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## EWOM-BASED CONSUMER PREFERENCE FOR DECISION MAKING ON STAY OVERNIGHT AT HOTEL

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#### ABSTRACT

The aim of this study is to find out how much Electronic Word of Mouth (EWOM) marketing and the influence of price level to consumer's decisions to stay overnight at hotel, where the case of this study at the Sharia Hotel in Bandung city, Indonesia. The method that used in this study is an effective causal analysis that examines the causal relationship of predetermined research variables. The analysis that used is statistical analysis (path analysis). The results show that EWOM have a positive and significant influence on consumer decision making in deciding stay overnight. The influence of the variables tends to be low because the price-level variables and EWOM have an opposite relationship. The results of multiple regression states that the relationship of price-level variables to consumer decisions is negative which means that the higher the price the lower the consumer's decision to stay overnight at the Sharia Hotel. While the results of the hypothesis test states that the price level has no significant effect. While EWOM variable according to the result of multiple regression have positive correlation and hypothesis test result which stated that EWOM have significant effect to consumer decision to stay overnight at Sharia Hotel.

Keywords: Consumer Preference, Decision Making, EWOM

#### I. INTRODUCTION

The transformation of tourism into Sharia tourism is quite widespread, for it has great business potentials. Master Card's and Crescent Rating's research on "Global Muslim Travel Index 2015" presented data that in 2014 there are 108 million Muslims travelled with a cost of U \$ 145 billion. The figure represents about 10% of the global tourism economy. By 2020 it is estimated that Muslim tourists will increase by 150 million by the cost of US\$ 200 billion and so Muslim tourists will continue to increase and become one of the fastest growing tourism sector in the world [1]. The top 10 Muslim tourist destinations are shown in Table 1.

Table 1: The Top Ten Destination Countries of the Organization of Islamic Cooperation (OIC) in Global Muslim Travel Index (GMTI) 2015 (Crescent Rating, GMTI Report 2015)

Ranking	Country	Skor
1	Malaysia	83,8
2	Turki	73,8
3	UEA	72,1
4	Saudi Arabia	71,3
5	Qatar	68,2
6	Indonesia	67,5
7	Oman	66,7
8	Jordania	66,4
9	Maroko	66,4
10	Brunei	64,3

Based on the Table 1, Indonesia with a score of 67.5% occupies the 6th position of the world. Thus, Indonesia has enormous potentials in this regard. In neighboring countries, Malaysia for example has formed Islamic Tourism Center in the Year 2009. Also, Indonesia with a rating of 6, Indonesia has a better capital base with the largest Muslim population compared with other countries. Promising potentials in the development of Islamic tourism in Indonesia is further strengthened with the launching of sharia tourism on October 30, 2013 in the event Indonesia halal Expo (INDEX). Seeing that the Ministry of Tourism and Creative Economy has launched 9 destinations that will be developed into Sharia tourism in Indonesia, including West Java and Bandung as a pilot area later for halal tourism in West Java [2]. Especially with the achievements of Indonesia through World Halal Tourism Award 2016 which became the overall champion beating such major countries as United Arab Emirates, Turkey and Malaysia [3]. By raising the brand of Halal Tourism Indonesia also has a diverse and interesting potential and shades of nuance with natural wealth and Indonesia culture.

Along with the development of Islamic tourism in Indonesia, with the increasing tourist visits, it is undeniable that there is an increase in the establishment of hotels as supporters. Sharia hotels

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are included. Sharia Hotel business is the provision of accommodation in the form of rooms within a building that can be equipped with food and drink service, entertainment activities and or other facilities using the principles of Islamic law as set and been approved by Indonesian Ulama Council.

Bandung is famous for its various tourist destinations, unique cuisine, and various forms of art and culture. The more people decide to travel in Bandung, the higher the demand for hotels in the city. However, the provision of Sharia hotel services is still very minimal. When compared with the number of hotels in Bandung, hotels whose services are based on sharia principles are still very much compared to hotels whose services are not based on sharia principles. Therefore sharia hotels are still very toddler if in comparison with other hotel tourism destinations. Nevertheless, the existence of sharia hotels in Bandung can still be taken into account and can be parallel to other hotels in Bandung.

