Identifying the magnitude of priorities in consumer preference of hotel choice

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ABSTRACT

Consumer behaviour is based on choice and needs. Customer loyalty is paramount for the long-term success of a hotel. This paper reviews the consumer behavior and the effect of consumer choice with regards to attributes they used to differentiate among hotel choices are discussed in the literature review. The review will continue with what comprises a competitive advantage and how they are created. It concludes with a review of competitive strategies developed from competitive advantages and how understanding consumer preferences can assist in developing competitive advantages and the implementation of competitive strategies to exploit those competitive advantages.

Hotel owners expend finite capital resources pursuing alternative strategies in an attempt to differentiate them selves in their market niche. Understanding what the prospective customer’s preferences are will enhance the hotels ability to attract them. “With advanced statistical methods, one can estimate individuals or market segments preferences, rather than work with aggregates” (Verma, Plaschka and Louviere, 2002, p.19). This research has significant relevance to the hospitality industry in regards to their allocation of resources and their long-term strategic plan. It is critical to understand what selection criteria consumer’s use in their choice of a hotel. The priority magnitude of difference among the criteria determines which criteria are most relevant to the hotel customer of today.

Keywords: Consumer Preferences, Selection Criteria, Multi-Criteria Decision Making, and resource allocation, hotel choice, competitive advantage, behavioural perspective model
CONTRIBUTION STATEMENT

The hospitality industry spends millions of dollars trying to create establishments that will attract new customers and keep them returning. They possess finite resources to apply toward those criteria that are attractive to their consumers. Some hotels attempt to gain competitive advantages with the use of loyalty programs, while others focus on complementary practices or parking, improved amenities or lower prices. Simply recognizing the selection criteria used by perspective customers and listing them in a rank order, does not provide the data needed for precise resource allocation by hotels. Missing is the analytical analysis of these criteria and the magnitude of difference among them. Higher definition of priority analytics allows for a more defined strategy to accomplish the goals of the hotel. This allows the hotel management to develop competitive strategies that coincide with their competitive advantages and the criteria that their customers want.

This paper includes a review of consumer behavior theory. The analytical process used is unique in its development and application. It has never been used for this type of research and the findings shed new light on what is important to perspective customers at hotels. The intent of this research is to further the understanding of the multiple-criteria decision-making process of consumers and how this more defined understanding interlocks with more effective setting of strategies and allocation of limited resources to hotels.

INTRODUCTION

The hospitality industry experienced more than 100,000 new hotel rooms opened in 2016. The market is being saturated with properties that are very interchangeable. It becomes difficult for the consumer to differentiate among them. Hoteliers continually try to gain competitive advantages over each other. According to Mattila in 2006, products and services in the industry were viewed as a commodity status to consumers (So, et. al., 2013). The top brands already possess differentiators that make them more desirable to some consumers.

The increase of the inventory of rooms combined with substantial potential rooms in the pipeline will have an adverse effect on occupancy. Additional factors affecting occupancy rates in the United States may be a decline of international travel from elsewhere, as well as the emergence of preponderance of soft brands by major chains. The hospitality industry finds the environment increasingly competitive. In addition to an increased level of competition, the increased fixed cost combined with trying to meet the customer’s expectations is another major challenge. The reduction in staffing while beneficial to try to control payroll cost, might prove detrimental to customer interactions and their satisfaction. This could then have a negative impact on customer loyalty and what the customer says about their experience to other future customers.

To minimize the hazard of mortality, big data can assist decision-makers on the optimum methods to maximize the allocation of resources for the creation of competitive advantages. These new measurements, both qualitative and quantitative, will also require a clear distinction as to what is being measured.
Successful hoteliers need to know what motivated their customers to stay with them and what they require to return. In an effort to maximize their relations with customers, organizations are required to be unique in their overall approach (So, et. al., 2013). To both survive and prosper in the competitive environment firms in the hospitality industry need to understand their consumers and why they made certain decisions. “Those hoteliers with a clear vision of consumer (guest) needs will survive” (Baruca and Civre, 2012, p. 76).

