Intention to Visit Green Hotel in Malaysia: The Impact of Personal Traits and Marketing Strategy

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Abstract
This study aims to determine the effect of personal traits and marketing strategy on the intention to visit green hotel. The predictors for personal traits are environmental knowledge, environmental attitude, self image and social influence while the predictors for marketing strategy are price, product, place and promotion. Two theories will be applied in this study to explain the effect of personal traits and marketing strategy on the intention to visit green hotel in Malaysia. The first theory is Theory Reasoned Action and the second theory is Marketing Mix Modeling. The target population for this study is the potential domestic hotel guests in Malaysia and the sample size for this study is 200. Data will be collected by distributing questionnaires to the potential domestic guests at Klang Valley and Penang. Structural Equation Modeling (SEM) will be used to analyse the data collected.

Keywords: Green hotel; personal traits; marketing strategy; Theory Reasoned Action; Marketing Mix Modeling

1.0 Background of Study
Environmental issues have become a major concern worldwide due to air pollution, water pollution and also waste disposal. These issues attract global community and industry attention and lead to green awareness among people. The environmental issue in Malaysia has a long history which began with the river pollution from the development of tin mining operation. Years later, the rapid industrialization brought another environmental issue which is air pollution from the disposal of hazardous and communal waste. Approximately there are 7.34 million tonnes of solid waste generated annually and local authorities spent up to 60% of their annual budget on waste management which costs the country between RM110 (USD33) and RM130 (USD39) to collect and dispose 1 tonne of garbage (Ramayah, Lee, & Mohamad, 2010). In recent years, the environmental issues in Malaysia continue with deforestation, climate change and global warming. Intergovernmental Panel on Climate Change (IPCC) (2007) predicted that Malaysia’s temperatures will increase by 0.6 to 4.5°C by year 2060.

Those environmental issues have attracted the humanity concerns in this decade and in support to save our earth, the global community has created eco-friendly consumption called green consumption. In consequence to the demand on green consumption, today’s business strategies have been influenced by the culture of green products, green marketing, green technology and green activities. The green initiative does not only affect manufacturing industry, consumer products industry, construction industry but also the hotel industry. The service sector, especially the hotel industry, is one of the most promising industries in Malaysia (Awang, Ishak, Radzi, & Taha, 2008).

It is inevitable that hotel industry plays an important role in promoting the green consumption. According to Bohdanowicz(2006), the hotel industry is the most environmentally harmful sector that attribute 75% of its environmental impact to disproportionate consumption of non-durable goods, energy and water and at the same time the hotel industry is the potential victim of climate change. A focus on environmental issues especially in the tourism sector has led to the increase number of green hotels(Hsiao, Chuang, Kuo, & Yu, 2014). Many hoteliers recognised the need to adopt the green hotel strategy in their operation.
Efforts have appeared across the globe to set up a proper implementation tools and rewards to promote green hotel development for instance Europe’s Leading Green Hotel Award, Africa’s Leading Eco Lodge Award and Asean Green Hotel Award. Environmental friendliness becomes a critical factor for hotels to ensure their sustainability in the tourism industry.

Likewise in other countries, Malaysia is also promoting the green hotel concept in their business operations. In year 2014, ten Malaysian hotels have been awarded with Asean Green Hotel Awards. The ten hotels are Shangri-La’s Tanjung Aru Resort and Spa Kota Kinabalu, Shangri-La’s Rasa Ria Resort Tuaran and Nexus Karambahui Kota Kinabalu (Sabah); Riverside Majestic Hotel Kuching and Miri Marriott Resort and Spa (Sarawak); Mandarin Oriental Hotel, The Shangri-La Hotel and Renaissance Kuala Lumpur (Kuala Lumpur); The Andaman Langkawi (Kedah) and The Shangri-La’s Rasa Sayang Resort and Spa (Penang). According to the Green Hotels Association (2014), green hotels refers to the pro-environmental lodging properties that implement various green practices such as saving water and energy, reducing the solid waste, and recycling and reusing the durable service items (e.g., bins, towels, etc.) to protect the earth. The initiative in promoting the green hotel is not only by providing the eco-friendly facilities but also includes the marketing strategy.

