Abstract: The hospitality industry is one of the most significant contributions to the Indonesian economy. In Manado, the impact of the Covid 19 pandemic resulted in the tourism industry, especially the hotel business being very down. The purpose of this study was to determine the most preferred hotel among the three hotels (Novotel, Swiss Bell, and Four Points). And what criteria most influenced respondents to stay at the three hotels using the Analytical Hierarchy Process method. This type of research approach is a quantitative method. The population in this study is people in Manado who have stayed and have experience with Novotel, Swiss Bell, and Four Points. Hotel criteria mean factors of the hotel are Price, Place, Customer Satisfaction, Advertisement, and Peer Influence. Based on the result and discussion, two conclusions can be formulated, Place is the criterion that influences the most in selecting a hotel. Four Points is the most chosen hotel in Manado, Four Points became the most preferred hotel because it excels in four criteria; place, advertising, customer satisfaction, and peer influence. And in the second position is Novotel, and Swiss Bell is in the last position.

Keywords: consumer preference, hotel selection

INTRODUCTION

Research Background

A hotel is an establishment that provide paid lodging, and other services on a short term basis. According to Rumekso (2004), hotel is a building that provides rooms for guests to stay. In this current hotel context, a hotel is defined as a place of business that has room accommodation by providing food and beverage services with all

By:
Amelinda Nathania Veren Kindangen¹
Merinda H. C. Pandowo²

¹²International Business Administration, Management Department
Faculty of Economic and Business
Sam Ratulangi University, Manado

E-mail: ¹Amelindak03@gmail.com, ²merindapandowo@unsrat.ac.id
other facilities. In terms of facilities, there are several rooms of various types. Some restaurants and cafes serve food and drinks. There are also a meeting room and convention facilities, swimming pool, fitness center, and other facilities. The hotel is also called "Hostel" in French. "Hostel" has been called since the 17th century which means a building that provides accommodation and food for the community. So, this hotel was created to serve the public. But over time with the increasing number of customers, food services began to leave their social mission. They started offering fees. Meanwhile, they gave them comfortable by arranging buildings and rooms. According to Sulastiyono (2011:15), hotel is a company that is managed by the owner by providing food, drink, and room facilities for sleeping to people who travel and can pay a reasonable amount for the services received without any special agreement. The hospitality industry is required to be more creative to attract customers to generate customer satisfaction and repeat purchase.

Tourism has been one of North Sulawesi's mainstay sectors in recent years before the Covid-19 pandemic hit the world. However, with the increase in foreign tourist arrivals to North Sulawesi, it has helped to hoist various other sectors, such as hotel and lodging services. The handling of the Covid-19 pandemic in North Sulawesi involves various sectors as well as synergy with central government policies and it is integrated with the city district government is now being felt so that it is ready to reopen the tourism sector. In addition to the economic and service sectors which are starting to revive, the tourism sector is also starting to feel the impact. The Covid-19 pandemic outbreak has spread and then has affected various aspects of people's lives in the world, including in the world of hospitality tourism. The development of the tourism sector has also contributed to the growth of the hotel business in North Sulawesi, especially Manado City to a large number of visitor who arrives in North Sulawesi. It is hoped that economic growth in the tourism and hospitality sector will continue to advance the economy of North Sulawesi.

In North Sulawesi, especially in Manado, consumer preferences are really important in hotel selection, especially when the guests intend to take a vacation. They will certainly choose a place that makes them comfortable with supporting facilities to enjoy while staying. Not only for vacation but there are also have business activities or office activities that hold meetings at hotels that make many guests stayed overnight. And of course, the organizers of the activity will choose a hotel that has facilities that make the guests feel comfortable. Of the various hotels in Manado, these three hotels (Novotel, Swiss Bell, and Four Points) are included as the best hotels in Manado which have stars classification hotels with many visitors to stay.

Research Objectives

Based the research problem, the research objectives to be achieved are to identify the criteria that influence the most in selecting hotel and the most chosen hotel in Manado.

