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**ИССЛЕДОВАНИЕ ВЛИЯНИЯ ИНФЛЯЦИИ НА ПОВЕДЕНИЕ
ПОТРЕБИТЕЛЕЙ В СФЕРЕ ГОСТЕПРЕИМУСТВА
(НА ПРИМЕРЕ РОССИИ И ИНДОНЕЗИИ)**

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**EXPLORING THE IMPACT OF INFLATION ON CONSUMER
BEHAVIOUR IN THE HOSPITALITY INDUSTRY: A CASE STUDY IN
RUSSIA AND INDONESIA.**

ABSTRACT

EXPLORING THE IMPACT OF INFLATION ON CONSUMER BEHAVIOUR IN THE HOSPITALITY INDUSTRY: A CASE STUDY IN RUSSIA AND INDONESIA

The proposal of FQP (master's thesis) consist of an introduction, 2 chapters, a conclusion, a bibliographic list, including 62 titles. The work includes 5 figures. The total of volume of proposal of FQP (master's thesis) is 111 pages.

Key words: Inflation, Consumer Behavior, Hospitality Industry The purpose of this thesis is to compare the decision-making strategies of private companies in the hospitality sector during inflation in Russia and Indonesia. The ultimate goal as well as the objective of the study is to contribute valuable insights to the literature on consumer behaviour in the hospitality sector during inflation. The practical relevance of this study lies in its direct applicability to real-world scenarios within the hospitality sector in Russia and Indonesia. The study provides actionable insights for businesses within the hospitality industry, offering them strategies to navigate inflationary periods. Companies can utilize these insights to adjust their pricing strategies, manage costs effectively, and maintain customer satisfaction. The study can contribute to the development of industry guidelines or best practices for the hospitality sector during inflationary periods, fostering a more resilient and adaptable industry.

The proposed activities and recommendations outlined to provide actionable insights for businesses, policymakers, industry stakeholders, and academia, fostering a more resilient and adaptable hospitality sector in the face of inflationary challenges.

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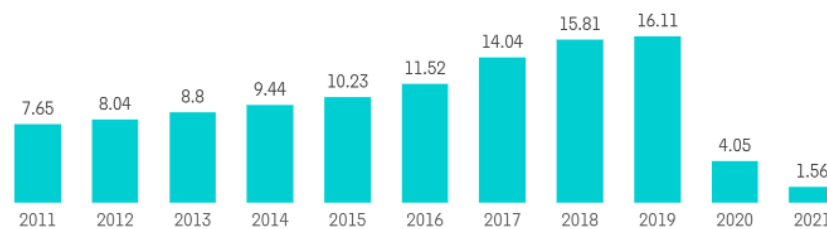
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INTRODUCTION

The hospitality industry is a significant contributor to the economies of Russia and Indonesia, providing employment opportunities and generating revenue. However, the industry is also highly sensitive to inflation, which can significantly influence consumer behavior and operational costs. Inflation refers to the rate at which the general level of prices for goods and services rises, leading to a decrease in purchasing power over time. Inflation can impact the hospitality industry in several ways, including pricing, consumer spending, and labor costs[1]. Inflation is a persistent increase in the general price level of goods and services in an economy over time[2]. This economic phenomenon affects the hospitality sector in various ways, including increased costs of raw materials decreased demand for and decreased purchasing power of consumers[3]. The rising cost of goods and services due to inflation can lead to increased operational costs for hotels, ultimately affecting their profitability. The cost of raw materials, such as food, beverages, and linens, increases during inflationary periods, which can result in hotels being unable to offer competitive rates for their rooms, food, or other services, driving customers away[4]. Inflation also has an impact on consumer spending, including the spending habits of tourists. As prices rise, tourists may have less disposable income to spend on travel, accommodation, and leisure activities, leading to a decrease in demand for hotel rooms and other hospitality services[5]. The impact of inflation on the hospitality industry is not limited to consumer behavior, as it can also lead to increased wage pressure and reduced profit margins for businesses. As employees seek higher wages to cope with the rising cost of living, hospitality businesses may face additional financial strain, potentially resulting in the need to adjust pricing or reduce profit margins to accommodate these increased costs[6]. The hospitality sector is a significant contributor to the economy of both Russia and Indonesia. Indonesia's hospitality industry is one of the fastest-growing industries in the country and is a significant contributor to its economy[7]. Given the significant impact of inflation on the hospitality industry, it is essential to understand the specific strategies that private companies within the industry employ to

navigate these challenges. By exploring the impact of inflation on consumer behavior in the hospitality industry in Russia and Indonesia, valuable insights can be gained into the various approaches and adaptations that businesses undertake to address these complex and dynamic economic conditions. This study aims to provide a comprehensive understanding of the strategies employed by businesses to effectively manage the challenges posed by inflation and its influence on consumer behavior in the hospitality industry in Russia and Indonesia.

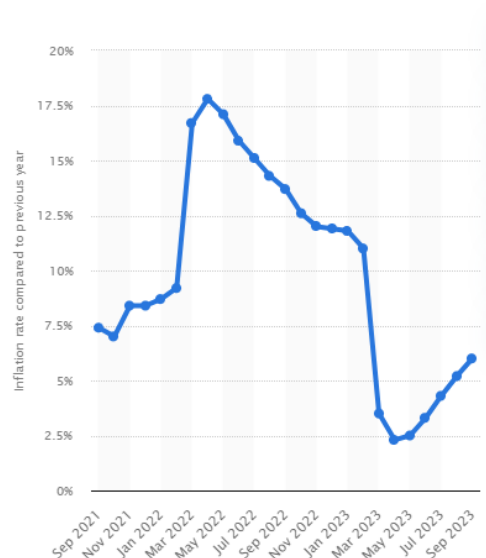
Figure 1 – Number of International Visitor Arrival in Indonesia 2011-2021



The hospitality industry in Indonesia witnessed significant growth between 2011 and 2021. Indonesia, known for its diverse culture, natural beauty, and rich heritage, attracted a growing number of tourists during this period[8]. However during the COVID-19 pandemic, Indonesia's hospitality industry, like many others globally, faced considerable challenges with the significantly decrease rate. The government implemented various measures to contain the spread of the virus, which had a significant impact on tourism and hospitality. To curb the spread of the virus, international travel restrictions were imposed, leading to a sharp decline in international tourism. Borders were closed or had stringent entry requirements, significantly reducing the influx of foreign tourists. The result leads to any consumers have become more cautious about long-distance travel and crowded places. There has been a shift towards domestic tourism, with people exploring destinations within Indonesia instead of opting for international travel. Efforts were made to encourage domestic travel through campaigns and promotions to boost local tourism and support businesses reliant on domestic visitors[9]. Economic uncertainties have led consumers to be more conscious of their spending. While safety remains a priority, there is an

increased emphasis on value for money, with consumers seeking affordable accommodation options and dining choices related to COVID-19 and new normal. On the other hand, The hospitality industry, especially in event planning and conferencing, has experienced cancellations and changes due to restrictions on gatherings. Consumers are more cautious about attending events and conferences, leading to a decline in demand for such services. In Russia, the hospitality industry has shown remarkable growth over the last few years, and the government has identified it as a priority sector for development. The hospitality industry in Russia has experienced significant developments and challenges over the years. The competitiveness of the regional hospitality market, in comparison with tourist regions around the world, is due to its unique and innovative economic, It is considered to be the ability to create an organizational and technical environment[10]. Although, The corona pandemic has adversely affected many functional areas of society, including the economy in Russia. Under these circumstances, there has been a shift toward domestic tourism. Travelers are exploring destinations within Russia rather than opting for international travel, driven by travel restrictions, border closures, and a desire for familiar surroundings. In addition, the pandemic has led to an increased preference for remote and less crowded locations. Many consumers in Russia are opting for destinations that offer outdoor activities and nature-based experiences, where social distancing can be maintained.

Similarly, the comparison of consumer behavior in Russia and Indonesia is dycotomical both the similarity and difference due to the vary within each country



based on factors such as age, urbanization, and socioeconomic status. Additionally, external factors, such as global economic trends and geopolitical events, can influence consumer behavior in both Russia and Indonesia. The current study aims to fill this gap and demonstrates how Russian travelers use social media to make hotel choice decisions and share their experiences on social media after their travel is completed[11]. While, the obstacle which Russian travelers face so impacting their behavior are lack of adequate infrastructure, which makes actions either impossible or uncomfortable (in this case preference will be given to the less sustainable behavior); need for additional time and money (in this case the sustainable behavior is not completely rejected but is applied less frequently); lack of knowledge[12].

Figure 2 – Inflation Rate in Russia September 2021 to September 2023

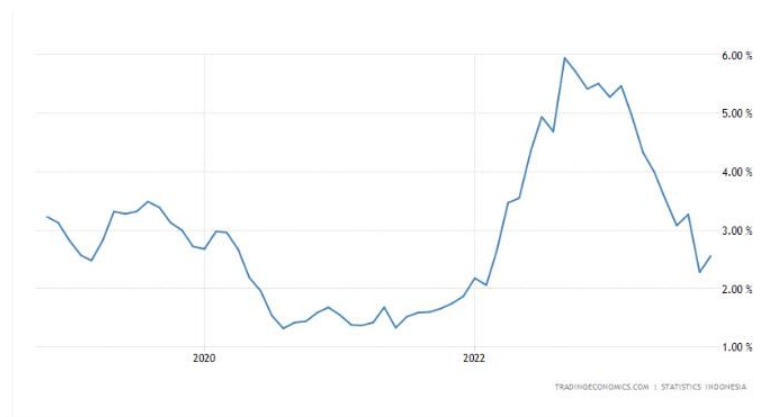


Figure 3 – Inflation Rate in Indonesia

In conclusion, the hospitality industry is a vital sector in the economies of Russia and Indonesia, but it is also highly sensitive to inflation. Inflation can significantly influence consumer behavior and operational costs, leading to reduced demand and profitability for businesses. By exploring the impact of inflation on consumer behavior in the hospitality industry in Russia and Indonesia, this study aims to provide valuable insights into the strategies employed by businesses to navigate these challenges and maintain the sustainability and competitiveness of their operations. In addition, the effects of inflation on consumer behavior are evident in the travel and tourism sector, where rising prices for accommodation establishments have been observed, potentially

impacting consumer spending and travel decisions. As a result, it is essential to understand how inflation affects consumer behavior in the hospitality industry to identify potential shifts in consumer preferences, spending habits, and overall demand for hospitality services. Furthermore, the impact of inflation on consumer behavior is not limited to the hospitality industry, as it extends to various sectors, including travel, tourism, and leisure activities. As inflation increases, consumers may adjust their spending habits, such as switching to fewer or cheaper goods, avoiding eating out at restaurants, and reducing travel and leisure activities. These adjustments in consumer behavior have implications for businesses across industries, including the hospitality sector, and highlight the need to understand the specific effects of inflation on consumer behavior within the context of the hospitality industry.

In summary, the impact of inflation on consumer behavior in the hospitality industry is a multifaceted issue that requires a comprehensive understanding of the specific effects of inflation on pricing, consumer spending, and overall demand for hospitality services. By identifying the research gap and the need to understand how inflation affects consumer behavior in the hospitality industry, this study aims to provide valuable insights into the dynamic relationship between inflation and consumer behavior within the context of the hospitality industry in Russia and Indonesia.

To investigate the consumer behavior in the hospitality sector during inflation in Russia and Indonesia, this research will use a case study approach[13]. This approach experiences conducting several related case studies, discussion of different types of case study designs, specific research questions that can be answered with this approach, commonly used data sources, and uses of this methodology based on specific advantages and disadvantages approach[14]. The study will collect and analyze data from customer who have relatable aspects to hospitality industry (i.e. leisure travelers, business travelers, repeat guests, digital natives, etc.) who in the hospitality sector in both countries[15]. The study's findings will help private companies in the hospitality

sector to make informed decisions during inflation and improve their sustainability and competitiveness[16].

The purpose of this comprehensive study is to systematically investigate and gather in-depth information on the impact of inflation on consumer behavior in the hospitality industry in Russia and Indonesia. By delving into this complex relationship, the research aims to address existing gaps in understanding and provide valuable insights that can inform strategic decision-making within the hospitality sector. Through the exploration of the specific effects of inflation on pricing, consumer spending, and overall demand for hospitality services, this study seeks to generate new knowledge and theories, identify trends or patterns, and improve understanding of the dynamic and multifaceted relationship between inflation and consumer behavior within the context of the hospitality industry. Furthermore, the relevance of this research extends beyond the hospitality industry, as it contributes to the broader economy by shedding light on the intricate interplay between economic phenomena and consumer behavior. By gaining a deeper understanding of how inflation influences consumer decisions and spending habits within the hospitality sector, this study aims to provide insights that can be extrapolated to other industries and sectors, thus contributing to a more comprehensive understanding of the broader economic landscape. Additionally, this research seeks to contribute to the development of academic fields by expanding our knowledge and understanding of important economic phenomena and their implications for businesses and consumers. Ultimately, the goal of this research is to advance our understanding of the world and to contribute to the ideas and technologies that can be used to improve our lives, particularly in the context of the challenges and opportunities faced by businesses in the hospitality industry during periods of inflation.

The significance of this study extends to industry practitioners, policymakers, and researchers, as it aims to provide valuable insights into the impact of inflation on consumer behavior in the hospitality industry. By systematically investigating and gathering in-depth information on this complex relationship, the study seeks to address existing gaps in understanding and provide insights that can inform strategic decision-

making within the hospitality sector. Furthermore, the research aims to contribute to the broader economy by shedding light on the intricate interplay between economic phenomena and consumer behavior, thus providing insights that can be extrapolated to other industries and sectors. Additionally, the study aims to contribute to the development of academic fields by expanding knowledge and understanding of important economic phenomena and their implications for businesses and consumers. Ultimately, the goal of this research is to advance our understanding of the world and to contribute to the ideas and technologies that can be used to improve our lives, particularly in the context of the challenges and opportunities faced by businesses in the hospitality industry during periods of inflation.

The purpose of this study is to systematically investigate and gather in-depth information on the impact of inflation on consumer behavior in the hospitality industry in Russia and Indonesia. By delving into this complex relationship, the research aims to address existing gaps in understanding and provide valuable insights that can inform the mapping of consumer behavior within the hospitality sector. Through the exploration of the specific effects of inflation on customer for hospitality services, this study seeks to generate new knowledge and theories, identify trends or patterns, and improve understanding of the dynamic and multifaceted relationship between inflation and consumer behavior within the context of the hospitality industry. The research questions for this study are as follows:

- How does inflation impact the customer in hospitality industry both in Russia and Indonesia?
- How does inflation affect consumer spending habits and demand for traveling activities in Russia and Indonesia?
- How does inflation affect consumer spending habits and demand for hospitality services in Russia and Indonesia?
- What are the implications of inflation on the overall consumer buying behaviour of the hospitality industry in Russia and Indonesia?

By addressing these research questions, this study aims to provide valuable insights into the impact of inflation on consumer behavior in the hospitality industry,

ultimately contributing to the development of academic fields and informing strategic decision-making within the industry.

Otherwise, the objectives of this study are to break down, as follows:

- The concept of inflation, hospitality industry, and consumer behavior.
- Russia and Indonesia consumer behavior
- The issues on spending habits and demand on traveling activity and hospitality industry

Those three objectives of the study above will be analyzed to find out the relationship between inflation and consumer behavior on hospitality industries and traveling activities. This study also compares two nationalities –Indonesia and Russia—to find out the difference between them impacts the consumer behavior in each countries or not. Furthermore, this study needs hypothesis to be a tentative statement that proposes a relationship between two or more variables, which can be tested through research and analysis. The hypothesis are explained, below:

Hypothesis 1 (Inflation impact customer in hospitality industry):

- H0: Inflation has no significant impact on customer behavior in the hospitality industry in Russia and Indonesia.
- H1: Inflation significantly influences customer behavior in the hospitality industry in Russia and Indonesia.

Hyphotesis 2 (Inflation affects consumer spending habits and demand for traveling activities):

- H0: Inflation does not significantly affect consumer spending habits and demand for traveling activities in the hospitality industry in Russia and Indonesia.
- H1: Inflation has a significant impact on consumer spending habits and demand for traveling activities in the hospitality industry in Russia and Indonesia.

Hypothesis 3 (Inflation affect consumer spending habits and demand for hospitality services):

- H0: Inflation does not significantly affect consumer spending habits and demand for hospitality services in the hospitality industry in Russia and Indonesia.
- H1: Inflation has a significant impact on consumer spending habits and demand for hospitality services in the hospitality industry in Russia and Indonesia.

Hypothesis 4(The implications of inflation on the overall consumer buying behavior of the hospitality industry):

- H0: The implications of inflation on overall consumer buying behavior in the hospitality industry are not significant in Russia and Indonesia.
- H1: Inflation has significant implications on overall consumer buying behavior in the hospitality industry in Russia and Indonesia.

These hypothesis will be tested by quantitative method. Quantitative methods involve the systematic empirical investigation of observable phenomena using statistical, mathematical, or computational techniques. These methods are characterized by the collection of numerical data and the use of statistical analysis to draw conclusions. In the context of this thesis on the impact of inflation on customer behavior in the hospitality industry in Russia and Indonesia, quantitative methods would involve gathering numerical data to analyze and test hypotheses.

1 LITERATURE REVIEW

1.1 CONCEPT OF INFLATION

Inflation is a multifaceted economic phenomenon that has been extensively studied and discussed by economists worldwide. Inflation is a persistent increase in the general price level of goods and services in an economy over time[17]. Inflation also refers to the sustained increase in the general price level of goods and services over a period of time, typically measured annually as a percentage[18]. It's a key economic indicator that reflects the decrease in purchasing power of a currency. This means that inflation is characterized by an upward trend in the prices of goods and services that people buy regularly.

Inflation is usually measured by calculating the percentage change in the Consumer Price Index (CPI) over a specific period[19]. CPI is an index that measures the weighted average of prices of a basket of goods and services, typically consumed by households. CPI is commonly used as an indicator of inflation because it provides a general sense of how much prices have changed over time.

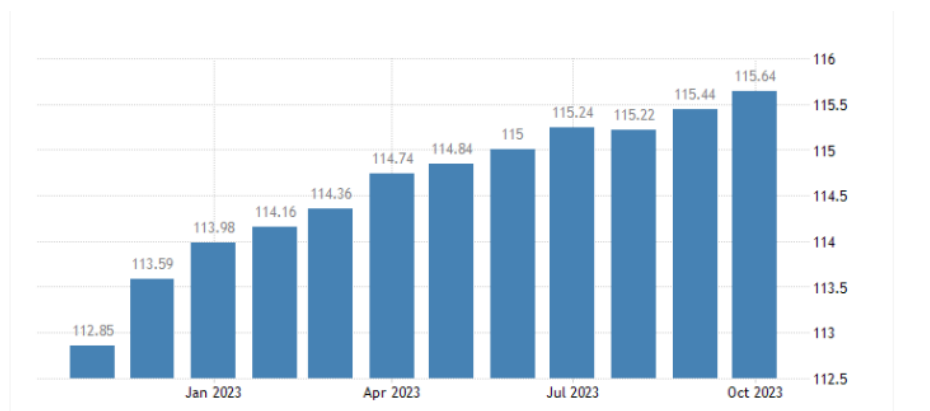


Figure 3 – CPI of Indonesia 2023

Indonesia's CPI increased to 115.64 points in October from 115.44 points in September of 2023. Consumer Price Index CPI in Indonesia averaged 65.81 points from 1996 until 2023, reaching an all time high of 115.64 points in October of 2023 and a record low of 14.20 points in January of 1996[20].

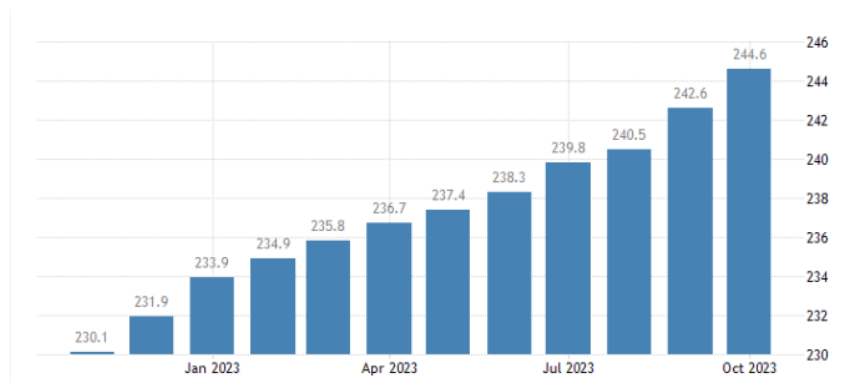


Figure 4 – CPI of Russia 2023

Meanwhile, Russia's CPI increased to 244.60 points in October from 242.60 points in September of 2023. Consumer Price Index CPI in Russia averaged 90.65 points from 1992 until 2023, reaching an all time high of 244.60 points in October of 2023 and a record low of 0.00 points in February of 1992[21].

