

CHAPTER 4

RESEARCH RESULTS



Following the research methodology, this chapter has described the research results in each procedure.

4.1 Vision, Mission, and Critical Success Factors

After the meeting as described in section 3.2, the committee agreed on the company vision, mission, and critical success factors as follows:

➤ **VISION**

“XX Theatre vision is to be the leader of medium-sized movie theatre in Thailand”

➤ **MISSION**

“XX Theatre mission is to maximize its profits, market share, customer’s satisfaction, and continuous improvement”

➤ **CRITICAL SUCCESS FACTORS**

- The good quality of product that means the movie, the auditorium, sound system, and theatre environment.
- The good location of movie theatre.
- The maximum number of total seats.
- The good quality of service.
- The good quality of employees.
- The well plan of marketing strategy and implementation.
- The basic infrastructure of the company is systematic, and effective.

4.2 Situation Analysis

There are two phases of analysis, which are external and internal analyses. The results, which use the methodologies according to section 3.3 are described as follows items.

4.2.1 External Analysis

The external analysis involved customer analysis, competitor analysis, and marketing analysis.

4.2.1.1 Customer Analysis

Firstly, the company would know the target customer in order to develop strategy. The questionnaire survey results are shown in Appendix B – Section 1, which may be summarised as follows.

➤ **Gender** – *(See Appendix B, Section 1)*

Total number of questionnaires 450 respondents collected from male 233 persons and female 217 persons. According to appendix B – section 1, the respondents who watching movies at XX Theatre are composed of 51.8% of male and 48.2% of female. This means the percentage of male and female were not much different.

➤ **Age** – *(See Appendix B, Section 1)*

The largest group of the respondent is those within the age in the range of 20-30 years old (49.8%). When compare gender differences in this range, the percents of male and female are almost equal. Then, the second most group of customers watching the movie is teenager, which has age less than 20 years old (25.1%). The groups of customers who are in the third and fourth orders have the age in the range 31-40 and 41-50 years old, respectively.

➤ **Education** – *(See Appendix B, Section 1)*

The largest group of the respondents is those with Bachelor degree (28.4%) followed by Technician certificate or College degree (25.3%). The third largest group of respondents belongs to those graduated or studying junior high school with 19.1%.

➤ **Occupation** – *(See Appendix B, Section 1)*

The largest group of the respondents is those who are office employee (30.9%) followed by students (24.9%). The third largest group of respondents belongs to government official (13.8%). Beside freelance and personal business, there are another groups of customers watching the movie including housewife, designer, photographers, senior citizen etc.

➤ **Income per month** – *(See Appendix B, Section 1)*

The respondents who attending the movie are in several groups of income in the range from less than 5,000 Baht to higher than 20,000 Baht. The group of income

5,000 – 10,000 Baht contributes highest numbers (44.0%) followed by a group with income less than 5,000 Baht (28.4%) and 10,000-20,000 Baht (21.6%) consequently.

➤ **Frequency of customer watch movies of the XX Theatre – (See Appendix B, Section 1)**

The largest group of respondents is those who watching movies more than twice a month (39.1%) followed by once a month (30.0%). In addition, there are some new groups of customers attending this theatre continuously (12.4%). It can be noted that some of new comers are presented here occasionally according to the specific movies or those movies' promotion or having free time.

➤ **Number of persons comes along with customers; when customers come – (See Appendix B, Section 1)**

The largest group of respondents is those who attending this theatre comes with 2-3 friends (61.1%), followed by respondents who come with their family (23.3%). The third largest group of respondents is those who come to watch movie alone (13.8%).

➤ **The way customers know the XX Theatre – (See Appendix B, Section 1)**

The largest group of respondents is those who know the XX Theatre from movie advertising sign (42.0%) followed by friends' recommendation (27.3%). The other groups of respondents know this theatre from advertisement in newspaper and radio broadcasting. In additions, most respondents usually come to the XX Department Store or they live around the theatre area, so, they often come to see movie.

Conclusion on Customer Analysis

XX Theatre customers are aged in range of 20-30 years old. People within this age are those who study in university and already worked. From the survey results, 28.4% are customers with Bachelor degree and most of them are office employee and student. Their income per month around 5,000-10,000 Baht, which may implies to office employee and less than 5,000 Baht, which may implies to student. Most customers come to see movies more than twice a month with their friends.

4.2.1.2 Competitor Analysis

Around the area of XX Theatre located, there are two major competitors. One is in shopping mall complex (called "AA Theatre") and the other stands alone (called "BB Theatre").

4.2.1.2.1 “AA Theatre” Analysis

AA Theatre located in shopping mall complex, which had 10 screens with 2,366 seats. The total market share is around 25 % of all Theatres in Bangkok. 4P’s analysis of AA Theatre describes as follows

- **Product:** Theatre has the same standard as international standard. The design concept of the Theatre looks like Roman era. The projection system control by computer and there is digital sound system.
- **Price:** AA Theatre use multi-price which are

Monday, Tuesday and Thursday

Before 17.00 p.m. - Price 80 Baht

17.00 - 22.00 p.m. - Price 100 Baht

Before 22.00 p.m. - Price 80 Baht

Wednesday

All day – Price 70 Baht

Friday, Saturday and Sunday

Before 12.00 p.m. - Price 80 Baht.

12.00- 22.00 p.m. - Price 100 Baht

After 22.00 p.m. - Price 80 Baht

The Public Holidays use the same price as Friday, Saturday sand Sunday.

- **Place:** AA Theatre located in shopping mall complex. So, there are no problems about car parking. Also, there are many shops and restaurants around the area.
- **Promotion:** there are lots of promotion and activities such as
 - Discount Card: The card is eligible for 30 tickets, which get 20 Baht discount for 1 ticket (except Wednesday: 30 Baht discount)
 - Movies Combo Set: Popcorn + Pepsi + Premium = 79 Baht
 - 24 Hrs. Movies Marathon Contest
 - Managing marketing activities with movie distributors
 - Walk Rally
 - “Thon of the month”: There are projected three continue horror movies at night alternating to each branch each month.

4.2.1.2.2 “BB Theatre” Analysis

“BB Theatre” is stand-alone Theatre with 8 screens and 2,600 seats. The total market share around 29-30%. 4P’s analysis is as follows.

- **Product:** computer with 35-mm simplex style controls the projection system. The standard of digital sound system is guaranteed by THX (The Standard of Movie Theatre both sound system and internal environment).
- **Price:**
 - Sunday, Monday, Wednesday, Thursday, Friday, and Saturday: Price -100 Baht
 - Tuesday : Price - 70 Baht

- Place: There are 8 screens with 2,600 seats. Because of stand-alone theatre, it can be control open-close time easily. It is entertainment complexes, which consist of restaurant, bowling, international shop and fast food.
- Promotion:
 - Discount Card: The card is eligible for 20 tickets with 20 Baht discount per ticket.
 - Combo set: Popcorn + Coke + Premium = 89 Baht
 - Booking Online: Reservation ticket via internet
 - Managing activities with movie distributors.

Conclusion on Competitor Analysis

There are two main competitors around the XX Theatre area. The movie ticket prices are not much different, but XX Theatre got cheaper than others did. The two competitors have number of screens more than XX Theatre does. The others two competitors had high technology in projection systems. Also, the competitors have the promotion activities more various and attract customers.

4.2.1.3 Market Analysis

With cinema mushrooming across the country despite the fragility of the economic recovery, the Thai Farmers Research Center (TFRC) Co., Ltd. predicts that consumers will put a higher emphasis on quality. Over the past few years the local cinema business has slumped, from the double-digit annual growth record of over 33 percent during 1993-1996, to 5-10 percent on average during 1997-2000. Slower market expansion will continue next year, forcing local operators to make rapid adjustments. There are many movie entrepreneurs in Bangkok such as SF Cinema City, EGV Cinemas, Major Cineplex, United Artists Theatre, UMG Entertainment, and Apex. The details of movie Theatres summarize as follows.