Consumer decision itself is an integration process that combines the attitude of knowledge to evaluate two or more alternative behaviors and choose one of them [4]. Consumer decision-making process is divided into five phases that start with the process of awareness of needs and desires and tailored to the ability, after adjusting these three components consumers will seek information about products that consumers want with various criteria and ultimately produce a purchase decision of a product and continued with after-sales behavior [5]. As according to Kotler and Armstrong in the process of making consumer use decisions influenced marketing mix stimulus [6]. Marketing mix itself consists of product, price, place, promotion, people, process, physical evidence. In other words, if every consumer will decide the use of a product or service then these 7 elements are taken into account.

Price most likely influences consumer's decision to buy a product. Price of a product has a significant negative effect in giving value to consumers [7]. Therefore, when prices tend to be lower, then consumer decisions to buy a product tend to be higher and vice versa. List of sharia hotels in Bandung along with room type and price are described in Table 2.

Table 2: Sharia Hotel in Bandung July 2017 Period [8]

	Price (according to Room Type in Rp)			
Hotel	Standard	Deluxe	Royal	Suite
	Room	Room	Room	Room
Lingga Hotel	470K	520K	675K	750K

	Price (according to Room Type in Rp)			
Hotel	Standard	Deluxe	Royal	Suite
	Room	Room	Room	Room
Narapati Indah Boutique Hotel Svariah	425K	510K	595K	850K
Noor Hotel	-	775K	1.100K	-
Ruby Hotel Syariah	-	370K	420K	-

Based on this table, it is clear that the price set by the Sharia hotel is almost equal to the price set by the conventional hotel. However, with prices that tend to be the same as other hotels the consumer interest to stay overnight at Sharia hotels is almost the same when compared with other hotels with the same grade of 3 star hotels. The following Table 3 is the percentage of guests visiting Sharia hotels according to online booking site during July 2017.

Table 3: Percentage of Hotel Guest Visits on June-July2017 [8]

Hotel	Percentage of Visits
Lingga Hotel	92%
Narapati Indah Boutique	86%
Hotel Syariah	
Noor Hotel Bandung	92%
Ruby Hotel Syariah	87%

In addition to the price, another factor influencing consumer decisions is promotion. Talking about the promotion there are research results that states that promotion by using word of mouth (WOM) or mouth to mouth is the most effective way of promotion in Indonesia. Indonesian society has its own uniqueness compared to other countries. Indonesians tend to have a very strong level of socialization as outlined in the number of existing communities. In addition, the Indonesian people's custom is to talk about things that are personal and have a strong tendency to share information. When compared to a country with more labor-intensive hours, the people in America if consumers are satisfied will tell only 2 to 5 people, unlike Indonesia which has less productive time. If the consumer is satisfied then will tell to 5 to 15 people.

Along with current technological developments, a new paradigm of promotion using WOM has become a prefix of the electronic Word of Mouth (e-WOMM). EWOM is considered to be the

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evolution of the traditional word of mouth promotion to be more modern with the help of internet. E-WOM is a positive or negative statement made by potential customers, actual customers and former customers about a product or company through the internet [9].

EWOM is a part of social media based on information system that uses network connection. Basically, development of EWOM involving user as main data source. Information systems (IS) is a combination of information technology utilizations and human activity upon a set of agreed procedure[10], generally is used to support management and operation[11]. IS is an organized data process[12], IS has a high level of flexibilities to develop and scalable[13]. Refers to several research, the information system has an accurate data accessibility and efficient run-time [14], high accuracy [15], low cost [16], extended accessibility [17], intensify user knowledge [18], increase productivity [19], provide a better data and information [20], used as data storage [21], and support a proper decision [22]-[27].

In the other words this EWOM is WOM delivered by online. It is very powerful way of promotion through online because Indonesia is one of the most internet users in the world. Indonesia itself is the world's sixth country in internet users. Table 4 describes about internet user ratings in the world.

Table 4: Rating of World Internet User Country by E-Markete (In Million) [28]

No	Negara	2013	2014	2015	2016
1	China	620.7	643.6	669.8	700.1
2	Amerika Serikat	246.0	252.9	259.3	264.9
3	India	167.2	215.6	252.3	283.8
4	Brazil	99.2	107.7	113.7	119.8
5	Japan	100.0	102.1	103.6	104.5
6	Indonesia	72.8	83.7	93.4	102.8
7	Rusia	77.5	82.9	87.3	91.4
8	Germany	59.5	61.6	62.2	62.5
9	Mexico	53.1	59.4	65.1	70.7
10	Nigeria	51.8	57.7	63.2	69.1

With the gigantic internet users, the ministry of communications and informatics revealed, 95% of internet users in Indonesia used the internet to access social networking. Users of social networks like facebook, twitter, instagram are very rampant. It is very effective when used as a promotional tool for hotels to increase the sale value of the hotel. Table 5 provides the data use of social networking Sharia Hotels in Bandung.

