as dependent variable, question number 18,19 and 21 are perceived as highly significant factors with correlations.

- Factor 18, Do you agree to “Thai Airways’ in-flight services should be much better than low-cost airline”? ( $\beta$ -195,  $\alpha$  0.006). Evidently, the finding indicates a negative correlation between independent variable 18 and dependent variable 16. Thus, the better inflight services do not encourage people to pay more for Thai airways. In other words, the extreme emphasis on Thai Airways’ inflight services in exchange for higher price may push customers away, e.g., government sectors or senior citizens may be content with the current services and not willing to pay more for better services.

- Factor 19, Do you agree to “Thai Airways’ in-flight entertainment should be much better than to low-cost airline”? ( $\beta$ .245,  $\alpha$  0.017). It means the modern, various and excellent inflight entertainment could increase people’s willingness to pay double price for Thai Airways compared to budget airlines.

- Factor 21 Do you agree to “Thai Airways’ airplanes should have newer airplanes than low-cost airlines” ( $\beta$ .276,  $\alpha$  0.003). It means that if Thai Airways can provide new airplane with modern equipment to customers for their safety concern, they are willing to pay twice as much for full in-flight services rather than taking low-cost airline.

Following the linear regression analysis, Thai Airways is able to identify customers' insight and realize what factors could persuade them to pay double of the low-cost airlines pricing. The World Class services, Thai culture focus and in-flight meals should not be primary priorities in Thai Airways' reforming plan to help regain its competitiveness. Instead, Thai Airways should provide new airplanes, offer first-rate in-flight entertainment, while emphasize less on the Thai culture in in-flight services to attract premium customers who can afford the high pricing.

As a result, this study summarizes the all findings as well as solutions gathered from qualitative and quantitative analyses into a value proposition canvas to produce the best understanding outcome.