THEORITICAL FRAMEWORK

Marketing

Marketing is defined as about identifying and meeting human and social needs. Marketing has two facts. First, it is a philosophy, an attitude, a perspective, or a management orientation that stresses customer satisfaction. Second, marketing is activities and processes used to implement this philosophy. Marketing is the activity, set of institution, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large (Kotler and Keller, 2012). Burns and Bush (2006:4) defined marketing as an organization function, not a group of persons or separate entity within the firm. It is also a set of processes and not a single tactic such as creating and end-aisle display. The processes create, communicate, deliver value to customers. Marketing is not trying to sell customers something; rather, it is providing customers with something they value. The objective of marketing is to create and manage customer relationships for the benefit of the organization and its stakeholders. Marketing is a process that occurs in organizations and business that must be well-organized so that it will lead the business and organization reach their objectives in terms of delivering value and create long term relationship with their targeted customers or groups.

Consumer Behavior

Consumer behavior is the study of individuals, groups, or organizations and the process they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society (Hawkins, et al. 2004:7). Consumer Behavior can be defined as customer purchase behavior which is done in order to meet the needs of the consumers. Consumer buying behavior
is related with consumption of products and services. It can also be defined as a method of exchange of service in place of money. Consumer behavior is influenced by various factors such as social, cultural and personal factors. The below mentioned two factors are highlighted in this paper which helps in considering consumer satisfaction index (Roberts and Pirog, 2016). It is very important how businesses understand the consumer behavior so that it will easily drive them to the expected activity which is purchase decision that in the end will be useful for the increase of selling and profit for the businesses.

**Consumer Preference**

Consumer Preference is a person's choice or interest to express likes or dislikes for a product (Simamora, 2013:87). Consumer preference is defined as the subjective tastes of individual consumers, measured by their satisfaction with those items after they’ve purchased them. This satisfaction is often referred to as utility. Consumer value can be determined by how consumer utility compares between different items. Consumer preferences can be measured by their satisfaction with a specific item, compared to the opportunity cost of that item since whenever you buy one item, you forfeit the opportunity to buy a competing item (Weedmark, 2018). Consumer preference is defined as a set of assumptions that focus on consumer choices that result in different alternatives such as happiness, satisfaction, or utility. The entire consumer preference process results in an optimal choice. Consumer preferences allow a consumer to rank different bundles of goods according to levels of utility, or the total satisfaction of consuming a good or service.

**Customer Satisfaction**

According to Kotler (2009:138), customer satisfaction is a feeling of happy or unhappy person's that arises after comparing his perceptions or impressions of performance below expectations, dissatisfied customers. But, if the performance exceeds expectations, the customer is very satisfied and happy. If the perceived performance is below expectations, the customer will feel disappointed, if the performance meets customer expectations, the customer will feel satisfied, whereas if the performance exceeds expectations, the customer will feel very satisfied. This goal will certainly be felt after the customer concerned consumes the product.

**Price**

One of the most important and complex decisions a company has to make relates to the pricing of its products and services. Therefore, it is important to examine the price with its types and its drivers more closely. It has been made clear through several articles, books, and other research that a price can be analyzed from different point of views. The importance of price as a purchase stimulus has a key role in price management since not only does it determine the way prices are perceived and valued, but it also influences consumer purchase decisions (Díaz and Rondan-Cataluña, 2011).

**Place**

Place is the element of the marketing mix that ensures that the product is distributed and made conveniently available for the customer at the right location at the right time. It is imperative that, when the consumer comes into the store to purchase a product, that product is readily available without any issue. Whenever consumers are faced with issues involving the availability of a product, it’s almost certain that they will take their business somewhere else. This is why it is so important the product makes it to the right place at the right time.

**Advertisement**

Advertising is used with the aim of introducing the business to consumers. According to Kotler (2009), advertising is all forms of non-personal presentation, promotion of ideas, and promotion of goods or services carried out by paid sponsors. Kasali (2007:9) stated that advertising is information about a product that is conveyed through media aimed at the public. Tellis (1988) stated that advertising tends to use psychological tactics which makes people buy the product. They project images and brand consciousness, create new ideas, exploit insecurities of consumers, fulfill their secret needs, use famous personalities and run lotteries.

