

# Validating the Measuring Instrument for Determinants of Guest Perceived Value in Peer- to-Peer Accommodation in Malaysia: A Pilot Study

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## Abstract

Numerous studies on guest perceived value has been done in different field which leads to guest satisfaction and guest behavioral intention in an organization. However, far too little attention has been paid on study of guest perceived value specifically on peer to peer accommodation industry in Malaysia. Therefore, by using quantitative approach, the purpose of this pilot study is to assess the validity and reliability of the instrument used in measuring the determinant of guest perceived value in peer to peer accommodation which may affect the future behavioral intentions of guest to revisit such non-traditional accommodation type. A 35-sample data were analysed using the statistical software SPSS version 22. Prior to that, a content and face validity, reliability and data normality were examined based on expert assessment. The result shows that the measuring instruments used in this study are reliable and the data is proved of rational normality. The findings of this study provided overall support for the proposed measuring instrument for further research.

**Keywords:** Peer-to-Peer Accommodation, Perceived Value, Consumer Behaviour, Airbnb, Tourism.

## Introduction

The existence of Peer to Peer Accommodation short term rental, such as Airbnb, has been maturing rapidly in a phenomenal rate and has transformed the lodging industry into a competitive landscape. This emerging trend where people jointly share underutilized accommodation resource while adopting collaborative consumptions as a concept has increased substantially as the statistics shows an outstanding increase in retail lodging sales

value from USD84 million in 2016 to USD129 million in 2017, specifically in Malaysia (Euromonitor, 2017). Looking at the statistics, numerous studies has been done and were reported that this business model able to shaken up the traditional hospitality industry (Tussyadiah & Zach, 2015; Choi, Jung, Ryu, Kim & Yoon, 2015; Cheng, 2016). This scenario brought positive impact on global tourism as well as a significant change in the competitive conditions of the hotel market (Salvioni, 2016) which resulted on numerous scholars studied the effects of peer to peer accommodation to the hotel revenue (Demary, 2014; Neeser, Peitz & Stuhler 2015 and Zervas, Proserpio & Byers. 2017), regulations (Gumbs, Dodds & Griffins, 2016) and securities (Yang & Ahn, 2016) challenges.

Furthermore, a large and growing body of literature has concentrated in the area of marketing and consumer behaviour where purchasing power of guest were examined in order to understand the consumer buying pattern (Bae, Lee, Suh & Suh, 2017; Ert, Fleischer & Magen, 2016). Guttentag (2015, 2016) and Tussyadiah (2015) studied on the factors that drive or deter guest from using peer to peer accommodation which consist of social and economic appeal (cost saving) and few focused on exploring the side of the host, such as reasons that motivate the host willing to open up their home for strangers (Lampinen & Cheshire, 2016; Ikkala & Lampinen, 2015).

Although tremendous research has been carried out on various perspectives, little attention has been devoted specifically on guest perceived value in peer to peer accommodation in Malaysia (Razli, Jamal & Zahari, 2017; Nguyen, 2016; Stollery & Jun, 2017). Scholars have emphasized the importance of perceived value where it contributes to customers' actual behavior and one of the pivotal antecedents of purchase decision-making (Sivaramakrishnan & Manchanda, 2003). At the same time, by exploring guest perceived value, it facilitates in raising customer repurchase intentions and maintaining a competitive advantage (Oh, 1999; Oh & Parks, 1997). Different variables have been introduced and applied by researchers and marketers in order to understand how customer perceived the value which contribute to behavioral intentions in tourism industry (Sanchez, Callarisa, Rodriguez & Moliner, 2016; Bojanic, 1996). A study by Heo (2016) and Razli, Jamal and Zahari, (2017) proposed PERVAL (William & Soutar, 2009) scale of measurement of perceived value with an addition of emotional value and social value (Sweeney & Soutar, 2001) to analyse the value perceived by guest specifically in peer to peer accommodation.

Therefore, this research attempts to examine the reliability and validity of the proposed scale of measurement and how it may contribute to the overall guest perceived value in peer to peer accommodation by conducting a pilot study as a continuation of mentioned study by Razli et al., (2017). Teijlingen and Huntley (2001) defined pilot study as a mini version of full-scale study where pre-testing particular research instrument such as questionnaire and take place before the actual full study conducted (Gay, Mills & Airasian, 2006). The validity and reliability are the primary objectives to ensure that problems will not occur which may cause the main research project to fail. The instrument validity is seen as the extent to which the instrument is measuring what it is supposed to measure, while the reliability of a measure represents the extent to which a measuring instrument is error free and consistent across time and also across various items in the scale (Hair, Wolfinbarger & Ortinall, 2008). The variables were adopted from the previous research done by Heo (2016) and further elaborated and adjusted by Razli et al. (2017) to the context of peer to peer

accommodation. The variables consist of functional value, value for money, novelty value (William & Soutar, 2009) emotional value and social value (Sweeney & Soutar, 2001).

## **Research Methodology**

### ***Instrumentation and Measurement of Variables***

Once the theoretical constructs were defined which is based on the Theory of Planned Behaviors (Ajzen, 1991), a structured self-completion questionnaire which consist of close-ended multiple questions was constructed. Previous literatures were consulted and a set of questions are adopted. For the purpose of this study, Likert-type scale was opted to measure each construct which able to measure intensity of feelings in a particular area (Salkind, 2003). A 7-point format was used due to the reason that its ability to measure opinions, feelings, attitude and belief accurately (Malhotra & Peterson, 2006). In addition, by using scale with mid-point provides better and accurate result (Schuman & Presser, 1981).

