The Correlation between Hostel Brand Equity Dimensions in Thailand

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Abstract

This empirical study aimed to examine the relationship between dimensions of customer-based hostel brand equity based on Aaker's (1991) conceptual framework in the context of Thailand's economy hostels owned by locals. A sample of 400 Thai tourists who have experienced staying at hostels was chosen to test the hypothesis using the purposive sampling method. The results showed that brand association had the positive effect on other proprietary asset, whereas brand awareness had the least effect on perceived quality. The key findings were significant as they contradict the literature for large-sized or chained hotels. The research implications also highlighted the need for hostel managers to perform marketing activities to strengthen the brand association and proprietary brand assets to gain competitive advantage, particularly for budget travelers that have become increasingly information-savvy, knowledgeable in brand choices, and demanding in using social media to review traveling experience.

Keywords: Brand awareness, Perceived quality, Brand association, Brand loyalty, Other proprietary brand assets, Hostels

Introduction

The current and forecasting trend of the hostel market growth between 2020-2024 was significantly higher than in 2015-2020. It is due to the higher spending and the growing interest in traveling of the millennials, the increasing popularity of solo traveling, and more investment in the hostel industry. The hostel industry has grown globally in West Europe, Asia, North America, Latin America, Australia, and New Zealand (ANS). These, in turn, have become essential markets that help drive the growth of the hostel business industry (Research and Markets, 2020). According to a survey on the number of hostels worldwide conducted in October 2019 by www.statista.com, it was found that the Asia continent has the highest number of hostels available, a total of 5,829, followed by the second-highest, Europe, with 4,738 hostels (Lock, 2020). In 2018, the hotel industry in Southeast Asia reached 30% growth in one

year. The budget hostel segment has grown at a rapid 32%, with a total of 63,632 beds, with Thailand leading the market with a 41% share (C9 Hotelworks Market Research, 2018).

However, due to the COVID-19 pandemic, the 2021 global accommodation market size was forecast to drop from 2019 with a market capitalization of 1.22 trillion U.S. dollars. Thailand had also been affected by the COVID-19 epidemic. As of April 2020, Thailand has revenue from the accommodation and food services sector of approximately 635.35 billion Thai baht. The occupancy rate in Thailand decreased by 97% from the previous month due to the country's shutdown government policies to prevent the spread of COVID-19 from foreigners entering Thailand. In 2021, the situation was expected to improve when 70% of the population in Thailand became vaccinated and when the government had a policy to encourage Thai people to travel domestically. Consumer spending in the sector of restaurants and hotels was projected to be worth 26,389.6 billion U.S. dollars. In 2025, if the COVID-19 epidemic had been contained, consumer spending in Thailand's hotel business, restaurant and, lodging segment would be projected to be worth 34,865.5 billion dollars. (statista.com, 2021).

In Thailand, there are currently 4,727 small hotels and hostels out of 8,384 hotels or equalling 56% of all accommodation types. Unfortunately, the income of hostels was little declared since most of the hostels in Thailand operated their business illegally. To help small hotel and hostel operators by amending laws and easing regulations to suit business operations, the Thai government has sponsored registered hotel operators, airlines, and tourists with 40%-Off travel packages. These policies aim to subsidize the traveling costs in all areas while encouraging those illegal hostel operators to comply with the hospitality regulations and standards to optimize the government's travel package benefits.

According to a survey conducted by Hostelworld Group, the leading online hostel booking provider, over 70% of guests are millennials. Particularly, Thai budget travelers have become increasingly information-savvy, knowledgeable in brand choices, and demanding to use social media to review traveling experiences. These budget tourists choose a hostel based on reviews on different websites. Asian tourists tend to be interested in the location, while Europeans are more likely to be price-conscious. Solo travelers are also the target customers of the hostel business since health safety was massively concerned. They also consider the comfort of traveling, emphasizing security and cheap accommodation. However, the quality of service remains their priority. This particular type of traveling considers traveling experiences as the most prioritized factor (Phatranij, 2019).