**Peer Influence**

The consumer purchases most of the products due to the peer influence (Ahmad et al., 2014). Consumers communicate with their peers, observe their behavior, regard their opinion, and seek information and approvals for building their own attitudes and self-concept. Peer influence is what often compels us to copy, comply, and
try to impress the people around us, in turn affecting what brands we buy, wear, or use. Simply put, peer influence is when the behavior(s) of others in our environment affects one’s own behavior.

**Conceptual Framework**

![Conceptual Framework](image)

**Figure 1. Conceptual Framework**

*Source: Data Process, 2021*

**RESEARCH METHOD**

**Research Approach**

This research is using a quantitative approach. According to Babbie (2010), quantitative research is methods that emphasize objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques.

**Population, Sample, and Sampling Technique**

Population refers to the whole group of people, events, or interesting things that researchers want to investigate. These are groups of people, events, or interesting things that researchers want to draw conclusions based on sample statistics (Sekaran and Bougie, 2009). Population in this research are people in Manado who has stay and had experienced with Novotel Hotel, Swiss Bell Hotel and Four Points Hotel. Sample is a part of the population, within research sample is divided within the current population in order to find the right entity for the research. According to Sekaran and Bougie (2009) the sample is part of the population. The sample of this research is all customer of Novotel, Swiss Bell and Four Points Hotel for about 50 respondents who has stay and had experienced with these three hotels. The sampling design is purposive sampling. Purposive sampling techniques have also been referred to as nonprobability sampling or purposeful sampling or “quantitative sampling”. As noted above, purposive sampling techniques involve the selection of specific units or cases based on specific objectives and not randomly” (Tashakkori and Teddlie, 2010). The sampling of this research is all customer of Novotel Hotel, Swiss Bell Hotel and Four Points Hotel for about 50 respondents who has stayed in Novotel, Swiss Bell and Four Points. Questionnaire is using to get data from the respondents. Questionnaires are distributed to respondents so they can respond directly on the questionnaire.

**Data Collection Method**

Primary data refer to information obtained first-hand by the researcher on the variables of interest for the specific purpose of the study (Sekaran and Bougie, 2009). Individuals provide information when interviewed, administered questionnaires, or observed. Group depth interviews, or focus groups, are another rich source of primary data. The primary data used in this research is questionnaire that will be distributed to respondents. Secondary data refer to information gathered by someone other than the researcher conducting the current study (Sekaran and Bougie, 2009). The secondary data used in this research is taken from books, relevant literature and journals from library and internet. Secondary data in this research were used in the research background, literature review and research methodology.
Operational Definition of Research Variable

- Consumer preference is measured terms of the level of satisfaction from staying various of hotel.
- Price is a unit of measure the hotel (Novotel, Swiss Bell and Four points) offered and intended to benefit.
- Place, refers to providing customer access to choosing a place to stay, since it will determine how easily to access tourist attractions or places of business. (Four Points, Swiss Bell, Novotel)
- Customer satisfaction refers to customer convenience in hotel (Novotel, Swiss Bell and Four Points).
- Advertisement is a notice or announcement in a public medium promoting a Hotel (Novotel, Swiss Bell and Four Points).
- Peer Influence is how the use of peer-to-peer accommodation leads to changes in travelers’ behavior.
- Alternatives: Novotel, Swiss Bell, and Four Points

Data Analysis Method

The Analytic Hierarchy Process (AHP) is due to Saaty (1980) and is often referred to, eponymously, as the Saaty method. It allows users to assess the relative weight of multiple criteria or multiple options against given criteria in an intuitive manner. In case quantitative ratings are not available, policy makers or assessors can still recognize whether one criterion is more important than another. Therefore, pairwise comparisons are appealing to users. Saaty established a consistent way of converting such pairwise comparisons (X is more important than Y) into a set of numbers representing the relative priority of each of the criteria. The AHP generates a weight for each evaluation criterion according to the decision maker’s pairwise comparisons of the criteria. The higher the weight, the more important the corresponding criterion.

