Letter take 400 work hours over a 4

Letter of transmittalGeorge TanasijevichPresident and CEO of Marina Bay Sands Singapore10 Bayfront Avenue, 018956 Dear Mr.

Tanasijevich, I attach herewith aproposal in support of a research program entitled " Booking preference ofluxury hotel in Singapore for Jakarta leisure traveler" to be conducted undermy management. I am requesting foryour approval, time and support during the research program which will take 400work hours over a 4 month period. The main purpose ofthis research is to get to know which distribution channel is preferred byJakarta leisure traveler in recent years. Thank you for yourattention and I am hoping to be working with you in the future. If you have any furtherquestions, please contact me at 91856542. Sincerely, Tamariska N.

T. 18 January 2018ProposalBackgroundIndonesia is a countrythat consists of thousands of islands in Southeast Asia. They have been themajor contributor of international tourists for Singapore. In the year of 2017, Indonesia contributed 17.

2% of the international tourist arrival of Singapore. This number has increased by 4% (Singapore Business Review, 2017). Jakarta isthe capital city of Indonesia. With 9.

806 million populations, it is the mostpopulated city in the whole country. With that, huge part of the Indonesiantourists originated from Jakarta. This research willfocus on the reservation method that leisure tourists from Jakarta prefer whenbooking their room in Singapore. The importance of distribution channels needto be reminded as it is a crucial step in controlling the company's expensesand revenue. Knowing the preference of one of

Singapore's biggest touristgenerator may benefit the company heavily. It may even be an advantage to knowthe solid and concrete information through the data gathered from the research. There is a lot ofluxury hotels scattered throughout Singapore.

The business is among the mostcompetitive in terms of the preference of Jakarta leisure travelers. Mosttourists from Jakarta still use the service of travel agents and directbooking. But as the internet technology keeps on improving, the amount ofguests booking through OTAs increased. The internet culture has made somechanges in people's way of thinking and point of view. In recent years, morepeople are picking up the knowledge and save their time by using websites likeTrivago and Agoda.

SignificanceThe topic came aboutwhen the Singapore Tourism Board (STB) released the international touristarrival data for 2017. According to Department of Statistics Singapore (2018), the average length of stay is about 3. 5 days. Most of them if not all, willstay in a hotel in Singapore and make their hotel reservation through adistribution channel. Some distribution channel will earn more than others andhave more customers utilizing their services. This observation sparks mycuriosity in digging deeper into the tourist behavior in choosing a reservationmethod to book their rooms.

By knowing thepreferences of the market, the company will waste less time and resources doingthe wrong thing. The information gathered can be used to make future plans andstrategies. When executed properly, it can boost the company's revenue as theyattract guests in the right way. With my help in figuring out the preferredreservation method, the company won't have to

spend as much money, time, andenergy in figuring out the answer themselves. ScopeTo narrow down thedemography aspect of the research, I have decided to give survey strictly toresidents of Jakarta. This means it exclude tourists that merely depart fromJakarta. The type of traveler that the research will focus on is those touriststhat visit Singapore strictly for leisure purposes. Another set of boundary isthe type of hotel that they book for.

The survey targets guests of local luxuryhotels in Singapore. Luxury hotels are those hotels with 4 or 5 star rating. The research will bedone under a time frame of 400 work hours over 4 months. This will researchedby one person. Information obtained must be from an academic journal, researchfindings, book, or government websites. Only information from year 2000on-wards will be deemed relevant for the purpose of informational accuracy.

Type and purpose of the researchThe type of researchthat will be done is a comparative and causal research. This means the researchwill focus on the nature and extent of cause-and-effect relationship (ResearchMethodology, 2017) while finding the similarities and differences between thedistribution channels by comparing them. I will be gathering information abouteach relevant distribution channel and reservation method by conducting asurvey. Comparing the recent data and putting them against the older data aboutthe booking pattern may give the company a better picture of how theadvancements in technology have altered customer behavior. The research will showthe extent in which the current technology has towards customer's perception ofthe traditional and online booking agents. From the

information obtained, thehotel can then process the data and decide whether they need to change theirstrategy or choice of distribution channel.

The purpose of this research is togive closure on which distribution channel has proven to be the most preferredby customers and contribute the most profit for the hotel. This helps in havinga better understanding of the market behavior and serving them quality servicethat they expect from the hotel while attracting more potential customers. Problem statement and objectivesThere have been a lotof changes in the tourism industry as the technology is always evolving. But towhat extent has this advancement gone in terms of customers' perception towardsreservation methods? The decision also differs from one type of tourist andhotel to another. The problem statement is to identify which distributionchannel is utilized most by Jakarta leisure travelers in the recent years. Objectives: ·   To compare theusage percentage of the different reservation methods·   To relate thechange in technology to customers' behavior when booking a room·   To predict whichdistribution channel benefits the hotel most   ReferencesDepartment ofStatistics Singapore (2018), " International visitor arrivals by length of stay, monthly", available at: http://www. tablebuilder. singstat.

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indonesia. travel/us/en/destinations/java/dki-jakarta Accessed on 18 January 2018 Literature ReviewReservation methodThe rapid growth oftourism industry is promoted by the accessibility of information andtechnological advancements with the help of the internet (Buhalis, 2004). Guests tend to have their own reasons when booking through a distributionchannel. The facilities provided, price, room availability, and informationcontributing to their decision are crucial considerations in choosing a bookingchannel. In order to increase the efficiency of products and services sales, hotel has adopted multi-channel distribution. Having a huge variety and rangeof options for the customer will make the hotel more accessible and convenient. Customers' perceived risksand value affects their decision making process as they will put their expectationagainst the possible product that they will receive.