However, the changing Thai tourists' behavior has caused serious competition among the three-star hotels in the provincial center. The hostel is a budget accommodation that is considered to be in the same group as three-star hotels or below that hostels entrepreneurs should focus on creating brand equity in order to build competitiveness to scramble for the large mid-tier customer base. By creating brand equity, the hostel can develop its brand personality to differentiate itself from its competitors. The differentiation and competitive advantage act as an intermediary linking that connects value and uniqueness which will help consumers to distinguish between products more clearly. The differences between intangible attributes of each hostel are important to customers emotionally and strongly influence their

decision to stay. Therefore, this study aims to explore different levels of opinions of Thai budget travelers and the correlation between brand equities in different dimensions, including Brand Awareness, Perceived Quality, Brand Association, Brand Loyalty, and Other Proprietary Brand Assets (Aaker, 1996). As the situation of the COVID-19 pandemic become less severe. and as Thailand is moving into a state of recovery from the COVID-19 impact, the research implications should benefit hostel operators to develop their hostel marketing strategies to create added value and achieve brand equity.

Research objectives
1. To analyze the level of Thai tourists' opinions on brand equity factors of the hostel business, which include Brand Awareness, Perceived Quality, Brand Association, Brand Loyalty, and Other Proprietary Brand Assets.
2. To analyze the correlation between each brand equity factor that Thai travellers have for the hostel business, including Brand Awareness, Perceived Quality, Brand Association, Brand Loyalty, and Other Proprietary Brand Assets.

Literature review
Despite the argument of whether customer-based brand equity can be adopted in the hospitality industry, recent studies explored the customer-based brand equity model in a tourist destination using Aaker's (1991) model with its four main components including brand associations, perceived quality, brand image and brand loyalty (Boo et al., 2009; Konecnik & Gartner, 2010; Myagmarsuren & Chen, 2011; Pike et al., 2010; Vinh & Nga, 2015). However, due to its complexity and incomprehensibility, these studies focused on the destination rather than the hostel and its service. Therefore, this empirical research is considered the first study addressing customer-based brand equity of hostel brands at the product and service level in Thailand.

Concepts and theories regarding hostels
The hostel is a small, budget hotel that offers simple dormitory rooms, i.e., shared Accommodations. The hostel's services include large rooms with separate beds; usually, bunk beds are used. There are shared bathrooms and a shared kitchen. Only basic amenities are provided. However, some hotels have private rooms available (Volunteer, 2019). Hostels provide affordable accommodation options and are suitable for travelers who want to socialize, meet new people, and find new travel companions. Therefore, it is essential to understand the self-and-brand linkage and its influences on the consumers intention to stay in a hostel. This would allow hostel operators to understand symbolic consumption in the hospitality market. As a result, the construct of hostel brand equity and its dimensions that constitute and affect the construct, various components of the hostel brand must be investigated.

Price: Price can vary depending on the destination and the type of room a traveler chooses. For example, a traveler can choose a hostel for as little as 300 baht per night, which can cater to aiming for budget travel.

Social Activities: Hostels are well known for social life due to their shared rooms. Those who choose this particular type of service tend to like socializing and meeting new people. They might exchange their travel experiences and make new friends among the backpackers.

Traveling with large groups: Booking multiple hotel rooms for large groups can be expensive. Therefore, renting large rooms in a hostel is more convenient, inexpensive, and fun to socialize in groups.

Location: Some hostels are off the beaten path; however, they remain close to the city centre, or they can be in a more exotic location than hotels.

Uniqueness: Each hostel is unique. Some have rooftop space. Some have entertainment venues. Some are in exotic environments. This will satisfy the needs of tourists who look for fun local experiences different from what they could gain while staying in hotels.