Table 5: Shariah Hotel Social Network Usage Data July2016 (Twitter, Instagram and Facebook (dataprocessed))

Sharia Hotel	Twitter (followers)	Instagram (followers)	Facebook ( <i>ratings</i> )
Lingga Hotel	288	525	3.7
Narapati Syariah Boutique Hotel	216	71	4,2
Noor Hotel	149	10.9k	4,7
Ruby Hotel Syariah	10	158	No fanpage

Referring to the data in Table 5, it can be understood that Sharia Hotel in Bandung is very far leading when viewed from the use of instagram accounts, with a very large difference. It proves that Sharia Hotel in Bandung uses the promotion of electronic word of mouth marketing (EWOM) through instagram very well. Although viewed in terms of age Shariah Hotel in Bandung's most young and in terms of relatively high hotel prices, but the market penguasan Sharia Hotel in Bandung can outperform competitors who in fact first dabbled in the world of hospitality.

In accordance with the background of the above problems, it can be identified that the problem of this research is how much influence the price level and electronic word of mouth against the decision of guests to stay overnight at Sharia hotel. In accordance with the identification of the problem, there are several research questions: (1) how was the influence the price level to the consumer's decision to stay overnight at the Sharia Hotel in Bandung?; (2) how electronic word of mouth marketing partially influence to consumer decision to stay overnight at Sharia Hotels in Bandung?; and (3) how the influence of price level and electronic word of mouth marketing goes simultaneously to the consumer's decision to stay overnight at the Sharia Hotels in Bandung?

Basically, previous research on the influence of price level and electronic word of mouth marketing on consumer's decisions relatively already available. A study conducted, for example, considers two components of the review structure: the type and the number of reviews [29]. Using theory of cognitive compatibility, this study shows that this type of review can be a key moderator variable to explain the inconsistent relationship between consumers and word-of-mouth (WOM)

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expertise in previous studies. This study examines what types of reviews are cognitively appropriate to consumers with a high (low) level of expertise. Using the elaboration likelihood model (ELM), this study also investigates the impact of the review type and the number of reviews. The hypothesis was tested using 2 (skill level) 2 (review type) 2 (number of reviews) mixed design including two control conditions. The results show that the effect of cognitive fit (type of review) on buying intentions is stronger for experts than for beginners while the influence of the number of reviews on purchase intentions is stronger for beginners than This paper provides experts. managerial implications for online sellers who provide consumer-made reviews and advertisements.

The study focused on online transactions conducted that the study aims to assess the impact of one type of electronic word-of-mouth (eWOM), online consumer reviews, on purchasing decisions of electronic products [30]. This empirical study also focuses on the relationship between review and purchasing behavior. Instruments are prepared to measure construction proposals, with questionnaire items taken from previous studies but tailored to fit the e-commerce context. The survey was applied to academics in Turkev via the internet. Data were analyzed by using SPSS package. The results show that consumer reviews have a causal impact on consumer buying behavior and influence consumer product selection. Finally, the results and their implications are discussed.

A more systematic review of eWOM has been done that uses a social communication framework to summarize and classify previous eWOM studies [31]. This study further identifies key factors related to the main elements of social communication literature and builds an integrative framework that explains the impact of eWOM communication on consumer behavior. The results of this study believe that the framework will provide an important foundation for future research on eWOM.

Another research is a study developed a conceptual framework on the potential effect of electronic word-of-mouth (eWOM) communication on consumer purchasing decision-making processes in the low cost airline industry [9]. The study expects to make an important contribution to low cost airlines in establishing their marketing plans and developing online relationships with customers as well as contributions to electronic marketing management research.

