

TRAVELERS' PERCEPTION TOWARDS BUDGET HOTEL ELEMENTS



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Sir,

FINAL RESEARCH REPORT

Refer to the above matter, herewith enclosed three (3) copies of the Final Research Report entitled "travelers' perception towards budget hotel elements" by a group of researchers from Faculty of Business Management, UiTM Melaka.

Thank you,

Yours sincerely,

A handwritten signature in black ink, appearing to read 'KHAIZIE SAZIMAH BINTI AHMAD', written over a horizontal dotted line.

KHAIZIE SAZIMAH BINTI AHMAD

Head of Research Project

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PROPOSED EXECUTIVE SUMMARY

The budgets hotel sector is becoming increasingly popular even in advanced country such as Europe country and developing country such as China and India. Budget hotels' product concept is affordable not only for upper income and middle income that emphasize on value for money but also for low income travellers.

This paper is aim to determine which attributes of Malacca's budget hotels that will influence travelers' decision and also to identify the significant factors that differentiate the choice of budget hotel between local and foreign travelers. We attempt to use the SERVQUAL and Fishbein's multi attribute model to give clear indication which of the attributes are most dominant in influencing travelers to make a decision to choose budget hotel. The SERVQUAL model is part of the satisfaction measurement techniques, while the Fishbein model is part of the attitude measurement techniques. A convenience sampling method was deemed appropriate for the purpose of this study. Malacca state becomes scope of this study based on the fact Malacca was most prominent tourism spot.

While many researchers concentrate their studies on service quality measuring customer satisfaction on luxury hotels elements, very few studies emphasized on budget hotels sector especially in Malaysia. This study is expected to bring some practical implication by utilizing information obtained from the travelers to enhance a much more efficient marketing strategy in the budget hotel industry. The attributes that have been identified to be most crucial will became critical success factor to practitioners and can be focused by the hotels in their future decisions.

Keyword: Customer satisfaction, service quality, budget hotel, travellers, Malacca

ENHANCED EXECUTIVE SUMMARY

The budget hotel sector is becoming increasingly popular even in advanced country such as Europe country and developing country such as China and India. Budget hotels' product concept is affordable not only for upper income and middle income that emphasize on value for money but also for low income travellers.

This paper aims to examine if local travelers and foreign travelers perceive budget hotel elements differently and to identify whether gender perceived satisfaction towards budget hotel differently. This paper seeks to analyze the importance of dimension of service quality that influence travelers' decision to choose budget hotel between male and female. The SERVQUAL model is part of the satisfaction measurement techniques. The research questions are utilized to measure the differences between genders towards budget hotel attribute. A self-administered survey was deemed appropriate for the purpose of this study. Malacca state becomes scope of this study based on the fact Malacca was most prominent tourism spot. Data is analyzed using SPSS software by employing reliability analysis, independent sample t-test and descriptive analysis. Result indicates there is significance difference between male and female in term of customer satisfaction.

While many researchers concentrate their studies on service quality measuring customer satisfaction on luxury hotels elements, very few studies emphasized on budget hotels sector especially in Malaysia. This study is expected to bring some practical implication by utilizing information obtained from the travellers to enhance a much more efficient marketing strategy in the budget hotel industry. The attributes that have been identified to be most crucial will become critical success factor to practitioners and can be focused by the hotels in their future decisions.

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