Breakfast and Amenities: Most hostels offer a simple complimentary breakfast, which can satisfy the needs of tourists traveling on a limited budget. They might include amenities such as wireless internet for travelers to access social media, watch TV shows and movies, etc.

In conclusion, the hostel is an affordable accommodation option that offers good value for travelers who want to travel on a budget. It is also an accommodation that provides an environment that encourages meeting new people and making new friendships. It is near the local community that contributes to the interaction between the travelers, and the unique local and social experiences of the travelers.

Concepts and theories regarding brand equity

Brand Equity can be defined as "the marketing and financial value associated with a brand's strength in the market, including actual proprietary brand assets, brand name awareness, brand loyalty, perceived brand quality, and brand associations" (Pride et al., 2001), while the views of customers and consumers evaluate the brand value based on the perceived value of brand marketing decisions (Kim et al., 2003). This research applied the theoretical concepts of Aaker (1996) and Keller (1993). The components of brand equity can be summarised as consisting of 5 elements:

1. Brand Awareness is the strength of a brand in the mind of consumers and is an essential element of a brand. Its definition is that "buyers can recognize a brand (brand recognition) and be able to recall (brand recall) that a certain brand belongs to a particular product". Keller (2003) stated that Brand Awareness is one of the elements of brand knowledge. It is the strength in the consumers' minds to recognize a brand, which can be especially useful when promoting new products or services because consumers will shop based on recognizable brand names (Asamoah, 2014). Brand image, resulting from brand awareness, has been considered a major dimension of brand equity (Konecnik & Gartner, 2007; Boo et al., 2009).

2. Perceived Quality is the customer's overall perception of the competence and Quality of a product or a service compared to that of a competitor. Perceived Quality is a key part of assessing the equivalence of the brand. Perceived Quality Perceived Quality is divided into two

dimensions: (1) the dimension of Product Quality and (2) the dimension of Service Quality. The former dimension consists of the following elements: Features, Conformance with Specifications, Reliability, Durability, Serviceability, Fit and Finish, and a higher price. The higher price is one of the variables that can create an understanding, and acceptance of the high quality of the product. The latter dimension, Service Quality, includes Reliability, Competence, Responsiveness, and Empathy. The Perceived Quality of a product directly influences consumers, both behavioral and psychological (Pattaraporn & Teera, 2014).

3. Brand Association is an association of information and experience with the brand in consumers' memory. This reflects the uniqueness and characteristics of the product (Keller, 1993). A Brand Association can be divided into three characteristics: Attribute association, Benefit association, and Attitude association. The attribute association is the association that concerns Product- Related Attributes or Non– Product- Related Attributes. The Benefit association is the association of personal values received from a product or a service in the customer's mind, such as Function Benefit, Experiential Benefit, and Symbolic Benefit. The Attitude association is the association of the overall feeling for a particular brand that has been assessed from the experience of consuming that product and service. This can affect the brand both positively and negatively. Thus, the brand association and the brand itself are highly correlated because the brand association could help improve the brand's recognizability (Ruengphakdee, 2015).

4. Brand Loyalty is when consumers perceive differences in brands. Suppose the consumer has a high level of brand loyalty. In that case, it will lead to repeat purchases, which can help businesses reduce marketing costs and protect the brand from other competitors. However, brand loyalty cannot only be measured quickly or simply by repeat purchases. It has to be measured over a long period and in other dimensions. The dimensions used in the measurement include the behavioral and the attitudinal dimensions. Brand loyalty is an essential component of any brand assessment regarding equity as it can generate profit for a business (Schiffman & Kanuk, 2004).

5. Other Proprietary Brand Assets refer to added brand assets such as trademarks, patents, or relationships with distribution channels. Other Proprietary Brand Assets are considered a component of brand equity because they will help protect the brand from the law and competitors.

The importance of brand equity components as mentioned above: 1. Brand Awareness 2. Brand Association 3. Brand Loyalty 4 Perceived Quality and 5. Other Proprietary Brand Assets is that they can be used as a parameter to measure the relationship of brand equity in different dimensions. This will affect the hostel marketing strategy's implementation to satisfy Thai tourists' needs.

