



Does hotel attribute importance differ by hotel? Focusing on hotel star-classifications and customers' overall ratings



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ARTICLE INFO

Article history:

Available online 31 March 2015

Keywords:

Hotel type
Hotel star-classification
Customers' overall rating
Hotel attribute importance
Conjoint analysis
Multiple case study

ABSTRACT

Hotel guests' expectations and actual experiences on hotel service quality often fail to coincide due to guests' unusually high anticipations, hotels' complete breakdowns in delivering their standard, or the combination of both. Moreover, this disconfirmation could be augmented contingent upon the level of hotel segment (hotel star-classification) and the overall rating manifested by previous guests. By incorporating a 2×2 matrix design in which a hotel star-classification configures one dimension (2 versus 4 stars) and a customers' overall rating (lower versus higher overall ratings) configures the other, this explorative multiple case study uses conjoint analyses to examine the differences in the comparative importance of the six hotel attributes (value, location, sleep quality, rooms, cleanliness, and service) among four prominent hotel chain brands located in the United States. Four major and eight minor propositions are suggested for future empirical research based on the results of the four combined studies. Through the analysis of online data, this study may enlighten hotel managers with various ways to accommodate hotel guests' needs.

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1. Introduction

The hotel industry is a competitive market where hotel management's goal is to decrease the vacancy rate while increasing the customer return rate. On the other hand, hotel guests have certain expectations for the hotel service, albeit they are often disappointed with one or more of many hotel attributes that stretch from value and service to amenities (Heung, 2000). In the age of the Internet, both hotels and their customers (hotel guests) have access to an unlimited amount of information which they can use to their advantages. Hotels could advertise favorable reviews they received and improve on their weaknesses by seriously considering customers' negative comments. Likewise, hotel guests could learn much about many hotels by surfing online travel review websites such as TripAdvisor, Travelocity, Expedia, and so forth, before deciding on the best option. In addition, through these online platforms, the guests could freely express their staying experiences, whether they are satisfied or not, hoping their opinions would make some differences in hotel service quality.

In this explorative multi-case study, we investigate the relative importance of hotel's six attributes (value, location, sleep quality, rooms, cleanliness, and service) via a conjoint analysis. To integrate a 2×2 matrix design into our study (see Fig. 1), we selected four target hotels located in New York City, U.S., whose differences vary by their star-classifications (2 versus 4 stars) as well as overall ratings by guests (low versus high). In the first study, an accumulated data for four hotels is used to assess the relative saliency of hotel attributes from an overall perspective. In the second study, the relative attribute scores are compared between 2-star group and 4-star group hotels, and in the third study, the comparison process is repeated between low-rated group (3.0 and 3.5) and high-rated group (4.0 and 4.5) hotels. The fourth and last study deals with the different combinations of six attributes that would yield a particular total part-worth value. By analyzing how an increase or decrease in different attribute rating could lead to a larger or smaller change (positive or negative) in a total part-worth value, we may suggest the ultimate attribute combination values for the higher total part-worth value.

The research on hotel attributes is plentiful, yet often one-dimensional, with a survey data collection method proliferating the domain. Especially, it is quite difficult to find hotel comparison studies based on the attribute importance. In our study, a conjoint analysis on the online consumer data voluntarily provided by hotel guests was applied. Since data were provided by hotel guests' own

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Hotel star-classification	4 Star	<p>“Grand Disappointment!”</p> <p>Hilton Manhattan East</p>	<p>“Sure Thing!”</p> <p>Hyatt 48 Lex</p>
	2 Star	<p>“It is what it is”</p> <p>Days Inn NYC B'wy</p>	<p>“A pleasant surprise”</p> <p>Comfort Inn Times Square West</p>
		Low	High
		Customers' overall rating	

Fig. 1. A 2 × 2 matrix of hotel star-classification and overall rating with four target hotels.

discretion, their validity may be more robust, and thus the analysis results may closely reflect a real life situation, compared to the questionnaire data. Moreover, the data dealing with attribute combinations and its total part-worth values are rarely used in the tourism discipline. By appropriately interpreting the online consumer data, hotel management may realize which attribute ratings should be kept at an optimal level and others could be overlooked in order to maintain a best possible total part-worth value for the hotel. Furthermore, prior research rarely compares the attribute importance between hotels with different star-classifications and different overall ratings simultaneously. Our research extends the prior research by increasing the complexity of a research design and the depth of data interpretation. The results of this study may provide new insights to hotel managers on how hotel guests prioritize each of hotel attributes depending on their staying at low or high star-classified/overall-rating hotels. Astute managers should pay a careful attention to these findings to appropriately deal with hotels' shortcomings and to minimize any types of negativity toward hotels, while maximizing the strong points.