Table 4.1: Details of Movies Theatres in Bangkok

Source: www.pappayon.com (January 2002)

Entrepreneurs	Location	No. of screen	No. of seat	Ticket Price (Baht)
EGV	Grand EGV	5 2 (VIP)	1,600 80	120 300 (VIP)
	EGV Seacon	12 2 (VIP)	3,360 360	100 200 (Premier Seat) 120 (Heart Seat)
	EGV Fashion Island	7	1,700	100
	EGV Angst	14	3,550	100
	EGV Pinklao	10	2,370	100
	EGV Cineplus	3	910	100
Major Cineplex	Major Pinklao	8	3,200	100, 120
	Major Sukhumwit	8	2,300	100, 120
	Major Ramkhumheang	7	2,500	100, 120
	Major Ratchayothin	14	5,500	100, 120
	Major Hollywood	8	2,600	100, 120
	Major Rangsit	16	6,300	100, 120, 300, 500
	Major World Trade	7	2,400	120, 140, 150, 400

Entrepreneurs	Location	No. of screen	No. of seat	Ticket Price (Baht)
United Artists	The Emporium	5	1,600	90, 120
	Central Rama III	9	4,130	80, 100
UMG Entertainment	UMG RCA	5	1,230	100
	UMG Central Bangna	2	470	80
	UMG Ramindra	2	400	80
	UMG Big C Bangpree	5	1,020	80
APEX	Scalar	1	1,000	100, 120
	Lido	3	680	100
	Siam	1	800	100
	The Mall Thapra	4	1,300	80
Fresh Film	FF Multiplex Pata Pinklao	2	500	80, 120
SF Cinema City	SF Cinema City MBK	6	1,440	100, 200
	SF Cinema City Mall Bangkae	8	1,850	100
	SF Cinema City Mall Bangkok	9	2,560	100
	SF Cinema City Mall Ngamwongwan	6	1,770	100
	SF Cinema City Central Ladprao	9	2,360	120, 500
NK	NK Rattana Tibet	6	1,690	90
	NK The Mall Tah-Pra	4	1,030	90

Conclusion on Market Analysis

According to table 4.1, the total number of screens is 210 with 64,560 seats. The range of the price varies from 80 Baht to 500 Baht. The market share depends on number of seats. Top three in movie theatre business are EGV, Major Cineplex, and SF Cinema City, which have the market share 30%, 28% and 25% respectively (Source: Siam Future Development Co., Ltd.)

4.2.2 Internal Analysis

Internal analysis consists of SWOT analysis (strengths, weaknesses, opportunities, and threats), and past performance analysis, which are described as follows.

4.2.2.1 SWOT Analysis

SWOT Analysis requires an understanding of both the environment and the resource capabilities of the organization. Robson (1997) suggested the point of performing SWOT analysis is that the businesses should not take on a high-risk strategy or an opportunity, if they have significant weaknesses in the area. After analyze all survey data; SWOT analysis is conducted to look overall of the XX Theatre. The strengths, weaknesses, opportunities, and threat analysis can be summarised as follows.

➤ STRENGTHS

1. The XX Theatre has cheaper movie ticket price than other theatres. Moreover, time consuming for purchasing the movie ticket is quite fast and convenient, particularly

using computer system. According to the marketing survey, around 30.0% of the respondents insist that time consuming for purchasing the movie ticket is very fast and about 60.0% of the respondents state that is appropriate.

2. The XX Theatre has location in the convenient transportation. There are restaurants and department store nearby this theatre. Furthermore, there are schools and university immediate this theatre.

3. The XX Theatre has habitual customers that always watch movie at this theatre. According to the questionnaire survey, around 40.0% of the respondents usually watch the movie at this theatre more than twice. And 8.4% of the respondent's always watch the movie here every week.

4. The XX Theatre has several movies and update programs.

➤ WEAKNESSES

1. The XX Theatre is not clean especially in the toilet. According to the questionnaire survey, 28.0% of the respondents complain that the toilet facilities are insufficient and need to be cleaned and correct this problem immediately.



Figure 4.1: Toilet of XX Theatre

2. Moreover, there is bad smell in the theater. 77.0 % of the respondents claim that there are some bad smells in the movie theatre. For this reason, the XX Theatre should correct this problem immediately.

3. According to the questionnaire, around 40.0% of the respondents insist that the XX Theatre is difficult to locate. Because its location is very far from main road, and the signboard of the XX Theatre is not clear so it is difficult for new customer to find it.

4. The XX Theatre has quite high price of food and beverages. In accordant, 36.0% of the respondents insist that the price of food and beverages are very expensive. Furthermore, there are few choices of food and beverage.



Figure 4.2: Canny Bar of XX Theatre

5. The physical facility of the XX Theatre is not fulfilling the customer requirement. For example, the theater is not modern. Moreover, there is not any much waiting space in front of the Movie Theater. Furthermore, the theatre should have emergency lighting system and should have more movies to choose.

6. The XX Theatre has not had convenient parking area. Around 25.0% of the respondents complain that the parking area is insufficient and 12.0% of the respondents insist that it need improvement immediately. In case of the motorcycle parking area, 37.0% of the respondents suggest that the XX Theatre should relocate the motorcycle parking area in front of this theatre.



Figure 4.3: The parking area of motorcycle

7. The XX Theatre has many respondents' complaint on staffs that some staffs do not take care customers very well. In addition, some staffs make noisy sound during the movie.

➤ OPPORTUNITIES

1. The XX Theatre is near university and high school. For this reason, if the XX Theatre improves the physical facilities, the students from those universities and the schools near the theatre may be the new customers.

2. The XX Theatre is located in the well know department store. If the XX Theatre develops the advertising, the customers of that department store will be more coming to watch movie at XX Theatre.

➤ THREATS

1. Customers may watch VCD or video instead of watching movie because that expenditure is cheaper than the movie ticket.

2. There are many competitor theatres around the XX Theatre so market share of the XX Theatre may decline.

4.2.2.2 Past Performance Analysis

The details of income and expense of XX Theatre during the year 2000 are shown in Figure 4.4. Therefore, Figure 4.5 is shown the profit and loss of XX Theatre.

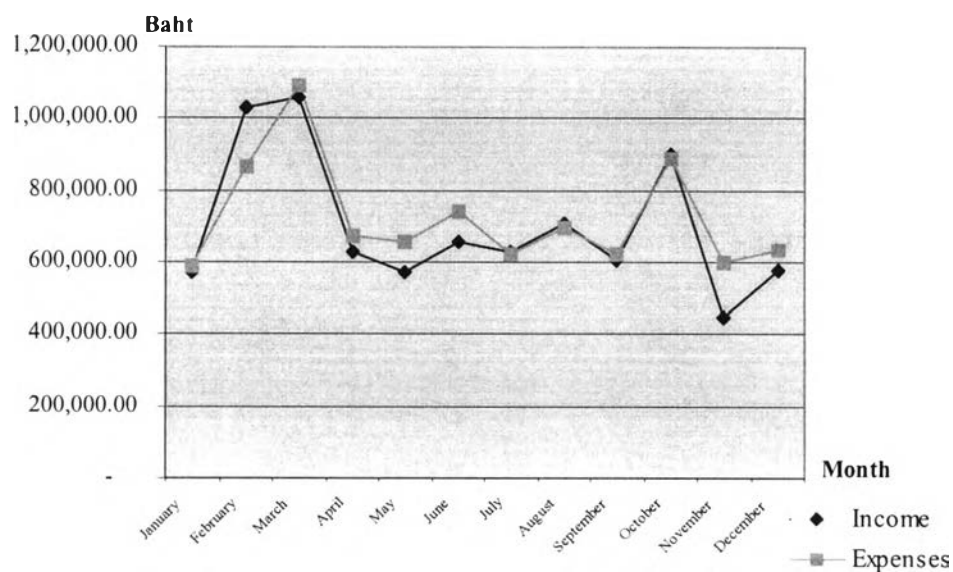


Figure 4.4: Income and Expense of XX Theatre during the year 2000

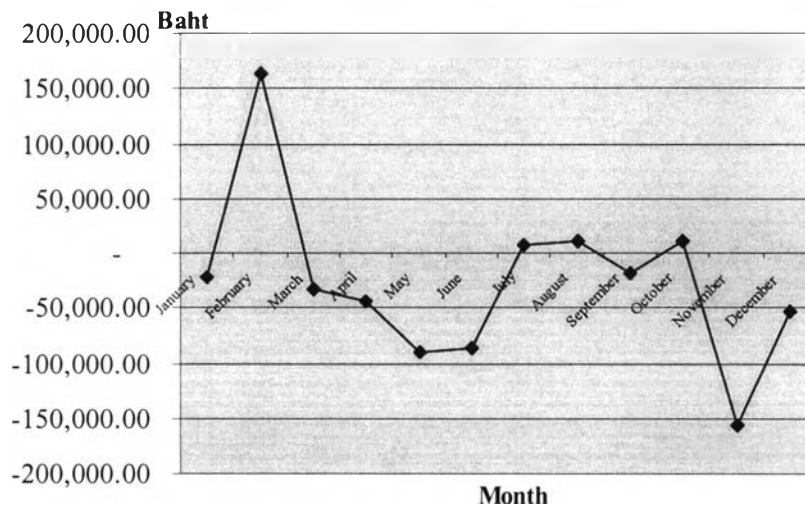


Figure 4.5: Profit and loss of XX Theatre

Figure 4.5 was shown that the theatre has faced a loss situation, which caused by many reasons, both by internal and external factors. Problems analysis and developing good strategies will help the company survive in the business, which will be discussed, in the next chapter.

