



A Study on the Consumer Decision Making for OYO Rooms in Patna

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Abstract : *India has undergone a huge population explosion. Urbanisation and demographic developments have contributed to an enhanced level of desire for tourism. This has resulted into the proliferation of hotels and guesthouses for the purpose of bracing up to meet the business opportunities.*

A plethora of changes in economic policies resulting into a face-lift of the economic scenario has prompted a young entrepreneur RiteshAgrawal to come up with the concept of OYO Rooms. It is now India's largest hospitality company.

The chain of branded business hotel in India as against the hotel industry in particular. Started in 2013, it offers a network of branded budget hotels all around India. In a very short span, OYO Rooms has built a network of 2500+hotels.

The present success of OYO rooms is a result of the innovative use of technology and marketing practices, in general.

Keywords : *Hotels, economic, business opportunity.*

Introduction :

The hotel industry in India predominantly thrives on the growth of tourism and travel industry. Due to increase in tourism, with a phenomenal rise in foreign and domestic tourists, hotel sector is bound to grow exponentially. There is an emergence of budget hotels in India to cater to such prospects which seek affordable stay during their visits. Many service firms have become successful by identifying and then satisfying a previously unrecognised or unsatisfied consumer want. (Stanton, et.al, 2007).

OYO Rooms was the first to spot this business opportunity of fixing the customers problems who wanted a luxurious yet affordable stay in the price range of Rs 999 to Rs 3000. The OYO Rooms provide standardised rooms in budget hotels with features such as air conditioning, complimentary breakfast, free Wi-Fi with 24 hours customer service support. They also provide flat TVs, spotless white bed linens, fine branded

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toiletries, 6inch shower heads and beverage tray. The number of guests using OYO rooms for booking hotels has been increasing consistently.

Their vision is to provide OYO experience to anyone, anywhere looking for a place to stay when out and about.

Innovation is as vital in services as in any industry,(kotler,et.al,2016).

Riteish Aggarwal, CEO, OYO Rooms, is very particular about the application of innovative use of technology and marketing practices in hospitality industry. It has not only won him high accolades, but also brought huge investment in the sector.

The study is focussed on analysing the undercurrents that shapes the preference of the consumers in Patna with a special reference to the innovative concept of OYO rooms.

Objectives :

The objectives of the study were as follows

- To find out the preference or criteria for OYO Rooms.
- To estimate the satisfaction level of the customers for OYO Rooms.
- To find out the preferred mode for booking of OYO Rooms.

Hypotheses :

The hypotheses of the study were as follows:

- Low budget is the most preferred criterion for the preference of OYO Rooms.
- The customers are extremely satisfied by the experience at OYO Rooms.
- OYO App is the preferred mode for booking OYO Rooms.

Limitations :

The major limitations of the research study were:

1. **Limited validity :** Since the sample size was limited to Patna, therefore the findings cannot be concluded for the other part of the country hence its validity is limited.
2. **Limited reliability :** It has also been observed that the respondents were uncomfortable and non-cooperative while answering questions,

therefore the study also suffers from the problem of limited reliability.

Methodology :

The blueprint of the research plan included decisions on the following parameters.

1. **Research design:** The research study was based on both exploratory and descriptive research design as the insight related to the research problem had to be developed on one hand and the existing state of affairs had to be elaborated and analysed on the other hand.
2. **Sources of data:** Both primary and secondary sources have been considered for the purpose of data collection. Primary sources included asking questions directly from the respondents and the secondary sources included relevant documentary sources.
3. **Method of data collection:** Survey was conducted from the respondents for the purpose of primary data collection and the documentary sources have been scanned for the purpose of collecting the secondary data.
4. **Tools of data collection:** Interview schedule was administered on the respondents for the purpose of data collection as it was more convenient for the respondents and time saving for the research study.
5. **Sampling design:** Sample unit comprise of the respondents who were visiting hotels in Patna. Sample size comprises of 100 respondents.
6. **Procedure:** Procedure for developing the sample considered was purposive sampling as the respondents in the OYO Rooms were approached for the purpose of data collection.

The study was confined to different areas of Patna only, and the data collected have been analysed statistically to arrive at a valid conclusion.

Findings :

Table 1. Frequency of visiting hotels

It is been noted that most of the respondents visit hotels very often.

Table 2. Problems in finding budget hotels

Majority of the respondents did not find any problem in finding budget hotels.

Table 3. Awareness of OYO Rooms

Almost all the respondents were aware of OYO Rooms.

Table 4. Source of information for Oyo rooms

Advertisement was the major source of information about OYO Rooms.

