

IMPACT OF HOTEL IMAGE ON CONSUMER CHOICE & DECISION

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Abstract: Hotel image plays a crucial role to enhance the performance of hotel or hospitality industry. Hotel image is the tool which can positively change people's choice and decision. The purpose of this study is to examine the Effect of hotel image on customer choice of hotel in Tinsukia town. Case study method will be used to Collect the data by using non probability judgment sampling technique. This study will be conducted in Tinsukia town of Assam with a sample size of 100 people. In the last part of article with conclusion the future recommendations and practical implications will be included.

I. Introduction

In the modern age, hospitality services play an important role to boost up the economy of any country. The hospitality sector is expected to grow exponentially in the next ten years. According to the tourism ministry, 4.4 million tourists visited India last year and at a current trend, demand will soar to 10 million in 2010 to accommodate 350 million domestic travellers. 'Hotels in India' has a shortage of 150,000 rooms fueling hotel room rates across India. With tremendous pull to opportunity, India is a destination for hotel chains looking for growth.

According to the World Travel and Tourism Council, India, ranks 18th in business travel and will be among the top 5 in this decade. The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. The third-largest sub-segment of the services sector comprising trade, repair services, hotels and restaurants contributed nearly US\$ 187.9 billion or 12.5 per cent to the Gross Domestic Product (GDP) in 2014-15, while growing the fastest at 11.7 per cent Compound Annual Growth Rate (CAGR) over the period 2011-12 to 2014-15.

Hospitality service is the only tool that can change the customer's behavior of choosing hotels. Today people are more conscious about the hospitality services than the past. This study is conducted to examine the selection behavior of people in respect of a hotel name or hotel image. There are number of cues present in environment that guide public in selection. One of them is Hotel name or image. It is considered more powerful mental shortcut in selection. The focus of this study is too aware the role of hotel name or image in

decision making. The study is conducted due to two reasons:

First, brain and behavioral sciences have expanded our understanding how much we can store in our mind and how we can make decisions Now we know how much information is needed to take decision. This scientific knowledge is too much beneficial for the customers and organizations that are conscious about hotel name or image

Second, this study is conducted to understand the effects of hotel name on customer choice for the best interest of the public. A hotel name or image can influence whether consumer notice the service or not. Moreover, hotel name can influence how consumer quickly renders the service. This depends how consumer feel about your service.

II. Objectives of the Study

In the modern era. i.e 21st century, the customers are very much serious about their choice in purchase of a particular service. The customer believes in certain service brands which provide them psychological satisfaction and represent a sign of status for them The primary objective of the study is to determine the impact of hotel image on consumer choice and decision. To comply with the primary objective the following supportive objectives are also considered:

- i. To gain the knowledge about consumer decision making process with special reference to hospitality services.
- ii. To understand the buying behavior of consumers with respect to hotel image

III. Literature Review

Drawing on the existing research in hospitality and tourism management. we discovered major research directions w hich are literature investigated the publication productivity of academic authors and institutions in hospitality and tourism (Jogaratnam et al., 2005; Page, 2005; Ryan, 2005; Schmidgall & Woods, 1998; Weaver et al . 1990)

Agarwal (2009) conducted her study on "Hotel and Resort" with the main objective to set up a hotel cum resort having, all the modern facilities in the area of 20 acres in Jaipur, Rajasthan. The sample size of the stud is hotel located in 20 acres in Jaipur, Rajasthan. Finally researcher concluded that how one can establish a hotel cum resort in Rajasthan with legal procedures.

The review of literature shows that most of the study was conducted within or outside India, covering

basically the area of hotel management, setting up hotel cum resort, hotel preference. and factors influencing consumer purchase decision. In reviewing the literatures, it is found that no study has been done so far on Hotel image and such type of study is very negligible in Assam, particularly in the Tinsukia Town of Tinsukia district. So the researcher realized that there is a research gap and choosing the topic "**Impact of hotel image on consumer choice and decision-** will surely help the producers, consumers and the society as a whole.

IV. Research Methodology

In this study the researcher adopted descriptive research design to conclude the inferences of hypothesized testing with the help of chi square test.

