

Factors influencing on online hotel reservation: With special reference to Galle District

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Introduction

The increasing competitiveness in the global tourism market encourage tourism industry stakeholders to investment further in promotion, resources, knowledge and quality maintenance in order to achieve a satisfactory growth. As a result of that, online purchasing has gained great significance over the past few years. Presently, online room booking has been adopted by many hoteliers and it has become one of the leading decision making tool in the accommodation sector.

However, Sri Lankan hotels have been relatively slow in adapting to internet resources due to the high preference of using traditional methods of room reservation by hotel patrons. According to Internet Travel Hotel Booking Statistics (2013) internet is the ease at which one can research and book travel plans. Further, internet travel booking revenue has grown by more than 73% over the past five years. These figures indicate, people willingness to book online. Further, online hotel reservation system offers a 'win-win' situation for both guest and the service provider. Thus, currently, many people consider about the various advantages such as price, convenience, etc and tend to make online room bookings. Therefore, it is important to identify the key factors for consuming via online and it would be helpful for tourism stakeholders to design their products more attractively to cater the upcoming demands.

This paper attempts to analyze the factors influencing on online hotel reservation. Further, it examines the online booked guest profile and their internet usage behavior to identify the key motivation factors to reserve online and also examines the relationship between intention to reserve online and reasons for using online bookings. Study carried out in star class hotels in Galle district, Sri Lanka. The findings of this research would be beneficial for the hospitality sector marketers and policy formulators in designing and implementing technology based services.

Methodology

All local and foreign tourists' were considered for the sample and 66 numbers of tourists' who reserved online rooms were selected for the study from Galle District star class hotels. The star classified hotels were selected according to the Sri Lanka Tourism Development Authority accommodation classification guide book. And Quota sampling Technique was used in order to calculate the number of tourists from each hotel while convenience sampling technique was applied to select respondents. The questionnaire which included closed ended questions and Five Likert scale

questions was distributed and Cronbach's alpha reliability test was used to test the reliability of questions. The same questionnaire was used as the primary data collecting tool. Books, articles and internet were used to collect secondary sources data. The collected primary data were analyzed in a quantitative approach using Statistical Package for Social Sciences (SPSS) 21, Microsoft Excel and Minitab 15. Statistical techniques which were used in data analyzing were namely descriptive analysis, exploratory factor analysis and correlation to examine the factors.

Results and Discussion

The guest profile analysis revealed 68 percent male and 31.8 percent female made online hotel reservations. Further, 33.3 percent of the value taken by 20-29 years old age category. And that age category represent as the mainstream who made online room bookings. Further, 25.8 percent tourists were in 30 -39 age group, 16.7 percent tourists were in 20 -29 age group, 6.1 percent tourists were in 60 and over age group and 4.5 percent tourists were belongs to the 20 and less age category. However, it has found that online hotel reservations are mainly done by single guests. And 48.5 percentage.37.9 percentage were represented by married people and 13.6 percentage were divorced guests. Moreover, 60.6 percentage, the majority guests responded that they have completed up to bachelor level education. Primary or secondary school completed people percentage was 13.6 and Diploma holders got 21.2 percentages and only 4.5 percentages represented for master and doctoral level degree holders. However, 80.3 percentage, the majority of the people who made online hotel reservation were foreign tourists. And only 19.7 percentage were local tourists. 42.4 percentage mentioned they were origin from European region and accordingly .28.8 percentage represented by Western Europe, East Asia got 27.3 percentages and 1.5 percentage represented form North America. According to the occupation categories there were 25.8 percentage professionals. Further, 15.2 percentage were educationalists and retired people, scientist and technician got 1.5 percentage accordingly. Moreover, the Businessman represented for 13.6 percentage, and executive represented 18.2 percentage and and 24.2 percentage represente by people who are engaging in other occupations. 75 percentages , majority of the tourists' belongs to the LKR 50,000 and above income category. All the other categories were represent as 8.1 percentage. 90.7 percentage , majority of the foreign tourists' belong to the US\$ 800 and above income category. And only 3.7percentage of foreign tourists belong to US\$ 400 - 600 category and 5.6 percentages of foreign tourists belongs to US\$601 -800 category and none of the foreign tourists belong to US\$400 income category. In addition, .30.3 percentage respond as they are travelling with spouse. Travel with spouse and children were 22.7 percentage. And 6.1 percentage were respond as they are travelling alone and 1.5 percentage respond they travel with business colleagues. Further, study examine the internet usage behavior of people who made online hotel reservations. It was revealed that easy internet access at work, at home as well as with the mobile devices as a percentage it was 54.55. Further, 19.70 percentages mentioned they have internet access at home only. And 13.64 percentage respond they have internet access both at work and at home . Only, 6.06 percentage indicate they have only the home and mobile access. Further, 3.03 percentage

indicate only mobile access while 1.52 percent had both at work and mobile access and at work only. It has found that, majority 90.9 percent tourists who made online hotel bookings are connected with the internet for more than five years' time period. And 6.1 percentages indicate they used internet for 3-4 year and 3.0 percentages indicate internet usage is limited to 1-2 years times. Further, it has found that, majority people are using internet more than 21 hours per week as a percentage it was 47.. And 25.8 percent of people used internet 14-21 hours per week. Further, 8.2 percent of people used internet 7-14 hours per week. While 9.1 percent use the internet for less than 7 hours per week. Out of 66 tourists 86.4 percent tourists have made online hotel bookings previously also and 13.6 percentage of tourist haven't done previous online hotel bookings. When examine Customers' reasons for using the internet for hotel room reservations and it has found that, mainly the below factors influence them for reserving online. The credibility has accounted for 63.187% of variance and it was the most influenced factor to reserve online. Quick response, and safety regulated are some of the key factors belongs to the credibility factor. "Credibility" was the most important factors influence on online hotel reservation which indicate 40.305% of the variance (eigenvalue is 5.240). The relationship analysis of factors influencing on-line hotel reservation and intention to make reservation via on-line reflected convenience, price, user friendly and safety regulated and those factors were extremely positive. On the other hand transaction reflected weak positive relationship.

Conclusion

Since the online booking market is rapidly growing today, Sri Lankan hospitality sector requires strong understanding of tourist behaviors in online booking to grab the potential customers and to respond for the future challenges. The study identified the majority of the online reserving community represented by the younger generation and people, who are spending 21 hours and above on internet per week. Further, credibility factor was one of the key motives that drive people for online room bookings. As a result of that, many tourists' who made online hotel reservations were repeaters. These findings would be important for hoteliers to adopt and implement online hotel reservation systems more effectively and efficiently to maximize their hotel revenue.

Reference

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