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Väitöksiä - Dissertations

Understanding Travelers' Continuous Use of Online Travel Services

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Abstract

Travelers' continuous use of online travel services is important for online travel service providers to increase both their revenues and profits. This paper develops a model to investigate the motivators for individual travelers to continue using online travel services. The model is developed based on Expectation Confirmation Theory based IS continuance model and integrated with other constructs, namely perceived ease of use and perceived service quality, to predict continuous use of online travel services. Based on 543 useful questionnaires, the model is empirically tested together with a number of hypotheses. The results show that perceived usefulness and perceived service quality together with user satisfaction exert positive influence on individuals' continuance intention to use online travel services. Perceived ease of use, reliability, system availability, responsiveness and empathy are the five antecedents of online travel service quality while website design and privacy are not significantly related to online travel service quality. The theoretical and practical implications are discussed as well.

Keywords: e-service, online travel service, IS continuance, service quality, ECT

Understanding travelers' continuous use of online travel services

With the penetration of Internet into people's life, electronic-service (e-services) has been popular and been applied in various industries. Tourism industry has been argued to be quite fit to e-service application due to its characteristic of being information-based. Online travel service has been largely used by individuals because of its convenience. However, acceptance of online travel services is just the first step

to the success of online travel service business. Continuous use of online travel services is much more important for the sustainable business revenues and profits for online travel service provider, but not the initial acceptance of online travel services. However, in the literature little research has been conducted to investigate travelers' continuous use of online travel services.

In addition, though service quality measurement scales have already been developed in the online settings, the existing research on online travel service quality has been described as fragmented since in the literature there are different arguments on the concepts of service quality and there is a lack of a unifying conceptualization of service quality (Li & Suomi 2009).

Further, online travel service quality, as a potential variable related to business success, has not been explored in the research context of continuous use of information systems (IS), such as in the setting of online travel services. Thus, there is no proof of the value of improved service quality for promoting the continuous use of online travel services for the managers of online travel service providers (Kettinger, Park & Smith 2009).

Thus, this study aims at delineating continuous use of online travel services from the individual traveler perspective and addressing the above mentioned research gaps. It purposes to examine the effects of user cognition and user satisfaction on traveler' continuance intention, and to explore the relationship between the decomposition of perceived service quality and continuance intention in the context of B2C online travel services. This study will also offer both theoretical and practical contributions to the research filed of IS continuance and service quality.

Research background

This study examines travelers' continuous use of online travel services by incorporating perceived service quality and perceived ease of use as additional variable into the IS continuance model based on Expectation Confirmation Theory (ECT) (Oliver 1980), a behavioral intention model to explore IS continuance. The current study also extends the decomposition of online travel service quality into the IS continuance model as well. The research model highlights the role of perceived service quality in predicting travelers' continuous intention to use online travel services. It might also demonstrate to IS managers the value of improving online travel service quality.

ECT has been one of the most widely applied models for explaining consumer satisfaction and their re-purchasing decisions in the consumer behavior literature (Oliver 1980). The prior literature has validated and demonstrated the predictive power of ECT in explaining product repurchasing and service continuance in different contexts (Swam & Trawick 1981; Patterson, Johnson & Spreng 1997; Oliver 1993; Dabolkar, Shepherd & Thorpe 2000; Tse & Wilton 1988). Bhattacharjee (2001) first applied ECT into IS continuance research by incorporating the construct, namely perceived usefulness, in the traditional Technology Acceptance Model (Davis 1989; Davis, Bagozzi & Warshaw 1989) in ECT. Recently, the ECT-based IS continuance model developed by Bhattacharjee (2001) has appeared to become a new school of thought to explore IS continuance.

In the current research the ECT-based IS continuance model was chosen as the base of the research framework. Prior literature shows that this IS continuance model provides an excellent starting point for the further exploration of IS continuance. On one hand, it explains IS continuance by considering both pre and post-adoption behavior of users. On the other hand, it has been supported by a growing empirical base in the IS literature. However, in order to improve the robustness and predictive ability across various research contexts, additional refinement and empirical testing are required for the advancement of any preliminary model of human behavior. In this spirit of theory advancement, this study made some modifications and extensions to the original IS continuance model, and empirically tested the research model in the research context of online travel services.

