
Examining the Reasons that Drive Guests' Purchasing Behaviour in Consuming Accommodation Services of Kanika Hotel

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Abstract

Guests' purchasing behaviour in consuming accommodation services is significant. The aim of this research project was to examine the reasons that drive guest's purchasing behaviour while consuming accommodation services of Kanika Hotels. For this research project, a quantitative research approach was used with an online questionnaire survey following a Likert's open-ended responses. The questionnaire was created on Google Forms and 103 valid questionnaire's responses from guests accommodated in Kanika Resorts was used in the analysis phase. The main findings of this study support and contradict earlier researches. The research pointed out that the relation of room discounts on guest purchase behaviour in consuming accommodation services at Kanika resorts is an important factor for guests' accommodation selection. Moreover, all inclusive accommodation packages as well as the provision of special offers for hotel amenities, is a driving factor for guest purchase behaviour on choosing Kanika resorts for their accommodation. Service quality has an important role towards guest purchase behaviour for booking an accommodation at Kanika resorts too. On the last section of the report there are some business and future research recommendations.

Keywords Accommodation services, drivers of purchasing behaviour, hotels, Guestology, tourism, hospitality.

1. Introduction

Because of the high competition on the accommodation sector, it is important that the Kanika hotel can cope with this competition by achieving the customers' satisfaction. When studying well the market and the guests, then it would be much easier to achieve that. One of the most difficult tasks facing hotel managers today is to provide and maintain customer satisfaction. Experts in the tourist business have noticed an increase in customer demand for high-quality products and services (Lam & Zhang, 1999; Yen & Su, 2004; Ali et al., 2021). Customers' behaviour is studied and used as a factor in developing marketing strategies and adapting the marketing mix to meet their demands. This is the only method to ensure that consumers' requirements are met to a high standard (Ilieska, 2013).

2. Literature Review

2.1 Hotel Industry and accommodation services in Cyprus. A brief overview of the Kanika Resorts/ hotels

According to Statista, the total number of hotels in 2019 was 814 (Statista, 2021). In December 2019, the data for Cyprus Tourist Arrivals: Accommodation: 1-5 Star Hotels was reported at 40.600 percent. This is a reduction from the previous month's figure of 47.300 percent. Cyprus Tourist Arrivals: Accommodation: 1-5 Star Hotels data is updated weekly, with 202 observations averaging 51.000 percent from January 2003 to December 2019. The figures ranged from a peak of 65.300 percent in April 2017 to a low of 32.500 percent in November 2010. The data on Cyprus Tourist Arrivals: Accommodation: 1-5 Star Hotels is still active in CEIC and is reported by the Cyprus Statistical Service. The information is classed as Cyprus – Table CY.Q001: Tourist Arrivals in the Global Database (Cyprus Tourist Arrivals: Accommodation: 1-5 Star Hotels | Economic Indicators | CEIC, 2022). The Kanika hotel will be the subject of this report. Kanika Hotels & Resorts has been providing holiday perfection for over 40 years as industry leaders in the hospitality sector (Kanika Hotels and Resorts, 2022). Olympic Lagoon Resorts, Alexander the Great Beach Hotel, Elias Beach Hotel, and MadeForTwo Hotels | Amavi are among Kanika's properties in Limassol, Paphos, and Ayia Napa. The former is a five-star refuge for adults only, offering tailored side-by-side

experiences, while the other resorts provide all-inclusive family fun (Olympic Holidays, 2022).