Hoteliers are challenged to understand and put into practice criteria that will create a unique and desirable niche. Organizations in the hospitality industry need to understand their consumers and what drives the consumers to make certain decisions (Baruca and Civre, 2012). The finer the grasp of the consumer decision-making process by an organization the more effective the resource allocation should be. The value delivered to the audience needs to be authentic and idiomatic to their organization. The greater the knowledge possessed the more effective the allocation of resources can be maximized to create and maintain competitive advantages. “Understanding consumer choice is critical to marketing success” (Kim and Perdue, 2013, p.247). Knowledge is a product of market intelligence and research. For survival, hoteliers need to allocate all of the resources more efficiently than other organizations in their niche.

The structure of this paper will begin with a synthesis of the extant literature on important issues facing the hotel industry. Following will be a review of past studies. Next will be a review of the research methodology and design used in the study. This then will lead into a discussion of the empirical data revealed in the findings. This paper will conclude by reviewing the implications of the findings and future research designs.

LITERATURE REVIEW

There are many journal articles that analyze the issues facing the hospitality industry. The review of these issues typically falls into one of four areas. These areas are technology, national and international economic trends, expense and management issues and marketing with a heavy emphasis on differentiation (Jin-Zhao and Jing, 2009). Many of these studies are dated and none of them directly address the issue of how to quantify the strategies for gaining a competitive advantage based on a higher definition of understanding of the criteria important to consumers.

Technologies and its uses include the reservation system management, obtaining the maximum yield for each room, and the mining of big data to assist in these efforts. 50% or more of the major hotel bookings are done via the Internet (Pan, Zhang and Law, 2013). The websites need to be convenient to access and easy to use. The percentage of reservations made through the Internet has continued to increase every year for more than a decade. The images shown on the website need to reflect images of those attributes important to the consumers (Pan, Zhang and Law, 2013).

The mining of big data can assist yield management issues. Especially in a price competitive environment it is imperative to yield the maximum amount of income from each room. In order to establish the proper pricing of the room there needs to be a highly developed understanding of the decision-making process of their consumers and what they are looking for (Masiero, Pan and Heo, 2016). An increased use of big data lets the hotel industry analyze key attributes of what is important to consumers. This will enable
greater personalization of the service provided to the customers and an increase in the ability to maximize room yield.

National and international economic trends have a great impact on the hospitality industry in the United States. The increased strength of the dollar may have negative effects on international travel for non-business purposes. The increased confusion caused by a recent executive order in January may have a temporary negative effect on some business travel. Hoteliers that want to differentiate themselves may need to interact with other cultures. The ability to communicate inter-culturally puts pressure on both employees and managers to be able to interact with each other and customers. Active human resource management is vital to respond to these challenges. “Such a culture orientated approach may become a source of competitive advantage” (Grobelna, 2015, p.114).

As the economy in the US continues to grow there will be an increased tightening of credit. It is likely that the underwriting process for credit available for new construction may become more difficult. Although the occupancy rates have been very robust, the increase of supply and the number of additional rooms in the pipeline, combined with the tightening of credit and the strength of the dollar, will likely have a negative impact on the ability to get credit for new projects. Even if credit is available, the cost of credit will be increased.

Cost containment and cost reduction are part of the ongoing strategy of most organizations. Salaries continue to be the primary expense of these organizations. The challenge is how to reduce cost and yet maintain or improve the quality of service experienced by the consumer. To make appropriate decisions and allocate the limited resources available most efficiently, a clear understanding of the most critical attributes for travellers, deciding where to stay, is crucial. The green initiative has seen this initiative going from “a fringe movement to mainstream” (Jin-Zhao and Jing, 2009, p. 53). Initial introduction near the green initiative is a benefit for the financial savings that they generated. Now in addition to potential financial savings being green is viewed as an attribute by consumers looking for organizations that are socially responsible (Graci and Kuehnel, 2008). They must engage, not only to do something good, but to garner the results of positive consumer response and to enhance their reputation and image.