A more academic review performs an empirical analysis of the impact of Word-of-Mouth (WOM) on relevant marketing outcomes such as consumer attitudes and choices, during high and complex service decisions. Consumers are known to discuss products and services with each other. This discussion helps consumers to form evaluative opinions, as WOM reduces perceived risk, simplifies complexity, and enhances consumer confidence in decision making. This discussion is also very impactful because WOM is a reliable source of information, for it is independent of the company or brand. This study also has implications for managers who aim to trigger good WOM through marketing efforts, such as advertising and testimonials. The results provide suggestions on how to design these marketing efforts with regard to the mechanism by which information is processed, or the form of social influence.

Another research aims to assess the effects and differences between traditional WOM and WOM electronics, between private WOM and commercial WOM, and between positive and negative WOMs on the goal images [32]. The results show that traditional WOM has a greater influence on the destination image than the electronic WOM. The traditional Personal WOM has a greater impact on the destination image than the personal electronic WOM and commercial WOM. However, the negative WOM gives less influence to the destination image than the positive WOM whereas the negative electronic WOM has more influence on the destination image than the negative traditional WOM.

From some previous researches, it is obvious that the present research has similarity in using price and promotion aspect as parts of marketing mix, but has different aspect of promotion type devoted to variable of electronic word of mouth marketing through instagram social network. In addition, this study has placed the Sharia hotels as the focus of research that has not received much attention from other researchers.

#### II. METHOD

The research method used is explanatory method with quantitative approach. The explanatory method is a study that explains the causal relationship between the variables that affect the hypothesis. In this study there are three variables connected and this study serves to explain, predict, control a symptom. This research will measure how big influence of independent variable of price level and EWOM to its dependent variable of consumer's decision either partially or simultaneously.

In this research, operationalized variables are price level as independent variable (X1) and electronic word of mouth marketing (EWOM) as

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another independent variable (X2). The independent variable is the variable that influences or causes the changes or the emergence of the dependent variable. Furthermore consumer decisions as the dependent variable (X3). The dependent variable is the variable that is influenced or which becomes due to the existence of independent variable.

The population in this study are consumers who have stayed overnight at the Sharia hotels in Bandung while the number of population of Sharia hotels in Bandung for one month is 899 people. The sampling technique used by the authors in this study is the method of snowball sampling, i.e., a technique of determination of a small initial sample, then enlarged like a rolling snow ball that grew bigger every time it crawls. The sampling in this study was adjusted to Roscoe's theory that the sample size is feasible in the minimum research is 30 to 500. Based on the number of samples taken in this study are 50 samples and the samples are selected as a source of data are the tourists who have stay overnight at Sharia hotels.

The data collection techniques in this study are a questionnaire and interviews. The questionnaire is a list of written questions given to the subject under study to collect the information the researcher needs. Questionnaire is an efficient data collection technique for collecting large amounts of data. The interview is a two-person meeting to exchange information and ideas through question and answer so that it can be constructed in a particular topic.

This study uses the knowledge of how much influence the price and EWOM using Likert scale. Likert scale is used to measure attitudes, opinions and perceptions of a person or a group of people about a phenomenon. By using the Likert scale, the variables to be measured are translated into subvariables and sub-variables are translated into measurable indicators. Then the measured indicator can be used as starting point to make the instrument items in the form of questions that must be answered by the respondent [33].

This question instrument or statement will result in a total score for each sample member represented by each score like the instrument below:

SA: Strongly Agree (score 5)A: Agree (score 4)D: Doubtful (score 3)DA: Disagree (score 2)SDA: Strongly Disagree (score 1)

- 1. Validity and Reliability Test
- a. Validity Test

Validity test is used to measure valid or not a questionnaire. A measuring instrument is valid if it can answer carefully about the variables measured [34]. In determining the feasibility of an item to be used, usually tested the significance of Corrected Item Total Correlation value of the total score of r count > r table.

#### b. Reliability Test

Reliability test is a tool to measure a missionary, i.e., an indicator of the variable or construct. A questionnaire is reliable if one's answers to the statement or question are consistent over time [34]. In this study, the researchers measured the reliability of a variable by looking at Cronbach alpha with significance used greater than 0.60 [34].

2. Classic Assumption Test

a. Normality Test

The normality test aims to test whether in the regression model, the intruder or residual variable has a normal distribution. Good data and feasible in research is data that has a normal distribution. Data normality can be seen in several ways, such as by looking at the normal probability plot curve. Normality can be detected by looking at the spread of data on the diagonal axis of the graph. If the data spreads around the diagonal line and follows the diagonal direction, then the data shows a normal distribution pattern indicating that the regression model meets the assumption of normality. On the contrary, if the data spreads away from the diagonal line, the data does not show the normal distribution pattern indicating that the regression model does not meet the normality assumption [34].

