

# Explicating Purchase Intention in the Nighttime Economy: Nightclubs and Bars

Thanawadi Theerakulvanich<sup>1</sup> and Veerisa Chotiyaputta<sup>2\*</sup>

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## Abstract

The purposes of this study are to understand and analyze determinants that drive demand intention in the field of nightclubs and bars in urban Bangkok, Thailand. This exploratory research will examine the significance and contribution of atmosphere, drinks' variety and quality, accessibility, price, and service crew as independent variables to customers' purchase intention and formulate a strategic body of knowledge for business operators to adapt and improve their performances. This research follows a quantitative research methodology and was conducted during COVID-19 outbreak in 2020. Self-administered questionnaire surveys were distributed through online channels with convenience sampling technique. Data sets of 310 respondents were used in partial least square structural equation modeling (PLS-SEM). The results reveal a significant relationship between purchase intention and atmosphere, drinks' variety and quality, and service crew, and an insignificant relationship between purchase intention and accessibility and price. Strategies were crafted and recommended for managerial usage.

**Keywords:** Nightclubs and Bars Purchase Intention Nighttime Economy

## Introduction

Night-Time Economy (NTE) unspokenly drives several economies globally. In the United Kingdom, NTE is estimated to generate a revenue stream of 66 billion pounds or almost 6 percent contribution to GDP annually, and in the United States, over 35.1 billion US dollars is estimated to circulate just within New York City (Night Time Industry Association, 2015; The Mayor's Office of Media and Entertainment (MOME), 2018). In this midst of economic slowdown, Vietnam, a member of ASEAN, also see the opportunity in NTE and found the urge to invest and build its underdeveloped NTE to be the new nation's revenue stream (Vietnam Net Global, 2020). The night-time economy itself comprises of all activities that occurred between 6 p.m. to 6 a.m. regardless of settings, including but not limiting to food service, bars, arts, sports, and recreation (MOME, 2018). Undeniably, bars and nightclubs play a prominent part in night-time activities. Capital city of Thailand, Bangkok, ranks 10th in the world's best nightlife cities list and locates five of renowned Asia's 50 Best Bars in 2020 (Manson, 2014; Sgarbi, 2020). According to Kishimoto (2020), the nightclub and bar sector in Thailand formally contributes around 5.5 billion US dollars to the economy which is slightly over 1

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<sup>1</sup>Faculty of Economics, Chulalongkorn University, Thailand

<sup>2\*</sup>International College, Panyapiwat Institute of Management, Thailand

E-mail: veerisacho@pim.ac.th

percent of the national GDP (World Bank, 2020). Despite the reputation for the active nightlife, research aimed to enrich understanding of this particular sector is extremely limited.

The unprecedented outbreak of COVID-19 inevitably froze ASEAN and Thailand's economies and severely mutilated the nightlife industry (Kishimoto, 2020). Despite the uplift of Thai lockdown regulation, nightlife businesses are still struggling to survive from the weak recovery of domestic purchasing demand (Kishimoto, 2020; Kasikorn Research Center, 2020). In order for nightclub and bar sector to revitalize and Thai economy to be stimulated, business operators need to competitively revive themselves with the aim to attract and better cater to the consumers' demand. To effectively recover themselves, business owners and managers should acquire a profound understanding on consumer purchasing determinants in specific to this context. In combination with the lack of purchase intention literature in this field of study, it is a research opportunity to further explore and generate a body of knowledge for professionals in the nightclubs and bars industry to base their managerial decision upon. Hence, this paper aims to study consumers' purchasing behavior through the concept of purchase intention and its relationship with other relevant determinants.

## **Research Objectives**

1. To investigate the relationships between purchase intention and determinants consumers use in selecting nightclubs and bars.
2. To assess the significance of the relationships between purchase intention and determinants consumers use in selecting nightclubs and bars.

## **Literature Review**

### ***Purchase Intention (Include both Theory of Planned Behavior (TPB) and Theory of Reasoned Action (TRA)).***

Literature on purchase intention is available in varied fields of studies, from housing to organic food (Nasir & Karakaya, 2014; Karunarathne & Ariyawansa, 2015). Purchase intention is the likelihood to purchase after evaluation (Reich et al., 2010, Lim & Loh, 2014; Younus, Rasheed, & Zia, 2015). Keller (2001) explains that a purchase intention is a predictive tool that can be used to proxy future consumption which suggests that it can be used to proxy demand patterns in the future. He also found that factors affect consumers' selection process, especially external factors in the final decision.