2.2 Guest behaviour and satisfaction

The primary purpose of any firm is to satisfy client wants while meeting profit objectives. Because of the increased competition and quality requirements, this customer-oriented approach is increasingly required (Chikán 1997). Hospitality has been recognized as an extremely influential supplementary service which has the potential to significantly increase the significance of the core service (Kandampully, 2006; Lovelock & Gummesson, 2004; Wang, 2011). Hospitality provision is focused on the interpersonal communication and interpersonal association that develops between both the server and the customer throughout the delivery of services, whereas the provision of services encompasses all aspects of the service marketing mix, including the physical environment or servicescape (Ariffin and Maghzi, 2012). The efficiency of employees' performance, rather than the physical goods of the service, creates an intense experience that influences long-term customers' loyalty and satisfaction (Lashley, 2008). In the sense of accommodation, guests' observations on the quality of their accommodation have been thoroughly researched, with vital factors such as the quality of service offered by hotel reception staff, room housekeeping criteria, and the delivery of a value for money experience that was shown to impact a customer's overall view of their purchase (Al-Alak, 2011; Gundersen, Heide, & Olsson, 1996). The level of quality dropped dramatically, resulting in an increase in the number of dissatisfied visitors. Hotels attempted to compensate for the poor quality by offering lower charges. In this industry, measuring customer expectations and satisfaction has become essential for hotels that want to maintain a long-term market position. Obtaining high levels of quality and satisfaction may result in a loyal client base with numerous benefits (Churchill and Suprenant 1982; Fornell 1992; Halstead, Hartman and Schmidt 1994; Smith, Bolton and Wagner 1999).

2.3 The influence of accommodation offers on guest attraction in Hospitality industry. Guestology

The type of tourism or tourists drawn to destination locations is directly influenced by the quantitative and qualitative qualities of the hotel offering

(Sharpley, 2000). In the hotel service industry, studies have discovered a radical shift from the old view of visitors as logical decision makers towards a more extended version of guests as both experience and rational decision makers (Le, Scott & Lohmann, 2018). The work of Pine and Gilmore (1999) 'The Experience Economy' has increasingly drawn researchers and professionals' focus to the concept of customer experience, which suggests that experience must be purchased individually from products and services (Pine and Gilmore, 1999). Existing research defines experience as starting with the pre-purchase period and ending with the post-purchase phase (Brakus, Schmitt & Zarantonello, 2009). Customers in a variety of industries are continuously inundated with mundane products and service offerings. As a consequence, consumers wish and, increasingly, request innovative alternatives. As a result, numerous service-oriented businesses are attempting to incorporate unique features into their product-service offerings (Victorino, Verma, Plaschka, and Dev, 2005). Managers must implement innovations that are both wished by consumers and financially efficient to the business (Reid and Sandler, 1992). Guestology, according to Dickson (2010), is the scientific study of people's behaviours, demands, and expectations in a service environment, as well as how to apply that information to operate a service company optimally (Dickson, 2010). Moreover, Guestology, entails knowing the guests or clients, as well as their requirements, wants, perceptions, and expectations. This approach to guestology comprises involving everyone the service provider interacts with at work (Klein, 2014). Classic management philosophy is turned on its head with Guestology. Rather than concentrating on organizational architecture, administrative hierarchy, and production methods to enhance organisational effectiveness, it forces the company to examine the customer experience from the perspective of the consumer. Guestology entails searching systematically for the major factors that determine value and quality in the eyes of the customers, modelling them for study, trying to measure their impact on the customer experience, checking numerous methods that may enhance the quality of that experience, and afterwards offering the combination of elements and factors that attracts the guests and keeps them coming back (Ford, Heaton, and Brown, 2001; Ford et al., 2008).

2.4 The theory of Porter in Hospitality Industry. The motive of selling price and the Service Quality

Taking offensive or defensive activities to achieve a defendable position in the market is part of competitive strategy. Generic strategies can assist an organisation with the industry's five competitive factors and perform better than its competitors. 'Overall cost leadership,' 'differentiation,' and 'focus' are examples of generic strategies (Ritika Tanwar, 2013). Michael Porter defined a category scheme made up of three general approaches that companies usually employ to develop and sustain comparative benefit. The strategic scope and strategic power of these three general methods are described along two dimensions. The size and composition of the market you intend to target are considered in strategic scope, which is a demand-side dimension. Strategic strength is a supply-side component that examines the firm's power or fundamental capability. He also identified two competencies, the product differentiation and product cost (Ritika Tanwar, 2013).