The final category of issues facing hotel industry deals with marketing issues. This is primarily the difficulty consumer’s face in differentiating between various brands combined with the increase availability of knowledge that they possess (Jin-Zhao and Jing, 2009). A feature or attribute that your organizational properties my possess are only important that they are among the criteria that your consumers look at in selecting a property to stay at. The various weights of these market drivers need to be identified to maximize the products and services being offered (Vera, Plaschka and Louviere, 2002). “Only those hoteliers with a clear vision of their guest needs will survive and prosper. Understanding guest needs above all necessities and understanding of how they choose a hotel” (Yavas and Babakus, 2004, p.359).

The attributes that guest value can either be cognitive or sensory. Cognitive attributes satisfy basic needs and sensory attributes are related to personal preferences. One study concluded that “the comfort of a bed and pillow is one of the most important sensory attributes” (Kim and Perdue, 2013, p. 248).
The product offered by most hotel organizations is similar and perspective consumers see little differentiation among them. The goal of a decision concerning a purchase is to maximize positive outcomes and minimize adverse ones. First time consumers look for ways to estimate the validity of their decisions. They are looking for independent data before the decision is made and validation data after (Nicholson and Xiao, 2011). This information is easily available through the Internet.

Hotels need to develop a marketing strategy based on what perspective customer’s rate as important. They need to be strategic in their efforts. The majority of mission statements for organizations contain lofty goals usually without recognition of their core competencies. Strategy for an organization starts with a clear understanding by all parties of what the unique value proposition is that the organization is offering to stakeholders.

Hotels must differentiate themselves to maintain a competitive advantage. For a segment of differentiation to be viable it should be identifiable, have a large enough mass to be considered and possess unique needs. The demographics and segmentation of the population attracted to the segment need to be identified and analysed.

Hotel groups offer a mix of fragmented offerings, attempting to meet the stakeholder needs. This can often times confuse stakeholders and cause tension between possible identities, organizations have many embedded identities.

A continual challenge faced by these organizations is to properly measure the value consumers give to different offerings. Organizations do not have the resources available to be the best at everything they offer. They need to choose their niches so that their resources are allocated in the optimum manner to result in the best desired outcome. The product offerings of hotels need to reflect the current needs of consumers. The more competitive these offerings are the more consumers will be attracted to the organization.

The ability of the leadership of hotels to respond to current market conditions will be the bellwether of whether they survive or succumb to their inevitable demise. Those institutions with strong leadership are attempting a strategy that differentiates their organization. Their strategies are focused on their core values while at the same time reducing expenses and freeing up capital that has previously been tied to non-core assets and strategically investing in new models. In order to initiate a strategy of differentiation, an organization must really understand its core so that they can focus on it.

“Value is what buyers are willing to pay and superior value stems from offering lower prices than those competitors for equivalent benefits or providing unique benefits that more than offset a higher price” (Porter, 1986, p.3). Organizations that learn what is important to their consumers quicker can initiate changes quicker and be ahead of the competitive curve.

The choice that consumers make is a result of their learning history meeting their current behavioural setting. When the experience of a consumer meets a new opportunity to consume it, this is called a consumer situation. The consumer situation encompasses motivating consequences such as; the utilitarian reinforcement that shows the results of previous decisions that provided useable economic and technical benefits, the informational reinforcement which is a statement about ones lifestyle and finally the adverse or punishing consequences which is the cost to consume or purchase the product or service (Foxall, 2010). A peculiarity of consumer behaviour is that it can be the subject of being reinforced and punished at the same time. The reinforcement comes by the
benefits the consumer gets from the purchase and the punishment is the money or other value the consumer has to give up as a condition to get the purchase (Foxall, 2010).

