Online Purchase Behavior Via Hotel Website
In Penang Island, Malaysia

Azlan Salim1, Mohd Zool Fadli Ibrahim2, Raja Iskandar Putera Raja Mustapha3, Joesri Mohamad Saber4, Ashraf Siddik Khan Abdul Rahim Siddique5 and Syuhirdy Mat Noor6

1,2,3,4,5,6Faculty of Hotel & Tourism Management, UiTM Cawangan Pulau Pinang

Corresponding email: azlan808@ppinang.uitm.edu.my

Article Information

Abstract

Online consumer behavior in Malaysia is still at its infancy and is believed to be of importance and has research potential. The impact of several constructs in Technology Acceptance Model (TAM) such as perceived usefulness, perceived ease of use, had been studied widely. However, other important factors which relate to consumer characteristic such as demographics, personality, value, lifestyle, consumer resources and knowledge have been ignored. This is particularly true in determining the predictors of purchase behavior focusing on online purchase via hotel website within the Malaysian context.

INTRODUCTION

The World Wide Web has increasingly become popular and is believed to be a valuable marketing tool, serves as an integral part of the marketing mix, serving as a digital distribution channel as well as an electronic storefront. (Yelkur & DaCosta, 2001). Moreover, they indicated that the Internet can be a more efficient medium for firms in hotel industry to conduct business, where a transaction can be completed without physical delivery of the product.

In line with information technology development, hotels in Malaysia realized a great opportunity by the growth and the increased number of Internet user and Internet literacy in Malaysia. Furthermore, online reservation is found to be the most important features in every hotel website. However, the degrees to which the Internet truly influence purchase decision remain less certain (Connolly, Olsen, & Moore, 1998). Huang and Lin., (2006) indicated the general public has been slow to adopt the Internet as a reservation tool.

It was found that the Internet users are still window shopping for hotel rooms, not buying using online reservation provided by hotel website. This same trend is believed to be found in Malaysia. Cheung, Chan and Limayen (2005) and Kvikne (2013) confirm that online consumer behavior is still immature and is believed to be an important research potential.

Therefore, this study explores the factors affecting online purchase behavior via hotel website in Malaysia. Specifically, whether website easiness and website usefulness influenced online purchase via hotel website. Within the knowledge of the researcher, there are very limited studies addressing the issue of purchase behavior.
via hotel website. In fulfilling these gaps, this study attempts to investigate factors affecting online purchase behavior via hotel website in Malaysia.

**Online Purchase Behavior**

Broadly define online purchase can be viewed as any form of economic activity conducted via electronic connections (Wigand, 1997). It is materialized in several forms in electronic commerce activity such as business to business, business to consumer, or government to constituent (Schlosser, 2003; Lim, Abdullah, Shahruhl Nizam, Abdul Rahim, & Safizal, 2015)

In addressing the issues of online purchase behavior, there have been various attempts at building models of consumer behavior online. Examples include studying consumer information acquisition and purchase decision online (Alba, Lynch, Weitz, & Janiszewski, 1997) and determining reason for not shopping online (Roache, 1998). An important question is whether online consumers think and act differently than their offline counterparts and the significant reason behind it. Koufaris (2002) explained that online consumers clearly share some characteristics of their offline counterparts but also have unique needs and concerns that reflect their online environment.

Moreover, consumer behavior on the web has been the subject of substantial research in the last few years, but understanding it is more complex by the fact that the main entities concerned, consumers and business have been transformed (Koufaris, 2002). The physical hotel has been transformed to a virtual web page through information technology. Hotel guest that make a reservation via hotel website is now depending on limited product representation such as photograph and text description. Studies have shown that the representation of the product online, indeed the overall quality of the shopping experience, matters for both attitude towards shopping experience as well as intention to buy (Burke, 1992, Jarvenpaa & Todd, 1997; Novak, Hoffman, & Yung, 2000) and Kvikne (2013)

**Website Usefulness**

In TAM, Davis (1989) defined usefulness as the degree to which a person believes that using a particular system would enhance his or her job performance. It derives from the world useful; capable of being used advantageously. In e-shopping environment, Shih (2004) defined usefulness, as the degree to which an individual believes that trading on the web would enhance the effectiveness of his or her shopping. Therefore, from the perspective of this study, Shih (2004) definition on usefulness can be considered as website usefulness. Previous research had found that usefulness has a strong and consistent relationship with adoption of technology (Davis, 1989; Nysveen, Pedersen, & Thorbjornsen, 2005), Internet adoption and usage (Cao, Zhang & Seydel, 2005; Heijden, 2002) and online purchase behavior (Jayawardhena, 2004; Chiu, Lin, & Tang, 2003; Athiyaman, 2002; Shih, 2003).

