# Consumer Behavior in Hotels: The Influence of Cultural & Social Factors-An Explorative Study

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#### **ABSTRACT**

Understanding consumer behavior by the marketer is an invaluable tool for the marketer to devise a future buying pattern for their product and services and to maintain a good long-term customer relationship. But if the consumer desire is not understood it will create a big problem for the marketer. Therefore, an attempt was made to understand factors influencing consumer behavior while booking a hotel for their stay. After the review of the existing literature and a discussion of the research design & approach adopted, the findings from over 134 respondents were considered for the data analysis which was collected through a questionnaire that was distributed through an open-ended Google form to gather relevant data information were examined based on the Likert scale ratings given to each question, and then the aggregate of the ratings for all questions in a group was analyzed in IBM SPSS-21 software to know the various approaches to consumer behavior based on age, gender, income, and employment background. This study will prove invaluable in developing and implementing the marketing strategy for the hotels.

Keywords: Consumer Behavior, Hospitality, Hotel

## INTRODUCTION

The behavioral dimension in marketing is the anchor of all marketing strategies without which neither the marker nor the consumer mindset can be understood. The behavior dimension formed the basic platform for any kind of marketing thought that may come to a marketer's mind. The consumer mind and the marketer's imagination are limitless. Therefore, the study of consumer behavior is vital since it gives insight into the context in which marketing actions take place.

Every business organization "comes into existence with the aim of accomplishing two main objectives, namely economic objectives and social objectives. These two objectives can be accomplished only if the product produced by the organization satisfies the need and wants of the consumers. In today's competitive marketing scenario, the marketer cannot sell the product what he offers to sell or produces but he can successfully sell only what is desired by the consumer". (1) When it is difficult to find what a consumer desires or what their wants and needs are, it may be difficult for the marketer to achieve their business objectives. The only way to solve this problem is to get the necessary information about the consumer and market conditions. Accordingly, the marketer may choose to make changes to his product or service if consumers are not satisfied with it. After taking into account the consumer's needs and wants, the marketer determines the marketing mix, that is, the products, prices, places, and promotions which best suit the target segments.

.Understanding consumer behavior is important as it's the soul of today's modern marketing strategies. Businesses that are successful develop and present products and brands in an alluring and persuasive way to consumers that have value to consumers thus reducing the incidence of product failure is also one of the reasons for studying consumer behavior.

As per AMA "Consumer Behavior is the dynamic interaction of effect and cognition, behavior and the environment by which human beings conduct the exchange aspects of their lives" (2). A consumer's behavior includes both their feelings and thoughts along with their

actions. Additionally, it considers all the factors in the environment that affect these thoughts, feelings, and actions.

As per Frank R Kavdes "Consumer behavior is the study of human responses to products, services and the marketing of products and services. Marketing's key contribution to business practices is the consumer. An organization that loses sight of its customers cannot compete effectively against firms that stay close to their customers" (3). Understanding the needs of their customers helps managers create better products and services, promote them more effectively, and devise marketing plans & strategies that can be sustainable competitive advantages.

For a marketer, studying consumer behavior becomes so essential because he should know how a consumer makes their buying decision and therefore try to get insights into the factors influencing the buying decisions. "The study of consumer behavior enables an organization in improving their marketing strategies by understanding many issues such as, how consumers think, feel and select among different alternatives, how consumers are influenced by social, cultural, personal and psychological factors"

To summarize we can say that Understanding consumer behavior allows marketers to understand and predict consumer behavior in the marketplace. It encompasses not only what consumers purchase, but also why, how, when, and where they do so.

## Aim of the study

Consumer behavior affects how guests choose a hotel or restaurant in the hotel industry. If we study guest behavior and buying patterns we can create a marketing strategy to attract more and more customers. The hotel business is highly perishable, heterogeneous, and labor-intensive; relationship building and diversity in culture, etc., therefore understanding hotel guest behavior is the key to hotel success. Henceforth an attempt was made to understand factors influencing consumer behavior while booking a hotel for their stay.

## Sample Design Selections and Techniques

The study's database is built on the foundation of two types of data: primary and secondary. Non-random sampling and random sampling are the sampling approaches used in research methodology. Nonrandom sampling is defined as sampling that does not provide any foundation for calculating the probability that each item in the population will be deliberately included in the sample, leaving the decision to the individual.