According to Porter (1980), the number and size of direct rivals, the rate of industry expansion, differentiation of products and switching costs, fixed and ongoing expenses, capacity augmentation, exit obstacles, and diversification all influence the intensity of competitive rivalry. Hotels may be diverted to some other sector of the market if jockeying for place in a higher strategic group becomes more powerful in an oversupply situation, pushing hotels to cut margins unless they have established sufficient differentiation to sustain their own position within their strategic group (Porter, 1980).

Methodology

To collect data from the present research study, this research study used a quantitative research approach with a case study as a research design. Quantitative research quantifies links between distinct variables by employing certain methodology and techniques. The goal of quantitative research combining two variables, for example, is to investigate the relationship between an independent (predictor) and a dependent (criterion) variable in a population (Hopkins, 2000). In design research, case studies are used to investigate a phenomenon, establish hypotheses, and validate a method. Despite

its widespread use, there appears to be no widely agreed systematic case study approach among design researchers. The case study approach could be an appropriate method for doing design research, given its nature and purpose (Zainal, 2007).

The following research objectives and research questions have been created as part of the resent investigation of the following topic in order to drive the methodology of the study.

RESEARCH OBJECTIVES

Research Objective 1: To identify the extent as to which room discounts influence guest purchase behaviour in consuming accommodation services at Kanika resorts.

Research Objective 2: To investigate how all inclusive accommodation packages drive guest purchase behaviour in consuming accommodation services at Kanika resorts.

Research Objective 3: To explore the role of Kanika's provision of special offers for hotel amenities towards guests' attraction of purchasing accommodation at Kanika resorts.

Research Objective 4: To explore the role service quality towards guest purchase behaviour in consuming accommodation services at Kanika resorts.

RESEARCH QUESTIONS

Research Question 1: What is the relation of room discounts on guest purchase behaviour in consuming accommodation services at Kanika resorts?

Research Question 2: How all-inclusive accommodation packages drive guest purchase behaviour in consuming accommodation services at Kanika resorts?

Research Question 3: What is the role of Kanika's provision of special offers for hotel amenities towards guests' attraction of purchasing accommodation at Kanika resorts?

Research Question 4: What is the role of service quality towards guest purchase behaviour in consuming accommodation services at Kanika resorts?

Sampling method

This research investigation used a probability simple random sampling method, which may be described as the term "simple random sample" refers to the fact that every instance in the population has an equal chance of being included in the sample. Simple random sampling has a number of disadvantages (Ghauri and Gronhaug, 2005). The suitable sample of this research project was individuals that have been guest or accommodated at any of the resorts of Kanika. The distribution method was via shareable link on researcher’s social networks placed in public mode, and every individual who came across to the link and has been accommodated to any of the Kanika resorts had an equal chance to complete the questionnaire. In the questionnaire, the researcher included the purpose of the study that referred only for academic purposes in expanding the theoretical frameworks into practice in the accommodation sector.

Data collection tool

A questionnaire was used as the major data gathering technique for this research project. A questionnaire is a type of questionnaire that is used to collect information from people (Gillham, 2008). Finally, before to its formal release to the study's participants, the questionnaire was pilot tested to guarantee its validity. Once pilot testing was completed the actual questionnaire was released for official survey. Finally, the questionnaire questions have been formed in association with the research questions (see Appendix 3) and a Likert style of responses (1- Strongly Agree, 2- Agree, 3- Neither Agree nor Disagree, 4- Disagree, 5- Strongly Disagree).

Analysis and Discussion of Research Results

Research Objective 1: To identify the extent as to which room discounts influence guest purchase behaviour in consuming accommodation services at Kanika resorts.

Table 1

The room discount was a motivating factor to purchase an accommodation to Kanika Hotel. (1- Strongly Agree, 2- Agree, 3- Neither Agree nor Disagree, 4- Disagree, 5- Strongly Disagree)

29.4%	Strongly Agree
59.8%	Agree
8.8%	Neither Agree nor Disagree
2%	Disagree
0%	Strongly Disagree

According to the results of the above chart, the 29.4% Strongly Agree and the 59.8% Agree that the room discount was a motivating factor to purchase an accommodation to Kanika Hotel. The 8.8% Neither Agree nor Disagree. The 2% of the people Disagree that the room discount was a motivating factor to purchase an accommodation to Kanika Hotel. According to a similar study conducted by Hu and Yang, (2002), pointed out that room prices has been proven to influence guests’ hotel selection and booking of hotel’s rooms (especially those at discounted prices). **Research Objective 2:** To investigate how all-inclusive accommodation packages drive guest purchase behaviour in consuming accommodation services at Kanika resorts.

