ABSTRACT

INTRODUCTION

The Hospitality industry is one of the oldest industries in the world, which emerged way back when explorers, traders, missionaries, needed lodgings food and break from their long travelling journeys. The history of cooperative endeavor in tourism can be traced back to the year 1908. The Hospitality industry is a broad category of fields within the services industry that includes lodging, event planning, theme parks, transportation, cruise line, and additional fields within the tourism industry. The Indian Hospitality industry has emerged as one of the key industry driving growth of service sector in India and has recorded healthy growth fuelled by robust inflow of foreign tourists as well as increased tourist movement within the country and has become one of the leading player in global economy. Recognizing the potential of Indian Hospitality industry the Government has taken innovative and beneficial steps so that India can be turned as a hub for tourism globally

Need and importance of the study: Consumer behavior is important to know the needs, purchase motives and decision process associated with the consumption of tourism, the impact of the different effects of various promotional strategies, the possible perception of risk for tourism purchases, the different market segments based upon purchase behavior, and as to how managers can enhance the possibilities of achieving marketing success. Consumer behavior is complex in Hospitality industry because of the characteristics of Hospitality services those have many dimensions; as a result it increases difficulties of monitoring and controlling the behavior of consumers. Hospitality managers has to understand the important aspects of consumer behavior, including the internal and external factors that influences consumer behavior, i.e. the way consumers make purchase decisions, satisfaction of consumers, and how continuous quality improvement can be used as a marketing tool. Understanding the behavior of Hospitality and tourism consumers is among the most important challenges facing management. It is important that managers remain in constant touch with those who consume the products and services, and pay close attention to consumers needs. These all factors highlight the importance and significance of this study.

Benefits of study: The study predicts the consumer’s acceptance of Hospitality firms and brought out the percentage of usage of Hospitality services. Study helped researcher
in understanding the brand loyal and potential consumers. The study throw light on the buying motives of consumers while they made their purchase decisions, also in finding out the factors those influenced consumer’s decision making process. Besides this, study made researcher understand expectations, perception, satisfaction, and loyalty and satisfaction level of consumers, and helped in finding out the quality of services of Hospitality industry perceived by consumers. The study is conducted on gender basis, which helped researcher to find out the difference in perceptions/expectations of male and female gender regarding services of Hospitality industry. The study findings will facilitate Hospitality industry to chalk out the appropriate strategies and to customize them. The thesis has been presented in seven chapters, the first chapter includes the introduction portion which has been elaborated above and rests of six chapters are briefed below.

CHAPTER- 2: LITERATURE REVIEW
This chapter provides a detailed review of studies dealing with Hospitality industry, which found that the previous studies have been done covering mostly the accommodation sector of Hospitality industry. These studies have mainly dealt with quality aspects, marketing strategies and customer relationship management in Hospitality industry. Various research papers, websites and books are consulted to have a detailed literature review, and the significant gaps are observed in the studies. These are 1. Most of the studies have been carried out in foreign countries like Malaysia, China, Darwin, Cyprus and very few in India, and that in a particular region/city, therefore researcher selected Delhi as an area for study. 2. Most of the Hospitality services studies are confined to hotels only, while the rest of other services like Motels, Restaurants, Hostels, Amusement parks, Travel agents, Bars, night clubs, flight attendants etc. remained untapped , therefore researcher included all the Hospitality sectors in the study which are accommodations, restaurants, bars, nightclubs and tours and travels 3. Literature review also concluded that no study has been undertaken which specifically investigated about the Marketing mix strategies, or about the awareness of Marketing mix strategies of Hospitality industry as a whole, therefore researcher framed it as very first objective of study. 4. Literature review further highlights that no study have been carried out which specifically investigated the factors those influence the consumer choices for availing Hospitality services. Henceforth researcher included
it as the second objective of study. 5. It was also concluded that no study has been made which studied the influence of consumer behaviour in decision making process while consumers availed the Hospitality services; therefore researcher set influence of consumer behaviour factors on decision making of Hospitality consumers, as another objectives of study.

