

Do Consumers Always Choose the Best Condition?

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Do Consumers Always Choose the Best Condition?

Abstract

Building on previous research, this study aims to examine how hotel attributes and price display influence consumer choices. By conducting a survey, we identified five key attributes that are important to consumers: including location, valence, volume, free cancellation policy, and payment method. Through experiment, we have confirmed that these attributes do influence consumers' preferences for hotels, and consumers do choose the best conditions. Additionally, through experiment, we examined how price display influence consumers' mental accounts through the framing effect, resulting in cognitive biases. When prices are presented in different "frames", it results in varying perceptions of price dispersion among consumers. The results of the study suggest that the choice of price dispersion might be attributed to a perceptual illusion caused by price display. This offers suppliers a new perspective on how to display hotel prices in order to attract more bookings.

Subject Areas: *Consumer Behaviour, Decision-Making, Marketing Strategy, Pricing, Retailing*

Track: Consumer Behaviour