### **Nightclubs and Bars**

Nightclubs and bars are a subsegment of the nighttime economy. MOME (2018) defined the nighttime economy as economic activities between 6 p.m. and 6 a.m. It categorizes activities into five subcategories: food service, bars, arts, venues, and sports and recreational, and this research falls under the subcategory of bars. Due to differences in legal alcohol consumption age and drinking culture in parts of the world, the participants studied by the literature differ accordingly. Suetrong (2015) focuses his study on Thai nightclubs, where he defined nightclubs' target patrons as consumers age between 20 and 35 and consumers age between 35 and 45 for bars. Comparatively, Skinner et al. (2005) and Kubacki et al. (2007) target their studies on patrons aged between 18 and 25 years old in the United Kingdom. Suetrong (2015), Skinner et al. (2005), and Kubacki et al. (2007) study this subsegment through the aspects of customers' demand. On the other hand, Tutenges and Bøhling (2019) studies this

subsegment through the policymaking perspective. They focus on binge-drinking in patrons age between 15 to 35 years old in the context of Denmark.

### **Atmosphere**

In nightclub and bar literature, tangible and intangible elements of the atmosphere are often presented as key determinants that drive consumers' decisions in selecting establishments to visit (Edensor, 2012; Tutenges & Bøhling, 2019). These tangible and intangible elements can be turned into an experience from a sensory intake of atmospheric, auditory, visual, gastronomic, and tactility (Brakus, Schmitt, & Zarantonello, 2009; Nwe Zaw, 2020). According to Skinner et al. (2005), the exterior and clientele of the establishments are the key determinants in attracting consumers and retaining existing customers as a patron. They also found that music is another significant element that contributes to the establishment's atmosphere (Skinner et al., 2005; Kubacki et al., 2007). Similarly, Suetrong (2015) supports that music, lighting, sound system, culture, and décor strengthen brand positioning and unique selling. In the service quality (ServQual) literature, the atmosphere created by physical elements, for example, facilities and appearance of the furniture significantly influenced purchase intention through the tangible element of ServQual (Wandebori & Wijaya, 2017). Wandebori & Wijaya's finding (2017) on significant positive atmosphere impact in the restaurant context also aligns with the mentioned literature. Existing literature shows evidence of relationships between the atmosphere and purchase intention at nightclubs and bars. Therefore,

H<sub>1</sub>: Atmosphere significantly influence purchase intention at nightclubs and bars.

### **Drinks Quality and Variety**

The literature on food and beverage (F&B) found that food quality significantly influence purchase intention (Lim & Loh, 2014; Wandebori & Wijaya, 2017). Food quality can be described as variety, aesthetic presentation, and taste (Lim & Loh, 2014; Shaharudin, Mansor, & Elias, 2011). The literature on nightclubs and bars also supports similar relationships. Skinner et al. (2005) found that abundant selection of branded alcohol and usage of garnish are crucial elements in attracting customers, especially the female audience. However, Suetrong (2015) argues that the availability of alcoholic drinks does not significantly influence purchase intention as it is a core product for all operators, and it does not give an additional competitive advantage to the operators. Therefore,

H<sub>2</sub>: Drinks quality and variety significantly influence purchase intention at nightclubs and bars

### **Accessibility**

Accessibility is modified from Lim & Loh's location (2014) and ServQual's tangibles (Parasuraman, Zeithaml, & Berry, 1988; Wandebori & Wijaya, 2017). Accessibility refers to locational convenience in traveling to or from a particular establishment. According to Berry, Seiders, and Grewal (2002), convenience allows consumers to benefit from time and effort savings, a type of non-monetary cost. Aligned with logics provided by Berry, Seiders, and Grewal (2002), Lim and Loh (2014) found that location as a variable impacting purchase intention is significant and ranks highest in terms of importance; Wandebori and Wijaya (2017) supports the finding. There was a limited reference on location in the nightclub and bar literature. Suetrong (2015) found that location is not the main anchor in the consumer's

decision if consumers prioritize quality. Contrastingly, MOME (2018) reports that the majority of nightlife goers travel with public transportation, followed by car-sharing services as the second preferred mode of transportation. They also found that public transportation accessibility is the key decision criteria for operator selection. Therefore,

H<sub>3</sub>: Accessibility significantly influences purchase intention at nightclubs and bars.