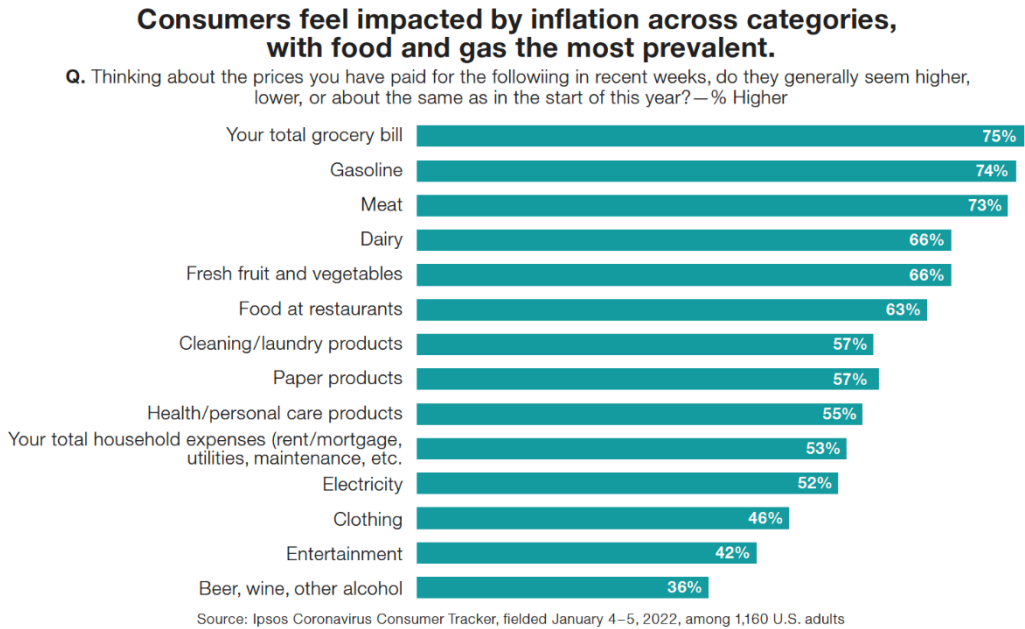
Inflation can be caused by various factors, including increases in the money supply, rising production costs, changes in government policies, and fluctuations in demand and supply[22]. The increase in the money supply results in more money chasing the same amount of goods, leading to higher prices. Similarly, when production costs increase, producers are likely to pass on the cost to consumers by raising prices. Changes in government policies can also contribute to inflation. For example, the government may increase taxes or tariffs on imports, which can increase the prices of goods and services. Additionally, fluctuations in demand and supply can lead to inflation. If the demand for goods and services exceeds the supply, prices are likely to rise.

1.2 IMPACT OF INFLATION ON CONSUMER BEHAVIOR

The impact of inflation on the hospitality industry is a topic of significant concern, as it has far-reaching implications for consumer behavior and industry operations. Inflation can lead to increased costs for goods and services, potentially reducing consumer spending and demand for hospitality services. As prices rise, tourists may have less disposable income for travel, accommodation, and leisure

activities, leading to a potential decrease in demand for hotel rooms and other services offered by hotels[23]. One of the primary impacts of inflation on the hospitality sector is the increased costs of raw materials. Inflation leads to a rise in the prices of inputs such as food, fuel, and other essential supplies needed by the hospitality industry, which affects their bottom line[24]. Inflation has a significant impact on the hospitality industry, affecting the cost of raw materials, consumer demand, and purchasing power[25]. The rising cost of goods and services due to inflation can lead to increased operational costs for hotels, impacting their profitability and potentially affecting their ability to offer competitive pricing[26]. Furthermore, inflation can lead to increased wage pressure and reduced profit margins for businesses, potentially resulting in the need to adjust pricing or reduce profit margins to accommodate these increased costs[26]. As a result, it is essential to understand the specific effects of inflation on consumer behavior and industry pricing strategies to inform strategic decision-making within the hospitality sector.

Figure 4 – Impact of Inflation on Consumer Behavior



Inflation has a significant impact on consumer behavior and the hospitality industry. As inflation increases, it impacts businesses and consumers simultaneously, leading to higher costs and a competitive landscape. Consumers still value great experiences and are willing to pay a premium to have their expectations met. However,

inflation is impacting consumer behavior, and companies need to continue adapting customer experience (CX) to entice consumers to keep doing so. Understanding the effects of inflation on consumer behavior starts with market research data. While you might already have an idea of how inflation is impacting spending habits, it's critical to rely on data-proven insights. Medallia analyzed a range of data to uncover the state of inflation today — including credit and smartphone foot traffic data, and survey responses[27]. In all, inflation has been a constant in recent years, causing prices across categories to soar. Although surging costs peaked in mid-2022 at a 9.1% inflation rate and inflation has cooled for 12 months, the Federal Reserve continues to raise rates to combat inflation[28]. However, many economists say there's no end in sight. Medallia's analysis has found that 37% of consumers are switching to fewer (or cheaper) goods, 36% are avoiding eating out at restaurants, and 22% are avoiding travel and leisure[29]. This data offers insight into how customer spending has affected different kinds of hospitality venues. Unsurprisingly, the restaurants hit with average spending of \$40 or more per customer[30]. This is an unsurprising truth: The economic hardship being experienced by consumers is being passed on to hospitality venues. The impacts of inflation on the hospitality industry are manifold. It's important for hospitality business owners to have a strong understanding of the effects it has[31]. Food inflation has had a major impact on the hospitality industry. The prices of food, rent and utilities have all been affected by inflation. In addition, the rising cost of living means recreational consumer spending can fall by the wayside. Research conducted by NAB found that 4 in 10 Australians have made conscious adjustments to non- including reducing meals eaten out of the home. As customers look to eat out less, hospitality businesses struggle to fill seats and maintain profit margins. Once again, a harmful cycle is at work, as inflation forces businesses to raise prices while customers are increasingly thoughtful regarding. Inflation has put consumers in an anxious, angry mood, even as the economic data shows confounding bright spots. We asked Yale SOM's Ravi Dhar. Inflation news has a detrimental influence on consumer behavior because people worry and start conserving more money and spending less as an[32]. Inflation is defined as an increase in the overall price of goods and services in an

economy. With diverse government policies, a scarcity of raw supplies, and global crises such as Covid-19, inflation has risen. It has had varying degrees of influence on practically every business. However, inflation has had a significant impact on consumer behavior, causing them to spend less, and making the situation even more difficult for the industries[33]. Consumers are apprehensive and upset as a result of inflation. Price increases have a significant influence on those who listen to them and their purchasing habits. According to the article, a wide range of consumer behavior is expected in reaction to inflation. People frequently hunt for deals, which causes them to change their purchasing habits because various items may be on sale at. According to the article, private label sales tend to rise in tandem with inflation. A combination of higher diesel prices, labor costs, and inflation could impact restaurant margins: As inflation has increased on average .98%. Lightspeed looked at data from nearly 6,000 US hospitality merchants which included casual upscale restaurants (21%), bars (15%), and fast-casual[34]. Existing literature suggests that inflation has a significant impact on consumer behavior, leading to changes in spending patterns and decision-making. Studies have found that consumers tend to spend less during periods of inflation, with many opting for cheaper goods and services[35]. Inflation can also lead to changes in consumer behavior, such as a shift towards private label sales and a focus on finding deals and discounts[36]. Furthermore, inflation can impact consumer spending habits in the hospitality industry, leading to reduced demand for hotel rooms and other services offered by hotels[35]. That service quality significantly has positive effect to consumers satisfaction; image significantly has negative effect to consumers satisfaction; service quality significantly has positive effect to trust; image significantly has positive effect to trust; consumer satisfaction significantly has positive effect to trust; trust significantly has positive effect to consumers loyalty; consumer satisfaction significantly has positive effect to service quality and trust. On the other hand, consumer satisfaction has not supported mediation between image and trust and trust significantly has positive effect to consumer loyalty.

The impact of inflation on consumer behavior is complex and multifaceted, with various factors influencing the relationship between inflation and consumer spending patterns. For example, the perception of inflation can influence consumer behavior, with individuals adjusting their spending habits based on their perceptions of rising prices[36]. Additionally, the impact of inflation on consumer behavior can vary depending on the specific economic conditions and policies in place, as well as cultural and social factors that influence consumer decision-making[37]. In summary, existing literature suggests that inflation has a significant impact on consumer behavior, leading to changes in spending patterns and decision-making. The impact of inflation on consumer behavior is complex and multifaceted, with various factors influencing the relationship between inflation and consumer spending patterns. Understanding the specific effects of inflation on consumer behavior within the context of the hospitality industry is critical to inform strategic decision-making and adapt to changing economic conditions.

1.3 THEORETICAL MODELS OF CONSUMER BEHAVIOR

The impact of inflation on consumer behavior can be explained through theoretical models such as the income effect and substitution effect. The income effect suggests that as prices rise due to inflation, consumers may feel relatively poorer, leading to a decrease in the quantity and quality of goods and services they are willing to purchase[36]. On the other hand, the substitution effect posits that as the prices of certain goods and services increase, consumers may seek out more affordable alternatives, thereby changing their consumption patterns[51].

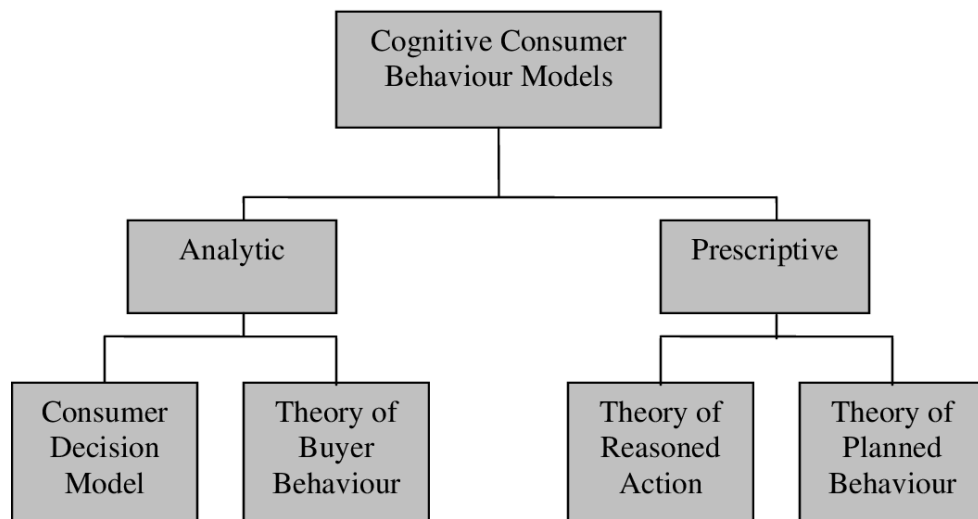


Figure 5 – Cognitive Consumer Behaviour Models

These theories related to consumer behavior provide a framework for understanding how inflation influences consumer behavior, particularly in terms of purchasing power and the choices consumers make in response to price changes, as follows[52]:

1. Hawkins Stern Impulse Buying

Hawkins Stern had complete faith in the concept of motivational behaviour. According to Stern, irrational buying reasons can be illustrated by the typical buyer as being near to rational buying decisions. Impulsive buying are mostly sparked by external shocks and are unrelated to core leadership principles. Consumer behaviour hypotheses predict the decision-making processes of consumers and outline the most effective strategies for advertising to profit in predictable ways. Drive purchases are, in any event, the fundamental component of a buyer's buying strategies; standard basic leadership forms stifle consumer behaviour and affect marketing hypotheses.

2. Pavlovian Learning Model.

Ivan Pavlov, a Russian physiologist, is depicted the learning model. A change in behaviour that comes as a result of repetition and experience is what we mean when we say that something has been learned. Drive, Cues, and Response

are the components of the learning process. If you're motivated by a powerful internal sensation that causes you to take action, you're motivated by a drive-reducing item. A person is propelled to action in order to fulfil his or her aspirations as a result of the drive. Drives derived from physiological needs, such as hunger, thirst, suffering, cold, sex, and so forth, can be inherited. Cues are only weak stimuli. The buyer's response time is determined by cues. It's the customer's reaction to the product or service.

3. Fishbeins Multi-attribute Model.

Fishbeins Multi has information about the qualities and advantages of the brand. This model does a great job of explaining how consumers assess brand alternatives and crucial qualities. A user begins by examining certain product attributes before forming a belief about whether or not an object possesses those traits. The single characteristic, but for all pertinent attributes, is attitudes toward the object. A compensating model of brand attitudes is the Fishbeins model.

4. Theory of Reasoned Action

The Theory of Reasoned Action was proposed in 1975 by Martin Fishbone and Ice Janzen. This approach was claimed as being superior than information integration theory. Two key modifications are noticeable. First, Reasoned Actions adds a behavioural intention as an additional component to the concept of conviction. As does Information Integration theory (along with numerous others), Reasoned Action is only focused on behaviour rather than attempting to anticipate attitudes. Additionally, this strategy acknowledges that there are frequently circumstances (or other factors) that restrict the impact of attitude on behaviour.

5. Howarth Plan

The strategy is simple yet exposes a deep understanding of consumer knowledge, judgement and beliefs. This resolution building is significant to responses. This has: Inputs, perceptions, outputs, and exogenous variables. People need certain facts to make decisions. Buying behaviour studies show that it's vital because people like communal and public support. These characteristics, such as objectives, beliefs, and understanding, influence consumers' decision-making. Perceptual preference occurs when a person compresses knowledge according on his needs and actions. Contentment or dissatisfaction follow shopping. Redemption boosts brand understanding and approach. Negative attitudes emerge from unhappiness. Exogenous variables don't affect the choice technique. They indirectly impact consumers and vary by user. Character, social class, marketing, and economic standing. All four criteria stated affect decision-making.

In the words of Anderson & Golden[52], consumer behavior involves consumers identifying their wants, searching for solutions to those needs, deciding what to buy, and evaluating information. Involving the psychological processes experienced when making plans and implementing those plans. Consumer purchasing behavior is the result of decisions about user preferences, views, goals, and consumer reactions in the marketplace when purchasing products. Anthropology, psychology, sociology, and economics are the social science fields that benefit most from the study of consumer behavior. According to Schiffman and Kanuk[52], “consumer behavior” is defined as “the behavior that consumers exhibit when purchasing, using, evaluating, and rejecting products, services, and ideas.” When it comes to product consumption, consumer behavior is the biggest and final choice people and families make about how they use their resources.

Consumer Buying Behavior was studied by Engel, Blackwell, and Kola. When it comes to acquiring a product or service, they said, the consumer buying behaviour is a sum total of the buyer's views and choices. Pre- and post-buying choices are affected by several variables. Individual consumer behaviour is broken down into

four sections by this model. These are Decision process stage, Information input stage, Information processing stage and Variable influencing the decision process. Problem identification, search, alternative assessment, buy and consequences were all included in this model's depiction of the decision-making process. The model's Information processing portion, which has its first impact at the issue identification stage of the decision making process, receives information from marketing and non-marketing sources. The consumer's reaction, attention, cognition, perception, yielding/acceptance, and retention of incoming marketer or dominated and non-marketing information are all components of the consumer's information processing. Individual traits such as values and life style and personality, as well as societal elements such as culture, reference groups and family and situational influences such as consumers' financial circumstances are all aspects that impact the decision-making process. The income effect, a key concept in consumer behavior, posits that as prices rise due to inflation, the purchasing power of consumers decreases. This, in turn, can lead to a reduction in the quantity and quality of goods and services that consumers are willing to purchase. In the context of the hospitality industry, this could manifest as a decline in demand for higher-priced services, such as luxury accommodations or upscale dining, as consumers adjust their spending to accommodate the higher cost of living. Conversely, the substitution effect suggests that as the prices of certain goods and services increase due to inflation, consumers may seek out more affordable alternatives. In the hospitality industry, this could translate to a shift in consumer preferences towards mid-range or budget-friendly options, as individuals look for ways to maintain their desired level of consumption while navigating the impact of inflation on their purchasing power.

These theoretical models provide a valuable framework for understanding the nuanced ways in which inflation can influence consumer behavior within the hospitality industry. By considering the income effect and substitution effect, businesses and policymakers can gain insights into how consumers are likely to respond to price changes, and tailor their strategies accordingly to adapt to evolving consumer preferences in the face of inflation.

1.4 ECONOMIC THEORIES RELATED TO INFLATION AND CONSUMER BEHAVIOR

Economic theories related to inflation and consumer behavior in the hospitality industry highlight the complex relationship between these two factors. Inflation can impact consumer spending, as suggested by the income effect and substitution effect, leading to changes in consumption patterns and preferences. Additionally, the cost of goods and services, such as food, beverages, and labor, can significantly influence the profitability of hospitality businesses, affecting their ability to offer competitive rates for their services and attract customers[1].

Economic theories also emphasize the role of consumer sentiment in shaping hospitality expenditures and stock returns. Consumer sentiment can be influenced by various factors, including economic conditions, social issues, and political events, which can in turn impact their willingness to spend on travel and hospitality services[5]. Furthermore, the impact of inflation on consumer behavior can vary depending on the specific economic conditions and policies in place, as well as cultural and social factors that influence consumer decision-making[2]. There are two types of economical theories related to inflation, such as:

1. Demand pull or monetary theory of inflation[53].

It excess demand inflation is the traditional and most common type of inflation. it is a situation in which aggregate demand at the existing price level far exceeds aggregate supply. Goods maybe in short supply either because resources are fully utilized or production cannot be increased rapidly to meet the increasing demand. In the words of Shapiro, according to demand pull inflation, the general price level rises because the demand for goods and services exceeds the supply available at existing prices. The monetarist emphasize the role of money as the principal cause of demand pull inflation. Inflation is always a monetary phenomenon associated with Fisher's equation of exchange.

$$MV=PT$$

Here V and T remains constant and price level varies proportionately with the supply of money. Sources of demand includes consumption, investment and govt. expenditure, when the value of aggregate demand exceeds the value of aggregate supply at the full employment level, the inflationary gap arises. The larger the gap, more rapid will be the inflation.

2. Cost push inflation

It is caused by wage increases by unions and profit increase by employers. it is also known as New inflation. The basic cause of cost push inflation is the rise in money wages more rapidly than the productivity of labour. In This situation, there is rise in prices on the One hand and fall in output and employment On the other.

In summary, economic theories related to inflation and consumer behavior in the hospitality industry provide valuable insights into the complex relationship between these two factors, emphasizing the importance of understanding the specific effects of inflation on consumer behavior within the context of the hospitality industry and the need for strategic decision-making to adapt to changing economic conditions.

1.4 HOSPITALITY INDUSTRY TRENDS IN RUSSIA AND INDONESIA

The current trends in the hospitality sectors of Russia and Indonesia showcase the resilience and adaptability of the industry, even in the face of challenges such as the Covid-19 pandemic and inflation. In Russia, the hospitality and tourism market is experiencing growth, with the country focusing on attracting more foreign tourists and improving the overall experience for visitors[1]. In Indonesia, the tourism and hotel market is expected to grow by \$22 billion from 2021 to 2024, with a compound annual growth rate of 12%[38]. The easing of restrictions has led to an increase in hotel openings and a boost in investor confidence, positioning Indonesia as a key market in Southeast Asia's hospitality ecosystem[38].

