

UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP BETWEEN
HOTEL ATTRIBUTES OF ONLINE
REVIEWS AND YOUNG ADULT
TRAVELLERS' PURCHASING
DECISIONS TOWARDS BUDGET
HOTELS: A CASE STUDY OF
TRIPADVISOR**

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ABSTRACT

Online reviews on the travel website or similar digital platforms play a significant role as a reliable source of information for travellers before they purchase the booking at a budget hotel room. Many travellers including young adults can be influenced by the online reviews through the opinions and comments from other travellers about the hotel. Throughout the opinions and comments, young adult travellers might consider important factors before making a purchasing decision. In the literature, the important factors that influenced the purchasing decision were discussed by using the significant hotel attributes of online reviews. The hotel attributes were independent variables, namely price, location, cleanliness, room facilities and service; and customers' purchasing decisions as the dependent variable. The study hopes to reduce uncertainty and help young adult travellers to make decisions efficiently between many hotel attributes after going through 5 stages of the decision-making process consisting of 1) problem recognition, 2) information search, 3) evaluation of alternatives, 4) purchase decision, 5) post-purchase behaviour. The sample consisted of 386 respondents in the Klang Valley city area selected using the snowball sampling method. Data were obtained by distributing the structured questionnaires to working young adults who had experience using TripAdvisor. Data analysis was carried out using IBM Statistical Packaging for Social Science version 23.0 to answer research objectives and research questions. The result showed price was identified as the most influential hotel attribute among young adult travellers regardless of their stay purpose either leisure or business.

Keywords: Hotel attributes, purchasing decision, budget hotel, leisure travellers, business travellers

TABLE OF CONTENTS

	Page
CONFIRMATION BY PANEL OF EXAMINERS	ii
AUTHOR’S DECLARATION	iii
ABSTRACT	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	xi
LIST OF FIGURES	xiii
LIST OF SYMBOLS	xiv
LIST OF ABBREVIATIONS	xv
CHAPTER ONE: INTRODUCTION	1
1.1 Introduction	1
1.2 Research Background	1
1.3 Research Problems	3
1.4 Research Objectives	5
1.5 Research Questions	5
1.6 Research Hypothesis	6
1.7 Scope of the Study	7
1.8 Significance of Research	7
1.8.1 Hotel Entrepreneurs	7
1.8.2 Marketing Companies	8
1.8.3 Government	8
1.8.4 Researchers	8
1.9 Definition of Terms	8
1.9.1 Electronic word-of-mouth (eWOM)	9
1.9.2 Online Review	9
1.9.3 Budget Hotel	9
1.9.4 TripAdvisor.com	9

CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter provides an overview of the study by introducing the research background, which includes the research problems, objectives, research questions, hypotheses, and study scope. It also discusses the importance of the research, definitions of various terms, and the structure of the subsequent chapters in this study.

1.2 Research Background

Following the rapid development in Information Technology (IT), a more conducive environment has been made available for people all over the world to connect and communicate with each other through means of the extensive usage of the Internet. This has subsequently led to a newer form of communication via electronic word-of-mouth (eWOM) (Abalaesei & Sandu, 2015). eWOM is defined as any positive or negative statement given as feedback by prospective, current, or former customers about a specific product or business that is easily accessible to a large number of people and institutions through the Internet (Henning-Thurau et al., 2004, p. 39).

As a form of eWOM, online reviews, which includes blog posts, consumer forums and comments, could emerge as a primary source of information imperative for consumers' decision-making process (Chen & Li, 2010; Dellarocas, 2003; Grimes, 2012; Klaus & Nguyen, 2013; Lin et al., 2010; Willemsen et al., 2013). Online reviews also became an essential and indispensable information source in consumers' decision making (Bilgihan et al., 2016; Law et al., 2014; Lu et al., 2018; Ye et al., 2011; Zarezadeh et al., 2018). Furthermore, Lu (2016) asserted that online reviews are the primary source of product information and have a significant impact on customers' purchasing decisions.

In general, an online review is essentially a medium that allows people from all parts of the world to share their opinions based on their own experience (Winter et al., 2010; Zarezadeh et al., 2018). In other words, it enables people from various backgrounds with diverse perspectives to drop their honest comments about products,