### **Price**

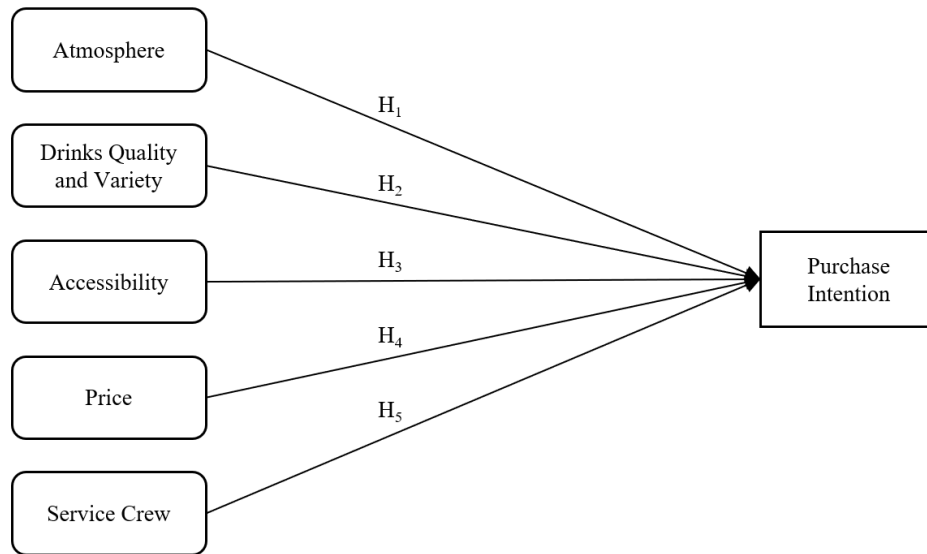
Price is one of the key determinations of theoretical demand (Mankiw, 2018). In food and beverage literature, it has been found that reasonable perceived price can enhance customer satisfaction on aspects such as quality of food, quality of service, and quality of the physical environment. These aspects indirectly and significantly improve purchase intention of customers (Ryu & Han, 2009). Similarly in nightclub and bar literature, Skinner et al. (2005) found that value through price promotion on alcoholic drinks is one of the most crucial attractors, and they note that there is a lower price sensitivity in frequent goers. Suetrong (2015) further analyzed price sensitivity and found that volume optimizing customers tend to have a higher sensitivity to price, while premium customers (aged 30 and above) tend to have lower price sensitivity. Moreover, Tutenges and Bøhling (2019) supports the significance of the price variable as a strategy to increase purchase quantity under the concept of advertisement. They found that low price promotion, for example, “starter pack” was selected to draw customers with lower price entry points. This signifies its influence on consumer’s purchase intention. Therefore,

H<sub>4</sub>: Price significantly influences purchase intention at nightclubs and bars.

### **Service Crew**

ServiceCrew is adopted from Lim and Loh (2014), was derived from the service quality model or ServQual, which was extensively studied by Parasuraman, Zeithaml, and Berry (1988, 1991). Service Crew focuses on four personnel aspects of ServQual model: reliability, responsiveness, empathy, and assurance. Reliability refers to the personnel’s performance consistency and dependability. Responsiveness refers to the personnel’s willingness to provide service to the customers. Empathy refers to personnel’s ability to care, uplift, and give attention to customers and their experience. Assurance refers to personnel’s ability to build trust and confidence through the usage of courtesy and knowledge (Parasuraman, Zeithaml, & Berry 1985, 1988; Lim & Loh, 2014; Wandebori & Wijaya, 2017). In service-industry literature exclusive of the food and beverage sector, ServQual model shows a significant positive impact on consumer’s purchase intention. Panigrahi, Azizan, and Khan (2018) found that total ServQual factors, reliability, and responsiveness have a significant positive influence, while empathy and assurance are not in the banking industry. Also, in the healthcare industry, ServQual are found to be significantly influenced on customer satisfaction, and customer satisfaction is found to be closely correlated to purchase intention (Naveed et al., 2019; Ryu & Han, 2009). In the food and beverage industry, Lim and Loh (2014) found that all ServCrew factors significantly and positively impact purchase intention, and Wandebori and Wijaya (2017) agree except for the result on assurance where they found insignificant. Findings from the aforementioned literature mostly show that ServCrew significantly influences purchase intention, yet there is some degree of differences in detailed items’ result. Therefore,

H<sub>5</sub>: Service crew significantly influences purchase intention at nightclubs and bars.



**Figure 1** Conceptual Framework

## Methodology

The data set of 310 subjects is primarily collected with convenience sampling technique through online distribution channels. Green's (1991) sample size calculation was used to determine the minimum subject requirement. Online distribution was selected due to the inflection risk and social-distancing policy from the COVID-19 outbreak during the research period. Hence, the survey was designed to be self-administered. Thus, respondents can participate in data collecting process independently; researchers' interference is not necessary. Personal information including contact number was used to eliminate duplicate data set. This research targets population of all sexes between the age of 20 to 45 years old that have been to or experienced nightclubs and/or bars in urban Bangkok (Suetrong, 2015). Notably, urban Bangkok is defined as Ekamai, Thonglor, Sukhumvit, Silom, Sathorn, Huangkwang, Klongtoey, Pathumwan, Phayathai, and Phrana korn districts. Partial Least Square Structural Equation Modelling (PLS-SEM) was selected as this study's data processing technique. All collected data were processed through ADANCO 2.2.1 statistical analysis software. The questionnaire survey is designed to have three main sections: screening section, demographic section, and determinants-and-purchase-intention section. All questions are close-ended with the usage of the 5-point Likert scale in the determinants-and-purchase-intention section.

## Research Results

Results are described and analyzed in three parts: descriptive statistics, measurement model, and the structural model. Assessment on validity and reliability of the model is presented under the measurement model, and construct's impact and significance are presented under the structural model.

