THE IMPACT OF MARKETING MIX ELEMENTS ON CUSTOMER RE-VISIT INTENTION IN HOTEL INDUSTRY IN HATTON ZONE, NUWARA-ELIYA



BY

VINUSHA JAYARAM

REG NO: EU/IS/2015/MS/028

INDEX NO: MS 1778



A project report submitted to the Faculty of Commerce and Management, Eastern University, Sri Lanka, as a partial fulfilment of the requirement for the Degree of Bachelor of Business Administration (BBA).

DEPARTMENT OF MANAGEMENT FACULTY OF COMMERCE AND MANAGEMENT EASTERN UNIVERSITY, SRI LANKA

PROCESSED MAIN LIBRARY, EUSL

ABSTRACT

The purposes of this study is to analyze the impact of marketing mix (7P's) on the customer re-visit intention. Revisit intention has been a key focus in tourism research since it is critical in destination marketing. Studies reveals that in hotel industry, retaining a customer is ten times profitable than attracting a new customer. Maintaining a satisfied customer is pivotal to shape their revisit intention as literature proposes in this field. Marketing mix is critical in any form of attracting and retaining customers for a destination leading to a successful hospitality service. This research focuses on service marketing mix elements or the 7P s' including product, price, promotion, place, process, people and physical evidence and how the marketing mix impact on revisit intention of customers in hotel industry with special reference to the Hatton zone, Nuwara Eliya.

By identifying the most influencing marketing mix elements that impact on customer revisit intention, the stake holders, government, other responsible bodies and policies can be make effective change for attracting and retaining the visits. A conceptual framework has been developed based on the 7P's in service marketing. The stratified sampling method was used to collect the data from the 144 customers who were engaged with the hotels The Argyle, Capital O 281 Laa Adams and Dickoya by Jetwing. univariate analysis and bivariate analysis were used to analyze the data. To increase the revisit intention level in hotel industry, 7P's concept can be considered with proper strategic framework.

The analysis of this research implies that there was a positive relationship between all the marketing mix factors and customer revisit intention and the results revealed process, people and physical evidence are highly impact on the customer revisit intention in Hatton zone, Nuwara-Eliya. Implementing proper hospitality service along with process of the hotel management system, motivating friendly behavior of staffs towards customers', ensuring the pleasant environment, destination management system, standardized the quality of the destination and standard level of promotion should be done for retaining the existing visitors are the suggestions of this research.

Key words: Marketing Mix, Customer re-visit Intention, Hotel industry.

TABLE OF CONTENTS

ACKNOWLEDGEMENTI
ABSTRACTII
TABLE OF CONTENTS III
LIST OF TABLESVII
LIST OF FIGURESIX
LIST OF ABBREVIATIONX
Chapter 011
INTRODUCTION1
1.1 Chapter Introduction1
1.2 Background of the Study1
1.3 Research Problem3
1.4 Research Questions4
1.5 Research Objectives4
1.6 Significance of the Study4
1.7 Scope of Study5
1.8 Organizations of Chapter Summary5
1.9 Chapter Summary6
Chapter 027
LITERATURE REVIEW7
2.1 Chapter Introduction7
2.2 Marketing Mix7
2.3 Marketing Mix Elements
2.4 Re-visit Intention16
2.5 Hypothesis Development17
2.6 Chapter Summary19
Chapter 0320
CONCEPTUALIZATION AND OPERATIONALIZATION20
3.1 Introduction20
3.2 Conceptualization Framework21
3.3 Variables Relevant to the Conceptual Model22
3.3.1 Product22
3.3.2 Price23
3.3.3 Promotion24

	3.3.4 Place	5
	3.3.5 People	6
	3.3.6 Process2"	7
	3.3.7 Physical evidence28	8
	3.3.8 Marketing and Revisit Intention28	8
	3.4 Operationalization	9
	3.4.1 Summary of Operationalization3	0
	3.5 Chapter Summary3	1
C	Chapter 043	2
R	ESEARCH METHODOLOGY3	2
	4.1 Introduction with research Objectives	2
	4.2 Research Philosophy	2
	4.3 Research Approach	3
	4.4 Research Strategy3	4
	4.5 Methodological choice3	5
	4.6 Time Horizon3	6
	4.7 Research site/ Area selection3	6
	4.8 Population of the Study3	7
	4.9 Sampling Methods and Techniques3	7
	4.10 Sample	8
	4.10.1 Sampling Distribution3	8
	4.11 Method of Data Collection and source4	0
	4.12 Research Instrument4	1
	4.12.1 Questionnaire Formation4	2
	4.13 Source of Measurement4	2
	4.14 The Pilot study4	3
	4.14.1 Analysis of Reliability4	3
	4.15 Validity and Reliability of Instruments4	4
	4.15.1 Reliability Analysis4	4
	4.16 Unit of Analysis4	4
	4.17 Method of Data Analysis4	5
	4.17.1 Method of Analysis for First Objective4	5
	4.17.2 Method of Analysis for Second Objective4	5
	4.17.3 Method of Analysis for Third Objective4	5
	4.18.1 Univariate Analysis	

	4.18.2 Bivariate Analysis47	
	4.19 Data Presentation49	
	4.20 Ethical Consideration	
	4.21 Hypothesis Testing50	
	4.22 Chapter Summary51	
C	Chapter 0552	
D	OATA PRESENTATION AND ANALYSIS52	
	5.1 Introduction	
	5.2 Analysis of Reliability52	
	5.3 Personal Information of Respondents53	
	5.3.1 Distribution of Gender53	
	5.3.2 Distribution of Age53	
	5.3.3 Distribution Marital Status54	
	5.3.4 Distribution of visit purpose54	
	5.3.5 Distribution of previous visit experience	
	5.4 Data Presentation and Analysis of Research Objectives55	
	5.4.1 Objective One56	
	5.4.2 Objective Two64	
	5.4.3 Objective Three70	
	5.5 Chapter Summary80	
	Chapter – 0681	
	DISCUSSION OF FINDINGS81	
	6.1 Introduction81	
	6.2 Discussion of Personal Information81	
	6.3 Discussion of Research Information82	
	6.3.1 Discussion - Objective One82	
	6.3.2 Discussion - Objective Two84	
	6.3.3 Discussion - Objective Three86	
	6.4 Chapter Summary91	
(CHAPTER - 0792	
(CONCLUSIONS AND RECOMMENDATIONS92	
	7.1 Introduction92	
	7.2 Conclusions of the Research Objectives92	
	7.2.1 Conclusion of Objective One92	
	7.2.2 Conclusion of Objective Two93	

	7.2.3 Conclusion of Objective Three	.93
	7.3 Practical Contributions	.93
	7.4 Recommendations	.94
	7.5 Limitations of the Study	.95
	7.6 Areas of future research	.95
	7.7 Chapter Summary	
	References	
A	Appendix A1	106
A	Appendix B	107