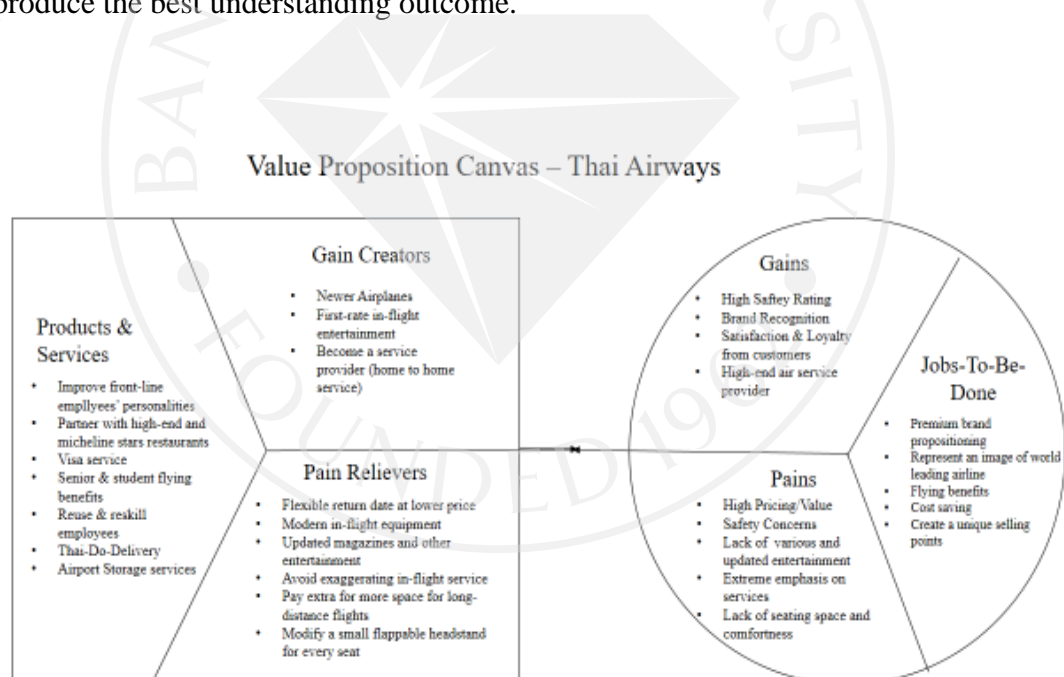


Figure 5.1: Thai Airways' Value Proposition Canvas

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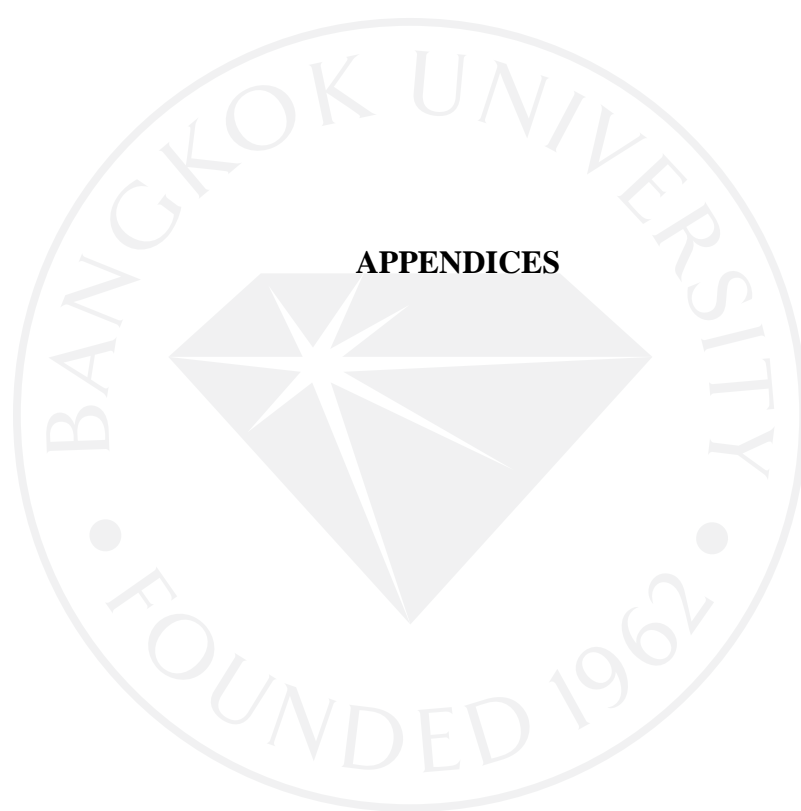
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Mismanagement-and-graft-brought-down-Thai-Airways-panel.





### Appendix A

Individual experience & perspective towards Thai Airways and other airlines from in-depth interviews

	Nationality	Key Findings
1	Australian and Thai couple (46 and 33 years old)	<ul style="list-style-type: none"> <li>- The Australian husband believes that Thai Airways loses its brand positioning and place the company in a very awkward position in the industry</li> <li>- For premium service airlines, the Australian husband would rather fly with Emirate, Etihad, or SIA more</li> <li>- The Thai wife is more price driven and for a quick flight, she would rather fly AirAsia than Thai Airways</li> <li>- In their opinion, Singapore as a country does not have much characteristics, thus, Singapore Airline branded itself as a cleaner nicer and more expensive airline</li> <li>- They believe Thai Airways need a major meaningful change</li> </ul>
2	Indian (29 years old)	<ul style="list-style-type: none"> <li>- Is a Gold Royal Orchid member, thus, he travels a lot in the business class</li> <li>- The Thai Airways' services are always good (the best of all the airlines). Staff are always helpful when you call the customer service or royal lounge service</li> </ul>

	Nationality	Key Findings
2	Indian (29 years old)	<ul style="list-style-type: none"> <li>- For him, the connection flights were the best than any other airlines. Asian connectivity was the best.</li> <li>- Thai Airways' business class has good quality and amazing job, but not in the economy class</li> </ul>
3	Singaporean (25 years old)	<ul style="list-style-type: none"> <li>- Thai Airways is one of the better ones in his top five luxurious and best-service Airline. It provides smooth flights, check-in, on-time and the service are comparable to SIA. However, only fly when he has to</li> <li>- Hasn't fly so many times, because of the price, Scoot was his choice. - Most of his flying were in Asia</li> <li>- He considered himself as a typical ignorance customer, who use air transportation as a way to get from point A to B</li> <li>- Trust in his national airline more. He believes SIA has better reputation and service</li> <li>- SIA, in his opinion, delivery what they promise, live up to the expectations. He is a nationalism who sees SIA as a sense of pride. He is one of the supporters who believe SIA is one of the best airlines over the last few years.</li> </ul>

	Nationality	Key Findings
3	Singaporean (25 years old)	<ul style="list-style-type: none"> <li>- Singaporeans as customers are really offended, balloon stuff into big issues, connected to the phones, mostly punctual. There are unwritten rules in the society and if someone else don't do what you expect, they will be offended. Place society over individual, would do things that benefit in the picture than themselves</li> <li>- Most of the crew now are used as entrance staff, tracking staff at the malls and public places (Singapore Airlines)</li> <li>- SIA is doing Community service collaboration with the government (reduce some tax)</li> </ul>
4	New Zealander (61 years old)	<ul style="list-style-type: none"> <li>- His perception of it in the late 80s, Thai airways is as modern as the Etihad now, nonetheless, it hasn't really improved since then. The talking back then was the smile the service</li> <li>- Top tier; Emirates, quite good Cathay, Qatar airlines modern airlines and Thai Airways has lost its point of difference</li> <li>- Used to fly with Thai however, as his job has limited budget in traveling, Thai Airways is a more expensive choice</li> </ul>