In the research model, continuance intention is designated as a dependent variable to investigate traveler' continuance intention to use online travel services. In prior research intention is viewed as a proxy of future behaviors, and researchers are interested in intention because of its ability to predict future behavior. As indicated in the prior literature, users' intention is the strongest and most immediate predictor of individual users' actual use of IS with empirical validation from different IS usage contexts (Davis, Bagozzi & Warshaw 1989; Taylor & Todd 1995; Venkatesh & Davis 2000; Venkatesh, Michael, Davis & Davis 2003).

In the research model three post-adoption expectations, namely perceived usefulness, perceived ease of use and perceived service quality, together with satisfaction are hypothesized as the salient determinants of travelers' continuance intention to use online travel services. In addition, seven measures are hypothesized as the determinants of online travel service quality, including perceived ease of use, website design, reliability, system availability, privacy, responsiveness and empathy. These seven measures of online travel service quality are derived from the decomposition and integration of the factors identified in prior e-service quality literature and online travel service quality literature (Parasuraman, Zeithaml & Malhotra 2005; Bai, Law & Wen 2008).

Methods

The current research employed a quantitative positivist research approach as the underpinning philosophy and methodology to guide the empirical study. A survey was conducted in China to collect empirical data for the current research. The sample for this study was any customer who had online travel service using experience. The sample consisted of 1500 customers randomly selected from the customer base of an online travel service company in China. In the questionnaire, the respondents were asked to indicate the factor motivating their continuous intentions to use online travel services and their perception on the measurements of online travel service quality based on their prior online travel service using experience. Totally 543 usable responses were used as valid data for the current research.

The current study employed structure equation modeling (SEM) as the main method for analyzing the research model and hypotheses by means of Smart Partial Least Squares (PLS) 2.0.

Results

In the current study, most of the proposed hypotheses in the research model are supported. The empirical results in the study shows that perceived service quality determines continuance intention together with perceived usefulness and user satisfaction in the online travel service context, and that it influences user perception on perceived usefulness, confirmation and satisfaction as well. However, perceived ease of use was not found to be significantly associated with continuance intention to use online travel services.

This study also provides arguments linking the antecedents of service quality and perceived service quality to the continuance intention. The empirical results in this study shows that five constructs are positively associated with traveler' perception of online travel service quality, including perceived ease of use, reliability, system availability, responsiveness and empathy, while website design and privacy are not significantly related to it.

In order to provide a richer picture of the relationship between online travel service quality and continuance intention to use online travel services, a post hoc analysis was conducted to investigate the relationship of the seven antecedents of service quality and continuance intention. The results indicate that reliability, system availability, responsiveness and empathy are significantly associated with continuance intention.

Findings

This study supported the IS continuance model based on ECT (Bhattacharjee 2001), and adds to the body of IS continuance research based on the ECT by incorporating perceived service quality as a predictor variable of continuance intention to use online travel services into it from the service quality perspective. This study offer some new sights into IS continuance research by discussing how serviced quality perception addresses some known limitations of the ECT model in predicting IS continuance.

The current research also contributes to the research field of online travel service quality. The research results attempt to explain that service-related dimensions of online travel service quality are increasing their influence on customers' perceptions of online travel service quality together with the dimensions of the technical characteristics. Though technical characteristics and service-related determinants are both the focus of prior service quality research, the dimensions of system characteristics has been argued to be the salient determinants of e-service quality in general.

The results of this study also offer implications for practice. The study results indicated that user satisfaction and online travel service quality are important for online travel service providers to retain customers. Thus, in order to retain online travel service users online travel service providers should devote themselves to improve their online service quality and satisfy online travel service users. In addition, online travel service providers should improve their empathy to customers in their online service process together with the aspects of reliability, system availability and

perceived ease of use, which will help improve customers' perception of their online travel service quality, and might also help achieve advantages in their competition with other online travel service providers in the virtual travel market.

Generally, this study offers some valuable information about online travel service in China from the perspective of travellers. The research results might also offer some guidance to travel service providers in other countries on how to make the right strategies for retaining customers in the competitive virtual marketplace.

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