2. Literature review

2.1. Hotel attributes

Every individual displays different proclivities, due to which their reactions to hotel attributes would deviate. Hotel attributes could be dissected into many sub-categories to encompass every tiny aspect of hotels' attractions or distractions to guests. Callan and Bowman (2000) surveyed British travelers on 38 hotel factors that include widely reviewed attributes such as value for money, cleanliness, bedroom comfortableness, staff politeness, and service efficiency to specialized frills such as ramps and mobility-aid-lift. The mentioned attributes, in particular, were emphasized by the survey participating travelers regarding hotel experiences in their study. In addition, Shanka and Taylor (2004) categorized 18 service and facility factors including friendly front office staff, efficient check-in and out, and the Internet connection into three attributes such as physical facilities, room amenities, and reception service experienced. Among the three, reception service experienced was considered to be the most important by the guests of Australian three-star hotels. Because, sometimes, detailed information in too

many factors could be overwhelming to hotel managers, it could be more practical to concentrate on a few major critical aspects of the attributes. For instance, cleanliness, location, and a safe and secure environment were found to be qualified as de facto criteria in measuring hotel performance across different star-classifications of hotels (Knutson, 1988). Moreover, Qu, Ryan, and Chu (2000) converged 28 individual hotel facilities/service factors into six attribute categories for which customers placed an importance order as follows: quality of staff performance, quality of room facilities, value for money, variety & efficient services, business related services, and safety & security. In our study, the six hotel attributes (i.e., *value, location, sleep quality, rooms, cleanliness, and service*) are adopted to examine the differences of their comparative importance levels according to hotel star-classifications and overall ratings, following Rhee and Yang's (2014b) study, which derived six hotel attribute categories based on a comprehensive review of prior literature on hotel attributes. Such hotel attributes are also commonly used by most travel websites such as TripAdvisor and Expedia in assessing hotel guests' personal evaluation on hotels.

2.2. Hotel star-classifications

The terms, “hotel rating,” “hotel grading,” “hotel classification,” and “hotel segment” are used interchangeably to distinguish hotels for their price, service, and facility levels (Cser & Ohuchi, 2008). This classification system is employed to serve customers who could conveniently raise or lower their expectations on hotel attributes based on the rating results. Many European nations led by the United Kingdom, Germany, and Switzerland have established a coherent hotel classification system within their countries by appointing government agencies or private organizations to be in charge of drawing up and overseeing the regulations (Cser & Ohuchi, 2008). Furthermore, the European continent is seriously considering the implementation of a single hotel classification system that would be applied to all European countries. Asian countries such as China and Japan are following the footsteps of the Europe through divergent approaches. China's effort is strictly enforced by the government agency, while Japan's endeavors are carried out as formality considering that travel agencies merely differentiate lodging types without delving into serious evaluation. However, the caveat lies with a lack of a uniformed system, especially in the U.S. The U.S. does not maintain a homogenous hotel stratification code; instead, two private rating agencies' assessments are highly respected by the hotel sector: Forbes travel guide hotel ratings (formerly known as Mobil travel guide hotel ratings) and AAA's (American Automobile Association) Diamond ratings. Forbes' rating system is unique, supporting only top three levels (five and four stars and recommended) plus two extra designations for their potential quality (soon-to-be-rated and editors' pick) (McCarthy, Stock, & Verma, 2010). On the other hand, AAA's rating system relies on the 5 diamond-tier system with the most number of diamonds implying the highest classification level (Su & Sun, 2007). In our study, the combined hotel star-classification system provided by TripAdvisor, the main data source of the study, based on both the Forbes' and AAA's ratings are adopted.

2.3. Hotel attribute importance, hotel star-classifications, and customers' overall ratings

Although many researchers have examined comparative differences of hotel attribute importance from the perspective of different types of individual hotel guest (e.g., Callan & Bowman, 2000; Dolnicar, 2002; Heung, 2000; Rhee & Yang, 2014b), relatively few studies have conducted from that of different types of hotel (e.g., high vs. low star-classification or high- vs. low-rated hotel).

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