#### b. Multicolinearity Test

Multicolinearity test aims to test whether the regression model found a correlation between independent variables. A good regression model should not be correlated among independent variables. If independent variables are mutually correlated then these variables are not orthogonal. The orthogonal variable is an independent variable that has a correlation value between the same independent variables equal to zero.

To detect the presence or absence of multicolinearity in the regression model is as follows:

 The value of R2 generated by an estimation of the empirical regression model is very high, but individually many independent variables that do not significantly affect the dependent variable;

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- 2) Analyzing the correlation matrix of independent variables, if the inter-variables there is a high enough correlation, then this is an indication of the existence of multicollinearity. The absence of a high correlation between independent variables does not mean free from multicolonierity. This may be due to the combined effect of two or more independent variables;
- Multicollinearity can also be seen from the 3) tolerance and versus variance inflation factor (VIF). These two measures show which of the other independent variables are described by other independent variables. in simple terms each independent variable becomes а dependent variable and diregresi against other independent variables. tolerance measures the variability of the selected independent variable that is not explained by other independent variables. so low tolerance is equal to high VIF value (because VIF = 1/Tolerance). The common cut off values used to indicate the presence of multicolinearity are tolerance values  $\geq 0.10$  or equal to VIF values  $\leq 10$ . Each researcher must determine the level of tolerable cholininess [34].

#### 3. Multiple Linear Regression Analysis

Multiple linear regression analysis is a tool to predict the value of the influence of two independent variables or more on one dependent variable in order to prove the presence or absence of functional relation or causal relationship between two or more independent variables. The multiple linear regression formula is as follows:

 $\mathbf{Y} = \mathbf{a} + \mathbf{b}_1 \mathbf{X}_1 + \mathbf{b}_2 \mathbf{X}_2 + \mathbf{e}$ 

Where:

- Y = Consumer Decision
- A = Price Y when X = 0
- $b_1$  = Coefficient of Price Regression
- $X_1 = Price$
- b<sub>2</sub> = Coefficient of EWOM Regression
- e = Standar error
- 4. Hypothesis Test
- a. Test t (Partial Test)

The statistical test t basically shows how far the influence of one explanatory or independent variable individually in explaining the variation of the dependent variable. Basically the t test shows how far the influence of an individual explanatory variable nature explains the variation of bound variables. The formula is:

$$t = \frac{r\sqrt{n-2}}{\sqrt{1-r^2}}$$

Description:

- t = tscore which is then consulted with ttable
- r = partial correlations found
- n = number of samples

The purpose of the partial test is to know how far the influence of the independent variable (X) to the dependent variable (Y) partially. Hypothesis testing will be done by using a significance level of 0.05 ( $\alpha = 5\%$ ) or a confidence level of 0.95.

Testing the hypothesis using two-party test is applicable provisions that if the price t arithmetic is in the acceptance zone Ho or laid between table prices, then Ho accepted and Ha rejected. Thus if t count smaller than t table then Ho accepted.

#### b. Test F (Simultaneous Test)

The statistical test F basically shows whether all the independent variables included in the model have a mutual influence on the dependent variable. One way to test F is to compare the F value of the calculation with the value of F table, if F count is greater than the F table then we accept the alternative hypothesis which states that all independent variables simultaneously affect the dependent variable.

F test is used to test the variables - independent variables together against the dependent variable. In addition, this F test can also be known whether the linear regression model used is correct or not. The formula is:

$$F = \frac{\frac{R^2}{k}}{\frac{\left(1-R^2\right)}{\left(n-k-1\right)}}$$

Description:

- F = Fscore which is then consulted with Ftable
- R2 = partial correlations found
- n = number of samples
- k = number of independent variables

#### **III. RESULT AND DISCUSSION**

#### 3.1 Analysis of Variable Description

This section presents the descriptive statistics of all three variables studied. Based on the results of data processing, it can be seen that the total score obtained is 703. The number of scores inserted into the line continuum measurements are determined by the way in Table 6. Thus, according to the data in the table above, we can illustrate the price-level continuum lines in the Figure 1.

