



**Customer behavior and satisfaction with online travel agencies:**

**A case study of [www.LateStays.com](http://www.LateStays.com)**

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**A Thesis Submitted in Partial Fulfillment of the Requirements for the Degree of  
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ชื่อวิทยานิพนธ์	พฤติกรรมลูกค้าและความพึงพอใจ ของลูกค้าที่มีต่อธุรกิจการท่องเที่ยวออนไลน์ ของเว็บไซต์ <a href="http://www.LateStays.com">www.LateStays.com</a>
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### บทคัดย่อ

วัตถุประสงค์ของการวิจัยครั้งนี้ประกอบด้วย 1) เพื่อศึกษาพฤติกรรมลูกค้าออนไลน์ในการจองห้องพักที่มีผลกระทบต่อเว็บไซต์ 2) เพื่อจำแนกปัจจัยที่มีผลกระทบต่อความคิดเห็นเลือกจองโรงแรม ของลูกค้าออนไลน์ 3) เพื่อศึกษาความสัมพันธ์ระหว่างปัจจัยเรื่องประชากรศาสตร์ต่อพฤติกรรมการท่องเที่ยวของกลุ่มคนที่คาดว่าจะมาเป็นลูกค้า 4) เพื่อเสนอแนวทางในการส่งเสริมความพึงพอใจของลูกค้าต่อเว็บไซต์ตัวแทนการท่องเที่ยว

กลุ่มตัวอย่างในการวิจัยครั้งนี้มีสองกลุ่มตัวอย่าง คือกลุ่มผู้ใช้บริการจองห้องพัก ทางเว็บไซต์ [www.LateStays.com](http://www.LateStays.com) (เรียกอย่างย่อว่า เว็บไซต์ ) ของตัวแทนการท่องเที่ยว และกลุ่มผู้ที่ได้ลงทะเบียนเพื่อรับข่าวสารการท่องเที่ยวและข้อมูลโรงแรมผ่านทางวารสารอิเล็กทรอนิกส์ จากเว็บไซต์ โดยเครื่องมือที่ใช้ในการรวบรวมข้อมูล คือแบบสอบถามจำนวน 400 ชุด แจกไปยังกลุ่มลูกค้าผู้ใช้บริการจองห้องพัก และกลุ่มผู้ที่ได้ลงทะเบียนเพื่อรับข่าวสาร ดังกล่าว อีกจำนวน 400 ชุด โดยแจกผ่านทางจดหมายอิเล็กทรอนิกส์ (อีเมลแอดเดรส ) โดยระยะเวลาการแจกและ การรอผลกลับอยู่ระหว่างวันที่ 1 พฤษภาคม ถึง 16 สิงหาคม 2552

สถิติที่ใช้ในการวิเคราะห์ข้อมูลได้แก่ ค่าร้อยละ ค่าเฉลี่ย และค่าส่วนเบี่ยงเบนมาตรฐาน ค่าความสัมพันธ์ถูกเสนอผ่านค่าที (T-test), การวิเคราะห์ความแปรปรวนทางเดียว (One-way Analysis of Variance) ในกรณีที่พบความแตกต่างอย่างมีนัยสำคัญทางสถิติจะทำการทดสอบรายคู่ โดยใช้วิธี LSD (Least Significant Difference) และ ไคสแควร์ (Chi-square test)

จากผลการวิจัยพฤติกรรมของลูกค้าที่ทำการจองห้องพักผ่านเว็บไซต์นั้นพบว่าลูกค้าจะค้นพบเว็บไซต์ได้จากช่องทางของระบบการค้นหาเป็นส่วนใหญ่ โดยระบบการค้นหาของกูเกิลเป็นที่นิยมมากที่สุดจำนวน 87.5% ของลูกค้าทั้งหมด ในส่วนของความพึงพอใจพบว่าลูกค้ามีความพึงพอใจต่อการใช้เว็บไซต์อยู่ในระดับสูง โดยมี  $\bar{x} = 7.93$  จาก 10 (ดีมาก) และลูกค้าเห็นว่าการใช้งานของเว็บไซต์นั้นง่ายต่อการทำการใช้งาน ในส่วนของความพึงพอใจที่มีต่อโรงแรมที่ลูกค้าได้จองและไปใช้บริการแล้ว พบว่าลูกค้ามีความพึงพอใจโดยรวมอยู่ในระดับดีมาก มี  $\bar{x} = 4.21$  ตัวแปรของโรงแรมที่ลูกค้าทำให้พึงพอใจต่อโรงแรมที่ได้จอง คือ ความสะอาด ( $\bar{x} = 4.34$ ) และ การตอบรับการจองแบบทันที ( $\bar{x} = 4.31$ ) อยู่ในระดับมากที่สุด

การจำแนกปัจจัยที่มีผลกระทบต่อการตัดสินใจในการเลือกจองห้องพักกับเว็บทางเว็บไซต์ของลูกค้า นั้นพบว่าลูกค้าจะเลือกจองห้องพักออนไลน์กับโรงแรมที่มีที่ตั้งที่ดีตามความต้องการ ตัวแปรที่ลูกค้าตัดสินใจจองห้องพักผ่านเว็บไซต์นั้นพบว่าลูกค้าจะพิจารณาถึง ราคาที่เสนอขายบนเว็บไซต์และ การตอบรับการจองแบบทันทีเป็นตัวแปรหลักสำคัญ

สำหรับผลการศึกษา ความสัมพันธ์ระหว่างปัจจัยเรื่องประชากรศาสตร์ต่อพฤติกรรมการท่องเที่ยวของกลุ่มคนที่คาดว่าจะมาเป็นลูกค้า พบว่าทวีปที่ลูกค้าอาศัยอยู่ มีสัมพันธ์กับจำนวนครั้งในการจองห้องพักออนไลน์และระยะเวลาการพัก แต่ไม่มีผลต่องบประมาณค่าห้องต่อคืน , เชื้อชาติมีความสัมพันธ์ต่อจำนวนครั้งในการจองห้องพัก ออนไลน์ แต่ไม่มีความสัมพันธ์ต่อระยะเวลาการพัก และงบประมาณค่าห้องต่อคืน , เพศมีความสัมพันธ์ต่องบประมาณค่าห้องต่อคืน แต่ไม่มีความสัมพันธ์ต่อจำนวนครั้งในการจองห้องพักออนไลน์ และ ระยะเวลาการพัก , อายุไม่มีความสัมพันธ์ต่อตัวแปรทั้งสาม ในขณะที่สถานะภาพการสมรส ไม่มีความสัมพันธ์ ต่อ จำนวนครั้งในการจองห้องพักออนไลน์ แต่มีความสัมพันธ์ต่อระยะเวลาการพัก และงบประมาณค่าห้องต่อคืน

จากผลการวิจัยข้างต้น แนวทางการพัฒนาความพึงพอใจของลูกค้าต่อเว็บไซต์การจองห้องพักนั้น คือ การที่ ตัวแทนการท่องเที่ยว พัฒนาเว็บไซต์ให้ลูกค้าสามารถเข้าถึงเว็บไซต์ หรือค้นพบเว็บไซต์ได้ง่าย รวมไปถึงการ ทำให้เว็บไซต์มีความง่ายต่อการใช้ และสินค้า (โรงแรม) มีความสะอาดดี ตั้งอยู่ในตำแหน่งที่ลูกค้าต้องการ ราคาไม่แพงกว่าคู่แข่ง อีกทั้งควรจะตอบสนองความต้องการพึงผลการจองของลูกค้าด้วยระบบการตอบยืนยันแบบทันที

**คำสำคัญ** ความพึงพอใจของลูกค้า, พฤติกรรมผู้บริโภคออนไลน์, ตัวแทนการท่องเที่ยวแบบออนไลน์, การจองที่พักออนไลน์

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### ABSTRACT

The study was designed to 1) To study the effect of the online customer behavior booking hotel accommodations on their satisfaction to the website, 2) to identify key factors that affect the online customers' hotels selection, 3) to study the effect of Demographic factors on the expected customers' online booking behavior and 4) to propose the measures for improving the customer satisfaction with the travel agent's websites.

The population came from two groups of samplings; a group of customers who booked a hotel accommodations with www.LateStays.com (shortly the website), and a group of online news letter subscribers, who wished to received new of travelling and hotels. Research instruments were two sets of questionnaires. Set one was sent to four hundred customers who booked the hotel accommodations with the website. Set two was sent to four hundred online newsletter subscribers. Both of the questionnaires sets were sent via email addresses. The sending and collecting questionnaires period was during May 1<sup>st</sup> to August 16<sup>th</sup>, 2009.

Statistics used for data analysis of this research was percentage, mean, and SD. The relation was presented through, T-test, One-way Analysis of Variance, followed by post hoc LSD - Least Significant Difference tests and Chi-Square.

The research showed the result that most of the customers who booked hotel accommodations accessed to the website by search engines, of which Google was the most popular one, or 85% of all customers. They were highly satisfied to the website by rating at  $\bar{X} = 7.93$  out of 10 (excellent). They found the website easy to use. Most of the customer had high satisfaction to the hotels, of which they booked and used the services, especially on factors cleanliness ( $\bar{X} = 4.34$ ) and instant confirmation ( $\bar{X} = 4.31$ ).

Key factors that affect the online customers' hotel selection in aspect of the hotel factors are good location and good price. Factors that made the customer prefer to book hotel accommodations with the website because they considered price and instant confirmation as important factors.

The expected customers group showed result that their Base of Continents was correlated to their frequency of booking accommodation online and average length of stay but was irrelevant to average budget per room per night. Their Nationalities were correlated to the frequency of booking accommodation online but were irrelevant to the average length of stay and the average budget per room per night. Gender was correlated to the average budget per room per night but was irrelevant to frequency of booking accommodation online and the average length of stay. Ages were irrelevant to all the three factors, while Marital Status was correlated to the average length of stay and the average budget per room per night but was irrelevant to the frequency of booking accommodation online.

From the results above, it is suggested to that the website improve the customer satisfaction by developing the website focusing on ease of use of the website, and promote the website accessibility. The website is suggested to sell only hotels that have good cleanliness and on location of the customer's interest. Meanwhile, the website should set price in a competitive range and support the customers' quick response by instant confirmation.

Keywords: Customer Satisfaction, Online Consumer Behavior, Online travel agent,  
Online hotel reservation

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Thatiphat Uengsinkhatrakul

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## LIST OF ABBREVIATIONS AND SYMBOLS

CRM	Customer Relation Management
CRS	Computerized Reservation System
E-mail	Electronic Mail
GDS	Global Distribution System
OTAs	Online Travel Agent
IT	Information Technology
ITWS	Independent Travel Website Satisfaction
SERVQUAL	Service Quality
THB	Thai Baht
TIA	Travel Industry Association
TICSI	The International Customer Service Institute
TICSS	The International Customer Service Standard
US\$	United States Dollars

# CHAPTER 1

## INTRODUCTION

### 1.1 Problem of statement

Since the early 1990's when the Internet exploded into the mainstream, it has made enormous impact on the way people access information and on the way business operations are carried out. It has changed more than just the way individual gather information about a particular topic or product, or the way businesses try to streamline operations. The business world has also experienced a dramatic culture change. The Internet has forced businesses to rethink and adapt existing business models to further emphasize productivity, efficiency, and the streamlining of all business processes (Adams, Nelson, and Todd, 1992).

In a matter of very few years, the internet has consolidated itself as a very powerful platform that has changed the way we do business, and the way we communicate. The Internet, as no other communication medium, has given an International or a "Globalized" dimension to the world. Internet has become the Universal source of information for millions of people, at home, at school, and at work. Internet is actually the most democratic of all the mass media



**Table1.1** The Growth of World Internet User 2000-2008

<b>WORLD INTERNET USAGE AND POPULATION STATISTIC</b>				
<b>World Region</b>	<b>Population (2008 Est.)</b>	<b>Internet Users Dec. 31,2000</b>	<b>Internet Users Latest Data</b>	<b>Users Growth 2000- 2008</b>
<b>Africa</b>	975,330,899	4,514,400	54,171,500	1,100.0
<b>Asia</b>	3,780,819,792	114,304,000	657,170,816	474.9
<b>Europe</b>	803,903,540	105,096,093	393,373,398	274.3
<b>Middle East</b>	196,767,614	3,284,800	45,861,346	1,296.2
<b>North America</b>	337,572,949	108,096,800	251,290,489	132.5
<b>Latin</b>	581,249,892	18,068,919	173,619,140	860.9
<b>Ocenia/Australia</b>	34,384,384	7,620,480	20,783,419	172.7
<b>WORLD TOTAL</b>	6,710,029,070	360,985,492	1,596,270,108	342.2

Source: Internet World Stats Websites  
<http://www.internetworldstats.com/stats.htm>

With respect to variety and utilization of the internet, it increased popularity of users. With reference to growth of internet users of year 2000-2008 at 342.2% from 360,985,492 in the year 2000 to 1,596,270,108 people in year 2008. It is such a huge growth that every business aspect can be take an opportunities on.

With a very low investment, anyone can access a web page in Internet. This way, almost any business can

reach a very large market, directly, fast and economically, no matter the size or location of the business. With a very low investment, almost anybody that can read and write can have access to the World Wide Web. More and more shops and business are keen on offering goods and services via internet; here comes “e commerce”.

As a travel business has the characteristic which familiar to the nature of internet and e-commerce so many offline travel agents especially booking travel agency has accepted the trend and change their business criteria to online services.

Studies that considered the product sector measured different consumers’ attitudes/behavior, including purchasing behavior and e-satisfaction, based on product categories. Prior studies (Cho and Ha, 2004; Figueiredo, 2000) have noted that consumers’ attitude toward e-businesses vary based on the “product/service categories.” Product categories have been frequently applied to e-researches due to the inevitable fact that e-transactions have limitations to deliver the senses via computer network. While online travel agencies deliver most services on the web, today’s savvy customers expect high quality with e-business, such as better Web customer interface, lower price, better travel package combinations, customization, and a high level of interactivity.

Most travel websites still struggle with how to effectively evaluate user satisfaction and how to measure the success of their website (Chen and Wells, 1999). Customer satisfaction, recognition and reuse are indeed the key factor for every business success, also in travel business. The website with high traffic and members can lead to more advertising, selling space, exchange banners, etc. Then, it will become successful website. Based on consideration above, this research aims to identify customer behavior and satisfaction with online travel agent.

## **1.2 Related Literature**

### **1.2.1 Internet & tourism**

The internet is having a continuously growing influence on various tourism markets. First, consumer information and booking behaviour has changed dramatically since online information and booking services have been introduced (Lohmann et al., 2004). With a very low investment, anyone can access a web page in Internet. This way, almost any business can reach a very large market, directly, fast and economically, no matter the size or location of the business. With a very low investment, almost anybody that can read and write can have access to the World Wide Web. More and more shops and business are keen on offering goods and services via internet; here comes “e commerce”.

Electronic commerce (e-commerce) is simply defined as the “use of the internet and Web to transact business”

within the context of the global marketplace (Laudon & Traver, 2007). Doing an e-commerce could easily help business in reducing the cost of doing business. It does also create an efficiency of delivering a product to the customer. The customer also got the benefit from e-business as they could easily search product and services they want and paid online without going out to lose their time on the road.

The hospitality and tourism industry has always been among the first to capitalize on new technology. Because it is an information-rich industry, it depends on finding and developing new means to distribute travel and hospitality product and services, marketing information to consumers are constantly seeking new sources of information to help them make decisions before purchasing travel services to make their trips more satisfying. It is not surprising that travel and hospitality e-commerce is among the top four growth categories, second only to finance and insurance services. As a travel business has the characteristic which familiar to the nature of internet and e-commerce so many offline travel agents especially booking travel agency has accepted the trend and change their business criteria to online services.

Use of the Internet by travelers to plan and book their trips continues to grow at a rapid rate. In the United States, according to the Travel Industry Association, about 64 million (TIA, 2003) online travelers used the Internet to get information on destinations or to check prices and schedules, growing about 400% over three years. In 2005 (Woolford, 2006), 79 million Americans travelers turned to the internet for travel or destination information, much higher than that in 2004. In 2008

(TIA, 2008) there were 112 million online travelers, 90.0 million people used the Internet to plan their trips.

#### **1.2.1.1 Online Travel Websites**

There are now 66% of leisure travellers now use the internet to plan some aspect of their travel (versus 35% in 2000), while 56% now report making reservations online, according to a study by Ypartnership entitled National Travel MONITORSM. Only 1% of travellers commence their search for a vacation destination by visiting a blog. The representative survey of 1,590 active travellers was conducted during the months of February and March, 2009, and is co-authored annually by Ypartnership and Yankelovich, Inc. The study finds that travellers visit search engines such as Google, Yahoo or MSN first (34%) when considering vacation destination alternatives.

The Web sites of specific countries or destination boards are visited next (23%), followed by online travel agencies such as Expedia and Travelocity (22%). While the percentage of leisure travellers who report making reservations online has grown more than 37% since the year 2000, consumers' search behaviour has changed in recent years as people have become more familiar with search technology and the number of travel planning/purchasing sites has grown exponentially, according to Ypartnership.

Search patterns for selecting an airline or lodging accommodation are understandably different. Consumers who are searching for these travel services first visit the Web sites of online travel agencies (42% and 31%, respectively). Brand-specific sites (41%) follow closely when leisure travellers are

selecting an airline, yet significantly less so when they select lodging (21%). Meta search engines that compare fares are visited first by over one-out-of-ten travelers (13%) when selecting an airline. (Ypartnership, May 2009) <http://www.newmediatrendwatch.com>

A travel website is a site on the World Wide Web that is dedicated to travel. The site may be focused on travel reviews, the booking of travel, or a combination of both. Approximately seventy million consumers researched travel plans online. While this activity remains dominated by Online Travel Agencies such as Expedia, Travelocity, and Orbitz (the “OTA’s” attracted 48.5 million consumers. (Saks, 2006)

The site may be providing on travel information, the booking of travel or a combination of both. Online travel websites make planning vacations easy. We are no longer required to contact a travel agent to plan up-coming trips and family holidays. Most online websites allow you to book flights, hotels, car rentals and cruises. Additionally, many of these sites provide discounted fares you can’t find on the airlines, hotels, car rentals or cruise liner’s website. These are rates given exclusively to the online travel site to sell.

Online travel sites let the travelers be their own travel agent. Planning trips or vacation and make reservations quickly with just a few mouse clicks. Make reservations for a flight or a cruise, hotel or car rental. Pay and get confirmation numbers online. Travel planning that once took hours now takes only a few headache-free minutes. An additional advantage: deals offered only by online sites, since they are often given exclusive discounted rates to sell to customers (Source: <http://online-travel-sites-review.toptenreviews.com/>).

It consists of various type of travel websites which are travelogues, Online travel agency, fare aggregators, direct suppliers, tourism guides, online travel guides and travel tools.

- Travelogues: The majority of travel websites are online travelogues or travel journals, usually created by individuals. This medium produces a wide variety of styles, often incorporating graphics, photography, maps and unique content. Some of the most popular travel websites in 2008 are sites like TripAdvisor, where people can read reviews written by fellow travelers.[citation needed] Some sites focus on providing content and photos submitted by users and share own information other travelers. while others pay for articles written by professional writers (Trip advisor, 2009).
- Online Travel Agencies: An online travel agency specializes in online travel sources and online bookings (Expedia, 2009).
- Fare aggregators, such as Booking Navigator or Kayak.com or Mobissimo, redirect the users to an airline site or online travel agencies (OTAs) for the final purchase of an airline ticket. Aggregators' business models include getting feeds from major OTAs, then displaying to the users all of the results on one screen. The OTAs then fulfills the ticket. Aggregators generate revenues through advertising and charging OTAs for referring clients. These days, aggregators often make use of Screen Scraping, to get live availability of flights. Screen Scraping is a

way of crawling through the airline websites, getting content from those sites. Fare Aggregators have gone a step further and are building some combinatorial logic into trips the user selects (eyefortravel.com, 2008).

- **Direct suppliers:** Direct suppliers, such as airlines and hotels, have seen their market share jump from 58 percent last year, to 69 percent this year. These "supplier" sites offer bonus frequent flyer program miles and other perks for booking directly with them. According to market researcher comScore, 64 percent of online travel shoppers stop at the agency sites first, presumably to comparison shop. However, the majority of online travel revenues go to sites run by Marriott International and Continental Airlines.
- **Tourism guides:** Most states, provinces and countries have their own convention and visitor bureaus, which usually include a web site dedicated to promoting tourism in their respective regions.
- **Online travel guides:** There are many online travel guides for various cities around the world. Online travel guides are not affiliated with the tourism bureau, but are often very informative. Examples of online travel guides are Landabrf, VEGAS.com and DGuides.
- **Travel Tools:** These are sites that help a traveler determine the best time to travel, the best places to travel, which hotel or airlines to choose, etc. See SeatGuru for airline seat research, Cruisecritic for cruise line reviews, TripSchedule for a list of travel tools and WhenUGo for information on the best time to travel.

The researcher will focus only on online travel agencies (OTAs)



### 1.2.1.2 Online Travel Agencies

The role of the travel agencies includes three key tasks. First, to perform the function of information broker (Lewis *et al.*, 1998) passing information between buyers and suppliers. Second, to process transactions, including printing tickets and forwarding money to suppliers and third, to advise travellers. Travel consultants are presumed to have specialized knowledge and a specialized technology infrastructure namely the Computerized Reservations System (CRS). Equipped with these tools, travel consultants have in the past been able to justify their position as experts by integrating the needs of travellers with the suppliers of travel (Lewis *et al.*, 1998).