Conceptual framework

A review of the theoretical concepts related to brand equity according, to Keller (1993) and Aaker (1996) concludes the variables used in the study. Therefore, the researcher defines the conceptual framework used in the study as illustrated in Figure 1.
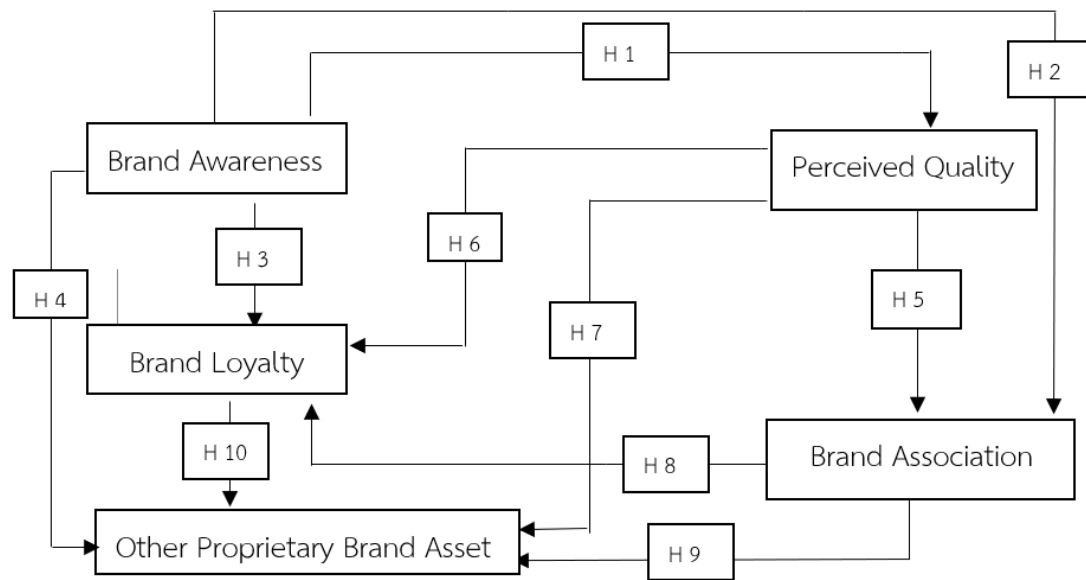
Figure 1 Conceptual framework

Research hypotheses

To keep the research results in line with the objectives, the following important research hypotheses, therefore, have been established as follow:

H1: Brand Awareness correlates positively with Perceived Quality.
H2: Brand Awareness correlates positively with Brand Association.
H3: Brand Awareness correlates positively with Brand Loyalty.
H4: Brand Awareness correlates positively with Proprietary Brand Assets.
H5: Perceived Quality correlates positively with Brand Association.
H6: Perceived Quality correlates positively with Brand Loyalty.
H7: Perceived Quality correlates positively with Other Proprietary Brand Asset.
H8: Brand Association correlates positively with Brand Loyalty.
H9: Brand Association correlates positively with Other Proprietary Brand Asset.
H10: Brand Loyalty correlates positively with Other Proprietary Brand Asset.

Research methodology

In this quantitative research, the survey was used as a research tool, a 5-Likert scale ranging from strongly agree to strongly disagree (Likert, 1932). The questionnaire was divided into 2 parts: (1) five questions asking demographic information of the respondents and (2) twenty questions asking the respondents' opinion on the brand value, consisting of four factors of each of five dimensions, including Brand Awareness, Perceived Quality, Brand Association, Brand Loyalty, and Other Proprietary Brand Assets. The population was Thai travelers who had previously stayed in a hostel in Thailand. Since the population is large and unable to define precisely the number of those who have at least once stayed in a hostel in Thailand. Therefore,

this research determines a confidence level 95% with a 5% of error tolerance. Consequently, the sample size can be calculated using the formula of W.G.Cochran (Cochran, 1977), resulting in 384 people. However, to reduce the chances of error, this research has increased the population to 400 people, using Non-Probability Sampling with the method of Purposive Sampling to choose only the samples that have used hostel services.

