

“A Study of Customer Satisfaction on The Effect Of E-Commerce Based Hotel Bookings”.

Lalitha.K. Research Scholar (PT) PG & Research Department of Commerce, St. Joseph’s College (Autonomous) Tiruchirappalli, affiliated to Bharathidasan University Tiruchirappalli
klalitha@mccbhr.edu.in.

Arockia Rajasekar Assistant Professor, PG & Research Department of Commerce, St. Joseph’s College (Autonomous) Tiruchirappalli. Affiliated to Bharathidasan University.
arockiarajasekar@yahoo.com.

D.Raja Jebasingh. Vice Principal, PG & Research Dept Commerce, St. Joseph's College of Commerce (Autonomous) Bengaluru. :: rajajebasingh@sjcc.edu.in,

ABSTRACT

Hospitality services deals with Transportation, hotel accommodation Sightseeing Food and Beverages and Services of local English-speaking guides. Availability of Internet and ICT has resulted in automation of Hospitality and Travel services. Automation has swept the industry for over 25years. This paper studies the customer satisfaction on the effect of E-Commerce based Hotel Bookings in Bengaluru city, a division of retail tourism. The descriptive research study is based on Primary data collected on a Random sample method from around 500 respondents residing in Bengaluru Urban district to measure the customer satisfaction towards ecommerce enabled online hotel bookings made in Bengaluru City **in pre corona pandemic era**. Data analysis indicates that age and qualifications of the respondents play a vital role in booking ecommerce enabled hotel accommodation. Young and qualified respondents are comfortable to and satisfied with webpage layout, design, booking procedure, caution deposit, cancellation policy and refund process. Young family members, friends and colleagues help aged people to book online hotel rooms.

Key words: Ecommerce enabled Portals, Hotel Bookings Customer Satisfaction

Introduction

Accommodation is one of the most important element of tourism concept. Tourism activities are not complete without passengers availing the services of accommodation and staying away from his normal place of residence. It is the second important element of tourism since tourist need a place to stay on reaching a tourist destination so as to enable them to spend money at destination visited. Recent marketing trends have seen rapid growth with emerging concepts such as online business, App based marketing, digital payments progressing into digital economy. Online travel agencies, Online travel portals (OTP) and websites were designed and launched to book and sell air tickets, rail or bus tickets and hotel accommodations through online portal services via Internet at competitive prices. These online travel portals enable customers to compare and select from the wide range of travel related options. It also offers a versatile experience to its consumers with trusted reviews and accurate local information. Online portals facilitate consumers to finalize its travel and accommodation plan from the comfort of home or office by click of a button. Indian government’s push for digital economy has also paved way for online payments for the services availed through online portals and Apps. There is a continuous and steady increase in service industry business despite economic slowdown through internet driven E-Commerce or APP driven M-Commerce in the pre corona pandemic era.

E-Commerce and Mobile-Commerce (M-Commerce) models are categorized as Business to Consumer (B2C) model in the recent trend of marketing. Online business models have developed websites and portals which promotes online and App based services. Hospitality services have adopted this recent trend of App based M-Commerce also in addition to E-Commerce. Mobile/Smartphone based App

services also play a vital role in the sales and services of hotel accommodations, tourism activities in addition to sale of airline, railways and bus tickets.

Online travel portals permit customers to check costs and choose the cheapest offer. An increasing variety of hotels are having their own websites to focus on the market. Non-franchise chain hotels need a "booking engine" application to be hooked up to their web site to allow customers to book rooms in real time. One advantage of booking with the hotel directly is that customers can avail the hotel's full refund and adhere to their cancellation policy.

Over the last decade the Web has grown as an important medium in assisting the successful marketing of both product and services. Kamal S B M and e'tal (2018), speaks about the efficiency in online hotel bookings. Moradi, L. and et al. (2017), developed a conceptual framework considering the role of compatibility, information quality along with e-service quality in predicting mobile hotel booking adoption.

Hotel Bookings

Hotel industry is one of the most important elements of Tourism. Hotel provides boarding and lodging facilities along with refreshments to tourists for their stay in the tourist destinations. Hotel and tourism industry collectively known as hospitality industry provides job opportunities and contributes to the Country's GDP. The hotel industry caters overnight accommodation for tourists. A hotel is an establishment providing accommodation, meals, and other services for travelers and tourists. The hotel industry in India thrives largely due to the growth in tourism and travel. Due to the increase in tourism with rising foreign and domestic tourists, hotel sector is bound to grow. There is an emergence of budget hotels in India to cater to the majority of the population who seek affordable stay. According to the service standard, hotels can be classified as: World Class Service Hotels, Mid-Range Service Hotels, Economy or Budget class Hotels. Hotels are usually classified in star category ranging from 1-7 based on their level of services, products and cuisines offered. According to Expedia.com an American online travel agency with metasearch engine states that there are over 1594 hotels in Bengaluru city, that are classified into totally different star classes owing to the services they provide to their customers. There are different kinds of accommodation like Hotels, Lodging facilities, Resorts, Apartments hotels, Commercial hotels etc. Today, on-line hotel reservations are a preferred method for booking hotel rooms. Travellers can book rooms through on-line portals or through hotel websites to gain the best discounted room rates. Nowadays hotels provide best and cheapest room rates for online portals compared to across the counter booking. Even Corporate companies and travel agents book hotel rooms through online portals to avail best discounted offers in the room rates.