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Table 6: Calculation of Container Line Value of Price Level Variables (Research Results, 2017 (Data processed))

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Description	Formula	Calculation	Results
Maximum	Highest	$=5 \times 5 \times 50$	1250
Index Value	score x		
	number of		
	questions x		
	number of		
	respondents		
Minimum	The lowest	$= 1 \times 5 \times 50$	250
Index Value	score is x		
	number of		
	questions x		
	number of		
	respondents		
Distance of	(maximum	= (1250 –	200
Interval	value -	250):5	
	minimum		
	value) : 5		
Percentage	(total score:	=(703:	56%
Score	maximum	1250) x	
	value) x	100%	
	100%		

Very Lo	w I	ow Medium	a H	ligh	Very High
250	450	650 🗸	850	1050	1250
		703 (56%	6)		

Figure 1: Containment Line of Price Level Variable

Ideally, the total expected score for the respondent's answer to the statement 1 to 5 is 1250. Based on the calculation in the above table shows the value obtained 703 or 56% of the ideal score of 1250. Thus the price level variable is in the category of medium.

Based on the results of data processing, it can be seen that the total score for EWOM variable is 2189. The amount is then inserted into the continuum line, the measurement is in Table 7. Based on the calculation in the table above, it can be entered into the line kontinium variable EWOM which will be shown in Figure 2.

Table 7: Calculation of Container Line Value of EWOMVariable (Research Results, 2017 (Data processed))

Description	Formula	Calculation	Results
Maximum	Highest	= 5 x 11 x	2750
Index Value	score x number of questions x number of respondents	50	

Minimum	The lowest	= 1 x 11 x	550		
Index Value	score is x	50			
	number of				
	questions x				
	number of				
	respondents				
Distance of	(maximum	= (2750 -	440		
Interval	value -	550):5			
	minimum				
	value) : 5				
Percentage	(total score:	= (2189 :	79,6%		
Score	maximum	2750) x			
	value) x	100%			
	100%				
Very Low	Low Medi	um High	Very High		
550 990	1430	1870 2310	2750		
	2189 (79,6%)				

Figure 2: Containment Line of EWOM Variable

Ideally the total score obtained is 2750. Based on the results of questionnaires to the respondents obtained total score on EWOM variable of 2189 or 79.6%. It shows that in line kontinium variable EWOM is in high category. Based on the results of data processing, it can be seen that the total score obtained is 998. The total score is inserted into the line continuum measurement as provides in Table 8. Thus, based on the calculations in the Table 8, we can show the contour lines in the Figure 3.

Table 8: Calculation of Container Line Value ofConsumer Decisions Variable

Description	Formula	Calculation	Results
Maximum	Highest	$= 5 \times 5 $	1250
Index	score x	50	
Value	number of		
	questions x		
	number of		
	respondents		
Minimum	The lowest	= 1 x 5 x	250
Index	score is x	50	
Value	number of		
	questions x		
	number of		
	respondents		
Distance of	(maximum	=(1250:	200
Interval	value -	250) : 5	
	minimum		
	value) : 5		
Percentage	(total score:	= (998 :	79,84%
Score	maximum	1250) x	
	value) x	100%	
	100%		

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Very Low Low	Medium	High	Very High	equal to 2,01174.	Therefore the equation can be

Very Low	- L	low Me	dium	High	Very High
250	450	650	850	↓ 1050	) 1250
			99	98 (79,84%)	i -

Figure 3: Containment Line of Consumer Decisions Variable

Ideally, the expected score for the respondent's answer to the statement 1 to 5 is 1250. The payout indicates that it obtained 998 or 79.84%. Thus it can be said that the consumer's decision to stay overnight at a Sharia hotel in Bandung is high.

#### Influence of Price Level on Consumer 3.2 Decision

Based on the results of multiple regression analysis, price level variables have a negative relationship to consumer decisions, in other words it formulates that if the price falls then the consumer's decision to stay overnight at the Sharia hotels is higher. Speaking of the results of this study, must be proven also by testing the coefficient of determination and hypothesis partially or simultaneously.

In addition to multiple regression, the price level of consumer decisions could be done by testing the coefficient of determination analysis. Table 9 shows the results of partial determinant determination test with SPSS 16.0 software.

