Branded Hotel Chain –A Study of Consumer Response

Imranur Rahman
Dept. of Commerce, University of Lucknow,India

Abstract

The tourist industry's most significant component, hotels support the sector by providing services and amenities of the highest calibre. The hospitality sector is now more conscious of providing environmentally friendly services, which draws many Indian customers. However, it is important to examine if Indian customers were aware of the benefits provided by the hospitality sector. In addition, how do they see these qualities and do they take them into account when picking a hotel? Finding customers that are increasingly interested in eco-friendly offerings is vital for the hotel sector. The current study has looked at how Indian customers are aware of, perceive, and decide which hotel business characteristics they like. There is a considerable correlation between awareness, perception, and preference among several hotel sector features, according to study that was done.

INTRODUCTION

The hospitality sector is one of the boom industry in the world and a significant source of income for many nations. In India, market for both leisure industry, hospitality and tourism is rising quickly. The hospitality industry's largest profit contributor is the hotel sector, but there is also an unavoidable connection between hotels and environmental problems.

Customers can better understand the intangible product and services when a brand is powerful. Additionally, they reduce the perceived financial, safety, and social risk for customers when purchasing services that are difficult to determine before purchase. Strong brands have many benefits for a service company, including less competition, more brand loyalty, increased customer response to pricing adjustments, higher profits, and brand extensions.

The greatest method to increase brand worth and prevent the commoditization of goods and services is to continuously work to increase brand equity. By forging an emotional connection with consumers, pursuing distinctiveness in communication, and providing the service, strong brands can be built. Creating a strong brand for a restaurant helps customers understand why it exists and motivates staff to become familiar with it.

OBJECTIVE OF THE STUDY

This study will aid you to discover the following objective :-

(a)   Exploring the awareness of consumers for the hotel industry

(b)   Exploring the importance of green attributes which consumers prefer while choosing a Hotel.

(c)   Exploring the consumer response while selecting the type of Hotel.

SIGNIFICANCE OF THE STUDY

This research helps to understand the importance of customer response in hotel industry. As it is well known that "customer is king", therefore it is necessary to keep them happy. Happy customer retain for the longer period, hotel industry is mainly depend on word of mouth publicity and make the customers loyal towards their hospitality.

There are many research done concerning the hospitality, but the research of Customer response in hotel industry are very less. This research will help the companies about the various reasons for their customer churn. This study will also help the academics who are willing to perform the research in this particular sector.

LIMITATION OF THE STUDY

Every study has some restrictions, and this study has the following restriction as well. The following is a discussion of the study's limitations:

* ❖   Some customer did not give proper response.
* ❖   Time, money, and other critical aspect shortages prohibited in-depth investigation, which was the primary reason for the report's limitations.
* ❖   The study is based on limited geographical area only.

LITERATURE REVIEW

According to Bateson and Hoffman (1999), consumers find it difficult to distinguish between various services before using them because of the match in the features of the service branding. They continued by saying that as a result, there have been debates about the claim that buying services carries a higher perceived risk than buying products.

Perceived risk, according to Blackwell et al. (2001), is the uncertainty that customers have regarding the possible benefits and drawbacks of their purchasing decisions. William (2002) emphasised the idea that consumers have chosen to buy products and services from well-known and reputable brands in order to lessen the perceived risk associated with doing so.

According to Watkins's (1994) study, Recycling bins, energy-efficient lighting, changing bedding only when requested, and shutting off lights in vacant guest rooms are a few

environmentally friendly features of hotels that may affect customers' plan-making.

Laroche and co. (2001), Married women with children are more concerned about the environment than other demographic groups are, and they are also more likely to spend more money to safeguard it, according to a study that examined demographic parameters and customers' enthusiasm to pay for environmentally friendly products. Additionally, the research discovered that customer sentiments serve as reliable predictors of their willingness to spend extra for environmentally friendly goods.

Kasim (2004) Studying visitors to Penang Island in Malaysia revealed that although they were informed and concerned about the environment, they did not base their hotel decision on a hotel's environmental policy. The study found that visitors valued eco-friendly room features and were open to accommodating rooms with water-saving, recycling, fire-safety, energy-saving, and information on nearby not on overtourism sites, but they did not regard these elements as the only justification for staying at a hotel.

The studyin the NCR of Delhi, India conducted by Manaktola & Jauhari (2007), to examine buyer attitudes & behaviour toward environmentally friendly methods in the hospitality sector. They determined consumer willingness to pay for green hotels. According to the study's findings, there is a considerable correlation between consumer views and behaviour toward environmentally friendly hotel operations, although only 15% of consumers are prepared to pay for them.

For a service brand to establish a strong brand equity and get acceptance in the marketplace, Muller and Wood (1998) suggested focusing on three key issues:

• Fine goods and services.

• Execution of service delivery

 • Creation of a symbolic and emotional image

He continued by saying that the intersection of these three challenges in the growth of a restaurant brand will lead to premium pricing and increase customer loyalty. According to Murphy (1990), the nonspecific brand method is endorsed, easy, and monolithic in the restaurant business.

According to Kim & Han,(2010) Customers were willing to pay prices comparable to those at a comparable non-green hotel, even when they were obtaining relatively poor performance from a hotel, according to a modified version of the theory of planned behaviour, which was used to make this discovery.

In a poll on hotel customers' preferences for green hotel features, Millar and Baloglu (2011) discovered the lists of green features that hotel visitors would want in their rooms. According to this study, the majority of visitors welcomed the essential green features including energy-saving lighting, low-flow toilets, and key cards.

