

The Impact of Technology on Customer Purchase Decisions in the Hotel Industry

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Abstract: The advent of technology has had a profound impact on the hotel industry. The hotel sector has also made adaptive changes to provide clients with a better user experience, relying on the advancement of science and technology. Analyzing the impact of technology on hotel industry customers' purchase decisions is conducive to the wider promotion of technology adoption in the hotel industry. In order to explore the precise impact of technology on hotel customers, we conducted classification and summary from customer perception, customer behavior, and technology application, since these three components indicate how technology influences consumers' purchase decisions. Through the integration of instances, impact analysis, and particular investigation of the impact on hotel consumers' purchasing decisions. These aspects add to a broader understanding of the impact of technology. This study found technology had a positive impact on these three primary areas, while also facilitating hotel management and decision-making in the future.

1. Introduction

The hotel sector has evolved dramatically as the high-tech industry has grown. Science and technology have altered people's fundamental lifestyles. The hotel supplier that can employ these technologies to suit the customer's needs will be successful in the future [1]. From a historical perspective, information technology has played a significant impact in various aspects of life [2]. Various phenomena demonstrate that technology plays a significant role in the hospitality business. For these reasons, the study's primary goal was to determine the impact of technology on the hotel sector. Managers believe technology improves efficiency, but there are a few technical hurdles to overcome. Cost, strategy, and a lack of knowledge about the new technology are all factors to consider [3]. According to current study, the deployment of technology will change people's lifestyles, however it is unknown how the impact of technology would influence customers' buying decisions. The goal of this article is to explain how technology affects customers' purchasing decisions through three dimensions: customer perception, customer behavior motivation, and the practice of technology in hotels. These three dimensions are used to further explain how technology affects customers' purchasing decisions. A clearer explanation of the relationship between technology and purchasing decisions would help the hotel sector flourish and progress in the future. This article uses "technology" "customer purchase" "hotel" as keywords, and searches for relevant empirical articles on Google Scholar. After screening, a total of 22 articles are included in the scope of this research.

2. Relationship between Technology and Customer Purchase Decisions

This study is broken into three sections, each of which will demonstrate the impact of technology in greater detail. From customer perception through consumer behavior to future applications.

Consumer behavior is influenced by technology. The following sections will go through the impact of technology on these three dimensions in greater depth. Table 1 shows our analytical thinking. Table 1, as following.

Table 1. Classification of ideas

| No.of papers | The personification of technological influence | References |
|--------------|--|------------------------------|
| 3 | Describe the impact of the technological environment on the hotel | ([1]; [2]; [3]) |
| 4 | How to use customer perception to influence consumer purchase decisions in a network environment | ([4]; [5]; [6]; [7]) |
| 5 | Consider how technology might improve customer experience behavior based on consumer participation value. | ([8]; [9]; [10]; [11]; [12]) |
| 2 | Investigate the impact of websites on hotel reservation intents and perceptions. | ([13]; [14]) |
| 2 | An analysis of the impact of self-service technology on customer behavior | ([15]; [16]) |
| 3 | An Analysis of the Effects of Website Quality on Customer Purchase Intention | ([17]; [18]; [19]) |
| 3 | The impact of future digital applications on the hotel industry | ([20]; [21]; [22]) |
| 22 | A full-text search of 210 electronic documents, a total of 22 papers on "the impact of technology on hotel customers' purchasing decisions". | |

2.1 The Impact of Technology on Consumer Perceived Value.

Customer perceived value is a subjective evaluation of the utility of a product, resulting from the customer's perceived benefits of the product or service minus the cost he or she paid for the product or service. With the development of science and technology, more and more business methods have emerged. Now the most common is e-commerce. Compared with traditional enterprises, e-commerce can better provide customers with services that are very convenient and allow the customer to better perceive the value of goods. In the past few decades, as more and more customers have become value-oriented, customer perceived value has received lots of attention from service marketing authors. As the customers become more aware of the value of the product, they become more willing to buy it. This is very profitable for the hotel [4]. Most studies have shown that in the relationship between actual service quality and the perceived value of customers purchasing hotel accommodation online, service quality has a positive impact on customer perceived value to a large extent. With the development of technology. More and more hotels rely on the Internet. For example, almost all hotels now allow customers to book rooms online. Guests can now learn more about the hotel through the Internet to perceive the value of the hotel and decide whether to purchase the product [5].

For example, smart hotels nowadays use artificial intelligence technology to combine hotel scene services to provide ultra-convenient services for customers staying in hotels, reduce costs, and improve service quality, and are used by many hotels. The use of technology in hotels has become very widespread, whether it is hotel room service and booking of services, have joined the movement of technology. For example, smart furniture like curtains which can be controlled by phone app, service robot that can provide service to customers like human servant. From hotel portals to OTA online bookings, from smart devices in the guest room to self-service face check-in, endless new technologies are continuously changing the appearance and accommodation experience of hotels. Especially at the beginning of 2020, the covid-19 is raging, and the demand of "contactless" services keep increasing in the market, making hotels more intelligent [6]. This is because customers can perceive the value of products better than before. The convenience brought by internet highly increase the perceive value of customers. Almost every industry is affected by information technology, which has transformed traditional marketing strategies. Be more private and self-sufficient. From the

standpoint of consumer behavior, technology continues to have a favorable impact [7]. It really makes customers perceive product's value better.