The data was collected from the sample group using questionnaires with closed-ended questions designed to get answers in the form of five levels of the opinion of the Likert Scale (Likert. R, 1932): strongly agree, agree, neutral, disagree, and strongly disagree. The questions have the width of the layer equilibrium equal to 0.8. Three experts examined the questionnaire completeness and coherence with the research objectives (IOC). Furthermore, 30 sets of the questionnaire had already gone through the pilot test with those who have used hostel services in Thailand. Then, the results were taken to test for the confidence level of the questionnaire using a statistical package program with Cronbach's alpha (α-Coefficient) at the significance level of 0.5 (Cronbach, 1951). The test results yielded the confidence value of the questions on the overall brand equity dimension of 0.936. In each question of the brand equity dimension, the confidence value ranged from 0.7-1.00, which is acceptable for excellent consistency. It could be concluded that this questionnaire could be used for data collection, as shown in Table 1.

Table 1 Confidence test using Cronbach's alpha

Questions' Alpha	α Coefficient	Interpreting the level of reliability
5 dimensions of the overall brand equity	0.936	Excellent
Each dimension of Brand Equity		
Brand Awareness	0.851	Good
Perceived Quality	0.816	Good
Brand Association	0.77	Acceptable
Brand Loyalty	0.797	Acceptable
Other Proprietary Brand Assets	0.884	Good

The Statistical Package for Social Science (SPSS) was used for the data analysis. Descriptive statistics were utilized in the analysis of frequencies and percentages to analyze general information of the respondents, mean, and standard deviation. It was also used to analyze the opinion level of brand equity. Then, the Pearson correlation analysis was adopted to measure the relationship of the brand equity dimensions with a confidence value of 95%.

Results

        The general demographic data analysis results showed that the respondents were 47.2% male and 52.8% female. Most of the respondents were 30 to 34 years old, equaling 33.3%, followed closely by the range of 20-24 years old with 30.5%. The majority, 64.8%, of the respondents had a bachelor's degree, followed by those with a high school diploma, with 20.3%. Most of the sample group were private or public company employees with 26.8%, followed closely by college students with 26.0%. Most had income between 20,001 - 30,000 baht, equaling 29.3%, with the range of 10,001 - 20,000 baht, accounting for 27.5%. The information described is illustrated as shown in Table 2. Overall, most budget tourists were college students and employees, considered as tech-savvy Generation Z with a salary of 10,000-30,000 Baht per month, seeking the hostel for their accommodation choice from internet-based reviews of experienced customers.

        However, when considering each relationship, it was found that Brand Association and Other Proprietary Brand Assets were the most significantly correlated. This result contradicted the previous studies suggesting the perceived quality as the prioritized brand value which would be further described in Table 4.

        The analysis results can be summarized according to the objectives as follow

        1. The analysis results of the opinion of Thai tourists on the brand equity factors, such as Brand Awareness, Perceived Quality, Brand Association, Brand Loyalty, and Other Proprietary Brand Assets, show that Thai tourists held brand equity factors in excellent regard ($\overline{X}$ = 4.00). When considering individual factors, it was found that according to Thai tourists, the brand equity factor of Perceived Quality received the highest rating score, with a mean of 4.22 and an SD. of 0.52303. That means that most Thai travelers prioritize the quality of a hostel first, before deciding to stay at that particular place. Brand association was the second most prioritized factor with a mean of 4.09 and an SD. of 0.51735. The third-place belonged to the factor of Other Proprietary Brand Assets with a mean of 4.03 and an SD. of 0.56767. Brand Awareness and Brand Loyalty came in fourth and fifth places respectively. The former had a mean of 3.87 and an SD. of 0.65056, while the latter had a mean of 3.86 and an SD. of 0.58224. The information described above is illustrated as shown in Table 3.

