

# Factor influencing customer purchase intention in travel websites: with special reference to Yatra.com

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## Abstract

Tourism industry is making tremendous contribution to global economy. Tourism has a strong connection with socio-economic progress of the country and has a multiplier effect on the economy. There are large numbers of people who decide on their travel plans by searching online. Internet can provide direct contact making it easier to create customized packages by linking with several companies' websites.

It is very important to evaluate the websites to improve the experience of visitors, it is important to understand the ways to improve the visitors experience and adding value to the websites. The online manager should understand what type of information one is specially looking for in a website. It can be visual appeal, the content or the ease of use or service quality.

Through this paper the researcher wants to evaluate the customer perceived value form yatra.com website and further the impact of customer perceived value on their purchase intention.

The data was collected through simple random sampling .A well-structured three section questionnaire was used to collect the data. The total of 150 respondents was selected and further the multiple regression analysis was used to analyses the data through SPSS 20.0.

**Keywords:** Aesthetics, CROI, Experiential value, Playfulness, Purchase intention, Service excellence, Travel website.

## Introduction

The Internet has changed the people life, it has changed the way people communicate, search for information, and make decisions for purchase of goods/services, all the business in the world is now trying to enhance their competitive advantages by focusing their resources on the virtual business environment. Tourism industry is the blooming industry in almost all countries. It is very important both in creating job opportunities and earning foreign exchange. The increasing popularity of online shopping has also impacted the tourism industry.

People are purchasing their travel plan through internet. Travel product has distinguishing features which make them particularly receptive to the Internet benefits. The Internet provides benefits for information searching and product purchasing, the internet gives many alternatives to customers, and they can easily find different alternatives. Emergence of so many travel website give cut throat competition to each other so in order to strive organization should understand the factors that matter for consumers when they shop online. It is very important to give them experience and create values which further motivate customer to buy the product and help in building long term relationships.

Travel and tourism have been one of the top categories of websites visited by Internet users for a long time. It is assumed that for the effectiveness of a business web site to ensure long-term profit one needs to consider both

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advertising strategies to ensure increased visitation to the web site and also strategies

which will enhance the customer experience in all phases of shopping.

The companies should also focus on providing customer experiences to retain its customers.

Customer value has gained considerable attention in online marketing, it is essential foremost driver of competitive advantage and it is also a critical weapon in attracting and retaining customers in the internet shopping environment .If the value is absent it results in customers migration to competitors every day.

### Yatra.com Online travel Company

Yatra.com is an Indian online travel agency and a travel search engine .The company headquarter is based in Gurgaon, Haryana .The company is founded by Dhruv Shringi, Manish Amin and Sabina Chopra in August 2006. It was the second largest online travel website in India in april2012 with thirty per cent share of the market for all travel related transaction. With State Bank of India, India's largest bank it launched a holiday-cum-shopping card. In June 2012 Yatra.com announced its plan to fully acquire Travelguru.com from Travelocity Global. This company has made three acquisitions till now-with ticket consolidator Travel Services International (TSI) provider MagicRooms.in and Indian events and entertainment portal Buzzin Town.com.

### Literature of Review

Consumer now wants not only products or services but they also want experience. Enterprises must create experiences, which can make consumers get into feel surprise, and emphasis on consumer decision process (Pine & Gilmore, 1999). When every products and services seems m similar, the marketing strategy of the industry should focus on consumer experience to make it different from its competitor. Now consumers look for the unique experience with the product and services during the process of consumption, and should must provide valuable experience to consumers (Pine & Gilmore, 1999; Schmitt, 1999).

Purchase intention is defined as the probability that how likely the consumer will buy the product .Some time it is also happen that customer gain some value and based on those value customer get stimuli which motivate them to purchase the product. The value has been attributed as functional, conditional, social, emotional and epistemic utility (Lee and Over by 2004)

Perceived Customer value play an important role in predicting purchase behavior (Chen and Dubinsky, 2003),it is also very important in achieving sustainable competitive advantages (Khalifa, 2004) and hence it has received attention in the field of marketing strategy ( Ulaga and Eggert, 2006).The typology of Holbrook's on consumer value has three dimensions: extrinsic versus intrinsic, self-oriented versus other oriented and active versus reactive. The eight different type of value described by Holbrook's 1999 was Efficiency, Excellence, Status, Esteem, Play, Aesthetics, Ethics and spirituality.

The online managers of the company should give attention on providing value to their customer during their e-shopping experience, to convert their website lookers into bookers. Perceived value is considered as the critical outcome of marketing activity and as a key inspiration for entering into marketing relationships (Holbrook, 1994).

The Holbrook (1994) typology of experiential value suggests a value landscape divided into four quadrants edged by intrinsic/extrinsic sources of value on one axis and active/reactive value on the other. Drawing upon prior research, we label these four dimensions of experiential value: *consumer return on investment*, *service excellence*, *playfulness*, and *aesthetic appeal*

Intrinsic Value	Playfulness	Aesthetics
Extrinsic Value	Consumer Return on Investment (CROI)	Service Excellence
	Active Value	Reactive Value

Fig-1 Typology of Experiential Value

### Research Objective:

1. To study the various factors determining the experiential value with respect to website.
2. To study the customer perception towards experiential value.
3. To analyze the impact of experiential value on customer purchase intention.

### Hypothesis

H: The customer perceived value positively relates to purchase intention.

H-A: Perceived aesthetics positively relates to purchase intention.