The operation of the XX Theatre divided into 6 operation sections, which are floor, candy bar, box office, projection, office management, and maintenance. The numbers of staffs are as follows

Table 4.2: Number of employee classified by operating section

Operating Section	No. of Employee
Box Office	2
Candy Bar	2
Floor - Cleaner	2
- Usher	4
Office Management - Manager	1
- Assistance Manager	1
Projection - Projectionist	4
Maintenance	1

The theatre provides training course at the beginning of work for box office staffs. The training course provides knowledge of how to use the software ticketing. It

takes about 3 days. There is no performance evaluation after training. The staff meeting established around 3 times a year, which were not enough. It's too late for knowing the problems and this caused company loose big budget in solving problems. There is no seriously evaluating employee performance at all.

Most of new applicants apply for a job by referrals of current employees. The company found that many qualified people could be reached at a low cost. Current employees know both the company and the applicants well enough to jeopardise their status with the company by recommending a poor match to either.

4.3 Develop Marketing Strategies

After completing the situation analysis, the next step is to determine strategic objectives and strategic ideas

4.3.1 Strategic Objectives

The company has objectives during the next three year as follows:

- The year 2000: *"To maximize its profit and increase customer's satisfaction"*
 The year 2001: *"To expand movie theatres and customers based"*
 The year 2002: *"To increase market share"*

4.3.2 Strategic Ideas

After analysing all internal and external factors, the strategic ideas have been develop in order to achieve objectives as follows:

- Strategic Ideas:** *"To improve quality of product and service"*
"To build good quality of employee"
"To increase brand reputation and brand awareness"
"To develop promotion strategy in order to increase sale volume"
"To increase total capacity of seats"
"To expand target customer based"
"To build a good relationship with movie distributors"

4.4 Marketing Program

The service marketing mix consists of various elements of a marketing program, which need to be considered in order to be successfully implementing the marketing strategy. Within services marketing, as explained earlier chapter, the traditional marketing mix (4P's) expanding into seven elements including product, price, place, promotion, people, processes and physical facility. The methodologies in developing marketing program have already described in previous chapter section 3.4. The results are as follows.

4.4.1 Product

“Product” in theatre business is “movie presentation”, which consist of picture, sound, and environment in Movie Theatre. The questionnaire survey results are in Appendix B. The summarised of results are described as follow items.

- **The opinion on the category of movie of XX Theatre** – *(See Appendix B, Section 5)*

The largest group of respondents is those who liked to watch “Foreign film” (51.6%), followed by “all kind of movie” (40.0%), followed by “Thai film” (5.6%). The rest of the respondents like to watch “Chinese film”. The respondents specified that they like to watch movies that get academy award or the top film at box office.

- **The opinion on the kind of soundtrack of the XX Theatre** – *(See Appendix B, Section 5)*

The largest group of respondents is those who liked to watch “Thai soundtrack” (48.7%). Second largest group liked to watch “Original soundtrack” (30.9%), followed by “All kinds” (20.4%).

- **The opinion on the kind of movie of the XX Theatre** – *(See Appendix B, Section 5)*

The largest group of respondents is those who liked to watch “Action movie” (32.7%). The second largest group is those who liked to watch “All kinds of movie” (31.9%), followed by “Comedy movie” (9.9%) and “Horror movie” (9.2%). In addition, 7.5% of the respondents liked to watch “Romantic movie”. Beside of “Cartoon movie” and “Drama movie”, there are another group of the respondents specified that they like to watch other kinds of movie such as sci-fi, adventure, heroic deeds, war, historical, scientific etc.

- **The opinion on the seats in the XX Theatre** – *(See Appendix B, Section 4)*

Most respondents find the seats of the XX Theatre fair (73.6%). 14.0% of the respondents’ find that it is excellent, and 12.4% find that it needs to improve the seats.

XX Theatre has two screens with 230 seats each. The seating plans are shown in Figure 4.6.

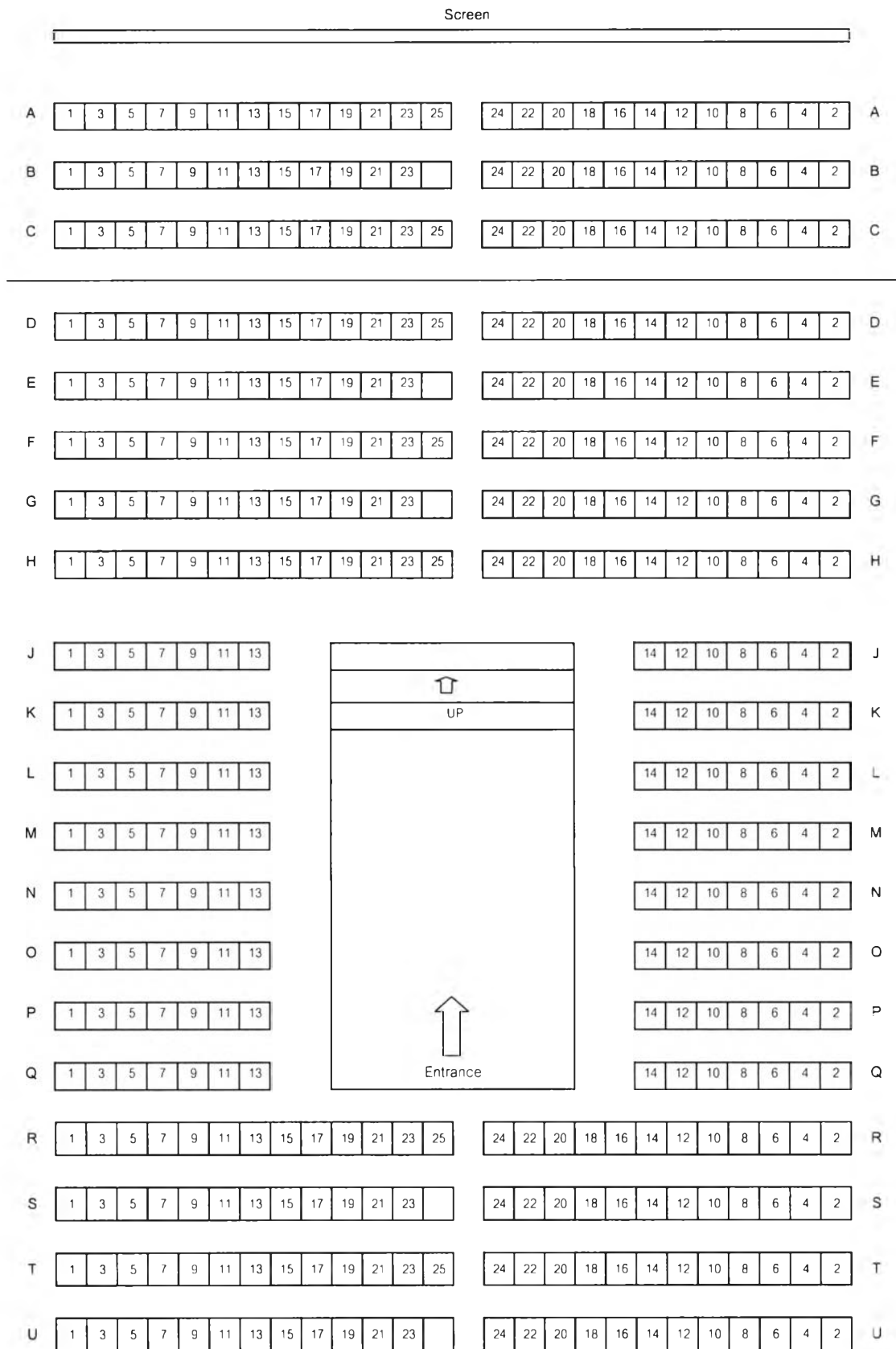


Figure 4.6: The old arrangement of Seating Plan of XX Theatre 1 and 2

➤ **The opinion on the smell in the XX Theatre – (See Appendix B, Section 4)**

Most respondents find some bad smell in the XX Theatre (77.1%). This means the theatre needs to correct the problem of bad smell immediately.

➤ **The opinion on the decoration in the XX Theatre – (See Appendix B, Section 4)**

Most respondents' find the decoration inside the XX Theatre is fair with (77.1%), 13.3% of the respondents find that it needs improvement. The rest of respondents (9.6%) thought that this decoration is excellent.

However, some respondents stated that the XX Theatre should be improved the decoration in the XX Theatre with modern style. Some respondents said that the present decoration not updated.

➤ **The opinion on the sound effect in the XX Theatre – (See Appendix B, Section 4)**

Most respondents find the sound effect inside the XX Theatre fair (64.5%), it is excellent (27.8%). The rest of respondents (7.8%) thought that the sound effect needs improvement. However, some respondents stated that the XX Theatre should be improved the sound effect in the XX Theatre as follows:

- It should adjust the sound level not to have too loud or too soft voice.
- It should reduce interrupt sound or noisy from another theatre.
- The loudspeaker should not be noised.