There is a flurry of activities going on worldwide to transform the distribution of travel through new technologies using the Internet, which will profoundly reshape the way the travel products are distributed. New technologies in the marketplace such as the Internet, electronic ticketing and kiosks are having considerable effects on the travel industry. According to O'Brien (1998) these effects include:

- The intermediaries such as travel agents role in the distribution channel to be altered (Poon, 1993). P.70
- Enabling the development of cost-competitive and flexible travel products (Poon, 1993). P70
- Assists in transforming tourism and travel into a more flexible, individual-oriented, sustainable and diagonally integrated industry (Poon, 1993, as cited in O'Brien, 1998) P.71

Travel agencies are no strangers to information technology and highly dependent on up-to-date, accurate information. Information technology has been widely used within travel agencies for reservation, accounting and inventory management functions. Raymond and Bergeron refer to the types of systems used by travel agents as:

- Global distribution systems(GDS) such as Galileo, Sabre and Amadeus which are used for reservations, information search
- Organization information system which are used for accounting, reporting record and billing

With general public access to the Internet, many airlines and other travel companies began to sell directly to passengers. As a consequence, airlines no longer needed to pay the commissions to travel agents on each ticket sold. Since 1997, travel agencies have gradually been disintermediated, by the reduction in costs caused by removing layers from the package holiday distribution network (Angela, Phillip, George, 2003). However, travel agents remain dominant in some areas such as cruise vacations where they represent 77% of bookings and 73% of packaged travel (Travel Agent Magazine, 2002).

Travel agents have applied dynamic packaging tools to provide fully bonded (full financial protection) travel at prices equal to or lower than a member of the public can book online. As such, the agencies' financial assets are protected in addition to professional travel agency advice.

All travel sites that sell hotels online work together with GDS, suppliers and hotels directly to search for room inventory. Once the travel site sells a hotel, the site will try to get a confirmation for this hotel. Once confirmed or not, the customer is contacted with the result. This means that booking a hotel on a travel website will not necessarily result in an instant answer. Only some hotels on a travel website can be confirmed instantly (which is normally marked as such on each site). As different travel websites work with different suppliers together, each site has different hotels that it can confirm instantly. Some examples of such online travel websites that sell hotel rooms are Expedia, Orbitz and WorldHotel-Link.

The comparison sites, such as Kayak.com, TripAdvisor and SideStep search the resellers site all at once to save time searching. None of these sites actually sell hotel rooms. Often tour operators have hotel contracts, allotments and free sell agreements which allow for the immediate confirmation of hotel rooms for vacation bookings. Mainline service providers are those that actually produce the direct service, like various hotels chains or airlines that have a website for online bookings. Portals will serve a consolidator of various airlines and hotels on the internet. They work on a commission from these hotels and airlines. Often, they provide cheaper rates than the mainline service providers as these sites get bulk deals from the service providers. A meta search engine on the other hand, simply calls data from the internet on real time rates for various search queries and diverts traffic to the mainline service providers for an online booking. These websites usually do not have their own booking engine.

## **1.2.2 Consumer Behavior**

### **1.2.2.1 The definition of consumer behavior**

There are several definitions about consumer behavior which are similar. One "official" definition of consumer behavior which all the research paper mentioned is "The study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society."

(Source: <http://www.consumerpsychologist.com/>)

Consumer behavior involves the use and disposal of products as well as the study of how they are purchased. Product use is often of great interest to the marketer, because this may influence how a product is best positioned or how we can encourage increased consumption. Consumer behavior involves services and ideas as well as tangible products. (Source: <http://www.consumerpsychologist.com/>)

### **1.2.2.2 Online Consumer behavior**

More specific identifications of the online consumer need to be made in order to understand the online purchase behaviour. Not only they are shopper, but they also are an information technology user (Tamimi, Rajan and Sebastianelli, 2003). Experience online can also mean to the consumer's total impression about the online company (Watchfire Whitepaper Series, 2000) resulting from his/her exposure to a combination of virtual marketing tools ". . .under the marketer's direct

control, likely to influence the buying behavior of the online consumer” (Constantinides, 2002, p. 60). Among their most behavior like searching, browsing, finding, selecting, comparing and evaluating information as well as interacting and transacting with the online firm, they impression seemed to be influenced by design, events, emotions, atmosphere and good interactions online. If only marketers access to key characteristics, they in express highway to promote products and services at right to targeted customers interested in the information content. This could somehow lead to advantageous position in competing for the attention of the online public.

The identified characteristics are some key characteristics in regard to the online consumer. These key characteristics were made in order to identify online consumers and to be able to segment them.

### **Cultural Online Characteristics**

Online purchasing behavior can be different depending on social classes (Smith and Rupp, 2003). Consumers from a higher social class generally purchase more and have a higher intention to purchase online because they possess computer and easier accessibility to the Internet and would not have the needed computer literacy to be able to leverage a computer.

### **Social Online characteristics**

The social influence on the online consumer comes from new Reference Groups compared to the traditional way. For the online consumer new Reference Groups were identified as virtual communities, consisting of discussion groups on a web site. The consumer can read about other people’s opinions

and experiences which have shown to have the effect of Reference Groups (Christopher & Huarng, 2003). Other Reference Groups are links to product related web sites, which encourages or discourages product selection and contact information.

### **Personal Online characteristics**

Monsuwe, Dellaert and Ruyter (2004) mentioned that income has a vital role for online purchasing behaviour. The authors discussed (Lohse et al, 2000) who pointed out that consumers with higher household income would have a more positive attitude towards online shopping. This conclusion was explained by the fact that households with higher income would have a positive correlation with the possession of a computer, Internet access, and higher education.

Age identified another factor (Smith and Rupp, 2003) as a determinant for online purchase intentions. Elderly people having no frequent interactions with the Internet and the computer would not use the Internet as a medium for purchases. However, youngsters would. Younger people were also identified to have more technical knowledge. (Monsuwe et al., 2004) also supported this judgment by concluding that younger adults usually have greater interest in using new technologies to look for information and evaluate alternatives.

### **Psychological Online Characteristics**

Psychological characteristics (Smith and Rupp, 2003) identified the of consumer behaviour on questions that they would ask themselves before making a purchase online.

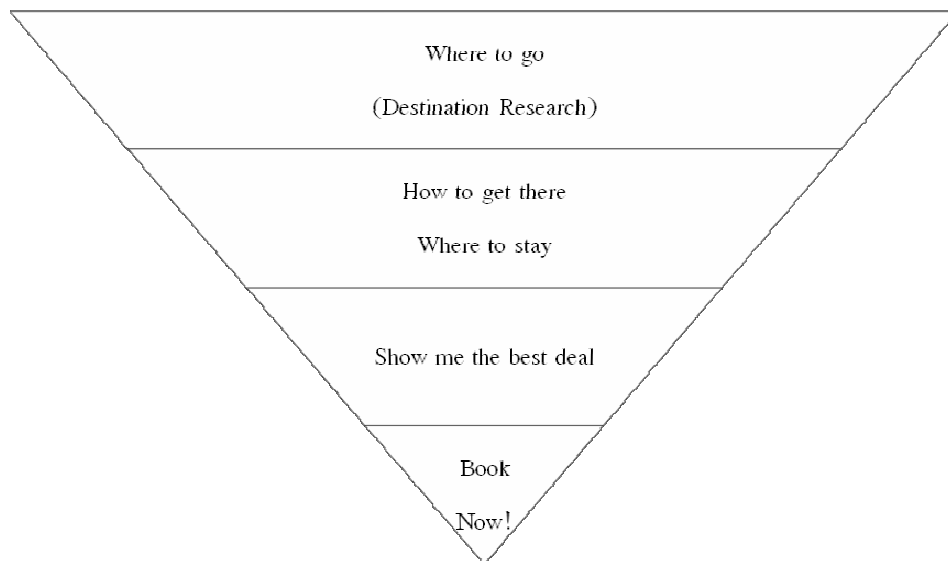
- **Motivation:** The consumers are reasoning for incentives to engage in a particular behaviour. He may ask himself questions like: will there be another shop offering better price? If online shopping is easy, is it attractive shop buy more? How much do I really want this product?
- **Perception:** The consumer is interpreting acquired information by classing it. Questions such as the following may come about: It is ver likely that this site is secured. The product looks ok but how can I be sure?
- **Personality:** The consumer is adapting to influences of his cognitions. He may ask himself, what kind online shop best suited for my personal likeliness.
- **Attitude:** The consumer is working out what his likes and dislikes are in respect to a particular situation. He may ask himself: I am pretty unsure about extra costs, should I really be buying items from the Internet? If I do not buy the item online, how else can I get it?
- **Emotions:** The consumer is without conscious effort detecting how he is being affected by his cognitive choice. He may ask himself: The last time I ordered from the Internet I had a really bad experience. Should I try buying online again? What is the future of buying online? If Web sites get better should I invest more time in buying online?

### **1.2.2.3 Online Consumer behavior with OTAs**

As the paper finding on online customer behavior with online travel agencies has not much but the author can use some research which study on the online customer behavior as it is quite similar and could apply with our findings is the process of online buying (Dawkins, 2006) has found the process of online buying on his research “Marketing and Promotion Through The Web”. People or online customers search the destination information before deciding to plan their trip. Other study has shown the similar results on initial process of online buying. The study stated that two third (66%) of all the respondents had used the internet to search for travel information before planning the trip (Lang, 2000). Once they complete the plan, they will search the current best deal by comparing website to website. The final process is booking both accommodation and air ticket. Travel and tour will be an option from them to book.

Figure 1.1 The decision making process of online buying





Source: Dawkins (2006)

To better understand online purchasing behavior, theoretical foundations were developed from Internet-related studies of consumer's perspectives. Jeong and Lambert's (2001) empirical results showed that consumers' perceived quality of information about products and services on the web was most crucial in predicting their decision-making. Their study related to four elements of information quality (i.e., perceived usefulness, perceived ease of use, perceived accessibility, and attitudes), perceived usefulness and attitudes were powerful indicators in predicting the customers' purchase behavior.

In another study, Shim et al. (2001) proposed an Online Prepurchase Intentions Model based on the Interaction Model of the prepurchase consumer information search (Klein, 1998) and the Theory of Planned Behavior (Ajzen, 1985, 1991). They concluded that consumers' intentions to use the Internet for purchasing were influenced by their attitudes (i.e., payment security, privacy, safety, etc.), perceived behavioral control, and Internet purchase experience. Based on empirical findings, Shim

et al. (2001) argued that the information search was the single most crucial element leading to purchase via the Internet.

In yet another study, Liang and Huang (1998) tested the ability of a transaction cost model to explain online consumers' purchasing decisions. The researchers included search, comparison, examination, negotiation, order and payment, delivery, and post-service into the online transaction process. Results showed that transaction costs determined the consumer's acceptance toward Internet shopping. The authors also argued for a learning effect in electronic shopping based on their finding that the determinants of customer acceptance for the online web shoppers were different from those of the non-online ones. According to their findings, uncertainty was the most significant construct for online shoppers, while asset specificity was the most significant for non-online shoppers.

Another study by Kim, Kim, and Han (2004) elaborated criteria into nine factors. Developed from reviewing previous studies by Martin (1999), Kaynama and Black (2000), Shapiro (2001), and Clearinghouse (2003) as well as collecting expert opinions. Initially, eight criteria were developed based on related studies. Subsequently, security was added after collecting opinions from experts including one industry professional and two research academicians who specialize in information technology. Nine attributes for selecting online travel agencies are discussed below: security, ease of use, finding low fares, useful and relevant content, design and presentation of the website, speed of the website, ability to book all travel services in one transaction, booking flexibility, and sorting option.

In this research, only three main fundamental factors should be applied; Price, Trust and Convenience. Other criteria are also important but they really should have found to be subordinates of these three.

#### **1.2.2.4 Factor affecting Online Consumer Behavior**

Price, Trust and Convenience are believed that these factors have a significance influence the customer when purchasing online (Hasslinger, A, Hodzic, S and Opazo, C, 2007).

- Price which is a part of the marketing mix is a factor used in order to stimulate the consumer and is also a communicator, bargain tool, and a competitive weapon. The consumer can use price as a mean of comparing products, judge relative value for money, and judge product quality (Brassington & Pettitt, 2000).
- Trust is considered to be a concern on the emotional basis in the minds of the consumers. The consumers have a focus on their safety needs and want to satisfy them before making a purchase (Brassington & Pettitt, 2000).
- Convenience is considered to be a benefit in the eyes of the consumer and a quality derived from purchasing over the Internet. It is therefore considered to be a motivator and it's benefit to consumers (Constantinides, 2004)

## **The Factor Price**

The internet became globalized market, containing sources for customer to pick up, compare and select variety of products and prices information. The technologies and innovative business ideas of the Internet allow sellers and buyers to discriminate among one another. Historically, however, prices have been set by negotiations after having examined the product (Kotler & Keller, 2006). The internet facilitates the scenario that comparisons can be achieved with ease, overlooking several digital attributes (which can be communicated through the web) and possibilities with several different vendors simultaneously.

On the Internet it is after all the price comparison prospect that interests price sensitive consumers, whilst another category of consumers focuses on finding unique products with specialized features that might be difficult to find offline and who, therefore, perhaps even consider the price as secondary.

However, when online, only digital attributes can be evaluated by the consumer, while offline non-digital attributes (for which physical inspection of the product is necessary) can be tested (Lal & Sarvary, 1999). This could even influence fast-decision-making shoppers to become more cautious about the product as it can only be inspected digitally. Furthermore, when buying online, additional costs such as freight charges, customs or prolonged delivery times can influence the online consumer's decision to reconsider the transaction even though the price is low.

**Table 1.2** The Factor Price and its Attributes

Factor	Attributes
Price	Saving Money
	Comparing Price

**Sources:** Hasslinger, Hodzic, Claudio (2007)

Hoteliers try to maximize their revenue by achieving optimal prices with different online distribution channels in response to increasing demand from customers (Tso and Law, 2005). Applying online pricing to achieve such goal seemed hard to achieve even customers consider that good deals or lower prices can be obtained from online distribution channels. Some online travel intermediaries even promote themselves as places that can deliver the best hotel room rates. Consumers are thus confused by the different types of online distribution channels for hotel rooms and the price-offering practices of these channels (Enz, 2003). Table 1.2 clarifies the fact that the factor price has two attributes, saving money and price comparison.

Many academic researchers and industrial practitioners become more alert and keen to know the topic of online pricing has long been of interest. In service section, some showed that online reservations could provide a form of insurance for price-sensitive consumers to lock-in a price for future services (Quan, 2002). Similarly, there was an examination of the effect of differential pricing and segmentation on the Internet (Yelkur and DaCosta, 2001). In particular, pricing policies for online marketing were examined with an emphasis on different pricing, segmentation and customer loyalty. Research outcomes indicated that differences

in segmentation and different pricing did exist in hotels in the United States.

Similar to this present study regarding online prices of the top hotel brands that were published in mid-2000. Using a voice system and five online channels, the studies found that the majority of hotel brands used multiple online channels, and that most hotel companies offered multiple rates on each channel (O'Connor, 2002, 2003). However, the studies found that pricing practices were neither clear nor logical, nor was there consistency in terms of the room rates offered by the channels in the high-end market.

Although these strategies appear to be rational approaches to the pricing dilemma, each of these pricing strategies has both pros and cons (Collins, M. and Parsa, H.G., 2006), Three common approaches to pricing and defined as follows (Nagle and Holden, 1995).

- **Cost-based pricing:** A financially driven approach to pricing in which products are priced to yield an equitable profit above and beyond all costs associated with the production of the product. Cost-based pricing ensures that products are priced so that an equitable contribution margin is attained above and beyond the costs associated with the production of the product; however, it is difficult to appropriately determine the unit cost associated with the product since unit costs fluctuate with sales volume. This usually leads to overpricing in weak markets and underpricing when demand is strong, which is not prudent strategy.
- **Customer-driven pricing:** A market-driven approach to pricing in which prices are determined by the amount

that customers are willing to pay for the product. Customer-driven pricing is typically driven by the sales organization and provides flexibility in pricing so that prices can be aligned with the amount that a customer is willing to pay. This strategy has two primary shortcomings, however. First, customers are not motivated to be candid relative to the price that they are willing to pay for a product. In addition, a sales organization's role should not be to simply take orders at whatever price the customer is willing to pay. The responsibility of an effective sales organization is to "raise customers' willingness to pay a price that better reflects the product's true value" (Nagle and Holden, 1995).

- **Competition-driven pricing:** A market-driven approach to pricing in which prices are determined by the pricing level at which a targeted market-share level is attained by the firm. Competition-driven pricing is utilized to ensure that a firm achieves its desired market-share objective. This approach can often lead to inappropriate price cutting as a firm seeks to gain market-share. Although price cuts may assist a firm in achieving a short-term sales volume goal, this strategy can be quickly matched by competitors, which initiates a downward spiral of prices. It is often more profitable for a firm to restrict its market-share goal, and to serve a specific market-niche, in order to be able to set a price for the product that generates an appropriate margin.

Empirical evidence indicates that consumers relatively quickly reach the point where the perceived cost of search is higher than the expected benefits. Consumers rarely visit more than one or two shops even when buying high-ticket consumer durables (e.g. Newman & Staelin, 1972; Wilkie &

Dickson, 1985). Crowell & Bowers (1977) have shown that, in particular, the cost of a consumer's time determines to a great extent how much search is feasible (Ööni, A., 2003).

### **The Factor Trust**

Because the Internet is a relatively new way of shopping, it is challenging for the consumers and therefore perceived, by the consumer as risky (Monuwe et al, 2004). They further identify the salesperson to be a silent source of trust for the consumer, and that the consumer is dependent on the salespersons' expertise. But since the salesperson basis of consumer trust has disappeared. They further explain that the consumer is not able to check the quality of an item, nor is he able to monitor the safety of the security when revealing personal data. The authors, therefore, conclude that if a high level of security and privacy is communicated to the consumer the result would have a positive effect on consumer trust and the intention to buy online. According to Luhmann (1979) who has a sociological point of view on the theory of trust, there are three modes of maintaining expectations about the future, familiarity, confidence and trust. To experience trust, familiarity and confidence must have been established. However, trust is only necessary when there is a high perceived risk, such as during a purchase transaction or a similar action. The consumer's previous experience and trust in the computerized medium is likely to affect his amount of trust in online shopping (Lee & Turban, 2001). According to Lee and Moray (as cited in Lee



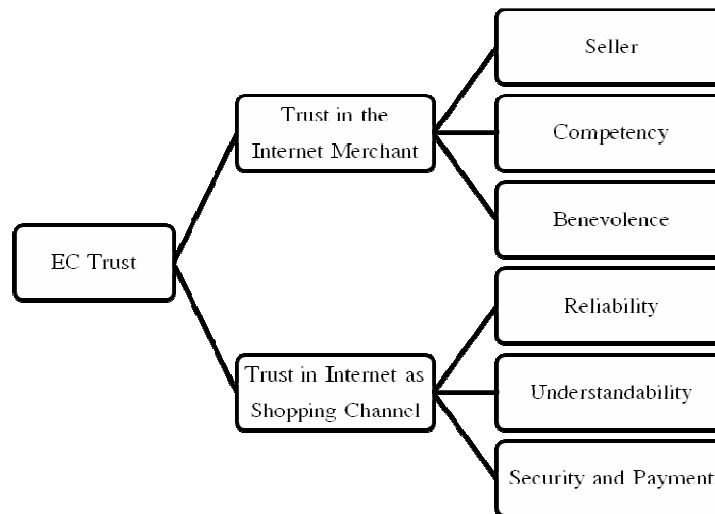
& Turban, 2001) human trust in computerised systems depends on three factors:

- The perceived technical competence of the e system - The systems apparent ability to perform assigned tasks.
- The perceived performance level of the system - How fast and reliable it appears to be able to finish the tasks.
- The human operators understand of the underlying characteristics and processes governing the system's behaviour.

Previous knowledge also affects trust. Luhmann (1993) stated that, "Practical experience tends to teach us the opposite: the more we know, the better we know what we do not know, and the more elaborate our risk awareness becomes" (p.28).

Turban et al. (2001) constructed a model that highlights what trust is constituted from when purchasing on the Internet. According to figure 1.2 which is a scaled version based on "A Trust Model for Consumer Internet Shopping" by Lee, Matthew K.O, and Efrain Turban (2001), trust is dependent on the six variables.

**Figure 1.2** A Trust Model for Consumer Internet Shopping.



**Source:** Trust in Electronic Commerce (Based on Lee, Matthew KO, and Efraim Turban. “A Trust Model for Consumer Internet Shopping” International Journal of Electronic Co-immense, vol. & no. 1 (Fall 2001) Trust in Electronic Commerce (Based on Lee, Ko and Turban, 2001).

ព្រឹត្តិបត្រ: ៧

Electronic commerce trust (EC Trust) ,is consisted of 2 main components which are Trust in internet merchant and trust in internet as shopping channel. The trust in the internet involves seller, competency and benevolence while the trust in internet as shopping channel refers to reliability, understandability and security and payment.

A company must show the consumer that it is competent in managing information and supporting the consumer after a purchase is done. If that can be achieved, the consumer is more likely to “engage in trust-related Internet behaviours like purchasing, cooperating, and sharing information” (McKnight &

Chervany, 2001-2002). Table 1.3 shows the factor Trust and its attributes.

**Table 1.3** The Factor Trust and its Attributes

<b>Factor</b>	<b>Attributes</b>
Trust	Perception of safety
	Trust in the Internet Retailer
	Trust in the Internet as retail shopping

**Sources:** Hasslinger, Hodzic, Claudio (2007)

There are 3 attributes to the factor trust, perception of safety, trust in the internet retailer and trust in the internet as retail shopping

According to the theory (Morgan and Hunt, 1994) trust is central to successful relationship of marketing, because it encourage investment, resist attractive short-term alternatives, and view potential high-risk options as being prudent. While Speckman (1988) said that it is important to relational exchange

that it is “the cornerstone of the strategic partnership” between the seller and the buyer.

In Mukherjee and Nath (2003) mentioned some antecedents of trust, to extent of the research, they are:

- *Shared Value* is the extent to which partners have beliefs in common about what behaviors, goals and policies are important and/or appropriate. In such online selling of the agencies, share value symbolizes the extent to which the agencies and the online consumers share common beliefs on critical values like ethics, security and privacy.
- *Communication* can be defined as “the formal as well as informal sharing of meaningful and timely information” (Anderson and Narus, 1990). In the online consumer of travel agencies, communications are openness, speed of response, and quality of information.