Table 9: Determination Coefficient Analysis Results of Price Level on Consumer Decision

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.080ª	.006	014-	1.49846		
a. Predictors: (Constant), Price level						

Based on the above table, the coefficient of determination is described in the R square column of 0.006 (0.6%). Thus the price-level variables on consumer decisions to stay overnight at Sharia hotels are very small and tend to have no effect at all as it is almost close to zero. This is reinforced by partial testing of hypotheses between price levels of consumer decisions. This statement is accordance with previous research by Nurfajriah et. al. that social media influenced consumer shopping behaviour [35].

The result of partial hypothesis testing shows that the variable of price level to consumer decision has tscore value of (-0,088) and has ttable value made as follows:

This equation explains that if tscore is bigger than ttable then Ho is accepted. It means that there is no significant influence between the price level on consumer's decision to stay overnight at Sharia hotel.

The results of study also disputes the concepts and theories that the consumer's decision to buy a product is influenced by price, according to him the price of a product has a significant negative effect in giving value to the consumer [9]. Therefore, when prices tend to be lower, then consumer decisions to buy a product tend to be higher and vice versa [7]. The assumption is ceteris paribus, meaning only consider one factor that is believed to affect consumer decisions, namely price. Other factors such as the effect of service quality, consumer satisfaction of product type, and other factors are not taken into account in this regard. This is due to the fact that many factors can influence consumer decisions to stay overnight at Sharia hotels. This can be due to the advancement of science and technology in service business, so the price is not included in the main part for a service business.

#### 3.3 **Effect of EWOM on Consumer Decisions**

Based on the results of multiple regression analysis, EWOM variables have a positive relationship to consumer decisions, so that if EWOM higher, EWOM the better, especially in social media instagram then consumer decisions to stay overnight at Sharia hotel in Bandung is higher. Speaking of the results of this study, must be proven also by testing the coefficient of hypothesis determination and partially or simultaneously. In addition to multiple regression, if tested partially how much influence the price level on consumer decisions can be done by testing the coefficient of determination analysis. Table 10 shows the results of determination coefficient analysis partially with SPSS 16.0 software.

Table 10: Determination Coefficient Analysis Results of EWOM on Consumer Decision

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate			
1	.323ª	.104	.086	1.42283			
a. Pred	a. Predictors: (Constant), EWOM						

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Based on this table, Determination Coefficient Analysis Results is described in column R square that is 0,104 (10,4%). Thus EWOM's influence on the consumer decision to stay overnight at Sharia hotels is 10.4%. This indicates that this EWOM variable has a low-tending effect on consumer decisions. However this is reinforced by the results of hypothesis testing that has the result that EWOM significantly influence consumer decisions.

The result of partial hypothesis testing between EWOM to consumer decision has tscore 2,267 and ttable 2,01174. Therefore we can do the following equation:

#### tscore 2,267 > ttable 2,01174

This equation explains that tscore is bigger than ttable then Ho is rejected and Ha is accepted. This implies that partially there is a significant influence between EWOM on consumer decisions to stay overnight at Sharia hotels. The results of this study also at the same time strengthen the results of research proposed by Henning Thurau stating that a positive EWOM will greatly affect the interest of others to follow in the footsteps of consumers, as opposed to negative EWOM will greatly affect other consumer disinterests. Here are the dimensions of EWOM that can influence consumer decisions to stay overnight at Sharia hotels:

- 1. Platform Assistance, which is the frequency of consumers staying at the Sharia hotels and write their opinions on Sharia hotels in their instagram accounts;
- Concern for Other, which is the desire of Sharia hotel customers to assist others in making the right choice of Hotels;
- 3. Positive Self Enhancement (Expressing Positive Experience), which is expressing positive feelings from instagram account and self improvement after staying at Sharia hotel;
- 4. Advice Seeking, which is the hope of getting problem solving after interaction with others [36].
- 5. The assumption is ceteris paribus, meaning only considering one factor that is believed to affect consumer's decision, that is EWOM. Other factors such as price influence, service quality, consumer satisfaction, product type, and other factors are not taken into account in this regard.

# 3.4 Influence of Price Level and EWOM on Consumer Decision

To test the influence of price level and EWOM simultaneously using Coefficient of determination

analysis used to know how big influence of variable X1 and X2 to variable Y expressed in percentage. It can be shown with the Table 11.

Table 11: Determination Coefficient Analysis Results of Price Level and EWOM on Consumer Decision

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.325ª	.105	.066	1.43777	
<ul><li>a. Predictors: (Constant), EWOM, Price Level</li><li>b. Dependent Variable: consumer decision</li></ul>					

According to this table, the coefficient of determination of 0.105 or 10.5% when rounded to 11% shows that simultaneously the influence of price level and EWOM on consumer decisions to stay overnight at low Sharia hotels. This is reinforced by hypothesis testing.