	Nationality	Key Findings
4	New Zealander (61 years old)	<ul style="list-style-type: none"> <li>- Some Airlines went for in-flight entertainment and service quality, while some other airline operates as a bus companies like Qantas, British was to get A to B</li> <li>- 1970s was glamorous airline but nowadays, more and more airlines are becoming bus companies, and lose their brand identity.</li> <li>- Thai Airways has nice staff and uniform would never do anything shabby and always polite, neat, particular about clearance</li> <li>- He believes Thai Airways has been mismanaging, thus, the company should bring in the independent entity (whole outside management team)</li> </ul>
5	Swedish (24 years old)	<ul style="list-style-type: none"> <li>- His cousin is Thai, thus, the family travels with Thai Airways several time and is familiar with the airline. In Swedish people's opinions around him, Thai Airways was luxury, big plane, service minded airflight, heard now is not that luxury anymore. It not as good anymore</li> <li>- Price driven who is happily flying Norwegian airlines for most of the times</li> <li>- If he has to choose one luxury airline for his travelling, the Emirates would be his first choice.</li> </ul>

	Nationality	Key Findings
5	Swedish (24 years old)	<ul style="list-style-type: none"> <li>- A Norwegian Airlines and Scandinavian Airlines supporter. He believes the two are decent choices that he knows what he gets when he flies with them</li> <li>- he would personally endure long-flights with the economy seat, however, his parents would pay extra for better travelling quality</li> <li>- As a customer, he enjoys good TVs, room for legs, massage the feet, good food</li> </ul>
6	Filipino (28 Years old)	<ul style="list-style-type: none"> <li>- Price driven customer</li> <li>- See flying as what gets him from point A to Point B, thus the service is his last priority when chosen a flight.</li> <li>- Fly with Thai Airways only from Manila to Bangkok. Thus, it was quite short, and his experience was not enough to see much of the difference from other good airlines.</li> <li>- He has taken Emirates and Etihad more often, because the route from Manila to the Western side works better for him. If he chooses Thai Airways, then they will be a stop at Bangkok which is does not make much sense</li> <li>- Thai Airways' "Smooth as silk" phrase is very catchy for him</li> </ul>

	Nationality	Key Findings
7	Canadian (30 years old)	<ul style="list-style-type: none"> <li>- Used to fly 95% of the time with flights that Thai Airways are associated with</li> <li>- Event though he shifts to become a more price and timing driven type of customer, he believes the service is the number one priority. If the price is with 150 US dollars difference, he would pay for a better service</li> <li>- He believes a lot of airlines are becoming more similar, they emphasize on the politeness and willingness to help customers such as with the immigration form or check if you are comfortable. However, in the economy class, there is still a difference in airlines, but Thai airways has been doing fairly well in services and he likes its in-flight food</li> <li>- If to compare with SIA or Emirates, he feels SIA is more modernize and also provide more room between seats. SIA's and Emirate's movies selection was "out of the world", fast boarding, cleanliness. Blanket and pillows, and overall services are excellent</li> <li>- Thai Airways is in his top 5 airlines in the world. He doesn't feel as welcome when flying with Lufthansa or United</li> </ul>

	Nationality	Key Findings
7	Canadian (30 years old)	<ul style="list-style-type: none"> <li>- Was once a gold orchid member but got took away.</li> <li>Thus, he refuses to fly with Star Alliance and joins with the One world and Sky team now</li> <li>- High millage driven type of customer. He likes the fact that SIA checks up on him and send him gifts once a while</li> </ul>
8	Japanese (26 years old)	<ul style="list-style-type: none"> <li>- She used to fly quite a lot with Thai airways but after Her Bachelor's graduation, she hasn't been travelling much and only flew with the airlines twice</li> <li>- She purchases in-flight Duty-free shopping almost every time she flies. If the products are cheaper than normal, then she would buy it</li> <li>- Enjoy reading magazines during the flights</li> <li>- She likes to fly with ANA because the service is all in Japanese and the staff's caring level is different. She experienced once that ANA cabin staff noticed she needed something before she even asked. In addition, she likes the Japanese food and Hagen Daz, ice cream option</li> <li>- She wishes Thai Airways has better food quality. The airline always has the weird spouse cake that she does not like</li> </ul>

	Nationality	Key Findings
8	Japanese (26 years old)	<ul style="list-style-type: none"> <li>- The Thai Airways' economy seating has more space than Eva airlines</li> <li>- Her priorities are; 1. Membership, 2. Price, 3. Reliable airline, 4. Comfort and space, 5. Service</li> <li>- She describes Japanese customer behavior as high demand in customer service (meet their expectations), are price conscious while also value reliability</li> <li>- However, she believes most Japanese that come to Thailand have money so they may not be extremely price conscious as the norms</li> <li>- Friendly Cabin Crew is one of the important factors for Japanese who visit Thailand</li> </ul>
9	Chinese and Thai couple (32 and 29 years old)	<ul style="list-style-type: none"> <li>- The Chinese husband flies a few times with Thai Airways. In his opinion, the service was the same level as airline like SIA but worse than Garuda airlines</li> <li>- When the Chinese husband flew with Thai Airways, aircraft and the equipment were quite old, and the seats were not really functional.</li> <li>- The Chinese husband personally, does not like flying a lot, so he would like more entertainment such as updated movies and magazines provided during flights</li> </ul>