Hospitality industry trends in Russia and Indonesia are influenced by various factors, including consumer behavior and inflation. Inflation can impact the hospitality industry in several ways, such as increasing the cost of raw materials, decreasing consumer spending, and affecting labor costs[39]. Food and beverage costs, as well as

labor costs, are directly impacted by inflation, which can affect the profitability of businesses in the hospitality industry[40]. The hotel business in Russia is developing at an accelerated pace. The increase in the number of collective accommodation facilities and their incomes is associated with a stable economic and socio-political situation in the country, with effective state regulation of the tourism sector and the formation of a country's image favorable for tourism and travel. Foreign hotel chains are actively introducing themselves into the hotel services market in Russia. At the same time, Russian hotel chains are being created, intensifying their activities not only in the Russian, but also in the international hospitality industry market[41]. Under the influence of the consequences of the COVID-19 pandemic and the geopolitical crisis of 2022, the hospitality industry and tourism in Russia, as well as around the world, are changing their ideology and technological processes while the consumer-oriented marketing concept remains unchanged[42]. The problem is that the hospitality industry, which includes many customer-oriented industries, is one of the most affected in 2020–2021. Due to the global uncertainty, the prospects and timing of its recovery to the pre-pandemic level cannot be predicted by most experts. At the same time, the business processes currently observed, indicating positive dynamics, allow us to speak about the effectiveness of public and private efforts undertaken to meet the social needs of post-teen society in recreation, new experiences and travel.

In response to these challenges, hotels and other hospitality businesses are adopting various strategies to navigate the impact of inflation on consumer behavior. These strategies include adjusting pricing, focusing on local markets, and implementing cost management measures to maintain profitability[39]. By understanding the current trends and challenges in the hospitality industry, industry practitioners can make informed decisions and adapt their strategies to cope with the effects of inflation and other external factors. It has been found that when developing the tourism and hospitality market Uzbekistan and Russia are advised to review prospects of its development at the international level. Promising areas of the development in the tourism and hospitality industry will be a new system of enterprise classification regulating the rating of enterprises and encouraging tourism by

simplifying visa regulations, applying discounts to attract regular and potential tourists, introducing educational programs in the tourism and hospitality sector combining theory and practice, and spurring the development of all regions as potential tourist destinations[43]. Hospitality companies as part of various markets such as market of services and tourism market, as well as the property market are a challenging object for investment decisions. Nevertheless, a comprehensive approach to the long-term investment decision making considering both the prospects and the risks will enable potential investors not to miss perspective opportunities of the hospitality business in the countries which demonstrate the gap between supply and demand is favorable for investment[44]. Meanwhile in the context of Indonesia, the ability of the hospitality industry leaders in Indonesia configures resources such as digital market capabilities, digital leadership capabilities, and digital technology capabilities, to conduct sustainable digital transformation to build and improve engaging customer strategy[45]. Also, halal business trends point to growing awareness consumption of halal products and services. The conventional concept of halal services extends to other fields beyond food and beverages. Tourism and hospitality sector shows demand for halal services, in which halal concern in hotels, restaurants, fast food, food stall and other culinary services have not showing priority for the issue[46]. Service owners are not able to warrant for halal products, while majority of consumers are muslims. The development of “Islamically oriented” standards is also discussed giving rise to new concepts such as “Shariah - compliant,” which refers to Islamic consideration of being alcohol free, gambling free, and the availability of “Halal” food. Last ly, the study discusses future trends and challenges related to Halal tourism [47].

1.5 PREVIOUS STUDIES

Several previous studies have explored the impact of inflation on consumer behavior in the hospitality industry, providing valuable insights into this complex relationship. Inflation has been found to affect various aspects of the hospitality industry, including pricing, consumer spending, and labor costs[1]. Some key findings from these studies include:

1. G. Cetin, Fusun Istanbul Dincer. (2014). "Influence of customer experience on loyalty and word-of-mouth in hospitality operations". Customer experience is emerging as a relatively new concept and is regarded as an important determinant for the success of hospitality organizations. However, factors affecting customer experiences and the influence of experiences on consumer behaviour are still unclear. Through a quantitative field research, this paper attempts to determine and exhibit the impacts of customer experiences on customer loyalty and recommendation behaviours in hospitality organizations. To reach this objective, a sample of 350 adult respondents staying in five-star hotels in Istanbul were requested to rate the items related to physical environment and social interactions that are found to be relevant to hotel stay experiences. The results indicate that there is a strong relationship between desired customer behaviours and perceived dimensions of customer experiences[48].
2. Ioana Duca, G. Kenny, Andreas Reuter. (2016). "How do inflation expectations impact consumer behaviour?" This paper investigates empirically the relationship between consumer inflation expectations and spending using individual consumer level data from the European Union Joint Harmonised Business and Consumer Survey[49]. We document that for the Euro Area this relationship is positive, that is, higher expected inflation which reduces real interest rates is associated with an increase in the consumer's likelihood of spending. More specifically, for a 1 percentage point (pp) increase in inflation expectations we find a 0.16 to 0.33 pp increase in the probability that a consumer will spend in the current period. This relationship is stronger when the effective lower bound is binding. Country analysis corroborates the pooled results. All countries in the sample except one exhibit a positive, although heterogeneous, relationship between consumer inflation expectations and the likelihood of spending. Finally, using these estimated probabilities, we indirectly estimate the impact of a gradual increase in inflation expectations on actual real consumption, and find that this impact is also positive in line with economic theory.

3. S. Georganas, P. Healy, Nan Li. (2014). "Frequency bias in consumers' perceptions of inflation: An experimental study." People misperceive inflation in a controlled lab experiment, biasing their perceptions of economy-wide inflation toward the inflation rates of the more frequently purchased goods. One implication is that macroeconomic analysts should consider adjusting for the frequency bias in inflation perceptions. In this sense, the paper provides experimental evidence supporting a modified version of Brachinger's (2008) Index of Perceived Inflation, in which the frequency bias is weakened ($\alpha < 1$) and loss aversion is ignored ($c = 1$). Thus, consumers will feel little to no pressure to adapt their method of aggregation [50]. The field evidence also suggests no attenuation of the bias over time.
4. A. Barusman, Tina M. B. Virgawenda, Yola Aprila Arwis. (2020). "Factors that Effect the Level of Consumers Loyalty for Budget Hotel in Indonesia. "The hospitality industry is growing so rapidly recently, especially in Indonesia which has abundant natural resources that attract tourists to visit Indonesia[47]. This phenomenon has opened up the potential growth of budget hotels in Indonesia. The purpose of this study was to determine the factors that affect the level of consumer loyalty in the budget hotel in Indonesia. This research used library and field research method. The data used is primary and secondary data which came from documentation, interviews and survey questionnaires. The data analyzed with qualitative and quantitative methods. Based on the analysis of data, it obtained conclusions that service quality significantly has positive effect to consumers satisfaction; image significantly has negative effect to consumers satisfaction; service quality significantly has positive effect to trust; image significantly has positive effect to trust; consumer satisfaction significantly has positive effect to trust; trust significantly has positive effect to consumers loyalty; consumer satisfaction significantly has positive effect to service quality and trust. On the other hand, consumer satisfaction has not supported mediation between image and trust and trust significantly has positive effect to consumer loyalty.

5. N. Tishchenko, O. Tishchenko, Vera A. Rebyazina, Yulia Slobodchuk. (2019). "Consumer Behavior Factors in the Sharing Economy in Russia: the Case of Airbnb". The paper discusses the main approaches to the sharing economy definition, the characteristics of the sharing economy business model, as well as drivers and barriers that consumers of the sharing economy face. Empirical research includes the survey of the Airbnb customers. A series of in-depth interviews followed by quantitative survey are conducted to identify the factors that determine the consumers behavior in the sharing economy. As a result of qualitative and quantitative research, four groups of factors are revealed: economic, social, personal, and environmental. In addition, as a result of cluster analysis, five clusters of consumers are identified: economical, socially active, supporters of new sensations, initiative and home. The results are of great interest to researchers and management practitioners in order to form a deeper understanding of the expectations and behavioral patterns of the Russian customers in a shared economy.
6. E. Negm. (2023). "Consumers' purchase behavior reactions: a focus on the steady devaluation of currency, compounding increase in inflation rates in Egypt." Objective of this study looks into how consumers behaved when making purchases during Egypt's continuous currency devaluation, which raised the country's inflation rates. Design, procedure, and strategy in order to verify the causal links between the variables in the research model, this study gathered and examined numerical data. Using a nonprobability sample, administered questionnaires were dispersed in March 2023 during a cross-sectional period of time during multiple visits to hypermarkets, supermarkets, and grocery stores in Cairo and Alexandria. The theories were tested using path analysis of structure equation models. Results: This study demonstrates how consumers' acceptance of alternative brands is influenced by compulsive buying, anxiety, value shopping, attitude toward private label, attractiveness of local brands, and materialistic behaviors. It also demonstrates how these factors affect consumers' decision to stick with their regular brands.
7. H. T. P. Thao. (2020). "Self-indulgence and purchasing behavior toward fast moving consumer goods (FMCG) during the inflation time." The purpose of this

study is to investigate Vietnamese consumers' attitudes and purchasing behaviors related to FMCG categories during periods of inflation. The study categorizes whether Vietnamese consumers' purchasing habits alter when there is inflation compared to a normal economic environment and whether their desire to make future purchases is correlated with how they view the macroeconomic environment going forward. The study covers research on a number of topics, including consumers' attitudes toward the state of the economy, their need for self-indulgence, how their spending on FMCG changed during the inflationary period, and their anxieties about what they would buy next in terms of FMCG.

8. Feryanto., Harianto., and Herawati. (2023). "Retail trader pricing behavior in the traditional rice market: A micro view for curbing inflation." The aim of the study was to examine the pricing behavior of retail traders of rice in traditional markets. An econometric model with six equations representing the price differential between the retail and wholesale levels of various grades and quality of rice was used in this study. It was determined that the simultaneous method with the 3SLS approach was appropriate to utilize in order to generate consistent and efficient coefficient estimates, as it may mitigate endogeneity issues caused by the use of several equations that could potentially induce bias. The findings indicate that a price stabilization approach was used by rice sellers in the conventional market, as may be inferred from the model's behavior of price spreads. An increase in wholesale prices was met with a decrease in the price spread. A price-averaging method was also used by rice retailers in traditional markets. The study's findings have significant policy ramifications for lowering the volatility of food prices and their effect on inflation. That is, if the price stabilization is concentrated at the wholesale level, a price policy like the one adopted in this study that aims to stabilize prices at the retail level will be more successful. The pricing policy must take into account the connections between various rice qualities and prices, though, if it is to be implemented at the retail level. The necessity for more thorough research on pricing behavior at the wholesale level is also highlighted by this study.

9. Hiroyuki Okamuro, Y. Hara, Yunosuke Iwaki. (2022). “Impact of Consumer Awareness and Behavior on Business Exit in Hospitality, Tourism, Entertainment, and Culture Industries Under the Covid-19 Pandemic.” By focusing on the COVID-19 pandemic and anti-contagion laws as a local demand shock for service businesses, this study fills this research vacuum. We conduct an empirical investigation into the causal relationships between firm exits at the prefecture-industry level and changes in local consumer knowledge and behavior under COVID-19. We show that an increase in customers' risk aversion and sympathy for self-restraint in not going out, and a decrease in going out with family members, significantly increase the exit ratio in specific service industries in the same prefecture. Our analysis is based on a panel fixed-effect estimation using a longitudinal dataset of 32 service industries in 47 prefectures over 10 months in Japan. Furthermore, based on variables like gender, age, household income, and income level, we discover that these effects differ based on the type of consumer.
10. Rexford Abaidoo. (2016). “Inflation expectations, economic policy ambiguity and micro-level consumer behavior.” By investigating how certain macroeconomic conditions—such as uncertainty about inflation and economic policy—affect the micro-level behavioral dynamics—rather than the macro-level ones—exhibited by the typical consumer, this research seeks to supplement the body of previous literature. This work used the structural vector autoregressive estimation technique to conduct empirical analysis. The typical customer typically displays a wide range of micro-level spending behavioral patterns that are difficult to see at the macro- or aggregate-level expenditures. For example, this study discovers that short-term inflation expectations typically have a large positive impact on spending on non-durable items as well as services; on the other hand, the same circumstance typically has a negative impact on spending on durable goods. This analysis also reveals that, in contrast to inflation expectations, economic policy uncertainty tends to limit consumer expenditures at all micro levels, with very notable variances in the drop in actual expenditures.

- 11.O. Ozdemir, Wenjia Han, Michael C. Dalbor. (2021). “Economic policy uncertainty and hotel occupancy: the mediating effect of consumer sentiment.” This paper has two goals in mind. First, the study looks at how policy-related economic uncertainty affects hotel operations over the long term, specifically with regard to room demand (occupancy). Second, by examining the mediating role of consumer mood in the relationship between economic policy uncertainty and hotel demand, the study aims to explain why occupancy declines when perceived economic uncertainty is high. Secondary data from the US Economic Policy Uncertainty (EPU) Index, the University of Michigan's Consumer Sentiment Index (ICS), and property-level hotel operational data from three US states—California, Florida, and New York—are used in this quantitative study. Structural equation modeling and random effect regression were used to evaluate the data. Tests for robustness were carried out to improve the research findings' dependability. Hotel occupancy, average daily rate, and revenue per available room (RevPAR) are all negatively impacted by policy-related economic uncertainty, according to effects regression analysis. This lead-lag relationship is evident. The results of structural equation modeling indicate that customer sentiment plays a substantial mediating role in the relationship between hotel occupancy and economic policy uncertainty. The results of the robustness test corroborate the primary analysis's conclusions.
- 12.Hibiki Ichiue, Shusaku Nishiguchi. (2015). “Inflation expectations and consumer spending at the zero bound: micro evidence.” At the zero lower bound of interest rates, standard theoretical models imply that larger expectations for inflation lead to increased current consumer expenditure. However, this association yields negative results in recent empirical investigations employing U.S. micro data. The author estimates ordered probit models with a range of controls using microdata for Japan, a country that has traditionally had low interest rates. The standard models' prediction is backed by strong data, since survey participants who have higher projected inflation likely to report that their household has increased real expenditure in the last year but plans to lower it going forward. It seems that older individuals and asset holders have a better relationship.

13. Ioana Duca, G. Kenny, Andreas Reuter. (2018). "Inflation expectations, consumption and the lower bound: micro evidence from a large euro area survey." In order to conduct an empirical investigation into the relationship between inflation expectations and consumer spending, this article makes use of a very large multi-country consumer survey. This study shows that this association is generally positive for the Euro Area and nearly all of its member states: a higher predicted change in inflation is linked to a higher likelihood that a particular consumer would make large purchases. Additionally, when the lower bound on nominal interest rates is binding, the impact is greater, as predicted by macroeconomic theory. Additionally, indirectly evaluate the effect of a steady increase in inflation expectations on aggregate private consumption using the estimated expenditure probabilities from our micro-level study. The consequences are found to have economic significance, particularly in cases when the lower bound is binding.
14. L. Lieb, Johannes Schuffels. (2019). "Inflation expectations and consumer spending: the role of household balance sheets." The efforts of central banks to stimulate demand by influencing inflation expectations have led to a rise in research interest in the relationship between consumption and expected inflation in recent years. By examining whether different aspects of households' balance sheets influence how consumption responds to anticipated inflation, this study adds to the body of knowledge in this area. There are two such mechanisms in particular: first, rising inflation expectations might boost consumption by directly raising predicted real wealth, especially for those with nominal financial liabilities. Using household-level data on balance sheets, durable consumption, and inflation expectations from the Dutch Central Bank's Household Survey, this paper experimentally investigates these pathways. We discover that the relationship between projected inflation and durable spending decisions is moderated by investments in hazardous assets as well as net worth. For homes with fixed interest rate mortgages, the net worth effect is most noticeable.
15. A. Cavallo, G. Cruces, Ricardo Perez-Truglia. (2016). "Inflation expectations, learning and supermarket prices: evidence from survey experiments." Although

there is disagreement over the origins of information frictions, they are a major factor in the formation of household inflation expectations. The author uses cutting-edge data from survey experiments to answer this query. Two key conclusions are reported in this study. First, people's prior knowledge of the inflation rate is noticeably worse in circumstances with lower inflation. This result raises the possibility that information frictions have a significant root cause in rational inattention. Second, cognitive constraints also seem to be a source of information frictions: people continue to give considerable weight to less reliable sources of information, like their recollections of price changes for the supermarket goods they buy, even in situations where information regarding inflation statistics is easily accessible. Also, this study talks about how these results affect macroeconomic models and how policies are made.

- 16.N. Nigar, Md Rukon Miah. (2020). "Shifts in consumer behavior due to corona pandemic: a case of tourism and hospitality sector in bangladesh." The purpose of the study is to investigate how customer behavior changed in Bangladesh's tourist and hospitality sector during the COVID-19 pandemic. This study used convenience type non-probability sampling with a sample size of 150 people, drawn from the student, teacher, and service provider populations in the Cumilla district and Dhaka. In this research paper, descriptive statistics, a five-point Likert scale, and a paired sample t-test are used to collect data. Additionally, a focus group consisting of twelve respondents is formed to get respondents' opinions regarding the impact of the COVID-19 pandemic on dining establishments, transportation, lodging facilities, and motels. According to this research, the corona epidemic has caused a change in customer behavior in the travel and hospitality sectors. Due to COVID-19, consumer income, consumption, and travel to tourist destinations are greatly impacted by home quarantine, lockdown, physical stress, and government laws and regulations. The study also reveals that people do not prefer to buy food from restaurants and that they wear masks in public. The results of this study could aid the travel and hospitality sectors in resolving any pandemic crisis, both present and future. The study also provides useful advice that can be used by tourists,

travelers, passengers, restaurant patrons, proprietors, and travel agencies to develop a plan of action for tactical decisions in the event of a pandemic.

17. Maria E. Volovik, T. Prokopets. (2022). "Transformation of consumer values in conditions of restrictions, and their impact on the operational management of the hospitality industry and tourism business." The research's focus is on consumer values that are pertinent to the condition of the Russian Federation's tourist and hospitality sectors right now. As a direct result of changes in the external environment, the study's consideration sectors are especially vulnerable to shifts in consumer attitude. The yearly escalation of this trend compels businesses to conduct ongoing research, evaluate consumer behavior, and incorporate it into their enterprise management strategies within the hospitality and tourism sectors. The key consumer values that have changed as a result of the influence of economic, political, and sanitary-epidemiological constraints on the domestic hospitality and tourism industries are described in this article.
18. S. Bogdan. (2019). "Macroeconomic impact on stock returns in the Croatian hospitality industry." The purpose of this study is to determine whether macro-variables affect stock returns in the hospitality sector. The work focuses on the causal relationship between a stock index made up of Croatian hospitality companies and four macro variables: the consumer price index, industrial production, exchange rate, and number of tourist arrivals. The findings of Granger-causality tests using the VAR methodology indicate that, throughout the observed period from July 2008 to July 2018, only stock returns in the hotel industry were Granger-caused by the consumer price index. Additional examination using the impulse response function shows that, in terms of impact direction, the inflation impulse responses are in line with expectations. Stock prices respond negatively to shock in the second month, suggesting that increased inflation results in lower stock price returns. The consumer price index has a very poor explanatory power on stock returns in the hospitality industry, as demonstrated by the variance decomposition method's use. By broadening the focus to Croatia and examining a distinct collection of variables from those examined in earlier studies, this work adds to the

body of research on the subject of the influence of macroeconomic variables on hospitality stock returns.

19. E. M. D. Apostol, Michelle S Villan, Toby Tyler M Jose, Kristelle Marjori M Pasco. (2023). "Customer Experience (Cx) Design in the View of Managers: An Analysis of the Impact of Pandemic in the Local Hospitality and Tourism Industry." In order to analyze the effects of the pandemic on the regional hospitality and tourism sector, this study aimed to gauge managers' opinions on customer experience (CX) design. This study includes quantitative research that used an online survey approach to collect data information from the respondents and employed a descriptive method to identify the various study variables. The respondents (n=26) to this survey were upper management from various hotels, resorts, restaurants, and tourist destinations throughout the province of Oriental Mindoro's premier hospitality and tourism cities. The findings demonstrated that managers had a positive attitude toward internal work reorganization, services cape reorganization, technology and digital innovations, customer wait time reduction, staff training, and communication as means of fostering safe customer experiences. Consequently, these actions had a favorable impact on the desired experience in terms of closeness, speed, and assurance. In order to improve the customer experience across a range of hospitality and tourism service providers in spite of pandemic concerns, it is advised that managers embrace and put into practice the suggested CX framework. This will also help managers adjust to post-pandemic scenarios.
20. Septi Fahmi Choirisa. (2022). "The impact of the Covid-19 pandemic on the hotel industry in Indonesia." The purpose of this study is to investigate how the Covid-19 epidemic has affected hotel operations and management in Indonesia. Thirteen managers in the hotel business participated in semi-structured in-depth interviews using a qualitative methodology. This study shows how cost-saving measures, pricing policies, and health procedures affect general management techniques. By disentangling the dynamics of the pandemic scenario, this work adds to the body of knowledge on management and operations techniques. Additionally, by broadening the body of knowledge, the recommended areas can aid hotels in their recovery

from the Covid-19 pandemic. This study provides useful information to promote the growth and sustainability of the hotel industry.