Numerous studies have suggested that the most appropriate and effective way of minimizing online risk is through establishing trust. Turban et al (2001) have emphasized the importance of establishing a high level of trust with both current and potential customers in order to diminish perceptions of risk. Certainly, a number of earlier studies suggest that the key building blocks of trust, identified by Mayer, Davis, and Schoorman (1995) as perceptions of the web environment, vendor reputation, and perceived quality of web delivery, are also central to perceptions of risk.

Specific antecedents of online trust appear to be fundamental to perceived risk, such as security of payment, privacy of personal information and confidentiality of

processing, product quality, reliability of fulfillment and timeliness and quality of customer service. Hence, the online consumer will risk entering into a transaction only if confident that the merchant will successfully deliver at all levels.

In the case of airlines, the authenticity of the company or product is not under question; therefore, it is likely that risk assessments of the medium rather than the product are under evaluation. Many transactions are abandoned because of poor website functionality, navigation or customer service (English, 2002). For the Hong Kong traveller, this risk may be seen as easily remedied by continuing to book with local agents who are 'just round the corner'. As the website is the company's 'sales person it will require dedicated resources to facilitate any relationship between the potential buyers and the airline and travel providers. In practice, adding value must be *overt* and consumers must be convinced that buying online will more than compensate for any non-benefits associated with the lack of face-to-face contact (Kolsaker, Lee-Kelley, and Ching Choy, 2004)

### **The Factor Convenience**

Convenience is anything that is intended to save time and frustration according to the Swedish National Encyclopedia. Further definitions of the concept of convenience are:

- The quality of being suitable to ones comfort, purpose or needs
- Personal comfort or advantage
- Something that increases comfort or saves work at a suitable or agreeable time (Lexico Publishing Group [LLC], 2007)

Online shopping as a new medium for retailing creates a number of different advantages. One of them is considered to be more convenient to shop online compared to the traditional way of shopping. The convenience attributes that online shopping provides are:

- Less effort: Being able to shop at home
- Time saving
- Being able to shop at any time of the day

Azjen (as cited in Kim & Park, 1991) claims that online shopping provides convenience for consumers such as time savings and search convenience if compared to the traditional way of shopping. Kim and Park (1991) also argue that if online shopping is to be perceived as convenient for the consumer, the consumer must perceive a certain amount of easiness with accessing the Internet and also with carrying out the behaviour with shopping online. The less complexity the consumer perceives with accessing the Internet the more attention the consumer has to enter the Internet and search for information. Further, the authors found that there is a positive relationship between the time spent, the intention to shop online and the attitude towards the Internet. Therefore, Kim and Park (1991) came to the conclusion that the consumers that found the Internet to be easily accessible and used, would spend more time online and search for information and also shop more online. Hence, the consumers that perceives Internet information search as easy, would perceive it more convenient.

They also conclude that the information online should be easy to find and, therefore, the consumer should develop effective search tools which would enhance the

perceived behavioral control for the consumer online. The perceived easiness of the Internet is one of the determinants consumers regard when deciding on convenience. Saving time is also mentioned and it is closely related to information search. The consumer is not required to leave his home in order to shop online. Saving time on information search and price comparison process is much more available and easy to access. Swaminathan et al (1999) stated that consumer characteristics play an important role in the consumer's decision to shop online. The authors then identify the so called convenient oriented consumer as the most potential online buyer since they value the convenience of shopping at home as a large motive for purchase. The characteristics of convenience with online shopping can be summarized as follows:

Consumers can shop from their homes meaning they do not have to take certain aspects, needed when shopping in the traditional way, into consideration. Online shopping is, therefore, considered to require less effort. It is also considered to be time saving, the consumer can search for products and prices easy through the developed search engines. Through tracking devices a consumer can at any time check where their package is. Another time aspect of online shopping is that it allows the consumer to shop at any time of the day, the consumer does not need to consider if the stores are open or not.

Table

**Table1.4** The factor convenience and its attributes.

<b>Factor</b>	<b>Attributes</b>
<b>Convenience</b>	Saving Time
	Less Effort
	Shopping at any time

**Sources:** Hasslinger, Hodzic, Claudio (2007)

There are about eight aspects, which associate with convenience of use. They are: accessibility, communication, credibility, reliability, appearance, availability, functionality, and integrity. Accessibility, appearance, and functionality are system- or Web-related constructs such as downloading time, design and color, and ease of navigation. (Cox and Dale, 2001)

Besides, some of the following factors should also be considered as quality of convenience: i.) information quality (i.e., accuracy, timeliness, relevance, and completeness), ii.) system use (i.e., easiness, privacy, confidence, and control), iii.) playfulness (i.e., enjoyment, excitement, feeling, charming, and escaping), and iv.) system design quality (i.e., rapid accessing, and security). (Liu and Arnett, 200)

According to Kare-Silver (2001) ‘convenience is at the heart of what fundamentally drives demand for the internet’, and numerous studies support this stance. Szymanski and Hise (2000) divide convenience into time and browsing benefits and posit that the perception of benefits in both categories is likely to be related to positive perceptions of convenience. Childers, Carr, and Peek, and Carson (2001) added that positive perceptions of convenience are likely to lead to a view that the new medium is both ‘useful’ and ‘easy to use’.



However, despite the obvious attraction of convenience, there are genuine and ongoing concerns about the web as a transactional medium. In their study of cyber buying in Hong Kong, Singapore and China, Wee and Ramachandra (2000) found that surfers who did not purchase expressed concerns about security, privacy, service levels and trustworthiness. The difficulty of physically checking products before purchase and the inability to monitor the safety of credit card details during online purchase adds to the perceived risk.

Additionally, when personal information is exchanged online consumers may be equally concerned about the security of their details (Endeshaw, 2001).

In conclusion, convenience is the outcome of good combination of many attempts of a travel agency because once the consumer found another agency's website more convenient, a big disadvantageous point is earned. Therefore, travel agencies have to keep improving the website accuracy, clarity, completeness, navigationality, color combination and information satisfaction (Jeong, Oh, and Gregoire, 2003) in order to keep their consumer good position of convenience.

### **1.2.3 Customer Satisfaction**

#### **1.2.3.1 The meaning of customer satisfaction**

Customer satisfaction is an ambiguous and abstract concept and the actual manifestation as the state of satisfaction will vary from person to product and service. The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction behaviors such as return and recommend rate. The level of satisfaction can also vary depending on other options the customer may have and other products against which the customer can compare the organization's products.

Base on the many researchers have put ideas. Customer satisfaction has been a popular topic in marketing practice and academic research since Cardozo's (1965) initial study of customer effort, expectations and satisfaction. Despite many attempts to measure and explain customer satisfaction, there still does not appear to be a consensus regarding its definition (Giese and Cote, 2000). Customer satisfaction is typically defined as a post consumption evaluative judgement concerning a specific product or service (Gundersen, Heide and Olsson, 1996). It is the result of an evaluative process that contrasts prepurchase expectations with perceptions of performance during and after the consumption experience (Oliver, 1980).

The most widely accepted conceptualization of the customer satisfaction concept is the expectancy disconfirmation theory (Barsky, 1992; Oh and Parks, 1997; McQuitty, Finn and Wiley, 2000). The theory was developed by Oliver (1980), who proposed that satisfaction level is a result of the difference between expected and perceived performance. Satisfaction (positive disconfirmation) occurs when product or service is better than expected. On the other hand, a performance worse than expected results with dissatisfaction (negative disconfirmation).

Customer satisfaction may have direct and indirect impact on business results Anderson et al. (1994), Yeung et al. (2002), and Luo and Homburg (2007) concluded that customer satisfaction positively affects business profitability. The majority of studies have investigated the relationship with customer behaviour patterns (Soderlund, 1998; Kandampully and Suhartanto, 2000; Dimitriades, 2006; Olorunniwo et al., 2006; Chi and Qu, 2008; Faullant et al., 2008). According to these findings, customer satisfaction increases customer loyalty, influences repurchase intentions and leads to positive word-of-mouth. Given the vital role of customer satisfaction, it is not surprising that a variety of research has been devoted to investigating the determinants of satisfaction (Churchill and Surprenant, 1982; Oliver, 1980; Barsky, 1995; Zeithaml and Bitner, 2003).

Satisfaction can be determined by subjective (e. g. customer needs, emotions) and objective factors (e. g. product and service features). Applying to the hospitality industry, there have been numerous studies that examine attributes that travellers may find important regarding customer satisfaction. Atkinson (1988) found out that cleanliness, security, value for money and courtesy of staff determine customer satisfaction. Knutson (1988) revealed that room cleanliness and comfort, convenience of location, prompt service, safety and security, and friendliness of employees are important. Barsky and Labagh (1992) stated that employee attitude, location and rooms are likely to influence travellers' satisfaction. Customer satisfaction measures how well a company's products or services meet or exceed customer expectations. These expectations often reflect many aspects of the company's business activities including the actual product, service, company, and how the company operates in the global environment. Customer satisfaction

measures are an overall psychological evaluation that is based on the customer's lifetime of product and service experience.

#### **1.2.3.2 Benefit of Customer Satisfaction**

Effective marketing focuses on two activities: retaining existing customers and adding new customers. Customer satisfaction measures are critical to any product or service company because customer satisfaction is a strong predictor of customer retention; customer loyalty and product repurchase (Smith, 2007).

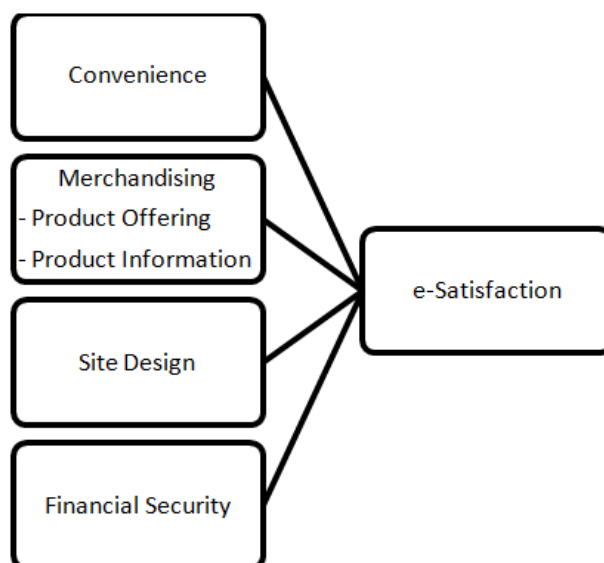
To understand customer satisfaction is important because it will lead to know their perception and buying behavior. (LeBlanc, 1992) stated that analyzing perceptions about service quality with respect to different customer segments can help hoteliers to develop and formulate marketing strategies to meet the needs of each specific segment more effectively. The concept could be apply to use with the online travel agency to clearly identified and understood.

#### **1.2.3.3 E-Customer satisfaction.**

There is a limited amount of studies made concerning E- customer satisfaction in online travel agency. E-customer satisfaction is defined as the contentment of the customer with respect to his or her prior purchasing experience with a given electronic commerce firm (Anderson and Srinivasan, 2003). Base on the research finding about e-customer satisfaction is not much. The initial study tried to define the customer satisfaction and introduce the conceptual model which is the outcome of the qualitative phase of research.

The outcome of consumer perceptions consisted of online convenience, merchandising, site design, and financial security.

**Figure1.4** Conceptual model of e-Satisfaction.



Source: Szymanski and Hise (2000)

#### **1.2.3.4 Factors affecting e -customer satisfaction**

*Factor of customer satisfaction on hotel:* A study conducted by Akan (1995) showed that the main determinants of hotel guest satisfaction are the behaviour of employees, cleanliness and timeliness. Choi and Chu (2001) concluded that staff quality, room qualities and value are the top three hotel factors that determine travellers' satisfaction. Providing services those customers prefer is a starting point for providing customer satisfaction. A relatively easy way to determine what services customer prefers is simply to ask them.

*Factor of customer satisfaction on online travel websites:* In the online context, the service encounter is a non-personal interaction (Szymanski and Hise, 2000). Customer satisfaction in this context, the “e-satisfaction”, is likely driven by Web site characteristics (e.g. easy to use) and service features (e.g. shipping and handling, customer service).

#### **1.2.3.5 E-Customer satisfaction in online travel agency**

As travel costs have been increased and customer satisfaction with the industry in general has decreased, so has satisfaction with independent travel websites, according to the J.D. Power and Associates 2007 Independent Travel Website Satisfaction (ITWS) Study.

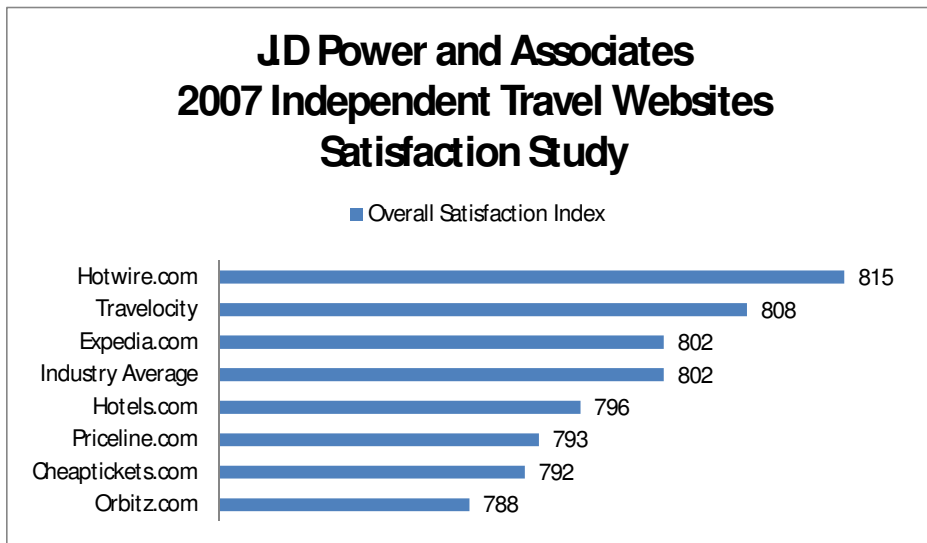
The study measures the satisfaction of travelers who book airline, hotel or rental car reservations through one of eight major independent travel websites. Overall customer satisfaction with independent travel websites has decreased 8 points in the past year, from 810 (on a 1,000-point scale) in 2006 to 802 in 2007, according to the study.

Six factors were examined to measure customer satisfaction (in order of importance): competitiveness of price; ease of booking; usefulness of the information on the website; availability of booking options/travel packages; appearance/design of website; and ease of navigation.

For a second consecutive year, Hotwire.com ranks highest among independent travel websites in satisfying customers who book their reservations online, performing particularly well in competitiveness of pricing and ease of navigation.

Travelocity.com and Expedia.com follow in the rankings. Travelocity.com performs particularly well in four of the six factors: ease of booking; usefulness of the information on the website; availability of booking options/travel packages; and appearance/design of the website.

**Figure 1.5** Overall Travel Websites Satisfaction Index (Based on a 1,000 point scale)



Source: J.D. Power and Associates 2007 Independent Travel Web Site Satisfaction

- The accuracy of reservations made on independent travel websites has improved slightly since 2006. In 2007, 95% of reservations were reported as error-free, compared with 94% in the previous year.
- The study also finds that nearly one-half (49%) of all travel-related reservations in 2007 were booked on the web, an increase from 46% in 2005.
- Across the industry, independent travel websites overall receive their lowest marks for appearance/design of website.
- Generation X and Y travelers are more likely to book a reservation on price-focused websites, such as Priceline.com and Hotwire.com, compared with Baby Boomers and Pre-Boomers.

“Various pressures across the travel industry - including increasing fuel and airfare prices, and more frequent air travel delays - have led to notably lower satisfaction levels in 2007, and independent travel websites appear to have been negatively



impacted by a snowball effect,” said Sam Thanawalla, director of travel and entertainment at J.D. Power and Associates.

“In addition, independent travel websites face challenges related to increased competition from airline- and hotel-branded websites, as well as changing expectations of increasingly internet-savvy customers.”. *About the study:* The 2007 Independent Travel Website Study is based on responses from 5,414 consumers who booked their travel reservation through an independent website. Consumers were surveyed between October 2006 and September 2007.

#### **1.2.3.6 The Measurement of customer satisfaction**

Organizations are increasingly interested in retaining existing customers while targeting non-customers; measuring customer satisfaction provides an indication of how successful the organization is at providing products and/or services to the marketplace.

Because satisfaction is basically a psychological state, care should be taken in the effort of quantitative measurement, although a large quantity of research in this area has recently been developed. Work done by Berry (Bart Allen) and Brodeur between 1990 and 1998 defined ten 'Quality Values' which influence satisfaction behavior, further expanded by Berry in 2002 and known as the ten domains of satisfaction. These ten domains of satisfaction include: Quality, Value, Timeliness, Efficiency, Ease of Access, Environment, Inter-departmental Teamwork, Front line Service Behaviors, Commitment to the Customer and Innovation. These factors are emphasized for continuous improvement and organizational change measurement and are most often utilized to develop the architecture for satisfaction measurement as an integrated model. Work done by Parasuraman, Zeithaml and Berry between 1985 and 1988 provided the basis for the measurement

of customer satisfaction with a service by using the gap between the customer's expectation of performance and their perceived experience of performance. This provides the measurer with a satisfaction "gap" which is objective and quantitative in nature. Work done by Cronin and Taylor propose the "confirmation/disconfirmation" theory of combining the "gap" described by Parasuraman, Zeithaml and Berry as two different measures (perception and expectation of performance) into a single measurement of performance according to expectation. According to Garbrand, customer satisfaction equals perception of performance divided by expectation of performance.

There are two measure instruments of customer satisfaction. They include the ratio and difference between perceptions and expectations. Cooper, Cooper, and Duhan, (1989) adapted the SERVQUAL instrument designed by Parasuraman, Zeithaml and Berry (1988) and compared these two instruments. The investigation found that the 'ratio of perceptions' and expectations resulted in a scale with lower reliability, lower relative validity, and had dimensions that were more difficult to interpret than

The scale developed using the 'differences of perceptions'. The research model presented by Parasuraman et al. (1988) has been a popular way of measuring service quality. Moreover, Parasuraman et al. (1988) presented their measurement scale of SERVQUAL, which include five dimensions: tangibles, reliability, responsiveness, assurance, and empathy. SERVQUAL has also proved to be an effective and appropriate tool of measuring service quality in other domains such as information systems, where, as Pitt, Watson Kavan (1995) suggested, it is still appropriate. From the perspective of antecedents and consequences of satisfaction, Oliver (1980) proposed a model that expresses consumer satisfaction as a function of expectation and expectancy disconfirmation. Results have confirmed this concept. Moreover, satisfaction

significantly affected customer's attitude and their intention to purchase. Bearden and Teel (1983) also studied the same issue. Data obtained from 375 members of a consumer panel in a two-phase study of consumer experiences with automobile repairs and services were used to examine the antecedents and consequences of consumer satisfaction. The results support previous findings that expectations and disconfirmation are appropriate determinants of satisfaction, and suggest that complaint activity may be included in satisfaction/dissatisfaction research. In order to investigate the moderating effects of customer satisfaction, Barsky (1992) examined information, prior beliefs, experience and styling preferences for automobiles on consumer satisfaction and intention to repurchase. Data were obtained from experiment and the results indicated that information would moderate satisfaction, but not intention to repurchase.

The usual measures of customer satisfaction involve a survey with a set of statements using a Likert Technique or scale. The customer is asked to evaluate each statement and in term of their perception and expectation of performance of the organization being measured.

Published standards exist to help organizations develop their current levels of customer satisfaction. The International Customer Service Institute (TICSI) has released The International Customer Service Standard (TICSS). TICSS enables organizations to focus their attention on delivering excellence in the management of customer service, whilst at the same time providing recognition of success through a 3rd Party registration scheme. TICSS focuses an organization's attention on delivering increased customer satisfaction by helping the organization through a Service Quality Model.

TICSS Service Quality Model uses the 5 P's - Policy, Processes, People, Premises, Product/Services, as well as

performance measurement. The implementation of a customer service standard should lead to higher levels of customer satisfaction, which in turn influences customer retention and customer loyalty.

### **1.3 Aim and Objectives of the Study**

**Aim:** Identify customer behavior and satisfaction with online travel agent.

**Objective:**

- To study the effect of the online customer behavior booking hotel accommodations on their satisfaction to the website.
- To identify key factors that affect the online customers' hotels selection.
- To study the effect of Demographic factors on the expected customers' online booking behavior.
- To propose the measures for improving the customer satisfaction with the travel agent's websites.

#### **1.4 Significance of the Study**

- To be a guideline for the company to maintain the need of the customer with creating high customer satisfaction
- To recommend a good way to create newsletter which match the customer behavior information provide.

#### **1.5 Definition of key terms**

**Global Distribution Systems (GDS)** is a worldwide computerized reservation network used as a single point of access for reserving airline seats, hotel rooms, rental cars, and other travel related items by travel agents, online reservation sites, and large corporations. The premier GDS are Amadeus, Galileo, Sabre, and Worldspan owned and operated as joint ventures by major airlines, car rental firms, and hotel groups. Also called automated reservation system (ARS) or computerized reservation system (CRS).