**Website Easiness**

In many research, perceived ease of use was tied together with perceived usefulness in theoretical construct. However, in spite with the nature of different environment and field of study, other variables have been used to link perceived ease of use with attitude, behavioral intention and individuals behavior such as information quality, service quality and attractiveness (Cao, Zhang, & Seydel, 2005), intrinsic beliefs; perceived playfulness (Cheong & Park, 2005) and perceived enjoyment (Heijden, 2002), product category, internet access and purchasing experience (McKechnie, Winklohofer, & Ennew, 2006), and etc.

Aladwani (2002) had developed two tools for measuring the easiness and usefulness of transactional web sites. Ease of recognition, ease of navigation, ease of gathering information and ease of purchasing were suggested as dimensions in perceived ease of use construct. Ease of recognition will refer to the ease of searching, finding and accessing the web site. Ease of navigation is the ease of moving between the homepages and the same page. Ease of gathering information will refers to the ease of gathering information towards price and the product offered, while ease of purchasing will refer to the ease of placing and canceling order and in filling in purchase form. Consequently, perceived ease of use will still be treated as a unidimensional construct. This research attempts to adopt the dimensions suggest by Aladwani (2002) to conceptualize website easiness as it fit the nature of the study.

**Hypothesis**

H1: There is a significant relationship between website usefulness and online purchase behavior

H2: There is a significant relationship between website easiness and online purchase behavior

**Research Methodology**

In choosing the samples of the study, few considerations have to be made due to large number of population. The sample is hotel guests that have the potential of making online purchase. The samples also must have
experiences in traditional reservation method and are most likely familiar with online room reservation. The population of this study is the hotel guest in Penang Island of Malaysia as it is ranked as one of the most visited state in Malaysia (Tourism Malaysia, 2009).

This study focused on three stars and four stars hotel since most of the hotels have online reservation tools but extremely low volume of online purchase via hotel website, while most of the five stars have an established hotel website with the help of global internet reservation chain derived from the image of their global hotels chain. Based on statistics provided by Tourism Malaysia, there are 6,847,569 guests who stay at hotels around Penang Island in 2014. Based on report released in February 2014 by Malaysia Association of Hotel (2014), there were 20 four stars hotel and 8 three stars hotel in Penang Island. Based on Table of Sample Size created by Krejcie and Morgan (1970), the relevant sample size for that target population is 384 respondents.

A survey approach was considered to be the most appropriate method for this study. Surveys is suitable for the type of information gathered such as perceptions and large number of subjects involved. It is also inexpensive and efficient means of gathering information from the targeted population. For the purpose of this study 400 questionnaires were administered between April 2014 until November 2014 and distributed among hotel guests along the coast of Batu Feringghi and 15 kilometer radius of KOMTAR Tower in Penang Island.

### ANALYSIS

**Respondents’ Profile**

The findings from data analysis were received from 313 respondents who took part in the survey. As to be specific, and 36.6% were female 63.4% were from male respondents. Moreover, for the race of the respondents were Malay 29.9%, Chinese 31.7%, Indian 26.0%, other local races 12.4%.

**Reliability Test**

The results from reliability analysis show that the Cronbach’s alpha values for variables were above 0.7. The website usefulness subscale consisted of 5 items with \( \alpha = .884 \), the website easiness consisted of 12 items with \( \alpha = .799 \), online purchase behavior consisted of 3 items with \( \alpha = .762 \). Thus, all variables were considered as reliable and appropriate for this study.

**Data analysis**

The correlation analysis is performed to see the relationship between each of the independent variable, consist of website usefulness and website easiness towards online purchase behavior.