➤ **The opinion on the lighting effect in the XX Theatre – (See Appendix B, Section 4)**

Most respondents find the lighting effect inside the XX Theatre fair (68.2%). Some respondents thought that it is excellent (23.8%). The rest of respondents (8.0%) thought that the lighting effect needs improvement.

However, some respondents stated that the XX Theatre should be improved the lighting effect in the XX Theatre as follows:

- The XX Theatre should decrease the brightness of way light inside the theatre.
 - The XX Theatre should improve the movie projector to project the movie by not letting it fail while the movies are showing.
- **The opinion on the air conditioning system in the XX Theatre – (See Appendix B, Section 4)**

Most respondents find the air conditioning system inside the XX Theatre fair (53.8%), it is excellent (32.4%). The rest of respondents (13.8%) thought that the air conditioning system needs improvement. However, some respondents stated that the XX Theatre should be improved the air conditioning system in the XX Theatre as follows:

- The XX Theatre should control the temperature neither warm nor cold.
- The XX Theatre should reduce noisy from air conditioner.

Conclusion on Product Strategy

According to questionnaire survey results and its analysis, most of customers of XX Theatre seem to favour foreign films with Thai subtitle most. The percentage of customer's preference between action films and all kind of films has a little difference. However, some customers stated that the XX Theatre should be improved the seats in the XX Theatre as follows:

- The XX Theatre should have more comfortable seats. (E.g. velvet seats, soft pad at an armrest)
- The old seats should be fixed.
- The XX Theatre should increase distance between each row of seat.

The wood beam must be changed to steel beam according to the standard of Department of Public and Municipal Work. The air cleaner must be installed and used spray gets rid of odours. The interior decoration must redesign for updating. Another important thing is about acoustics inside theatres. The entrance and exit doors must be changed to acoustic laminate materials doors. It can reduce the noise effect from outside theatres. The staffs must recheck the temperature in the theatre every round because the changing temperature outside the theatres effects to temperature inside the theatres.

4.4.2 Price

In this case study, the prices that we concern are the price of movie ticket and the price of food & beverage. The opinion on the price of movie's ticket of the XX Theatre, which collecting from survey, is shown as follows.

- **“In your opinion, is 80 Baht appropriate for the price of the movie's ticket?”**
- (See Appendix B, Section 3)

Most respondents thought that the movie's ticket price is quite appropriate for this movie theater (4.2%), followed by cheaper than others (14.9%), followed by very expensive (10.9%). The rest of respondents find the price should be cheaper so they can come to watch movie here more often

- **“What is the suitable price range for the movie's ticket at this movie theatre?”** - (See Appendix B, Section 3)

Most respondents thought that 80 Baht is the suitable for the movie ticket price (49.8%). The second and third group of the respondents thought that 60-70 Baht and 70-80 Baht are suitable, respectively. However, if the price can be reduced, there will be a possibility for these respondents to attend this theatre more often, following the demand and supply theory.

- **“What is your opinion on the price of food and beverages at this movie theatre?”** - (See Appendix B, Section 3)

Most respondents thought that the prices of food and beverages at this theatre are already appropriate (54.0%). 36.0% of the respondents stated that the prices are very expensive. On the other hand, some respondents thought that the prices are cheaper than others are (4.0%). The rest of respondents never purchase any food at this theatre.

Conclusion on Pricing Strategy

The pricing strategies are as follows.

- ◆ The movie ticket prices of XX Theatre are lower than competitors, so this is the strength of XX Theatre. The movie ticket prices still the same in this year and next year (2001-2002)
- ◆ Most of food and beverage prices remains the same but revising some items. And, it should be provide more choices of products.
- ◆ Develop pricing promotion strategy (details on promotion section)

4.4.3 Place

The location of the theater cannot be change.d. But, we can analysis the weak point in order to solve problems and improve to the right direction.

➤ **The opinion on location of the XX Theatre** - *(See Appendix B, Section 4)*

Most respondents thought that the XX Theatre is easy to locate (62.4%) because their living area locates near the theatre, they come to this theatre as usual, and have convenient parking location. On the other hand, the other respondents thought that the XX Theatre is difficult to locate (37.6%) because its location is very far from main road, and located in the back of XX Department Store that difficult for new comers to look for.

➤ **The way customers come to the XX Theatre** - *(See Appendix B, Section 4)*

The largest group of the respondents is those who come to the XX Theatre by bus (47.8%), by car (20.7%), and by motorcycle (17.3%). In addition, someone walk to this theatre and others by Taxi.

➤ **The opinion on the significant order of customer requirement's theatre type**
- *(See Appendix B, Section 8)*

The first largest group of the respondents prefers "Factor A: the modern movie theatre for example, having the comfortable seats, having very professional sound system and etc" (190 respondents), the second largest group prefers "Factor B: the movie theatre that is closest to your location" (119 respondents), the third largest group of the respondents prefers "Factor D: the economics' price movie theatre" (109 respondents), the fourth largest group of the respondents prefers "Factor E: the movie theatre located in the people community, such as the popular department store" (111 respondents), the fifth largest group of the respondents prefers "Factor C: the famous movie theatre".(102 respondents), and the rest of the respondents prefers "Factor F: the movie theatre that you usually attend" (136 respondents).

Conclusion on Place Strategy

Most of the customers are those who live in the local area of the XX Theatre. They are used to that location so it's not hard to find where the place is. Unlike those new customers who will find it a little difficult to entrance the cinema because it is

placed right inside the Department Store. Also, most of new customers transport by bus and the bus station far from the cinema area. Therefore, there should be some signage indicating the direction to the cinema. Also, there should be indicating the name of now showing movie at the main entrance.

4.4.4 Promotion

The results of questionnaire survey on promotion were described in Appendix B, Section 7. The summarised results are shown as follows items

- **The opinion on the members' privilege of the XX Theatre** - *(See Appendix B, Section 7)*

The largest group of the respondents thought that the member's privilege was very good promotion (51.6%), fair attitude (41.6%). On the other hand, some respondents thought that this member' privilege need improvement (6.9%) due to it cannot be discounted for new coming movie or discounted for non-promote movie.

- **The opinion on the dissecting part of movie ticket of the XX Theatre can use as the discount card at any specific store** - *(See Appendix B, Section 7)*

The largest group of the respondents thought that the dissecting part of movie ticket of the XX Theatre is "Very interesting promotion" (71.3%), followed by "No comment on this promotion" (3.6%), "Not interesting this promotion" (3.3%). On the other hand, 1.8% of the respondents are never known this promotion before.

- **The opinion on the significant order of customer requirement's promotion** - *(See Appendix B, Section 7)*

Factor 1 Member card that can reduce the price of movie ticket

Factor 2 Benefit on the price reduction of food and beverage with use of the dissecting part from the movie tickets

Factor 3 Special price of the movie ticket for children, seniors and students

Factor 4 Shuttle service between the front of this department store and this movie theatre

Factor 5 Booking the movie ticket by phone

Others, please specified.....

The first requirement that the respondents want is "Factor 1: Member card that can reduce the price of movie ticket" (229 respondents), the second requirement is "Factor 2: Benefit on the price reduction of food and beverage with use of the

dissecting part from the movie tickets” (154 respondents), the third requirement is “Factor 3: Special price of the movie ticket for children, seniors and students” (136 respondents), the fourth requirement is “Factor 5: Booking the movie ticket by phone” (153 respondents), and the last one is “Factor 4: Shuttle service between the front of this department store and this movie theatre ” (251 respondents).

In addition, the respondents stated that they are interesting in others promotion such as buy movie ticket 2 get free 1 ticket, member point privilege for special movie ticket price, payment by credit card, get souvenir etc.

Conclusion on Promotion Strategy

Customers would prefer the cinema offered all kinds of promotion for example member’s privilege card, ticket redemption for discount at candy bar or even at the shops near the cinema. The main reason for favoring in promotion is because more than a half of those customers have low to medium income. All marketing activity plan on promotion described in marketing strategy plan (Section 4.5)

4.4.5 People

Human is the key factor in running the business. So, the company should evaluate employee’s performance because it directly effects to the service. The customer’s opinions on staffs of this movie theatre are described as follows items.

➤ **The opinion on the staffs’ attitude, dressing and courtesy of the XX Theatre -**
(See Appendix B, Section 2)

Most respondents find that the staffs’ attitude, dressing and courtesy of the XX Theatre is “Good” (48.0%) followed by “Fair” attitude with 43.6%. Interestingly, the customers who thought that the staff here are excellent and need improvement are equal in percent, 4.2%.

➤ **The opinion on the service of the staffs of the XX Theatre -** (See Appendix B, Section 2)

The respondents thought the service of the staff of the XX Theatre is “fair” with 52.7%, and “good service” followed with 36.4%.