To test the hypothesis simultaneously used F test. The statistical test F basically shows whether all the independent variables included in the model have a mutual influence on the dependent variable. One way of doing the F test is to compare the F value of the calculated result with the Ftable value, if Fscore is greater than that of Ftable then we accept an alternative hypothesis which states that all independent variables simultaneously affect the dependent variable [36]. Based on the calculation results using SPSS 16.0 software the Fscore value is shown in the Table 12.

Table 12: Result of  $F_{score}$  (ANOVA<sup>b</sup>)

Model	Sum of Squares	Df	Mean Square	F	Sig.	
Regression	11.323	2	5.661	2.739	.075ª	
Residual	97.157	47	2.067			
Total 108.480 49						
a. Predictors: (Constant), EWOM, Tingkat harga						
b. Depender	nt Variabl	e: Kep	outusan ko	nsumen		

Based on table 12 obtained Fscore value of 2.739. While the value of Ftable of 3.20. Then we can give the following equation:

#### Fhitung 2,739 < Ftabel 3,20

According to this equation, it can be stated that Ho accepted and Ha rejected. This implies that there is no significant effect simultaneously between the price level and EWOM on the consumer decision to stay overnight the Sharia 28<sup>th</sup> February 2019. Vol.97. No 4 © 2005 – ongoing JATIT & LLS

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hotels. Thus, illustratively the relationship can be described in framework in the Figure 4.



Figure 4: Hypothesis Testing Results

This is contrary to the research results which states that there is a significant simultaneous influence between the marketing mix of services to consumer decision of hotel [29], [30], [32]. Partially, price has a significant influence on consumer decision and vice versa promotion has no significant effect on consumer decision of hotel [37].

In this regard, results of this study can generate a new theory which states that there is no significant influence between the price level and electronic word of mouth marketing (EWOM) on the consumer decision to stay overnight at Sharia hotels. The assumption is ceteris paribus, meaning only consider one factor that is believed to affect consumer decisions, namely price. Other factors such as the effect of service quality, consumer satisfaction of product type, and other factors are not taken into account in this regard.

## **IV. CONCLUSION**

This study concludes that the price level has no effect at all on the consumer's decision to stay overnight at a Sharia hotel in Bandung. Consumers do not pay attention to the price level set by Sharia hotel management. Facilities that reflect Sharia are the dominant factors that influence consumers to stay overnight at Sharia hotels. For, however, the background of the establishment of Sharia hotels is based on the idea of implementing Sharia principles. Therefore, the theological factor becomes the determining factor affecting consumers to stay overnight at the Sharia hotels. However, there are other, if not very significant, factors that influence the consumer's decision to stay overnight at Sharia hotel, electronic word of mouth marketing (EWOM). The use of the internet, especially social media including instagram. becomes very important for the marketing of a product. The use of the Internet as a source of information by the public today is very high. The various economic problems faced by society today can be solved through the internet.

The influence of price level and EWOM on consumer decisions to stay overnight at Sharia hotels simultaneously tend to be low. This is due to price-level variables and EWOM has an opposite relationship. The results of multiple regression states that the relationship of price-level variables to consumer decisions is negative. It means that the higher the price of Sharia hotels the lower the consumer's decision to stay overnight at Sharia hotels, as well as the lower the price level of Sharia hotels the higher the consumer's decision to stay overnight at Sharia hotels. Neither does the hypothesis test that the price level has no significant effect. While EWOM variable according to result of multiple regression have positive correlation and hypothesis test result which stated that EWOM have significant effect to consumer decision to stay overnight at Sharia hotel. Thus the results of this study denied the theory expressed by Kotler stating that consumer's decisions was influenced marketing mix stimulus such as product, price, place, promotion, people, process, physical evidence [6].

The results of this study recommend to the companies or corporations that in setting the price level to be more tailored to the ability of people's purchasing power. The determination of the benchmark price should be based on the calculation of the elasticity of people's purchasing power. Pricing should be integrated from start-up capital, operational cost, competitor's selling price, price elasticity, and ability of people's purchasing power. Pricing should be done by analyzing market conditions and competitors as well as statistical and production analysis.

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