Table 5. Preference for Oyo rooms

Rooms in the category of Oyo budget was mostly preferred by the respondents.

Table 6. Reasons for the Preference for Oyo rooms

Low budget and better facilities were the most important criteria for preferring OYO Rooms over non- OYO Rooms.

Table 7. Mode of booking OYO Rooms

Majority of the respondents preferred to book their visit through OYO app.

Table 8. Preference for the incentives offered by OYO App

The most sought after incentives offered by OYO App for the booking of OYO Rooms included cash back and 50%off respectively.

Table 9. Reasons for dissatisfaction among respondents

Unhygienic conditions were the predominant reason for dissatisfaction among the respondents.

Table 10. Ratings of OYO rooms

By and large, the ratings of OYO Rooms as per the customer's perception, is quite satisfactory.

Suggestions :

On the basis of the findings of the research study, the following suggestions can be made:

1. Food quality at OYO Rooms should be improved.
2. Hygienic conditions should be improved.

Conclusion :

Though the concept of OYO Rooms is very novel for the customers in Patna, the preference for the Patnaites for the same is quite convincing. It is high time that the OYO Rooms attend to the customers' expectations in more comprehensive a manner in order to ensure customer satisfaction.

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Table 1. Frequency of visiting hotels

Frequency	No. of Respondents	Percentage
Very often	60	60%
Off and on	28	28%
Seldom	12	12%
Total	100	100%

Table 2. Problems in finding budget hotels

Response	No. of Respondents	Percentage
Yes	48	48%
No	52	52%
Total	100	100%

Table 3. Awareness of OYO Rooms

Response	No. of Respondents	Percentage
Yes	90	90%
No	10	10%
Total	100	100%

Table 4. Source of information for OYO Rooms

Source	No. of Respondents	Percentage
Friends	32	32%
Co- workers	26	26%
Advertisements	42	42%
Total	100	100%

Table 5. Preference for OYO rooms

Preference	No. of Respondents	Percentage
OYO budget	58	58%
OYO premium	42	42%
Total	100	100%

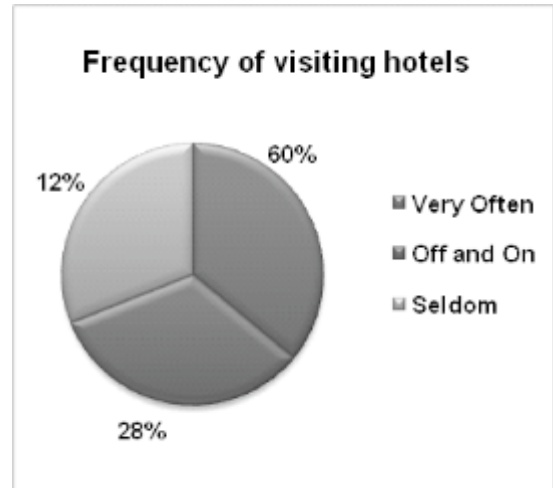
Table 6. Reasons for the preference for OYO room

Reasons	No. of Respondents	Percentage
Low budget	44	44%
Better facilities	36	36%
Food quality	6	6%
Hygienic conditions	14	14%
Total	100	100%

Table 7. Mode of booking OYO Rooms

Mode	No. of Respondents	Percentage
OYO app	56	56%
OYO website	18	18%
By Personal visit	18	18%
Telephonic conversation	8	8%
Total	100	100%

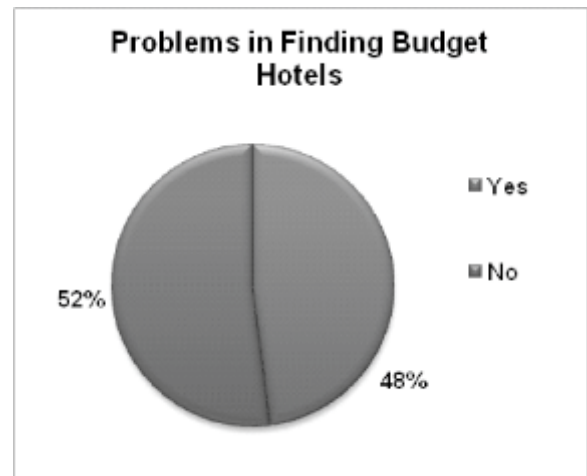
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Graph 1