Conclusion on People Strategy

The customers' point of view towards the staff and service is currently in the positive direction. Seminars on certain topics such as attitude, courtesy and service mind should be provided at least 3 times a year to staff. They should as well be evaluated. Those who have been having a good performance throughout the period will then be promoted or be given some kind of rewards as a motivation to retain the performance. This will also motivate those staff that have not been promoted or rewarded to improve themselves. The process of recruitment and selection employees is also important. Employment tests are constructed differently to evaluate characteristics or qualifications of applicant related to job performance for a certain position. The tests including cognitive aptitude tests, psychomotor abilities tests, job knowledge tests, performance-simulation tests, personality tests, and drug tests.

4.4.6 Process

The customer's opinions on processes of the operation steps of watching the movie are described as follows.

- **The opinion on the time consuming of purchasing ticket of XX Theatre** - (*See Appendix B, Section 6*)

Most respondents thought that time consuming for purchasing the movie ticket is appropriate (60.7%), "very fast" (28.2%), followed by "long time" (9.1%). Furthermore, the respondents said that the XX Theatre should have queue line to purchase the ticket from distribution place.

- **The activity customers do before entering the XX Theatre** - (*See Appendix B, Section 6*)

The popular activity that the largest group of the respondents often does before entering the movie theatre is "Hanging out in the XX department store" (59.78%), "Waiting in front of the theatre" (22.7%), "Having a meal" (8.7%), and "Playing games" in front of the movie theatre (6.4%). The rest of the respondents come to watch the movies many times with various activities done in each time such as last week waiting in front of the theatre or this week having a meal. Furthermore, poster of new coming movies are attracted some people to looking them before entering the movie theatre.

➤ **The opinion on watching the movies' teasers and advertisement in the XX Theatre - (See Appendix B, Section 6)**

Most respondents thought that watching movies' teasers and advertisements in the XX Theatre is "Very interesting and preferring" (50.0%), then "Very appropriate" (43.8%), "Not interesting and taking too much time" (4.7%). On the other hand, 1.6% of the respondents specified that advertisements take long time and too many products on advertising.

Conclusion on Process Strategy

Customer's waiting times on purchasing tickets are not too long which average 1.30-minute per transaction. That means the ticket sale stations are enough. After purchasing ticket, most customers go shopping, some of them hanging in front of theatre. It should be increase number of benches in front of theatre in order to serve customer while waiting. To increase income and provide customers activities, there should provide jukeboxes or touch screen games around the area.

4.4.7 Physical Facilities

All environment around theaters effect to customer impression. So, the company must know customer's needs in order to reach customer satisfaction. The customer opinions on all physical facilities are described as follows.

➤ **The opinion on car parking of the XX Theatre - (See Appendix B, Section 4)**

Most respondents find the parking lot is fair (56.7%), insufficient (24.4%). By the way, 12.0% of the respondents specified that the XX Theatre should be improved car parking such as safety system of indoor parking lots should have the moveable roof-extension (Protect sunlight outdoors) in the parking lot, etc. The rest of respondents don't have any comment since they never bring their car to the theatre.

➤ **The opinion on the motorcycle parking of the XX theatre - (See Appendix B, Section 4)**

Most respondents find the motorcycle parking space fair (51.6%). The second largest group of the respondents thought that it should be removed out to other area (37.3%), followed by 2.9% of the respondents thought that this parking is very

convenient. However, some respondents stated that the XX Theatre should be improved the motorcycle parking as follows:

- Parking space for motorcycle needs to decorate and arrange the space more efficiency.
- The entrance and exit should be providing separately.
- The parking access system should be arranged in more systematic way.

➤ **The opinion on the toilet of the XX Theatre - (See Appendix B, Section 4)**

Most respondents gave opinion on the toilet that it is fair with 40.9%. Some customers thought that it is insufficient as same as need improvement with 27.6%. By the way, 4.0% of customers thought that this toilet is very convenient.

➤ **The opinion on the waiting benches of the XX Theatre - (See Appendix B, Section 4)**

Most respondents find the waiting benches are insufficient (47.8%), fair (32.2%), followed by need improvement (14.4%). The rest of the respondents (5.6%) thought that this waiting bench is excellent. However, some respondents stated that the XX Theatre should be improved the waiting benches as follows:

- The XX Theatre should increase number of waiting benches.
- The waiting benches should have more comfortable and have additional soft pad.
- The waiting area should have air condition.

➤ **The opinion on the snacks and beverages booth of the XX Theatre - (See Appendix B, Section 4)**

Most respondents find the snack and beverages booth, or candy bar is fair (56.7%), insufficient (30.9%), followed by need improvement (10.2%). The rest of the respondents (4.2%) thought that this candy bar is excellent. However, some respondents stated that the XX Theatre should be improved the candy bar as follows.

- The snacks and beverage price should be cheaper than the present.
- The candy bar should have more choices of snacks and beverages.
- Staff should have service mild due to some customers said that they have pressured to contact with staff.
- Staff should more actives when customers buy snacks and beverages.

➤ **The opinion on ticket sale station of the XX Theatre - (See Appendix B, Section 4)**

Most respondents find the distributing place of movie tickets is fair (77.3%), excellent (12.7%), followed by need improvement (10.0%). For ticket sale station or box office, many respondents gave an opinion that

- The ticket sale station should not be difficult to communicate between customer and staff.
- The ticket sale station should not be too compact and located in dim.
- The ticket sale station should be decorated in modern style.

Conclusion on Physical Facilities Strategy

After survey the parking lot area, there is some suitable area for removing the motorcycle parking in front of theatre to close by area. It will make the frontage area be useful such as set up promotion activities around the area. It might be good to build Small Park and provide benches in order to serve the customers.

About the toilet, the number of toilets cannot be increased because of limited area. So, the staffs should watch closely whether it out of order. The toilet needs to be cleaned and improved airflow system inside toilets to avoid bad smell. The toilet's doors need to be longer to give people move privately. The toilets need to be fixed and prepared sanitary products to be ready for use. Every toilet should have tissue and spare. The decoration of ticket sale station would be changed to have more brightness and look modern. Also, the candy bar would arrange products more interesting such as display movie combo set, display promotion of the month, and so on. There is no product menu board at all. So, the customer didn't know the price of the product. It may take long time for each transaction.

4.6 Execution

Action plan that mentioned in previous section have been implemented and the progressive results are tracking as follows.

➤ Auditorium

The theaters have been restructure the beam and also changed the seating plan. The love seats have replaced some normal seats for more alternatives of customers. All broken seats were fixed. The projection and sound system have been tune up by specialists. The air cleaners were installed in each theater. Figure 4.7 shows improving auditorium after implementing strategies plan.



Figure 4.7: Auditorium Improvement

➤ Toilet

Both male and female toilets have been fixed, and install more ventilators for reduce bad smell. Figure 4.8 shows toilet improvement.

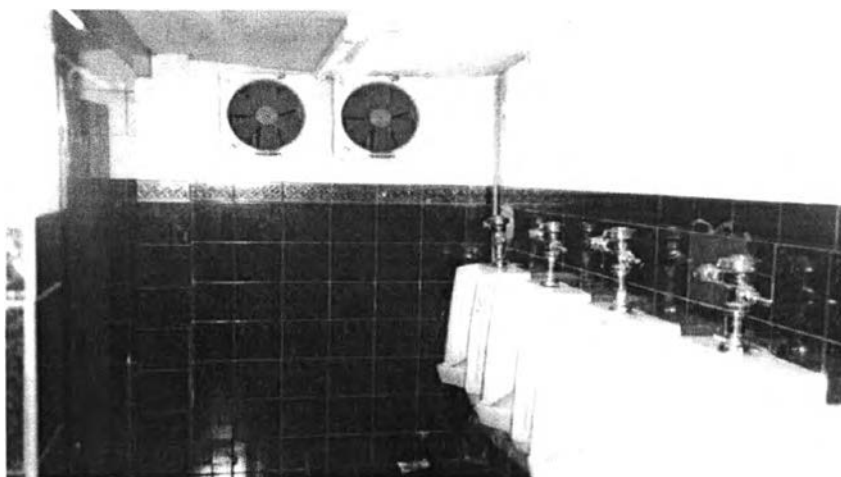


Figure 4.8: Toilet Improvement

➤ **Ticket Sale Station**

The ticket sale station look more brighten up. Customers can communicate with staffs easier. Redecoration of ticket sale station has been made for more up to date.



Figure 4.9: Ticket Sale Station

➤ **Waiting Area**

The waste area has changed to waiting area by adding more benches. The motorcycle parking became to Small Park with many benches as in figure 4.11. Jukeboxes and touch screen games were added to the suitable area for serving customers while waiting to see movies.