The consumer behavioural setting in combination with learning history shapes consumer choice. Measurements of the learning history require that the consumers articulate their individual experiences. When faced with equivalent choices, a consumer will choose that which reduces any adverse consequences.

The thought process of consumers is influenced by their beliefs and perceptions. The greater the comprehension that an institution has of the key priorities in the process of the consumer purchase, the more successful it will be.

In the absence of first-hand learning experience the consumers will have to employ second-hand or surrogate learning experience. Consumers will learn from advertising, branding marketing information as well as online reviews. The greater the credibility of the online reviewer the more value the recipient places upon them.

SUMMARY

In 1927, when Charles Elton initially described what he saw the role of the consumer in a population was, he was working on his concept of a niche. He saw that the niche must first possess a market, and second the consumer needs to have an appetite for the unique product, service or offering. Third, the product, service or offering asked to have a strong resemblance to the codes that the consumer requires to be part of that niche. The imminent appeal of the institutions offerings dictates what the actual appeal will be. The higher magnitude that the appeal possesses is usually accompanied by increased fitness of the organization is attributed with and by the consumer. The potential hazard of mortality of an organization within the niche declines with the increase appeal.

The consumer decides whether a product or service meets their needs, not the organization. Consumers decide on the values of the offering and changes in niches are dependent on enhanced knowledge of the values placed and the priorities of the various criteria to the consumer. Successful organizations create plans to increase their fitness to the consumer as compared to that of the competition. This requires as much information about the importance of various criteria to the consumer as can be gathered. Relative fitness compares an organizations ability to meet a consumer’s needs when compared to a similar organization. An organization’s hazard of mortality decreases as their relative fitness increases. It is possible to quantitatively measure the appeal of offerings at a hotel to their consumers.

The utility that consumers receive from a purchase of a product or service is the variance between what they perceived to have received versus what they perceived they gave up. They are motivated to get to receive a higher value for their purchase versus what they gave up four. They want a positive utility from the experience.

There are several statistical methods that can be implemented to research the issue of consumer attributes. The purpose of the research can direct one to the appropriate statistical method to apply. Advanced technology combined with an advanced statistical method can allow researchers to estimate the individuals or group market segment preferences rather than working with aggregate numbers (Verma, Plaschka and Louviere, 2002). The dimension of importance of qualitative and quantitative magnitudes of selection criteria requires additional research. This paper addresses this literature gap.
RESEARCH DESIGN

There is an absence of mixed method research about the decision-making process of consumers to hotels. This is the first study using a method to quantify the magnitude of differences between the various criteria that prospective customers use. This study provides guidance to where resources of an institution should be allocated that will best attract a particular niche of consumers.

The idea of first accomplishing those priorities that are low hanging fruit so that you can then expend energies on the higher priority items does very little in the way of helping an institution accomplish its goals. The path of least resistance would have an institution complete many objectives but the results would be negligible. The Pareto Principle states that 80% of the effort accomplishes 20% of the objectives. An institution needs to work on the most important task from the top down. Michael Porter stated that the competitive advantage is the ability of an organization to create a value for its consumer that is greater than the capital necessary to create that value. The competitive priorities that go into making the competitive advantage change over time and a method needs to be developed to be able to track those changes (Kavitha, Karthikeyan and Devi, 2013). “Any organization that wants to successfully compete in the marketplace must focus their resources on their customer’s requirements” (Ahmad and Schroeder, 2002, p.77). These requirements are not static but are dynamic and change over time due to shifts in the competitive environment and the change in consumers.

The study of what hotel attributes are most important to consumers has been extensively researched (Millar and Baloglu, 2008). Often times the attributes are divided into categories such as cognitive, affective, and sensory (Kim and Perdue, 2013). There have been many studies on attributes a business customer looks for when deciding on a hotel (McCleary, Weaver and Hutchinson, 1993). While other studies have looked at the differences between what’s important to a business or leisure traveller (Yavas and Babakus, 2004; Tsai, Wu and Chen, 2015).