Table 8. Preference for the incentives offered by OYO app

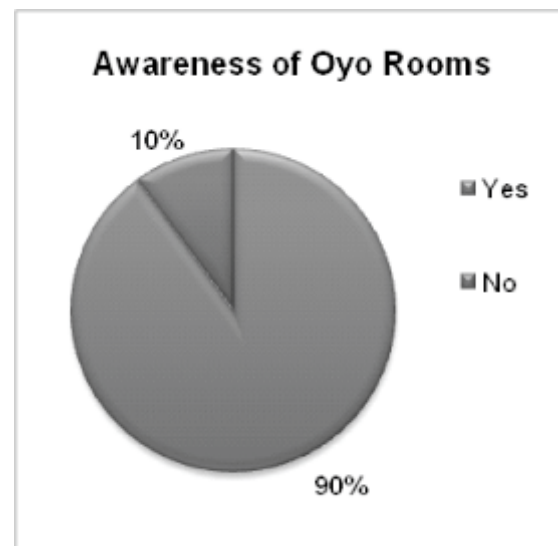
Incentives	No. of Respondents	Percentage
Cash back	42	42%
Bonus	16	16%
50% off	30	30%
Any other	12	12%
Total	100	100%



Graph 2

Table 9. Reasons for dissatisfaction among respondents

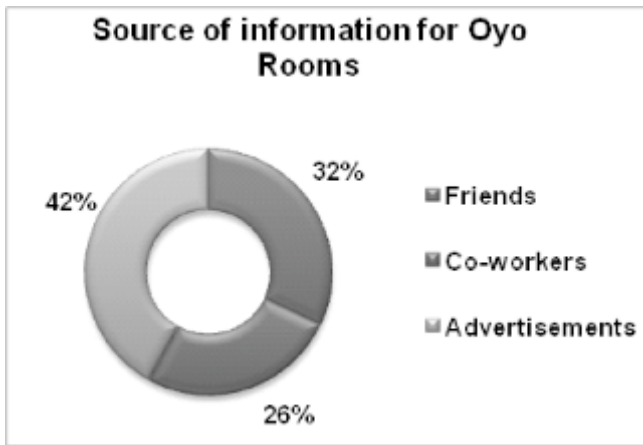
Reasons	No. of Respondents	Percentage
Poor service	18	18%
Higher tariff	10	10%
Unhygienic	42	42%
Any other	30	30%
Total	100	100%



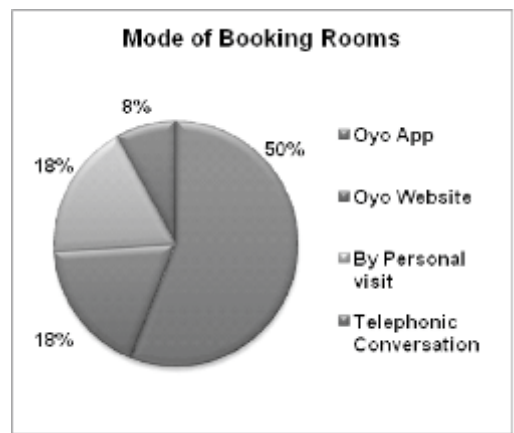
Graph 3

Table 10. Ratings of OYO Rooms

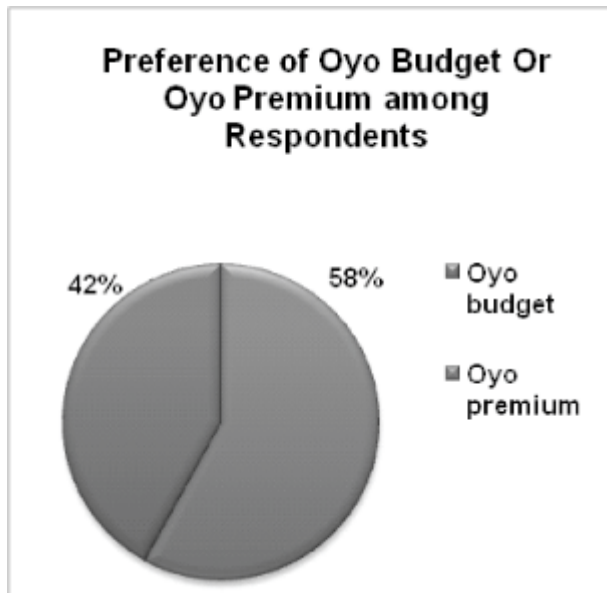
Ratings	No. of Respondents	Percentage
Excellent	22	22%
Good	42	42%
Average	26	26%
Bad	4	4%
Poor	6	6%
Total	100	100%