*Descriptive Statistics*

**Table 1** Demographic Profile Summary

Variable	Description	Frequency	Percentage
Sex	Male	108	34.8
	Female	193	62.3
	Prefer not to say	9	2.9
Age	20-24 years old	209	67.4
	25-29 years old	34	11.0
	30-34 years old	27	8.7
	35-39 years old	24	7.7
	40-45 years old	16	5.2
	More than 45 years old	16	5.2
Income	Less than THB 10,000	62	20.0
	Between THB 10,001 to 20,000	104	33.5
	Between THB 20,001 to 30,000	58	18.7
	Between THB 30,001 to 40,000	33	10.6
	Between THB 40,001 to 50,000	19	6.1
	More than THB 50,001	34	11.0
	More than THB 5,000	2	0.7
Reason for Visiting**	To connect with friends and family	259	43.5
	To connect with new people	48	8.1
	To relax and unwind	174	29.2
	To experience new atmosphere	112	18.8
	Others	2	0.3

\*303 respondents \*\*595 answers

Table 1 illustrates demographic information of this study's dataset under four variables: sex, age, income, and reasons of visiting. This dataset dominantly represents female respondents at 62.3 percent, followed by male at 34.8 percent. 2.9 percent of respondents opt to not disclose their sex information. Under age profile, this dataset leans toward age group of 20 to 24 years old at 67.4 percent and income profile groups of *between THB 10,001 to 20,000* and *less than THB 10,000* (53.3 percent). The skew in dataset toward certain profile can be justified by the usage of convenience sampling method where surveys were heavily distributing through online chatting application among university students.

**Table 2** Visiting Frequency at Nightclubs and Bars

			Freq_Bar					Total
			Never	Once in a few months	Once per Month	2 to 3 times per month	4 times or more per month	
Freq_NC	Never	Count % of Total	0 0.0%	21 6.8%	12 3.9%	12 3.9%	1 .3%	46 14.8%
	Once in a few months	Count % of Total	5 1.6%	66 21.3%	21 6.8%	12 3.9%	6 1.9%	110 35.5%
	Once per Month	Count % of Total	4 1.3%	2 .6%	41 13.2%	32 10.3%	10 3.2%	89 28.7%
	2 to 3 times per month	Count % of Total	5 1.6%	0 0.0%	13 4.2%	25 8.1%	6 1.9%	49 15.8%
	4 times or more per month	Count % of Total	0 0.0%	3 1.0%	1 .3%	3 1.0%	9 2.9%	16 5.2%
	Total	Count % of Total	14 4.5%	92 29.7%	88 28.4%	84 27.1%	32 10.3%	310 100.0%

According to Table 2, consumption pattern of visiting both nightclubs and bars once in a few months describes 21.3 percent of the respondents. This follows by visiting both establishments once per month as the second dominant pattern at 13.2 percent. High-frequency customers, representing by respondents visiting each establishment at least two times a month, describes 13.9 percent of the dataset.