Table 2 Results of the respondents' general information analysis

General Information	Frequencies	Percentage
Experience(s) with a hostel service		
Have Experience(s) with a hostel service	400	100
Genders		
Male	189	47.3
Female	211	52.8
Ages		
20 - 24 years old	122	30.5

General Information	Frequencies	Percentage
25 - 29 years old	119	29.8
30 - 34 years old	133	33.3
35 - 39 years old	17	4.3
40 - 44 years old	7	1.8
45 - 49 years old	2	0.5
Highest level of education		
High School Diploma / Vocational Certificate / below	36	9.0
High Vocational Certificate or Diploma	81	20.3
Bachelor's Degree	259	64.8
Master's Degree	23	5.8
Higher than Master's Degree	1	0.3
Occupations		
College Students	104	26.0
Civil servants / State Enterprise's Employees / Government employees	47	11.8
Freelance workers / Business owners	79	19.8
Self-employed	60	15.0
Private or Public Companies' employees	107	26.8
Others	3	0.8
Monthly Income		
Less than 10,000 baht	74	18.5
10,001 - 20,000 baht	110	27.5
20,001 - 30,000 baht	117	29.3
30,001 - 40,000 baht	59	14.8
40,001 - 50,000 baht	35	8.8
More than 50,001 baht	5	1.3

Table 3 Means and Interpretation of overall brand equity factors

Brand equity factors	Mean ($\bar{X}$)	Std. deviation	Interpretation
Brand Awareness	3.87	0.65056	High
Perceived Quality	4.22	0.52303	Highest
Brand Association	4.09	0.51735	High
Brand Loyalty	3.86	0.58224	High
Other Proprietary Brand Asset	4.03	0.56767	High
Overall Brand Equity Factors	4.00	0.54039	High

2. The analysis results of the correlation between each dimension of the equity, including Brand Awareness, Perceived Quality, Brand Association, Brand Loyalty, and Other Proprietary Brand Assets, were analyzed using the Pearson correlation analysis which is Zero-Oder correlation and appropriate for two sets of data that are in the same range. It yielded a statistical significance of 0.1 as portrayed in Table 4.

Table 4 The analysis results of the correlation between each dimension of hostel brand equity according to Thai tourists

Variables	Brand awareness	Perceived quality	Brand association	Brand loyalty	Other proprietary brand asset
Brand Awareness	1				
Perceived Quality	0.259^{**}	1			
Brand Association	0.441^{**}	0.580^{**}	1		
Brand Loyalty	0.581^{**}	0.363^{**}	0.576^{**}	1	
Other Proprietary Brand Asset	0.361^{**}	0.471^{**}	0.588^{**}	0.581^{**}	1

*has the statistical significance of 0.01

According to Table 4, the analysis results gained from using the Pearson correlation analysis on each dimension of brand equity, which consists of Brand Awareness, Perceived Quality, Brand Association, Brand Loyalty, and Other Proprietary Brand Assets, shows that each dimension had the statistical significance of 0.01. That meant every pair of variables had a clear correlation, confirming the already-mentioned hypotheses H1-H10. Such relations can be arranged using the r-value. Therefore, the correlation between the Brand Association and Other Proprietary Brand Assets came first with the highest positive correlation (r=0.588). If the Brand Association gained more value, Other Proprietary Brand Assets would also become more valuable. Thus, the H9 hypothesis is acceptable. Secondly, there is a positive correlation between Brand Awareness and Brand Royalty and as a positive correlation between Other Proprietary Brand Assets and Brand Royalty (r=0.581). That means if the Brand Awareness gained more value, the increasing value would positively influence Brand Royalty, and Other Proprietary Brand Assets respectively. Therefore, the H3 and H10 hypotheses are acceptable. Thirdly, a positive correlation exists between Brand Association and Perceived Quality (r=0.580). If the Brand Association gained more value, it would also improve the Perceived Quality, value-wise. Consequently, the H5 hypothesis was proved to be acceptable. In the fourth order, a positive correlation exists between Brand Loyalty and Brand Association (r=0.576). That means if Brand Royalty gained value, Brand Association would also acquire more value accordingly. Thus, the H8 hypothesis is acceptable. Then comes the fifth with the positive correlation between Other Proprietary Brand Assets and Perceived Quality (r=0.471).