The key variables contained in the study are Functional Value, Value for Money, Emotional Value, Social Value, Novelty Value and Guest Behavioral intentions. The entire constructs are treated as one-dimensional variable. Section C1: consist of six items that seek to measure Functional Value; Section C2, is made up of six items for Value for Money; Section C3, consist of seven items to measure Emotional Value, Section C4, Social Value is measured using seven items and C5 consists of 8 questions. Prior to that is Section A which contains demographics information and Section B are questions with regards to the guest previous experience with peer to peer accommodation. Guest Behavioral Intention was measured in Section D which comprises of a total of 7 questions.

### ***Pre-test and Pilot for Research Variable***

In order to achieve effective and to increase the reliability of the measurement tools, the questionnaire was divided into two stages; pre-test and pilot. For the purpose of pre-test and pilot test, a sample size of small, ranging from fifteen to thirty are deemed sufficient for the planned data analysis (Hair, Black, Babin, Andersen & Tatham, 2010; Sekaran & Bougie, 2010). The first stage or pre-test, a content validity was done which act as a process of consulting small sample of expert to assess on the suitability of the items selected to measure a construct (Sekaran & Bougie, 2010; Hair et al., 2008). A combination of 10 professional experts in consumer behavior and tourism research which consists of lecturers, statisticians, host and guest of peer to peer accommodation were asked to evaluate and add or delete valuable indicators or other constructs which deemed not appropriate to be used in this study. The researchers personally distributed the questionnaires and made explanation to the respondents on items that need additional clarification.

The pre-test results showed that some questions were not clear in definition, therefore correction was done. Once amendment has been done, the next stage was to distribute the questionnaire to 30 respondents as the sample of the pilot. Using convenience sampling, those who have stayed in peer-to-peer accommodation in the last 12 months were selected. All 30 questionnaires were fully completed which represent 100 percent of response rate. This comprehensive process took a month to be completed and were carried out over the course of January to February 2018. Prior to commencing the study, ethical clearance was sought from the university.

To measure the internal consistency of the instrument and how closely related a set of items as a group, a Cronbach's alpha coefficient was employed. This test is by far the most frequently reported for the purpose of measuring reliability and deemed vital in research (Aiken, 2002; Allen & Yen, 1979; Anastasi & Urbina, 1996). Iacobucci and Duhachek (2003) even suggested such analysis to be done although the research used established scale in order to ensure all the constructs used are valid. Data management and analysis were performed using SPSS 22.0 (2017).

### **Result of Reliability and Validity Tests**

Table 1 presents the result obtained from the pilot study. From the data presented, it is apparent that all the measures possess a high reliability standard ranging from Functional Value (0.862), Value for Money (0.889), Emotional Value (0.924), Novelty Value (0.951) and Social Value (0.953) which portrayed a good internal consistency. An instrument with a coefficient of 0.60 and above is regarded to have an average liability (Hair, Black, Babin & Anderson, 2010; Nunnally & Bernstein, 1994; Sekaran & Bougie, 2010). Therefore, the questionnaire is deemed an official one and can be used for future study.

Table 1  
*Alpha Coefficient of internal reliability for each section of the questionnaire*

<b>Guest Perceived Value in Peer to Peer Accommodation</b>	
Section C1: Functional Value	
Alpha Coefficient	0.862
Number of Variables	7
Number of Cases	34
Section C2: Value for Money	
Alpha Coefficient	0.889
Number of Variables	6
Number of Cases	34
Section C3: Emotional Value	
Alpha Coefficient	0.924
Number of Variables	7
Number of Cases	34
Section C4: Social Value	
Alpha Coefficient	0.953
Number of Variables	7
Number of Cases	34
Section C5: Novelty Value	
Alpha Coefficient	0.951
Number of Variables	8
Number of Cases	34

**Data Distribution**

Normality of the data needs to be checked in order to avoid statistical errors which may produce an invalid result. Normal data refers to when sample is taken, the data is able to represent the symmetrical distribution (Das & Imon, 2016; Thode, 2002). This is done before applying any parametric test. Normal data can be defined when data is well balanced, well-shaped with the maximum frequency of score in the middle and small distribution toward the extreme ends (Hair et al., 2006; Tabachnick & Fidell, 2007). Numerous tests can be conducted to check the normality of data such as using two standard measures: (1) skewness; and (2) kurtosis (Field, 2009; Ullman, 2006; McDonald & Ho, 2002; Bollen, 1989). For the purpose of this research, both tests were conducted and both showed a positive figure. This signifies that the data are slightly right-skewed and peaked (leptokurtic) compared to a normal distribution (Std. Error), gives 0.403 for skewness and 0.788 for kurtosis. Both figures showed within a  $\pm 1.96$  limits, which meant the distribution of all combinations of variables was normal and recommended that the departure from normality is not too extreme.

**Conclusion**

The primary aim of this pilot study is to establish the validity and reliability of the measuring instruments purposely to measure guest perceived value in the context of peer to peer accommodation before the actual full-scale investigation is conducted. Pre-test was done where the content and face validity of the questionnaire were assessed from the expert's point of view. In addition, the inter-item reliability test indicated that all the items are reliable with Cronbach's Alpha above 0.7, which signifies there is no need of deleting any item. Normality test using skewness and kurtosis shows that the entire data is rationally normal, thus demonstrated the study protocol is feasible. Overall, the questionnaire has been validated through the examination of its measures "reliability and construct" validity. The actual study which is expected to collect views from more than 500 respondents would be able to provide a glimpse on guest perceived value and the impact towards their behavioural intentions specifically in peer to peer accommodation. The findings from this study make several contributions to the current knowledge of the related fields and able to be a benchmark for future peer to peer accommodation study.

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