<table>
<thead>
<tr>
<th>Intensity of Important</th>
<th>Definition</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Equal importance</td>
<td>Two factors contribute equally to the objective</td>
</tr>
<tr>
<td>3</td>
<td>Somewhat more important</td>
<td>Experience and judgment slightly favor one over the other.</td>
</tr>
<tr>
<td>5</td>
<td>Much more important</td>
<td>Experience and judgment strongly favor one over the other.</td>
</tr>
<tr>
<td>7</td>
<td>Very much more important</td>
<td>Experience and judgment very strongly favor one over the other.</td>
</tr>
<tr>
<td>9</td>
<td>Absolutely more important</td>
<td>The evidence favoring one over the other is of the highest possible validity.</td>
</tr>
<tr>
<td>2,4,6,8</td>
<td>Intermediate values</td>
<td>When compromise is needed.</td>
</tr>
</tbody>
</table>

Source: Data Processed, 2021

Taylor (2013) mentioned a summary of the mathematical steps used to arrive at the AHP-recommended decision:
1. Develop a pairwise comparison matrix for each decision alternatives (site) for each criterion.
2. Synthesize:
   a. Sum the value in each column of the pairwise comparison matrices.
   b. Divided each value in each column of the pairwise comparison matrices by the correspondent column sum-these are the normalized matrices.
   c. Average the values in each row of the normalized matrices-these are the preference vectors.
   d. Combine he vectors of preferences for each criterion (from step 2c) into one preference matrix that shows the preference for each site for each criterion.
3. Develop a pairwise comparison matrix for the criteria.
4. Compute the normalized matrix by dividing each value in each column of the matrix by the corresponding column sum.
5. Develop the preference vector by computing the row averages for the normalized matrix.
6. Compute an overall score for each decision alternative by multiplying the criteria preference vector (from step 5) by the criteria matrix (from step 2d).
7. Rank the decision alternatives, based on the magnitude on their scores computed in step 6.
RESULT AND DISCUSSION

Table 2. Result of Overall Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Place</th>
<th>Customer Satisfaction</th>
<th>Advertisement</th>
<th>Peer Influence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>0.325</td>
<td>0.26</td>
<td>0.5</td>
<td>0.6</td>
</tr>
</tbody>
</table>

Sources: Data processed, 2021

The highest score is Place (0.325). It means that place is the factor that influencing the most people to stay in hotel. In other words, place was be chosen most of the respondents. The second highest influence was shown by price (0.317), followed by customer satisfaction (0.26), peer influence (0.06), and advertisement (0.05). The overall consistency ratio is 0.07. In general, the degree of consistency is satisfactory (acceptable) if consistency ratio ≤0.10. It means the data comparison in this result is consistent.

Table 3. Result of AHP (Best Hotel)

<table>
<thead>
<tr>
<th>Hotel</th>
<th>Novotel</th>
<th>Swiss Bell</th>
<th>Four Points</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.23</td>
<td>0.19</td>
<td>0.57</td>
</tr>
</tbody>
</table>

Sources: Data processed, 2021

Based on the observation, the respondents choose Four Points for them among the other alternatives. Four Points have highest score with 0.57. Followed by Novotel with score 0.23, and Swiss Bell in the last position with score 0.19. The overall consistency ratio is ≤10. In general, the degree of consistency is satisfactory (acceptable) if consistency ratio ≤10. It means this result is consistent.

Discussion

This research is designed to find out the customer preference in hotel selection among three hotels, which are, Novotel, Swiss Bell, and Four Points. The result obtained by using Analytical Hierarchy Process (AHP) as Multi-Criteria Decision Making (MCDM) method help decision maker faces the complex option of alternative with various complex subjective criteria. This method is also useful to define the strength and weaknesses of each hotel based on the criteria. This study uses a quantitative method by using a questionnaire as an alternative to providing information and interviews. The research procedure includes the steps the researcher took to carry out this research: Determining factors, including indicators in questionnaires, survey with questionnaires, collecting questionnaires, tabulating and processing data as well as analyzing the level of consumer preferences and handling priorities.