**Source:** [www.businessdictionary.com](http://www.businessdictionary.com)

**E commerce:** Commerce that is transacted electronically, as over the Internet.

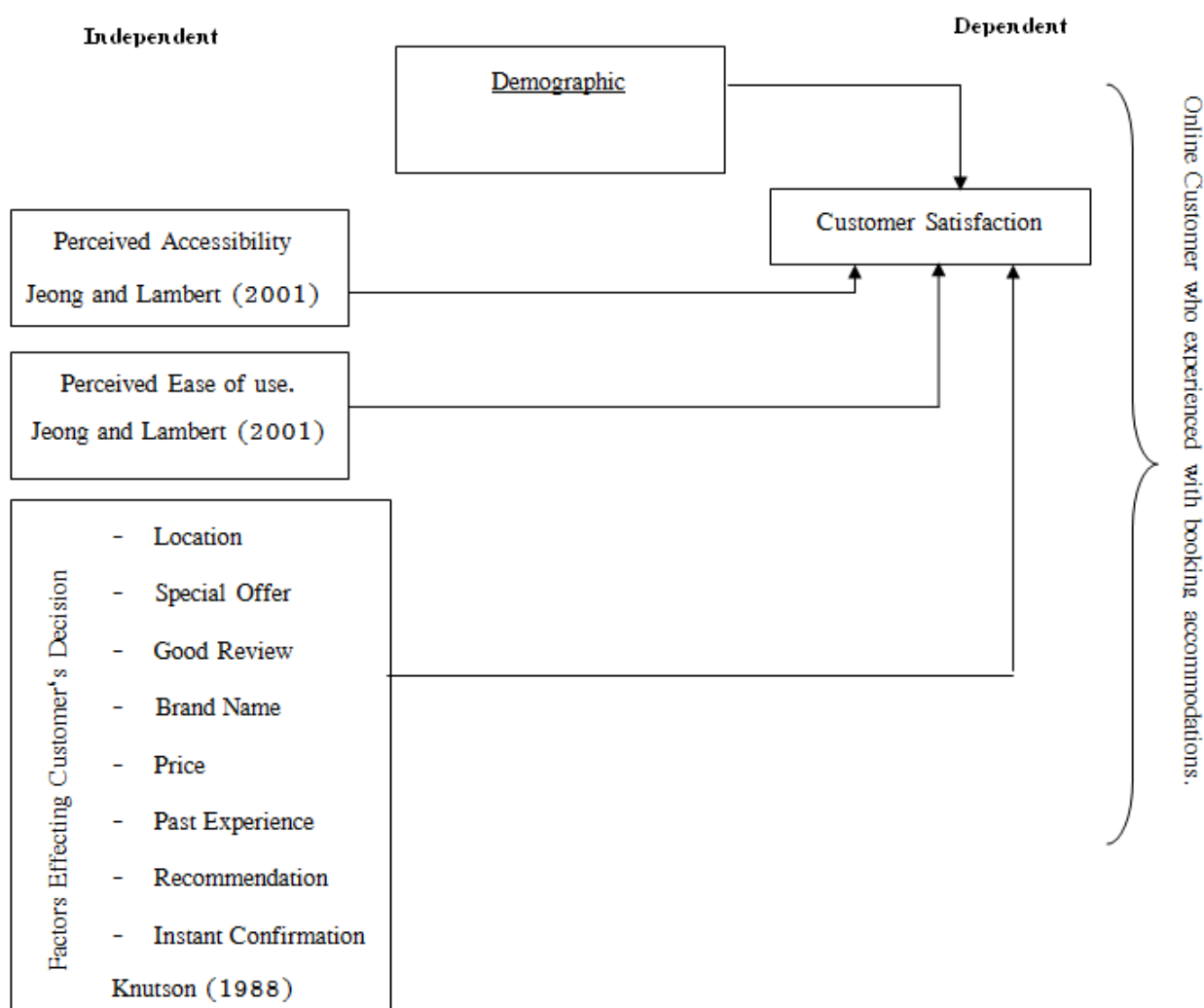
**Source:** [www.dictionary.com](http://www.dictionary.com)

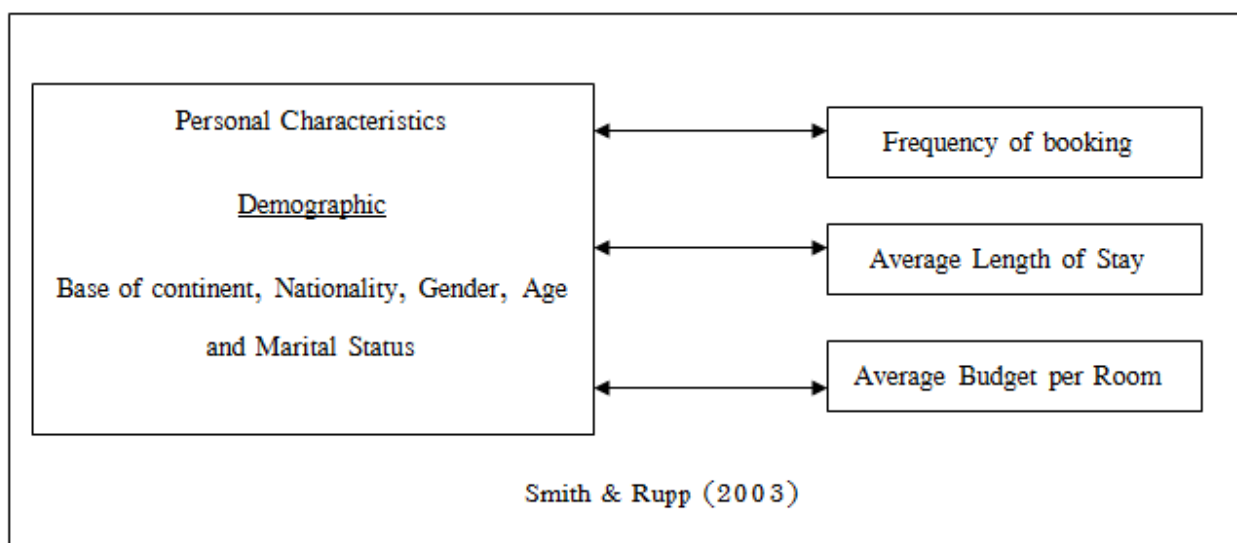
## CHAPTER 2

### METHODOLOGY

The research methodology employed in this research was considered upon two essential issues. They are: (1) the specific objectives of this research, (2) the availability of data sources

#### 2.1 Conceptual Framework





According to the conceptual framework, the researcher studied about online customers behavior and their satisfaction to the OTA's website, which provided hotels and accommodations as its products, by comparing to excerpt factors from researches of Jeong and Lambert (2001). How 'Perceived Accessibility' and 'Perceived Ease of Use' affect to the online customer behavior and their satisfaction.

Moreover, the researcher also studied how Location, Special Offer, Good Review, Brand Name, Price, Past Experience, Recommendation and Instant Confirmation, which were found to be some of the customer's satisfaction factors to the OTA's website, may relate to Knutson (1988) concept of convenience of location, prompt service and some other factors in his research.

Further, the researcher studied how Demographic information (Base of continent, Nationality, Gender, Age and Marital Status) of this research may relate to Smith & Rupp's (2003) findings on Personal Characteristic, excerpt from his 4 theories, by referring



correlation to Frequency of booking accommodation online, Average length of stay and Average budget per room per night.

## 2.2 Hypotheses

There are hypotheses developed base on the objective and conceptual framework for the first questionnaire;

### **Hypothesis 1**

H<sub>0</sub>: Customer's satisfaction to the website is independent on gender.

H<sub>1</sub>: Customer's satisfaction to the website is dependent on gender.

### **Hypothesis 2**

H<sub>0</sub>: Customer's satisfaction to the website is independent on Hotel's factors.

H<sub>1</sub>: Customer's satisfaction to the website is dependent on Hotel's factors.

**Hypothesis 3 Customer's satisfaction to the website is independent on some hotels factors**

### **Hypothesis 3.1**

H<sub>0</sub>: Customer's satisfaction to the website is independent on Location of the hotel

$H_1$ : Customer's satisfaction to the website is dependent on Location of the hotel

### **Hypothesis 3.2**

$H_0$ : Customer's satisfaction to the website is independent on Special Offer of the hotel.

$H_1$ : Customer's satisfaction to the website is dependent on Special Offer of the hotel.

### **Hypothesis 3.3**

$H_0$ : Customer's satisfaction to the website is independent on Good Reviews of the hotel.

$H_1$ : Customer's satisfaction to the website is dependent on Good Reviews of the hotel.

### **Hypothesis 3.4**

$H_0$ : Customer's satisfaction to the website is independent on Brand Name of the hotel.

$H_1$ : Customer's satisfaction to the website is dependent on Brand Name of the hotel.

### **Hypothesis 3.5**

$H_0$ : Customer's satisfaction to the website is independent on Price of the hotel.

$H_1$ : Customer's satisfaction to the website is dependent on Price of the hotel.

**Hypothesis 3.6**

$H_0$  : Customer's satisfaction to the website is independent on Past Experience.

$H_1$  : Customer's satisfaction to the website is dependent on Past Experience.

**Hypothesis 3.7**

$H_0$ : Customer's satisfaction to the website is independent on Recommendation.

$H_1$ : Customer's satisfaction to the website is dependent on Recommendation.

**Hypothesis 3.8**

$H_0$ : Customer's satisfaction to the website is independent on Instant Confirmation.

$H_1$ : Customer's satisfaction to the website is dependent on Instant Confirmation.

**Hypothesis 4**

$H_0$ : Customer's satisfaction to the website is independent on customer's website access tools.

$H_1$ : Customer's satisfaction to the website is independent on customer's website access tools.

**Hypothesis 5**

$H_0$ : Customer's satisfaction to the website is independent on search engines brand.

H<sub>1</sub>: Customer's satisfaction to the website is dependent on search engines brand

### **Hypothesis 6**

H<sub>0</sub>: Customer's satisfaction to the website is independent on ease of use of the website.

H<sub>1</sub>: Customer's satisfaction to the website is dependent on ease of use of the website.

There are hypotheses developed base on the objective and conceptual framework for the first questionnaire;

**Hypothesis 1** The respondents' base of continents are correlated to frequency of booking accommodation online

**Hypothesis 2** The respondents' bases of continents are correlated to average length of stay when booking accommodation online.

**Hypothesis 3** The respondents' bases of continents are correlated to average budget per room per night when taking holidays.

**Hypothesis 4** The respondents' Nationalities are correlated to frequency of booking accommodation online.

**Hypothesis 5** The respondents' Nationalities are correlated to average length of stay when booking accommodation online.

**Hypothesis 6** The respondents' Nationalities are correlated to average budget per room per night when taking holidays.

**Hypothesis 7** The respondents' Gender is correlated to frequency of booking accommodation online.

**Hypothesis 8** The respondents' Gender is correlated to average length of stay when booking accommodation online.

**Hypothesis 9** The respondents' Gender is correlated to average budget per room per night when taking holidays.

**Hypothesis 10** The respondents' Ages are correlated to frequency of booking accommodation online.

**Hypothesis 11** The respondents' Ages are correlated to average length of stay when booking accommodation online.

**Hypothesis 12** The respondents' Ages are correlated to average budget per room per night when taking holidays.

**Hypothesis 13** The respondents' Marital status are correlated to frequency of booking accommodation online.

**Hypothesis 14** The respondents' Marital status are correlated to average length of stay when booking accommodation

**Hypothesis 15** The respondents' Marital status are correlated to average budget per room per night when taking holidays.

## **2.3 Target Population**

The populations of this research comprise of two distinct groups.

- 1) The population came from the group of the customers who booked hotel accommodations with www.LateStays.com. (shortly “the website”). They were drawn from the availability of data reported in the website’s Annual Report year 2008. The total number was reported at 174,797.
- 2) The population came from the group of customers or expected customers who subscribed to receive online newsletter with the online travel websites. The total number was reported at 120,000.

#### 2.4 Sample Size.

The researcher applies Taro Yamane’s theory (1967) to calculate the sample sizes for two groups as follow:

$$n = \frac{N}{1 + N(e)^2}$$

According to the formula:

n = sample size

e = the level of precision (a 95% confidence level and 5% precision levels are assumed)

N = Population size

The sample size was calculated from the group of online customers who booked hotel accommodations during year 2008, of 174,797 persons

Substituting the equation Group1:

$$n = \frac{174,79}{1 + 174,797(0.05)^2}$$

$$n = 399.08 \approx 400$$

The sample size was calculated from the group of online newsletter subscribers of 120,000 persons in 2008

Substituting the equation Group2:

$$n = \frac{120,000}{1 + \sqrt{120,000(0.05)}}$$

$$n = 398.67 \approx 400$$

## 2.5 Sampling Method

The purposive sampling has been used in this research, which was depended on email address data available on the information system at the time of the year end 2008. The research focused on 1) the online customers, who booked the accommodations located in Phuket and, 2) newsletter subscribers of the online travel website. This group of subscribers already specified their intention to receive news of Phuket hotel accommodations.

## 2.6 Research Instruments

Tools for data collecting processes were designed as the questionnaires for both online customers who experienced the website and online newsletter subscribers, whom the OTA expect them to become customers (referred as expected customers). The first questionnaires used in the study for online customers who experience the websites consisted of two parts as following

1. The first part was questions which gathered the respondent's personal information and basic reservation information.

2. The second part was comprised of 2 parts;
  - Questions about the OTA's products, i.e. hotels or other accommodations available for booking at the OTA's website. These questions were close ended type.
  - General questions about the OTA's website, i.e. layout, booking systems, including the customers' personal behavior and satisfaction to the website. These questions were close ended type with check list and rating scale.

Whereas, the second questionnaires used in the study for online newsletter subscribers consisted of two parts as following.

1. The first part is closed - end questions which gather the respondent's gender, age group and marital status.
2. The second is also closed- end questions and rating scale, which studied the online customer behavior by measuring their travelling information and lifestyles.

## **2.7 Data Collection**

The questionnaires were sent and collected as Internet surveys to the email addresses that the customers gave to the OTA. The first questionnaires were given to customers who used to book hotel accommodations via LateStays.com. The second questionnaires were also sent via email addresses that the newsletter subscribers used to give to the OTA to receive news about accommodations or any promotions of LateStays.com. The questionnaires were sent and collected between period of May 1<sup>st</sup> to August 16<sup>th</sup>, 2009. The respondents were requested to fill in the questionnaires in accordance to their lifestyles.



## **2.8 Data Analysis**

The SPSS (Statistical Package for the Social Science) was employed to evaluate the final result of quantitative method.

### **2.8.1 The first questionnaire consists of four parts**

Part 1-2: Descriptive Statistic Analysis: explain gender, website's factor and behavior of the online customer by using frequency and percentage.

Part 3: Inferential Statistic Analysis for Hypothesis Testing: Using, T-test for analyze the data significant differences in means for two groups.

### **2.8.2 The second questionnaire consist of three parts**

Part 1-2: Descriptive Statistic Analysis: explain the demographic of the samples by using the frequency and percentage to describe the demographic: nationality, gender, age, marital status and travelling behavior.

Part 3: Inferential Statistic Analysis for Hypothesis Testing: Using Chi-Square for finding the relationship among travelling behavior and lifestyle of the expected online customers.

## 2.9 The level of importance to be measured

The researcher can range important factor in 5 levels with the interval of  $5-(1/5) = 0.80$  as follows:

Score 1.00 - 1.80 points level	very low important factor
Score 1.81 - 2.60 points	low important factor level
Score 2.61 - 3.40 points factor level	intermediate important
Score 3.41 - 4.20 points	high important factor level
Score 4.21 - 5.00 points level	very high important factor

To compare the opinion of long stay tourists and expatriates relating to marketing mix, T-test at 0.05 significance level (95% significance level) was the tool to indicate the significance level among the groups.

## CHAPTER 3 RESULTS

### 3.1 Introduction

The Research of “Customer Behavior and Customer Satisfaction with Online Travel Agents: A Case Study of www.LateStays.com” is analyzed and interpreted results of the analysis by using the following symbols;

#### Symbols of Result analysis

$n$	represent	amount of consumers, who responded to the questionnaire
$\bar{x}$	represent	Mean of a selected sample(s).
$S.D.$	represent	Standard Deviation
$SS$	represent	Sum of Square of the deviation
$MS$	represent	Mean Square of the deviation
$df$	represent	Degree of Freedom
$t$	represent	statistic of t Distribution
$F$	represent	statistic of F Distribution
Prob./Sig.	represent	Statistic significance
*	represent	statistic significance at 0.5
$H_0$	represent	Null Hypothesis
$H_1$	represent	Alternative Hypothesis

The researcher presents the data analysis and interpretation in tables with description, of which can be divided into three parts per questionnaire;

### **First Questionnaire**

**Part1:** Analysis of demographic characteristic and customer's behavior on consideration of a hotel

**Part2:** Analysis of customer behavior and satisfaction of website

**Part3:** Inferential Statistic Analysis for Hypothesis Testing

### **Second Questionnaire**

**Part1:** Analysis of demographic characteristic such as nationality, gender, age and marital status

**Part2:** Analysis of expected customer on their travelling behavior

**Part3:** Inferential Statistic Analysis for Hypothesis Testing

## **3.2 Research Finding**

### **3.2.1 Result on the First Questionnaire**

**Part1:** Analysis of demographic characteristic and customer's behavior on consideration of a hotel

**Table 3.1** Data Analysis of frequency and percentage in gender

<b>Gender</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Male</b>	<b>300</b>	<b>75.00</b>

Female	100	25.00
Total	400	100.00

From Table 3.1, the result showed the online customer booking accommodations with LateStays.com. Male was the largest group, with 300 persons, or 75%. And female, with 100 persons, or 25%.

**Table 3.2** Level of importance of the respondents' satisfaction to the selected hotels available on the website

Hotel Factors	$\bar{x}$	<i>s.d.</i>	Level of Importance
Hotel Condition	4.23	0.73 8	High
Cleanliness	4.34	0.72 1	Very High
Facilities	4.10	0.84 8	Intermediate
Location	4.22	0.81 0	High
Value for Money	4.19	0.88 7	Intermediate
Instant Confirmation	4.31	0.75 4	Very High
Rooms	4.13	0.85 5	Intermediate

Services	4.13	0.96 5	Intermediate
Total	4.21	0.63 1	High

From Table 3.2, the result showed that online customer paid attention on to consider a hotel, all factors with high level of importance overall mean at 4.21. When consider for each factor, they gave importance of very high on cleanliness and instant confirmation with mean of 4.34 and 4.31 respectively. Hotel condition and location was considered on high level with mean of 4.23 and 4.22. While the respondents gave Value for Money, Rooms, Services and Facilities on intermediate level with Mean of 4.19, 4.13, 4.13 and 4.10 respectively.

**Table 3.3** Data Analysis of frequency and percentage in factors respondents consider when booking accommodations on the website

Factors	Frequency	Percentage
<b>Location</b>		
No	164	41.00
Yes	236	59.00
Total	400	100.000
<b>Special Offer</b>		
No	258	64.50
Yes	142	35.50
Total	400	100.00
<b>Good Reviews</b>		
No	309	77.25
Yes	91	22.75
Total	400	100.00

<b>Brand Name</b>			
No		385	96.25
Yes		15	3.73
	Total	400	100.00
<b>Price</b>			
No		190	47.50
Yes		210	52.50
	Total	400	100.00
<b>Past Experience</b>			
No		370	92.50
Yes		30	7.50
	Total	400	100.00

Table 3.3 (continued)

<b>Factors</b>			
		Frequency	Percentage
<b>Recommendation</b>			
No		354	88.50
Yes		46	11.50
	Total	400	100.00
<b>Instant Confirmation</b>			
No		372	93.00
Yes		28	7.00
	Total	400	100.00

Table 3.3 showed factors of which respondents considered when they book the selected hotel accommodations. Location was the factor for their most consideration for 236 respondents, or 59%. Secondly, Price was factor for 210 respondents, or 52.50%. Thirdly, Special Offer was factor for 142

respondents, or 35.50%. Beside the above, Good Reviews was factor for 91 respondents, or 22.75%. Brand Name was factor for 15 respondents, or 3.75%. Past Experience was factor for 30 respondents, or 7.50%. Recommendation was factor for 46 respondents, or 11.50%, and Instant Confirmation was factor for 28 respondents, or 7%, respectively.

**Part2:** Analysis of customer behavior and satisfaction of website.

Table 3.4 showed that from all 400 questionnaire respondents, most of them accessed to the website from search engine for 244 persons, or 61.00%, followed by past experience for 65 persons, or 16.25 %, follow a link from other site for 55 persons, or 13.75 % and looked for the website by referring to recommendation for 36 persons, or 9%, respectively.

**Table 3.4** Data Analysis of frequency and percentage in website access tools

Website access tools	Frequency	Percentage
Search Engine	244	61.00
Follow a link from other site	55	13.75
Recommendation	36	9.00
Past Experience	65	16.25
Total	400	100.00

The result in Table 3.5 found that from all 272 questionnaire respondents, most of them used Google for 238 persons, or 87.50%, followed by Yahoo for 26 persons, or 9.56%,



Other search engine for 6 persons, or 2.20% and MSN for 2 persons, or 0.74%, respectively.

Since size of the data to be analyzed must be more than 5%, the new Table 3.5 shall be read as follow in Table 3.6.

The result in Table 3.6 found that from all 272 questionnaire respondents, most of them used Google for 238 persons, or 87.50%, and used Yahoo/MSN/Other for 34 persons, or 12.50%.

**Table 3.5** Data Analysis of frequency and percentage in search engine brands

Search Engine Brands	Frequency	Percentage
Google	238	87.50
Yahoo	26	9.56
MSN	2	0.74
Others	6	2.20
Total	272	100.00

**Table 3.6** Combined Data Analysis of frequency and percentage in search engine brands

Search Engine Brands	Frequency	Percentage
Google	238	87.50
Yahoo/MSN/Other	34	12.50
Total	272	100.00

The result found that from all 400 questionnaire respondents, most of them rated ease of use of the website very easy 198 persons, or 49.50%, followed by easy for 194 persons, or

48.50%, and not easy for 7 persons, or 1.75%. However, 1 person, or 0.25%, found the website confusing, respectively.

**Table 3.7** Data Analysis of frequency and percentage in the ease of use of the website

Ease of use of the Website	Frequency	Percentage
Confusing	1	0.25
Not Easy	7	1.75
Easy	194	48.50
Very Easy	198	49.50
Total	400	100.00

Since size of the data to be analyzed must be more than 5%, the new Table 3.7 shall be read as follow in Table 3.8. The result found that from all 400 questionnaire respondents, most of them found the website confusing/easy/not easy for 202 persons, or 50.50%, while there were 198 persons, or 49.50% viewed it very easy.