2.2 The Impact of Technology on Consumer Behavior Motivation.

Digital technologies (such as artificial intelligence, the Internet of Things (IoT), speech technology, and blockchain) have opened up new prospects for service providers in the modern hotel business [8]. Service innovation based on technical advancements is critical for improving customer experience and ensuring continual improvement [9]. Technology has recently gotten a lot of press for its capacity to affect how customers view the value of their service experience and their post-purchase behavior. Take Chandler and Lusch's [10] viewpoints as an example. Technology let service providers and customers engage in a variety of diverse experiences, enhancing the perceived value of customers. Customers will become more loyal to online businesses if their perceived value is high [11].

Self-service technology is becoming more integrated into hotel websites, and it is tremendously incorporating the hotel's business operations and services provided by the company to guests [12], thanks to the popularity of the internet and tremendous technological progress. Hotels must successfully develop their own websites to communicate and interact with clients in today's digital business environment [13, 14]. Self-service technologies integrated into hotel websites increase customer satisfaction by allowing customers to participate directly in the customization and provision of the services they require [15, 16]. These technologies, in particular, makes it feasible and available for customers saving time and money while improving service delivery control [14], so increasing their enthusiasm for hotel services in general and customized services in particular [17]. These technologies are radically changing customer purchase behavior and decision-making, revealing new opportunities and problems for studying online customers' purchase intents [18]. Customers' purchasing intent may be regarded as the willingness to participate in the search for relevant information and choose a preferred product or service to be considered for purchase [14]. According to empirical studies [19], customer purchase intentions seem to be key in the tourism and hospitality industry. These studies also demonstrated the factors that influence a customer's purchasing decision [18]. These factors include the product's price, the website's quality, the information displayed on the website's quality, and the service's quality [18]. Other factors which are believed to influence tourists' purchase intentions entail risk, uncertainty, trust, and information satisfaction [14].

2.3 The Impact of Technology on Hotel Practices.

Research points out that the market of digital channels will improve customer purchasing decisions [20]. Because intelligent digital channels can facilitate customer selection behavior and make corresponding decisions easier. Artificial intelligence and 5G are two words that come to mind when thinking about future technologies. Both of these factors have had a major impact on the hotel sector. As the 3G and 4G generations fade away, the development of 5G will have a big impact on the future hotel business. The hotel sector is classified as a service industry by the industrial framework. Previously, the distance between the hotel and the people was quite great. To satisfy the needs, various electronic gadgets can now be directly connected with the terminal hotel to check in. The combination of traditional hotel service sector with information digitization has increased the level and efficiency of hotel service. The use of smart gadgets increases the consumer experience. 5G can transport data, video, and other media at fast speeds, enhancing the stability of online networks. Complaints from digital consumers caused by network issues will be minimised in hotels. Then, reduce complaints, improve user experience, enhance customer purchase decision-making skills, and seize customers. We can comprehend the nuanced wants of clients, deliver services above contentment, improve customer satisfaction, and improve purchase decision-making capacity by analyzing big data [21]. There are numerous issues in the running of hotels that are caused by traditional non-intelligent equipment. Beyond a certain distance, walkie-talkies have poor signals, are unable to converse properly, and are unable to deal with client concerns in a timely manner. The blessing of 5G fully realizes seamless connection, increases equipment stability, closes the gap between customers and

the hotel, and promotes customer happiness, consequently improving customer purchasing decisions. 5G brings the hotel department's collaboration closer and more efficient. For example, in the face of numerous consumer complaints, the Internet of Things can assist employees in reporting to their supervisors in a timely way and receiving instructions to facilitate problem-solving. Customer satisfaction has increased. This will improve the customer's opinion of the purchase.

The entry of artificial intelligence has also brought changes. FlyZoo, an Alibaba subsidiary, took the initiative in announcing future strategies [22]. The mobile phone has realized the check-in through the use of the data platform. The customer is then led to the guest room by the robot. The smart home intervention in the guest room enables clients to operate the infrastructure using only their voice. It caters to the particular needs of customers while also improving three-dimensional service. When compared to traditional hotels, the number of employees is substantially reduced, which improves the rate of return on investment and increases employee efficiency. According to studies, technology has altered the manufacturing process, and specialized services based on people's demands will enhance customer viscosity, facilitating purchasing decisions [22].

3. Conclusion

People's consumption notions are gradually transitioning to diverse, individualized, and highly experienced products as technology and the Internet advance, as well as the introduction of artificial intelligence. They've already started to fine-tune their product selection. According to studies, technology offers clients new experiences in all three dimensions. In these three areas, technology has a favorable impact on client purchase decisions. Consumers' options will grow more diverse and tailored as technology advances. In terms of consumer perception and website service selection, technology enables a broader range of options. Customers are drawn to mimic consumer behavior, yet perception and subsequent behavioral decisions are inextricably linked. This study is committed to gathering and sorting out the impact of technological elements on hotel customers' purchasing decisions, as well as assisting the hotel's future development. The majority of past hotel research has been qualitative. Scholars in the future can do quantitative study to better understand the logical relationship between technology and client purchase decisions.

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