While the provided research papers cover various aspects of consumer behavior in the hospitality industry and the impact of inflation on consumer behavior, there is no direct research exploring the impact of inflation on consumer behavior in the hospitality industry specifically in Russia and Indonesia. Therefore, a comprehensive conclusion related to such a case study cannot be drawn from the provided information. To draw conclusions related to the impact of inflation on consumer behavior in the hospitality industry in Russia and Indonesia, further dedicated research focusing on these specific regions and industries is necessary. The existing literature provides valuable insights into general consumer behavior and its determinants in hospitality and inflation contexts, but a direct analysis of these factors in Russia and Indonesia is currently lacking.

2 RESEARCH METHODOLOGY

Research methodology refers to the systematic process of planning, designing, and conducting research. It involves the techniques, procedures, and tools used to gather and analyze data for answering research questions or testing hypotheses. In this quantitative research methodology, the emphasis is on collecting and analyzing numerical data to draw statistical inferences. This research involves the use of surveys, interviews, and statistical tools for data analysis. This research technique intends to give a thorough examination of the impact of inflation through customer behavior of the hospitality industry in Russia and Indonesia by combining survey and interview methods.

First, a description of the type of research and its objective will be provided. After that, the research approach will be covered, and quantitative data will be employed. The third phase entails creating a research strategy, which is followed by data collecting, to obtain the data needed for this study. The process for selecting participants for the study's sample will then be discussed. The process for evaluating empirical data will be discussed in the sixth step. Finally, quality standards like validity and reliability will be incorporated to guarantee that the data is collected correctly. Validity and dependability need to be maintained when gathering data, choosing a sample, and analyzing the data. Later in this chapter, each will be completely detailed, along with definitions.

2.1 RESEARCH DESIGN

Research design refers to the overall strategy that one chooses to attack the problem which requires integration of different components of the study in a coherent and logical way, thereby, ensuring to solve the problem in efficient way. The mixed-method research is a research that combines both qualitative and quantitative research methods within a single study or research project. This integrated research allows researchers to gain a more comprehensive understanding of a research question or problem by triangulating data from different sources and using diverse research methods. Research using mixed methods aims to maximize the positive aspects and reduce the negative aspects of individual studies as well as studies conducted in tandem. The vast majority of the items in the middle are covered by mixed methods research[60]. Researchers use both qualitative and quantitative methods in a single study, allowing for a more holistic understanding of the research question to find out the impact of inflation to consumer behavior related to hospitality industry in both Russia and Indonesia.

The rationale for selecting Russia and Indonesia as the case study locations is multifaceted. Both countries have experienced varying degrees of inflation and have distinct economic landscapes, which can influence the behavior of consumers and the operations of businesses in the hospitality sector[54]. Additionally, Gaining an understanding of the factors that impact resilience on economy requires being able to quantify resilience in hospitality sector employ to navigate the impact of inflation on consumer behavior in these diverse economic contexts[58].

The quantitative component of the research design is well-adapted by the previous studies from the previous chapter. The previous studies related to the study of inflation, consumer behavior, and hospitality industry in Indonesia and Russia. The study of Juster[59] proves that a primary cause of ambiguity about consumer responses is the manner in which price inflation—both anticipated and actualized—affects consumers' choices regarding expenditure and saving.

Along with the fact above, the quantitative component of this research will

implement questionnaire survey to map the consumer behavior from Indonesian and Russian who have engaged to the traveling and hospitality industry service. The component of the survey is consisted of the mapping of customer awareness on inflation or any other economy circumstances, consumer behavior on traveling activities, and consumer behavior related to hospitality industry such as, hotel, travel agent, itinerary plan, etc.

This quantitative research design will deploy structured questionnaire to a sample of Indonesian and Russian from a variety range of age, gender, and professional occupations. The questions will be designed collecting data about each type of Indonesian and Russian customers and its relation on their behavior in consuming traveling and hospitality services. The consumer behavior views budgeting, financial literate, and attitude in traveling activities and hospitality industry inquired. To find the relation between those variables, the survey data will be analyzed by using descriptive analysis after regression test.

On the other hand, the qualitative data can provide depth and context of the inflation impact towards Indonesian and Russian consumer behavior by collecting the data in deep interviews. In depth interviews clearly articulate the research objectives and the specific information researcher aim to gather through deep interviews. Ensure alignment with the overall research question. The interviews are taken from two participants; one Russian and one Indonesian. The interviews are open-ended and flexible, allowing participants to express their thoughts and experiences in their own words. The interviews will be done based on several questions related to consumer behavior views budgeting, financial literate, and attitude in traveling activities and hospitality industry inquired.

The collected quantitative and qualitative data will be integrated during the data analysis phase. The process of integration could involve analyzing, contrasting, or combining the results from the two data sets to offer a comprehensive understanding of the research problem. While the qualitative findings can offer more detailed justifications and context, the quantitative data can help uncover more general trends and patterns.

2.2 RESEARCH APPROACH

A research approach refers to the overall strategy or plan that guides the design, conduct, and analysis of a research study, this plan involves several decisions, and they need not be taken in the order in which they make sense to researcher and the order of their presentation here. The overall decision involves which approach should be used to study a topic [61]. It encompasses the philosophical stance, the general procedures, and the logical steps chosen by researchers to address their research questions or objectives. The research approach provides a framework for conducting the study and influences the methods, tools, and techniques used to collect and analyze data. The mixed methods as an approach is a valuable research for gaining in-depth insights and numerical proves into the impact of inflation on consumer behavior in the hospitality industry both in numerical and scientific proven data.

Research that uses mixed methods involves gathering data in both quantitative and qualitative forms, combining the two types of information, and employing unique designs that could incorporate theoretical frameworks and philosophical presumptions. This type of research is predicated on the fundamental tenet that combining qualitative and quantitative data produces insights that go beyond what can be learned from each type of data by itself.

The benefits or rationales identified by Doyle et al. (2009) for using mixed methods in research are valuable for addressing a variety of research goals and enhancing the overall research process. These are eight of rationale:

1. **Triangulation.** Triangulation involves comparing and contrasting data from different sources or methods to corroborate findings. This approach increases the reliability and robustness of the study.
2. **Completeness.** By combining both quantitative and qualitative data, researchers can capture a broader range of insights, perspectives, and dimensions, ensuring a more complete picture of the research topic.
3. **Offsetting Weaknesses and Providing Stronger Inferences.** Each research method has its strengths and weaknesses. By using both qualitative and quantitative

methods, researchers can offset the weaknesses of one approach with the strengths of the other, leading to more robust inferences.

4. **Answering Different Research Questions.** Different research questions may require different types of data or approaches. Mixed methods allow researchers to tailor their methods to the specific aspects of the research question they aim to explore.
5. **Explanation of Findings.** Qualitative data can help explain the underlying reasons or context behind quantitative findings. This enhances the interpretability of results and contributes to a more nuanced understanding.
6. **Illustration of Data.** Visual or qualitative data can be used to illustrate and contextualize quantitative findings. This makes the data more accessible and meaningful to a wider audience.
7. **Hypothesis Development and Testing.** Qualitative data can be used in the initial stages of research to generate hypotheses, while quantitative data can be employed to test and validate these hypotheses.
8. **Instrument Development and Testing.** Mixed methods research can involve the creation and testing of research instruments, ensuring that they are both reliable and valid for capturing the desired data.

2.3 RESEARCH STRATEGY

A research strategy refers to the overall plan or approach that guides the systematic and organized process of conducting a research study. It involves the decisions and actions taken by researchers to achieve specific objectives, answer research questions, or test hypotheses. The research strategy is including The methodology that is used is influenced by the study questions, objectives, and scope of the body of information, in addition to the time and resources that are available. Generally speaking, all of the strategies can be used in descriptive, explanatory, or exploratory research, and since they can be combined, they shouldn't be viewed as mutually exclusive. Because this is a mixed-method research, understanding by combining both qualitative and quantitative data will be useful to find out the research

comprehensively. The strategies are: 1) Quantitative Phase: Conduct surveys or use existing data to quantify customer spending habits, preferences, and satisfaction levels; 2) Qualitative Phase: Conduct in-depth interviews to explore the underlying reasons behind quantitative trends, providing context and depth.

Along with the questionnaire survey, this study will gather numerical data from a large sample to quantify the impact of inflation on customer behavior. The possible strategies that could be implemented are develop a structured questionnaire focusing on variables like spending habits, travel preferences, and satisfaction and also, using a representative sample of customers in the hospitality industry in Russia and Indonesia. Additionally, Collecting data through interviews could be done to understand how the interviewees adapt to inflation and its impact on their consumer behavior. The use of interviews as a research tool has several benefits. One of the biggest benefits is that interviews offer a degree of knowledge not possible with other research approaches. Through interviews, researchers can learn more about participants' ideas, emotions, and experiences. Gaining more understanding about the research topic can result from this level of detail. Additionally, interviews help researchers build rapport with participants, which may lead to more detailed and honest responses.

This study's data collection methods were limited to in-depth interviews and an online survey due to time constraints. Given that the goal of the study is to further the body of knowledge and offer a more thorough understanding of the impact of inflation on customer behavior in the hotel industry through the use of quantitative and scientifically verified data.

2.4 DATA COLLECTION METHODS

The next step after creating a study strategy was to collect empirical data. The two types of data that were acquired are primary and secondary data. Given this, information acquired especially for the study is referred to as primary data, whereas information gathered previously for another purpose is referred to as secondary data. Primary data is information that the researcher gathers directly from sources, whereas

secondary data is information that has already been gathered or created by others. The various distinctions between primary and secondary data are covered in this work [62]. Conversely, gathering secondary data is a quick and simple operation. Primary data sources encompass many methods such as questionnaires and in-person interviews. Conversely, government papers, websites, books, journal articles, internal records, and so forth are examples of secondary data collection sources. Which option is better is basically determined by the study plan that is employed. The validity of the findings can be increased by using a variety of data collection methods. The data collection method is using a questionnaire involves gathering information from respondents by presenting them with a set of questions. Questionnaires are a popular and efficient way to collect structured data in a standardized format. Using a questionnaire as a data collection method provides researchers with a structured and standardized approach to gather information from a diverse group of respondents efficiently. The stages of data collection are: Collect responses from the respondents according to the chosen mode; Monitor the progress of data collection and address any issues that may arise.

Data collection methods for this study will include surveys, specifically focusing on questionnaires. The survey will consist of 50 people from Indonesia and 50 people from Russia, providing a diverse sample to investigate the impact of inflation on consumer behavior in the hospitality industry. The questionnaire will be designed to gather insights into participants' spending habits, preferences, and perceptions of inflation, as well as their strategies for coping with the challenges posed by rising prices. By employing a qualitative research approach, this study will delve into the experiences and perceptions of consumers in Russia and Indonesia, shedding light on the nuances of consumer behavior in the face of inflation and the hospitality industry's response to these challenges.

Meanwhile, Collecting data through in-depth interviews is a valuable method when aiming to explore complex topics, gain insights into participants' perspectives, and understand the underlying reasons behind behaviors. It clearly articulates the goals and objectives of this study, specifying what information you aim to gather through in-depth interviews. By doing this interviews, this study will engage to participants who

have relevant experiences and insights related to the impact of inflation on customer behavior in the hospitality industry in Russia and Indonesia. In-depth interviews provide a rich source of qualitative data that can contribute valuable insights into the impact of inflation on customer behavior in the hospitality industry. The flexibility of this method allows for a deeper exploration of participants' experiences, perceptions, and attitudes.

2.5 SAMPLE SELECTION: THE CHARACTERISTICS OF THE PARTICIPANTS

Making sure the results are pertinent to resolving the research questions and achieving the main objective of the study is the most important consideration in sample selection. The tables below display the chosen sample of participants:

Table 1 – questionnaire survey participants

	Indonesia	Rusia
Age	18-30years old: 41 31-40years old: 7 41-50years old: 1 50-60years old: 1	18-30years old: 41 31-40years old: 7 41-50years old: 1 50-60years old: 1
Gender	Female: 25 Male: 25	Female: 23 Male: 27
Occupation	Student: 23 Entrepreneur: 8 Civil Servant: 4 Employee: 13 Teacher/Lecture: 2	Student: 22 Entrepreneur: 5 Civil Servant: 1 Employee: 22 Teacher/Lecture: -
Source of Travel Expanse	Additional savings: 21 Pay from salary money: 21 Sponsorship: 8	Additional savings: 23 Pay from salary money: 25 Sponsorship: 2
Type of Traveling	Domestic Traveling: 26 Overseas Traveling: 11 Business Trip: 9 Study Tour: 4	Domestic Traveling: 27 Overseas Traveling: 13 Business Trip: 4 Study Tour: 6
Frequency of Traveling in a year	less than 1: 8 1-5: 33 more than 5: 9	less than 1: 15 1-5: 31 more than 5: 4

Table 2 – In depth interview data

Interviewee	Function
Fath Audi Aldikamil Ibrahim	Student of Medical Faculty Novosibirsk State University
Amalia Raras Putri Cahyadi	Student of Zoology Moscow Timiryazev Agricultural Academy
Windy Shelia	Participant of Australia-Indonesia Youth Exchange Program
Oleg Mareev	Russian and International Art Dealer
Prokhorov Nikita	Student of the Ural Federal University, Master 2nd year.
Anton Guzeev	Founder of Volunteers Societies Ecodozor

The participants for both in-depth interview and survey are typically who have experienced on using hospitality industry service and doing traveling activities from a variety of gender, age, occupation, and type of traveling purpose. The gender includes male and female. The ages of participants start from 18 years old. The total number of participantss in questionnaire survey are 100 (50 Russian and 50 Indonesian). While, there are 6 interviewees for in depth interviews. In term of sampling method, the participants in the research were recruited using a random sampling method. Random sampling is a method of selecting a sample from a larger population in a way that every individual in the population has an equal chance of being chosen. The key characteristic of random sampling is the element of chance, ensuring that each member of the population has an equal and independent opportunity of being included in the sample.

2.6 DATA ANALYSIS

The data analysis techniques for this study will encompass both statistical and qualitative methods to interpret the data collected from the surveys. The statistical analysis will involve the use of SPSS (Statistical Package for the Social Sciences) to analyze the quantitative data obtained from the surveys[55]. This will include measures such as descriptive statistics, correlation analysis, and potentially regression analysis to examine the relationships between inflation, consumer behavior, and their impact on the hospitality industry in Russia and Indonesia.

Utilizing SPSS, the reliability analysis will be conducted using statistical reliability analysis with Cronbach Alpha (α). If the Cronbach Alpha (α) value is more than 0.60, the variable in question can be considered reliable. Meanwhile, validity test for this research will utilize SPSS as well. To understand any question that is valid or not valid, that is, with a statement: If the coefficient of determination between the item and the total item is equal to or less than 0.2787, the item is considered valid; however, if the coefficient of determination is less than 0.2787, the item is considered invalid.

Additionally, the qualitative analysis will involve the systematic examination of the open-ended survey responses to identify recurring themes, patterns, and insights related to consumer behavior and the impact of inflation on the hospitality industry in both countries. This comprehensive approach will provide a rich understanding of the multifaceted relationship between inflation and consumer behavior in the context of the hospitality industry in Russia and Indonesia.

Ethical considerations are critical in data collection and analysis, particularly in the context of surveys. The ethical practices that govern how data is gathered, stored, and exchanged include obtaining unambiguous and informed consent, storing data securely, and obtaining permissions to use or share data[56]. In this study, ethical considerations will be addressed by ensuring that participants are informed about the purpose of the survey, the data that will be collected, and how it will be used.

Participants will be given the option to withdraw from the survey at any time, and their data will be stored securely to protect their privacy. Additionally, ethical considerations will be taken into account during the data analysis process. The data collected from the surveys will be analyzed using statistical and qualitative methods, and the results will be presented in a manner that protects the anonymity of the participants. The researchers will ensure that the data is used only for the purposes of this study and that it is not shared with any third parties without the participants' explicit consent[57]. Overall, ethical considerations are essential in data collection and analysis, and this study will adhere to the highest ethical standards to ensure that the participants' privacy and rights are protected. By following ethical guidelines, this study will produce reliable and valid results that can be used to inform decision-making in the hospitality industry.

2.7 LIMITATIONS OF THE STUDY

The findings of the study may be context-specific to the consumer behavior on hospitality industry in Russia and Indonesia and may not be easily generalizable to other regions or industries. The study's findings may be influenced by the selection of participants. Although this study implements random sampling, the typical of participants must have relation to hospitality industry and traveling consume. For instance, certain customer segments or types of establishments may be overrepresented or underrepresented.

Furthermore, cultural differences between Russia and Indonesia may impact customer behavior differently. The study might not capture all cultural nuances, potentially leading to an oversimplification of the impact of inflation. Instead, this study will focus on economical impact toward these two societies, particularly inflation. Hence, economic and political conditions in the two countries can fluctuate, affecting inflation rates and subsequently customer behavior. These external factors may limit the generalizability of findings over time.

3 RESULTS AND DISCUSSION

The results of the study's survey and in-depth interviews are described in this chapter. To ensure that the data gathered on the questionnaire used in this retrospective study was understandable, tables, percentages, and graphs were included whenever possible. To obtain the data needed to meet the objectives of the research, a review of historical charts was conducted. An analysis of the similarities and differences—as well as any new information—between the gathered data and the ideas used as a framework for the study will be included for each research topic.

The goals and research questions of the study must be considered before the data can be examined. This study aims to increase understanding of the topic and gain insight into inflation impact towards Indonesian and Russian consumer behavior on hospitality industry. The samples were taken from the international students, employees, entrepreneurs, and also teachers or lecturers who have experience being a customer in hospitality industry. In total, the online survey had 100 responses which are differed into 50 Russian and 50 Indonesian. The following findings of this study which are categorized as personal information of the online survey respondents will be differed into two categories based on their nationality to compare the data easily.

