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ABSTRAK

ABSTRACT

This study was conducted to determine and obtain facts and resolution regarding the decision making on hotel room rates on the sustainability of the hotel industry with particular emphasis on hotels in the northern states of Malaysia viz Kedah, Penang Island, Perlis and Langkawi Island. The special emphasis in this study is to examine how the marketing strategy, guests’ disposable income and the various types of guests have influenced the hotels on decision making of hotel pricing. In this study, 60 hotels are randomly selected and only 20 hotels responded to the questionnaires. Questionnaires were distributed to respondents followed by interpretations. The analysis of these inputs were conducted with the SPSS software using mean statistics, standard deviation, t-tests, ANOVA (analysis of variance) and correlation statistics. The relevance of the results will be based on the significant level. An accepted significant level will be 0.95 or 5%. The result of this study revealed that marketing strategies do not influenced the hotel on decision making in pegging room rates to the multi-varied range of customers and theirs' disposable income. Further to this, a series of suggestions and recommendations have been put forward as a guideline to the industry. It is hoped that these guidelines will be a norm in the business practice.
ACKNOWLEDGEMENTS

To

My parents, my wife and my children
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CHAPTER 1

INTRODUCTION

1.0 Introduction

The hotel industry is an inevitable factor in the contribution to the country's economy. The increase in the tourism sector has tremendously contributed towards the growth of the economic sector. Currently, the economy of Malaysia is heading towards a bad shape due to the poor economy in the United States of America. Due to the prevailing circumstances, one of the efforts of the government is to concentrate on domestic as well as foreign tourism in order to generate the growth of our economy. In this respect, it seems that the hotel industry can contribute positively in ensuring the upward trend, if to compare to other sectors in the economy. A factor that should be noted is that the tourism industry is international in nature compared to other services industry. Therefore, this shall be a more emphasized factor in ensuring the positive growth of the country's revenue.

With respect to this study, it should be noted that the government has implemented several measures in the process of making tourism an income
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