The majority of studies are either a pure qualitative study that simply asks consumers why they chose a certain hotel (Baruca and Civre, 2012) or a quantitative study using a version of a Likert scale (Callan and Bowman, 2000; Dolnicar and Otter, 2003; Tsaour and Tzeng, 1996). One study used a version of the analytic hierarchy process to create an analysis of presupposed attributes.

Researchers must have a firm understanding of the purpose of the goal of the analysis being undertaken in order to select the appropriate analytical method for analysis (Barsky and Labagh, 1992). The method selected should be flexible and have a large magnitude of statistical and analytic power. The most predictive method helps identify relationships between variables regardless of a sample size, as Joe Hair and others have said that larger sample sizes don’t necessarily mean better results (Hair, Ringle and Sarstedt, 2011; Tsai, Wu and Chen, 2015).

This study was conducted at two AACSB accredited graduate business schools located in the southwest portion of Pennsylvania. The institutions chosen created an excellent mix in which to conduct research. This allowed me to assure a high level of reliability and consistency in the data collected.
The initial part of the mixed methods approach was a qualitative analysis. It assessed the relevance of various selection criteria by reviewing previous studies and then consulting subject matter experts to arrive at a final list of 10. These 10 were used in the creation of a pairwise comparison matrix set up on an application format for easy accessibility by interviewees. The analysis will show the magnitude of difference between the various criteria and the relationship between them.

This study uses a hybrid mixed methods approach in developing a cohesive study. The topic of this research is comprised of a series of questions. These “mixed methods research questions are concerned with unknown aspects of a phenomenon, in this case the consumer choice attributes important to a particular niche of population. The responses are then presented in both narrative and numerical forms. The quantitative section analytically determines the magnitude of differences between the various criteria.

A list of 10 criteria were then used in the creation of a pairwise comparison survey, and an analytic process was used for analysis. Results not only reveal the ranking between these criteria but also the magnitude of importance of one criterion to another criterion.

The qualitative analysis focused on the perception of graduate business school students and other subject matter experts. The purpose of this study was to get a clear understanding of what criteria students are currently using when selecting an overnight accommodation when they travel. I wanted to find out what was the most important criterion to them. This niche was chosen because they have not yet developed any firm brand loyalty and they will become an economic force for the next decades. It is a niche of the future that the hospitality industry needs to recognize and understand.

One of the keys to the analysis was the use of pairwise comparisons. Pairwise comparisons reflect the perceptions of the consumers. Accuracy is increased when an opinion is given on only two alternatives at a time versus several. Consistency can be verified more easily. There are no units of comparison necessary because the process used does not use an integral scale but a ratio scale. The ratio scale is important to use if we want to aggregate measurement such as a weighted sum (Saaty, 1994). This means that a relative value represents the choice. All these pairwise comparisons are then transferred to a positive reciprocal matrix.

To obtain priorities of preferences comparisons are usually represented by a value. In order to negate any bias associated with numbers I used a scale without any numbers associated with it. For priorities to be logical, they need to be the result of consistent or almost consistent matrices. The random consistency index (RI) related to an Eigen value method creates a consistency check on the priorities. The consistency ratio is a value to the consistency of those giving judgments on pairwise comparisons. The final step is referred to as a sensitivity analysis.

To normalize the entire matrix it is necessary to sum each column of each criterion to get a total, using that total, and then divide each cell of the column by the column total. Continue doing this for each corresponding column until the matrix is completed. The resultant eigenvector is the priority vector of different alternatives, as compared to a single criterion. The consistency ratio the consistency ratio is a way to approximate the mathematical quantity known as \( \lambda_{\text{max}} \) (lambda max), which is calculated by multiplying the first matrix by the final matrix. The calculation for the consistency index is \( \lambda_{\text{max}} - n / n-1 \). The number of elements in this research is 10, so the random value is
1.49. The consistency ratio (CR) is CI/CR = 0.0072. This is a comparison between the respondent’s replies and a random set of replies.