Pairwise Comparison for the Main Criteria Analysis

First, for all five main criteria (price, place, customer satisfaction, advertisement, and peer influence), based on the most important criteria affecting customers is the place of the hotel. The first position that affects the criteria is the hotel place. The place is important for customers. They prioritize the atmosphere of the hotel and the location of the hotel because somehow people perceive the place as a matter of whether the hotel has a comfortable and attractive place to stay. After all, this is a priority in their choosing a hotel. Price becomes the second-highest criterion that influences people when they want to choose a hotel. Price becomes one of the important things to consider in which hotel they want to choose. When a customer wants to choose a restaurant, they choose the most affordable price. Most customers of hotels are students who still get money from their parents. So, the hotel should not give an unaffordable price for the customers. The third position that influences criteria is customer satisfaction. The customer satisfaction served by the hotel must be good manner and high quality especially make the customer feel comfortable. Because when customers visit a hotel they will stay to fulfill their needs and wants. They're also looking at how the hotel crew treats them. So customer satisfaction must meet the customer expectation. By experiencing the good service customer will have considered having a visit again to the hotel. The fourth position is peer influence which often influences hotel selection. And the last position is an advertisement. Advertisement is less important to customers because they take place and price as a priority.
Pairwise Comparison Criteria within Three Hotels Alternatives Analysis

From the result of hotel criteria, Four Points Hotel has strength in the criteria because the place of the hotel feels so perfect, with style, service, and a terrific location, Four Points offers contemporary comfort in a stunning travel destination. Situated within the lively Boulevard on Business (BOB) district, this hotel is minutes from excellent shopping and dining, as well as cultural attractions, hiking, diving, and other activities. Especially, it is because Four Points is located in Manado Town Square which is accessible to everyone. After all, it is located in the center of the city. These things make Four Points the most chosen hotel to stay in. In price criteria, Novotel became has to strength in the criteria because the price was competitive and affordable. In Customer Satisfaction criteria, Four Points became the most preferred by respondents. For the customers, Four Points have more superiority over the other two hotels. The next criterion is Advertisement. In this result the most preferred is goes to Four Points. In terms of advertising, the Four Points hotel gives the best advertisement to interest their customer. At the criteria of peer influence, the result shows that Four Points is still the most preferred by customers because the influence of friends often occurs when many people share their excitement about the hotel.

Result of Analytical Hierarchy Process of Consumer Preferred Restaurant

Based on the overall data, customers will choose Four Points as the most preferred Hotel in Manado compared to the other alternatives. The result shows that when people want to stay, they prefer to choose Four Points as the most preferred hotel among the other alternatives. Four Points Hotel has the highest score, in the second position is Novotel hotel, followed by Swiss Bell Hotel in the last position.

CONCLUSION AND RECOMMENDATION

Conclusions

After conducting research, based on the result and discussion, two conclusions can be formulated:
1. Place is the criteria that influence the most in selecting a hotel. The place is important to customers because it's how the customers will find and have access to enjoy the hotel atmosphere, followed consecutively by price, customer satisfaction, advertisement, and peer influence.
2. Four Points Hotel is the most chosen hotel in Manado. Four Points Hotel became the most preferred hotel because it excels in these criteria: place, customer satisfaction, and peer influence. And in the second position is Novotel hotel, Swiss Bell Hotel in the last position.

Recommendations

This is the recommendation after research, and two recommendations can be formulated:
The place of the Hotel becomes the most important criterion for the customer. The factors that can drive the customer to comfort at the hotel can be seen in that place. Sometimes the customer’s convenience is affected by the condition of the surroundings. Businesses should emphasize the decoration of their place, to provide a comfortable environment for the customers.
1. Place becomes a criterion that influences the most in selecting a hotel with a score of 0.325, place is an important reason for selecting a hotel, especially for the economy and mid-scale guests. Because of that place become a factor that influences people in selecting the hotel. Price is in the second position with a score of 0.317, a very small difference from (0.008) with the place.
2. Based on the data, Four Points Hotel is the most chosen hotel in Manado. Four Points Hotel became the most preferred hotel because Place criteria are the preferred choice according to respondents. The place is the most important thing for the respondent when will stay at the hotel. Before the customer comes to the hotel, enjoy the service, feel the experience, they see what the hotel looks like. Some customers value location above everything else and are willing to pay that little bit extra.

REFERENCES