## **Data Analysis and Assigning code:**

For analyzing the data, each variable is assigned a numeric code to get a better understanding of the outcomes of the result and interpretation. The code (Table 1) are the output of IBM SPSS which assigned the codes for different independent variables such as age, gender, income, etc.

**Table 1. Code Value** 

Age Group	Code Value	Gender Group	Code Value	Employment Group	Code Value

21-30	2	Female	2	Government Service	2
31-40	3	Male	3	Private Organization	3
40-60	4			Business	4
Above 40	5			Not Employed	5
Above 60	6				
Under 20	7				

Source: authors

## Sample Size and Respondent Profile

In setting the sample size, the minimum number of respondents was expected to be 134. The survey questions are based on indicators of human behavior that are influenced by attitudes towards behavior, subjective norms, and consumer buying behavior. Table 2 shows the frequency of responses as well as demographic details such as age, gender, employment etc. that passed questionnaire validity and reliability tests before being distributed.

Table 2. Response Statistics
Statistics

	Gender	Employment	Age
Valid	134	134	134
Missing	0	0	0

Age

	S1**	S2**	S3**	S4**
<u> </u>	1	.7	.7	.7
Valid				
21-30	23	17.2	17.2	17.9
31-40	24	17.9	17.9	35.8
40-60	74	55.2	55.2	91.0
Above 40	1	.7	.7	91.8
Above 60	8	6.0	6.0	97.8
Under 20	3	2.2	2.2	100.0
Total	134	100.0	100.0	

Gender

Gender								
	S1**	S2**	S3**	S4**				
Valid	1	.7	.7	.7				
Female	32	23.9	23.9	24.6				
Male	101	75.4	75.4	100.0				
Total	134	100.0	100.0					

<b>Employment</b>
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	S1**	S2**	S3**	S4**
Valid	1	.7	.7	.7
(a) Government Service	29	21.6	21.6	22.4
(b) Private Organization	67	50.0	50.0	72.4
(c) Business	17	12.7	12.7	85.1
(d) Not Employed	20	14.9	14.9	100.0
Total	134	100.0	100.0	

<sup>\*\*</sup>S1: frequency, S2: Percent, S3: Valid Percent, S4: Cumulative Percent

Source: authors

## **Factors influencing Consumer behavior**

Consumer consumption patterns are affected by many factors such as motivation, needs, wants, attitudes, values, culture, personal, demographic variables such as income, gender, professional status, and various social influences exerted by relatives, friends, colleagues, and society as a whole. We are all affected by the combination of these variables, as manifested in our differing consumer behavior. In order to generate a positive response for their product and services, the marketer must correctly understand the consumer's conscious/unconscious behavior.

## **Cultural factors**

In today's world, consumers live in an increasingly complex societal and cultural environment. The overall cultural context in which an individual grows up can affect their choices of products and services. Cultures tend to have different patterns of social behavior. Each culture has its own distinctive social conduct. A given culture brings its own unique pattern of social conduct. Cultural traits are acquired during childhood. Religion, caste, language, traditions, and patterns of human behavior constitute culture. And, there may be several sub-factors under each of them. A culture is a collection of knowledge, beliefs, art, morals, customs, as well as all other abilities and habits humans acquire as members of societies.

Cultural diversity operates in dress, food habits, marriage practices, and almost all matters of the individual life. Kroeber and Kluckhohn, having identified 164 definitions of culture held by most social scientists included the following thoughts "Culture consists of patterns, explicit and implicit of and for behavior acquired and transmitted by symbols, constituting the distinctive achievement of human groups, including their embodiment in artifacts: the essential core of culture consists of traditional ideas and especially their attachment values, culture systems may, on the one hand, be considered as the product of action, on the other as conditioning elements of further action" (4). Therefore, when studying the behavior of consumers in a culture, one must recognize that products and services are not only product of the culture, but also a culmination of its values, attitudes, and associated symbolism, all of which directly affect consumers.

So, when studying consumer behavior in a culture, one must recognize that products and services are not only products of the culture, but also a culmination of values, attitudes, and related symbolisms of that culture, which directly influence the consumer.