Basically the researcher adopted the questionnaire form and it is separated into two parts. Part 1 measures the quality of the hospitality service, hotel image, consciousness about hotel image, and hotel brand loyalty etc. Part 2 is all about the demographics of the respondents like gender, age, qualification, experience, level of the job and type of the organization. In this study the researcher has decided to take five opinions Likert scale "strongly satisfied" (1), satisfied (2), neutral (3) dissatisfied (4) and "strongly dissatisfied" (5) of all verified hypotheses. In this study the target population belongs to people of Tinsukia i.e., 1,25,216. total 100 potential respondents are included in the sample size. To carry out the study and to improve the quality of the study, the questionnaire was pre tested on small sample of 10 respondents and a minor change was made in the questionnaire.

No restriction was made on the basis of age, sex, location and religion. To carry out the present study 100 customers who are planning to go out of town for vacation or for any other reasons are listed by the judgment of researcher from different travel agencies located in Tinsukia like yatra, classic India, travel world, Maa Santoshi Travel Agency and quarter moon travel agency in order to find out their response regarding effect of hotel image on their decision making of selecting a hotel.

The study is based on both primary and secondary data. The primary data have been collected through emulating questionnaire among the respondents from different travel agencies of Tinsukia. The secondary data has been collected through books, articles and various websites. All the questions are close ended in nature; Out of 100 questionnaires that the researcher distributes among the respondents only 80 questionnaires are properly filled up and other 20 questioners are

missed or not properly filled up. However, remaining questionnaires (80 percent) have been used for further data analysis using different statistical tool and hypothesized testing.

Hypothesis:

H₁: Hotel image has no significant relationship with Consumer choice and selection of a hotel.

H₂: There is no significance difference in the view of consumer regarding hotel brand as a status for them.

V. Research Result

Results Research results and findings are discussed below:

Demographic Analysis:

The respondents were 52 male and 28 female in this survey which means male are 65 percent and female are 35 percent. Respondent's age trend is as follows.

Age group of 18-30 has lowest percentage 25 percent with 20 respondents, Age Group of 30-50 has highest percentage 60 percent with 48 respondents, Age group of 50 and above has following percentage 15 with 12 respondents.

Hypothesis Tests:

Sl. No.	Hypothesis	Tabulated Value		d. f.	Expected Value	Result
		0.01	0.05	n-1 (5-1)		
1	H ₀₁	13.3	9.49	4	32.05	Rejected
2	H ₀₂	13.3	9.49	4	31.71	Rejected

Source: Authors' Calculation

- i. H₀₁is rejected. So, we can conclude that hotel image has significant relationship with Consumer choice and selection of a hotel.
- ii. H₀₂is rejected. So, we can conclude that there is significance difference in the view of consumer regarding hotel brand as a status for them.

Analysis, Findings and Discussion:

Hotel name or hotel image is the dependent variable of study and Consumer buying behavior is independent variable The purpose of the study is to measure the Consumer preference regarding hotel Image or hotel name and the study is supporting that hotel image plays a vital role for consumers while taking decision about choosing the hotel. The target population is the people who are using the services because this people are well aware from hotel brands and good will of hotels. The analysis and interpretation of data and information of the study on impact of brand image of consumer choice and decision has been shown here under the following statement:

Statement	Respondents View				
	Internet	Friends	Relatives	Advertisement	From all
Source of information about hotel	30 (37.5%)	10 (12.5%)	05 (6.25%)	15 (18.75%)	20 (25%)
Event of Information search by the customer with respect to a hotel	Very Extensive 38 (47.5%)	Comparable 25 (31.25%)	Limited 12 (31.25%)	No Search 05 (6.25%)	---
Deciding Role in Choice and Decision of a Hotel	Yourself 35 (37.5%)	Family 25 (31.25%)	Friends 15 (18.75%)	Others 10 (12.5%)	---
Hotel image impacts the customer choice and decision of a hotel	Strongly Satisfied 15 (18.75%)	Satisfied 35 (37.5%)	Neutral 15 (18.75%)	Dissatisfied 10 (12.5%)	Strongly Dissatisfied 05 (6.25%)
Most Important Attribute Considered before selection of a hotel	Hospitality 16 (20%)	Price 20 (25%)	Location 10 (12.5%)	Hotel Image 25 (31.25%)	Others 09 (11.25%)
Hotel with good image always have a quality service	Strongly Satisfied 15 (18.75%)	Satisfied 28 (35%)	Neutral 13 (16.25%)	Dissatisfied 16 (20%)	Strongly Dissatisfied 08 (10%)
Good hotel brand provides psychological satisfaction	Yes 50 (62.5%)	No 30 (37.5%)	---	---	---
Perception about price of good hotel brand	Higher priced 58 (72.5%)	Lower Priced 03 (3.75%)	Reasonable Price 19 (23.75%)	---	---
Good hotel brands represent your status	Strongly Satisfied 35 (43.75%)	Satisfied 15 (18.75%)	Neutral 12 (15%)	Dissatisfied 13 (16.25%)	Strongly Dissatisfied 05 (6.25%)
Hotel with good image protects you from cheating	Yes 55 (68.75%)	No 25 (31.25%)	---	---	---
Hotel with good image is a symbol of quality, status and reliability	Strongly Agree 25 (31.25%)	Agree 28 (35%)	Neutral 17 (21.25%)	Disagree 07 (8.75%)	Strongly Disagree 03 (3.75%)