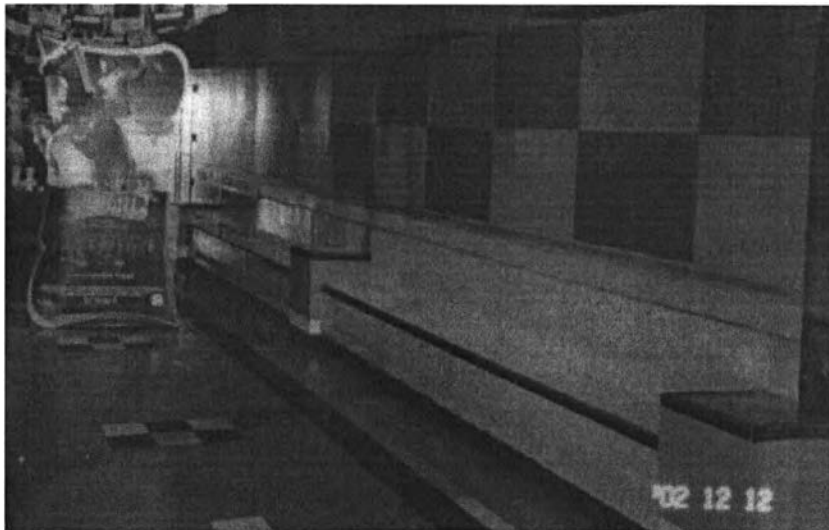


Figure 4.10: Waiting area beside theaters



Figure 4.11: The waiting area after removing motorcycle parking



Figure 4.12: Jukeboxes and touch screen games in front of theaters

➤ Candy Bar

The theaters expanded candy bar area and rearrange all products for more interesting. It had been shown product menu board to let customers know the price of the product.



Figure 4.13: Candy Bar of XX Theater

➤ Signage

The theater provides signage at the bus stop indicating the direction to the cinema and poster stand indicating the name of now showing movies. Also, in front of elevator at each floor, there are poster stands indicating now showing movies. At the main entrance gate and in front of the theaters, there would be the nameplate of now showing movies.



Figure 4.14: Directory signage at bus stop



Figure 4.15: Now showing information stand at bus stop



Figure 4.16: Nameplate of now showing movies at the main entrance and in front of XX Theatre.

➤ People

The staffs meeting are setting as weekly. It makes top management and all employees get closer and try to solve the problems together.



Figure 4.17: Weekly staffs meeting

➤ Advertisement

Customers who come across the elevate bridge in front of department store can see XX Theatre advertisement and movies banner. These let the customers know that it has the theaters at this department store.



Figure 4.18: Movies Banner outside department store

4.7 Evaluation and Conclusion

The performance measurement procedure has been described in Section 3.9. The key performance indicators have been analysed as follows.

4.7.1 Profitability Analysis

The incomes and expenses of XX Theatre during May to August of the year 2000 and 2001 have been compared as follow.

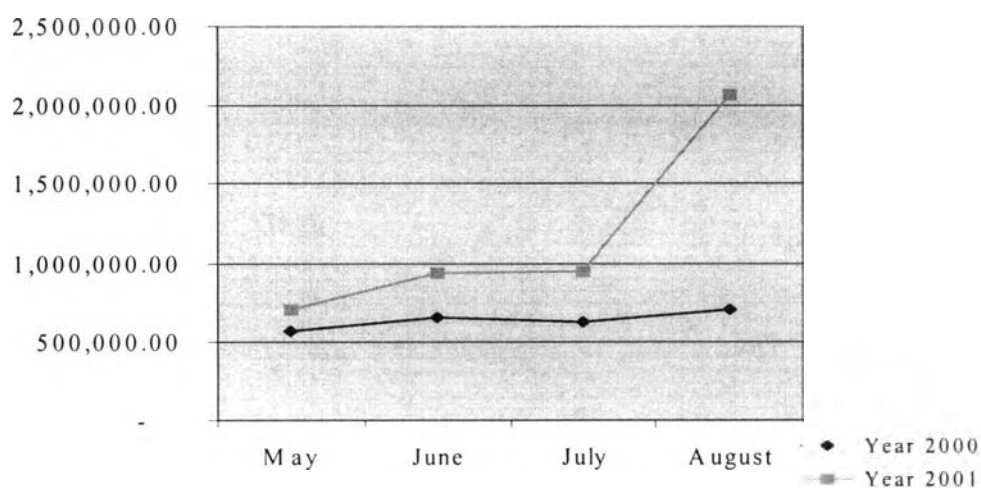


Figure 4.19: The income comparison during 2000 and 2001

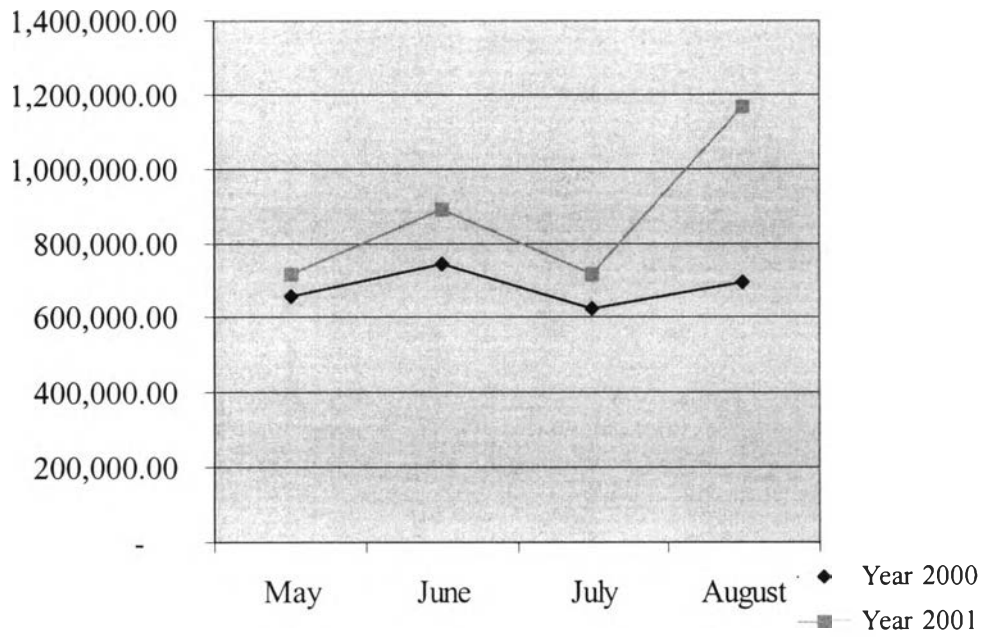


Figure 4.20: The expense comparison during 2000 and 2001

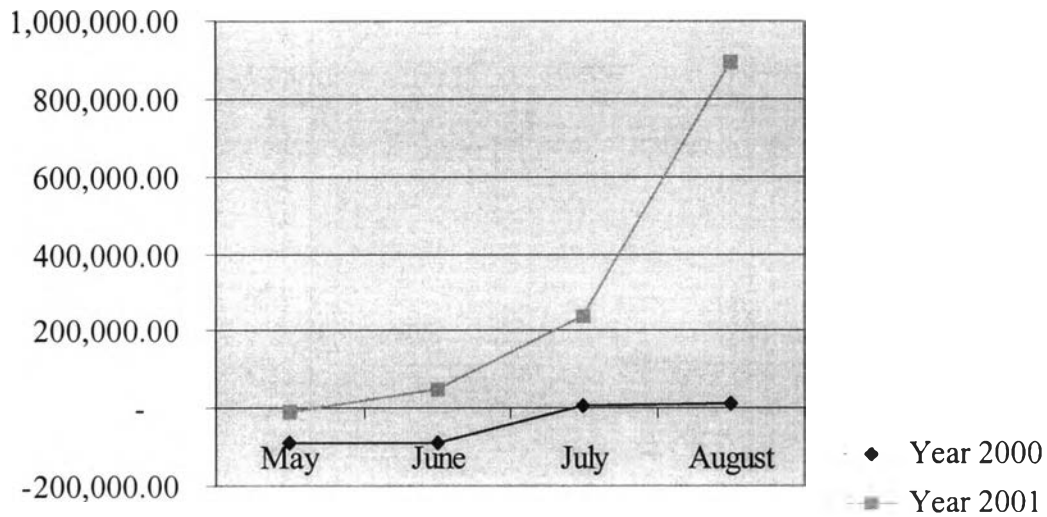


Figure 4.21: The profit comparison during 2000 and 2001

According to Figure 4.20, the incomes were increased compare with previous year especially on August. The incomes vary directly to expenses. Figure 4.21 was shown the profit comparison during 2000 and 2001. The profitability on August was quite high because of the movie program, Suriyotai. The movie programs are the main factor that effect to incomes and expenses.

4.7.2 Customer Satisfaction Analysis

After implementing followed by the marketing strategy plans, the results are tracking in order to know how efficiency of the plans or how the plans achieve the objectives. The customer satisfaction survey has been conducted again by using the same previous questionnaire. Then, all collected data has been analysed. The results of customer survey are described as follows items.