However, although there are many ideas and initiatives to promote the green hotel, the booking revenues for green hotels neither increased nor decreased (Chong & Verma, 2013). This implies that the demand on guest intention to visit the green hotel is still ambiguous. Thus, there is an unresolved puzzle on the factors that influence the guest to visit green hotel. Although the number of green hotels continues to increase, research on the guest intention to visit green hotel is still scarce. Most of previous researches in green hotel field were concern on the consumer’s perception on green hotel (Cometa, 2012); management motivation to adopt the green hotel practices (Kamalul Ariffin, Khalid, & Wahid, 2013); and customer satisfaction on green hotel (Robinot & Giannelloni, 2010). Those studies do not investigate how personal traits and the hotel’s marketing strategy can influence the guest intention to visit the green hotel. Hence, the current research intends to fill the knowledge gap by examining how the personal traits and marketing strategy influence the guest intention to visit green hotel in Malaysia. Specifically from the personal traits perspective, this study aims to determine whether environmental knowledge, environmental attitude, self image and social influence affect the guest intention to visit green hotel. On the other hand, from marketing strategy perspective, it aims to determine whether product, price, place and promotion affect the guest intention to visit green hotel.

This study applied two theories in explaining the link between the variables. Firstly, the Theory Reasoned Action (TRA) is applied as an underlying theory to explain the relationship between personal traits and intention to visit green hotel. TRA that formulated by Ajzen and Fishbein (1980) provides a model that determined a person behavioural intention with two factors which are attitudes and subjective norms. According to Ajzen (1991), attitudes refer to an individual’s behavioural option appraisal either positive or negative while subjective norms refers to others’ opinions or social pressure to influence a person’s behaviour. TRA is widely used in predicting the behavioural intention on environmental issues (Chen & Tung, 2014) such as Ramayah et al. (2010), Memar and Ahmed (2012), Aman, Harun, and Hussein (2012) and Saleki and Seyedsaleki (2012).

Second theory that applied in this study is the Marketing Mix Modeling. Marketing mix was introduced by Neil Borden in late 1953 as a marketing tactics and in 1964, Jerome McCarthy condensed the number of variables in a marketing mix into four principals that popularly known as ‘4Ps’. The ‘4Ps’ comprise of product, price, promotion and place which used by the hotelier to implement the marketing strategy and generate favourable response from the target market. Few studies found that marketing mix have impact on customer’s purchasing decision such as the researches by Azzadina, Huda, and Sianipar (2012), Christopher (2008) and Pungnirund (2013) while Satit, Tat, Rasli, Chin, and Sukati (2012) found only product and price were associated with customer’s purchasing decision.

Theoretically, this study is expected to give a new path for future researcher by combining the TRA and Marketing Mix Modeling in green hotel research field.

In addition, this study is expected to contribute to future research by providing the conceptual model on the effect of personal traits and marketing strategy towards intention to visit green hotel. It is worth to explore the green concept as it is relatively new area of research and the needs of height intensity in the green hotel industry. This research will provide the customer perspective on the role of personal traits and marketing strategy in the intention to visit green hotel.
It eventually will contribute an idea for Malaysian Government such as Ministry of Natural Resources and Environment to promote the green hotel agenda. Further, it could reveal which marketing strategies that hotelier should adopt to fulfill the consumers’ needs.

2.0 Literature Review

2.1 Personal Traits and Intention to Visit Green Hotel

Traits refers to a variety of individual attributes including aspects of personality, needs, motive and values (Yulk, 2006) and personality traits are relatively stable dispositions to behave in a particular way (Mothilal, 2010). In this study, personality traits comprise of environmental knowledge, environmental attitude, self image and social influence.