After identifying that culture plays the deepest impact on consumer behavior, as a result, an effort was made to determine how culture affects consumer behavior when selecting hotels.

In the survey gender cross tabulation (Table 3) analyzed to know the intensity of gender for deciding the hotel based on various cultural factors such as social values, religion sect, racial, tradition and belief etc.

Table 3. Gender \* Cross tabulation

			1-Strong			igree 3-U	ndecided 4-	Total
			1.0	Strongly A	3.0	4.0	5.0	
		Count	4	1	6	19	2	32
	Female	% of Total	3.0%	0.8%	4.5%	14.3%	1.5%	24.1
Gender		Count	11	18	31	28	13	% 101
	Male	% of Total	8.3%	13.5%	23.3%	21.1%	9.8%	75.9
		% 01 10tai						%
Total		Count	15	19	37	47	15	133
		% of Total	11.3%	14.3%	27.8%	35.3%	11.3%	100.0 %

Source: authors

Based on the above data, about 75.9 % of the male respondents and 24.1% of the female respondents have different perceptions based on cultural factors. The cross-tabulation table shows that 21.1% of males and 14.3% of females agree that social, religious, customs, and beliefs are the most significant and cultural aspects of choosing a hotel based on the above criteria. The study also showed a surprising interpretation in which 23.3% of male respondents were unsure that culture impacts consumer behavior while booking a hotel.

We also tried to consider cultural factors that influence consumer behavior while choosing hotels based on their stay as cultural factors are a set of values and ideologies of a specific community or group of people. Additionally, we examined cultural factors influencing consumer behavior when choosing a hotel. This is because cultural factors are based on the values and ideologies of a particular community. It is the culture of an individual that determines the way he/she behaves. Micro cultural factors taken into consideration for the study are societal values, customs, traditions, beliefs, religious sect & race (Table 4).

**Table 4: Cultural impact on Consumer Behavior** 

Cultural Factors

70.00%
60.00%
50.00%
40.00%
20.00%
10.00%
10.00%
Cultural Factors

46.27%
48.51%
52.99%
29.10%
Cultural Factors

Cultural Factors

Cultural Factors

Source: authors

The above data analysis interprets that 65.67%, 52.99%,48.51%, 46.27% of the respondent have a strong say that Societal values, beliefs, traditions & customs respectively have a strong impact on consumer behavior while booking the hotel for their stay because beliefs and societal values are guides to behavior, and customs & traditions are acceptable ways of behaving. While religious sect and race have an impact but on a low scale. Though religion is a fundamental element of culture therefore some religious beliefs and doctrines may persuade consumers creating an increase in particular consumption activities.

## **Social factors**

Social factors have an important role in consumer decision-making and have a long-term impact. Forming an informal or formal group, family, and social statics are all common social factors. The social classification system is used to build a hierarchical order which shows more quick identification and homogeneity in consumption in every society including the many aspects of consumer behavior that are influenced by relationships with other family members also. An expert study has made the following observations: There are no two ways about it. The concept of social class is difficult altogether. Consumer researchers are among those who have benefited from the field it uses while finding the answers to when and how to use it as is the case with everyone. It can be expensive to study diligently and imaginatively but despite these limitations, the proposition says: "Social class is worth troubling over for the insights it offers on the marketplace behavior of the nation's consumers" (5). This is a reasonably homogeneous and long-lasting division of society, as all human sources demonstrate social stratification.

Social factors are defined as those people and families who belong to a relatively stable and homogeneous group in society to which they share the same beliefs, lives, interests, and behavior. These are large groups of people with roughly comparable social status levels, grouped in a hierarchy from lower to upper-class divisions. People in one social class have a lot in common, but there is a lot of difference amongst them as it can be understood because of the social classification which is permanent and a part of a larger social structure, it is always researched in conjunction with broader cultural influences on consumer behavior. Individual teams have distinct consumption meanings as a result of social factors, which reflect a constant and dynamic influx. The cross-tabulation (Table 5) it is shown various age groups and their deciding factors that agree on the family, wife, children, etc. are the most important social aspect in deciding on any hotel based on theoutcomes.