**Table 3.8** Combined Data Analysis of frequency and percentage in the respondents that they found from browsing the website

Ease of use of the Website	Frequency	Percentage
Confusing/Easy/Not Easy	202	50.50
Very Easy	198	49.50
Total	400	100.00

Table 3.9 showed that factors that affected the respondents' decision when booking on the website that Instant Confirmation was the factor on the respondents booking decision for 149 persons, or 37.25%. Price was the factor on the respondents booking decision for 286 persons, or 71.50%, Service was the factor on the respondents booking decision for 53 persons, or 13.25%. Reputation was the factor on the respondents booking decision for 43 persons, or 10.75%. Past Experience was the factor on the respondents booking decision for 61 persons, or 15.25%.

**Table 3.9** Data Analysis of frequency and percentage in factors that the respondents decided to book hotel accommodations with the website

Factors of booking decision	Frequency	Percentage
<b>Instant Confirmation</b>		
No	251	62.75
Yes	149	37.25
Total	400	100.000
<b>Price</b>		
No	114	28.50
Yes	286	71.50
Total	400	100.00
<b>Service</b>		
No	347	86.75
Yes	53	13.25
Total	400	100.00
<b>Reputation</b>		
No	357	89.25
Yes	43	10.75
Total	400	100.00
<b>Past Experience</b>		
No	339	84.75
Yes	61	15.25
Total	400	100.00

From the Table 3.10 the respondents were satisfied to the website on the high level with Mean of 7.93.

**Table 3.10** Level of importance of the respondents' satisfaction to the website

Satisfaction to the website	$\bar{x}$	<i>s.d.</i>	Level of Importance
Satisfied	7.93	1.27	High

0

Remark: 1. Likert scale of 1 to 10 was used to rank the level of importance

(1 = poor and 10 = Excellent)

From the Table 3.11 the respondents would return to use the website for an amount of 388 persons, or 97.00%, and would not return for an amount of 12 persons, or 3.00%

**Table 3.11** Data Analysis of frequency and percentage in reoccurrence of usage

Reoccurrence of usage	Frequency	Percentage
No	12	3.00
Yes	388	97.00
Total	400	100.00

### **Part 3: Inferential Statistic Analysis for Hypothesis Testing**

**Hypothesis1:** Customer's satisfaction to the website is independent on gender.

The hypothesis shall be written as follow

$H_0$ : Customer's satisfaction to the website is independent on gender.

$H_1$ : Customer's satisfaction to the website is dependent on gender.

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence, the  $H_0$  shall be rejected when Sig. figure is less than 0.05.

In the above hypothesis test, if figure of the data variance becomes equal, Equal Variances Assumed Test shall be used.

Variance of each data group shall be test by Levene's test with the following hypothesis

$H_0$ : Variance of each data group contains independence.

$H_1$ : Variance of each data group contains dependence.

**Table 3.12** Independent sample T-test in gender and satisfaction to the website

Variance		Levene's Test For Equality of Variances		Gender	n	T-test for Equality of Means				
		F	Sig.			Mean	S.D.	t	df	Prob.
Satisfact ion to the website	Equal Variances assumed	0.04	0.84	M	30	7.94	1.284	0.20	398	0.83
	Equal Variances not assumed	0	2	F	10	7.91	1.232	4	8	

From the Table 3.12 Levene's test has Sig. for an amount of 0.842, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Variance of the data group becomes equal. Hence, the Equal Variances Assumed Test is brought.

The result of the customer's satisfaction to the website is independent on gender found that there was Prob. Value of 0.838 more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Consequently, the customer's satisfaction to the website is independent on gender, at 0.05 statistic significance.

**Hypothesis 2** Customer's satisfaction to the website is independent on Hotel's factors.

The hypothesis shall be written as follow

$H_0$ : Customer's satisfaction to the website is independent on Hotel's factors.

$H_1$ : Customer's satisfaction to the website is dependent on Hotel's factors.

Statistics applied in the analysis shall be simple Pearson Product Moment Correlation Coefficient with 95% confidence. The  $H_0$  shall be rejected when Sig. figure is less than 0.05. Result of the test is shown in Table 3.13.

**Table 3.13** Level of relevance on hotel factors and satisfaction to the website

Factors	Satisfaction to the website				
	n	r	p	Level of Relevanc e	Tendency of Relavanc e
Hotel Condition	400	0.32 7*	0.00 0	Poor	Similar direction
Cleanliness	400	0.28 5*	0.00 0	Poor	Similar direction
Facilities	400	0.31 6*	0.00 0	Poor	Similar direction
Location	400	0.27 5*	0.00 0	Poor	Similar direction
Value for Money	400	0.32 3*	0.00 0	Poor	Similar direction
Instant Confirmation	400	0.39 9*	0.00 0	Poor	Similar direction
Rooms	400	0.24 8*	0.00 0	Poor	Similar direction
Services	400	0.27 1*	.000	Poor	Similar direction

\* Sig. figure is at 0.05.

Hotel selection, when focusing on each selection factors, every selection has Poor and Similar direction to the Satisfaction of the booking website. Consequently, customer's satisfaction to the website is poorly dependent on Hotel's factors.

**Hypothesis 3: Customer's satisfaction to the website is independent on some Hotel's factors.**

Hypothesis 3.1 Customer's satisfaction to the website is independent on Location of the hotel.

H<sub>0</sub>: Customer's satisfaction to the website is independent on Location of the hotel

H<sub>1</sub>: Customer's satisfaction to the website is dependent on Location of the hotel

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence; the H<sub>0</sub> shall be rejected when Sig. figure is less than 0.05.

The Table 3.14 Levene's test has Sig. for an amount of 0.189, more than 0.05. Therefore, the H<sub>0</sub> shall be accepted and the H<sub>1</sub> shall be rejected. Variance of the data group becomes equal. Hence, the Equal Variances Assumed Test is brought.

The result of the customer's satisfaction to the website is independent on Hotel's factor, focusing on Location, found that there was Prob. Value of 0.038, less than 0.05. Therefore, the H<sub>0</sub> shall be rejected and the H<sub>1</sub> shall be accepted. Consequently, customer's satisfaction to the website is dependent on Hotel's factor Location, at 0.05 statistic significance.

**Table 3.14** Independent sample T-test in location and satisfaction to the website

Variance	Levene's Test For Equality of Variances		Location	n	T-test for Equality of Means				
	F	Sig.			Mean	S.D.	t	df	Prob.

Satisfact oin to the website	Equal	1.73	0.18	Yes	23	8.04	1.223	2.08	398	0.03
	Variances assumed	4	9		6			5*		8
	Equal			No	16	7.77	1.321			
	Variances not assumed				4					

\* Sig. figure is at 0.05.

Hypothesis 3.2 Customer's satisfaction to the website is independent on Special Offer of the hotel

The hypothesis shall be written as follow

H<sub>0</sub>: Customer's satisfaction to the website is independent on Special Offer of the hotel

H<sub>1</sub>: Customer's satisfaction to the website is dependent on Special Offer of the hotel

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence, the H<sub>0</sub> shall be rejected when Sig. figure is less than 0.05.

From the Table 3.15 Levene's test has Sig. for an amount of 0.750, more than 0.05. Therefore, the H<sub>0</sub> shall be accepted and the H<sub>1</sub> shall be rejected. Variance of the data group becomes equal. Hence, the Equal Variances Assumed Test is brought.

The result of customer's satisfaction to the website is independent on Special Offer of the hotel that there was Prob. Value of 0.542, more than 0.05. Therefore, the H<sub>0</sub> shall be accepted and the H<sub>1</sub> shall be rejected. Consequently customer's satisfaction to the website is independent on Special Offer of the hotel, at 0.05 statistic significance.

**Table 3.15** Independent sample T-test in special offer and satisfaction to the website

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Variance	Levene's
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		Test For Equality of Variances		Special Offer	n	T-test for Equality of Means				
		F	Sig.			Mean	S.D.	t	df	Prob.
Satisfaction to the website	Equal Variances assumed	0.102	0.750	Yes	142	7.88	1.274	0.610	398	0.542
	Equal Variances not assumed			No	258	7.96	1.269			

Hypothesis 3.3 Customer's satisfaction to the website is independent on Good Reviews of the hotel.

The hypothesis shall be written as follow

$H_0$ : Customer's satisfaction to the website is independent on Good Reviews of the hotel.

$H_1$ : Customer's satisfaction to the website is dependent on Good Reviews of the hotel.

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence, the  $H_0$  shall be rejected when Sig. figure is less than 0.05.

The Table 3.16 Levene's test has Sig. for an amount of 0.143, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Variance of the data group becomes equal. Hence, the Equal Variances Assumed Test is brought.

The result of customer's satisfaction to the website is independent on Good Reviews of the hotel, found that there was Prob. Value of 0.088, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Consequently, customer's satisfaction to the website is independent on Good Reviews of the hotel, at 0.05 statistic significance.

**Table 3.16** Independent sample T-test in good reviews and satisfaction to the website

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Variance      Levene's

		Test For Equality of Variances		Good Reviews	n	T-test for Equality of Means				
		F	Sig.			Mean	S.D.	t	df	Prob.
Satisfact oin to the website	Equal Variances assumed	2.15 3	0.14 3	Yes	91	8.13	1.108	1.70 8	398	0.08 8
	Equal Variances not assumed			No	30 9	7.87	1.309			

**Hypothesis 3.4:** Customer's satisfaction to the website is independent on Brand Name of the hotel.

$H_0$ : Customer's satisfaction to the website is independent on Brand Name of the hotel.

$H_1$ : Customer's satisfaction to the website is dependent on Brand Name of the hotel.

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence, the  $H_0$  shall be rejected when Sig. figure is less than 0.05.

From the Table 3.17 Levene's test has Sig. for an amount of 0.680, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Variance of the data group become equal. Hence, the Equal Variances Assumed Test is brought.

The result of customer's satisfaction to the website is independent on Brand Name of the hotel found that there was Prob. Value of 0.213, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Consequently, customer's satisfaction to the website is independent on Brand Name of the hotel, at 0.05 statistic significance.

**Table 3.17** Independent sample T-test in brand name and satisfaction to the website

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Variance      Levene's

		Test For Equality of Variances		Brand Name	n	T-test for Equality of Means				
		F	Sig.			Mean	S.D.	t	df	Prob.
Satisfaction to the website	Equal Variances assumed	0.170	0.680	Yes	15	8.33	1.234	1.247	398	0.213
	Equal Variances not assumed			No	385	7.92	1.270			

**Hypothesis 3.5:** Customer's satisfaction to the website is independent on Price of the hotel.

The hypothesis shall be written as follow

$H_0$ : Customer's satisfaction to the website is independent on Price of the hotel.

$H_1$ : Customer's satisfaction to the website is dependent on Price of the hotel.

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence, the  $H_0$  shall be rejected when Sig. figure is less than 0.05.

From the Table 3.18 Levene's test has Sig. for an amount of 0.646, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Variance of the data group becomes equal. Hence, the Equal Variances Assumed Test is brought.

The result of customer's satisfaction to the website is independent on Price of the hotel found that there was Prob. Value of 0.095, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Consequently, customer's satisfaction to the website is independent on Price of the hotel, at 0.05 statistic significance.

**Table 3.18** Independent sample T-test in price and satisfaction to the website

Variance		Levene's Test For Equality of Variances		Price	n	T-test for Equality of Means				
		F	Sig.			Mean	S.D.	t	df	Prob.
Satisfact oin to the website	Equal Variances assumed	0.21 2	0.64 6	Yes	21 0	8.03	1.231	1.67 4	398	0.09 5
	Equal Variances not assumed			No	19 0	7.82	1.305			

**Hypothesis 3.6:** Customer's satisfaction to the website is independent on Past Experience.

The hypothesis shall be written as follow

$H_0$  : Customer's satisfaction to the website is independent on Past Experience.

$H_1$  : Customer's satisfaction to the website is dependent on Past Experience.

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence, the  $H_0$  shall be rejected when Sig. figure is less than 0.05.

From the Table 3.19 Levene's test has Sig. for an amount of 0.501, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Variances of the data group become equal. Hence, the Equal Variances Assumed Test is brought.

The result of customer's satisfaction to the website is independent on Past Experience found that there was Prob. Value of 0.542, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Consequently, customer's satisfaction to the website is independent on Past Experience, at 0.05 statistic significance.

**Table 3.19** Independent sample T-test in past experience and satisfaction to the website

Variance		Levene's Test For Equality of Variances		Past Experie	n	T-test for Equality of Means				
		F	Sig.			Mean	S.D.	t	df	Prob.

		F	Sig.	nce	Mea n	S.D.	t	df	Prob.	
Satisfact ion to the website	Equal Variances assumed	0.45 4	0.50 1	Yes	30	8.13	1.306	0.901	398	0.36 8
	Equal Variances not assumed			No	370	7.92	1.267			

**Hypothesis 3.7:** Customer's satisfaction to the website is independent on Recommendation.

$H_0$ : Customer's satisfaction to the website is independent on Recommendation.

$H_1$ : Customer's satisfaction to the website is dependent on Recommendation.

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence, the  $H_0$  shall be rejected when Sig. figure is less than 0.05.

From the Table 3.20 Levene's test has Sig. for an amount of 0.343, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Variance of the data group becomes equal. Hence, the Equal Variances Assumed Test is brought.

The result of customer's satisfaction to the website is independent on Recommendation found that there was Prob. Value of 0.990, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Consequently, customer's satisfaction to the website is independent on Recommendation, at 0.05 statistic significance.

**Table 3.20** Independent sample T-test in recomendation and satisfaction to the website

Variance	Levene's Test For Equality of Variances		Recommendati on	n	T-test for Equality of Means				
	F	Sig.			Mean	S.D.	t	df	Prob.

Satisfact ion to the website	Equal Variances assumed	0.90 2	0.34 3	Yes	46	7.93	1.340	0.01 3	398	0.99 0
	Equal Variances not assumed			No	35 4	7.93	1.262			

**Hypothesis 3.8:** Customer's satisfaction to the website is independent on Instant Confirmation.

The hypothesis shall be written as follow

H<sub>0</sub>: Customer's satisfaction to the website is independent on Instant Confirmation.

H<sub>1</sub>: Customer's satisfaction to the website is dependent on Instant Confirmation.

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence, the H<sub>0</sub> shall be rejected when Sig. figure is less than 0.05.

From the Table 3.21 Levene's test has Sig. for an amount of 0.578, more than 0.05. Therefore, the H<sub>0</sub> shall be accepted and the H<sub>1</sub> shall be rejected. Variance of the data group become equal. Hence, the Equal Variances Assumed Test is brought.

The result of customer's satisfaction to the website is independent on Instant Confirmation found that there was Prob. Value of 0.021, less than 0.05. Therefore, the H<sub>0</sub> shall be rejected and the H<sub>1</sub> shall be accepted. Consequently, customer's satisfaction to the website is independent on Instant Confirmation, at 0.05 statistic significance.

**Table 3.21** Independent sample T-test in instant confirmation and satisfaction to the website

Variance	Levene's Test For Equality of Variances	F	Sig.	Instant Confirma tion	n	T-test for Equality of Means				
						Mea n	S.D.	t	df	Prob.
Satisfact oin to the	Equal Variances assumed	0.30 9	0.57 8	Yes	28	8.46	0.999	- 2.311 *	398	0.02 1

website	Equal	No	372	7.89	1.280
	Variances				
	not				
	assumed				

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\* Sig. figure is at 0.05.

**Hypothesis 4: Customer's satisfaction to the website is independent on customer's websites access tools.**

The hypothesis shall be written as follow

$H_0$ : Customer's satisfaction to the website is independent on customer's websites access tools.

$H_1$ : Customer's satisfaction to the website is independent on customer's websites access tools.

Statistics of the hypothesis test is test of difference between Mean of more than 2 groups of samples by One-Way ANOVA, with 95% confidence, the  $H_0$  shall be rejected when Prob. figure is less than 0.05.

In the above hypothesis testing, if all Variation of all data groups become equal, F-test shall be applied to test for difference. Denying  $H_0$  by accepting  $H_1$ , that is at least there is one pair of data become different, it shall be compared by Multiple Comparison by Fisher's Least Significant Difference (LSD) testing pattern. This is to examine difference of mean of a pair of data. If Variation of all groups of data is not equal, Brown-Forsythe test pattern shall be applied to find difference. Denying  $H_0$  by accepting  $H_1$ , that is one pair of data become different, it shall be compared by Multiple Comparison by Dunnett's T3testing pattern

Priliminarily, we will examine variance value of each data group by using Levene's test, with the following hypothesis

$H_0$  : There is no difference of variance value among each data group.

$H_1$  : There is difference of variance value at least on data group.

From the Table 3.22 the result showed that Prob. Value of 'Satisfaction to the booking website' 0.226, more than 0.05.

Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Hence, variance value on data group of web search is equal. The F-test will be testing the hypothesis.

Table 3.22 One Way ANOVA Testing: Satisfaction and search engine tool

Satisfaction to the service.	Levene Statistic	df1	df2	Prob
Satisfaction to the website.	1.457	3	396	0.226

The Table 3.23 found Prob. Value of 0.141, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Hence, customer's satisfaction to the website is independent on customer's websites access tools, at 0.05 statistic significance.

**Table 3.23** Examination of satisfaction of website, categorized by the travellers' search of website, by F-test

Satisfaction	Source Variance	of	SS	df	MS	F	Prob
Satisfaction to the website.	Between Groups		2.174	3	0.725	1.832	0.141
	Within Groups		156.641	396	0.396		
	Total		158.815	399			

**Hypothesis 5: Customer's satisfaction to the website is independent on search engines types.**

The hypothesis shall be written as follow



$H_0$ : Customer's satisfaction to the website is independent on search engines types.

$H_1$ : Customer's satisfaction to the website is dependent on search engines types.

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence; the  $H_0$  shall be rejected when Sig. figure is less than 0.05.

From the Table 3.24 Levene's test has Sig. for an amount of 0.058, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Variance of the data group becomes equal. Hence, the Equal Variances Assumed Test is brought.

The result of customer's satisfaction to the website is independent on search engines typed found that there was Prob. Value of 0.955, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Consequently, customer's satisfaction to the website is independent on search engines typed, at 0.05 statistic significance.

**Table 3.24** Independent sample T-test in search engines' brand and satisfaction to the websites

Variance		Levene's Test For Equality of Variances		Search Engine	n	T-test for Equality of Means				
		F	Sig.			Mean	S.D.	t	df	Prob.
Satisfact ion to the website	Equal Variances assumed	3.61 6	0.05 8	Googl e	23 8	7.99	1.138	-	270	0.95
	Equal Variances not assumed			Yahoo / MSN/ Other	34	8.00	1.706	0.05 6		5

\* at 0.05 statistic significance.

**Hypothesis 6: Customer's satisfaction to the website is independent on ease of use of the website.**

$H_0$ : Customer's satisfaction to the website is independent on ease of use of the website.

$H_1$ : Customer's satisfaction to the website is dependent on ease of use of the website.

Statistics of the hypothesis test is t-test by subdivision into Independent t-test with 95% confidence, the  $H_0$  shall be rejected when Sig. figure is less than 0.05.

From the Table 3.25 Levene's test has Sig. for an amount of 0.753, more than 0.05. Therefore, the  $H_0$  shall be accepted and the  $H_1$  shall be rejected. Variance of the data group becomes equal. Hence, the Equal Variances Assumed Test is brought.

The result of customer's satisfaction to the website is independent on ease of use of the website found that there was Prob. Value of 0.000, less than 0.05. Therefore, the  $H_0$  shall be rejected and the  $H_1$  shall be accepted. Consequently, customer's satisfaction to the website is dependent on ease of use of the website, at 0.05 statistic significance.

**Table 3.25** Independent sample T-test in ease of use and satisfaction to the website

Variance		Levene's Test For Equality of Variances		Ease of use	n	T-test for Equality of Means				
		F	Sig.			Mean	S.D.	t	df	Prob.
Satisfaction to the website	Equal Variances assumed	0.099	0.753	Confusing/Not Easy	20	7.53	1.220	-	398	0.000
	Equal Variances not assumed			Very Easy	3			6.752*		

\* At 0.05 statistic significance.

Summary of the hypotheses result after testing analyses of the first survey on Customer's satisfaction to the website among various factors.

**Table 3.26** Summary of all hypotheses from the first conceptual framework

<b>Hypotheses</b>	<b>Description</b>	<b>Result</b>
1	$H_0$ : Customer's satisfaction to the website is independent on gender	Accepted $H_0$
2	$H_0$ : Customer's satisfaction to the website is independent on Hotel's factors	Rejected $H_0$
3.1	$H_0$ : Customer's satisfaction to the website is independent on Location of the hotel	Rejected $H_0$
3.2	$H_0$ : Customer's satisfaction to the website is independent on Special Offer of the hotel	Accepted $H_0$
3.3	$H_0$ : Customer's satisfaction to the website is independent on Good Reviews of the hotel	Accepted $H_0$
3.4	$H_0$ : Customer's satisfaction to the website is independent on Brand Name of the hotel	Accepted $H_0$
3.5	$H_0$ : Customer's satisfaction to the website is independent on Price of the hotel	Accepted $H_0$
3.6	$H_0$ : Customer's satisfaction to the website is independent on Past Experience	Accepted $H_0$
3.7	$H_0$ : Customer's satisfaction to the website is independent on Recommendation	Accepted $H_0$
3.8	$H_0$ : Customer's satisfaction to the website is independent on Instant Confirmation	Rejected $H_0$
4	$H_0$ : Customer's satisfaction to the website is independent on customer's websites access tools	Accepted $H_0$

5	$H_0$ : Customer's satisfaction to the website is independent on search engines types	Accepted $H_0$
6	$H_0$ : Customer's satisfaction to the website is independent on ease of use of the website	Rejected $H_0$

### 3.2.2 Result on the Second Questionnaire

**Part1:** Analysis of demographic characteristic such as nationality, gender, age and marital status

Table 3.27, of all 400 questionnaire respondents, they could be concluded as follow;

Regarding Continents category, there were respondents 191 persons from Australia, or 47.75%, followed by from Europe of 102 persons, or 25.25%, from America of 63 persons, or 15.75% and from Asia of 44 persons, or 11.00%, respectively.