A reliable pairwise comparison that can be used to properly scale judgmental decisions needs to reflect accurately the respondent’s feelings, and the conclusions should have minimal change due to slight changes in judgments. One of the purposes for a pairwise comparison is to be able to test if responses are consistent among respondents. Respondents to a question should be experienced individuals that have an understanding of the criterion and the relevance of one to another. The subjects of this pairwise comparison were business school students and various faculty members.

Potential participants were given a website that they could either go to on their phone or laptop to respond. The survey took less than five minutes to complete and they immediately received their own individual results. 250 participants were asked to participate of which 121 responded. Upon a review of the responses, four were eliminated because of inconsistencies or duplication of data. This resulted in a 46.8% usable response rate.

The questionnaire has 45 comparative questions that resulted in every combination of comparison with the 10 criteria being asked. The criteria used for comparison were: 1) location, 2) price/value, 3) brand, 4) service, 5) amenities/spa, 6) restaurants, 7) sustainability, 8) cleanliness, 9) room design, and 10) arts.

FINDINGS

The qualitative analysis conducted ascertained what the current relevant criteria for this niche of population uses when selecting a hotel to stay at. This portion of study illuminates in accurate assumptions. The best method to accomplish this is to ask subject matter experts what is important to them. Left unanswered was any understanding of any ranking and the magnitude of importance of selection criteria.

All of the pairwise comparisons were calculated individually using the above format and then aggregated using the geometric mean of each decision and then raising the matrix to the powers until stabilized. The consistency ratio of the aggregated field was then calculated. The final portion of the calculation presented the degree of importance each of the selection criteria played when making the choice of which hotel to stay at. The consistency ratio of the aggregated pairwise comparison matrix was below 1.49 that is considered to be acceptable. Thus the data is considered to be reliable, useful, and of good quality.

The population of usable responses was 40.1% female and 59.9% male. 80% of the study group was under the age of 30 and 87% were under the age of 40. All of the population had obtained or was in the process of obtaining college degrees or advanced degrees.

Since the process used an advanced analytical software program the ability to dissect the data becomes less arduous. All 10 attributes being analyzed was the most important attribute for at least one individual in the study. Cleanliness received the greatest number of top selections. This is one of the main reasons why understanding the magnitude of importance and the magnitude of difference between various criteria is so critical. The simple ranking of criteria may lead an organization to inappropriate allocation of resources.
The range of responses for any individual attribute could be from 0 to 100. The ranges for the criteria were as follows:

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Range</th>
<th>Attribute</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>1.86 - 31.08</td>
<td>Price</td>
<td>1.87 – 40.09</td>
</tr>
<tr>
<td>Loyalty</td>
<td>.87 – 28.35</td>
<td>Service</td>
<td>2.73 – 31.66</td>
</tr>
<tr>
<td>Amenities</td>
<td>1.06 – 22.34</td>
<td>Food</td>
<td>.89 – 16.6</td>
</tr>
<tr>
<td>Sustainability</td>
<td>.89 – 28.51</td>
<td>Cleanliness</td>
<td>3.54 – 41.75</td>
</tr>
<tr>
<td>Room Design</td>
<td>1.56 – 19.24</td>
<td>Art</td>
<td>.89 – 26.8</td>
</tr>
</tbody>
</table>

A review of the ranges of responses gleans the following observations:

1) Cleanliness and price, both received extremely strong ratings at the top end, and cleanliness still maintain the highest rating at the low-end.
2) Neither food nor room design received large high-end numbers. This would deserves some further research to understand if food is unimportant because of the mass availability of other restaurants around the facility and of room design is just taken for granted.
3) Art, loyalty programs, sustainability, and food all received minimal low in marks. Further study is warranted to investigate why.