It can be interpreted that if Other Proprietary Brand Asset gained more value, Perceived Quality would also gain more value. In consequence, the H7 hypothesis is acceptable. In the sixth place occupies the positive correlation between Brand Association and Brand Awareness (r=0.441). That means if Brand Association gained more value, Brand Awareness would also do the same. Thus, the H2 hypothesis is proved to be acceptable. Next, in the seventh order, there is a positive correlation between Brand Royalty and Perceived Quality ($r=0.363$). Such a correlation means that if Brand Royalty gained more value, it would influence Perceived Quality to improve in the same direction. Therefore, the H6 hypothesis is acceptable. In the eighth place, there is a positive correlation between Other Proprietary Brand Asset and Brand Awareness ($r=0.361$). It can be said that if the brand equity dimension of Other Proprietary Brand Asset gained more value, it would also help the dimension of Brand Awareness become more valuable. So, the acceptability of the H4 hypothesis is proven. In the last order stands the positive correlation between Perceived Quality and Brand Awareness (r=0.259). That means if Perceived Quality gained more value, Brand Awareness would be influenced to act similarity. Thus, the H1 hypothesis is acceptable.

Discussion

The study of brand equity in various dimensions, such as Brand Awareness, Perceived Quality, Brand Association, Brand Loyalty, and Other Proprietary Brand Assets, show that brand equity in the dimension of Brand Awareness positively correlates with Perceived Quality. This result is from Fortes et al. (2019) research. The research surveyed Brazilian consumers and found that Brand Awareness correlates with the Perceived Quality of Guaraná Jesus soft drink. The result that the brand equity dimension of Brand Awareness has a positive correlation with Brand Association is by a study by Mohan and Sequeira (2016). They found that, concerning the brand of Fast Moving Consumer Goods in India, the brand equity factor of Brand Awareness correlated with the factor of Brand Association. The dimension of Brand Awareness that positively correlates with Brand Loyalty, is consistent with a study by Tran et al.(2020). The study found that the Brand Awareness factor was related to the brand equity factor of Brand Loyalty by using a questionnaire to survey students of higher education in ten universities in Ho Chi Minh City, Vietnam. The result that the brand equity dimension of Brand Awareness positively correlates with Other Proprietary Brand Assets is by a study done by Schmitz and Villaseñor-Román (2018). They studied the correlation between brand equity and financial performance. They found that the brand equity factor of Brand Awareness correlated with the brand equity factor of Other Proprietary Brand Assets. Furthermore, the result that the brand equity dimension of Perceived Quality correlates positively with Brand Association is consistent with research conducted by Reddy and Kavitha (2019). They found that, in the costumes used in the daily life of the students in Chennai, the Perceived Quality of a brand correlates with Brand Association. Also, the result here suggests that the brand equity dimension of Perceived Quality positively correlates with Brand Loyalty. This statement is consistent with a study by Fortes et al. (2019). The study showed that, according to Brazilian consumers, the brand equity factor of Perceived Quality correlates with the Brand Loyalty of