Nationality category, most of the respondents were Australian for an amount of 190 persons, or 47.50%, followed by British of 128 persons, or 32.00%, American 62 person, or 15.50%, and Belgian of 20 persons, or 5.00%, respectively.

Gender category, there were 258 male, or 64.50%, and 142 female, or 35.50%.

Age, most of the respondents were between 50-59 years old for an amount of 142 persons, or 35.50%, followed by 40-49 years old for 115 person, or 28.75%, above 60 years old of 79 persons, or 19.75%, between 30-39 years old of 43 persons, or 10.75%, and below 30 years old of 21 persons, or 5.25%, respectively.

Marital Status, it was found that there were 162 persons 'Married with no dependent children', or 40.75%, followed by 108 persons of 'Single', or 27.00%, 98 persons 'Married with children living at home', or 24.50%, and 31 persons vary on Other (divorced, in a relationship, partner), or 7.75%, respectively.

**Table 3.27** Data Analysis of frequency and percentage in Continents, Nationality, Gender, Ages and Marital status

Data	Frequency	Percentage
<b>Continents</b>		
Asia	44	11.00
Europe	102	25.50
America	63	15.75
Australia	191	47.75
Total	400	100.0
<b>Nationality</b>		
American	62	15.50
Australian	190	47.50
Belgian	20	5.00
British	128	32.00
Total	400	100.00
<b>Gender</b>		
Male	258	64.50
Female	142	35.50
Total	440	100.00
<b>Age</b>		
Below 30 years old	21	5.25
30 - 39 years old	43	10.75
40 - 49 years old	115	28.75
50 - 59 years old	142	35.50

Above 60 years old	79	19.75
Total	400	100.00

**Table 3.27** (Continued)

Data	Frequency	Percentage
<b>Marital status</b>		
Single	108	27.00
Married with no dependent children	163	40.75
Married with children living at home	98	24.50
Other (divorced, in a relationship, partner)	31	7.75
Total	400	100.0

**Part2:** Analysis of expected customer on their travelling behavior

From the table 2.28, of all 400 questionnaire respondents, they could be concluded as follow;

Frequency of booking accommodation online, most of the respondents, for an amount of 194 persons, bore frequency of '3-4 times a year', or 48.50%, followed by those of '1-2 times a year' for 101 persons, or 25.25%, 'Every second month' for 43 persons, or 10.75%, 'Less than once a year' for 21 persons, or 5.25%, 'More than once a month' for 16 persons, or 4.00%, 'Once a month' for

15 persons, or 3.75%, and ‘Other’ for 10 persons, or 2.50%, respectively.

The Table 3.28 showed that average length of stay when booking accommodation online, most of the respondents spent average time of stay for ‘1-2 weeks’ for 127 person, or 31.75%, followed by ‘3 nights – 1 week’ for 110 persons, or 27.50%, ‘2-4 weeks’ for 74 persons, or 18.50%, ‘It varies’ for 56 persons, or 14.00%, and ‘1-3 nights’ for 33 persons, or 8.25%, respectively.

**Table 3.28** Data Analysis of frequency and percentage in frequency of booking accommodation online

Data	Frequency	Percentage
Frequency of book accommodation online		
Less than once a year	21	5.25
1-2 times a year	101	25.25
3-4 times a year	194	48.50
Every second month	43	10.75
Once a month	15	3.75
More than once a month	16	4.00
Other	10	2.50
Total	400	100.00

**Table 3.29** Data Analysis of frequency and percentage in Average length of stay

Data	Frequency	Percentage
Average length of stay when	_____	_____

booking accommodation online		
1-3 nights	33	8.25
3 nights - 1week	110	27.50
1-2 weeks	127	31.75
2-4 weeks	74	18.50
It varies	56	14.00
Total	400	100.00

From the table 3.30, of all 400 questionnaire respondents, they could be concluded as follow;

Leisure (just you), it was found that most of the respondents chose ‘as the 2<sup>nd</sup> choice’ for 200 persons, or 50.00%, followed by ‘as the 1<sup>st</sup> choice’ for 92 persons, or 23.00%, ‘as the 3<sup>rd</sup> choice’ for 81 persons, or 20.25%, ‘as the 4<sup>th</sup> choice’ for 24 persons, or 6.00%, and ‘as the 5<sup>th</sup> choice’ for 3 persons, or 0.75%, respectively.

Leisure (in a couple), it was found that most of the respondents chose ‘as the 1<sup>st</sup> choice’ for 224 persons, or 56.00 %, followed by ‘as the 2<sup>nd</sup> choice’ for 135 persons, or 33.75%, ‘as the 3<sup>rd</sup> choice’ for 34 persons, or 8.50%, ‘as the 4<sup>th</sup> choice’ for 4 persons, or 1.00%, and ‘as the 5<sup>th</sup> choice’ for 3 persons, or 0.75%, respectively.

Leisure (with the family), it was found that most of the respondents chose ‘as the 2<sup>nd</sup> choice’ for 221 persons, or 52.75%, followed by ‘as the 3<sup>rd</sup> choice’ for 91 persons, or 22.75 %, ‘as the 1<sup>st</sup> choice’ for 82 persons, or 20.50%, ‘as the 4<sup>th</sup> choice’ for 13 persons, or 3.25%, and ‘as the 5<sup>th</sup> choice’ for 3 persons, or 0.75%, respectively.

Leisure (with friends), it was found that most of the respondents chose ‘as the 2<sup>nd</sup> choice’ for 259 persons, or 64.75%, followed by ‘as the 3<sup>rd</sup> choice’ for 94 persons, or 23.50%, ‘as the 1<sup>st</sup> choice’ for 33 persons, or 8.25%, ‘as the 4<sup>th</sup> choice’ for 13



persons, or 3.25%, and ‘as the 5<sup>th</sup> choice’ for 1 persons, or 0.25%, respectively.

Leisure (business for you), it was found that most of the respondents chose ‘as the 2<sup>nd</sup> choice’ for 254 persons, or 63.50%, followed by ‘as the 3<sup>rd</sup> choice’ for 95 persons, or 23.75%, ‘as the 1<sup>st</sup> choice’ for 30 persons, or 7.50%, ‘as the 4<sup>th</sup> choice’ for 21 persons, or 5.25%, and ‘as the 5<sup>th</sup> choice’ for 0 persons, or 0%, respectively.

Leisure (business for you), it was found that most of the respondents chose ‘as the 2<sup>nd</sup> choice’ for 235 persons, or 58.75%, followed by ‘as the 3<sup>rd</sup> choice’ for 123 persons, or 30.75%, ‘as the 4<sup>th</sup> choice’ for 34 persons, or 8.50%, ‘as the 5<sup>th</sup> choice’ for 5 persons, or 1.25%, and ‘as the 1<sup>st</sup> choice’ for 3 persons, or 0.75%, respectively.

**Table 3.30** Data Analysis of frequency and percentage in traveling lifestyle

Data	Frequency	Percentage
Leisure (just you)		
Chose as the 1 <sup>st</sup> choice	92	23.00
Chose as the 2 <sup>nd</sup> choice	200	50.00
Chose as the 3 <sup>rd</sup> choice	81	20.25
Chose as the 4 <sup>th</sup> choice	24	6.00
Chose as the 5 <sup>th</sup> choice	3	0.75

Total	400	100.00
Leisure (in a couple)		
Chose as the 1 <sup>st</sup> choice	224	56.00
Chose as the 2 <sup>nd</sup> choice	135	33.75
Chose as the 3 <sup>rd</sup> choice	34	8.50
Chose as the 4 <sup>th</sup> choice	4	1.00
Chose as the 5 <sup>th</sup> choice	3	0.75
Total	400	100.00
Leisure (with the family)		
Chose as the 1 <sup>st</sup> choice	82	20.50
Chose as the 2 <sup>nd</sup> choice	211	52.75
Chose as the 3 <sup>rd</sup> choice	91	22.75
Chose as the 4 <sup>th</sup> choice	13	3.25
Chose as the 5 <sup>th</sup> choice	3	0.75
Total	400	100.00

**Table 3.30** (continued)

Data	Frequency	Percentage
Leisure (with friends)		
Chose as the 1 <sup>st</sup> choice	33	8.25
Chose as the 2 <sup>nd</sup> choice	259	64.75
Chose as the 3 <sup>rd</sup> choice	94	23.50
Chose as the 4 <sup>th</sup> choice	13	3.25
Chose as the 5 <sup>th</sup> choice	1	0.25
Total	400	100.00

Leisure (business for you)		
Chose as the 1 <sup>st</sup> choice	30	7.50
Chose as the 2 <sup>nd</sup> choice	254	63.50
Chose as the 3 <sup>rd</sup> choice	95	23.75
Chose as the 4 <sup>th</sup> choice	21	5.25
Chose as the 5 <sup>th</sup> choice	0	0.00
Total	400	100.00
Leisure (business for coworker)		
Chose as the 1 <sup>st</sup> choice	3	0.75
Chose as the 2 <sup>nd</sup> choice	235	58.75
Chose as the 3 <sup>rd</sup> choice	123	30.75
Chose as the 4 <sup>th</sup> choice	34	8.50
Chose as the 5 <sup>th</sup> choice	5	1.25
Total	400	100.00

The Table 3.31, of all 400 questionnaire respondents, they could be concluded as follow;

Average budget per room per night when taking holidays, it was found that most of the respondent held Average budget Under US\$100 for an amount of 194 persons, or 48.50%, followed by those holding Average budget US\$100-US\$150 for 138 persons, or 34.50%, holding Average budget US\$150-US\$250 for 55 persons, or 13.75% and holding Average budget Over US\$350 for 3 persons, or 0.75%, respectively.

Table 3.32, the best describes your holiday patterns, it was found that most of the respondent thought ‘I follow the deals, wherever I can pick up a great deal is where I will go’ for an

amount of 143 persons, or 35.75%, followed up by those who thought ‘I read travel magazines and online articles and like to discover new places each time I travel’ for 135 persons, or 33.75%, ‘I return to the same spot every year - I am a creature of habit’ for 78 persons, or 19.50% and ‘I have a favourite activity (diving, sunbathing, skiing, partying etc) that I make sure is part of each holiday’ for 44 persons, or 11.00%, respectively.

**Table 3.31** Data Analysis of frequency and percentage in Average budget per room per night

Data	Frequency	Percentage
Average budget per room per night when taking holidays		
Under US\$100	194	48.50
US\$100-US\$150	138	34.50
US\$150-US\$250	55	13.75
US\$250-US\$350	10	2.50
Over US\$350	3	0.75
<b>Total</b>	<b>400</b>	<b>100.00</b>

**Table 3.32** Data Analysis of frequency and percentage in holiday pattern

Data	Frequency	Percentage
The best describes your holiday patterns	78	19.50
I return to the same spot every year - I am a creature of habit	143	35.75

I follow the deals, wherever I can pick up a great deal is where I will go	135	33.75
I read travel magazines and online articles and like to discover new places each time I travel	44	11.00
I have a favourite activity (diving, sunbathing, skiing, partying etc) that I make sure is part of each holiday		
Total	400	100.00

From the table 3.33, of all 400 questionnaire respondents, they could be concluded as follow;

The respondents were interested in Cambodia for an amount of 166 persons, or 41.50%, and were not interested for 234 persons, or 58.50%.

The respondents were interested in China for an amount of 167 persons, or 41.75%, and were not interested for 233 persons, or 58.25%.

The respondents were interested in Hong Kong for an amount of 181 persons, or 45.25%, and were not interested for 219 persons, or 54.75%.

The respondents were interested in India for an amount of 120 persons, or 30.00%, and were not interested for 280 persons, or 70.00%.

The respondents were interested in Indonesia for an amount of 156 persons, or 39.00%, and were not interested for 244 persons, or 61.00%.

The respondents were interested in Laos for an amount of 129 persons, or 32.25%, and were not interested for 271 persons, or 67.75%.

The respondents were interested in Macau for an amount of 63 persons, or 15.75%, and were not interested for 337 persons, or 84.25%.

The respondents were interested in Maldives for an amount of 120 persons, or 30.00%, and were not interested for 280 persons, or 70.00%.

The respondents were interested in Malaysia for an amount of 227 persons, or 56.75%, and were not interested for 173 persons, or 43.25%.

The respondents were interested in Myanmar for an amount of 63 persons, or 15.75%, and were not interested for 337 persons, or 84.25%.

The respondents were interested in Philippines for an amount of 126 persons, or 31.50%, and were not interested for 274 persons, or 68.50%.

The respondents were interested in Seychelles for an amount of 87 persons, or 21.75%, and were not interested for 313 persons, or 78.25%.

The respondents were interested in Singapore for an amount of 173 persons, or 43.25 %, and were not interested for 227 persons, or 56.75%.

The respondents were interested in Thailand for an amount of 350 persons, or 87.50%, and were not interested for 50 persons, or 12.50%.

The respondents were interested in Vietnam for an amount of 259 persons, or 64.75%, and were not interested for 141 persons, or 35.25%.

**Table 3.33** Data Analysis of frequency and percentage in country of interesting

Data	Frequency	Percentage
Cambodia		
Interested	166	41.50
Not interested	234	58.50
Total	400	100.00
China		
Interested	167	41.75
Not interested	233	58.25

Total	400	100.00
Hong Kong		
Interested	181	45.25
Not interested	219	54.75
Total	400	100.00
India		
Interested	120	30.00
Not interested	280	70.00
Total	400	100.00
<b>Table 3.33</b> (Continued)		
Indonesia		
Interested	156	39.00
Not interested	244	61.00
Total	400	100.00
Laos		
Interested	129	32.25
Not interested	271	67.75
Total	400	100.00
Macau		
Interested	63	15.75
Not interested	337	84.25
Total	400	100.00
Maldives		
Interested	120	30.00
Not interested	280	70.00
Total	400	100.00
Malaysia		
Interested	227	56.75
Not interested	173	43.25
Total	400	100.00
Myanmar		
Interested	63	15.75
Not interested	337	84.25
Total	400	100.00
Philippines		
Interested	126	31.50

Not interested	274	68.50
Total	400	100.00
Seychelles		
Interested	87	21.75
Not interested	313	78.25
Total	400	100.00

Table 3.33 (Continued)

Singapore		
Interested	173	43.25
Not interested	227	56.75
Total	400	100.00
Thailand		
Interested	350	87.50
Not interested	50	12.50
Total	400	100.00
Vietnam		
Interested	259	64.75
Not interested	141	35.25
Total	400	100.00

### Part 3: Inferential Statistic Analysis for Hypotheses Testing.

**Hypothesis 1** The respondents' base of continents are correlated to frequency of booking accommodation online

From the Table 3.31 we found that this hypothesis is supported by statistic significance, whereby  $X^2 = 44.723$ ,  $p < 0.05$ . In other words, the respondents' bases of continents are correlated to frequency of booking accommodation online.



**Table 3.34** Pearson Chi-Square figure of the respondents' base of continents and the frequency of the booking accommodation online

Frequency of book accommodation online	Continents				Total
	Asia	Europe	America	Australia	
Less than once a year	1 (0.3%)	1 (0.3%)	4 (1.0%)	15 (3.8%)	21 (5.3%)
1-2 times a year	10 (2.5%)	19 (4.8%)	8 (2.0%)	64 (16.0%)	101 (25.3%)
3-4 times a year	19 (4.8%)	62 (15.5%)	35 (8.8%)	78 (19.5%)	194 (48.5%)
Every second month	11 (2.8%)	9 (2.3%)	5 (1.3%)	18 (4.5%)	43 (10.8%)
Once a month	2 (0.5%)	4 (1.0%)	3 (0.8%)	6 (1.5%)	15 (3.8%)
More than once a month	0 (0.0%)	6 (1.5%)	6 (1.5%)	4 (1.0%)	16 (4.0%)
Other	1 (0.3%)	1 (0.3%)	2 (0.5%)	6 (1.5%)	10 (2.5%)
Total	44 (11.0%)	102 (25.5%)	63 (15.8%)	191 (47.8%)	400 (100%)
Pearson Chi-Square	44.723		18	0.000	

**Hypothesis 2** The respondents' bases of continents are correlated to average length of stay when booking accommodation online.

From the Table 3.35 we found that this hypothesis is supported by statistic significance, whereby  $X^2 = 36.642$ ,  $p < 0.05$ . In other words, the respondents' bases of continents are correlated to average length of stay when booking accommodation online.

**Table 3.35** Pearson Chi-Square figure of the respondents' base of continents and the average length of stay when booking accommodation online

Average length of stay when booking accommodation online	Continents				Total
	Asia	Europe	Asia	Europe	
1-3 nights	5 (1.3%)	14 (3.5%)	2 (0.5%)	12 (3.0%)	33 (8.3%)
3 nights - 1 week	20 (5.0%)	23 (5.8%)	21 (5.3%)	46 (11.5%)	110 (27.5%)
1-2 weeks	11 (2.3%)	20 (5.0%)	18 (4.5%)	78 (19.5%)	127 (31.8%)
2-4 weeks	2 (0.5%)	27 (6.8%)	15 (3.8%)	30 (7.5%)	74 (18.5%)
It varies	6 (1.5%)	18 (4.5%)	7 (1.8%)	25 (6.3%)	56 (14.0%)
Total	44	102	63	191	400

		(11.0%)	(25.5%)	(15.8%)	(47.8%)	(100%)
		Value		Df		Asymp. Sig.
Pearson	Chi-Square	36.642		12		0.000

**Hypothesis 3** The respondents' bases of continents are correlated to average budget per room per night when taking holidays.

From the Table 3.36 we found that this hypothesis is not supported by statistic significance, whereby  $X^2 = 19.161$ ,  $p > 0.05$ . In other words, the respondents' bases of continents are irrelevant to average budget per room per night when taking holidays.

**Table 3.36** Pearson Chi-Square figure of the respondents' base of continents and the average budget per room per night when taking holidays

Average budget per room per night when taking holidays	Continents				Total
	Asia	Europe	Asia	Europe	
Under US\$100	26 (6.5%)	44 (11.0%)	34 (8.5%)	90 (22.5%)	194 (48.5%)
US\$100 - US\$150	13 (3.3%)	38 (9.5%)	18 (4.5%)	69 (17.3%)	138 (34.5%)
US\$150 - US\$250	2 (0.5%)	19 (4.8%)	9 (2.3%)	25 (6.3%)	55 (13.8%)
	1	1	2	6	10

-US\$350	(0.3%)	(0.3%)	(0.5%)	(1.5%)	(2.5%)
Over	2	0	0	1	3
US\$350	(0.5%)	(0.0%)	(0.0%)	(0.3%)	(0.8%)
Total	44	102	63	191	400
	(11.0%)	(25.5%)	(15.8%)	(47.8%)	(100%)

		Value	Df	Asymp. Sig.
Pearson	Chi-Square	19.161	12	0.085

**Hypothesis 4** The respondents' Nationalities are correlated to frequency of booking accommodation online.

From the Table 3.37 we found that this hypothesis is supported by statistic significance, whereby  $X^2 = 31.175$ ,  $p < 0.05$ . In other words, the respondents' Nationalities are correlated to the frequency of booking accommodation online.

**Table 3.37** Pearson Chi-Square figure of the respondents' Nationalities and the frequency of booking accommodation online.

Frequency of book accommodation online	Nationality				Total
	American	Australian	Belgian	British	
Less than once a year	5 (1.3%)	14 (3.5%)	1 (0.3%)	1 (0.3%)	21 (5.3%)
1-2 times a year	8 (2.0%)	62 (15.5%)	7 (1.8%)	24 (6.0%)	101 (25.3%)
3-4 times a year	33 (8.3%)	79 (19.8%)	10 (2.5%)	72 (18.0%)	194 (48.5%)
Every second month	6 (1.5%)	18 (4.5%)	2 (0.5%)	17 (4.3%)	43 (10.8%)

Once a month	3 (0.8%)	7 (1.8%)	0 (0.0%)	5 (1.3%)	15 (3.8%)
More than once a month	5 (1.3%)	4 (1.0%)	0 (0.0%)	7 (1.8%)	16 (4.0%)
Other	2 (0.5%)	6 (1.5%)	0 (0.0%)	2 (0.5%)	10 (2.5%)
Total	62 (15.5%)	190 (47.5%)	20 (5.0%)	128 (32.0%)	400 (100%)

	Value	Df	Asymp. Sig.
Pearson Chi-Square	31.175	18	0.027

**Hypothesis 5** The respondents' Nationalities are correlated to average length of stay when booking accommodation online.

**Table 3.38** Pearson Chi-Square figure of the respondents' Nationalities and the average length of stay when booking accommodation online

Average length of stay when booking accommodation online	Nationality				Total
	American	Australian	Belgian	British	
1-3 nights	4 (1.0%)	12 (3.0%)	2 (0.5%)	15 (3.8%)	33 (8.3%)
3 nights -1 week	21 (5.3%)	48 (12.0%)	3 (0.8%)	38 (9.5%)	110 (27.5%)
1-2 weeks	20 (5.0%)	75 (18.8%)	6 (1.5%)	26 (6.5%)	127 (31.8%)
2-4 weeks	12 (3.0%)	29 (7.3%)	5 (1.3%)	28 (7.0%)	74 (18.5%)

It varies	5 (1.3%)	26 (6.5%)	4 (1.0%)	21 (5.3%)	56 (14.0%)
Total	62 (15.5%)	190 (47.5%)	20 (5.0%)	128 (32.0%)	400 (100%)

		Value	Df	Asymp. Sig.
Pearson Chi-Square		19.496	12	0.077

From the Table 3.38 we found that this hypothesis is not supported by statistic significance, whereby  $X^2 = 19.496$ ,  $p > 0.05$ . In other words, the respondents' Nationalities are irrelevant to average length of stay when booking accommodation online.

**Hypothesis 6** The respondents' Nationalities are correlated to average budget per room per night when taking holidays.