Table 2

The provision of all-inclusive accommodation offers was a motivating factor to book accommodation services to Kanika Hotel.

(1- Strongly Agree, 2- Agree, 3- Neither Agree nor Disagree, 4- Disagree, 5- Strongly Disagree)

42.7%	Strongly Agree
40.8%	Agree
11.7%	Neither Agree nor Disagree
4.8%	Disagree
0%	Strongly Disagree

According to the results of the above chart, the 42.7% Strongly Agree and the 40.8% Agree that the provision of all-inclusive accommodation offers was a motivation factor to book accommodation services to Kanika Hotel. The 11.7% Neither Agree nor Disagree. The 4.8% Disagree that the provision of all-inclusive accommodation offers was a motivation factor to book accommodation services to Kanika Hotel. According to a similar study, all-inclusive packages, breakfast included rates, and other similar offers are most likely to influence purchasing behaviour and willingness to stay at that resort (Noone, McGuire and Rohlfs, 2011).

Research Objective 3: To explore the role of Kanika’s provision of special offers for hotel amenities towards guests’ attraction of purchasing accommodation at Kanika resorts.

Table 3

Is the provision of special offers for Kanika resorts' amenities an important factor for booking your accommodation?

76.7%	YES
23.3%	NO

According to the results of the above chart, the 76.7% said ‘Yes’ that the provision of special offers for Kanika resort’s amenities is an important factor for booking their accommodation, whereas the 23.3% said ‘NO’, the provision of special offers for Kanika resort’s amenities is not an important factor for booking their accommodation for them.

According to a similar study, when luxurious amenities are included in a special offer package, both the room fee and the customer's willingness to pay improve. Additionally, the poll respondents' readiness to spend an additional fee for an upgrade to access luxury brand hotel services is warranted (Heo and Hyun, 2015).

Research Objective 4: To explore the role service quality towards guest purchase behaviour in consuming accommodation services at Kanika resorts.

Table 4

The consistency of the delivery of hotel services is a contributory factor to book accommodation to Kanika Hotels.

(1- Strongly Agree, 2- Agree, 3- Neither Agree nor Disagree, 4- Disagree, 5- Strongly Disagree)

45.6%	Strongly Agree
43.7%	Agree
7.7%	Neither Agree nor Disagree
3%	Disagree
0%	Strongly Disagree

According to the results of the above chart, the 45.6% Strongly Agree and the 43.7% Agree that the consistency of the delivery of hotel services is a contributory factor to book accommodation to Kanika Hotels. The 7.7% Neither Agree nor Disagree. The 3% Disagree that the consistency of the delivery of hotel services is a contributory factor to book accommodation to Kanika Hotels. According to a similar study, accommodation sectors should maintain a high standard in the delivery of tourism services on a consistent basis. It is critical that tourist service providers know their

customers' requirements and desires at all times in order to satisfy them (Camilleri, 2018).

Table 5

The availability of timely service in Kanika Hotels is a motivating factor for Kanika Hotel accommodation.

(1- Strongly Agree, 2- Agree, 3- Neither Agree nor Disagree, 4- Disagree, 5- Strongly Disagree)

41.7%	Strongly Agree
41.7%	Agree
11.7%	Neither Agree nor Disagree
4.9%	Disagree
0%	Strongly Disagree

According to the results of the above chart, the 41.7 % Strongly Agree and the 41.7 % Agree that the availability of timely service in Kanika Hotels is a motivating factor for Kanika Hotel accommodation. The 11.7 % Neither Agree nor Disagree. The 4,9% Disagree that the availability of timely service in Kanika Hotels is a motivating factor for Kanika Hotel accommodation. According to a similar study, service in the tourism hospitality sector become a well-known brand by prioritizing the timely selection of high-quality lodging because they find timely services really important (Yang, 2019).