	Nationality	Key Findings
9	Chinese and Thai couple (32 and 29 years old)	<ul style="list-style-type: none"> <li>- In, the husband opinion, Chinese customers could be separated in to the educated and uneducated ones.</li> <li>Chinese are true to themselves. They be who they are, no fake, how they would react when at home</li> <li>- Chinese customers tend to don't know much about cultures if they do then they will respect them</li> <li>- Not many Chinese have travelled overseas, and they mostly will use Chinese Airlines or lower-cost airlines those open in the third and fourth tier airport such as AirAsia. Short distance does not care about food.</li> <li>- Chinese book through the agents thus, they would book local airlines those they have connections with.</li> <li>- The Thai wife use Thai Airways for most of her travels because of her mother's employee benefits at Thai Airways</li> <li>- The wife has a strong sense of nationalism. She fully supports Thai Airways as much as she possibly can</li> <li>- The wife has a homelike feeling when flying with Thai Airways</li> <li>- They think Thai Airways' entertainment are outdated and not good in quality</li> </ul>

	Nationality	Key Findings
9	Chinese and Thai couple (32 and 29 years old)	<p>- The only difference between hospitality and airline service is that hospitality has a longer-term service. Thus, the cabin crew could not ignore customers like some of the cabin crew do when they have negative opinion towards customers. For short distance flights, they could easily ignore to serve those they do not like, which for the better service improvement. They recommend that cabin crew have to change the mindset and serve every customer with the same standard such as they are reactions and actions towards the guests' requests.</p> <p>- If the husband was the flight attendant, then he would introduce himself and make it more personal and friendly to the customers to make them feel more of a personalized service.</p> <p>- For business, they might take Thai Airways</p>

## Appendix B

### Neuro Marketing with Interviewees

Neuro Marketing	Respondent
Purple and gold is claiming, and the smell of the Thai airways' planes remind them of Thailand.	Interviewee no. 2, 7, 8, and 9
The phrase "Smooth as Silk" is very catchy until it is used when talking in everyday life, it also reminds them of Thai Airways.	Interviewee no. 1,2, 5, 6, 7, and 9
The Orchid reminds them of Thai Airways. when they randomly see one, Thai Airways often come up in their heads	Interviewee no. 7, 8 and 9
The purple seats and a particular smell that reminds of Thai Airways.	Interviewee 8 and 9
The name "Royal Orchid" (บริการเอื้องหลวง)	Interviewee 2, 6, 7, 9



## Appendix C

### Brain Storming with Scamper

Interviewee	Nationality	S	C	A	M	P	E	R
1	Australian & Thai	X	X		X		X	
2	Indian	X	X		X		X	X
3	Singaporean		X		X		X	X
4	New Zealander	X	X	X	X		X	X
5	Swedish	X		X	X	X		
6	Filipino			X	X	X	X	
7	Canadian				X	X	X	X
8	Japanese			X	X		X	
9	Chinese & Thai		X		X	X		

## Appendix D

### Transcript of 10 Interviewee from SCAMPER Model

Factor from theoretical framework

S: Substitute with other products or services

Question, “what products or services can be substituted from Thai Airways’ current services?”

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher’s reflection
Become agency of every service such as Thai Airways will find the suitable hotels and transportations for customers. Monthly payment to be updated with the best flights, hotels, transportations, and new places to visit.	A4 (61 years old)	- Agency of every service	Subscription model	A big step that may help Thai Airways discover its new business cycle and be the first mover in the industry

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Create "Thai Airways Elite", Thai airways' whole plane for first class seats, or millionaire flights with suite rooms	A1 (46 & 33 years old)	- Substitute usage of airplanes.	Substitute usage of airplanes	Need emphasized on premium and luxurious brand of Thai Airways
The whole section of the plane for premium economy or business class seats. He rather pays an extra 100-150\$ for an extra room and space for the long-distance flight	A2 (29 years old)	- Seating adjustment	Substitute usage of airplanes	A reasonable and realistic change for Thai Airways to implement quickly

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
<p>“A room on the air why not everywhere?” Why have a fix route? Implement like Qantas’ flights down to Antarctica to provide customers with new aviation experience</p>	A4 (61 years old)	- Unique flight service	Substitute usage of airplanes	<p>A questionable strategy. Nonetheless, this sort of strategies has recently been implemented by other airlines</p>
<p>Use other airline services to do operations of some low margin (often use for outsourcing engineers)</p>	A5 (24 years old)	- Outsource other airlines’ experts	Outsource as substitution	<p>A suitable strategy for a company that is currently in a reform plan. If Thai Airways is not able to generate revenue immediately, it must reduce expenses.</p>

Question, “what products or services can be combined with Thai Airways’ current services?”