The online survey for Indonesian had 50 responses with 25 female respondents (50%) and 25 male respondents (50%). In percentage, the respondents of online survey based on gender, such as:

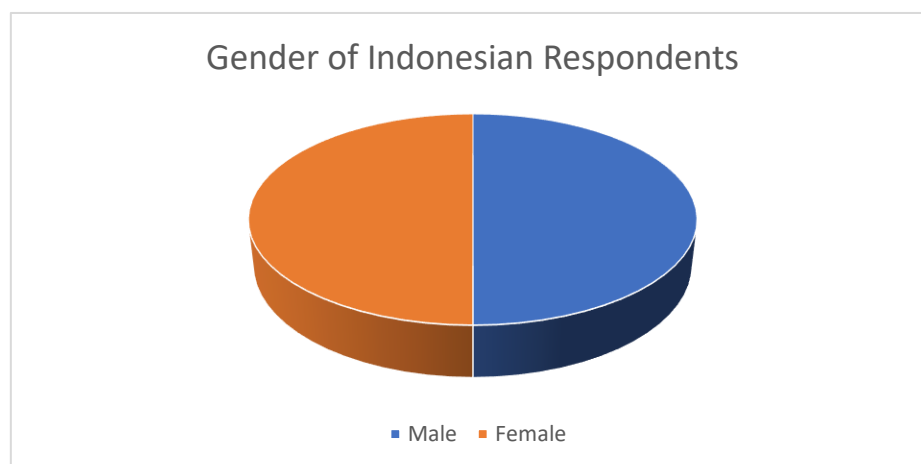


Figure 5 – Gender of Indonesian Respondents, %

The online survey for Russian had 50 responses with 23 female respondents and 27 male respondents. In percentage, the respondents of online survey based on gender, such as:

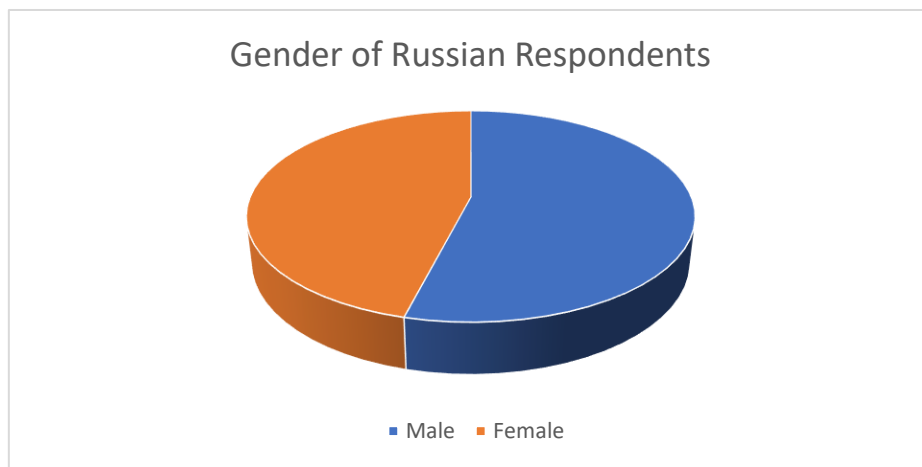


Figure 6 – Gender of Russian Respondents, %

This research also examine the respondents' range of age. From Indonesian, there are 41 18-30years old respondents (82%), 7 31-40years old respondents (14%), 1 41-50years old respondent (2%), and 1 50-60years old respondent (2%), as follows:

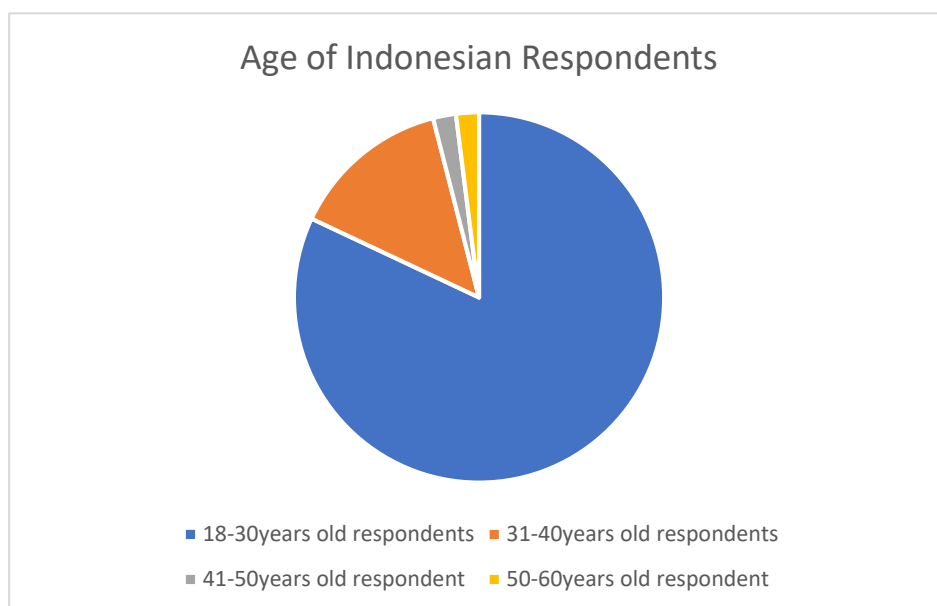


Figure 7 – Age of Indonesian Respondents

On the other hand, there are 41 18-30years old respondents (82%), 7 31-40years old respondents (14%), 1 41-50years old respondent (2%), and 1 50-60years old respondent (2%) from Russian online survey, as follows:

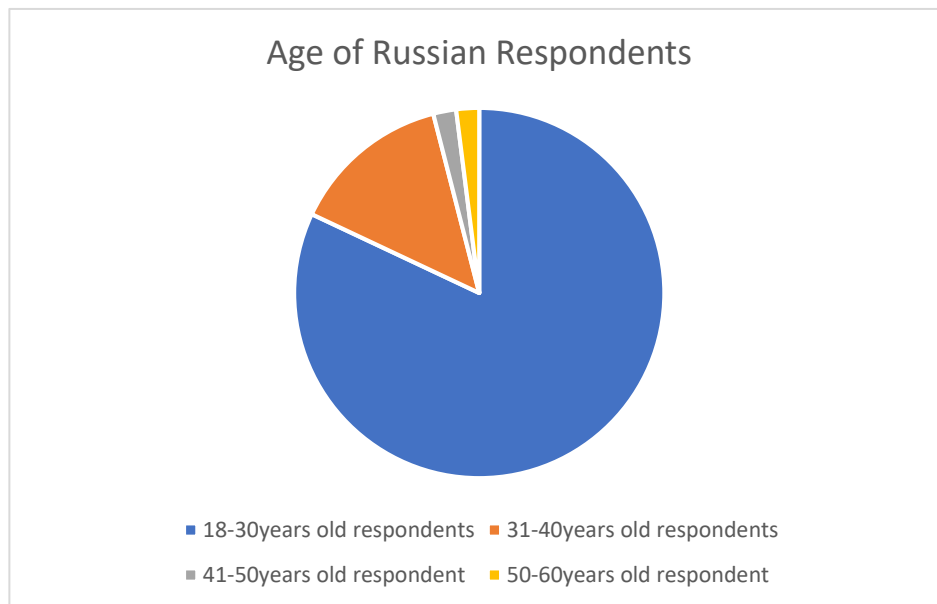


Figure 8 – Age of Russian Respondents

The third collected personal information is related to the occupation of the respondents. Exploring the relationship between respondent occupation and consumer behavior in the hospitality industry can provide valuable insights into how different occupational groups interact with and impact this sector. From Indonesian respondents, there are 23 Students (46%), 13 Employees (26%), 8 Entrepreneurs (16%), 4 Civil Servants (8%), and 2 Teachers/Lectures (4%). The figure below is the percentages:

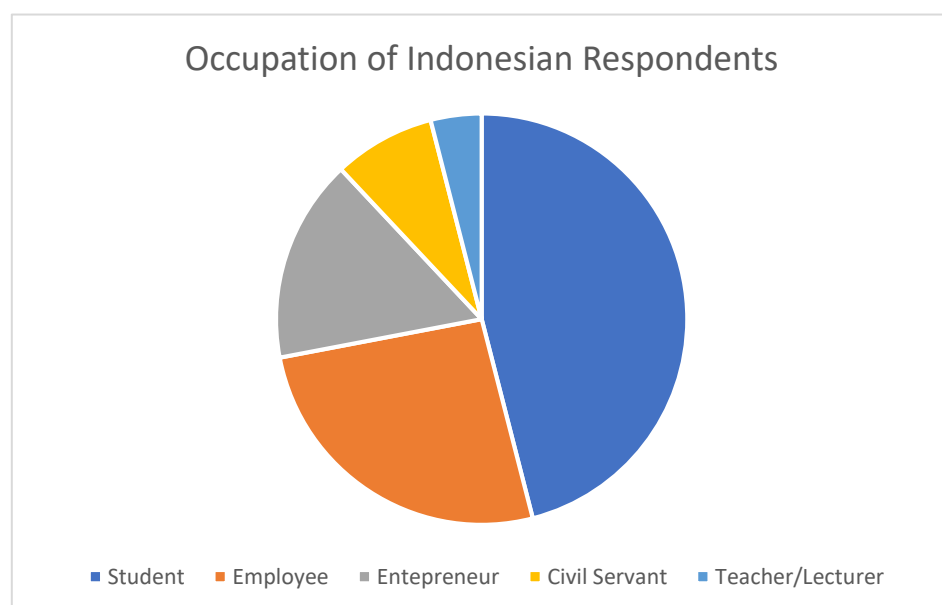


Figure 9 – Occupation of Indonesian Respondents

Meanwhile, the data from Russian respondents in term of occupations is consisted of 22 Students (44%), 22 Employees (44%), 5 Entrepreneurs (10%), 1 Civil Servant (2%), and 0 teacher/lecture (0%).



Figure 10 – Occupation of Russian Respondents

The following personal information of online survey respondents is the source of travel expenses. There are three categories of travel expenses' source, such as additional savings, pay from salary, sponsorship. From Indonesian respondents, there are 21 people pay the traveling expenses by additional saving (42%), 21 people pay their traveling expenses by their salary (42%), and 8 people got sponsorship to pay their traveling expenses (16%).



Figure 13 - Indonesian Source of Travel Expenses

On the other hand, From Russian respondents, there are 23 people pay the traveling expenses by additional saving (46%), 25 people pay their traveling expenses by their salary (50%), and 2 people got sponsorship to pay their traveling expenses (4%).



Figure 14 - Russian Source of Travel Expenses

The following personal information is the most type of traveling activity that usually customers do. Exploring the relationship between the type of traveling activity and consumer behavior in the hospitality industry can yield valuable insights into how different travel purposes influence consumer preferences, choices, and satisfaction. There are four type of traveling activities, such as, domestic traveling, overseas traveling, business trip, and study tour. From Indonesian respondents, there are 26 people do Domestic Traveling (52%), 11 people do Overseas Traveling (22%), 9 people do Business Trip (18%), and 4 people do Study Tour (8%).



Figure 15 – Indonesian Traveling Activity

Furthermore, there are 27 people do Domestic Traveling (54%), 13 people do Overseas Traveling (26%), 4 people do Business Trip (8%), and 6 people do Study Tour (12%) from Russian respondents. Here is the percentage:



Figure 16 – Russian Traveling Activity

The last personal information from the respondents related to the survey questionnaire is the frequency of traveling activity in a year or recent traveling activity. Analyzing the relationship between the frequency of traveling activity in a year and consumer behavior in the hospitality industry can provide valuable insights into the preferences, needs, and patterns of different traveler segments. There are three

shcemes, such as, less than 1 or could be explained as there is no traveling activity in recent year, 1 to 5 traveling activities, and more than 5 times traveling activities in a year. From Indonesian respondents, there are 8 people do not do traveling activity in recent year (16%), 33 people do 1 to 5 traveling activities in a year (66%), and 9 people do more than 5 traveling activities in a year (18%). Here is the percentage, as follow:

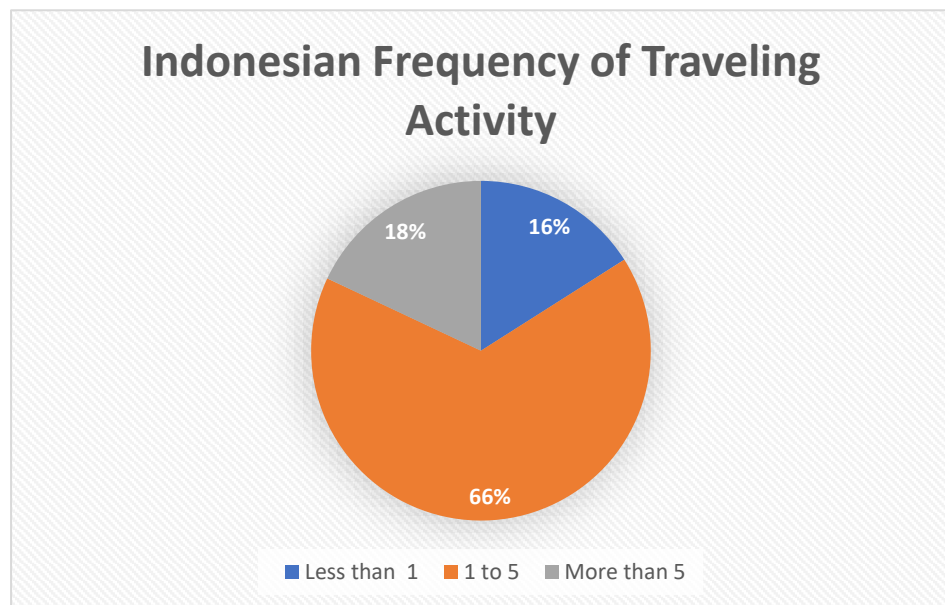


Figure 17 – Indonesian Frequency of Traveling Activity

On the other hand, there are 15 people do not do traveling activity in recent year (30%), 31 people do 1 to 5 traveling activities in a year (62%), and 4 people do more than 5 traveling activities in a year (8%).

3.1 THE IMPACT OF INFLATION ON CUSTOMER

Studying the impact of inflation presents several challenges that researchers need to navigate. These challenges can affect the design, execution, and interpretation of research findings. By understanding how inflation affects customer preferences and expectations, businesses can proactively enhance customer satisfaction. This may involve improving value propositions, introducing cost-effective options, or providing additional services to mitigate the impact of rising prices.

The findings on the impact of inflation on customer are differed based on the collecting data methods used in this research, such as, survey questionnaire and in-

depth interviews. By doing survey, the writer ask respondents with statements, as follows:

Table 3 – Questions list of The Impact Of Inflation On Customer

No	Question
1	I know the economy situation around me
2	I had to change my working schedule to be able to travel before/after high season
3	I had to reduce the number of trips I usually make a year
4	I decided to opt for hostels and Apartments
5	I have to adjust my relook at the list of my needs and wishes

Thus, this results are about to prove the hypothesis as follows:

- H0: Inflation has no significant impact on customer behavior in the hospitality industry in Russia and Indonesia.
- H1: Inflation significantly influences customer behavior in the hospitality industry in Russia and Indonesia.

The result shows that 11 out of 50 Russian are extremely impacted by the inflation. 26 out of 50 Russian are impacted by the inflation. Then, 13 out of 50 Russian are not impact by inflation. The survey results are tested by t-statistics which put the impact of inflation on customer as Y Variable or dependent variable in linear regression test.

In classical assumptions of linear regression test, there are > 1 free variables): 1) Interval data; 2) Linearity (Linear relationship between X and Y, respectively, is required to form the best model, while for confirmation it is not necessary to do); 3) No outlier on the residual; 4) Residual is normally distributed; 5) Homogeneous; 6) Non-multicollinearity; 7) No Autocorrelation (for data time series).

In order for the residual to be distributed normally and no outlier, the bound variable (Y) must be outlier-free. Because the residual value is the difference between Y and Y Predicted. Y Prediction is the result of the regression equation obtained. For example, $Y_i \text{ actual} = 3$ and $X_i \text{ actual} = 10$. The regression equation $Y = A + \text{Beta}(X) + e = 0.5 + 0.2(X) + e$, then $Y = 0.5 + 0.2(10) = 2.5$. So Y prediction = 2.5 Residual: $Y - Y \text{ predictions} = 3 - 2.5 = 0.5$. So the residual sample i is 0.5.

This is the descriptive statistics results of both dependent and independent variables:

Table 4 - Descriptive Statistics from 50 samples of Russian

	N	Minimum	Maximum	Mean	Std. Deviation
The Impact of Inflation on Costumer (Y)	50	7.00	20.00	15.1800	3.81560
Behavior on Traveling Activity (X1)	50	7.00	25.00	17.7000	4.22939
Behavior on Hotel and Travel Agency (X2)	50	7.00	21.00	14.2800	3.61426
Behavior during Inflation (X3)	50	8.00	24.00	17.1600	4.13724
Valid N (listwise)	50				

Otherwise, One method to test residual normality on regression equations is by using the Kolmogorov-Smirnov test. The normality test using the non-parametric statistical test of Kolmogoro-S Mirnov is a normality test using a constrictive distribution function. The standardized residual value is distributed normally if $K \text{ counts} < K \text{ table}$ or $\text{Sig value} > \alpha$.

Table 5 - One-Sample Kolmogorov-Smirnov Test

Unstandardized Residual	
N	50
Normal Parameters ^{a,b} Mean	.0000000

	Std. Deviation	2.56021642
Most Extreme Differences	Absolute	.112
	Positive	.112
	Negative	-.074
Test Statistic		.112
Asymp. Sig. (2-tailed)		.155 ^a

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

The result of the normality test using the kolomogorov test is a t value of 0.112 calculated with the P value of the Kolomogorn test of $0.155 > 0.05$ then the RESIDUAL is distributed normally. So the assumption of normality is fulfilled.

Furthermore, Residual Normality Testing Using Standardized Residual Histogram. The Standardized Residual variable does not appear in the dataset, this result will automatically appear on SPSS if the histogram is checked on the options button.

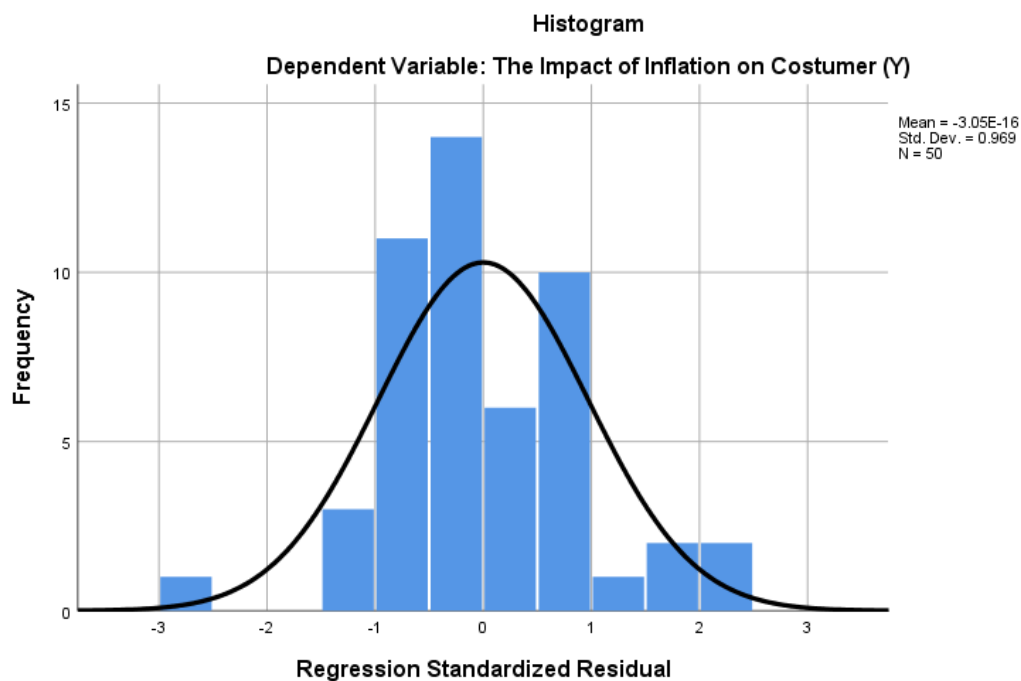


Figure 18 – Dependent Variable Standardized Residual Histogram

The histogram forms a bell facing up then the standardized residual is normally distributed.

The next step is Residual Normality Testing Using Normal Pp Plot Standardized Residual. The variable Standardized Residual does not appear in the dataset, this result will automatically appear on SPSS by checking normality on the options button.

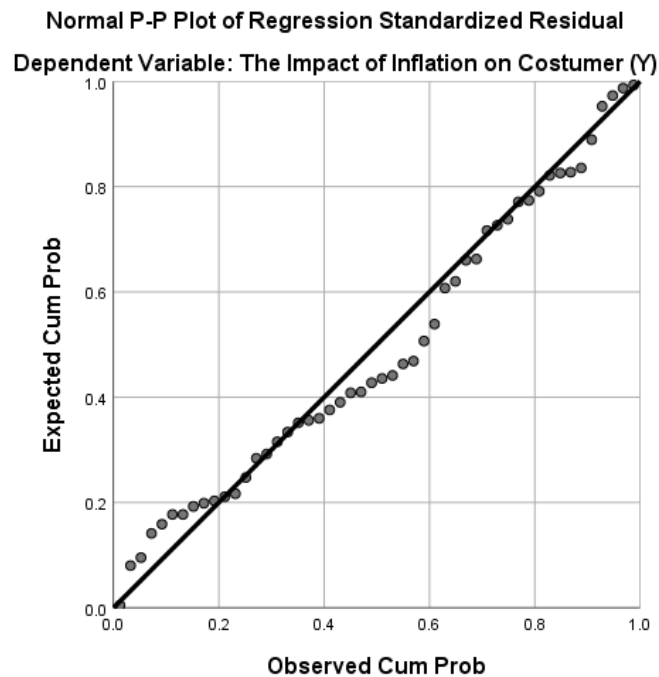


Figure 19 – Residual Normality Testing on Dependent Variable

The plot follows a diagonal line and there is no plot that is distant from the other plot or from the diagonal lines, then the standardized residual is distributed normally.

