

UNIVERSITI TEKNOLOGI MARA

**MARKET SEGMENTATION STRATEGIES AND
OCCUPANCY PERFORMANCE OF 4 AND 5 STAR
HOTELS IN KLANG VALLEY**

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Dissertation submitted in partial fulfillment of the requirements
for the degree of
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Candidate's Declaration

I declare that the work in this dissertation was carried out in accordance with the regulations of University Teknologi MARA. It is original and is the result of my own work, unless otherwise indicated or acknowledge as referenced work. This topic has not been submitted to any other academic institution or non-academic institution for any other degree or qualification.

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ABSTRACT

Yield Management (YM) has been described as a method that can help an organization to sell the right inventory, to the right customer, at the right time for the right price (Kimes, 2002). Application of YM strategies involves the company to practice market segmentation strategies; In Malaysia the effect of the application of segmentation strategies on hotel's revenue management performance is unknown. To illustrate the effect of market segmentation strategy on revenue management performance the measurement used will be revenue per available room (RevPAR) analysis, differs from traditional lodging-market analysis in that it arrives at an estimate of annual room revenue (ARR) by considering average daily rate (ADR) and occupancy levels together rather than treating the two elements separately.

This paper seeks to conceptualize the relationship of application of market segmentation strategy and revenue management performance by four (4) and five (5) star hotels in Klang Valley. Research outcomes will show a positive relationship between hotel that practise market segmentation strategies and revenue management performance. It will also show the segmentation strategies hotel practise to attract most contributing market. For the conclusion, Hotel that practice effective market segmentation will have higher performance compared to other hotel.

Keywords: Market segmentation approach, Revenue management performance

TABLE OF CONTENTS

TITLE PAGE

AUTHOR'S DECLARATION

ABSTRACT

ACKNOWLEDGEMENTS

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER ONE: THE INTRODUCTIONS

1.1	Background of the study	1
1.2	Problem Statement	3
1.3	Purpose of the Study	5
1.4	Research Questions	6
1.5	Theoretical Framework	7
1.6	Significance of the study	10

CHAPTER TWO: LITERATURE REVIEW

2.1	The Revenue Management in Marketing Perspectives	11
2.2	Dimensions of Segmentation Strategies	13
2.2.1	Geographic Segmentation	15
2.2.2	Demographics Segmentation	17
2.2.3	Psychographic Segmentation	18

2.2.4	Usage Segmentation	19
2.2.5	Price – Benefit Segmentation	19
2.3	The Relationship between Segmentations Strategy and Performance	21
2.4	Performance Measurement in Hotel Industry	22

CHAPTER THREE: METHODOLOGY

3.1	Research Design	25
3.2	Sampling Design	25
3.3	Instrumentations Development	26
3.4	Question used in Section 1 – Market Segmentations	27
3.5	Question used in Section 2 – Hotel Occupancy Performance	27
3.6	Question used in Section 3 – Respondent’s Profile	28
3.7	Pre testing	29
3.8	Data Collection Process	30

CHAPTER FOUR: RESULTS AND DISCUSSIONS

4.1	Introduction	33
4.2	Response Rate	33
4.3	Respondent Profile	33
4.4	Assessing the Internal Reliability of the Instruments	35
4.5	Testing for Multicollinearity in the data	37
4.6	Measuring the Segmentation Strategy Applied by Hotels in Klang Valley	40