C: Combine with other products or services

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher’s reflection
<p>Visa applying service that assists customers during the process with embassy. A possibility of applying visa for many countries at one spot.</p>	A4 (61 years old)	-Visa service	Partnership with other ventures	A partnership that may be difficult but very effective if Thai Airways is able to execute
<p>For international flights, provide more partnership with the existing booking sites such as booking.com and TripAdvisor</p>	A2 (29 years old)	- Hospitality partnership	Partnership with other ventures	<p>An easy to implement strategy.</p> <p>Nonetheless, with the current pandemic, this may not be the best time to initiate</p>

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
For domestics flights, if you use the credit cards, you will get credits for using Shopee, Lazada, PTT, local well-known retailers, or mileage bonus.	A7 (30 years old)	- Local e-commerce and retailer partnership	Partnership with other ventures	Since e-commerce has been rapidly growing due to the pandemic, this is a suitable strategy for the current circumstance
Lemongrass, Ban Kanita, Blue Elephant, Michelin stars, partnership for in-flight foods made it on order and order when book the tickets online.	A1 (46 & 33 years old)	-Restaurant partnership	Partnership with other ventures	A suitable solution for a luxury and high-end airline to introduce the authentic Thai food

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Bring in the independent entity in order to improve management (whole outside management team)	A4 (61 years old)	Independent partnership	Partnership with other ventures	A suitable solution based on the company's current situation
Renewable energy source. Introduce clean and eco-friendly source of power	A3 (25 years old)	- New energy source.	Additional service	A futuristic solution that no airline has completely discovered a way for an airplane to solely operates by the clean energy source
Chef on plane, made on order	A2 (30 years old)	- Unique in-flight service	Additional services	A possible solution that could attract some high-end customers to use Thai Airways

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Put all ethnicity into one. E.g., each district of Thailand is different, thus the north, south and west, have their own local dressings which could well represented their district on the flight.	A4 (61 years old)	- Unique in-flight service	Additional services	A low cost and easy to implement strategy that could help Thai Airways marketing its brand proposition



Question, “From Thai Airways’ current resources, products and services, what do you think can be adaptive to attract new customers?”

A: Adaptive from current resources, services and products

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher’s reflection
Adapt successful departments, e.g., develop engineering into school academies or develop cargo service into a standalone delivery business.	A5 (24 years old)	emphasize on the excellent departments	Standout departments	A reasonable and suitable solution for Thai Airways, especially in the current society where individuals are seeking reskill
“Thai Do Delivery”- A development from cargo business to emphasize on B2B market. Shipping valuable commodities for private and public sectors	A4 (61 years old)	emphasize on the excellent departments	Standout departments	A reasonable and suitable solution for Thai Airways, especially in the current society where delivery services are rapidly growing

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Adapt social media engagement and marketing from its enormous customer database.	A4 (61 years old)	-prospective reformation	Standout departments	A reasonable solution that could significantly help Thai Airways market and advertise its brand

Question, "What Thai Airways' current resources, products and services, what do you think should be modify to attract new customers?"

M: Modify current resources, services and products

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Make the official website and the log-in for Royal Orchid more accessible. Provide a	A2 (29 years old)	-E website improvement	Online Network modification	A reasonable and suitable solution for Thai Airways, particularly now that individuals behavior is

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
seamless experience in online booking				shifting towards online services
Offer WIFI at a reasonable cost as people are becoming more connected to their phones	A2 (29 years old)	-Intangible benefits during flights to keep customers entertained	Online Network Modification	A solution that can implement instantly if Thai Airways is determined to do so
More entertainment such as updated movies and magazines provided during flights	A9 (32 & 29 years old)	-Quality and quantity in entertainment	Entertainment modification	A practical solution that could help Thai Airways improve customer experience and satisfaction
Make seats more comfortable, e.g., create a small flappable head stand on the side	A8 (26 years old)	-Seating adjustment	Tangible service modification	If Thai Airways can innovate its own unique and comfortable seats,

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
where people can lean on and sleep				the company could have an advantage over the competitors
Inflight massages representing Thai culture and provide a unique experience where customers can comfortably relax	A2 (24 years old)	-Unique inflight service	Tangible service modification	A controversial solution that has a tradeoff between unique experience and seating space
Create a section with big window where customers can go to relax and watch the outside view from the sky	A8 (26 years old)	-Unique inflight service	Tangible service modification	Also is a controversial solution that has a tradeoff between unique experience and seating space.

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Students and senior citizens benefits for flying with Thai Airways. E.g., special student baggage fee if he/she is travelling home from college	A2 (29 years old)	-Airline benefits	Additional benefits	A rational solution that could help Thai Airways attract more customers which also can help improve the company's brand image
Offer "Flexible return date" tickets. Currently, there are expensive flexible tickets, which you can cancel and change flight date, but for both outbound flight	A6 (28 years old)	-Airline benefits	Additional benefits	A rational solution that could help Thai Airways attract customers who desire flexible return dates

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
and return. This offers only flexible returns in exchange for cheaper price				
Create a shopping point card for only inflight purchases. E.g., after collecting xx points, get xx or xx discount to attract customers to spend more money during flights	A8 (26 years old)	-Airline benefits	Additional benefits	An easy to implement solution that may help generate number of inflight purchases

Question, “From Thai Airways’ current resources, products and services, what do you think can be put to other use and attract new customers?”