			1-Strongly Disagree 2-Disagree 3-Undecided 4-Agree 5-Strongly Agree)					Total
			1.0	2.0	3.0	4.0	5.0	
	21 20	Count	1	2	5	9	6	23
	21-30	% of Total	0.8%	1.5%	3.8%	6.9%	4.6%	17.7%
	21 40	Count	0	0	0		14	23
	31-40	% of Total	0.0%	0.0%	0.0%	6.9%	10.8%	17.7%
	10.60	Count	2	3	12	32	25	74
١.	40-60	% of Total	1.5%	2.3%	9.2%	24.6%	19.2%	56.9%
Age	Count	0	0	0	1	0	1	
	Above 40	% of Total	0.0%	0.0%	0.0%	0.8%	0.0%	0.8%
	A1 60	Count	0	0	0	3	3	6
	Above 60	% of Total	0.0%	0.0%	0.0%	2.3%	2.3%	4.6%
	TT 1 00	Count	1	1	0	0	1	3
Under 20	% of Total	0.8%	0.8%	0.0%	0.0%	0.8%	2.3%	
Total		Count	4	6	17	54	49	130
Total		% of Total	3.1%	4.6%	13.1%	41.5%	37.7%	100.0%

Source: authors

The survey also showed an interpretation in which 56.9%male respondent from the age group of 40-60 plays an important role while deciding the booking of a hotel considering social factors as their preferences. Several consumer behaviors are highly influenced by social factors when making final decisions; therefore, an attempt was made to analyze the effects of social factors on consumer behavior when booking hotels for their stay.

Social Factors

Strongly Disagree
Disagree
Undecided
Agree
Strongly Agree
Strongly Agree

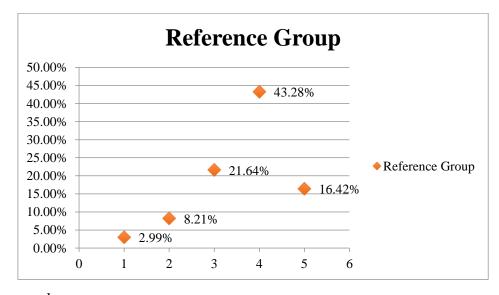
Table 6. Social Factors impacting the Consumer Behavior

Source: authors

The above data analysis (Table 6) interprets that 35.82% of the respondent agree that social factor has a great impact on consumer behavior while booking a hotel for their stay, whereas 5.22 % of the respondent strongly disagree on the social factor affecting consumer behavior. Furthermore, 22.78% of the respondents have an undecided opinion on the social factors.

Micro research was also conducted to find out how consumer behavior in booking a stay at a hotel is influenced by the sub-factors of social factors. Sub-factors considered for the research are reference group (neighbor, relatives, coworkers, celebrity, sportsperson, and friends), family (wife children, elders), and role & status.

Reference Group: As per Michael R Soloman"Every person belongs to a group, tries to please others, and looks at other behaviors for guidance. In fact, our desire to identify with desirable individuals or groups is one of the primary motives behind many of our consumption behaviors. When we crave the approval of a group, we will often bend to any lengths to please its members"(6). Reference groups influence consumer decisions, which can be studied by analyzing factors such as product categories, reference group characteristics, and group communication processes. The type of goods and services consumed by a reference group is also a determining factor affecting the consumption decisions of the members of the group. People generally dislike strong pressures and bold directives. Participatory communication of group norms regarding consumption decisions can lead to better group adoption. As reference groups influence consumer behavior an attempt was made to ascertain the impact of reference groups on consumer behavior in booking the hotel.



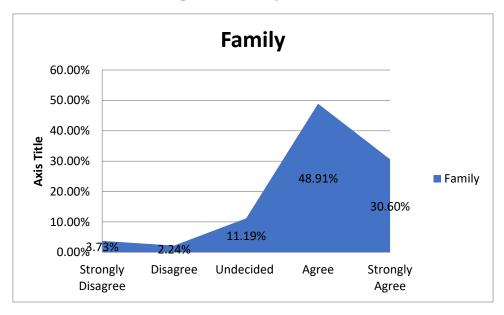
**Table 7. Impact of Reference Group on Consumer Behavior** 

Source: authors

The above data (Table 7) implicates that 16.42% strongly agree and 43.28% agree that the reference group plays an influential role while deciding the booking of a hotel on a noted scale because of the reference group's beliefs and standards complement the thought process of their fellow members. They tend to consider the reference group's perspective while making a purchase decision as it gives the group members assurance of satisfaction in their buying decisions. There are only 2.99% who strongly disagree and 8.21% who disagree. The remaining 21.64% of respondents are undecided whether the reference group influences their decision to book a hotel or not.