CHAPTER-3: RESEARCH METHODOLOGY

Researcher formulate the following Problem, objectives and hypothesis to carry this study.

Problem Formulation: Consumer Behavior towards Hospitality Services “A study of Delhi”

Objectives of the Study:
1. To examine customer's awareness regarding Marketing mix strategies of Hospitality industry
2. To identify the factors influencing consumer's choices for availing services of Hospitality industry.
3. To examine the behavior of customer towards services of Hospitality industry.
4. To measure the service quality of Hospitality industry.
5. To study the relationship between service quality and customer loyalty.

Hypothesis formed: Following Hypothesis are formed and tested:

H₁: Demographic profile has no significance towards consumer preferences of respondents
H₂: Consumers have no awareness about Marketing Mix Strategies of Hospitality Industry.
H₃: The Business, Market and Environmental factors do not affect the consumer’s decision for availing Hospitality Services.
H₄: The service quality and loyalty bears no relationship.

Delhi is taken as area of research and all the individuals above fifteen years of age availing Hospitality services in Delhi are taken as population. The Hospitality industry in totality is studied, which included accommodation, restaurants, and tour and travels sectors. Researcher used exploratory and descriptive research design and population of the study was found out from the statistical abstract of Delhi. Sample size was calculated statistically at 95% confidence level which comes out to be 1067. The sample
was further subdivided in two parts because study is carried out on the basis of gender. The sampling is done from all the nine zones of Delhi proportionately. Multistage sampling is done followed by convenience sampling. Data is collected through primary sources with the help of questionnaires. Questionnaire was pretested and evaluated by the experts for content, phraseology and ambiguity. The statistical tools used for data analysis are, Measure of internal consistency, Measure of central tendency, Cross tabulation, Chi-square statistics, Factor analysis, Regression and Anova.

CHAPTER-4: AN ANALYSIS OF AWARENESS OF MARKETING MIX STRATEGIES OF HOSPITALITY INDUSTRY

This chapter explains about the demographic profile and preferences of respondents while they avail the Hospitality industry services. Demographic profiles taken for study include, age, gender, income, and qualification. The chapter further analyzes consumer’s awareness regarding Marketing mix strategies of Hospitality industry. Analysis of “average means” revealed that among all the Marketing Mix elements, respondents are only aware about the strategies related to “People” element significantly, but they are not well aware about the strategies related to other Marketing mix elements. The gender based analysis further revealed that female respondents were more aware about the Marketing Mix strategies of Hospitality industry than male respondents. Average means of all the elements of Marketing mix are studied, which concluded that maximum awareness of respondents is found for strategies related to “People”, followed by “Product”, “Price”, “Place”, “Promotion”, “process” and “Physical evidences”.

This chapter also contain the Cross tabulation of demographic variables with the Marketing Mix elements of Hospitality industry. This reveals that age, gender, and qualification plays an important role in decision making process of respondents, while they availed the Hospitality services under the influence of Marketing mix elements. Analysis reveals that 1. Age plays a significant role in the decision making of respondents while they made a decision to avail Hospitality services on the basis of Promotional strategies, Physical evidences/distribution, and People/staff. 2. Gender plays a significant role in the decision making of respondents while they made a decision to avail Hospitality Services on the basis of Product/processes, Promotional strategies, Physical evidences and People. 3. Qualification plays a significant role in the
decision making of respondents while they made a decision to avail Hospitality services on the basis of Product/processes, Pricing strategies, Promotional strategies and People/staff of Hospitality industry. Data analysis reveals that income did not play a significant role in the decision making of respondents when the decision to avail Hospitality services is taken with regard to all elements of marketing mix. The conclusions are supported by the studies of other researchers