The total matrix of pairwise comparisons revealed the following data regarding the entire population surveyed. The Magnitude of importance of the various selection criteria in order of weight the preferences of criteria were as follows:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Magnitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cleanliness</td>
<td>26.75</td>
</tr>
<tr>
<td>Price</td>
<td>19.70</td>
</tr>
<tr>
<td>Location</td>
<td>17.0</td>
</tr>
<tr>
<td>Service</td>
<td>12.87</td>
</tr>
<tr>
<td>Restaurant / Food</td>
<td>8.60</td>
</tr>
<tr>
<td>Amenities</td>
<td>6.23</td>
</tr>
<tr>
<td>Loyalty Programs</td>
<td>5.2</td>
</tr>
<tr>
<td>Room Design</td>
<td>2.85</td>
</tr>
<tr>
<td>Sustainability</td>
<td>2.51</td>
</tr>
<tr>
<td>Arts</td>
<td>1.70</td>
</tr>
</tbody>
</table>

The top four priority of importance resulted in a priority of 76.32. The top six responses equated to a priority of 91.15. The importance of these numbers is in more efficient resource allocation for organizations that have finite resources there are some significant differences in these numbers. Cleanliness is almost 30% more important than the next rated criteria. Loyalty programs produce low number that might be due to the age of the participants not having benefited from these types of programs.

An analysis at some of the other demographic showed that 97.5% of the women under 30 years old stayed at hotels primarily while on vacation. This compares to 81.4% of the males who primarily stayed at hotels on vacation and the 12.8% of males that stayed at hotels for business purposes.

The final item I reviewed was to see if there were any differences between male and female under 30 and their responses. The top four responses and their ratings for the various segments are as follows:
<table>
<thead>
<tr>
<th>F&lt;30 Vac</th>
<th>M&lt;30 Vac</th>
<th>M&lt;30 Bus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cleanliness 24.7</td>
<td>Cleanliness 22.0</td>
<td>Cleanliness 25.15</td>
</tr>
<tr>
<td>Price 16.6</td>
<td>Price 18.1</td>
<td>Price 23.88</td>
</tr>
<tr>
<td>Service 13.4</td>
<td>Service 15.6</td>
<td>Service 13.8</td>
</tr>
<tr>
<td>Location 12.0</td>
<td>Location 15.2</td>
<td>Location 15.4</td>
</tr>
</tbody>
</table>

The next three attributes for the groups above in order of priority were amenities, food, and loyalty programs for the women under 30. For the men under 30 it was food, amenities and loyalty programs. For the men under 30 staying overnight on business they were food, amenities, and loyalty programs.

CONCLUSION

The relevance for hotels of this type of study is in multi-criteria decision-making, resource allocation, and consumer behaviour. The same type of approach can be used in other projects that are trying to gain a better scope on consumer perceptions. The niche width of an organization should be attuned to the needs of its audience. In this study it became clear that cleanliness was a leading attribute in the decision process of consumers under the age of 30 in selecting a hotel. Yet very seldom do you see that attribute highlighted or any endorsements of it including marketing. The use of this capital needs to be expended in the way that is it most advantageous to the institution or organization. By having a better insight into the perceptions of their consumers, the resources can be better allocated.

Overall one can conclude that the attribute of cleanliness is rated highest by all the groups studied. And that the next three attributes combined with cleanliness can account for over half of the decisions made by consumers to stay at a particular facility. These results are insightful and demonstrate the magnitude of importance that consumers place on the various criteria when choosing a hotel. The niche a population that was studying may change depending on whether they are attending conferences, travelling with family or children, or becoming road warriors. These demographics can be included in future studies.

The web-based application used in this study lends itself to mass amounts of big data. Thousands of surveys can be administered and dissected to obtain a high definition of clarity of what the consumer being studied is looking for. This study was based on data from a single city. Other similar studies in different cities would generate more data to see whether geography or other demographics play a role in changing the criteria. Even though change is difficult, inertia will increase the hazard of mortality for those institutions that did not follow change in the needs of consumers. The better organizations understand their audience the more closely attuned to strategy they will be, and hence, the more likely the organization is to be successful.
REFERENCES


