



Article Title

The Role Demographics Have on Customer Involvement in Obtaining a Hotel Discount and Implications for Hotel Revenue Management Strategy

Citation

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Abstract

This study attempted to focus attention back on identifying consumers based on certain demographics. The purpose of this study was to examine the role of gender, age, education, and income in influencing consumer's level of involvement in obtaining a hotel discount.

Methods

A survey was conducted to identify whether demographic variables affect the levels of involvement in obtaining a hotel room discount. Twenty questions regarding the levels of involvement in obtaining a discount and four questions regarding demographic characteristics were included. The questionnaire was pretested on a sample of 30 respondents.

Results

The results showed that females and consumers with less education tend to demonstrate higher involvement in obtaining a discount. There was not a significant difference between age groups, and younger consumers were found not statistically associated with higher levels of involvement. Interestingly, consumers with different incomes tended to respond comparably to discounts, unless consumers were very affluent. The findings are helpful for hotel management in designing discounts.

Conclusion

In conclusion, companies need to have a predictive power of methods of segmenting consumer behaviors, and this study attempts to shed some light for hotel managers and encourage them to make a use of their demographic profiles. When experiencing a decrease in demand, hotels may choose to offer discounts. The design of discounts should be focused on specific demographic characteristics such as gender, income, and education levels.