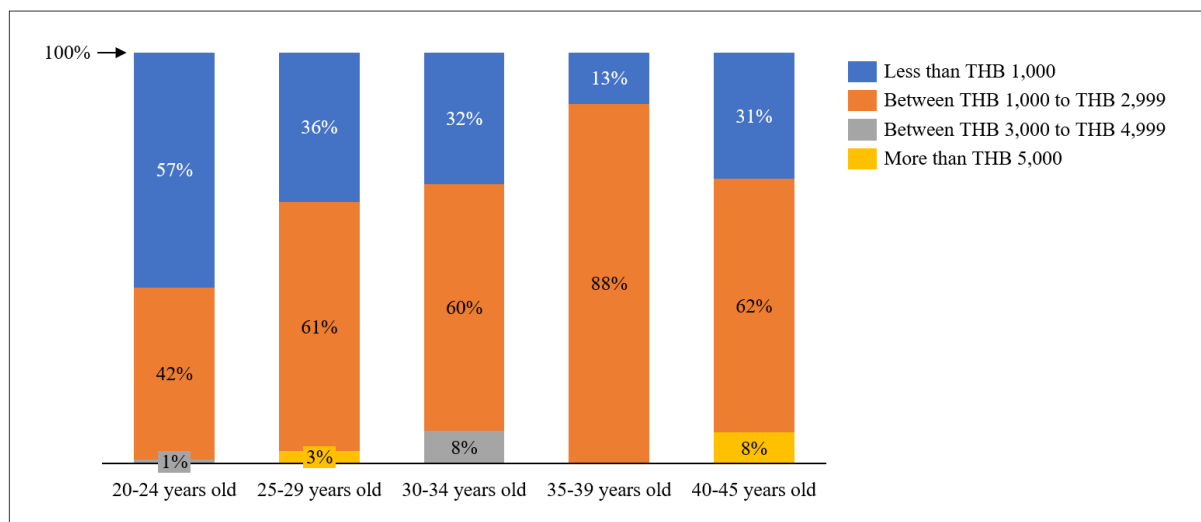
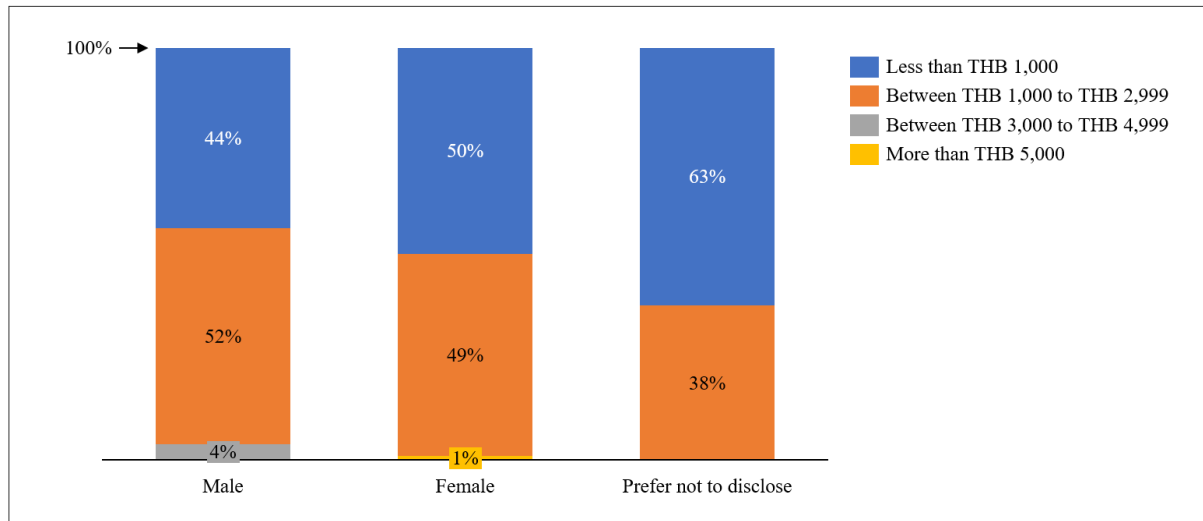
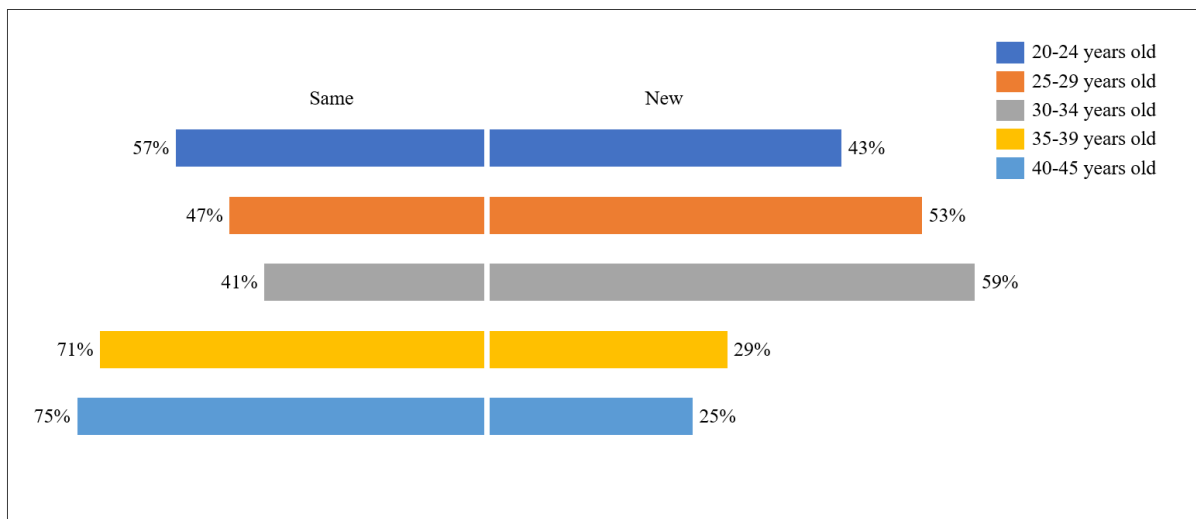
**Figure 2** Age and Average Spending per Night

Figure 2 illustrates spending behavior across age group. The age group of 20-24 years old has the highest proportion of less than THB 1,000 spending across age groups while 30-34 and 40-45 years old age groups have the highest proportion of more than THB 5,000 spending. Between the age range of 20 to 39 years old, there is a trend of increasing average spending per night.



**Figure 3 Sex and Average Spending per Night**

According to Figure 3, the dataset indicates the spending range of less than THB 2,999 is the dominant spending range across all sexes. Males have higher spending in the 1,000 to 2,999 spending range and only sex that spends between THB 3,000 to THB 4,999. On the other hand, it shows that females tend to either spend relative less than males or extremely more than males (shown through ultra spending of more than THB 5,000).