According to Kaufmann, Panni, and Orphanidou (2012) environmental knowledge is the general knowledge towards the relationships concerning about the major ecosystem and its natural environment including the concepts and facts. Previous studies found that environmental knowledge plays an important role on intention to purchase a green product (Ali & Ahmad, 2012; Promotosh & Vladimir, 2011; and Azizan & Suki, 2013). In contrast, Paço and Raposo (2009) argue that environmental knowledge did not contribute to green purchase behaviour. However, the impact of environmental knowledge on intention to visit green hotel was not investigated in the previous studies.

Environmental attitude is another personal traits that will influence intention to visit green hotel and it is perceived as precondition to achieve environmental behavior (Eilam & Trop, 2012). Research by Mei, Ling, and Hooi (2012); Ling (2013); and Zakersalehi and Zakersalehi (2012) found that environmental attitude has a significant positive relationship with intention to purchase green products. Moreover, Azila, Noor, and Kumar (2014) have confirmed the relationship between environmental attitude and intention to choose green hotel by travellers who visit Malaysia.

The third personality trait that will be used in this study is self image. Self image is determined by the extent of social interaction of that person (Chiou, Chan, Lettice, & Chung, 2011). Self image was found to have an impact on green purchase intention via qualitative and quantitative data collected by Rehman, Khyzer, and Dost (2013) at Punjab University. A study conducted by Oliver and Lee (2010) reveals that self image influence the purchase of hybrid car which synonym with environmental friendly product.

Another variable included in personal traits is social influence. Social influence on purchasing decision plays a significant role as consumers’ buying decisions depend on the information they collect from various sources in a society (Promotosh & Vladimir, 2011). Social influence was found to be the factors affecting young generation to purchase green product in research conducted by Iravani, Zadeh, Forozia, Shafaruddin, and Mahroein (2012). Social influence has also been identified to influence the lecturers’ intention on purchasing electronic products (Qader & Zainuddin, 2011). Contradict to that, Sinnappan and Azmawani (2011) found that social influence have insignificant impact on green purchase intention.

2.2 Marketing Strategy and Intention to Visit Green Hotel

In this study, marketing strategy refers to the activities that involve in price, product, place and promotion of green hotel.

Price is the amount that consumer need to pay or give up in order to obtain a product and most consumers are willing to pay extra for an additional value because the value may be due to improved performance, function, design, visual appeal, or taste (Thulasimani, 2012). Chan (2013) studies concluded that the willingness to pay for the green product will affect the consumer purchasing decision.

Durif, Boivin, and Julien (2010) conducted an exploratory research to find out a clear definition of green product. They concluded that a green product refers to a product that the design and attributes uses recycling resources, improves environmental impact or decrease environmental toxic damage.

However, the availability of green product is quite low especially in hotel industry. Past studies found that the availability of green product is necessary to enable consumers to become pro environmental behaviour (Ismail, Fateh, & Khan, 2008).
Green place in marketing strategy refers to the distribution pathways used that deal with green products, which are suitable for consumers in terms of facilitating their delivery and to secure cycling procedures conducted within environmental conditions and requirements (Hashem & Al Rifai, 2011). In other words, the waste from the transportation of packaging products to the distribution place and the consumption of the raw materials for the products should be minimum (Shabani, Ashoori, Taghinejad, & Beyrami, 2013). The past study suggested that green place strategy has a significant impact towards the customer as it portrays the ability of the customer to reach the product (Essoussi & Zahaf, 2008).

According to Manjunath and Manjunath (2013), green promotion marketing strategy requires the company to focus more on “Green Advertising” in order to communicate to the customers about the concept of environmental protection. Adoption of green promotion in hotel industry will enable the consumer to receive information on green hotel. Håkansson and Waluszewski(2005) acknowledged that the green promotion strategy creates an interaction with the consumers and makes the product position distinguished in the market.