P: Put current resources, services and products to other use

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher’s reflection
Outsource some of the building space for offices. The unused facility put in the market to generate some income	A5 (24 years old)	-Rental estate	Physical assets for other usages	A rational solution for the current pandemic that some employees can work from home and put facilities into other uses
Storage service up to 20 days long within distance of the airport. Use the unused space as a storage space service	A6 (28 years old)	-Rental estate	Physical assets for other usage	A rational solution for the company to put all unused facility into service

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Use company's vehicles for transportation services. E.g., convert unused cargo vehicles in to mega limousines	A9 (32 & 29 years old)	-Vehicle services.	Physical assets for other usage	A creative solution that may be difficult to implement, but surely is unique
Sell Thai snacks, e.g., the Thai deep fried dough that Thai Airways is currently selling	A7 (30 years old)	-Catering ingredients for Thai snacks	Inventory for other usage	A solution that represents Thai culture as well as help the company generate income
Sell unused dishes, silverware and special made objects from the aircrafts that are currently overstocked	A7 (30 years old)	-Inventory sellouts	Physical assets for other usage	A very applicable solution that Thai Airways ought to implement in order to generate some income



Question, “Which Thai Airways’ current resources, products and services, do you think should be eliminated in order to improve performance and brand image?”

E: Eliminate the current resources, services or products

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher’s reflection
Half room sharing for cabin crew and cut unnecessary days staying overseas to reduce expenses	A1 (46 & 33 years old)	-Employees’ welfare elimination	Cost savings	A solution that would help Thai Airways reduce excessive expenses, but also has to be sure the company is meeting employees’ standard welfares
Reduce the criteria of the hotel for cabin crew. Instead of 5 stars reservation like in the past, the company should consider a 3 or 4 stars hotel	A1 (46 & 33 years old)	-Employees’ welfare elimination	Cost savings	Also is a rational solution to reduce excessive expenses especially now that the company is current a reform plan. Nonetheless, in the long-term, the elimination in

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
				welfares may detract skillful pilots and cabin crew away
Eliminate rented space for services or assign some employees to work from home to cut costs.	A7 (30 years old)	-Rental estates	Cost savings	A reasonable solution that is very easy to implement
Give warnings and eliminate some insufficient cabin crew and front line employees who have bad personalities	A8 (26 years old)	-Employees' soft skills	Elimination for improvement	A solution may be practically challenging but would help the company to create a better brand image

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Remove the westernization and present more Thai. E.g., no peanuts for snacks, maybe for people with alcohol. Other than that, it should be all Thai snacks	A1 (46 & 33 years old)	-Unique inflight service	Elimination for improvement	An easy to implement solution that would help Thai Airways represents a stronger Thai culture
Get rid of the floor cleaner smell. Make the bathroom or the plane smell unique such as jasmine rice smell	A1 (46 & 33 years old)	-Unique inflight service	Elimination for improvement	An interesting solution that would provide Thai Airways a unique identity. However, using fragrance in every airplane at the moment will increase the cost of operation

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Eliminate the process of between boarding and taking off	A3 (25 years old)	-Airline benefits	Elimination for improvement	A difficult solution since the process of boarding does not solely depend on the airlines but also does on the airports

Question, "What Thai Airways' existing resources, products and services, do you think can be reversed to attract new customers?"

R: Reverse current resources, services and products to other use

Note: The reverse dimension is limited with current technology. Nowadays, none of the transportation can replace air travelling like when air travelling replaced seas travelling. Thus, there is no possible radical innovation at the moment.

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
Put the good hospitality of cabin crew into hosting	A3 (25 years old)	-Employees' soft skills	Turn it around strategies	A solution that could help both employees and

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
events such as becoming master of ceremonies (MC) and staff				company to generate income in the short-term
Reskill and reuse cabin crew expertise such as set up cosmetic makeup class or open academy to improve individual gestures	A6 (28 years old)	-Employees' soft skills	Turn it around strategies	An inventive solution especially during the current pandemic that most of the air travels have been suspended
Become a service provider that is more than just an airline. Many people still struggle when arrive at the airport in other countries, thus, combine	A7 (30 years old)	-prospective reformation	Turn it around strategies	A difficult and costly solution to implement. However, if Thai Airways able to execute, the company may have a competitive

Transcript of Interviewee	Interviewee No.	1 <sup>st</sup> cycle coding	2 <sup>nd</sup> cycle coding	Researcher's reflection
transportation service with Grab in other countries to provide a home to home experience.				advantage over its competitors
Move it to app base, provide all Thai Airways services in an application. This will enable to some staff, such as the phone service staff, for other use	A7 (30 years old)	-E-website improvement	Turn it around strategies	A suitable solution for the 21th century. However, since Thai Airways application has such an outdated infrastructure, this solution will be very costly and time-consuming to initiate.

## Appendix E

### Thai Airways 'Customer Experience and Needs Survey

Thank you for purchasing from us. Please take a moment to tell us about your experience and how well our [Thai Airways services product/service] has been meeting your expectations.

Full Name (Optional)

.....

Contact Information- Phone, Line, or Email (Optional)

.....

