

Sunhanat Patchuay 6104640617

EE489 Literature review

Seminar topic: FACTORS AFFECTING HOSTEL PRICING IN BANGKOK AREA

Author: Pimchanok Disphanurat

This seminar paper aims to clarify what are the significant factors that affect the price charged for hostel rooms in Bangkok by collecting 200 observations from Booking.com and using multiple regression analysis. The author had said that she uses the Hedonic Pricing Model as a tool to explain the pricing behavior from the sources that had been collected. Moreover, she had mentioned about the price charged by the hostel that the prices naturally were determined by cost and competition. In terms of data analysis, this seminar used the Regression Analysis method to show what are factors impact hostel pricing the most. According to this seminar used regression analysis to be an instrument to answer the question, therefore, the author began the first step with collecting data, she ran into a website named Booking.com and picked 451 samples of available hostels online on Booking.com. After that, there are 200 hostels that have all features which can represent all hostels in Bangkok were picked as a sample for the study. In addition, to avoid the bias that could occur, the author created limited searching criteria for this study as well. Moving to the next step of answering the question, the author had set 2 types of variables which are dependent variable and independent variable for constructing a regression equation of this study. For the dependent variable, as this seminar focuses on the price of a hostel, therefore, the author set the price of the room per one night as a dependent variable. For the independent variables, the author had set room types, number of beds in each hostel room, number of hostels that are nearby the area where the author was considered, facilities, location, rating, score, and neighborhood which means the data was only collected from eight areas where hostels were intense and most popular for the travelers including Khao San, Riverside, Sukhumvit, Silom, Siam and Pathumwan, Pratunam and Phaytathai, Chinatown, and Suvarnabhumi. After the author collected all the variables and the data are ready to apply for regression analysis, she used multiple regression analysis to find out factors affecting hostel pricing. The result of the test showed that it is new to the research field about the significant effect of the number of nearby hostels and score for value for money. The more competition the less price that hostels can charge. The higher score received means less expensive price that hostels charged.

For the comments that I would give to this seminar paper, according to my perspective, this paper contains a lot of useful information that helps the reader who wondered how come the hostel price charged could understand more about it. Furthermore, this paper also provides a regression analysis test that could confirm the accuracy of the results of this study had found. However, this seminar paper also has

some spots that could be done better. First thing first, at the beginning of the paper, there was some information that has been mentioned about the number of hostels and beds in Thailand compared with other countries. Since overall the paper only focuses on the Bangkok area, thus, this information might not relate to the topic enough and might misunderstand the reader about the purpose of this study. Next is the regression model, the author should explain more details in each variable because it might have problems with some readers who do not know econometrics before. Lastly, the author could use another picture that can show all hostels in the area for some readers who are foreigners that do not know much about Bangkok.