Furthermore, the next finding is the impact of inflation to Indonesian. The survey result shows that 32 out of 50 Indonesian are impacted by the inflation. While, 18 out of 50 Indonesian are not impact by the inflation. To test the result, the researcher uses classical assumptions of linear regression test similar to Russian data above. This is the descriptive statistics result of the inflation to Indonesian:

Table 6 - Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
The Impact of Inflation on Costumer (Y)	50	7.00	19.00	14.0000	3.94348
Behavior on Traveling Activity (X1)	50	9.00	23.00	17.7000	4.14655
Behavior on Hotel and Travel Agency (X2)	50	8.00	23.00	15.1200	4.57428
Behavior during Inflation (X3)	50	9.00	23.00	15.8800	4.10893
Valid N (listwise)	50				

In order for the residual to be distributed normally and no outlier, the bound variable (Y) must be outlier-free, because the residual value is the difference between Y and Y Predicted. Y Prediction is the result of the regression equation obtained. For example, $Y_i \text{ actual} = 3$ and $X_i \text{ actual} = 10$. The regression equation $Y = A + \text{Beta}(X) + e = 0.5 + 0.2(X) + e$, then $Y = 0.5 + 0.2(10) = 2.5$. So Y prediction = 2.5 Residual: $Y - Y \text{ predictions} = 3 - 2.5 = 0.5$. So the residual sample i is 0.5.

Residual normality testing is an important step in statistical analysis, especially when processing survey data involving linear regression or other statistical models. Residual, or the difference between the observation value and the predictive value of a model, must be distributed normally so that the basic assumptions of many statistical techniques are met. This test helps determine whether residual variance patterns are consistent throughout the model, which is a prerequisite for various inferential analyses. The result of residual normality check shows normal distributed.

Table 7 - One-Sample Kolmogorov-Smirnov Test

Unstandardized Residual	
N	50
Normal Parameters ^{a,b}	Mean
	.0000000
	Std. Deviation
	2.26786055

Most Extreme Differences	Absolute	.136
	Positive	.136
	Negative	-.105
Test Statistic		.136
Asymp. Sig. (2-tailed)		.022 ^c

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.

The result of the normality test using the kolomogorov test is a t value of 0.136 calculated with the P value of the Kolomegorov Test $0.022 < 0.05$ then the Residual is Not Distributed Normal.

The next step is Residual Normality Testing Using Standardized Residual Histogram. The Standardized Residual variable does not appear in the dataset, this result will automatically appear on SPSS if the histogram is checked on the options button.

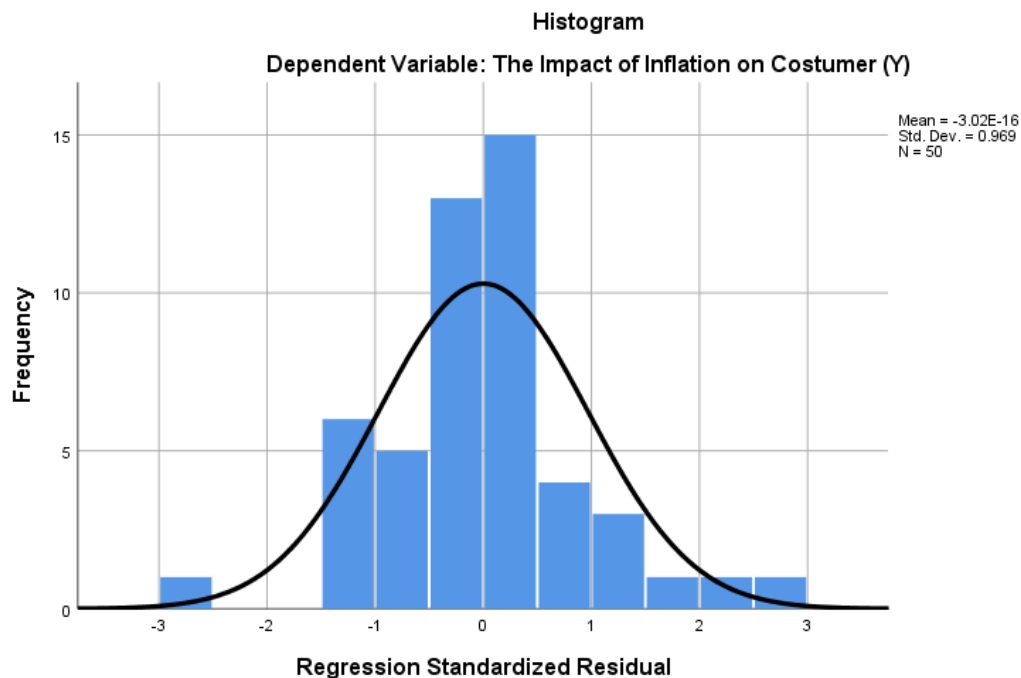


Figure 20 – Dependent Variable Standardized Residual Histogram

The histogram does not form a bell facing up then the standardized residual is not normally distributed.

Residual Normality Testing Using Normal Pp Plot Standardized Residual. The variable Standardized Residual does not appear in the dataset, this result will automatically appear on SPSS if you check normality on the options button.

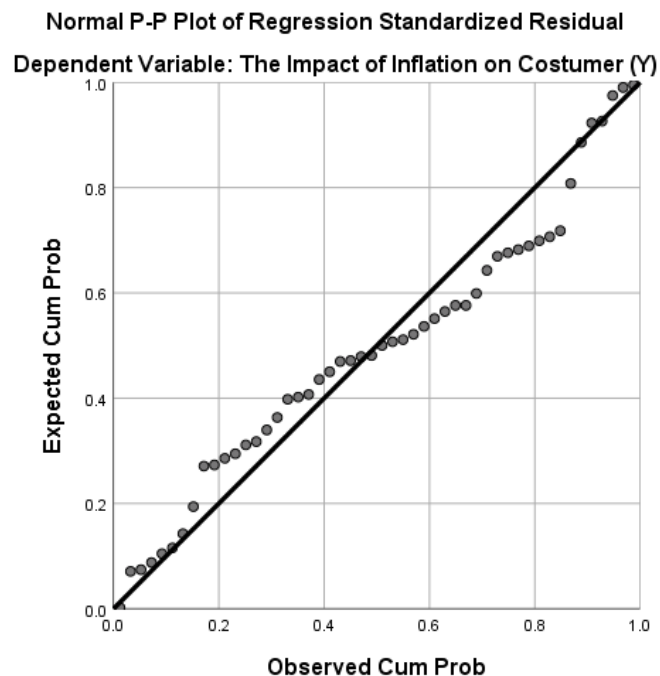


Figure 21 – Residual Normality Testing on Dependent Variable

Plots do not follow a diagonal line and there are plots that are distant from other plots or from the diagonal lines, then the standardized residual is not distributed normally.

3.2 CONSUMER BUYING BEHAVIOR ON TRAVELING ACTIVITY, HOTEL, AND TRAVEL AGENCY, AND DURING INFLATION IN RUSSIA

Consumer buying behavior in the context of traveling activity is a multifaceted subject that encompasses a wide range of factors influencing how, why, and when consumers decide to travel. This behavior is shaped by various internal and external factors, including personal preferences, social influences, economic conditions, and technological advancements. Understanding these behaviors is crucial for businesses operating in the travel and tourism industry, as it can help them tailor their products and marketing strategies to better meet the needs and desires of their target market. The

desire to travel can be driven by various needs, including relaxation, adventure, cultural exploration, or visiting friends and family. How consumers perceive a destination or a travel service can significantly influence their buying decisions. This perception is often shaped by marketing communications, word of mouth, and personal beliefs.

Heteroskedastisity test: Remember this is not a regression test to answer a hypothesis, but rather a Glejser Method heteroshedasty test. Below is the command for obtaining the Absolute Residual variable (Absolute from RES_1 to Absolut_residual variable) to be used in the Heteroscadasticity Test using the gliser test.

For the detection of Heteroscadastisity, then use the Glejser test, which is to perform Regression between the absolute free variables of the Residual. It is said that there are no symptoms of heterocadasthesis, when all or most of the p value or Sig t values are partial > 0.05 and Sig or P value Test F > 0.05 . Heteroskedastisity test: Remember this is not a regression test to answer a hypothesis, but rather a test of the Glejser Method. For the Linear Regression Test already done above.

Below is the command for obtaining the Absolute Residual variable (Absolute from RES_1 to Absolut_residual variable) to be used in the Heteroscadasticity Test using the gliser test.

For the detection of Heteroscadastisity, then use the Glejser test, which is to perform Regression between the absolute free variables of the Residual. It is said that there are no symptoms of heterocadasthesis, when all or most of the p value or Sig t values are partial > 0.05 and Sig or P value Test F > 0.05 .

Table 8 -Variables Entered/Removed

Model	Variables Entered	Variables Removed	Method
-------	-------------------	-------------------	--------

1	Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1) ^b	.	Enter
---	--	---	-------

a. Dependent Variable: abs

b. All requested variables entered.

Entering variables X1, X2, and X3 using the enter method. This is the result described in the table:

Table 9 – Test ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.702	3	6.234	2.796	.051 ^b
	Residual	102.549	46	2.229		
	Total	121.251	49			

a. Dependent Variable: abs

b. Predictors: (Constant), Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1)

Heteroskedastisity test method Glejser: P Value t partial below is mostly or all > 0.05 and p value of test f above: 0.051 > 0.05, then there is no problem with heteroshedasty.

Table 10 - Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.739	1.592		2.348	.023
	Behavior on Traveling Activity (X1)	-.040	.069	-.109	-.585	.561
	Behavior on Hotel and Travel Agency (X2)	.047	.063	.108	.750	.457
	Behavior during Inflation (X3)	-.099	.070	-.261	-1.419	.163

a. Dependent Variable: abs

Heteroscedasticity test Using the Plot scatter between Standardized Predicted Value (ZPRED) and Studentized residual (SRESID).

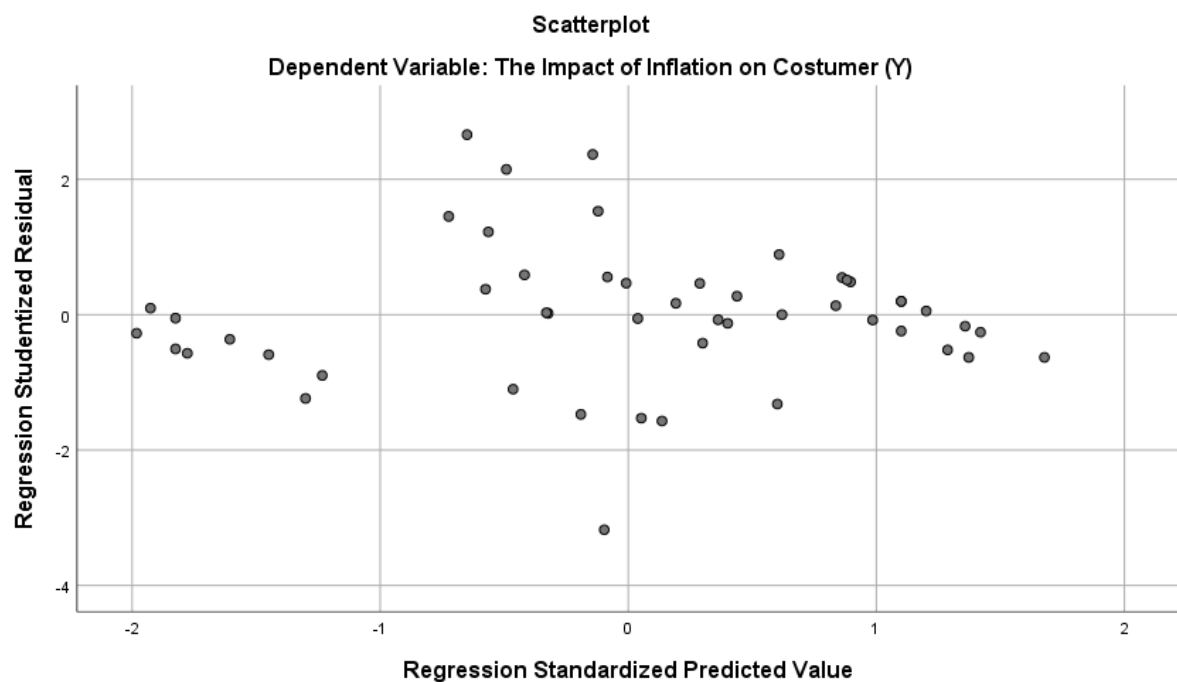


Figure 22 - Standardized Predicted Value (ZPRED) and Studentized Residual (SRESID)

However, the plot spreads evenly around 0 so the model does not have a problem of heterocadastasis, which means a model of homogeneous.

The next step is Dual Linear Regression Tests, Determination coefficients or R

Square and Adjusted R Square, F Test or Simultaneous Test, Partial T Test, Estimation Coefficient and regression equation. The formula is as follows:

$$\hat{Y} = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e.$$

Table 11 - Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.741 ^a	.550	.520	2.64238	1.844

a. Predictors: (Constant), Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1)

b. Dependent Variable: The Impact of Inflation on Costumer (Y)

Table 12 - ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	392.199	3	130.733	18.724	.000 ^b
	Residual	321.181	46	6.982		
	Total	713.380	49			

a. Dependent Variable: The Impact of Inflation on Costumer (Y)

b. Predictors: (Constant), Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1)

Above is the table ANOVA (Analysis of Variance) See the value of F Calculate and compare with F Table as above. If Sig. < 0.05 then simultaneously all independent variables (predictors) have meaningful influence on dependent variables. Above see the value of Test F Anova: 18.724 dg Sig Test F: 0,000 < 0,05 Then there is an influence of independent var simultaneously on var dependent or H1 accepted. Value Sig. This is used to answer the hypothesis: If < 0.05, then H1 is accepted/H0 rejected To get F Table.

Independent Variables can explain dependent variables. The value of R Square and adjusted R Square, when approaching 1 then the bigger can explain the dependent

variable (Y). A value of R or a double correlation of 0.741 then R Square 0.550 with a value of Adjusted R Square: $0.520 > 0.5$ indicates that a set of free variables can explain strongly the bound variable, and significantly because the simultaneous test receives H1. The large influence is 52.0%, and the remaining $100\% - 52.0\% = 48.0\%$ is described by other variables outside the model.

Below are the results of the partial t test and the model of the regression equation. Tell a predictors (x) partially or by observing other predictor in the model whether it has an influence on the dependent. On data below:

The partial test result of X1 against Y: the value of the variable t value (X1) = 2,364 with a sig. or a partial p value t of 0,022 where $> 0,05$ then (X1), taking into account the other var has a PARSIAL meaningful influence on the dependent or (Y). Or it can be concluded: if all var other than (x1) are assumed to be constant/stable/zero, then (Y) can change as a coefficient or slope (B) that is: 0.289. This estimate is statistically significant because the partial t test p value is $0.022 < 0.05$ or that means receiving H1.

Thus, the variable X3 also receives H1 or its partial influence is significant because p value < 0.05 . Whereas, the Variable X2 receives the H0 or the partial effect is not significant.

Table 13 - Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	6.557	2.817		2.327	.024		
	Behavior on Traveling Activity (X1)	.289	.122	.321	2.364	.022	.532	1.879
	Behavior on Hotel and Travel Agency (X2)	-.194	.111	-.183	-1.741	.088	.883	1.133
	Behavior during Inflation (X3)	.369	.124	.400	2.977	.005	.543	1.841

a. Dependent Variable: The Impact of Inflation on Costumer (Y)

Regression Association: A regression equation can be made by looking at the value of B (Beta coefficients) on unstandardized coeffizients.

Based on the table above: On the data, the regression equation is:

$$\hat{Y} = 6.557 + 0.289 X1 - 0.194 X2 + 0.369 X3 + e$$

Below are the results of the partial t test and the model of the regression equation.

Tell a predictors (x) partially or by observing other predictor in the model whether it has an influence on the dependent. Example on the data below:

1. price of variable t value $X_1 = 2.364$ with sig. 0.022 where < 0.05 then X_1 has a meaningful influence on dependent variables, i.e. Y
2. price of t value variable $X_2 = -1.741$ with seg. 0.088 where > 0.05 , then X_2 has an unimportant influence upon dependant variable, ie.

Furthermore, the findings also shows the relation between traveling activity, hotel, and travel agency, and during inflation which leads to consumer behavior in Russia based of this data:

1. Consumer Behavior on Traveling Activity

Miss Amalia usually goes traveling overseas for study business in backpacker type of traveling:

“I usually goes to overseas such as Egypt and Buthan because of my study in biology required me to do research in some places abroad.”

She also mentioned that:

“I usually do backpacker because my study to the nature does not require fancy traveling. I just travel together with my main purpose, doing research.”

She agrees that traveling activity is a self reward with some considerations, as mentioned:

“Although traveling could be a self-reward, we should note the plan and any requirements related to travel budget must be well considered.”

2. Consumer Behavior on Hotel and Travel Agency

Mr. Audi manages his itinerary by his own with references, as he said:

“I manage the itinerary by myself. I am looking for the inspiration from Instagram, AI, and tour traveling itinerary from internet.”

Mr. Audi also mentioned that he usually mixes both backpacker and luxury experience,

“I usually mix the type of traveling between backpacker and luxury vacation based on my budget. I will pay more if I have enough budget to experience luxury hospitality that I really want to.”

3. Consumer Behavior during Inflation

During hard time especially related to economy situation, Mr. Anton just travel around Russia to cut the budget:

“I still do traveling when the economy situation is not that good. However, I limit it to do domestic traveling in my country. ”

He also has a trick to manage her financial for traveling:

“You must buy tickets in advance, keep cash and debit card in different places, printed copy of your passport, and ask your local friend about place to eat.”

3.3 CONSUMER BUYING BEHAVIOR ON TRAVELING ACTIVITY, HOTEL, AND TRAVEL AGENCY, AND DURING INFLATION IN INDONESIA

Consumer buying behavior in the travel sector of Indonesia, encompassing traveling activities, hotel accommodations, and travel agency services, reflects a dynamic interplay of local preferences, economic factors, and global trends. Indonesia, with its diverse cultures, rich history, and stunning natural landscapes, offers a unique backdrop for understanding these behaviors. To prove the consumer buying behavior in Indonesia, these are some stages of data tests.

Below is the command for obtaining the Absolute Residual variable (Absolute

from RES_1 to Absolut_residual variable) to be used in the Heteroscedasticity Test using the gliser test.

For the detection of Heteroscedasticity, then use the Glejser test, which is to perform Regression between the absolute free variables of the Residual. It is said that there are no symptoms of heterocadasthesis, when all or most of the p value or Sig t values are partial > 0.05 and Sig or P value Test $F > 0.05$.

Table 14 - Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1) ^b	.	Enter

a. Dependent Variable: abs

b. All requested variables entered.

Entering variables X1, X2, and X3 using the enter method

Table 15 - ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.916	3	9.305	4.287	.009 ^b
	Residual	99.843	46	2.171		
	Total	127.759	49			

a. Dependent Variable: abs

b. Predictors: (Constant), Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1)

Heteroskedasticity test method Glejser: some P Value t partial below > 0.05 and p value of test f above: $0.009 < 0.05$ then there is a problem of heteroshedasty.

Table 16 - Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.891	.961		1.967	.055
	Behavior on Traveling Activity (X1)	.149	.078	.383	1.916	.062
	Behavior on Hotel and Travel Agency (X2)	-.232	.066	-.657	-3.532	.001
	Behavior during Inflation (X3)	.035	.074	.089	.472	.639

a. Dependent Variable: abs

Heteroscedasticity test Using a plot catter between Standardized Predicted Value (ZPRED) and Studentized residual (SRESID).