### 3.0 Methodology

In year 2012, there were 56,072,199 hotel guest in Malaysia which 29,901,325 are domestic guests. The target population for this study is the potential domestic hotel guests in Malaysia. According to Sinnappan and Azmawani(2011), age was a significant factor that explained consumer green purchase behaviour. The potential domestic will be determined through the minimum and maximum age for renting a hotel. The minimum age will be 18 years old. The age of 18 was selected as at this age individual can enter into a contract in accordance to Section 11 of the Malaysian Contracts Act 1950. It is foreseen that when an individual can enter into a contract subsequently they will be able to rent a hotel and bind with the term and condition for hotel renting. However, there will be no maximum age in this study as there is no age limit for renting the hotel.

In order to conduct this study, the sample size will be 200. This sample size is sufficient to conduct the research as accordance to Sekaran and Bougie(2013), a sample size of 30 and 500 is sufficient to conduct a research. Data will be collected by distributing questionnaires to the potential domestic guests in Klang Valley and Penang. Klang Valley was chosen as this is the most urbanized and industrialized region in Malaysia (Malekizadeh, Zain, Ismail, & Hami, 2013) with a total population of 7.2 million in 2013 (Yeong, 2014). On the other hand, Penang ranked the second highest growth center in Malaysia (OECD, 2011).It is expected that the population in urban area will have the most exposure to adopt the green activities as they will be more exposed to environmental issues.

Questionnaire will be divided into 3 sections which include respondent’s demographic profile, respondent intention to visit green hotel and the personal traits and marketing influence. Data will be analysed using Structural Equation Modeling (SEM). Confirmatory factor analysis will be used to test the questionnaire’s internal validity. The model fit will be assessed using Chi-square, Root Mean Square Error of Approximation (RMSEA) and Comparative Fit Index (CFI). Level of acceptance for Chi-square is $p > 0.05$, for RMSEA is $RMSEA < 0.08$ and for CFI is $CFI > 0.90$.Figure 1.1 below is the proposed SEM model:
In the above proposed model, x1 to x5 are the measurement items for environmental knowledge; x6 to x10 are measurement items for environmental attitude; x11 to x15 are the measurement items for self-image; x16 to x19 are measurement items for social influence; x20 to x24 are measurement items for measurement items for price; x25 to x29 are the measurement items for place; x30 to x34 are measurement items for product; x35 to x38 are measurement items for promotion and x39 to x43 are the measurement items for intention to visit green hotel. These measurement items are known as exogenous observed or indicator variables and are measured via five point likert scale. Error in measurement shows as e1 to e43 are the error depicted from each measuring item of a variable, while error in equation shows as e44 to e52 that indicated the residual in the regression equation. Exogenous variables in this research are environmental knowledge, environmental attitude, self image and social influence that represent the personal traits of the hotel’s guest while price, place, product and promotion represent the marketing mix strategy that influence the hotel guest. Both, personal traits and marketing strategy are exogenous variables as they are variables that not influence by other variables in the model. On the other hand, the intention to visit green hotel will act as endogenous variables which will be influenced by other variables that are personal traits and marketing mix strategy. The structural equation model will be:

\[ IVGH = \beta_1 + \beta_2K + \beta_3A + \beta_4IM + \beta_5IN + \beta_6PR + \beta_7PL + \beta_8PD + \beta_9PM + \epsilon_{52} \]

Whereby:

- IVGH = Guest Intention to Visit Green Hotel
- K = Environmental knowledge
- A = Environmental attitude
- IM = Self image
- IN = Social influence
- PR = Price
- PL = Place
4.0 Conclusions

The purpose of this study is to explore the factors that influence the intention of hotel consumers to visit green hotel in Malaysia. This study outlines the drivers of the consumers’ intention. On the basis of the literature review, a conceptual model has been developed using Structural Equation Modeling (SEM). Further research should be carried out to test, validate and enhance the model. The results obtained will be presented in a later study.

References


