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Factors Impact Investor Decision to Hospitality & Tourism Transaction in SET50 Index Stock Market in Thailand

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Abstract: In early 2020, the outbreak of new coronavirus did not reverse the trend of global spread until May 2021, and even the situation in some countries was worse than that in 2020 which is a comprehensive challenge to human health, economic growth, social development, national security and international relations.

Under the premise of a poor global economic environment, it is important for tourism practitioners and investors to make the right decision and make a profit in the Thai stock ticket market SET50.On the basis of previous studies on Thai stock market and Thai Investors' financial behavior, this paper draws on previous research results.

For investors, when monetary policy is introduced, they can refer to this study to modify their investment analysis. It also has a certain reference value for hospitality and tourists..

Keywords: Investor; Tourism Transaction; SET50; Thailand

1. Introduction

As an important country in Southeast Asia, Thailand has always been an important academic research value of Thailand's capital market. The study of Thai capital market can improve the understanding of Thai Business and economy, but the Thai stock market is not a popular investment market. International scholars do not know much about the Thai stock market. This requires some research to find a feasible solution, which is conducive to support the academic research of the Thai stock market and the better development of the Thai stock market in the international community.

Based on the above information about the impact of economic factors, monetary policy and trading psychology on investors' decision-making, this study aims to further understand the industry or the industry. The purpose of this study is to understand the investors' decision-making intention of tourism stock trading, and what psychological factors will affect the investors' decision-making intention..

2. Literature Review

Investors make decisions in the stock market, including buy, sell, short and long. This process is one of the behaviors of investors. The factors that affect investors' behavior include economic factors, such as monetary policy, politics, culture, and the influence of social factors on investors' cognitive ability, gender, age and psychological state (Quan, 2017). This study chooses monetary policy and psychological factors as the factors that affect individual investors' decision-making on SET50 T & H.

H&T stock prices affected by monetary policy factors

Based on the theory of monetary policy tools, this paper uses the theory of interest rate transmission mechanism (Disyatat, 2003) as an intermediate process. The results are reflected in the size of liquidity, and affect the bond market and stock prices. In the theory of behavioral finance, the behavior of investors, including buying, selling, longing and short selling, is a type of Behavioral Finance (Ackert, 2009).

Investor decision making

There are two participants in joining the stock market, namely individual investors and investment institutions. In this paper, individual investors and fund managers and other investment institutions as the research object, the use of behavioral finance theory, the impact of psychological factors on investors' decision-making. The behavior of investors in the stock market is understood as a series of relatively connected behaviors in order to meet people's needs (Yang, 2006).

Prospect theory holds that people's decision-making is not only based on rational expectation, but also influenced by emotional, experience and psychological factors[1]. Behavioral finance theory shows that psychological factors affect transactions, that is, the decision-making of individual investors. Behavior financial market access is a new method to explain investors' decision-making through emotion, psychology and different psychology. It shows that economy has reactive influence on emotional investors and rational investment decision-making, which may change the financial market (Babu, 2020).

In the process of investment decision-making under the background of Thailand's current financial market, there are four behavioral factors of individual investors in Thailand Stock Exchange: Overconfidence, over optimism, risk psychology and herding behavior (Quan, 2017)[2].

3. Research Methodology

This chapter uses three kinds of combination research and two methods to achieve the purpose of this study, that is, regression analysis of the factors that affect investors' decision-making, that is, interest rates of four monetary policy instruments in set50, and five representative Hotel and tourism stocks. How to select respondents from the population and how to determine the sample size are studied. At the same time, research tools, pre-test questionnaire, data collection and data statistical processing were used.

This paper selects individual or corporate investors who have investment experience in Thailand as the research object. This research collects data through questionnaire survey, which is sent to individual or enterprise investors directly.

This study will use the traditional 95% confidence level, because the population is unknown, as long as the assumption that the population is large enough, the sample is close to 380 constants. A total of 600 questionnaires were sent out, 512 of which were effectively returned, and the response rate was 85.3%.

There are differences in demographic factors such as income, occupation, education level and gender.

Monetary policy adopts the data of Bank of Thailand (BOT) from 2011 to 2020.

4. Research Results

Regression results

Model	R	R square	Adjust R s	Stranded error
Monetary	0.782	0.612	0.602	28.98743
Psychology	0.804	0.646	0.629	0.82512

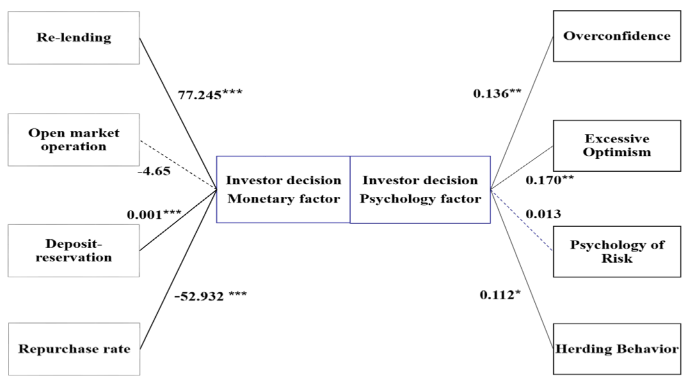
Notes

Unstandardized beta coefficients are reported

*** p <0.001, ** p<0.01, *p<0.05

Solid lines represent significant coefficients

Results from regression analysis



5. Conclusion

Summary and discussion

Risk is perceived from emotion and cognition. Under different conditions and circumstances, the impact of two psychological emotions (risk aversion and risk seeking) on investors has not been verified in the study.

At the same time, other hypotheses of this study are supported by significant data, which shows that for the hotel and tourism sector of Thailand stock market, investors' final decision is influenced by monetary policies such as re lending, deposit reservation and repurchase. Among these three factors, re lending is the most influential factor (standardized coefficient beta = 1.027), The least influential factor is deposit reservation factor (standardized coefficient beta = 0.717). At the same time, the study finds that the repurchase factor plays a negative role in investment decision-making, which indicates that investors hope that the lower the policy data is, the better, that is, the higher the repurchase rate between banks is, the more unfavorable it is for investors to make decisions.

Investors' decision-making is positively affected by overconfidence, which indicates that overconfidence, a widely accepted bias, encourages investors to have subjective confidence in the stock of Thailand's hotel and tourism industry, especially in the case of serious epidemic and heavy damage to Thailand's tourism industry, neglects some objective accuracy and hopes for future development.

At the same time, there are over optimistic factors, which also have a positive impact on investment decisions, making people believe that they are unlikely to experience negative events, or that the situation in the future will not be worse than it is now.

Herding also has a positive impact on investors' decision-making, and the behavior of following others, especially in the stock market, is reflected in the tendency of following the trend, believing in authority, believing in good official policies, and following big capital institutions.

6. Conclusions

Specific psychological factors affect the final investment decision of investors. The results also show that six independent variables have influence on investors' decision-making, which are stable models:

Overconfidence, over optimism and herding (psychological factors)

Re lending, deposit reservation and repurchase (monetary policy factors)

Among the psychological factors, the most influential factor is over optimism, and the most influential factor of monetary policy is re-lending.

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