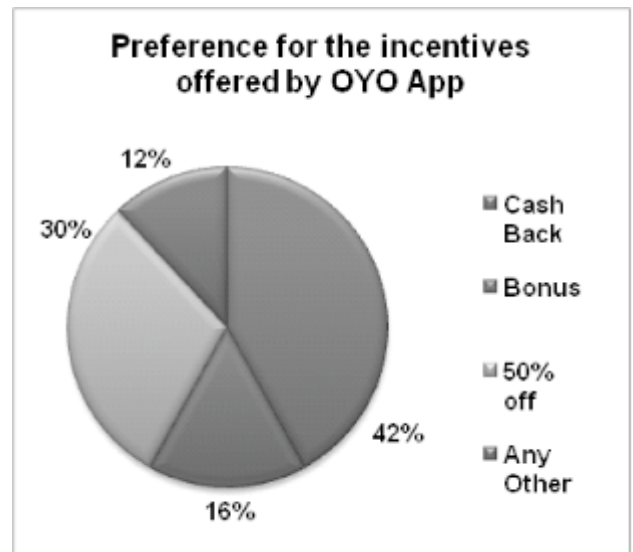
Graph 4



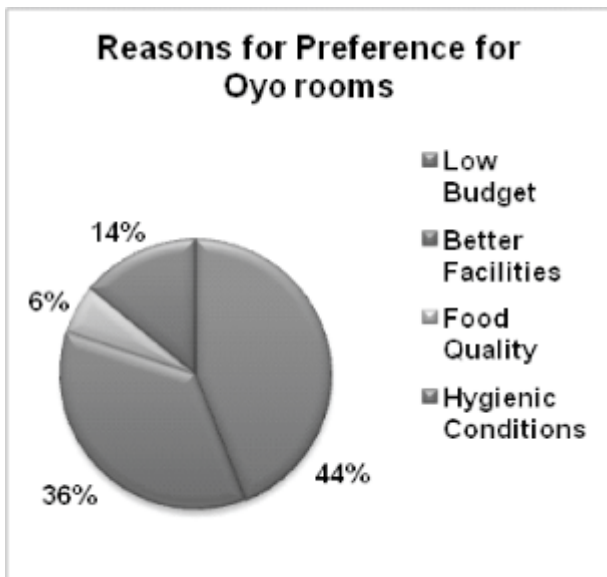
Graph 7



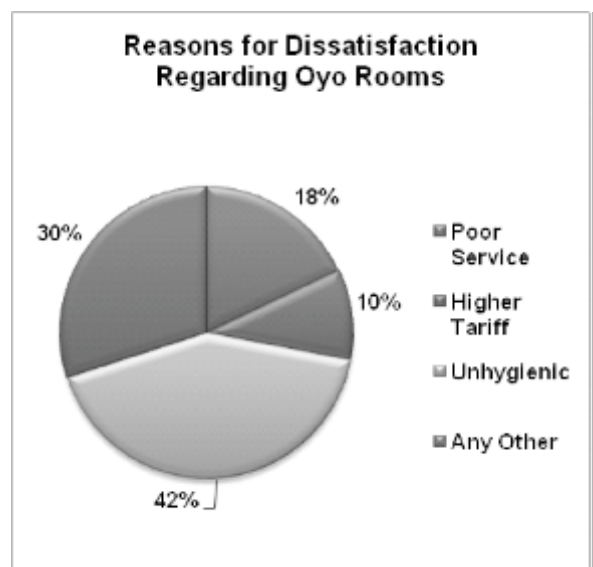
Graph 5



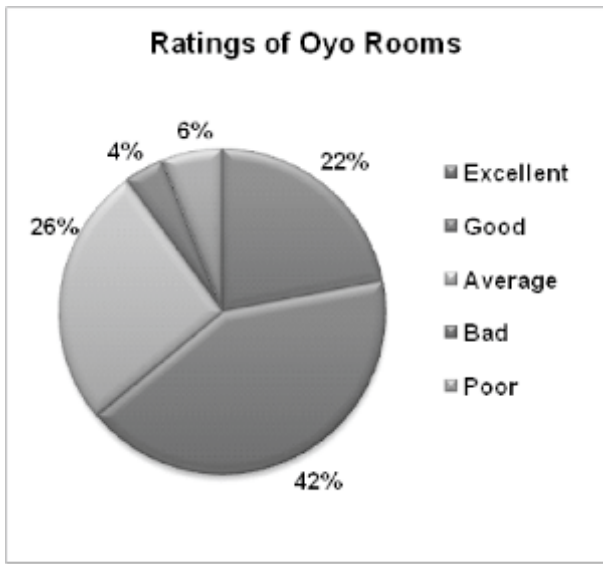
Graph 8



Graph 6



Graph 9



Graph 10

References :

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