**Figure 4 Age and Preference**

Figure 4 on age and preference illustrates consumption patterns between age group and respondents' preference of visiting the same establishments or exploring new operators. This



dataset suggests that the majority of three age groups: 20-24, 35-39, and 40-45 years old, prefer to visiting same and familiar establishments, and the majority of 25-29 and 30-34 age groups prefer exploring new establishments. Other than age groups of 35-30 and 40-45 years old, preference divisions are relatively balanced in all age groups. This insight may have an implication on strategy application in terms of driving new-operator conversion and retaining loyal customers.

### Measurement Model

**Table 3** Measurement Model

Construct	Items	Loadings	Composite Reliability	Cronbach's alpha( $\alpha$ )	AVE
Purchase Intention	PI1	0.8146	0.8221	0.6857	0.6070
	PI2	0.8009			
	PI3	0.7183			
Atmosphere	AT1	0.7169	0.8014	0.6296	0.5739
	AT2	0.7802			
	AT3	0.7740			
Drinks	DR1	0.9051	0.8635	0.7651	0.6803
	DR2	0.8425			
	DR3	0.7155			
Accessibility	AC2	0.8662	0.8807	0.7311	0.7870
	AC3	0.9075			
Price	PR1	0.7353	0.8511	0.7559	0.6577
	PR2	0.7806			
	PR3	0.9071			
Service Crew	SC1	0.8056	0.8668	0.7993	0.6196
	SC2	0.7421			
	SC3	0.8035			
	SC4	0.7956			

**Table 4** Fornell-Larcker Criterion

Construct	PI	AT	DR	AC	PR	SC
PI	<b>0.6070</b>					
AT	0.1351	<b>0.5739</b>				
DR	0.1432	0.1488	<b>0.6803</b>			
AC	0.0388	0.0429	0.0946	<b>0.7870</b>		
PR	0.0607	0.0409	0.1133	0.1082	<b>0.6577</b>	
SC	0.1746	0.0936	0.0662	0.0400	0.0901	<b>0.6196</b>

*Squared correlations; AVE in the diagonal*

This study assesses Cronbach's alpha, AVE, and factor loadings to ensure the suitability of indicators, the quality of constructs, and internal consistency of purchase intention (PI), atmosphere (AT), drinks' quality and variety (DR), accessibility (AC), price (PR), and service crew (SC). With a minimum loading threshold of 0.708, a total of two indicators (AT4 and AC1) failed the qualification and eliminated. After modification, all studied constructs maintain reliability. Evaluating Cronbach Alpha and Joreskog's rho which ranges from 0.6292

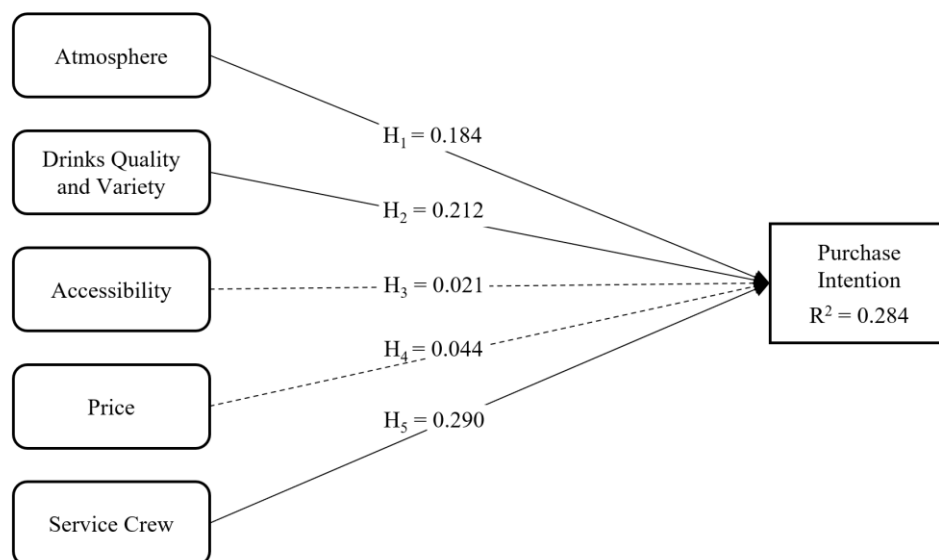
to 0.7993 and 0.8014 to 0.8807, respectively, the internal consistency reliability of this study has been assured. Next, AVE of this study ranges from 0.5739 to 0.7870. Hence, it indicates that all constructs passed the requirement and convergent validity is present. Lastly, the Fornell-Larcker criterion needs to be examined to assess the measurement model's discriminant validity. According to Table 4, it shows that the square of inter-construct correlation is not higher than its average variance extracted. Therefore, it means that this measurement passed the requirement and has discriminant validity. According to the aforementioned results, it can be concluded that reliability and validity are presented in this study.