H-B: Perceived playfulness positively relates to purchase intention

H-C: Perceived CROI positively relates to purchase intention

H-D Perceived service excellence positively relates to purchase intention

### Research Methodology

#### Sample

The sample consists of online users, both working adults and students of Chennai. The research design is descriptive in nature for the study. The sampling technique that is used for the study is simple random sampling. A group of respondent was selected through simple random then the questionnaire was distributed and response was collected to avoid any bias in the research. Survey method of primary data collection using questionnaire adopted for collection of primary data through field survey. Secondary data's collected from books, journal, newspaper and websites

#### Measurement

The structure questionnaire consist of three sections Section A consist –participant were asked to think about the

tentative date of last purchase from the yatra.com website (respondent who purchased with last six months were considered for the study), section B consist of demographic information and section C consist of questions related to experiential value and purchase intention. This section include 23 questions Each experiential value aesthetics, playfulness, CROI and service excellence have 5 items each for measurement and purchase intention has 3 items to measure it. The 5 point likert scale ranging from strongly disagrees to strongly agree was used for the study.

### Data Analysis and Interpretation

Statistical Package for Social Sciences (SPSS) software was used for analysis of the collected data. In order to test the reliability and internal consistency of each factor, Cronbach's alpha scores were calculated. As shown in Table 1 the constructs' reliability scores are ranging from 0.804 to 0.952. These are above the minimum acceptable level of 0.8.

Table I refers to the measurement of reliability.

**Table-1-Reliability Statistics**

Constructs	Cronbach's alpha	No of items
Aesthetics Value	.804	5
Playfulness	.885	5
CROI	.898	5
Service Excellence	.952	5
Purchase intention	.876	3

To examine the relationship between experiential value dimensions and online purchase intention Pearson's product moment coefficients of correlations were calculated as initial statistical. Correlation coefficient is generally use to measure two random variables of a sample which are linearly associated and has properties closely related to those of straight-line regression. Table 2 shows the correlation between experiential value and online purchase intention. The results indicated that these constructs are related and supported for further analysis.

**Table 2. Correlations between experiential value dimension's and purchase intention**

		Aesthetics	Playfulness	CROI	Service excellence	Purchase intention
Aesthetics	Pearson Correlation	1	.649**	.546**	.686**	.653**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	150	150	150	150	150
Playfulness	Pearson Correlation	.649**	1	.451**	.669**	.546**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	150	150	150	150	150
CROI	Pearson Correlation	.546**	.451**	1	.744**	.545**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	150	150	150	150	150
Service excellence	Pearson Correlation	.686**	.669**	.744**	1	.633**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	150	150	150	150	150
Purchase intention	Pearson Correlation	.783**	.654**	.546**	.007	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	150	150	150	150	150

\*\* . Correlation is significant at the 0.01 level.

## Results and discussion

The multiple correlation coefficient value of R is represented by column the R, R is considered to be one measure of the quality of the prediction of the dependent

variable. A value of .594 indicate a good level of prediction. The R square is called coefficient of determination which is the proportion of variance in the dependent variable that can be explained by the independent variables.

**Table-3 –Multiple Regression result**

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.594	.354	.333	.42707

F		15.876			
Sig		.000			
Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	10.008	.483	23.873	.000
	Aesthetics	.117	.059	.115*	.074
	Playfulness	-.257	.190	-.158	.178
	CROI	.192	.068	.213**	.020
	Service excellence	.255	.016	.277***	.000
a. Dependent Variable: Purchase_int					

The overall model fit for the multiple regressions was assessed by F statics. The results, From the table -3 it is obvious that 33.3 percent of the variance in online purchase intention is explained by the overall model (F = 15.876,  $p < 0.005$ ). Two independent variable CROI and service excellence had statically significant relationship with online purchase intention. Aesthetics value is also significantly related to purchase intention. The above result shows that there is significant and positive relationship lies between CROI, service excellence and purchase intention. While visiting the website the service excellence, customer return on investment and aesthetics value is positively perceived by customers and further it influence the customers purchase decision.

### Finding and suggestions

As per the Holbrook's typology the self-oriented value consist of four value. In this research paper the researcher is evaluating these four values, the perception of customer about these four value. From Out of the four experiential values the two experiential value i.e. CROI and service excellence is positively perceived by the customers whereas the aesthetics value is also significantly positively perceived by the customer. Has high impact on customer purchase

intention. Whereas the third aesthetics value had significantly positive impact on customer purchase decision. The primary objective of marketer today should be to create a valuable customer experience because these values inspire them for further consumption of the product. The study shows that the yatra.com website is positively perceived by the customers. All the four value is impacting customer purchase intention. The CROI and service excellence is impacting customer purchase intention positively.

The websites play important role in the shopping habit of customers. Customer no longer relies solely on the physical cue for their purchase decision. Online environment cues also play prominent role in their decisions. So the online managers should try to give valuable experience to their websites visitors to convert them into the real clients.

### Conclusion

The research supports the importance of websites as an information source in the promotion of tourism which particular attracts new visitors. The importance of creating memorable and unique customer experience through offering certain experiential value is being recognized by more and more business today. Through this research

paper the researcher found out that experiential value play important role in influencing customer purchase intention.

.There is so many factors contributing to the success of travel website like lower distribution costs, higher revenues and large market share. Customer perceived value is also very essential for usefulness of the website because the experiential value motivates the consumer for further consumption of that product. It is important to understand the ways to improve the visitors experience by adding value to the websites.

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