Scope and Need for Study

Internet has automated all modes of travel and tourism services such as transportation, hotel accommodations, and all allied services and plays a vital role in Retail Tourism. There is a steady increase in online hotel bookings for over a decade now. Hotels provide best competitive rates for online bookings. Hoteliers promote their products through consolidators aggregators and directly through online portals. The room rates offered by them directly across the counter is higher in comparison with the rates offered by them on online portals and websites, since do not encourage direct offline booking. Therefore, 90percent of hotel room bookings are booked through online portals or hotel websites. Bengaluru city selected for this study is the capital of Karnataka State. It is a metropolitan city with influx of people from all parts of India for employment reasons. Therefore, there is a need to study the level of customer satisfaction on online hotel bookings in Bengaluru city.

Review of Literature

Zhao and e'tal (2015) states that negative impact exists on the online hotel bookings due to negative online hotel reviews but similar relation does not exist for positive online reviews in customers booking

intentions. The influence of online reviews on online hotel bookings on factors such as usefulness, timeliness, and volume of business were not highly significant.

Anil Bilghan & Milos Bujisic (2015) states Web design features play an important role in the minds of customers and create loyalty and commitment in promoting online hotel bookings and relationship marketing.

Verma Rohit and e'tal (2012), Business travellers follow the company's recommendation for a hotel stay whereas leisure travellers follow the online reviews, hotel related websites, search engines and online travel portals and recommendations from friends and relatives

Kaini (1998) quotes new technological innovations and wide internet access; enables service providers to do online marketing and achieve their business goals.

Che-Hui Lien and e'tal (2015) Hotel must understand consumer's expectation and provide utilitarian value in providing online information and while attracting the attention on the customers. Hotels must create brand awareness while attracting the customers.

Md.Kashif Ansari et al. (2017) information and communication technologies have revived the Indian tourism industry like never before. The impact can be noted in the form of price competition, changes in consumer behaviour, demand for customization, reduced barriers to entry and increased bargaining power of buyers. **Collett & King (1999)** demonstrate that nearly 78percent of the online shoppers never close the sale. Getting customers to the website of a company is one thing, making them to purchase is just another.

Chang and Arnett (2000) identified factors associated with website success in the context of electronic commerce. The factors identified were information and service quality, system use, playfulness, and system design quality. System design qualities have direct relationship with website success.

Avery (2000) reports the quality and usability of the site plays a major role in converting visitors into buyers. Web quality and usability are key factors in differentiating companies doing business on the Web.

Phalguni Gupta (2001) Computer with power of internet and e-commerce has significantly affected the general public in India. IT is the main force for achieving successful business models that are capable of sustaining a high growth rate. India is well positioned as global hub for IT-enabled services.

Siriginidi Subba Rao (2005) highlights the fruits of IT sector and states that India is in the context of digital divide by discussing its infrastructural bottleneck in areas that includes electricity, IT penetration, tele density and Internet industry.

Objective of Study

1. Ascertain socioeconomic profile of respondents, and level of customer satisfaction in ecommerce enabled websites, portals and App based hotel bookings.
2. Assess customer satisfaction towards ecommerce enabled hotel bookings.
3. To understand the reasons for success of ecommerce enabled hotel bookings.

Methodology

The present study is descriptive in nature. The universe of the study comprises of travellers who book hotel accommodation through online for their domestic or international journey outside Bengaluru. Primary Data was collected from 500 respondents spread across Bengaluru city. Secondary data were collected through journals, blogs and website articles. Respondents were of different age groups and qualifications. Questionnaire was designed to ascertain customer satisfaction towards online hotel bookings with special reference to customers of Bengaluru city.

Tools Applied

Appropriate statistical tools are applied with the help of SPSS (Statistical Package for Social Sciences) to study the relationship, preference and interpretation of findings by using Chi-square test and Likert Scale Statements with percentage analysis for the information collected.