(ii) Family: The family is one of the most important and effective influences on consumption choice. "Aristotle in the 4th BC defined family" as the association established by nature for the

sully of man's everyday wants". It is defined as "two or more people related by blood, marriage or adoption that resides together" (7). Buying decisions made by members of a family are highly influenced by the culture and subculture in which the family lives. Families and products vary greatly when it comes to buying power and influence. Remember "many purchases are done jointly, and thinking about who actually buys the product can misdirect the marketing strategy" (8). After knowing the impact of family on consumer buying decisions, an attempt was made to find out the impact of family on consumer behavior when booking a hotel.



**Table 7. Impact of Family on Consumer Behavior** 

Source: authors

According to our analysis (Table 8) 48.91% and 30.60% of respondents agree and strongly agree that the family plays an important role in consumer behavior, especially the wife, children, and adults when booking a hotel. Family connections are stronger and all the members in the family get influenced by each other in the purchase of products or services. Whereas 2.24% of the respondent disagree with the concept that family has a strong influence on consumer behavior. 11.19% of the respondents were undecided on the subject.

(iii) Roles and Status: There are different roles that consumers play in different groups including family, professional, recreational, and/or formal organizations. The roles a person plays in these groups for example as a parent, worker, or member of the organization are all defined by the activities they perform. Every role is associated with a certain level of status. General managers do not enjoy the same status as vice presidents in companies. As a marketer, they should understand what kind of status symbol each product carries for consumers. In modern society, status comes from a consumer's achievement, source of income, and materialistic possessions, but in traditional societies, a consumer's status derives from ascription and inheritance.

Marketing managers create favorable brand associations by connecting their brands to meaningful social implications. Having established that role and status play an important role in consumer buying behavior, an effort was made to find out how they influence hotel booking behavior.

Table 8. Impact of Role & Status on Consumer Behavior

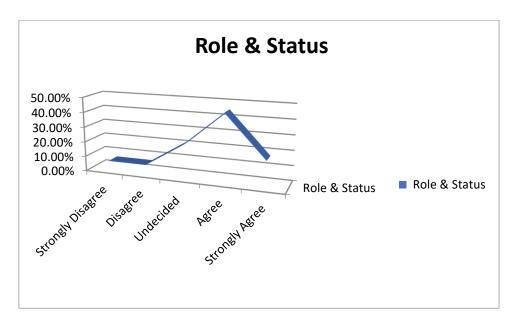


Table: Role & Status Source: authors

The given data (Table8) on role and status interpret that 44.77% agree and 17.16% strongly agree that role and status play an influential role while deciding on a hotel as the role and status of an individual complement the status of different products and services. The brand value of a hotel will somewhere enhance the self-fulfillment of an individual. Further, only 5.97% of respondents strongly disagree with the statement. Furthermore, 22.38% of respondents are undecided whether these factors influence consumer behavior while booking a hotel or not.

#### **Conclusion:**

Customer Buying Behavior pertains to the buying behaviors of the ultimate consumer, which determines the success or failure of an organization. Our study uncovers many factors, specificities, and characteristics that influence a consumer's buying decision. Consumer behavior in the hotel business is highly influenced by both cultural and social factors, as the hotel business is a unique industry that offers both substantial and insubstantial products and services. Consumption patterns are directly influenced by the culmination of abstract values, attitudes, and symbols associated with a culture. Social factors play an indispensable part in the hospitality industry because consumers take the opinion of their spouse, children, family, friends, relatives, neighbors, co-workers, etc. before making any buying decisions. In order to gain more and more customers, brands must identify and understand the factors that affect their customers, as every successful business relies on its customers.

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