➤ Customer's opinion on seating in XX Theatre

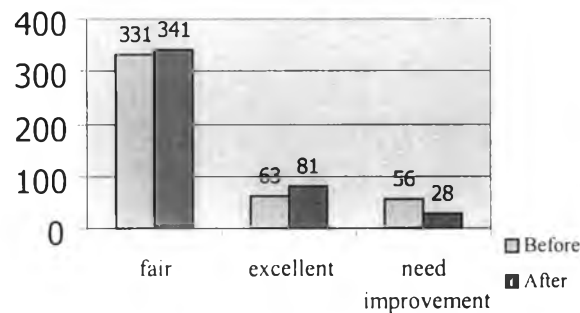


Figure 4.22: Customer's opinion comparison on seating

After rearranging the seating in theaters, most of customer satisfied the changing. The distance between aisles is wider.

➤ Customer's opinion on bad smell in XX Theatre

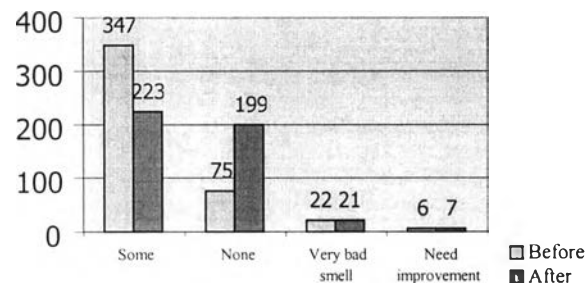


Figure 4.23: Customer's opinion comparison on smell

The bad smell in theatre still has some but reduce from the past a lot. The numbers of customers who think there are no bad smell in theatre are increase two times compare with the past. Almost of customer satisfy the improvement.

➤ Customer's opinion on decoration of XX Theatre

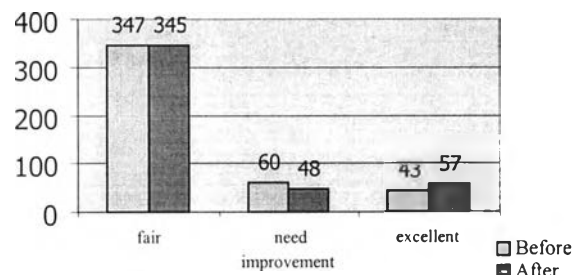


Figure 4.24: Customer's opinion comparison on decoration

The redecoration of XX Theater effects customer's feeling a little bit, but in the good direction. Most of customers get used to the place. So, the customers still come and see movies even though the theater had redecoration or not. The company has no need to invest more budgets in decoration theaters because most customers already satisfy. But, it must be keep the theater area clean and provide good environment.

➤ **Customer's opinion on sound effect in XX Theatre**

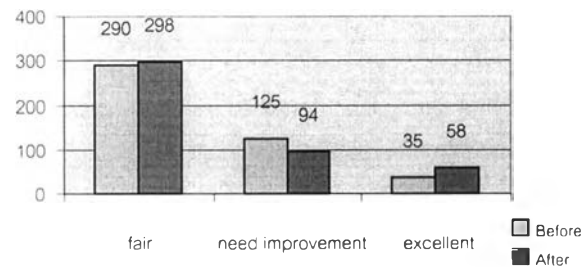


Figure 4.25: Customer's opinion comparison on sound effect

After tuning sound system in theatres, most of customers satisfy the improvement. And, all sound system and internal environment approve by THX standard.

➤ **Customer's opinion on lighting effect in XX Theatre**

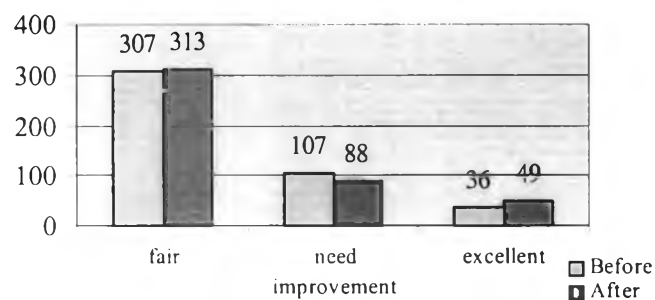


Figure 4.26: Customer's opinion comparison on lighting effect

The lighting effect in theatres still needs to improve. For example, after movie ending, the lights are quite dim which also as before starting movies.

➤ **Customer's opinion on air conditioning in XX Theatre**

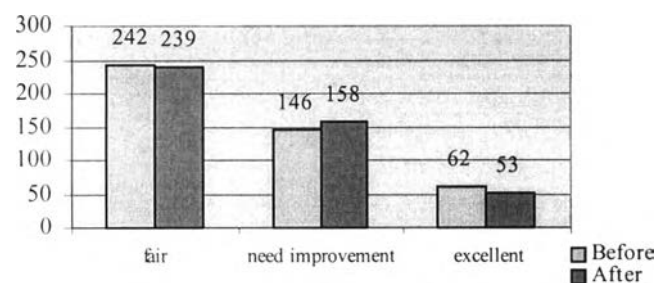


Figure 4.27: Customer's opinion comparison on air conditioning

The air conditioning problems are still not solving. So, customers want the theatres improve this item as soon as possible. If theatres lack of concern at this point, it may effect to customer decision-making. This problem plans to solve on September 2001.

➤ **Customer's opinion on movie ticket price**

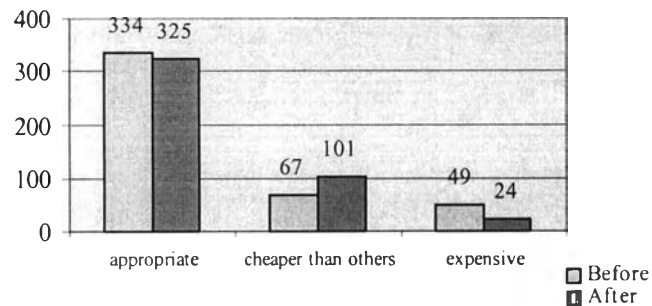


Figure 4.28: Customer's opinion comparison on movie ticket price

The company gives more information to customer and also doing promotion activities. So, the most customers come to see movie at XX Theatre because they know that the ticket price is cheaper than others.

➤ **Customer's opinion on food and beverage price**

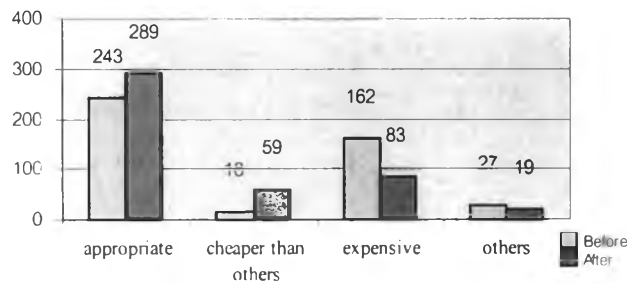


Figure 4.29: Customer's opinion comparison on food and beverage price

The company revises the food and beverage price and adds more range of products. Most of customers think the price is appropriate. The movie ticket can discount the product at candy bar, which increased the total sales volume.

➤ **Customer's opinion on location**

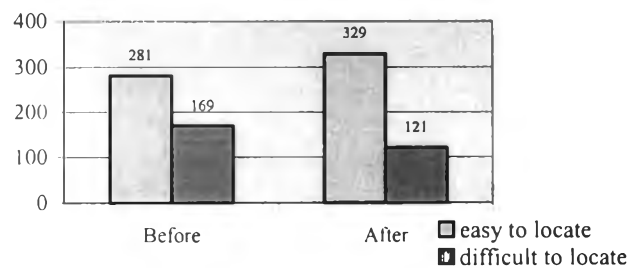


Figure 4.30: Customer's opinion comparison on location

The directory signage can let the customers know where the theater located as seen from Figure 4.30, the numbers of customers who think the theaters are easy to locate are increased.