CHAPTER 5: ANALYSIS OF FACTORS INFLUENCING CONSUMER BEHAVIOR TOWARDS HOSPITALITY SERVICES

This chapter includes the analysis of respondents on the basis of the influence of Business and Market environmental factors which reveal that 95% of respondents are being influenced by these factors, but female respondents are found to be more influenced. Business and market environment factors are categorized as qualitative and quantitative factors. Qualitative factors represents the qualitative variables of Hospitality industry like quality of services, process handling, brand awareness, positioning, legal, social, and political environment etc. on the other hand quantitative factors included the variables like price, distribution, packaging, people, infrastructure etc. Analysis of central tendency of both the categories revealed that both of them significantly influenced the consumer behavior of respondents, but a higher average mean value in case of qualitative factors reveals that they influenced the consumer behavior of respondents with a higher degree than quantitative factors. Gender based analysis reveals that in both the categories i.e. qualitative as well as quantitative, female respondents (with a higher average mean) are more influenced than male respondents.

Factor analysis is applied on business and market environment factors, which extracted three major components those affect the consumer behavior of respondents while they availed Hospitality services. The component-1 includes “Capacity enhancing indicators” which contains the factors like in-house animation, research and development, technology and innovation etc. followed by component-2 which signifies “Internal climate indicators” and includes the factors like Hospitality staff, disposable income, infrastructure and layout etc. and component-3 which represents “Societal concern indicators” includes the factors like environment concern of service providers, socio-cultural environment, legal environment etc. Besides this, Marketing mix variables are analyzed with the help of “measurement of central tendency”. The mean
value of all variables reveals that all marketing mix elements have influenced the consumer behavior of respondents significantly, but higher average mean value in case of female respondents concludes that they are more influenced than the male respondents. After studying the average mean value of all marketing mix elements it is found that physical evidences and distribution influences the consumer behavior of respondents the most followed by pricing strategies, people, promotional strategies, and product/process respectively. Besides central tendency, factor analysis of Marketing mix elements is done which extracted the six components those affected the consumer behavior of respondents. The first component with highest variance which influenced the consumer behavior most, represents “Effectiveness of operations indicators” and contains the factors like online services, affectivity of operational handling, innovative ideas etc. The component-2 represents the “Etiquettes of staff indicators” and includes the factors like courteousness of employees, quickness of front desk, trained staff etc. Component-3 represents the “Availability of comfortable facilities indicators” and includes the factors like parking space, good seating arrangement, network of agents, interior and décor etc. Component-4 signifies “Pricing indicators” and contains the factors like affordability; competitive and nominal prices etc. component-5 and 6 represents the “Advertising indicators” and contains the factors like newspaper and T.V advertising, web-portals, promotion through direct mail etc. The all findings are supported by the conclusions of others researchers.

CHAPTER 6: AN ANALYSIS OF SERVICE QUALITY IN HOSPITALITY INDUSTRY

This chapter includes the analysis of central tendency of perception and expectations of respondents towards quality of Hospitality services they availed. The analysis is made with respect to the components of quality i.e. Reliability, Assurance, Tangibility, Empathy and Responsiveness. Based on this analysis the total quality is assessed and gap in quality is found. The analysis reveals that respondents did not derive the quality which they expected from Hospitality industry. It is further revealed that the services quality gap is found to be more in male gender than female gender; though the difference is not very large. Analysis of all the five dimensions of quality reveals that the maximum gap was found in case of Reliability which was followed by Assurance, Tangibles, Responsiveness and Empathy. A significant difference is observed when quality dimensions are analyzed on the basis of gender. In Responsiveness, and
Assurance dimension a larger gap was noticed in male gender, while in Tangibles and Empathy a larger gap was found in female gender. In Reliability not a significant gap was noticed in case of male and female gender.