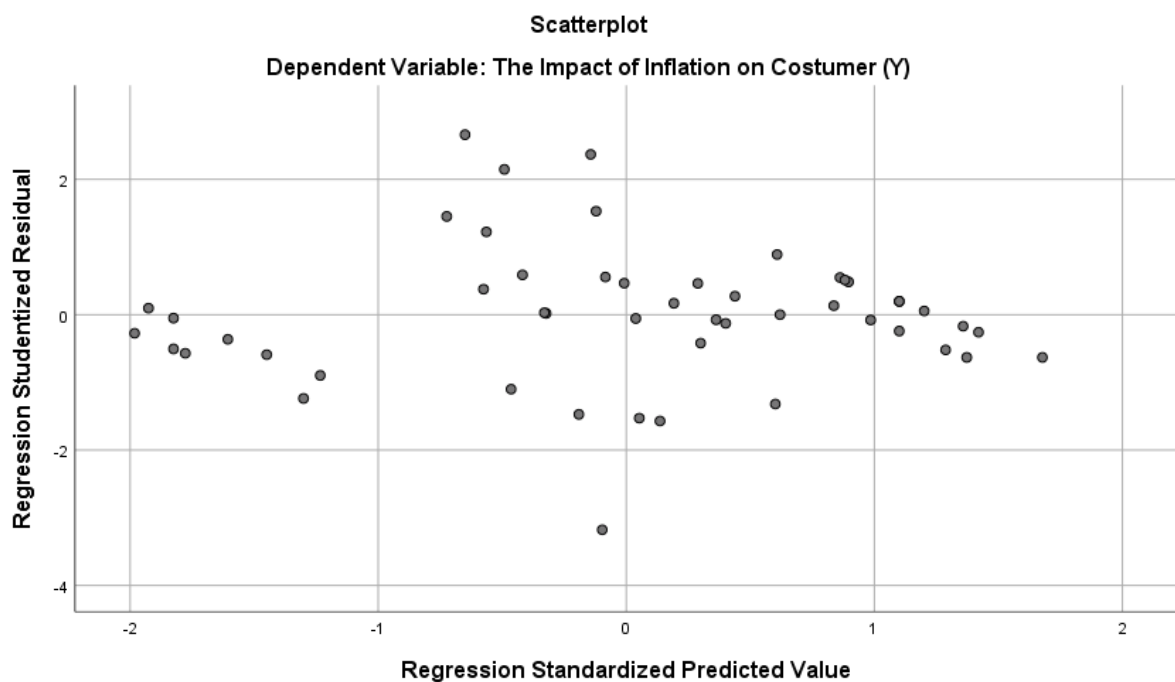


Figure 23 - Standardized Predicted Value (ZPRED) and Studentized Residual (SRESID)

However, the plot spreads evenly around 0 so the model does not have a problem of heterocadastasis, which means a model of homogeneous.

Dual Linear Regression Tests: Determination coefficients or R Square and Adjusted R Square, F Test or Simultaneous Test, Partial T Test, Estimation Coefficient and regression equation.

The Regression model to be formed:

$$\hat{Y} = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e.$$

Table 17 - Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.818 ^a	.669	.648	2.34064	1.822

a. Predictors: (Constant), Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1)

b. Dependent Variable: The Impact of Inflation on Costumer (Y)

Table 18 - ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	509.984	3	169.995	31.029	.000 ^b
	Residual	252.016	46	5.479		
	Total	762.000	49			

a. Dependent Variable: The Impact of Inflation on Costumer (Y)

b. Predictors: (Constant), Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1)

Above is the table ANOVA (Analysis of Variance) See the value of F Calculate and compare with F Table as above. If Sig. < 0.05 then simultaneously all independent variables (predictors) have a meaningful influence on dependent variables. Above see the value of Anova F test: 31.029 dg Sig Test F: 0.000 < 0,05 Then there is an influence of var independently simultaneously on var dependent or H1 accepted.

Double Determination Coefficient proves Independent Variables Explain Depending Variables. The value of R Square and adjusted R Square, when approaching 1 then the bigger can explain the dependent variable (Y).

A value of R or double correlation of 0.818 then R Square of 0.669 with a value of Adjusted R Square: $0.648 > 0.5$ indicates that a set of free var can explain strongly and significantly var is bound because the simultaneous test receives H1. The large influence is 64.8%, and the remaining $100\% - 64.8\% = 35.2\%$ is described by other variables outside the model.

Below are the results of the partial t test and the model of the regression equation. Tell a predictors (x) partially or by observing other predictor in the model whether it has an influence on the dependent. On data below:

The partial test result (X1) against (Y): the value of the variable t value (X1 = 3.007 with sig. or the partial p value t of 0.004 where < 0.05 then (X 1) has a PARSIAL meaningful influence on the dependent or (Y). Or it can be concluded: (Y) can change as a coefficient or slope (B) that is: 0.372. This estimate is statistically meaningful because the part test p value is $0,004 < 0,05$ or that means receiving H1. Then the variable X2 is also significant against Y because the partial test p value is < 0.05 , whereas the X3 variable is not significant.

Table 19 - Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.220	1.527		.144	.886		
	Behavior on Traveling Activity (X1)	.372	.124	.391	3.007	.004	.425	2.350
	Behavior on Hotel and Travel Agency (X2)	.325	.104	.377	3.112	.003	.490	2.040
	Behavior during Inflation (X3)	.144	.118	.150	1.222	.228	.477	2.095

a. Dependent Variable: The Impact of Inflation on Costumer (Y)

The regression equation can be made by looking at the value of the B (Beta coefficient) on unstandardized coefficients. Based on the table above: On your data, the regression Equation is:

$$\hat{Y} = 0.220 + 0.372 X_1 - 0.325 X_2 + 0.144 X_3 + e$$

Based on the result, There's a problem of normality. The main problem starts with the presence of Outlier which can then lead to the occurrence of non-normally distributed Residuals. So that no data is lost if you do Trimming (Delete Outlier) and do not change the model if you apply Data Transformation, then below will be done Trimming. The Trimming step is to delete the data if the value on the z score or the SRE data on the data set > 2.5. And if it is > 2.5 will be deleted from the data.

Because the outlier limit is based on the Absolute Studentized residual there are 2 data removed. Here's the outlier discharge.

Table 20 - Descriptive Statistics from 48 Samples

	N	Minimum	Maximum	Mean	Std. Deviation
The Impact of Inflation on Costumer (Y)	48	7.00	19.00	14.0625	3.85043
Behavior on Traveling Activity (X1)	48	9.00	23.00	17.6667	4.19895
Behavior on Hotel and Travel Agency (X2)	48	8.00	23.00	15.3333	4.53982
Behavior during Inflation (X3)	48	9.00	23.00	15.8333	4.16844
Valid N (listwise)	48				

The data above will be analyzed by several tests.

Uji Normalitas Residual (RES_1): Hasilnya residual berdistribusi normal NPar Tests.

Table 21 - One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		48
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	1.87008080
Most Extreme Differences	Absolute	.102
	Positive	.084
	Negative	-.102
Test Statistic		.102
Asymp. Sig. (2-tailed)		.200 ^{c,d}

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

The result of the normality test using the kolomogorov test is a t-value of 0.102 with P Value of the Kolomogorov test $0.200 > 0.05$ then the Residual is Distributed Normal. So that the assumption of normality is fulfilled. The results of the normality test using Kolomegorov's test are a t - value of 0.102 with the P-values of the colomogorgov test $0,200 > 0,05$ so that the Residual is distributed Normally.

Otherwise, Residual Normality Testing Using Standardized Residual Histogram.

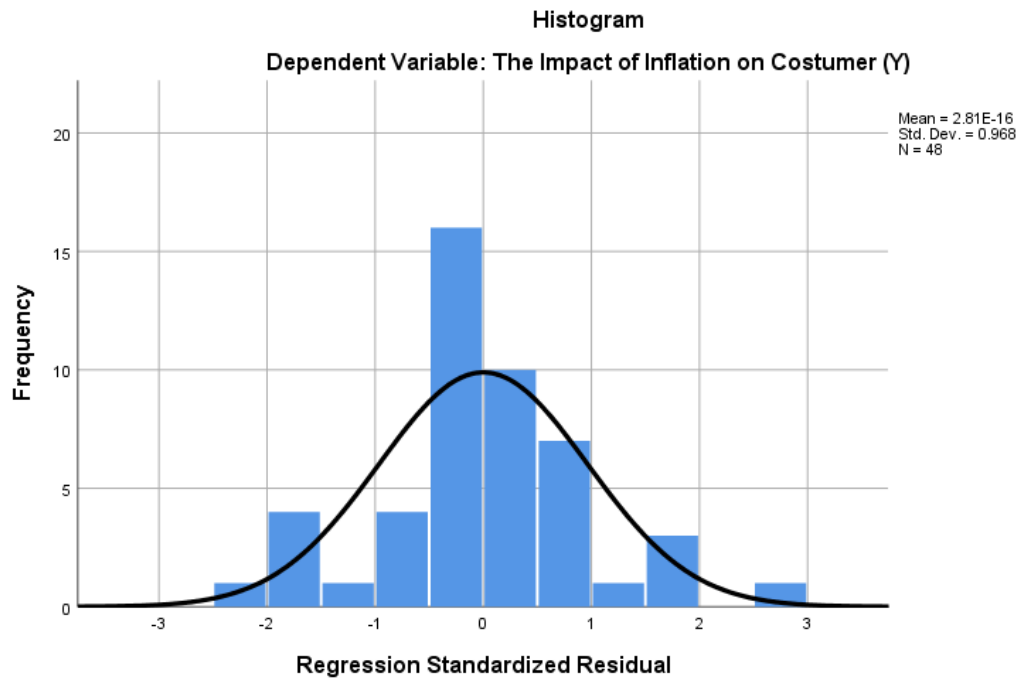


Figure 24 - Histogram Standardized Residual Chart

The histogram forms a bell facing up then the standardized residual is normally distributed.

The next stage is residual normality test using Normal Pp Plot Standardized Residual.

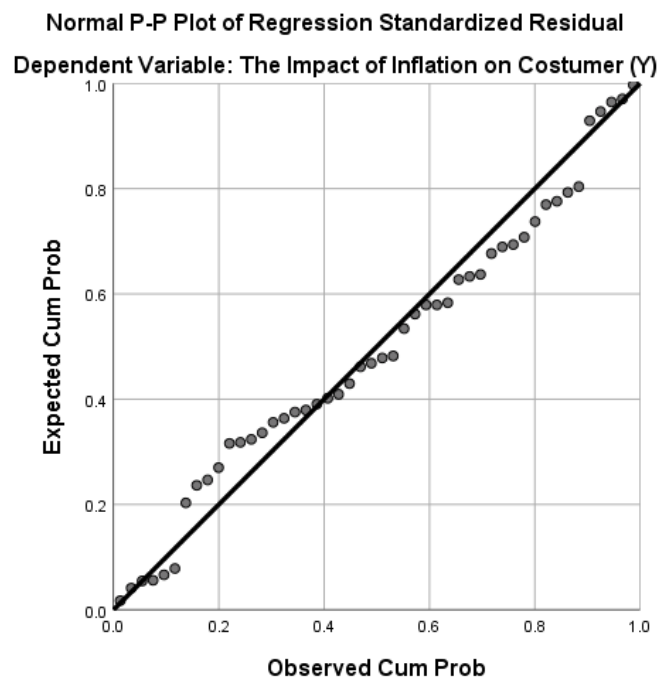


Figure 25 - Normal PP Plot Standardized Residual Result

The plot follows a diagonal line and there is no plot that is distant from the other plot or from the diagonal lines, then the standardized residual is distributed normally.

While, this is multicolinearitas fabrication detection:

Table 22 - Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.474	1.269		-.373	.711		
	Behavior on Traveling Activity (X1)	.460	.105	.501	4.370	.000	.408	2.454
	Behavior on Hotel and Travel Agency (X2)	.221	.095	.261	2.320	.025	.424	2.356
	Behavior during Inflation (X3)	.191	.099	.207	1.931	.060	.467	2.142

a. Dependent Variable: The Impact of Inflation on Costumer (Y)

The VIF and Tolerance values on collinearity statistics. It is said that the clean model of the symptoms of multicollinearity when the mean value of $VIF < 10$. On the data you show no symptoms multicollinearity in some free variables because there is $VIF < 10$ and tolerance > 0.1 . Then the model there is no problem multicollinearity. Heteroskedastisity test: Remember this is not a regression test to answer a hypothesis, but rather a Glejser Method heteroskedastisity test.

Below is the command for obtaining the Absolute Residual variable (Absolute from RES_1 to Absolut_residual variable) to be used in the Heteroskedastisity Test using the gliser test.

For the detection of Heteroskedastisity, then use the Glejser test, which is to perform Regression between the absolute free variables of the Residual. It is said that there are no symptoms of heteroskedastisity, when all or most of the p value or Sig t values are partial > 0.05 and Sig or P value Test F > 0.05 .

Table 23 - Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1) ^b	.	Enter

a. Dependent Variable: abs2

All requested variables entered.

Table 24 - ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.481	3	3.160	2.212	.100 ^b
	Residual	62.848	44	1.428		
	Total	72.329	47			

a. Dependent Variable: abs2

b. Predictors: (Constant), Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1)

Heteroskedastisity test Glejser method: P Value t partial below > 0.05 and p value of the test f above: $0.100 > 0.05$, then there is no problem of heteroskedasty, or model is homocedasty.

Table 25 - Table Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.639	.785		2.089	.043
	Behavior on Traveling Activity (X1)	.113	.065	.383	1.738	.089
	Behavior on Hotel and Travel Agency (X2)	-.140	.059	-.513	-2.376	.022
	Behavior during Inflation (X3)	-.007	.061	-.022	-.108	.915

a. Dependent Variable: abs2

Heteroscedasticity test Using a plot catter between Standardized Predicted Value (ZPRED) and Studentized residual (SRESID).

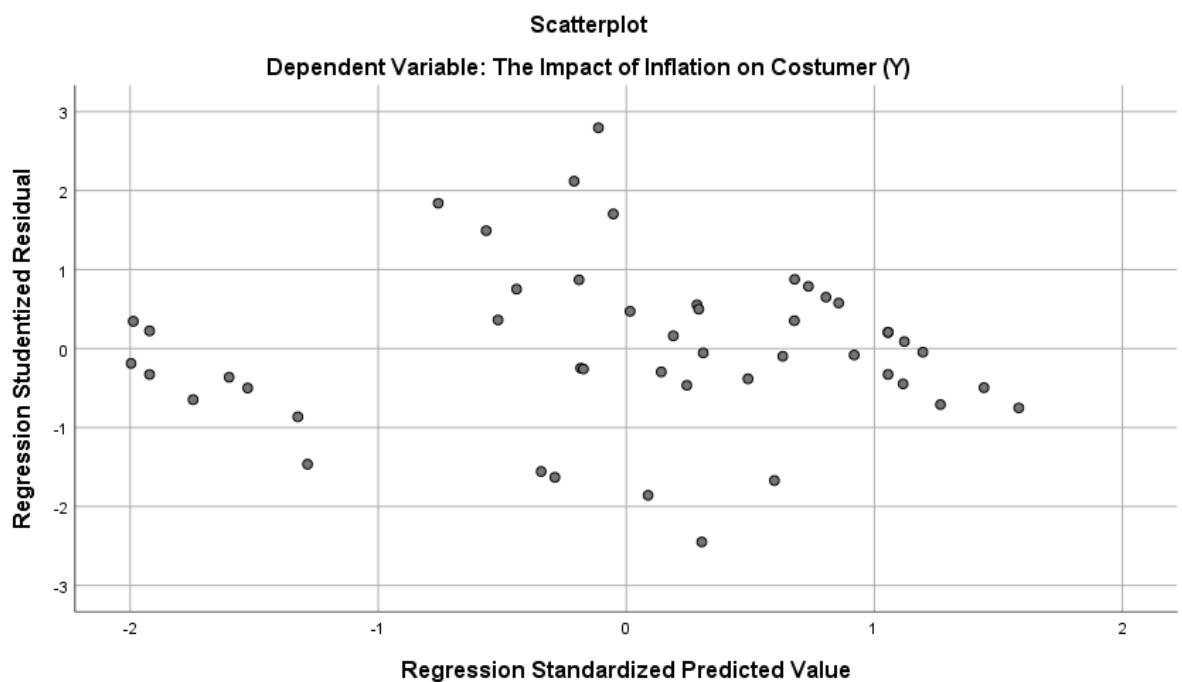


Figure 26 - Standardized Predicted Value (ZPRED) and Studentized residual (SRESID)

The plot spreads evenly around 0 so that the model does not have a problem of heterocadasthenicity, which means a model of homogeneous.

Dual Linear Regression Tests: Determination coefficients or R Square and Adjusted R Square, F Test or Simultaneous Test, Partial T Test, Estimation Coefficient and regression equation.

The REGRESI model to be formed:

$$\hat{Y} = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e.$$

Table 26 - Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.874 ^a	.764	.748	1.93278	2.194

a. Predictors: (Constant), Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1)

b. Dependent Variable: The Impact of Inflation on Costumer (Y)

Table 27 - ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	532.444	3	177.481	47.510	.000 ^b
	Residual	164.369	44	3.736		
	Total	696.813	47			

a. Dependent Variable: The Impact of Inflation on Costumer (Y)

b. Predictors: (Constant), Behavior during Inflation (X3), Behavior on Hotel and Travel Agency (X2), Behavior on Traveling Activity (X1)

Above is the table ANOVA (Analysis Of Variance) See the value of F Calculate and compare with F Table as above. If Sig. < 0.05 then simultaneously all independent variables (predictors) have a meaningful influence on dependent variables. Above see the value of Anova F test: 47.510 dg Sig Test F: 0.000 < 0,05 Then there is an influence of var independently simultaneously on var dependent or H1 accepted.

A value of R or a double correlation of 0.874 then R Square of 0.764 with a value

of Adjusted R Square: $0.748 > 0.5$ indicates that a set of free var can explain strongly var bound and significantly because the simultaneous test receives H1. A large influence of 74.8%, and the remaining $100\% - 74.8\% = 25.2\%$ is described by other variables outside the model.

Below are the results of the partial t test and the model of the regression equation. Tell a predictors (x) partially or by observing other predictor in the model whether it has an influence on the dependent. On data below:

The partial test result (X1) against (Y): the value of the variable t value (X1 = 4,370 with sig. or p partial t value of 0,000 where $< 0,05$ then (X 1) has a PARSIAL meaningful effect on the dependent or (Y). Or it can be concluded: (Y) can change as a coefficient or slope (B) that is: 0.460. This estimate is statistically meaningful because the partial p test value is $0,000 < 0.05$ or that means receiving H1. Then the variable X2 is also significant to Y because the partial test p value is < 0.05 , whereas the X3 variable is not significant.

Coefficients ^a							
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics
Model		B	Std. Error	Beta	t	Sig.	Tolerance VIF
1	(Constant)	-.474	1.269		-.373	.711	
	Behavior on Traveling Activity (X1)	.460	.105	.501	4.370	.000	.408 2.454
	Behavior on Hotel and Travel Agency (X2)	.221	.095	.261	2.320	.025	.424 2.356
	Behavior during Inflation (X3)	.191	.099	.207	1.931	.060	.467 2.142

a. Dependent Variable: The Impact of Inflation on Costumer (Y)

The regression equation can be made by looking at the value of the B (Beta coefficient) on unstandardized coeffizients. Based on the table above: On the data, the regression Equation is:

$$\hat{Y} = -0.474 + 0.460 X_1 + 0.221 X_2 + 0.191 X_3 + e$$

Below are the results of the partial t test and the model of the regression equation.

Tell a predictors (x) partially or by observing other predictor in the model whether it has an influence on the dependent. Example on data below:

1. price of variable t value $X_1 = 4.370$ with sig. 0,000 where < 0.05 then X_1 has a meaningful influence on the dependent variable, i.e. Y.
2. price of the t value of the variable $X_2 = 2.320$ with seg. 0.025 where $< 0,05$ then X_2 has a significative influence upon the dependant variable, i. e. Y.
3. price of table variable $x_3 = 1.931$ with sig. 0.060 where $> 0,05$ so X_3 has no meaningful effect on the depending variable that is Y.

Furthermore, the findings also shows the relation between traveling activity, hotel, and travel agency, and during inflation which leads to consumer behavior in Indonesia based of this data:

1. Consumer Behavior on Traveling Activity

According to Ms. Windy Shelia, she usually chooses domestic traveling to go around Indonesia:

“I usually goes to Bali, Jakarta, Semarang, and any other cities in Indonesia. I do domestic travelling for the sake of study tour and backpacker.” Certainly, her experience shows the consumer behavior through traveling activity is also differed based on type of traveling activity that she did. For domestic traveling activity, she is willing to choose backpacker mode.

She also mentioned that:

“most of my traveling activities are backpacker mode, except for study tour. I think cheap traveling is a fair choice related to cost and my salary.” This answer will lead her to the consumer behavior based on her income and the economy situation in Indonesia.

She agrees that traveling activity is a self reward, as mentioned:

“My hobby is traveling even though I do not have much time because I work full time in a company. So, I make traveling as motivation to keep work going. Going somewhere is a reward for me at least once in 6 months.”

2. Consumer Behavior on Hotel and Travel Agency

Ms. Windy Shelia manage her itinerary by her own to cut the budget, as she said:

“I never use travel agent to handle my itinerary. I think that I could locate the cost of travel agent for any other beneficial things during traveling.”

Ms. Windy Shelia also said sponsorship really help her to get standard accommodation:

“I got sponsorship several times from study tour. I usually sleep in at least 3 stars hotel and I do not need consider cheap traveling because the university or organizing commiittee cover it for me.”