**Table 3.39** Pearson Chi-Square figure of the respondents' Nationalities and the average budget per room per night when taking holidays

Average budget per room per night when taking holidays	Nationality				Total
	American	Australian	Belgian	British	
Under US\$100	35 (8.8%)	94 (23.5%)	10 (2.5%)	55 (13.8%)	194 (48.5%)
	16	66	7	49	138

-US\$150	(4.0%)	(16.5%)	(1.8%)	(12.3%)	(34.5%)
US\$150	8	24	3	20	55
-US\$250	(2.0%)	(6.0%)	(0.8%)	(5.0%)	(13.8%)
US\$250	2	5	0	3	10
-US\$350	(0.5%)	(1.3%)	(0.0%)	(0.8%)	(2.5%)
Over	1	1	0	1	3
US\$350	(0.3%)	(0.3%)	(0.0%)	(0.3%)	(0.8%)
Total	62	190	20	128	400
	(15.5%)	(47.5%)	(5.0%)	(32.0%)	(100%)

		Value	Df	Asymp. Sig.
Pearson	Chi-Square	5.661	12	0.932

From the Table 3.39, we found that this hypothesis is not supported by statistic significance, whereby  $X^2 = 5.661$ ,  $p > 0.05$ . In other words, the respondents' Nationalities are irrelevant to the average budget per room per night when taking holidays.

**Hypothesis 7** The respondents' gender is correlated to frequency of booking accommodation online.

**Table 3.40** Pearson Chi-Square figure of the respondents' gender and the frequency of the booking accommodation online

Frequency of book accommodation online	Gender		Total
	Male	Female	
Less than once a year	12 (3.0%)	9 (2.3%)	21 (5.3%)
1-2 times a year	63 (15.8%)	38 (9.5%)	101 (25.3%)
	124	70	194

		(31.0%)	(17.5%)	(48.5%)
Every second month		29 (7.3%)	14 (3.5%)	43 (10.8%)
Once a month		14 (3.5%)	1 (0.3%)	15 (3.8%)
More than once a month		10 (2.5%)	6 (1.5%)	16 (4.0%)
Other		6 (1.5%)	4 (1.0%)	10 (2.5%)
Total		258 (64.5%)	142 (35.5%)	400 (100%)
<hr/>				
		Value	Df	Asymp. Sig.
Pearson Chi-Square		6.449	6	0.375

From the Table 3.40 we found that this hypothesis is not supported by statistic significance, whereby  $X^2 = 6.449$ ,  $p > 0.05$ . In other words, the respondents' gender is irrelevant to the frequency of Book Accommodation Online.

**Hypothesis 8** The respondents' Gender is correlated to average length of stay when booking accommodation online.

**Table 3.41** Pearson Chi-Square figure of the respondents' gender and the average length of stay when booking accommodation online

Average length of stay when booking accommodation online	Gender		Total
	Male	Female	
1-3 nights	24 (6.0%)	9 (2.3%)	33 (8.3%)



3 nights - 1 week	73 (18.8%)	37 (9.3%)	110 (27.5%)
1-2 weeks	76 (19.0%)	51 (12.8%)	127 (31.8%)
2-4 weeks	50 (12.5%)	24 (6.0%)	74 (18.5%)
It varies	35 (8.8%)	21 (5.3%)	56 (14.0%)
Total	258 (64.5%)	142 (35.5%)	400 (100%)

	Value	Df	Asymp. Sig.
Pearson Chi-Square	2.747	4	0.601

From the Table 3.41 we found that this hypothesis is not supported by statistic significance, whereby  $X^2 = 2.747$ ,  $p > 0.05$ . In other words, the respondents' gender is irrelevant to the average length of stay when booking accommodation online.

**Hypothesis 9** The respondents' gender is correlated to average budget per room per night when taking holidays.

**Table 3.42** Pearson Chi-Square figure of the respondents' gender and the average budget per room per night when taking holidays

Average budget per room per night when taking holidays	Gender		Total
	Male	Female	
Under US\$100	138 (34.5%)	56 (14.0%)	194 (48.5%)

US\$100 - US\$150	81 (20.3%)	57 (14.3%)	138 (34.5%)
US\$150 - US\$250	31 (7.8%)	24 (6.0%)	55 (13.8%)
US\$250 - US\$350	5 (1.3%)	5 (1.3%)	10 (2.5%)
Over US\$350	3 (0.8%)	0 (0.0%)	3 (0.8%)
Total	258 (64.5%)	142 (35.5%)	400 (100%)

	Value	Df	Asymp. Sig.
Pearson Chi-Square	9.919	4	0.042

From the Table 3.42 we found that this hypothesis is supported by statistic significance, whereby  $X^2 = 9.919$ ,  $p < 0.05$ . In other words, the respondents' Gender is correlated to the average budget per room per night when taking holidays.

**Hypothesis 10** The respondents' ages are correlated to frequency of booking accommodation online.

**Table 3.43** Pearson Chi-Square figure of the respondents' ages and the frequency of booking accommodation online

Frequency of book accommodation online	Ages					Total
	Below 30 yrs.	30 - 39 yrs.	40 - 49 yrs.	50- 59 yrs.	Above 60 yrs.	
Less than once a year	1 (0.3%)	2 (0.5%)	7 (1.8%)	11 (2.8%)	0 (0.0%)	21 (5.3%)
	5	10	33	32	21	101

year	(1.2%) )	(2.5%) )	(8.3%) )	(8.0%) )	(5.3%)	(25.3%)
3-4 times a year	11 (2.3%) )	19 (4.8%) )	57 (14.3%) )	65 (16.3%) )	42 (10.5%)	194 (48.5%)
Every second month	4 (1.0%) )	4 (1.0%) )	9 (2.3%) )	20 (5.0%) )	6 (1.5%)	43 (10.8%)
Once a month	0 (0.0%) )	4 (1.0%) )	3 (0.8%) )	4 (1.0%) )	4 (1.0%)	15 (3.8%)
More than once a month	0 (0.0%) )	3 (0.8%) )	2 (0.5%) )	7 (1.8%) )	4 (1.0%)	16 (4.0%)
Other	0 (0.0%) )	1 (0.3%) )	4 (1.0%) )	3 (0.8%) )	2 (0.5%)	10 (2.5%)
Total	21 (5.3%) )	43 (10.8%) )	115 (28.8%) )	142 (35.5%) )	79 (19.8%)	400 (100%)

		Value	Df	Asymp. Sig.
Pearson	Chi-Square	22.757	24	0.534

From the Table 3.43 we found that this hypothesis is supported by statistic significance, whereby  $X^2 = 22.757$ ,  $p > 0.05$ . In other words, the respondents' Ages are correlated to the frequency of Book Accommodation Online.

**Hypothesis 11** The respondents' ages are correlated to average length of stay when booking accommodation online.

**Table 3.44** Pearson Chi-Square figure of the respondents' ages and the average length of stay when booking accommodation online

Average length of stay when booking accommodation online	Ages					Total
	Below 30 yrs.	30 -39 yrs.	40 - 49 yrs.	50- 59 yrs.	Above 60 yrs.	
1-3 nights	3 (0.8%)	6 (1.5%)	10 (2.5%)	8 (2.0%)	6 (1.5%)	33 (8.3%)
3 nights- 1 week	7 (1.8%)	13 (3.3%)	28 (7.0%)	39 (9.8%)	23 (5.8%)	110 (27.5%)
1-2 weeks	6 (1.5%)	13 (3.3%)	40 (10.0%)	43 (10.8%)	25 (6.3%)	127 (31.8%)
2-4 weeks	3 (0.8%)	5 (1.3%)	25 (6.3%)	30 (7.5%)	11 (2.8%)	74 (18.5%)
It varies	2 (0.5%)	6 (1.5%)	12 (3.0%)	22 (5.5%)	14 (3.5%)	56 (14.0%)
Total	21 (5.3%)	43 (10.8%)	115 (28.8%)	142 (35.5%)	79 (19.8%)	400 (100%)

	Value	Df	Asymp. Sig.
Pearson Chi-Square	10.992	16	0.810

From the Table 3.44 we found that this hypothesis is not supported by statistic significance, whereby  $X^2 = 10.992$ ,  $p > 0.05$ . In other words, the respondents' Ages are irrelevant to the average length of stay when booking accommodation online.

**Hypothesis 12** The respondents' Ages are correlated to average budget per room per night when taking holidays.

**Table 3.45** Pearson Chi-Square figure of the respondents' ages and the average budget per room per night when taking holidays

Average budget per room per night when taking holidays	Ages					Total
	Below 30 yrs.	30 -39 yrs.	40 - 49 yrs.	50- 59 yrs.	Above 60 yrs.	
Under US\$100	13 (3.3%)	21 (5.3%)	41 (10.3%)	79 (19.8%)	40 (10.0%)	194 (48.5%)
US\$100 - US\$150	7 (1.8%)	14 (3.5%)	55 (13.8%)	39 (9.8%)	23 (5.8%)	138 (34.5%)
US\$150 - US\$250	1 (0.3%)	5 (1.3%)	14 (3.5%)	22 (5.5%)	13 (3.3%)	55 (13.8%)
US\$250 - US\$350	0 (0.0%)	3 (0.8%)	3 (0.8%)	1 (0.1%)	3 (0.8%)	10 (2.5%)
Over US\$350	0 (0.0%)	0 (0.0%)	2 (0.5%)	1 (0.3%)	0 (0.0%)	3 (0.8%)
Total	21 (5.3%)	43 (10.8%)	115 (28.8%)	142 (35.5%)	79 (19.8%)	400 (100%)

	Value	Df	Asymp. Sig.
Pearson Chi-Square	26.168	16	0.052

From the Table 3.45 we found that this hypothesis is not supported by statistic significance, whereby  $X^2 = 26.168$ ,  $p > 0.05$ . In other words, the respondents' Ages are irrelevant to the average budget per room per night when taking holidays.

**Hypothesis 13** The respondents' marital status are correlated to frequency of booking accommodation online.

**Table 3.46** Pearson Chi-Square figure of the respondents' marital status and the frequency of booking accommodation online

Frequency of book accommodation online	Marital status				Total
	Single	Married with no dependent children	Married with children living at home	Other (divorced, in a relationship, partner)	
Less than once a year	5 (1.3%)	4 (1.0%)	10 (2.5%)	2 (0.5%)	21 (5.3%)
1-2 times a year	24 (6.0%)	46 (11.5%)	26 (6.5%)	5 (1.3%)	101 (25.3%)
3-4 times a year	51 (12.8%)	85 (21.3%)	42 (10.5%)	16 (4.0%)	194 (48.5%)
Every second month	15 (3.8%)	12 (3.0%)	10 (2.5%)	6 (1.5%)	43 (10.8%)
Once a month	6 (1.5%)	5 (1.3%)	4 (1.0%)	0 (0.0%)	15 (3.8%)
More than once a month	6 (1.5%)	6 (1.5%)	3 (0.8%)	1 (0.3%)	16 (4.0%)
Other	1 (0.3%)	5 (1.3%)	3 (0.8%)	1 (0.3%)	10 (2.5%)
Total	108	163	98	31	400



It varies	13 (3.3%)	28 (7.0%)	8 (2.0%)	7 (1.8%)	56 (14.0%)
Total	108 (27.0%)	163 (40.8%)	98 (24.5%)	31 (7.8%)	400 (100%)

	Value	Df	Asymp. Sig.
Pearson Chi-Square	22.818	12	0.029

From the Table 3.47, we found that this hypothesis is supported by statistic significance, whereby  $X^2 = 22.818$ ,  $p < 0.05$ . In other words, the respondents' Marital status are correlated to the average length of stay when booking accommodation online.

**Hypothesis 15** The respondents' Marital status are correlated to average budget per room per night when taking holidays.

**Table 3.48** Pearson Chi-Square figure of the respondents' marital status and the average budget per room per night when taking holidays

Average budget per room per night when taking holidays	Marital status				Total
	Single	Married with no dependent children	Married with children living at home	Other (divorced, in a relationship, partner)	
Under US\$100	73 (18.3%)	67 (16.8%)	36 (9.0%)	18 (4.5%)	194 (48.5%)
	22	62	46	8	138



-	(5.5%)	(15.5%)	(11.5%)	(2.0%)	(34.5%)
US\$150					
US\$150	9	27	14	5	55
-	(2.3%)	(6.8%)	(3.5%)	(1.3%)	(13.8%)
US\$250					
US\$250	2	6	2	0	10
-	(0.5%)	(1.5%)	(0.5%)	(0.0%)	(2.5%)
US\$350					
Over	2	1	0	0	3
US\$350	(0.5%)	(0.3%)	(0.0%)	(0.0%)	(0.8%)
Total	108	163	98	31	400
	(27.0%)	(40.8%)	(24.5%)	(7.8%)	(100%)

	Value	Df	Asymp. Sig.
Pearson Chi-Square	33.349	12	0.001

From the Table 3.48 we found that this hypothesis is supported by statistic significance, whereby  $X^2 = 33.349$ ,  $p < 0.05$ . In other words, the respondents' Marital status are correlated to the average budget per room per night when taking holidays.

Summary of the results of hypotheses testing analyses of the second survey on relationship between demographic and travelling behaviors.

**Table 3.49** Summary of all hypotheses from the second conceptual framework

Demographic Behavior	<b>Frequency of booking, accommodation online.</b>	<b>Average length of stay.</b>	<b>Average budget per room per night.</b>
<b>Base of</b>	Correlated	Correlated	Irrelevant

<b>Continents</b>			
<b>Nationalities</b>	Correlated	Irrelevant	Irrelevant
<b>Genders</b>	Irrelevant	Irrelevant	Correlated
<b>Ages</b>	Irrelevant	Irrelevant	Irrelevant
<b>Marital status</b>	Irrelevant	Correlated	Correlated

## Chapter 4 SUMMARY

### 4.1 Conclusion

#### 4.1.1 Conclusion from the first questionnaire of group of customers using online reservation websites who experience hotel usage.

*Analysis of demographic characteristic and customer's behavior on consideration of a hotel*

Out of 400 tourists respondents, there were 300 male persons, or 75.00%, and 100 female persons, or 25.00%. Most of the tourists respondents were male.

**Importance of hotels services selecting** of the tourist respondents; the tourists respondents valued section of hotel services, at overall picture, we found that Cleanliness, Instant Confirmation, Hotel Condition and Location were rated 'Very high', while Value for Money, Rooms Services and Facilities were rated 'High', respectively.

**When selecting hotel services:** Location was a decisive point of tourists respondents of 59.00%, followed by Price of 52.50% , Special Offer of 35.50%, Instant Confirmation of 35.50%, Good Reviews of 22.75%, Recommendation of 11.50%, Past Experience of 7.50%, and Brand Name of 3.75%, respectively.

*Analysis of customer behavior and satisfaction of website*

**Website search;** Most of the respondents did the website search from Search Engine for 61.00%, followed by Past Experience for 16.25%, Follow a link from other site for 13.75% and from Recommendation for 9.00%, respectively.

**On the search engines,** most of the respondents used Google for 87.50%, followed by Yahoo for 9.56%, use Other for 2.20% and used MSN for 0.74%, respectively.

**Ease of use**, most of the respondents found the booking website Very Easy for 49.50%, followed by Easy for 48.50%, Not Easy for 1.75% and Confusing for 0.25%, respectively.

**Factor of the respondents booking decision**; Price was factor the respondents' decision making for 71.50%, Instant Confirmation for 37.25%, Past for 15.25%, Service for 13.25%, and Reputation for 10.75%, respectively.

**Satisfaction to the booking website**, most of the respondents found the website very highly satisfied and return back to use the booking website for 97.00%.

### *Inferential Statistic Analysis for Hypothesis Testing*

Hypothesis 1 Customer's satisfaction to the website is independent on gender. Result of the analysis found that customer's satisfaction to the website is independent on gender. It conforms to the hypothesis.

Hypothesis 2 Customer's satisfaction to the website is independent on Hotel's factors.

Result of the analysis found that customer's satisfaction to the website is independent on Hotel's factors. It does not conform to the hypothesis.

Hypothesis 3 Customer's satisfaction to the website is dependent on some Hotel's factors.

*Hypothesis 3.1* Customer's satisfaction to the website is independent on Location of the hotel

Result of the analysis found that customer's satisfaction to the website is independent on Location of the hotel. It does not conform to the hypothesis.

*Hypothesis 3.2* Customer's satisfaction to the website is independent on Special Offer of the hotel.

Result of the analysis found that customer's satisfaction to the website is independent on Special Offer of the hotel. It conforms to the hypothesis.

*Hypothesis 3.3* Customer's satisfaction to the website is independent on Good Reviews of the hotel.

Result of the analysis found that customer's satisfaction to the website is independent on Good Reviews of the hotel. It conforms to the hypothesis.

*Hypothesis 3.4* Customer's satisfaction to the website is independent on Brand Name of the hotel.

Result of the analysis found that customer's satisfaction to the website is independent on Brand Name of the hotel. It conforms to the hypothesis.

*Hypothesis 3.5* Customer's satisfaction to the website is independent on Price of the hotel.

Result of the analysis found that customer's satisfaction to the website is independent on Price of the hotel. It conforms to the hypothesis.

*Hypothesis 3.6* Customer's satisfaction to the website is independent on Past Experience.

Result of the analysis found that customer's satisfaction to the website is independent on Past Experience. It conforms to the hypothesis.

*Hypothesis 3.7* Customer's satisfaction to the website is independent on Recommendation.

Result of the analysis found that Customer's satisfaction to the website is independent on Recommendation. It conforms to the hypothesis.

*Hypothesis 3.8* Customer's satisfaction to the website is independent on Instant Confirmation.

Result of the analysis found that different customer's satisfaction to the website is dependent on Instant Confirmation. It does not conform to the hypothesis.

Hypothesis 4 Customer's satisfaction to the website is independent on customer's websites access tools.

Result of the analysis found customer's satisfaction to the website is independent on customer's websites access tools. It conforms to the hypothesis.

Hypothesis 5 Customer's satisfaction to the website is independent on search engines brands.

Result of the analysis found that Customer's satisfaction to the website is independent on search engines brands. It conforms to the hypothesis.

Hypothesis 6 Customer's satisfaction to the website is independent on ease of use of the website.

Result of the analysis found that Customer's satisfaction to the website is independent on ease of use of the website. It does not conform to the hypothesis.

#### **4.1.2 Conclusion from the second questionnaire of group of expected customers who subscribed to receive online newsletter to get travel information and hotel deals.**

*Analysis of demographic characteristic such as nationality, gender, age and marital status*

From the research, we found that most of the respondents were from Australia, having Australian nationality. There were male, mostly, and aged from 50-59 years old. Marital status was 'Married with no dependent children'.

*Analysis of expected customer on their travelling behavior*

From the research, we found that most of the respondents travel '3-4 times a year'. They stayed (Average length of stay when booking accommodation online) 1-2 weeks. The respondents chose 'Leisure (just you)' as their 2<sup>nd</sup> choice. They chose 'Leisure (in a couple)' as their 1<sup>st</sup> choice. They chose Leisure (with the family) as their 2<sup>nd</sup> choice. They chose Leisure

(with friends) as their 2<sup>nd</sup> choice. They chose Leisure (business for you) as their 2<sup>nd</sup> choice. And they chose Leisure (business for coworker) as their 2<sup>nd</sup> choice.

From the research, we found that most of the respondents held 'average budget Under US\$100'. They described their holiday pattern as 'I follow the deals, wherever I can pick up a great deal is where I will go'. From their views of countries in Asia that they were interested in visiting, they were interested in Macau for 15.75%, Myanmar for 15.75%, Seychelles for 21.75%, India for 30.00%, Maldives for 30.00%, Indonesia for 39.00%, Philippines for 31.50%, Laos for 32.25%, Cambodia for 41.50%, China for 41.75%, Singapore for 43.25%, Hong Kong for 45.25%, Malaysia for 56.75%, Vietnam for 64.75%, and Thailand for 87.50%.

### *Inferential Statistic Analysis for Hypothesis Testing*

Hypothesis 1 The respondents' base of continents are correlated to frequency of Booking Accommodation Online

Result of the analysis found respondents' base of continents are correlated to frequency of Booking Accommodation Online. It conforms to the hypothesis.

Hypothesis 2 The respondents' base of continents are correlated to average length of stay when booking accommodation online.

Result of the analysis found respondents' base of continents are correlated to average length of stay when booking accommodation online. It conforms to the hypothesis.

Hypothesis 3 The respondents' base of continents are correlated to average budget per room per night when taking holidays.

Result of the analysis found respondents' base of continents are irrelevant to the average budget per room per night when taking holidays. It does not conform to the hypothesis.

Hypothesis 4 The respondents' Nationalities are correlated to frequency of Booking Accommodation Online.

Result of the analysis found the respondents' Nationalities are correlated to the frequency of Booking Accommodation Online. It conforms to the hypothesis.

Hypothesis 5 The respondents' Nationalities are correlated to average length of stay when booking accommodation online.

Result of the analysis found the respondents' Nationalities are irrelevant to the average length of stay when booking accommodation online. It does not conform to the hypothesis.

Hypothesis 6 The respondents' Nationalities are correlated to average budget per room per night when taking holidays.

Result of the analysis found the respondents' Nationalities are irrelevant to the average budget per room per night when taking holidays. It does not conform to the hypothesis.

Hypothesis 7 The respondents' Gender are correlated to frequency of Booking Accommodation Online.

Result of the analysis found the respondents' Gender are irrelevant to the frequency of Booking Accommodation Online. It does not conform to the hypothesis.

Hypothesis 8 The respondents' Gender are correlated to average length of stay when booking accommodation online.

Result of the analysis found the respondents' Gender are irrelevant to the average length of stay when booking accommodation online. It does not conform to the hypothesis.

Hypothesis 9 The respondents' Gender are correlated to average budget per room per night when taking holidays.

Result of the analysis found the respondents' Gender are correlated to the average budget per room per night when taking holidays. It conforms to the hypothesis.

Hypothesis 10 The respondents' Ages are correlated to frequency of Booking Accommodation Online.



Result of the analysis found the respondents' Ages are irrelevant to the frequency of Booking Accommodation Online. It does not conform to the hypothesis.

