

Generation Y travelers' hotel consideration: the impact of travel mode and reference room price

Abstract

Generation Y has become one of the largest consumption groups in the tourism industry. While the body of literature on Generation Y has been increasing, no available study attempts to explore factors affecting Generation Y travelers' hotel consideration or selection. The objective of this thesis is to investigate Generation Y travelers' hotel consideration under different travel modes and reference room price levels. A survey experiment testing six different scenarios for hotel consideration of a hotel in Australia was conducted. 132 valid responses (68% female) of Generation Y travelers were received. The data was analyzed using the 2-way analysis of variance (ANOVA) method. The research findings showed that reference room price and travel mode are highly significant factors influencing hotel consideration, but no interactive impact between these factors was evident. This study has shown that reference room price and travel mode influence Generation Y's hotel consideration independently. Given the limited sample size of this study, but the highly significant result, a further study with a larger sample size would be needed to generalize the results.