1. How long have you used Thai Airways services?

- Less than 1 year
- 1 to 3 years
- More than 3 years

2. Nationality

- Thai
- Westerners
- Asians
- Other (Please specify).....

## 3. Age Range

- Under 21 years old
- 21-25 years old
- 26-30 years old
- 31-35 years old
- 36-40 years old
- Over 40 years old

## 4. Gender

- Male
- Female
- Other

## 5. Education

- High school degree
- Bachelor's degree
- Master's degree
- Ph.D.
- Other (Please Specify) \_\_\_\_\_



## 6. Occupation

- Student
- Freelancer
- Business owner
- Office worker
- Other (Please Specify) \_\_\_\_\_

## 7. What products and services have you purchased from us? (Select all that apply)

- Domestic Flights
- International Flights
- Food, bakery and beverages (such as Puff& Pies)
- Cargo service
- Royal Orchid Holiday (Bundle Holiday Package includes flights and hotels)

## 8. Overall, how satisfied are you with your experience with Thai Airways and its services?

- Very satisfied
- Satisfied
- Neutral
- Dissatisfied
- Very Dissatisfied

9. Select following new idea(s) you think can Substitute (S) Thai Airways' existing services and could significantly be attractive to customers. (You can choose more than 1 answer)

Subscription model (e.g. pay \$2.99 per month to have royal orchid plus membership or 10 % discount when buy tickets)

"More space just extra more". Pay more for extra legroom and space for long-distance flights.

"Flight to nowhere" (fly around as a sightseeing travel, e.g. fly from BKK, enjoy the top views of Angkor Wat, and land back at BKK)

"Thai Airways Elite". High quality experience with suite rooms, first-class seats and lounges.

10. Which following new Idea(s) do you think can Combine (C) with existing Thai's airway services and could significantly be attractive to customers?

(You can choose more than 1 answer)

Visa applying service

In-flight chef

In-flight massages.

An exercise room for long distance flights (limited time per one flight attendance with reasonable extra charge and for free for Royal Orchid plus members)

"Put all ethnicity into one". Cabin crew have different uniforms representing the Middle, North, South and West of Thailand.

Partner with Lemongrass, Blue Elephant, or other Michelin stars restaurants to serve preorder authentic Thai meals during flights (extra charge)

11. Which following new Idea(s) do you think can be Adaptive (A) from existing Thai's airway services and significantly be attractive to customers?

- "Thai Do delivery". Thai Airways adapt they cargo service (that only ship from airport to airport) further to become delivery service (from home to home)
- "Thai Airways Cargo business". emphasizes to B2B market shipping valuable commodities for private and public sectors.
- Adapt its social media engagement. Marketing capture recent trends and go viral on different social platforms (such as Tik-Tok clips).
- "Thai Training Center". The company adapt successful departments such as catering and engineering into school academies that can certify for their training with Thai Airways.

12. Which following new Idea(s) do you think can Modify (M) from existing Thai's airway services which make much more attractive to customers?

- Make official website more user-friendly and make log-in for Royal Orchid page easier. E.g., it is hard to find and access the milage membership on the website.
- Make more comfortable seats. E.g., A small flappable head stand on the side where customers can lean their head on and sleep

- Student and senior citizens benefits. E.g., students get extra baggage weight when travelling home from college and seniors (over xx age) get xx% flying discounts.
- More in-flight entertainment. E.g., offer WIFI at reasonable cost, updated movies and improve magazines.
- Flexible return date. Currently, there are expensive flexible tickets, which you can cancel and change flight date, but for both outbound flight and return. This offers only flexible returns.
- Create a shopping card for only in-flight purchase with incentives for customers (e.g., after collecting xx points, get xx% discount or get free xxx)
- “Create a small space with big window”. Where people can go in the relax watching outside view and take nice photos for Instagram.

13. Which following new idea(s) do you think can Put (P) existing Thai’s airway services to other use to be more attractive to customers?

- Outsource the building for offices
- Airport storage service (bag deposits & rental storage up to 20 days)
- Use company’s vehicles for the transportation service.
- Convert Cargo trucks to be giant limousines
- Sell Thai deep-fried dough stick
- Sell dishes, silverware and special made objects from the aircrafts

14. Which new Idea(s) do you think can Eliminate (E) the underperformed services and make Thai Airways more attractive to customers?

- Remove the westernization and present more Thai. No peanuts for snacks maybe for people with alcohol, it should be all Thai snacks.
- Remove the typical airplanes' smells. Provide unique smell, e.g., Jasmine rice smell.
- Counter staff and front-line employees' personality
- Other ideas (Please be specific)

15. Which's new Idea you think can Reverse (R) from existing Thai's airway services and be attractive to customers?

- Become a service provider and more than just an airline service provider. E.g., don't provide service just from airport to airport, but instead, from home to home with transportation service like Grab in other countries.
- Reskill or reuse cabin crew skills such as set up a cosmetic makeup class or open academy to improve individual gestures. Ex, for your entrepreneur to learn how to handle big formal meetings with investors.
- Put the good hospitality of cabin crew into events. These cabin crew can be hosts and staff of events.
- Move it to the App base. provide all the services listed above in an application on mobile (enable to use phone service staff for other use).