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<tr>
<td><strong>1</strong> Website Usefulness</td>
<td>-</td>
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<td>-</td>
<td>.461**</td>
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<tr>
<td><strong>2</strong> Website Easiness</td>
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Correlation is significant at the 0.01 level (2-tailed). \( N = 331 \)

The results signified that the relationship between website usefulness and online purchase behavior was 0.461; while the relationship between website easiness and online purchase behavior was 0.425; The results indicates that both website usefulness and website easiness are positively correlated and influenced the online purchase behavior via hotel website in Penang island Malaysia.

### DISCUSSION

This research is undertaken to get a better understanding on the predictors of online purchase behavior via hotel website. It can be considered as key drivers of the extent to which hotel guests adopt the hotel website as a distribution channel. There were two hypotheses used in this research:

H1: There is a significant relationship between website usefulness and online purchase behavior

The correlation scores of 0.461 were considered preferably (Pallant, 2005). Website usefulness was also believed to have a strong significant contribution to the prediction of online purchase behavior. based on the (\( \beta \)) score of 0.505. (\( r = .151, .207, p > 0.05, p < 0.05 \)). Majority of the respondents agreed that information seeking was the preliminary reasons guests click on hotel website. Clear and informative facts about hotel information
and attractive promotions laid in the website are able to convince users, thus, leading to online purchase. Moreover, it saves time spent and cost as compared to the traditional means of reservation. As website usefulness and online purchase behavior is positively related therefore, hypothesis 1 is accepted for this study.

H2: There is a significant relationship between website easiness and online purchase behavior

Majority of the respondents ranked as ‘high’ for the website easiness attributes. The recognition of hotel website domain name by search engines and the easiness of finding hotel website using its domain name was a preferable choice to majority of the respondents. Interaction and navigation pages on hotel website were also found to be crucial elements in defining website easiness. Moreover, the ease of gathering information and ease of purchasing were found to have a similar effect on website easiness attributes.

However, majority of the respondents felt that most of the hotel website was unsuccessful to construct the platform in cancelling the reservation. Nevertheless, majority of the respondents granted the variable as important predetermined grounds to subsequent online purchase behavior. The correlation scores for this hypothesis were 0.425 (r= .151 , .207, p > 0.05, p< 0.05). The statistical data proved the linkage between both variable, hence may potentially influence one another. Therefore, Hypothesis 2 is accepted and supported by the findings of this research.

CONCLUSION
With the current success of major consumer web sites such as e-Bay and Amazon that maximize the usefulness of its websites and included easiness in navigation, information retrieval and total website interaction features, hotel need to use all the benefits of online features in providing a better platform in promoting room reservation and online purchase via hotel website. Website usefulness and website easiness contributed a strong relationship which can be considered as predetermined factors towards online purchase behavior. On the other hand, this research indicated that hotel managers should implement and include yield management attributes in designing the hotel websites.

Promotions should be placed online and benefits of the cost reduction in eliminating middle men (such as travel agent and intermediaries) should be awarded directly to online purchaser. However, managers should avoid wasting money and other resources on redesigning website features that do not utilize a significant effect towards online purchase behavior.

As for the limitation of the study, the data was limited and was collected only for hotel guests in selected areas of Penang Island, the result therefore cannot be generalized to a larger population across the nation. Wider population from different regions in Malaysia should be studied as more samples will improve the generalizability of the findings. Greater numbers of empirical studies are necessary which would use different size samples in order to validate the results of this research and avoid single response tendencies. The respondents should be grouped within their level of Internet usage and expertise in using online reservation tool as it is believed to pick up more truthful result.

In conclusion, hotel companies need to use all the benefits of online features in providing a better platform in promoting room reservation and online purchase via hotel website. Moreover, based on the result obtained from the study, it is understood that website usefulness and website easiness contributed a strong relationship which can be considered as predetermined factors towards online purchase behavior. However, hotels could engage the profound knowledge in designing better website towards maximizing revenue via online medium. It is hoped that the findings of this study can impart some valuable insight for the hotel managers in designing hotel website towards revolutionize its role as revenue generator.

REFERENCES