Analysis of Data

Data collected from 500 respondents spread across Bengaluru city is presented in tables with description. The details of the data collected are discussed below

Table 1.1: Table Showing The Profile Of The Respondents

Economic Profile	Mean	Std. Deviation
Location	2.83	1.439
Age	2.60	1.427
Qualification	2.70	.933
Computer transaction	1.13	.393
APP services	1.22	.490
Source: Primary Data		

The above table shows that mean value of the qualification is the highest with 2.70. SD of the computer transaction is the least with 0.393 which reflects that technology and the qualification plays a pivotal role in describing the better level of customer satisfaction while booking online hotel accommodation. The table clearly indicates that young qualified respondents are more comfortable with computerized ecommerce enabled online transactions and App services leading to use of online hotel bookings.

Table 1.2: Region-Wise Customers Participation In Ecommerce Enabled Hotel Booking.

Location	Frequency	Percent
North	132	26.4
South	128	25.6
East	124	24.8
West	116	23.2
Total	500	100.0
Source: Primary Data		

Primary data were collected from 500 respondents residing in different locations of Bangalore as shown in the above table. North region shows the highest number of 132 respondents, accounting for 26.4 per cent, South region shows 128 respondents, accounting for 25.6 percent, East region shows 124 respondents, accounting for 24.8 percent and West region shows 116 respondents, accounting for 23.2 percent are respectively participating in ecommerce enabled online hotel bookings.

Table 1.3: Age of The Respondents

Age	Frequency	Percent
15-35 yrs	278	55.6
35-55 yrs	169	33.8
>55 yrs	53	10.6
Total	500	100.0
Source: Primary Data		

The above table indicates that 278 respondents accounting for 55.6 percent of 500 respondents are in age group of 15-35 years, 169 respondents accounting for 33.8 percent are in age group of 35- 55 years. 53 respondents accounting for 10.6 percent are in the age group of above 55 years. This clearly suggests that online services are comfortable with young generation as compared to people who are aged above 55 years.

Table 1.4: Educational Qualification Of The Respondents

Qualification	Frequency	Percent
Graduation	233	46.6
Post-Graduation	146	29.2
Professional	78	15.6
Others	43	8.6
Total	500	100.0
Source: Primary Data		

The above table indicates that 233 respondents, accounting for 46.6percent of 500 respondents were graduates; 146 respondents, accounting for 29.2percent were Post Graduates; 78 respondents, accounting for 15.6 percent were Professionals. Only 43 respondents, accounting for 8.6percent is the lowest number were other category. This clearly indicates that 457 respondents, accounting for 91.4percent were educated with graduation and above.

1.5 Hotel Accommodation Is Booked Online:

	Frequency	Percent
SA	71	14.2
A	155	31.0
NAND	104	20.8
DA	115	23.0
SDA	55	11.0
Total	500	100.0
Source: Primary Data		

Data was collected from 500 respondents out of which 71 respondents, accounting for 14.2percent strongly agree, 155 respondents, accounting for 31percent Agree that they book their hotel accommodation through online portals. 104 respondents, accounting for 20.8percent neither agree nor disagree, 115 respondents, accounting for 23percent Disagree and 55 respondents, accounting for 11percent strongly disagree that their hotel accommodations are booked through ecommerce enabled online portals.

1.6 Satisfied with Rate Offered For Online Hotel Booking:

	Frequency	Percent
SA	136	27.2
A	212	42.4
NAND	67	13.4
DA	45	9.0
SDA	40	8.0
Total	500	100.0
Source: Primary Data		

Data was collected from 500 respondents out of which 136 respondents, accounting for 27.2percent Strongly agree, 212 respondents, accounting for 42.4percent Agree, 67 respondents, accounting for 13.4percent neither agree nor disagree, 45 respondents, accounting for 9percent Disagree and 40 respondents, accounting for 8percent Strongly disagree with the rates quoted for the ecommerce enabled online hotel booking. Hoteliers offer a good amount of discount to Customers who book accommodation through online as against customers who directly contact them to book the rooms. Customers are satisfied to browse different portals and ascertain the best competitive price and book hotels through online portals.

1.7 Comfortable With Online Portals Website And Layout

	Frequency	Percent
SA	62	12.4
A	204	40.8
NAND	177	35.4
DA	37	7.4
SDA	20	4.0
Total	500	100.0
Source: Primary Data		

Data collected from 500 respondents indicate that 62 respondents, accounting for 12.4percent Strongly agree, 204 respondents, accounting for 40.8percent Agree, 177respondents, accounting for 35.4percent Neither agree or disagree, 37 respondents, accounting for 7.4percent Disagree and 20 respondents, accounting for 4percent strongly disagree that they are comfortable with website and layout of the ecommerce enabled online hotel bookings portals.