16. As luxurious brand of Thai Airways, do you agree to pay twice as much for Thai Airways compared to low cost airline?

- Strongly Disagreed (1)
- Disagreed (2)
- Neutral (3)
- Agreed (4)
- Strongly Agreed (5)

17. Do you agree to “Thai Airways’ crew should have better appearance compared to low cost airline”?

- Strongly Disagreed (1)
- Disagreed (2)
- Neutral (3)
- Agreed (4)
- Strongly Agreed (5)

18. Do you agree to “Thai Airways’ in-flight services should be much better than low cost airline”?

- Strongly Disagreed (1)
- Disagreed (2)
- Neutral (3)
- Agreed (4)

Strongly Agreed (5)

19. Do you agree to “Thai Airways’ in-flight entertainment should be much better than to low cost airline”?

Strongly Disagreed (1)

Disagreed (2)

Neutral (3)

Agreed (4)

Strongly Agreed (5)

20. For inflight food & beverage, do you agree that Thai Airways’ catering should have better Thai Food choices than any other low-cost airline?

Strongly Disagreed (1)

Disagreed (2)

Neutral (3)

Agreed (4)

Strongly Agreed (5)

21. Do you agree to “Thai Airways’ airplanes should have newer airplanes than low-cost airlines”?

Strongly Disagreed (1)

Disagreed (2)

Neutral (3)

Agreed (4)

Strongly Agreed (5)

22. Do you agree to “Thai Airways should provide more business and first-class seats than low cost airline”?

Strongly Disagreed (1)

Disagreed (2)

Neutral (3)

Agreed (4)

Strongly Agreed (5)

23. Do you agree that Thai Airways should have better flying benefits such as duty free more than the low-cost airline?

Strongly Disagreed (1)

Disagreed (2)

Neutral (3)

Agreed (4)

Strongly Agreed (5)



24. What do you think of the idea “Tourism in Thailand should not start when they land, instead it should start when they enter the plane”. Currently, there is nothing Thai about Thai Airways. Promote something else nobody has done, emphasize on the entire experience and consider rebranding. Do you agree or disagree?

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25. Following from the last question, can some extreme marketing strategy such as ask passengers to take shoes off upon entering the plane (one of the common Thai tradition when entering the house) make the westerners feel the Thai vocational vibe?

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26. Please rate the following areas of our service

	Excellent	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Customer service					
Quality of work					
Pricing / Value					

	Excellent	Satisfied	Neutral	Dissatisfied	Very dissatisfied
Professionalism					
Ability to meet needs					

27. Will you likely to purchase Thai Airways' products or use its services again?

(optional)

- Yes
- No
- Not sure

If not, why not?

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28. Would you recommend Thai Airways' products or services to colleagues or friends?

- Yes
- No
- Not sure

29. Do you have any additional feedback or any other suggestions for improving our services?

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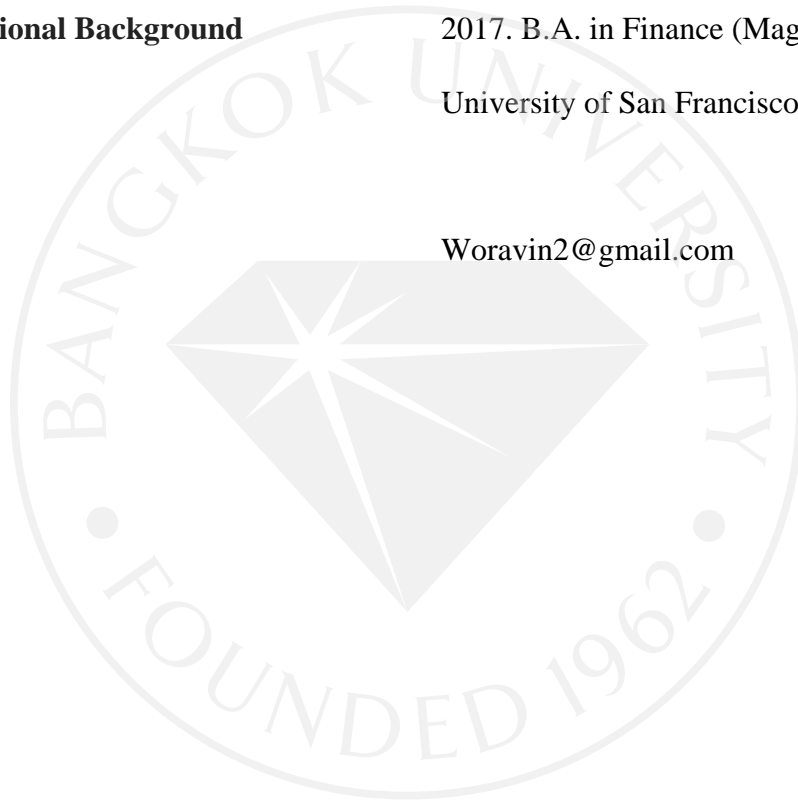
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