Before deciding on thedistribution channel in which guests will book their rooms, first they mustobtain some information about the hotel and the channels. The lack ofsufficient knowledge about the important particulars may raise uncertainty anddoubt in the mind of guests. This might lead to guests not making a decisionthat suit them price-wise and time-wise as they are not as well-informed as theycould. There are two types of research that the client can go through to avoidthis situation. They are internal information search and external information search. The source ofinformation may come

from the guests' personal past experience; this is also calledan internal search (Money & Crotts, 2003).

On the other hand, externalsearch requires the guests to acquire information from sources other than theirown memory (Lee & Lee, 2005). It is practiced when the information obtainedfrom the internal information research is not enough/ the guest is notsatisfied with Hotel websites, travel agencies, and online booking sites canprovide some closure about the hotel. According to Roberts and Mason (2004), there will always be doubt and fear in the mind of guests during the bookingprocesses. The main aim of consulting with a distribution channel is toincrease the clients' understanding about the booking process and theorganization itself.

Different types oftourists may differ in their perception towards the accessibility and ease ofbooking through the different distribution channels. Travelers of differentbackgrounds may also affect their decisions. Some people prefer the traditionalmethods of booking rooms in hotels and some people react to the influence ofinternet and take advantage of the new facilities offered. Hotel-owned Websites/DirectBookingMore hotels are takingthe opportunity to use their own websites as a booking channel. This willdecrease the expenses towards agency commission (Crnojevac, 2010). Hotels mustnot neglect their own websites and direct online marketing when choosingappropriate booking channels. As the internet culture keeps on evolving, hotelsmust not be content with their current position.

Most of them pick up the trendand introduced their own websites for the sake of retaining and increasingtheir market share. Some people prefer

theconvenience of making direct booking with the hotel or even perform walk-in. Insome cases, the hotel website will offer discounts for a specific credit cardpayment or for a certain event. But it is widely known that most people chooseto book their rooms via OTA and travel agents rather than the hotel's website.

More effort to promote the hotel-owned website is needed in order to be able toboost sales and booking from the website. Having a competent and creativemarketing team may help in promoting the hotel's technological contributions. Establishing andmanaging a hotel website takes up time and might be pricey. A web designer andmarketing strategist must be employed to achieve the desired website thatembodies the hotel's value and personality accurately. Guests booking throughthe hotel reservation system will be given a confirmation number and be routedto the individual hotels (Burns, 2016). Some hotel website only featuresinformation about the hotel and others offer the facility of booking a roomreservation. Traditional travelagentsA lot of people stillrely on the counselling services provided by travel agents.

High search costcan be avoided when a personnel is helping with the guests' enquiries (Mayr, 2009). They are the entities that traditionally mediate the customers andsuppliers. But as the OTA is taking over their job function, they will beforced to embrace the technological advancements. This is also called asCybermediaries. Those travel agents that take the risk in order to excel andremain relevant in the current industry will surpass the performance of travelagencies that refuse to change or improve. Nowadays,

more and morepeople feel the need to save their time. By having to visit or make a phonecall to a travel agency they waste their time and energy.

Some travel agentsmay even charge the guests with consultation fee or service tax once they bookthrough the agency. Their loyal customers are usually the big spenders. Theywill usually return year after year (Marsh, 1994). Those people who stillchoose to have the assistance of a travel agent usually look for the personalcounselling and face-to-face contact. They try to materialize the intangibleproduct through their marketing communication skill. This is an added valuethat other distribution channels may not provide. Some people may also preferdirect human consultation and interaction as well as the service they offer tohelp.

The convenience of not booking your own room is the purpose and reasonfor a travel agency's existence. Online Travel Agents(OTA)Thanks to the internet, OTA has provided the industry with a new way of communicating the customers'wants and the hotels' values. They provide a direct contact with the potentialcustomers and brings down the selling price by decreasing the costs of servicesand time spent (Heung, 2003). Habit is one of the factors that may alter theeffect of trust, attitude, and commitment on the intention of booking hotelonline (Agag, 2016). When an action has become a habit, it will be harder forexternal forces to alter it. This may work against OTAs as some people havemade traditional booking method a habitual action. Through thisadvancement, the industry is facing some challenges as well as benefits. Theyhave gained importance of the past decade as it opens up new revenue growthopportunities.

As long as there are rooms available in the hotel, customers areable to book the room through OTA. But these third-party websites usually sellthe room at a much lower price or huge amount of discounts. Furthermore, the hotelmust pay commission to the OTA (Line & Runyan, 2012). This may hinder thehotel from selling a large amount of rooms through third-party websites (Morosan & Jeong, 2008). There is an increasingnumber of travelers that do their research and bookings through the internetbefore travelling (Kim & Lee, 2004).

OTA has a strong advertising power andsometimes even foreshadow traditional travel agencies and hotel-owned websitesdue to their low price and fast services. Internet has provided accessibilityand flexibility when it comes to planning and obtaining information. It onlytakes you few clicks to know about the hotel and make a booking reservation. They can easily compare the features and price of the room by opening multipletabs. According to aresearch, about 32% of the hotel revenue is generated through online bookingsin 2013. It has become easier for technologically savvy customers to find thebest price available in the market by browsing through the internet. Some pricesensitive customers are hard to please and attract as they have highexpectations for rooms with low prices. They have developed a deal-seekingbehavior and tend to be pickier.

Guests will compare the deal between one siteand another to find the best rate in the market at that particular time ofbooking (Jiang, 2003). References Agag, G. and El-Masry, A.

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