3. Consumer Behavior during Inflation

During hard time like COVID-19, Ms. Windy cannot travel anywhere. It is not only because of the forbidden to travel, but also the economy situation.

“I limit my traveling frequence on 2020-2022 because of COVID-19. I also locate my salary for other essential thing since I got less payment at that time.”

This statement really shows that the inflation during pandemic really impacts the consumer behavior. Ms. Windy also admitted that she relies on her salary as the main income to do traveling.

She also has a trick to manage her financial for traveling:

“I always save 20% of salary for my traveling budget. I will save it separately from my main bank account. Also, I usually look for cheap airfare and applying promo and discount purchasing hotel.”

CONCLUSION

The research findings show that inflation impacts the consumer behavior both for in Indonesia and Russia. The conclusion can be drawn that inflation has a significant effect on consumer behavior in both Indonesia and Russia. This implies that as inflation rates rise, there may be changes in how consumers in these countries allocate their budgets, prioritize spending, and possibly shift their preferences towards goods and services that are perceived as more essential or offer better value for money.

The findings are divided into two sides, such as, Indonesian and Russian. For Indonesian, it is found that there are two data erased from 50 samples due to the abnormal value. Furthermore, the result is analyzed from 48 samples from survey. The t value for X1 is 4.370 with a significance (sig.) level of 0.000. Since this significance level is less than the conventional threshold of 0.05, it indicates that X1 has a statistically significant influence on the dependent variable Y. This means that changes in behavior related to traveling activity have a meaningful impact on how inflation affects customer behavior. The t value for X2 is 2.320 with a significance level of 0.025. This significance level, being less than 0.05, suggests that X2 also has a significant effect on the dependent variable Y. Hence, behaviors related to hotel and travel agency interactions significantly influence the impact of inflation on customer behavior. Thus, The t value for X3 is 1.931 with a significance level of 0.060. Since this significance level is greater than 0.05, it indicates that X3 does not have a statistically significant effect on the dependent variable Y. This implies that general behavior during inflation does not meaningfully affect how inflation impacts customer behavior.

Furthermore, The qualitative data from the interview with Ms. Windy Shelia offers insightful conclusions about consumer behavior in three distinct areas: traveling activity, hotel and travel agency interactions, and behavior during inflation, particularly in the context of the COVID-19 pandemic. The emphasis on cost-effective travel options, direct management of travel arrangements to maximize value, and adaptive financial strategies during economic downturns illustrates a nuanced understanding of

balancing personal aspirations with economic realities. These behaviors suggest that consumers, while valuing travel as an essential aspect of their lives, are willing to adapt their approaches and expectations to align with their financial capabilities and broader economic conditions.

While for Russian findings, The result shows that 11 out of 50 Russian are extremely impacted by the inflation. 26 out of 50 Russian are impacted by the inflation. Then, 13 out of 50 Russian are not impact by inflation. Based on the statistical data and results provided, the study examines the influence of different types of consumer behavior on the dependent variable Y, which represents the impact of inflation on customers. The t-value for X1 is 2.364 with a significance (sig.) level of 0.022. Since this significance level is less than 0.05, it indicates that X1 has a statistically significant influence on the dependent variable Y. This means that consumer behavior regarding traveling activity significantly impacts how inflation affects customer behavior. Essentially, how consumers behave in terms of their traveling decisions (frequency, destination, mode of travel, etc.) is a meaningful factor in the context of inflation's impact on them. The t-value for X2 is -1.741 with a significance level of 0.088. This significance level is greater than 0.05, suggesting that X2 does not have a statistically significant effect on the dependent variable Y. Therefore, consumer behavior related to hotels and travel agencies, such as how they choose accommodations or whether they use travel agencies, does not significantly influence the impact of inflation on consumer behavior in a statistically meaningful way. The negative t-value indicates a negative direction of influence, but since it's not significant, it suggests no strong evidence that behavior regarding hotel and travel agency usage meaningfully affects the dependent variable in the context of inflation.

The statistical analysis demonstrates that consumer behavior related to traveling activity has a significant impact on the effects of inflation on consumers. In contrast, behaviors associated with hotel and travel agency use do not show a significant influence. This highlights the importance of understanding specific consumer behaviors, such as traveling activities, to grasp how inflation affects consumer decisions and overall behavior.

The qualitative data presented provides insights into the consumer behavior regarding traveling activity, hotel and travel agency usage, and behaviors during inflation, through the experiences of Miss Amalia, Mr. Audi, and Mr. Anton. Each individual represents different aspects of traveling behavior under various circumstances. These behaviors demonstrate a spectrum of travel preferences from purpose-driven and budget-conscious travel to adaptable and experience-maximizing strategies, influenced by personal, professional, and economic factors. The data suggests that while individual travel behaviors vary, common themes of adaptability, strategic planning, and the pursuit of personal fulfillment within budgetary constraints emerge as significant factors influencing consumer behavior in the travel sector.

Miss Amalia's experiences underscore the significance of purpose-driven and budget-conscious traveling. Her international travels for study and research purposes, often in a backpacker mode, highlight a trend where travel decisions are closely tied to personal or professional objectives rather than purely for leisure. This behavior reflects a pragmatic approach to traveling, where the necessity of travel for research intersects with a preference for cost-effective solutions. The notion of travel as a self-reward, albeit with careful planning and budget considerations, further illustrates a balanced perspective on fulfilling personal aspirations within financial constraints.

Mr. Audi's approach to planning his travels, drawing inspiration from various sources and managing the itinerary himself, illustrates a growing trend towards personalized travel experiences and the use of digital resources for travel planning. His flexibility in mixing backpacker and luxury experiences based on budget availability suggests a nuanced consumer behavior that seeks to maximize the travel experience within financial limits. This behavior indicates a segment of travelers who are not strictly budget travelers nor luxury seekers but are willing to adjust their travel style based on financial resources and desired experiences.

Mr. Anton's strategy for traveling during economically challenging times, such as choosing domestic destinations to manage expenses, showcases adaptability in maintaining travel activities despite financial pressures. His tips for managing finances during travel, including buying tickets in advance and keeping money safe, reflect a

cautious approach to travel budgeting. This behavior reveals a segment of consumers who prioritize continued travel experiences, albeit modified to fit economic conditions, indicating resilience in consumer travel behaviors in the face of economic downturns.

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APPENDIX A. IN-DEPTH INTERVIEW

Interviewee: Amalia Raras Putri Cahyadi

Function: Student of Zoology Moscow Timiryazev Agricultural Academy

Interview time: February 23, 2024

1. What kind of traveling activity that you usually do?

“I usually goes to overseas such as Egypt and Buthan because of my study in biology required me to do research in some places abroad.”

2. How is important your traveling activity in your daily life?

“It is pretty important because it is part of research for my study.”

3. How does inflation/economic situation impact your traveling activity?

“The inflation might impact my budget for traveling. I usually allocate my money for basic needs first.”

4. How do you pay your traveling expenses?

“Despite my status as student, I also pay my traveling expenses by working as teacher.”

5. How do you manage your traveling itinerary?

“I usually make the itinerary based on the place and the route I want to cross. I usually start from the most distant route, just the last day, the road to the most convenient place from the station or airport.”

6. Which one do you prefer: “traveling on budget” or “luxury experiences”? Why?

“I prefer traveling on budget because of my financial status now. However, But to climb the mountain I didn't dare on the budget because of security issues.”

7. What do you think about backpacker or any cheap traveling?

“Backpacker is definitely the easiest alternative for us students, besides cheap usually we know more about the habit of living warlocks. But this really has to be a matter of budget and what the plan is like, like bus schedules and so on. Don't forget security checks.”

8. What do you think about “traveling is a self-reward” after working hard?

“Although traveling could be a self-reward, we should note the plan and any requirements related to travel budget must be well considered.”

9. Do you ever get sponsorship for your traveling activity? If it is yes, how do you get it?

“I've been a sponsor of mountain climbing since diplomats from college. I've written a proposal before, and I'm presenting what I do and why I should be sponsored.”

10. Do you have any tips or tricks related to financial management that you usually implement in your traveling activity?

“Tips or tricks to make a budget copy I think find a community of backpackers or tourists gt. You can still find a volunteer event/race/conference that is fully funded. I mean, I've been to a conference several times at a time because I'm paid for it.”

Interviewee: Prokhorov Nikita

Function: Student of the Ural Federal University, Master 2nd year

Interview time: February 25, 2024

1. What kind of traveling activity that you usually do?

“I prefer organising trips by myself, but if I have a chance I can buy tour in agency.”

2. How is important your traveling activity in your daily life?

“It’s very important as it helps me with the rest of my life. Travelling activity really helps me to change my mind, to refresh myself.”

3. How does inflation/economic situation impact your traveling activity?

“Economic situation tells me to find some ways in order to continue my traveller’s life.”

4. How do you pay your traveling expenses?

“I pay my travelling expenses usually by cash.”

5. How do you manage your traveling itinerary?

“Sometimes I need to follow special itinerary if it is included, but in other cases I can think it over by myself.”

6. Which one do you prefer: “traveling on budget” or “luxury experiences”? Why?

“I prefer different ways: in many cases I try to travel on my budget.”

7. What do you think about backpacker or any cheap traveling?

“I like backpacking trips, but rarely do them.”

8. What do you think about “traveling is a self-reward” after working hard?

“I agree that travelling sometimes can be as a reward to yourself. For travelling you need to get your energy first to do your future work.”

9. Do you ever get sponsorship for your traveling activity? If it is yes, how do you get it?

“In my life I didn’t get any sponsorship for travelling activities.”

10. Do you have any tips or tricks related to financial management that you usually implement in your traveling activity?

“Sometimes I use my tips for special travelling activities, and of course to buy some tickets in advance. In some cases it is normal for me to keep some documents in the right place (having printed copies of my documents). In different place I try to find locals, who knows about places where to eat and where to stay.”

Interviewee: Fath Audi Aldikamil Ibrahim

Function: Student of Medical Faculty Novosibirsk State University

Interview time: February 23, 2024

1. What kind of traveling activity that you usually do?

“Explore the city, to nature, mostly backpacking + hitchhiking.”

2. How is important your traveling activity in your daily life?

“It is important because it gives me more experience and stories.”

3. How does inflation/economic situation impact your traveling activity?

“Mosly doesn't, traveling in Russia belongs cheap.”

4. How do you pay your traveling expenses?

“Saving money from my working salary.”

5. How do you manage your traveling itinerary?

“I manage the itinerary by myself. I am looking for the inspiration from Instagram, AI, and tour traveling itinerary from internet.”

6. Which one do you prefer: “traveling on budget” or “luxury experiences”? Why?

“I usually mix the type of traveling between backpacker and luxury vacation based on my budget. I will pay more if I have enough budget to experience luxury hospitality that I really want to.”

7. What do you think about backpacker or any cheap traveling?

“I think that is totally fine. Yeah, well, people enjoy their lives differently. The money's in case of emergency.”

8. What do you think about “traveling is a self-reward” after working hard?

“One of the self rewards can be, but you don't have to travel all the time.”

9. Do you ever get sponsorship for your traveling activity? If it is yes, how do you get it?

“Never. But I want to if I have a chance.”

10. Do you have any tips or tricks related to financial management that you usually implement in your traveling activity?

“Don't worry, experience doesn't come two times, but if you can save, do as much as you can.”

Interviewee: Oleg Mareev

Function: Russian and International Art Dealer

Interview time: February 25, 2024

1. What kind of traveling activity that you usually do?

“I usually travel for work. By plane. I also fly a plane once a year on vacation.”

2. How is important your traveling activity in your daily life?

“Before the pandemic, travel was a very important part of my life. Now there are fewer opportunities for travel.”

3. How does inflation/economic situation impact your traveling activity?

“Of course, price increases are noticeable in all spheres. Travel has become a very expensive pleasure.”

4. How do you pay your traveling expenses?

“If I fly on the job, my company will pay for the costs. On vacation, I fly for my money.”

5. How do you manage your traveling itinerary?

“A strange question. First of all, I want to see new places, new countries. Or I go back to where I've been fine. But now the travel has become less and so I'm looking first and foremost for new experiences.”

6. Which one do you prefer: “traveling on budget” or “luxury experiences”? Why?

“Budget. I want to feel comfortable in the cent category where I feel confident.”

7. What do you think about backpacker or any cheap traveling?

“No “cheapest” is not my option. There should be a balance between the cost of travel and the level of comfort.”

8. What do you think about “traveling is a self-reward” after working hard?

“No, I don't think so.”

9. Do you ever get sponsorship for your traveling activity? If it is yes, how do you get it?

“There was no such thing.”

10. Do you have any tips or tricks related to financial management that you usually implement in your traveling activity?

“There are no secrets. Find the optimal balance between budget and comfort. That's it.”

Interviewee: Windy Shelia

Function: Participant of Australia-Indonesia Youth Exchange Program

Interview time: February 24, 2024

1. What kind of traveling activity that you usually do?

“I usually goes to Bali, Jakarta, Semarang, and any other cities in Indonesia. I do domestic travelling for the sake of study tour and backpacker.”

2. How is important your traveling activity in your daily life?

“It is my tersier need after my basic needs.”

3. How does inflation/economic situation impact your traveling activity?

“I limit my traveling frequence on 2020-2022 because of COVID-19. I also locate my salary for other essential thing since I got less payment at that time.”

4. How do you pay your traveling expenses?

“I save my salary and also I make a particular saving for my traveling plan.”

5. How do you manage your traveling itinerary?

“I never use travel agent to handle my itinerary. I think that I could locate the cost of travel agent for any other beneficial things during traveling.”

6. Which one do you prefer: “traveling on budget” or “luxury experiences”? Why?

“I would traveling on budget rather than luxury experiences. I would save my money for the other need or my saving in the future rather than purchase luxury service during traveling.”

7. What do you think about backpacker or any cheap traveling?

“most of my traveling activities are backpacker mode, except for study tour. I think cheap traveling is a fair choice related to cost and my salary.”

8. What do you think about “traveling is a self-reward” after working hard?

“My hobby is traveling even though I do not have much time because I work full time in a company. So, I make traveling as motivation to keep work going. Going somewhere is a reward for me at least once in 6 months.”

9. Do you ever get sponsorship for your traveling activity? If it is yes, how do you get it?

“Yes. “I got sponsorship several times from study tour. I usually sleep in at least 3 stars hotel and I do not need consider cheap traveling because the university or organizing commiittee cover it for me.”

10.Do you have any tips or tricks related to financial management that you usually implement in your traveling activity?

“I always save 20% of salary for my traveling budget. I will save it separately from my main bank account. Also, I usually look for cheap airfare and applying promo and discount purchasing hotel.”

APPENDIX A. IN-DEPTH INTERVIEW

Interviewee: Anton Guzeev

Function: Founder of Volunteers Societies Ecodozor

Interview time: February 26, 2024

1. What kind of traveling activity that you usually do?

“I prefer to organise trip myself, but i also can buy tour in agency.”

2. How is important your traveling activity in your daily life?

“Very important because it helps me to rest. It's a chance to ask yourself some of life's most essential questions.”

3. How does inflation/economic situation impact your traveling activity?

“Economic situation pushes me to travel more in my country.”

4. How do you pay your traveling expenses?

“I am paying by case usually.”

5. How do you manage your traveling itinerary?

“I don't prepare exact itinerary, only main points. i like to be flexible.”

6. Which one do you prefer: “traveling on budget” or “luxury experiences”? Why?

“I prefer travelling on budget to control my expenses.”

7. What do you think about backpacker or any cheap traveling?

“I like backpacking trips.”

8. What do you think about “traveling is a self-reward” after working hard?

“I agree that travelling can be as a reward to yourself. But I like the idea, that travelling is starting point of working hard. Because u need to get energy first to do your work efficiently.”

9. Do you ever get sponsorship for your traveling activity? If it is yes, how do you get it?

“No, only in my childhood.”

10. Do you have any tips or tricks related to financial management that you usually implement in your traveling activity?

“Tips. To buy tickets in advance. To keep cash and debit card in different places. Have printed copy of yr passport. Good idea is to find local friend and ask him where to eat, how to reach appropriate location.”

APPENDIX B – SURVEY QUESTIONNAIRE

<https://bit.ly/inflationbehaviour>

Exploring The Impact of Inflation Through Consumer Behaviour on Hospitality Industry: A Case Study in Russia and Indonesia

Dear colleagues,

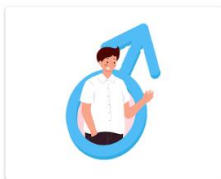
I am Wawan Irawan a master's student in International Management, at Ural Federal University. I am looking for 100 participants, 50 from Indonesia and 50 from Russia. This sample size is considered sufficient for a qualitative study with the purpose of exploring perceptions and attitudes of hospitality professionals.

I would like to enhance my knowledge related to the impact of inflation on consumer behaviour regarding the hospitality industry, both in Indonesia and Russia. One of the goal of this research is to make an important contribution to the development of the hospitality market on the global level especially given the economic challenges, such as inflation and economic risks that companies face nowadays. Thus, I believe that with your help it would be possible to offer appropriate guidelines and strategies for the hospitality businesses both in Russia and Indonesia.

Gender *



GENDER



☐ Male



☐ Female

Age *



AGE

- ☐ 18 years old - 30 years old
- ☐ 31 years old - 40 years old
- ☒ 41 years old - 50 years old
- ☐ 51 years old - 60 years old



NATIONALITY



☐ Indonesia



☒ Russia



PROFESSIONAL
OCCUPATION

☐ Employee

☐ Entrepreneur

☐ Civil Servant

☒ Student

☐ Other: _____

What is the type of your traveling activity the most?



WHERE IS THE SOURCE
OF YOUR TRAVEL
EXPENSES?

☐ Domestic Traveling

☒ Overseas Traveling

☐ Business Trip

☐ Study Tour



WHERE IS THE SOURCE
OF YOUR TRAVEL
EXPENSES?

☐ Additional savings

☒ Pay from salary money

☐ Sponsorship

Clear selection

Frequency of Traveling Activity in a year



FREQUENCY OF
TRAVELING ACTIVITY
IN A YEAR

☐ Less than 1

☒ 1-5

☐ More than 5

☐ Other: _____

Exploring The Impact of Inflation Through Consumer Behaviour on Hospitality Industry: A Case Study in Russia and Indonesia

The Impact of Inflation on Costumer

- 1. Not Really
- 2. No
- 3. Neutral
- 4. Yes

I know the economy situation around me *

	1	2	3	4	
Not Really	☐	☐	☒	☐	Yes

I had to change my working schedule to be able to travel before/after high season *

	1	2	3	4	
Not Really	☐	☐	☐	☐	Yes

I had to reduce the number of trips I usually make a year *

1

2

3

4

Not Really

☐

☐

☐

☐

Yes

I decided to opt for hostels and Apartments *

1

2

3

4

Not Really

☐

☐

☐

☐

Yes

I have to adjust my relook at the list of my needs and wishes *

1

2

3

4

Not Really

☐

☐

☐

☐

Yes

Back

Next

Page 2 of 5

Clear form

Exploring The Impact of Inflation Through Consumer Behaviour on Hospitality Industry: A Case Study in Russia and Indonesia

Consumer Buying Behavior on Traveling Activity

1. SD = Strongly Disagree
2. D = Disagree
3. N = Neutral
4. A = Agree
5. SA = Strongly Agree

I choose the cheapest airfare to cut cost

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I always save money to do traveling in the future *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

Backpacker is my traveling mode *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I do not mind for paying more to process my visa application *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I arrange my itinerary by myself *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

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Consumer Buying Behavior on Hotel and Travel Agency

1. SD
= Strongly Disagree

2. D
= Disagree

3. N
= Neutral

4. A
= Agree

5. SA
= Strongly Agree

I use a coupon/promo for my hotel room purchase *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I do not mind to pay more for upgrading my hotel room *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I chose a tour and travel package in advance *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I do not mind stay in dormitory hostel *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I usually hire tour guide during my traveling *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

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Consumer Buying Behavior during Inflation

- 1. SD = Strongly Disagree
- 2. D = Disagree
- 3. N = Neutral
- 4. A = Agree
- 5. SA = Strongly Agree

I cut my budget on traveling during inflation *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I choose cheaper transportation to go somewhere *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I use credit card or pay later for covering my traveling *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I prioritize my money for basic needs rather than traveling *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA

I got sponsorship (company, school, etc.) covering my traveling budget *

	1	2	3	4	5	
SD	☐	☐	☐	☐	☐	SA