From the above statement it has been found that most of the respondent found the information about any hotel from the internet (37.5%) followed by advertisement (17.1%). It also states about the extent of information searched by the respondents and it has been found that they search the information about the hotel very extensively i.e., 47.5% followed by comparable search i.e. 31.25%. The above statement tries to explore whether the choice and decision of the respondent was a single (self) or joint with family members, friends and others. About 37.5% of the respondent's decision was taken by their own and 31.25% of the respondent's decision was influenced by their family. On being asked about whether hotel name influences the respondent's choice and decision, the statement shows that the majority i.e. 37.5% of the respondent's choice and decision is influenced by the hotel image. The study reveals that majority i.e. 25% of the respondent consider 'hotel image' as a most important considered attribute in case of choosing any hotel while 20% of the respondent consider price as an important attribute while selecting any hotel. A total of 35% respondents are of opinion that hotel with good image always have good services while it is interesting to notice that 16% of the respondents are dissatisfied with the statement. Out of total respondents, a significant portion i.e. 62.5% of the respondents agrees that good hotel brand provides them psychological satisfaction while the rest 37.5% do not agree the same. The study reveals that 72.5% of the respondent supports that good hotel brand has high price while 23.75% of the respondents think that the hotel charge reasonable price. A larger part of the respondent i.e. 43.75% are strongly satisfied on the statement that hotel with good image or good hotel brand represent their status and while asking does hotel with good image protect you against cheating, a vast majority of the respondents i.e. 68.75% replied in affirmative. Lastly the study shows that a significant number i.e., 31.25% of the respondent preferred hotel with good image as a symbol of quality, status and reliability for them.

VI. Conclusion

The purpose of this study is to examine the relationship between hotel brand image and customer choice and decision of a hotel. For this purpose, survey questionnaire has been distributed among

80 respondents and non-probability judgment sampling technique was used. After applying the chi square test and analysing the data with different statistical tools, we conclude that hotel image or hotel name has strong positive relationship with customer choice and decision. The people of Tinsukia are more and more conscious about hotel image and for good hotel brand to show off themselves. The study reveals that hotel name has a strong and positive influence on customer choice and decision in Tinsukia town of Tinsukia district, Assam. The study also reveals that while choosing a hotel, the most important considered attribute is 'hotel image'. The respondents are very much attached to the good hotel brands with the belief that it shows their status and lifestyle in the society. It is observed that well known hotel brands keep consumers away from cheating in the form of price, quality, services etc. Finally, the study has been concluded with a significant heading as stated below.

VII. Area For Further Research

The present study invites many possible areas for the further research which are as laid down below:

- i. The study was limited to only one hospitality industry, i.e. Hotel services as well as only one town of Tinsukia district of Assam. This theme can be extended to other hospitality industry, other towns and districts of Assam and India.
- ii. The study can be done on a larger scale with larger sample size covering more towns and cities
- iii. Each of the variables covered in the study can be analysed in greater depth by taking more hypothesis and tests.

VIII. Practical Implication

This Research study provides deep understanding to business and companies that how they can make better their promotional and marketing tool to capture the customers and to increase their profits. Marketing Managers can understand that people in this information age are moving toward branded and quality products.

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