➤ **Customer's opinion on member privilege**

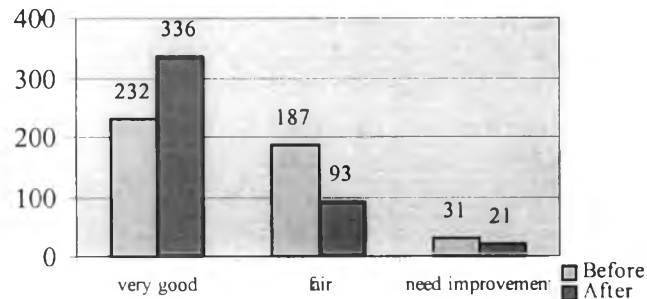


Figure 4.31: Customer's opinion comparison on member privilege

The company provides discount card, which can discount 10 Baht per ticket. Most of customers satisfied this campaign with 95%

➤ **Customer's opinion on staffs' attitude, dressing and courtesy**

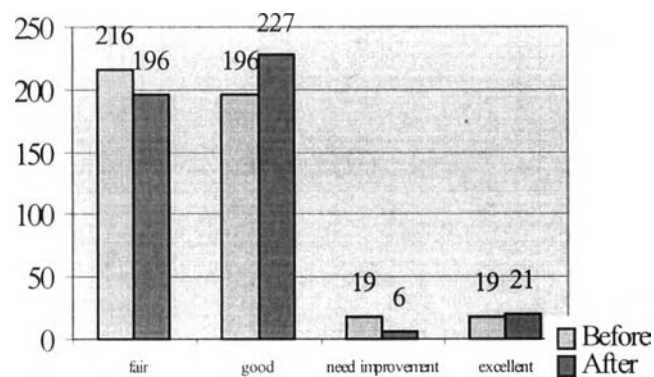


Figure 4.32: Customer's opinion comparison on staffs' attitude, dressing and courtesy

The respondents around 44% thought that the staffs' attitude, dressing and courtesy are fair. That means the company still has to continue improve this factor.

➤ **Customer's opinion on service of staffs**

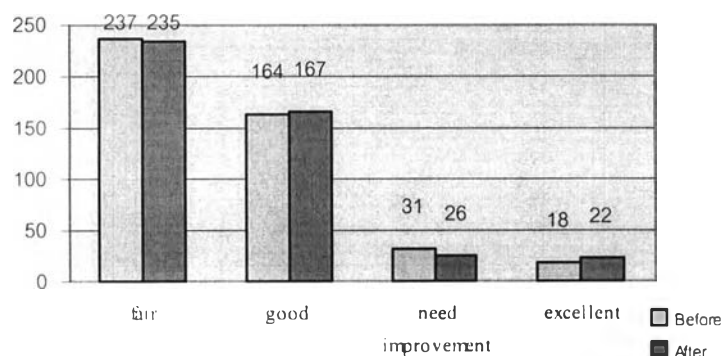


Figure 4.33: Customer's opinion comparison on service

The staff performances on service almost stay the same level. So, there was no significantly improvement after training course. So, the company should review the process and content of training course for the next time of training. And, the results after training should be seriously concerned.

➤ Customer's opinion on toilet

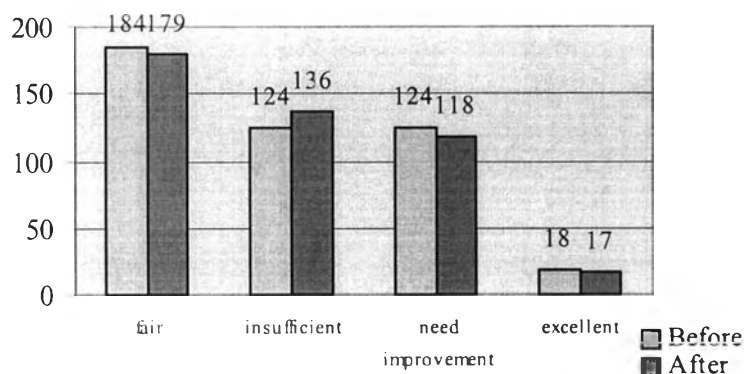


Figure 4.34: Customer's opinion comparison on toilet

The numbers of toilets are still insufficient and need improvement. This item still needs to improve as soon as possible in order to serve customers. It is possible to expand number of toilets in the future when expanding more movie theatre at the current location.

Conclusion on Customer Satisfaction Analysis

A customer's estimate of service benefits and capacity to satisfy specific needs and wants determines the value he or she will attach to it. After implementing followed by the action plans, the customer satisfaction results were analysed. During the evaluation period (May to August 2001), some marketing plans still not implementing. So, some problems will not solve which effect to customer satisfaction result such as the noise from air conditioning system. The XX Theatre had improved environment in Theatre such as seating, decoration, lighting, sound system, and so on. Most customers satisfy the improvement. After revising the food and beverage price, the total sale volume of candy bar was increased. The promotion campaigns also contribute the value to increase sale volume of movie ticket and candy bar. The promotion campaigns and marketing activity affect directly to the buying behavior of XX Theatre customer.

4.7.3 Sales Promotion Efficiency Analysis

The sale promotion efficiency evaluation has been analyzed during May to August 2001. The marketing activities refer to table 4.3 are as follows:

- Discount Card
- ID Value
- Special for Freshy
- Bidding for Children
- Suriyotai

➤ **Activity: Discount Card** (See details in Table 4.3)

The objective of this activity is to increase sales volume. The price of discount card is very cheap compare with the benefit offered. The ease of use and worthwhile are the key attractive points to the customers.

The two evaluation indicators are frequency of using discount card buy movie ticket and the numbers of discount card sold. Sale volume and number of transaction are another factor that can tell how success this activity is.

The setting goals are as follows

1. Frequency of using discount card buy movie ticket each month
Goal – 3,000 uses as minimum every month
2. The numbers of discount card sold each month
Goal – 400 cards every month

The Results:

Table 4.4: The summary of results

	May	June	July	August
Number of transaction	10,778	14,889	13,096	39,946
Frequency of using discount card buy movie ticket	3,721	4,102	3,968	22,988
Number of discount card sold	398	451	412	889

The results from Table 4.4 have shown that this promotion plan was success. The number of frequency used the discount card and number of card sold are met the objective.

➤ **Activity: ID Value** (See details in Table 4.3)

The major customers are under graduation. So, these groups can use ID card as a discount card. The evaluation indicators are as follows.

1. Frequency of using ID card to discount movie ticket per month
Goal – 7,000 ID per month
2. Proportion of student/college group per total number of customers
Goal - 50% of customers

The Results: (Timing 15 May – 30 June 2001)**Table 4.5:** The summary of results

	May	June
Number of Seats	14,445	33,905
Frequency of using ID card discount movie ticket	6,799	8,215
Student/college group per total number of customers	48%	54%

The student/ college group is the target customer, which the company wishes to gain more income from them. The results on frequency of using ID Card quite good even though the figure on May did not met the objective, but the total average figures were satisfied. The percentage of student/ college group represented that these group of customers affect directly to the income.

➤ **Activity: Special for Freshy** (See details in Table 4.3)

- Goal – 1. Increase sale volume
- 2. Expected coupon used – 500 unit during the activity timing

The Results: (Timing 15 May – 15 June 2001)**Table 4.6:** The summary of results

	May	June
Number of Seats	14,445	15,998
Number of coupon used	81	71

➤ **Activity: Bidding for Children** (See details in Table 4.3)

This campaign was aiming to build image of XX Theatre. The participants of this bidding activity are people who live around the closer area. Most of them know this campaign from leaflet and information announcement in department store. The key indicators for measurement are

1. The numbers of participants of this activity.
Goal – more than 250 persons.
2. Total income from bidding.
Goal – above 30,000 Baht

The Results: Number of participants of this activity = 198
Total bidding income = 46,880 Baht

The number of participants of this activity did not meet the objectives, but the expected income from bidding is higher.

➤ **Activity: Suriyotai** (See details in Table 4.3)

The key indicators for successful are

1. Sale income of souvenirs.
Goal – more than 200,000 Baht
2. Sale income of combo sets.
Goal – 100,000 Baht
3. Number of seats
Goal – 10,000 seats

The Results: Sale income of souvenirs = 398,770 Baht
Sale income of combo set = 298,770 Baht
Number of Seat = 72,369 seats

Due to huge investment in production and advertising of this movie, it's easy to attract people to go to see this movie. The Thais would surely warmly welcome the quality Thai movies as evidence from the fact that the high-priced Suriyotai tickets have not refrained the audiences. Successful films would generate handsome returns for relevant businesses particularly souvenirs. Half of the respondents would opt to take home Suriyotai souvenirs. The most popular items are books. The souvenir budget is approximately Bt 280/ head. Ability to capture all groups of audiences, i.e. teenagers, the white collar, and the grown-up, is a key to success.

Conclusion on Sales Promotion Efficiency Analysis

In this research, the evaluation of sale promotion activity followed by marketing plan was concerned only four months due to the time limitation. Each activity was measured the performance by different key indicators. According to the results, most of activities are met objectives. On the other hand, some activities failed because of many factors both internal and external factors. The media supported of the activity is not enough. So, the customers did not know the information.

4.8. Conclusion

This chapter described the research results followed by the research framework. Selection of vision, mission, and identified critical success factors are first task to do. Situation analyses both external and internal were then analysed. The external analysis involved customer analysis, competitor analysis, and market analysis. The internal analysis involved SWOT analysis, and past performance analysis. Then, the strategic objective and strategic ideas have been conducted. The 7P'S (product, price, place, promotion, people, process, physical facility) was developed. The three-year marketing strategy plans were established. Finally, the performance measurement has been made. There are three keys indicators measurement, which are profitability, customer satisfaction, and sales promotion efficiency.