Hypothesis 11 The respondents' Ages are correlated to average length of stay when booking accommodation online.

Result of the analysis found the respondents' Ages are irrelevant to the average length of stay when booking accommodation online. It does not conform to the hypothesis.

Hypothesis 12 The respondents' Ages are correlated to average budget per room per night when taking holidays.

Result of the analysis found the respondents' Ages are irrelevant to the average budget per room per night when taking holidays. It does not conform to the hypothesis.

Hypothesis 13 The respondents' Marital status are correlated to frequency of Booking Accommodation Online.

Result of the analysis found the respondents' Marital status is irrelevant to the frequency of Booking Accommodation Online. It does not conform to the hypothesis. ✎

Hypothesis 14 The respondents' Marital status are correlated to average length of stay when booking accommodation online.

Result of the analysis found the respondents' Marital status is correlated to the average length of stay when booking accommodation online. It conforms to the hypothesis.

Hypothesis 15 The respondents' Marital status are correlated to average budget per room per night when taking holidays.

Result of the analysis found the respondents' Marital status are correlated to average budget per room per night when taking holidays. It conforms to the hypothesis.

## **4.2 Discussion**

**4.2.1. To study the effect of the online customer behavior booking hotel accommodations on their satisfaction to the website.**

### *Online Customer Behavior of Booking Hotel Accommodations*

Result of this research showed variety of tools that made the customer access the OTA's website, 61% of them used Search Engines, 16.25% used to visit the website before (Past Experience), 13.75% followed a link from other site and 9% reached the OTA's website out of Recommendation.

Specifically speaking of the Search Engines production of 61% of all customers above, 87.50% of them used Google, while other 12.50% used Yahoo, MSN and other, respectively.

The website access tools are a kind of Jeong and Lambert's (2001) description of the customers' perception about products and services on the web that it was most crucial in predicting the customers' decision-making. The Jeong and Lambert's (2001) proposed four elements of information quality that are attitudes, perceived usefulness, perceived accessibility and perceived ease of use.

The results found above are consistent to Jeong and Lambert's (2001) 'perceived accessibility'. Besides this, we explore only another of their study (from all 4 perceived factors), 'perceived ease of use' as discussed below.

Regarding ease of use rating, the research asked four hundred customers to respond to the questionnaires, which one of the question was that how easy they found the OTA website. Most of them found the website Very Easy 198 persons, or 49.50%, followed by Easy for 194 persons, or 48.50%, and Not Easy for 7 persons, or 1.75%. However, 1 person, or 0.25%, found the website Confusing. Therefore, collectively the customers found the website Very Easy and Easy for the amount of 98.00%.

Ease of use that the customers found in the website should cover all area of information and transactions on the website. For examples, they found information that they were looking for with ease. They completed booking the hotels

without using much attempt but feeling secured. They received confirmation feedback after booking without delay. These were practical ease of use that the customers of the website found for the Jeong and Lambert's (2001) 'perceived ease of use'.

### *Satisfaction to the Hotel Factors*

The research studied two sources; satisfaction to products sale on the website (hotel accommodations) and satisfaction to the website [www.LateStays.com](http://www.LateStays.com).

After the customers have finished their trip from the hotel accommodations, the questionnaires were sent to ask if they were satisfied to the hotel accommodations and which part of the hotel they were satisfied most.

Out of 8 choices from the Table 3.2, customers rated the following choices to their satisfaction, which were above the mean of 4.21; Cleanliness (4.34), Instant Confirmation (4.31), Hotel Condition (4.23) and Location (4.22).

This conclusion complies with Knutson (1988) study, which revealed that convenience of location, prompt service and some other factors (i.e. room cleanliness and comfort, safety and security, and friendliness), are important factors regarding customer satisfaction.

Moreover, there were researches of the customer satisfaction, which stated about cleanliness factor further to the above. Atkinson (1988) stated that "in hospitality industry attributes that the customer found important to their satisfaction is cleanliness". Akan (1995) stated that "the main determinants of hotel customer satisfaction are cleanliness".

### *Satisfaction to the Website*

Result of the study showed the overall work of the OTA's website that respondents were quite satisfied to the website with the mean of 7.93, of which the range is from 1 - 10 from Likert scale, whereby 1=poor and 10=excellent.

Satisfaction can be determined by subjective (e. g. customer needs, emotions) and objective factors (e. g. product and service features). Barsky and Labagh (1992) stated that attitude, location and rooms are likely to influence customers' satisfaction. Customer satisfaction measures how well a company's products or services meet or exceed customer expectations. These expectations often reflect many aspects of the company's business activities as an overall psychological evaluation that is based on the customer's lifetime of product and service experience. The above online satisfaction of the customer with online services by online travel agent may elaborate a good combination of the subjective and objective factors that the customers measured the overall performance of the OTA's website.

The customers mentioned in the questionnaire that they would return to use the website again for an amount of 388 persons, or 97.00%, while the other 12 persons, or 3%, may not return to use the website.

Based on the following researchers, it was found that the website was on its right decision to retain the customer retention.

LeBlanc (1992) said that analyzing the customers' perception about the service quality (in this context means the website operation) can help the operator develop and formulate marketing strategies. Although the website already gained 48.50% Easy above in the satisfaction to the website, there is possibility for the OTA to work on increase the amount of those of Easy to Very Easy. Consequently, the website will gain better rating for ease of use and promote customer retention.

Smith (2007) stated that customer satisfaction measures are critical to any product or service company because customer satisfaction is a strong predictor of customer retention; customer loyalty and product repurchase. Hence good customer satisfaction predicts good customer retention.

From this research that we found the very good satisfaction rating of 7.93 (from 10) and the 97% of the

customer retention are consistent to the studies of Barsky and Labagh (1992), LeBlanc (1992) and Smith (2007), respectively.

*The effect of the online customer behavior booking hotel accommodations on their satisfaction to the website*

We learned from the above hotel factors in Hypotheses 2, of which dealt with Hotel selection factors that the customers were satisfied after they had visited the hotel. The result showed that the customers' satisfaction is dependent on the Hotels factors.

Then, the Hypotheses 3.1 - 3.8 tested through each of the following 8 factors; Location, Special Offer, Good Reviews, Brand Name, Price, Past Experience, Recommendation and Instant Confirmation. It was found that the customer's satisfaction to the OTA's website is depending only on Location and Instant Confirmation with Prob. Value of 0.038 and 0.021, less than 0.05 significant figure.

This is because in the tourism competitive marketing in Phuket, we cannot deny that Location of the hotel is one of the main key factors of the customers' satisfaction. At the time that the customers are browsing around, they expect that the OTA should have already set their expected goal factor, Location. Therefore, one of the main jobs of the OTA is to explain or put in description of the hotels locations, either in form of caption or map. It could be predictable from the result that the customers may not want just to book a hotel and found themselves in the middle of unfamiliar location when they actually arrive at the hotel.

From the above result of the online customer behavior and their satisfaction to the website regarding the web access tools and found the effect result in the Hypotheses 4 and 5 as follow.

Hypothesis 4 studied if the customer's satisfaction to the website is independent on customer's websites access tools, or not. It showed Prob. Value of 0.141 figure, more than 0.05 figure. Hence, customer's satisfaction to the website is independent on customer search of the OTA website.

Hypothesis 5 studied if customer's satisfaction to the website is independent on search engines brands. It showed that the Prob. Value was 0.955 figure, more than 0.05 figure. Hence, customer's satisfaction to the website is independent on search engines brands, as well.

Therefore, the customer satisfaction to the website is independent to both website access tools and the search engine brands factors.

Rationale behind the above results was that the website access tools, including search engine brands, were not related to any of the customers' activities or booking on the website. Nonetheless, the accessibility may relate to the website popularity and optimization. The more popular and optimized the website got promoted, especially through the search engine brands, the more visitors and traffic could be produced into the website.

When the study tested effect of the above online customer behavior on the website satisfaction. We found from the Hypothesis 6 as follow.

Hypothesis 6 studied if customer's satisfaction to the website is independent on ease of use of the website. It showed that the Prob. Value was 0.000 figure, less than 0.05 figure. Hence, customer's satisfaction to the website is dependent on ease of use of the website.

Therefore, the customer satisfaction to the website is dependent on ease of use of the website. If the website was user friendly, the customer would be more satisfied and prefer this factor to the more complicated ones.

#### **4.2.2. To identify key factors that affects the online customers' hotels selection.**

##### *Factors that affect the customer's hotel selection*

There were eight factors in the questionnaires that the customers replied and rated, as appeared in Table 3.3. They were Location, Special Offer, Good Review, Brand Name,

Price, Past Experience, Recommendation and Instant Confirmation. The customers could choose more than one factor.

Location was the factor of decision making for an amount of 236 customers, or 59.00%, followed by Price for 210 customers, or 52.50%.

Smith and Rupp (2003) stated that Price is a kind of the customer motivation for them to reasoning for incentives to engage in a particular behavior, in this context is to book a hotel accommodation. Customer may wonder if there will be another website offering better room rate. Once they get a good one, they may find themselves motivated to find for the even better room rate again.

*Factors that the customers decided to book hotel accommodations with the website*

Dawkins (2006) stated that customers search the destination information before deciding to plan their trip. Therefore, one of the questionnaires asked the customers that why they preferred to book hotel accommodations with www.LateStays.com, they replied from choosing factors that they decided to book with the OTA's website based on the following

1. Price was factor on the respondents booking decision for 286 persons, or 71.50%,
2. Instant Confirmation was factor on the respondents booking decision for 149 persons, or 37.25%.
3. Service was factor on the respondents booking decision for 53 persons, or 13.25%.
4. Reputation was factor on the respondents booking decision for 43 persons, or 10.75%.
5. Past Experience was factor on the respondents booking decision for 61 persons, or 15.25%.

The result found that the customers have considered the above factors and relied mostly on factors Price and Instant confirmation to make decision to book hotel accommodations with the website.

The factor Price result was consistent with the studies of Brassington & Pettitt (2000) that “Price is medium between the hotelier, OTA and the customers to bargain. In some situations, Price could be raised up as competitive weapon to persuade a group of customers. In their views, of course, Price is the factor to be compared to other service provider and to judge relative value of money and the hotel quality”.

Rationale behind the factor Instant Confirmation is that while the business of the travel agent occurs online, the customers also have high demand of hearing the booking result online. It may look quite frustrating if the customer is about to book a hotel but walk away just because of postponement of the room confirmation. The more immediate booking confirmation the website produces, the more satisfaction of result hearing the customers gain.

#### **4.2.3 To study the effect of Demographic factors on the expected customers’ online booking behavior.**

As prospect customers are on the pre-purchasing stage, factors that attract the prospect customer are different from those who are booking hotels. This study focuses on which of the customers’ group section should the OTA expect for sale.

After the questionnaires were spread out and there were 400 respondents, personal information of theirs were found as followed; (Please refer to Analysis Result Table 1-4 for figures details of each factors.)

- Most of them were from Australia, followed by Europe, America and Asia, respectively.



- Most of them were Australian, followed by British, American, and Belgian nationalities, respectively.
- Most of them were male, followed by female, respectively.
- Most of them were between 50-59 years old, followed by range of 40-49 years old, above 60 years old, between 30-39 years old, and below 30 years old, respectively.
- Most of them 'Married with no dependent children', followed by 'Single', 'Married with children living at home', and Other (divorced, in a relationship, partner), respectively.

We gave all the respondents 3 main questions regarding Frequency of booking, Average length of stay and Average budget per room per night. The result found that;

- *Frequency of booking accommodation online*, most of them book hotels for '3-4 times a year', followed by '1-2 times a year', 'Every second month', 'Less than once a year', 'More than once a month' and 'Once a month', respectively.
- *Average length of stay*, most of the respondents spent average time of stay for '1-2 weeks', followed by '3 nights – 1 week', '2-4 weeks', 'It varies', and '1-3 nights', respectively.
- *Average budget per room per night*, most of the respondent held Average budget Under US\$100, followed by those holding Average budget US\$100-US\$150, holding Average budget US\$150-US\$250 and holding Average budget Over US\$350, respectively.

After finding the above preliminary information and responses from the questionnaires, it came to our concern if each different group of the personal information may be

correlated to Frequency of booking accommodation online, Average length of stay and Average budget per room per night. Therefore, the studies set out Hypotheses 1-15 is again listed below for discussion.

<b>Demographic Behavior</b>	<b>Frequency of booking, accommodation online.</b>	<b>Average length of stay.</b>	<b>Average budget per room per night.</b>
<b>Base of Continents</b>	Correlated	Correlated	Irrelevant
<b>Nationalities</b>	Correlated	Irrelevant	Irrelevant
<b>Genders</b>	Irrelevant	Irrelevant	Correlated
<b>Ages</b>	Irrelevant	Irrelevant	Irrelevant
<b>Marital status</b>	Irrelevant	Correlated	Correlated

The related factors hypotheses were supported by statistic significance, where by  $\chi^2$  equals to various figures depending on statistic production of each factors, the  $p < 0.05$  determined relevance of the personal information to the 3 questions in focus.

It was found that Base of Continents and Nationalities related to the Frequency of booking accommodation online. Base of Continents and Marital Status related to the Average length of stay when booking accommodation online. And Gender and Marital Status related to Average budget per room per night when taking holidays.

The online customer of the agent's (OTA) website can be compared to Smith and Rupp (2003) on the Personal Online Characteristics (out of all 4 listed; Cultural, Social, Personal and Psychological Characteristics)

Despite the above results, Personal Online Characteristics contexts from Smith and Rupp (2003) identified the age factor as a determinant for online purchase intentions. Older people

who had no frequent interactions with the Internet and the computer would not use the Internet as a medium for purchases, while young adults would. This is correct as it was found from the travelers categorized by sex and age;

- *Gender*: More male around 60% others are female around 40% and this related to Average budget per room per night when taking holidays.

- *Ages*: The largest group of respondents is between 41-50 years old, followed by 31-40 years old, 51-60 years old, respectively. The smallest group is more than 70 years old.

Based on the research finding, if people of 51-60 years of age grow to 70, it is probably more interesting as this personal online characteristic expands.

However, from the result of the hypotheses, we did not find Ages related to any of the Frequency of booking accommodation online, Average length of stay or Average budget per room per night.

- *Marital Status*: While most of the respondents 'Married with no dependent children', and least of them were in other (divorced, in a relationship, partner. It is quite an important factor that related to both Average length of stay booking accommodation online and Average budget per room per night when taking holidays.

#### **4.2.4 To propose the measures for improving the customer satisfaction with the travel agent's websites.**

To improve customer satisfaction the websites should maintain below the factors.

*Accessibility of the website* is priority of the website development. The website owner should invest budget and time to attract the web browser as many as possible. A very good website is not likely to sale if few people visit.

*Ease of use is the website priority.* It is frustrating and annoying if the customer is trying look for something in mind but they do not find it or they have to take some effort browsing unnecessary pages. Ease of use help sale of the website run smooth. Customers even pick up what they want faster when they return to use the website.

*Price* of the hotel accommodation should maintain parity with other competitor websites or making the customer received a best deal than other websites.

*Room allotment* is also important to improve the customer satisfaction as the customer prefers to get the accommodation instantly and deduct their credit with availability confirmation. They will feel that they surely get the place to stay rather than waiting the confirmation within two or three days of availability's confirmation.

### **4.3 Recommendation**

1. To improve ease of use of the website, the website owner has options to improve on the following aspects;

- *User-friendliness*: the navigability of the site influences the user-friendliness of the site to a very large degree.

- *Degree of self-service*: customers also have a requirement for self-service. They want to log in, look up information themselves, place orders, maintain their account and all at any time on a 24/7 basis. The self-service saves time and gives customers the feeling that they can exercise control over their environment.

- *Speed* with which the customer can execute the intended tasks: customers have little time and patience. They do not want to waste time filling out long forms and going in search of forgotten passwords. They usually do not wait for long time before a page has been fully loaded. They expect immediate and clear results in performing a search task on the site.

2. Personalized products hit directly to the customers' personal characteristic online behavior. The website owner may set optimal option for the customers to access available data, which takes them to links that the databases offer them a personalized environment. They can then look for products within this personalized environment and easily make a selection. To facilitate this process, users' profiles that the customers created by themselves have to be maintained in the profile databases.

3. Management team should set up operation team to compare and analyze the products (hotel accommodations) prices with other competitors. Prices should be less or at least equivalent to those of the competitors. This will promote efficiency of the website in satisfying the customers. It also needs to set up sales team to negotiate to approach for hotel room's allotment. The website with enough room allotment can response to the customer's satisfaction on instant confirmation.

Base of continents and Nationalities are quite important factors to Frequency of booking, accommodation online and Average length of stay when booking accommodation online. These factors distinctively assist sale promotions rightly to the marketing segmentations. Suitable combinations of promotions in continent(s) or group of nationalities are likely to increase the customers' frequency of booking and average length of stay.

It is notable that 'Married with no dependent children', 'Single', 'Married with children living at home', and Other (divorced, in a relationship, partner) are Marital status that each has its own specific interest. For example, family with children room is not likely be sold to singles, or long stay package is more likely to be sold to 'Married with no dependent children' and 'Single'.

The hypothesis showed the result that Marital Status can also be a key to develop Average length of stay booking accommodation online and Average budget per room per night when taking holidays. The OTA may point it marketing

segmentation only to some of the Marital status market to launch new promotion and catch new customers.

With reference to how the customers entered into the OTA website (website access tools) of the above this research result, there were about 13.75% followed a link from other site. With integration to the OTA's policy, the website owner may promote this access channel by improving advertisement of links by some marketing tools, i.e. banners, buttons, etc. Some of the following techniques may apply;

- The advertisement must be placed on the sites visited by the customers.

- The message must be geared towards the wants and needs of the customers.

- The contents and the design must correspond to the company's intended image or the products (hotels and accommodations) and should not conflict with other marketing tools.

- The message is obviously important; and attractive offer is a requirement.

#### **4.4 Suggestion for further research**

1. The study should be conducted on booking rooms online and network shopping behavior.

2. The study should be extended to communication and understanding of financial transaction of online hotel booking. It explore further to communication and some fundamental knowledge relevant to the customers' payment on the hotel booking websites.

3. The study may bring in result the customers' satisfaction to a range of hotel booking websites. Thus, different methods and strategies can be compared to improve the customers' satisfaction to the hotel booking websites.

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## **Appendices**



## **Appendix A: Questionnaires English version**

### **First Questionnaires**

**Part I. Questions about the personal data. Please fill up information**

**Guest Name:**

**Guest Email:**

**Hotel:**

**Check In:**

**Check Out:**

**Part II. Questions about your satisfaction. Please (√) in the box that matches your opinion or experience. Choose one field per line only. None of these questions are right or wrong they depend on your point of view.**

### **About Hotel**

**1) How do you rate the hotel after complete usage?**

<b>Hotel Factor</b>	<b>Excellent</b>	<b>Good</b>	<b>Fair</b>	<b>Bad</b>	<b>Very Bad</b>
<b>Hotel Condition</b>					
<b>Cleanliness</b>					
<b>Facilities</b>					
<b>Location</b>					
<b>Value For Money</b>					
<b>Instant Confirmation</b>					
<b>Rooms</b>					
<b>Services</b>					

**2) What are the factors which made you choose this hotel? (Multiple Choices)**

- Location                       Special Offer             Good Reviews  
 Brand                             Price                         Past Experience  
 Recommendation             Instant Confirmation     Others

### About Websites and Reservation

**3) How did you find our websites?**

- Search Engine     Refer Link             Recommendation  
 Past Experience

**4) If through the search engine, which one?**

- Google    Yahoo    MSN    AOL    Others

**5) Was it easy to find a hotel in our websites?**

- Very Easy     Easy     Not Easy     Confusing

**6) What are the factors made you decide to book with our website? (Multiple Choices)**

- Instant Confirmation     Price     Service  
 Reputation                       Past Experience

**7) On a scale of 1-10, what would you rate our website (1= Poor, ..., 10 =Excellent)**

**Scale:**

**8) Will you use our websites to make your online booking in the future?**

Yes             No

## Second Questionnaires

### Personal Data

**1) Gender**

Male             Female

**2) Date of Birth (Enter as YYYY-MM-DD) eg. 1980-06-04**

-  -

**3) Status**

- Single
- Married with no children
- Married with children
- Others

### Travelling Information

**4) How often do you book accommodation online?**

- < Once a year
- 1-2 times a year
- 3-4 times a year
- Every second month
- Once a month
- > Once a month

**5) What is your average length of stay when booking an accommodation online?**

- 1-3 nights
- 3 nights - 1week
- >1 week - 2weeks
- >2 weeks -4weeks

- 6) What is your average budget per room per night when taking holidays?
- Under US\$100
  - US\$ 101 - US\$150
  - US\$ 151 - US\$250
  - US\$ 251 - US\$350
  - Over US\$350
- 7) What best describes your holiday patterns?
- Like the same place which I have go
  - Always go whenever having a great deal
  - Like discover new places
  - Like having many activities while holiday
- 8) What percentage of your accommodation bookings/year would be for?
- % Leisure (just you)
  - % Leisure (in a couple)
  - % Leisure (with the family)
  - % Leisure (with friends)
  - % Leisure business for you
  - % Leisure business for coworkers

## VITAE

**Name** Mr. Thatiphat Uengsinkhatrakul

**Birth Date** 12 October 1980

### **Educational Attainment**

<b>Degree</b>	<b>Name of Institution</b>	<b>Year of Graduation</b>
Bachelor's Degree of Business Administration	Assumption University	2003

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### **List of Publication and Proceeding**

Thatiphat Uengsinkhatrakul and Illian Assenov (2010). *Customer behavior and satisfaction with online travel agents: A case study of the selected travel agent's websites*. 3<sup>rd</sup> International Colloquium on Business & Management, January 25-28, 2010, Bangkok, Thailand.

Thatiphat Uengsinkhatrakul and Illian Assenov (2009). *Customer behavior and satisfaction with online travel agents: A case study of the selected travel agent's websites*. The 2<sup>nd</sup> PSU Phuket

Research Conference, p. 82, November 18-20, 2009, Phuket, Thailand.