### Structural Model

**Table 5** Summary of Structural Model Results

Hypothesis	Path	Coefficient	t-value	p-value (2-sided)	Results
H <sub>1</sub>	AT → PI	0.1879	3.1639	0.0016	Supported
H <sub>2</sub>	DR → PI	0.2115	3.6242	0.0003	Supported
H <sub>3</sub>	AC → PI	0.0214	0.3343	0.7382	Not Supported
H <sub>4</sub>	PR → PI	0.044	0.8029	0.4222	Not Supported
H <sub>5</sub>	SC → PI	0.2897	5.3614	0.0000	Supported

$R^2$  for PI = 28.4%, Adjusted  $R^2$  for PI = 27.2%



**Figure 5** Structural Model and Hypothesis Result

*Significant relationship is illustrated in solid line. Insignificant relationship is illustrated in dotted line.*

The structural model of this studied PLS-SEM model provides  $R^2$  which describes the model's explanatory power through the study of variance and path coefficient. Variance inflation factors (VIF) of this research are in the range of 1.2395 and 2.1031 confirms that collinearity issue is not present in this study and that interpretation will not be biased. The obtained  $R^2$  and adjusted  $R^2$ , 0.284 and 0.272, has weak explanatory power.

Referring to Table 5, all constructs (AT, DR, AC, PR, and SC) have positive effects on purchase intention (PI). Based on the coefficient size, service crew has the most influence on customers' purchase intention followed by drinks' variety and quality and accessibility, price, and, lastly, atmosphere. However, post-evaluation of t-value and p-value at 95 percent confidence interval, only atmosphere, drinks' variety and quality, and service crew are significant factors to purchase intention while accessibility and price are not. Hence, it can be concluded  $H_1$ ,  $H_2$ , and  $H_5$  are supported by the model while the rest are not.

## Discussion

The proposed model was used to examine the relationship and impacts between the atmosphere, drinks, accessibility, price, service crew, and purchase intention for nightclubs and bars in urban Bangkok, Thailand. The results show that 3 out of 5 hypotheses were accepted. Hypotheses on atmosphere, drink's variety and quality, and service crew were supported whereas hypotheses on accessibility and price were not. The outcome of  $H_1$ , atmosphere, is consisted of existing literature; positively significant to purchase intention (Edensor, 2012; Tutenges & Bøhling, 2019; Skinner et al., 2005; Suetrong, 2015; Hussain & Ali, 2015, Wandebori & Wijaya, 2017). Notably, the inclusion of decoration, lighting, and music as items led to the significant result of atmosphere. Despite findings on the importance of cliente as a part of the atmosphere, cliente as an item had to be eliminated to maintain the model's reliability. Hence, this shows inconsistency with what Skinner et al., (2005) had identified as the key determinant in attracting patrons.

A significant outcome of  $H_2$ , drinks' variety and quality, supports findings of Skinner et al. (2005), Lim and Loh (2014), and Wandebori and Wijaya (2017), but contrasts with Suetrong (2015), whom found that drinks are the core products; hence operators should focus on other aspects to distinguish themselves from competitors. Variety as an item has the heaviest weight, followed by the quality and aesthetics of offered drinks.

$H_3$ , accessibility, shows to have an insignificant relationship to purchase intention. The finding is incongruent with several researchers from food and beverages literature and reports studied in New York City context (Lim & Loh, 2014; Wandebori & Wijaya, 2017; MOME, 2018). However, based on the findings of Suetrong (2015) on Bangkok context, it is possible to find accessibility and location irrelevant to how people go to nightclubs and bars as he found that quality-oriented consumers perceive going out as rewards and are willing to travel to have a good quality experience. Yet, this hypothesis does not take in account of public transportation or AC1, supported by MOME (2018). Thus, there is a possibility that accessibility inclusive of public transportation could significantly influence purchase intention; further exploration is needed.

$H_4$ , price, also is found to be insignificant to purchase intention at nightclubs and bars. This outcome contrasts with solid findings on the influence of price on purchase intention in many cases (Ryu & Han, 2009; Skinner et al., 2005, Suetrong, 2015, Tutenges & Bøhling, 2019). However, Skinner et al. (2005) and Tutenges and Bøhling (2019) also found that

frequent goers are relatively less sensitive to price, which means that to a partial population, the price factor is not irrelevant to their intention. In this study, 37.4 percent of bar visitors are frequent goers (at least twice a month), 21 percent of nightclubs visitors are frequent goers, and 13.9 percent are frequent goers of both establishments. Hence, it may justify the insignificance of the price variable.

A significant outcome of H5, service crew, aligns with studies from other areas of literature: food and beverage, healthcare, and banking industries (Lim & Loh, 2014; Wandebori & Wijaya, 2017; Panigrahi et al., 2018; Naveed et al., 2019). Path coefficient of 0.2897 further suggests that the service crew is the most influential factor in purchase intention out of five factors. The positive coefficient also signifies the positive relationship between service crew and consumers' purchase intention; hence, this shows that enhancing service crew quality is a viable option to improve the establishment's performance.