The factor analysis of expectations derives three components, those significantly affected the expectations of respondents these are 1. Service quality indicators, 2. Empathy indicators and 3. Tangible indicators. On the other hand analysis of perceptions statements lead to six components those significantly influenced the perception of respondents these are 1. Service quality and tangibles indicators, 2. Customers oriented indicators 3. Skills and facility indicators, 4. Customisation indicators, 5. Empathy indicators, and 6. Accuracy and promptness indicators. Besides this the analysis of level of satisfaction, recommendation and loyalty is done. The analysis concludes that respondents are not very satisfied with Hospitality services, and therefore not occasionally but sometimes recommend the Hospitality services to others. Regarding loyalty it is found that respondents probably have intentions to avail Hospitality services in near future but they are not loyal to them, and are not certain whether they will avail or not avail these services in near future. Henceforth it can be concluded that respondents are not very loyal to Hospitality services and there are chances that they may switch over to other service providers. Regression analysis is applied on the data taking loyalty as dependent and satisfaction as an independent variable, and the results revealed that loyalty of respondents (both male and female) for Hospitality industry is not significantly correlated with their satisfaction level. These finding reveal that loyalty of respondents is not dependent on their satisfaction level in Hospitality industry. It is further found that might be insignificant but the loyalty of female respondents for Hospitality Services is found to be more correlated with their satisfaction, then male respondents. The all findings are supported by the researches made in the respective areas.

CHAPTER 7: CONCLUSIONS AND RECOMMENDATIONS

On the basis of findings made in chapter no.4, 5 and 6, the suitable recommendations have been made with regard to each finding, after studying all the findings in totality and making a broad review, researcher observed 1. Consumers are not well aware about the Hospitality services providers, their location, prices and the nature of their products and services. Previous researchers as well as this study also reveals that consumers are
not fully aware about the marketing strategies of Hospitality industry, and are availing the services on the basis of their gut feel and hit and trial. Non awareness of prices and quality of products and services is making consumers conscious and confused. Henceforth there is a need that government should come out with a unified portal which reflects the information’s about all the Hospitality players operating, and about the products and prices they are offering. This will motivate the existing customers to avail the Hospitality services frequently without any fear and anxiety. 2. The second conclusion is that consumers are not significantly aware about the Marketing mix elements, and it is found that except “People”, consumers are not significantly aware about the other marketing mix elements like Product, Price, Promotion and Physical evidences. Therefore organizations should try to promote these elements so that consumers become well aware about them. Research has further concluded that internet is the best accepted media vehicle followed by word of mouth (friends and relatives). Therefore Hospitality industry can use these two media vehicles to promote their Marketing mix. This will increase the awareness of consumers and ultimately influence the productivity of organizations positively. 3. The another important observation is that majority of consumers is paying for Hospitality services through cash mode and very few are paying through credit cards. Therefore industry should come up with offers and discounts, which influence people to pay through credit cards, because paying through credit cards, facilitate the consumers to avail Hospitality services even when consumers don’t have cash to pay. This motivates the consumers to enjoy the services freely and affect the revenues of organizations positively. 4. The most important conclusion of the study is that female respondents were found to be more responsive towards marketing strategies of Hospitality industry and factors influencing consumer behavior. Henceforth Hospitality industry should formulate more female oriented services and products, and should give more offers and schemes to this gender. 5. Researcher further observed that Hospitality industry is growing rapidly. Every day entrepreneurs are setting up Hospitality units. It is further revealed that industry is selling and charging for their services and products as per their interest and will. There is no control of government on them. This has led to an exploitation of consumers. Therefore it is advised that government should put limits on Hospitality players. And make the registration of all Hospitality players mandatory by an authorized government body. This will keep a check on the quality of services and stop exploitation of consumers. 6. The last conclusion is that people are selling Hospitality
service without prior expertise and experience. This has led to a poor quality delivered by Hospitality industry and led to the dissatisfaction of consumers. The present research too has revealed that there is a gap in total quality and customer is not satisfied with Hospitality services. Henceforth in order to provide the quality services as per the expectations of consumers. Hospitality industry players should develop a USP in their service category, so that they can deliver the best of services and products. This will not only result in the satisfaction of customers but will increase the brand image of service providers.