1.8 Comfortable with Booking Procedure

	Frequency	Percent
SA	148	29.6
A	199	39.8
NAND	78	15.6
DA	40	8.0
SDA	35	7.0
Total	500	100.0
Source: Primary Data		

Data collected from 500 respondents indicate 148 respondents, accounting for 29.6percent Strongly agree, 199 respondents, accounting for 39.8percent Agree, 78 respondents, accounting for 15.6percent Neither agree or disagree, 40 respondents, accounting for 8percent Disagree and 35 respondents, accounting for 7percent strongly disagree that they are comfortable with hotel booking procedures of ecommerce enabled online portals.

1.9 Bookings Done by Me

	Frequency	Percent
SA	114	22.8
A	165	33.0
NAND	161	32.2
DA	40	8.0
SDA	20	4.0
Total	500	100.0
Source: Primary Data		

Data collected from 500 respondents indicate 114 respondents, accounting for 22.8percent Strongly agree, 165 respondents, accounting for 33.0percent Agree, 161 respondents, accounting for 32.2percent Neither agree or disagree, 40 respondents, accounting for 8.0percent Disagree and 20 respondents, accounting for 4.0 percent strongly disagree that the ecommerce enabled hotel bookings are done by themselves. Young and qualified respondents are comfortable with ecommerce enabled hotel bookings and they book themselves through websites.

1.10 Bookings Done By Family/Colleagues/Friends

	Frequency	Percent
SA	106	21.2
A	273	54.6

NAND	75	15.0
DA	23	4.6
SDA	23	4.6
Total	500	100.0
Source: Primary Data		

Data collected from 500 respondents indicate 106 respondents, accounting for 21.2percent Strongly agree, 273 respondents, accounting for 54.6percent Agree, 75 respondents, accounting for 15percent Neither agree or disagree, 23 respondents, accounting for 4.6percent Disagree and 23 respondents, accounting for 4.6 percent strongly disagree that ecommerce enabled online hotel bookings are done by family members, colleagues or Friends who are very comfortable with online transactions. Aged respondents are not comfortable with online hotel bookings and when they undertake travel the hotel bookings are booked through online portals or hotel website by their young family members friends or colleagues.

1.11 Comfortable with Online Payment:

	Frequency	Percent
SA	161	32.2
A	165	33.0
NAND	114	22.8
DA	40	8.0
SDA	20	4.0
Total	500	100.0
Source: Primary Data		

Data collected from 500 respondents indicate 161 respondents, accounting for 32.2percent Strongly agree, 165 respondents, accounting for 33percent Agree, 114 respondents, accounting for 22.8percent Neither agree or disagree, 40 respondents, accounting for 8percent Disagree and 20 respondents, accounting for 4percent strongly disagree that they are comfortable with online or cash payment directly by providing credit card details as security deposit against cancellation charges or by directly paying the hotel room rent in full at the time of booking for hotel booking through ecommerce enabled online portals or website for both domestic or international locations.

1.12 Comfortable with Cancellation and Refund Process

	Frequency	Percent
SA	135	27.0
A	200	40.0
NAND	55	11.0
DA	75	15.0
SDA	35	7.0
Total	500	100.0
Source: Primary Data		

Data collected from 500 respondents, indicate 135 respondents, accounting for 27percent Strongly agree, 200 respondents, accounting for 40percent Agree, 55 respondents, accounting for 11percent Neither agree or disagree, 75 respondents, accounting for 15percent Disagree and 35 respondents, accounting for 7percent strongly disagree that they are comfortable with Cancellation and Refund process followed by Hoteliers for ecommerce enabled online hotel bookings

Findings

The study was based on data collection from 500 respondents spread across the Bengaluru city. The statistical test confirms that young qualified respondents are more comfortable with websites, online portals and App services in e-commerce enabled online hotel bookings. They also assist aged passengers

like Parents' friends and relatives in online hotel booking. The study clearly indicates that Customers irrespective of ages are satisfied with Online hotel booking facilities, caution deposit rules, cancellation, refund procedure, website information and layouts.

Limitations and Scope of Further study

This study is limited to hotel room booking in Bengaluru city only and cannot be applied to PAN India. Various other aspects of hotel service can be further studied.

Conclusion

Ecommerce enabled hotel booking facilitates customers to explore, compare and avail the best competitive room rates to book hotel rooms in any remote corner of the world or India after going through the reviews by browsing the website. Qualified Young generations are highly satisfied and comfortable with ecommerce enabled hotel bookings for self and aged people who request them to book on their behalf for both domestic and international sectors. Customers are comfortable and satisfied with webpage layout, design, booking procedure, cancellation policy and refund process with regard to booking ecommerce enabled online hotel accommodations

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