Moreover, findings on descriptive statistics generate four insights on consumption patterns. The first insight is on age and average spending per night. Even though the correlation between age and average spending per night is only 0.278, the pattern of increase in spending as age range increases is apparent. The age range of 20 to 24 years old dominantly spend on the THB 0 to THB 1,000 range whereas the increased spending range from THB 1,000 to THB 2,999 is common in the population range between 25 to 45 years old. Therefore, regardless of significance, the target pricing strategy for price-setting should lie in the range of THB 1,000 to THB 2,999 per individual per night. The second insight is on sex and average spending per night. Based on the majority, males spend more than females. Yet, females have a higher tendency than males in extreme spending, over THB 5,000. The third insight is the preference for staying or exploring new establishments. It would be the most difficult for operators to acquire new customers in the age range of 40 to 45 years old due to their strong preference for going to familiar establishments. However, it would be the easiest to acquire new customers in the age range of 30 to 34 years old; yet there would be a challenge on retaining them into loyal patrons due to their preference to explore. The last insight is on reasons to visit. This will allow operators to understand the driving force of customers in visiting; hence, it would help in experiential design. Connecting with friends and family, to relax and unwind, and experiencing a new atmosphere are the top three reasons. This means that for establishments to widen their opportunity to capture more patrons, they must provide elements that allow these wants.

### **Theoretical Implications**

Results of this study contribute to literature in two areas: the late-night economy (nightclubs and bars) and purchase intention. Firstly, this study validates three significant factors, atmosphere, drinks' variety, and quality, and service crew, influencing purchase intention at nightclubs and bars. Secondly, it richens purchase intention literature with the minimally explored nightclubs and bars industry. Thirdly, it added geographical diversity to nightclub and bar literature that currently focused on the Western context, mostly the United States and Europe. Lastly, this study shows that to represent accurate demand projection, consideration of factors that contain high qualitative nuance like quality is necessary. Hence, this may signify the need to improve demand theory to be more scalable and reflective of reality.

### **Managerial Implications**

This study attempts to generate greater understanding and insights for business operators in the nightclub and bar sector. Firstly, businesses need to incorporate consideration of atmosphere, drinks' variety, and quality, and service crew into their operation to enhance consumer's attraction and purchase intention. Businesses should prioritize service crew,

followed by drinks' variety and quality, then atmosphere in budget and effort allocation. Next, this study recommends that operators should set their average price range per head between the range of THB 1,000 to THB 2,999 even though price as a factor is statistically insignificant. Furthermore, business operators are recommended to deprioritize location as their top priority. By doing so, this would free operators' partial of budget or investment to variables that are more influential and impactful to the business performance. Moreover, this study supports business operators to craft their proposition and strategy separately for different age groups. For the 30 to 45 age group, operators should focus on customer retention strategy to create loyal patrons. For the 25 to 34 age group, operators should first focus on customer acquisition strategy then high impact retention strategy. Lastly, for the 20 to 25 age group, operators should run their acquisition and retention strategies simultaneously.

### **Limitations and Suggestions**

As the scope of this research is in the inner zone of Bangkok, Thailand, the result of this research may not be able to reflect the reality in other regions without a similar consumption pattern. Also, due to the skewed demographic profile, usage of convenience sampling, the result may not accurately reflective of the entire population of the nightclub and bar consumers in urban Bangkok, Thailand.

There are opportunities to further enrichen this area of research, especially in the Thailand context. Future research could explore understanding of how each significant factor influences consumer's intention. This will allow researchers to produce a detailed body of knowledge that will allow business operators to follow and explore while minimizing opportunity cost or risk. Future research could also explore other regions in Thailand and ASEAN to evaluate differences in consumption patterns from different demographic profile and local culture. This will fulfill this area of research with more nuance and practicality. Lastly, exploration of willingness to spend and influence of accessibility will allow researchers to challenge this study's finding on price and accessibility.

### **Conclusion**

The nightclub and bar sector in Bangkok, Thailand involves consumers from a variety of backgrounds. Therefore, for business operators to excel in customer acquisition and retention, they should embrace consumers' differences in preference and adapt to cater. This explorative study tapped into the understanding of how purchasing intention is constructed in the mind of nightclub and bar consumers. The result of this study shows that service crew is the most crucial factor contributing to one's intention, followed by drinks' variety and quality and atmosphere while factors like accessibility and price are not insignificant and contributing. From a theoretical perspective, this study enriches minimally explored literature of the late-night economy in Thailand and diversified the content studied in the purchase intention literature, and from a practical perspective, this study creates insights for business operators to follow and enhance consumers' purchase intention at their own establishments of nightclubs and bars. Lastly, this study should be seen as a gateway for the academia to explore more studies in the night-time economy and contribute to the recovery and growth of this sector in ASEAN in general.

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