In conclusion, one of the most significant advantages of service branding is that it aids in lowering the perceived risk that consumers experience regarding the probable positive and bad effects of their purchasing decision. It also aids in lowering the cost of search.

RESEARCH& METHODOLOGY

Simple statistical approaches, such as percentages, were used for the proper examination of the data. It aids in drawing broader conclusions from the supplied data. The information that will be gathered from a illustration of the populace was thought to represent the complete populace.Age, income, gender, and other demographic variables connected to the hotel sector were utilised for classification.

DATA ANALYSIS & INTERPRETATION

To get over the limitations of time and money, the study was conducted in Lucknow, the capital of the state of Uttar Pradesh, with a sample size of 200 respondents. This study employed a structured questionnaire drawn from a variety of literature reviews to examine consumer awareness, perception, and desire for the environmentally friendly aspects of the hotel sector. The entire consumer population received a questionnaire. Four sections made up the questionnaire: Part (a) examined consumer awareness, and the study's questions were used. Part (b) of the surveys by Kim et al. and Laroche et al. (2001), which were based on questions about consumers' perceptions of hotel sector characteristics, Part (c)Manaktola and Jauhari's (2007) study using a five-point Likert scale (5 as very important and 1 as less important). Part (d) of the study examined patrons' demographic profiles, which included gender, family income, and the type of traveler and many more.

The statistics was assembled in the period from October 2010 till mid June 2011. A total of 102 complete questionnaires were receivedyieldinga 51% overall response rate.

Table.1:. Demographic characteristics of the Respondents

a)Types of Hotel

Demographic variable	Frequency	Percentage
Economy	28	27.45
Mid priced	67	65.68
Luxury	7	6.87
Total	102	100

b)Gender

Demographic variable	Frequency	Percentage
Male	33	32.35
Female	68	66.67
Trans	1	0.98
Total	102	100

c) Number of Night Spend

Demographic variable	Frequency	Percentage
1-3 nights	49	48.04
4-7 nights	35	34.31
7-10 nights	10	9.81
More than 10 nights	6	5.88
Total	102	100

d) Family Income

Demographic variable	Frequency	Percentage
Rs2,50,000-Rs5,00,000	19	18.63
Rs5,00,001-Rs7,50,000	38	37.25
Rs7,50,001-Rs10,00,000	33	32.35
Rs10,00,001 and above	12	11.77
Total	102	100

According to Table 1, of the 102 respondents who took part in the survey, 32.33 percent were men, 66.67 percent were women, and the remaining respondents were transgender. The respondents have a variety of family incomes, with 18.63 percent falling into the Rs 5,00,001-Rs 7,50,000 p.a. income category, 32.35 percent falling into the Rs7,50,001-Rs10,00,000 p.a. income category, 18.63 percent falling into the Rs 2,50,000-Rs 5,00,000 p.a. income category, and only 11.77 percent falling into the Rs 10,00,001 p.a. and above income category.

Approximately 48.04 percent of the travellers had stayed one to three nights in a hotel over the preceding year, followed by 34.31 percent with four to seven nights, 9.81 percent with seven to ten nights, and about 5.88 percent with ten or more.

The study's next goal was to determine how much preference consumers had for eco-friendly features in hotels. The numerous hotel green features are displayed in Table 2 below, along with customer preferences for these green features that were significant to respondents when making a hotel selection.

Table.2:. Preference of the Respondents

Attributes	Mean	Importance
Guest room light bulbs are Energy efficient	3.5	Important
Shampoo dispensers are Refillable	2.9	Least Important
Bins Recycling at the hotel lobby	3.5	Least Important
Reuse of towels program	3.38	Important
Sheets will be only changed upon request only for stays upto three nights	4.2	Important
Occupancy sensors are used to manage Room's illumination	3.4	Very Important
Key cards are used to turn on and off the room's electricity	4.5	Very Important

The respondents indicated in Table.2 above their preferences for several eco-friendly characteristics when picking a hotel. These qualities' importance levels varied from 6 and 7, which was regarded as very important (VI), to 1, 4, and 5, which was regarded as significant, and 2 and 3 which was regarded as least important. When choosing a hotel, the respondents favoured eco-friendly elements like recycling bins in the room, energy-saving lightbulbs, the hotel's certification as a green hotel, and the rest of these factors. The use of key cards to turn on and off the power in the room was another green element they valued.

Having a good hotel is quite important if you want to have a pleasant vacation. Yes, of course, people don't generally spend a lot of time in their hotel rooms when on a trip, but still, it's important that you have a place where you can relax after a day of exploring.But how to find good accommodation?

Well, it's not exactly easy and there's a lot of luck involved as well.

People usually consider many factors while selecting hotel to stay. Some factors like internet rating , Hotel location, Price, what's around the accommodation?, reviews, amenities, check in and check out times, cancellation policy and other fine-print details, the room itself, parking or how accessible is the hotel,etc.

Table.3:. Factors to be Consider while Selecting Hotel

Factors	Consumer Response
Hotel Room	Good space, Comfortable Beds,Window Room
Operation hours	Must be 24/7
Internet Ratings	Most Preferable
Amenities	Costless breakfast, Wi-Fi and parking included in the price or a 24/7 reception
Fine Print	cancelling your reservation without
Location	Centrally Located, Minimum Transfer Time

Conclusion

Despite its shortcomings, this research was able to accomplish its objective. Our knowledge of how brand image may affect consumer preferences in the hotel business is improved and fostered by this study. In conclusion, it is intended that this research will add to the body of knowledge, serve as a tool to maximise customer happiness, and serve as a recommendation for hotels to enhance their brand image in order to draw in new business and keep hold of existing clients.

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