Guaraná Jesus soft drink. Then, the result that the brand equity dimension of Perceived Quality correlates positively with Other Proprietary Brand Assets, a study by Schmitz and Villaseñor-Román (2018). They studied the correlation between brand equity and financial performance. They found that the brand equity factor of Perceived Quality correlated with the brand equity factor of Other Proprietary Brand Assets. The finding correlated with the company' financial management result even though it was not positioned as a world-recognized brand. Also, the result that the brand equity dimension of Brand Association correlates positively with the brand equity dimension of Brand Loyalty is consistent with a study by Vaijayanthi and Shreenivasanka (2017). The study surveyed the Tiruchirappalli district, Tamil Nadu consumers who used India's leading cosmeceutical brands. It found that the brand equity factor of the Brand Association correlated with Brand loyalty in India's cosmeceutical brands. The result that the brand equity factor of Brand Association correlates positively with Other Proprietary Brand Assets and Brand Loyalty of a particular brand correlates positively with a study by Dennis et al. (2016). It found that the brand equity factors of Brand Association and Brand Loyalty correlated with Other Proprietary Brand Assets. Dennis' finding was in the context of American higher education because the data were obtained through a survey with college students and recent graduates.

Conclusion

From the study, it is possible to identify the relationship between the brand equities that should be prioritized in Thailand's hostel business. The hostel business should emphasize the correlation between Brand Association and Other Proprietary Brand Assets. The Brand Association and Other Proprietary Brand Asset can be the products or services themselves, logos, or decorations that would make the hostel unique, stand out from the pack, and reflect those who stay. The location also needs to be able to be easily accessible. The hostel needs to be legally registered and certified. Travel-related awards would help with the Brand Association. An up-to-date innovation would also help improve the two mentioned factors. Secondly, it is important to raise awareness of the hostel brand so that it is widely known. This can be achieved by raising awareness of outstanding hostel services, thus causing confidence in the hostel brand in the minds of travelers. Tangible and intangible physical service standards, such as cleanliness, should also be given importance. Understanding customers' needs and the ability to stratify those needs would bring about the customers' Brand Loyalty, resulting in multiple stays and, consequently, earning the hostel sustainable profits and growth.

Research suggestions

The implications in this research provided the literature gap by examing the correlation between customer-based brand equity components influencing Thai budget consumers' perception of the brand equity of hostel or economy hotels. Surprisingly, the Brand Association and Proprietary Brand Assets were positively correlated. Thus, the component of each brand equity dimension should be investigated in the context of the destination city to determine it has an influence on customer-based brand equity a different degree in future research.

According to the findings, most budget tourists were college students and employees, considered tech-savvy Generation Z with a salary of 10,000-30,000 Baht per month, seeking the hostel for their accommodation choice from internet-based reviews of experienced customers. It was found that Thai consumers rated the value of Brand Association as their priority, which contradicted the previous studies suggesting that perceived quality is the prioritized brand value. Hence, the hostel operators need to deliver the message that the hostel can offer a superior experience at an affordable price. In addition, innovative experiences during their stay; for example, online booking and cancellation during unpredictable pandemic periods, could also increase the perceived quality value of the hostel brand.

Hostel operators should understand to what extent the hostel can be used to connect concepts of the hostel and the brand emotionally. Understanding the self-and-brand linkage and its influences on the consumers' intention to stay in a hostel allows hostel operators to gain insight into symbolic consumption in the hospitality market. Moreover, the hostel's Proprietary Brand Assets, e.g. patents, certificates, design of the logo, or even the hostel's design was found to have a strong relationship with the brand association. As a result, such a strong emotional bond between the brand and consumers can create positive reviews (i.e word-of-mounth) on review sites e.g. Trip Advisor, apart from online hotel booking websites e.g. Agoda.com, Booking.com, etc. that would eventually create brand loyalty.

Also, it is suggested that the hostel operators should apply digital presence to increase the marketing communication channels to engage with the consumers, particularly on online platforms, by having responsive administrators or chatbots to on the hostel webpage to response consumer's inquiries or booking reservations and promote relevant campaigns, for example, the activities provided by the hostel, or events of the city corresponding with the consumer's interest. This would also develop personalized experience with the brand.

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