Table 6

The behaviour of Kanika Hotel employees was a contribution factor to book accommodation services to Kanika.

(1- Strongly Agree, 2- Agree, 3- Neither Agree nor Disagree, 4- Disagree, 5- Strongly Disagree)

48.5 %	Strongly Agree
35%	Agree
8%	Neither Agree nor Disagree
8,5%	Disagree
0%	Strongly Disagree

According to the results of the above chart, the 48.5 % Strongly Agree and the 35% Agree that the behaviour of Kanika Hotel employees was a contributing factor to book accommodation services to Kanika. The 8% Neither Agree nor Disagree. The 8,5% Disagree that the behaviour of Kanika Hotel employees was a contributing factor to book accommodation services to Kanika. According to a similar study, specialized service behaviour describes contact employees' discretionary behaviour in assisting clients that goes beyond their duties (Tsaur and Lin, 2004). In addition, customers' perceptions of service quality are heavily influenced

by the behaviour of customer-contact staff, according to research (Bitner et al., 1990).

Conclusion/Recommendations

The research aimed to examine the reasons that drive guest's purchasing behaviour while consuming accommodation services of Kanika Hotels. The information gathered allowed for conclusions to be drawn that both supported and refuted previous primary research. The Methodology section summarizes the research approach and design employed in this study. It looked at the sampling method as well as the use of a primary data collection tool. Finally, based on the research results the below conclusions were drawn.

As per the results, the RO1 and RQ1 pointed out that the relation of room discounts on guest purchase behaviour in consuming accommodation services at Kanika resorts is an important factor for guests' accommodation selection. Room prices as per the present research project proven to influence guests' hotel selection and booking of hotel's rooms. RO2 and RQ2 aimed to show how all inclusive accommodation packages drive guest purchase behaviour in consuming accommodation services at Kanika resorts. The results show that the room discount is a motivating factor to purchase an accommodation to Kanika Hotel. All-inclusive packages, breakfast included rates, and other similar offers are most likely to influence purchasing behaviour and willingness to stay at that resort as supported or proven by the present research project. Moreover, the results of RO3 and RQ3 pointed out that the provision of special offers for Kanika resort's amenities is an important factor for booking their accommodation. When luxurious amenities are included in a special offer package as per the current's study results proved that customer's willingness to pay drives the decision making of guests. Finally, the results of RO4 and RQ4 agrees that the service quality towards guest purchase behaviour in consuming accommodation services at Kanika resorts is an important factor for guests' booking decision and overall selection of the specific accommodation provider (KANJIKA).

In relation to corporate recommendations, the findings of the present research project suggest that Kanika resorts should maintain a high standard in the delivery of tourism services on a consistent basis since those tactics are proven effective from the sample's responses of this study. Furthermore,

another business advice for Kanika hotels as it is generated from the present research project is to offer various accommodation and facility discounts in order to continue attracting new customers while also satisfying guests who are loyal to the business.

Additionally, the present research project provides recommendations for future research. This research study was conducted from a quantitative research approach emphasizing in graphs and figures however, it is recommended that future research from a qualitative research perspective could be developed that will gather opinions and feelings in relation to the main booking strategies of Kanika resorts. In addition, a research on the generations and their purchase behaviour can be conducted. In that way, they will be able to see how and to what extent each age group's purchasing behaviour and needs differ. A research on leadership, managers and their role is also recommended as it is a significant part in the accommodation sector.

Some of the difficulties faced in this researcher were Covid-19 pandemic and its restrictions. For that reason there was an online survey so it would be easier for more individuals to answer without braking these restrictions. In addition, it is also suggested that further research is needed with more participants as because of the time constraint it was not possible to have more answers. Moreover, this is a case study only on Kanika resorts so it cannot be generalised to the rest on the hotel industry of Cyprus.

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