THE DECISION MAKING OF BUSINESS TRAVELLERS IN SELECTING ONLINE TRAVEL PORTALS FOR TRAVEL BOOKING: AN EMPIRICAL STUDY OF DELHI NATIONAL CAPITAL REGION, INDIA

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Abstract: The purpose of this paper is to understand the decision making pattern of the Business Travellers in Delhi National Capital Region in India while booking their trips through Online Travel Portals. The study revolves around purchase decision pattern of Business Travellers by investigating their travel decision making style in selecting online travel portals for their trip booking. The authors have adopted the quantitative methodology to achieve the objective of the study. The study is confined purely to the Business Travellers who book their travel through online travel portals. The data was collected through a structured questionnaire. 300 Business Travellers were interviewed at the departure lounge of Indira Gandhi International Airport, New Delhi, India out of which 150 questionnaires were incomplete in many respects and could not be used and only 150 questionnaires were usable resulting in the response rate of 50%. The Analytical Hierarchy process method was adopted to analyze the relative weights assigned by Business Travellers. The present study identifies through literature review the nine fundamental values of internet purchase i.e. product quality, cost, time to receive the product, convenience, time spent, confidentiality, shopping enjoyment, security and environmental impact. The research findings indicate that business travellers value confidentiality, security and product quality the most while choosing the Online Travel Portal to book their trip. The study is primarily centered on the consumer typology approach to study the decision making patterns of business travellers whereas there are other variables such as lifestyle, personality, attitude which can also be investigated. The study is only restricted to Business Travellers decision making pattern pertaining to their travel booking whereas a study can also be

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undertaken on leisure travellers decision making pattern. The study is restricted to only Delhi National Capital Region. More studies can be carried out in other geographical areas. The findings of the study indicate that Business Travel is one of the emerging travel segments both in terms of numbers and revenue generation and to meet the changing needs of the business travellers the Online Travel Portals need to develop innovative and effective marketing strategies and tools. India is one of the fastest growing economies and has registered its presence in the global scenario. Business Travel segment is still unexplored. The study was conducted keeping in mind the burgeoning business travel segment. The study explores the factors that the business travellers considers while selecting online travel portals for travel product purchase.

Key words: Tourism, Business Travellers, decision making pattern, Online Travel Portals

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INTRODUCTION

The evolution of information and communication technology has opened the doors and presented challenges for the tourism businesses, especially the travel agencies. A startling fact to note before plunging into the advent of the Information and Communication Technology is the research study findings by Forrester. It pronounced that the Internet users who used the tool for research and buying travel products fell sharply by 9% between 2005 and 2007 whereas Online travel spending increased by over 41% during the same period of time (Travel Industry Association of America, 2007). Indian travel and tourism market is worth 42 billion USD and is expected to grow at the rate of 10.2% compounded annual growth rate in the next ten year. (Red Seer Analysis, 2009). New age Indian Travellers are well informative, tech savvy and ready to adopt digitization. They are investigative in nature and conduct lot of research online, have a marked presence on the social media platforms. This presents a lot of challenge and opportunities for Online Travel Portal to tap this segment of prospective travellers. The Online Travel Portals provide increased flexibility, cost comparison and a wide array of options in terms of destination choices. These Online Travel Portals are now being adopted by this new age Indian digital traveller. Indian Online Travel Industry is growing at the rate of 49% compounded annual growth rate and out of which the Online Travel Portals share is 17.5% of the total gross bookings (Red Seer Analysis, 2009). The three major participants in the Indian Online Travel Portals are Make My Trip, Yatra and Cleartrip and they together account for 90% share of the Indian Online Travel Portal Market (Red Seer Consulting, 2009). There are more than thirty active players in the Online Travel Portal Industry. Price is considered a lucrative element in the Online Travel Portals especially while booking the Air Travel. There is a lot of competition in the Online Travel Space especially in the Air Travel segment whereas the competition is now shifting towards the hotel bookings due to the high margins guaranteed by this sector. Mergers and acquisitions are going on in the Online Travel Industry of India and the prime companies are taking over the smaller concerns to expand their base and services. Most of the Online Travel Portals are partnering with Indian Railways Catering and Tourism Corporation for train bookings and increasing their paraphernalia of services.

Indian Online Travel Portal Industry has a great potential and opportunity for growth and they are continuously in the process of integrating services and tying up with the Service providers such as airlines, trains, hotels and car rental companies to generate higher revenues and transactions. These online travel portals got a boost as the internet

users in India increased 2.5 times from 2006-2010 and the number of credit card users also increased three folds between 2006-2010 (Statista.com). India's Inbound and Outbound Tourism Industry is growing by leaps and bounds and this presents a golden opportunity to the online travel aggregators to cater to the needs of the travellers i.e. both the leisure based and business travellers. Business Travel in global terms is growing by leaps and bounds and is contributing immensely to the revenue generation to the burgeoning tourism industry. The spending generated by global business travel reached 1.2 trillion USD in 2015 with a 5% growth in comparison to 2014 and was forecasted to reach 1.3 trillion USD by 2016 (GBTA). The spending due to business travel is expected to reach 1.6 trillion USD by 2020 growing at a rate of 5.8% in the next five years (GBTA). It is expected that India will register a double digit growth in business travel spending in the next five years (GBTA). Based on the literature review it is observable that very few researches have been conducted to study the decision making pattern of business travellers in selecting Online travel portals for travel booking. The study attempts to identify the factors which the business travellers takes into account for online purchase of travel products.

LITERATURE REVIEW

Business Travel Industry forms a significant part of the ever-expanding International Tourism phenomenon. On a wider sense corporate travel is defined as the travel concerned with people travelling for work related purposes. Davidson & Cope (2003) classified Business travel industry into individual business travel and business tourism connected with MICE (Meetings, Incentives, Conferences and Exhibitions). The phenomenon of Globalization and economic integration among various economies resulted in rapid growth in world trade, increased movement of goods and services, diffusion of Information Technology and increased business movement which resulted in growth of business travel. Internet is a boon to the tourism industry as internet expansion, electronic commerce has transformed the travellers experience with the use of technology. Tourism product distribution has changed because of the increased technology adoption worldwide which can be attributed to rise of e-commerce as mentioned by many researchers (Kracht & Wang, 2010; Buhalis & Licata, 2002; Bennet & Buhalis, 2003). Douglas & Lubbe (2009) came across three areas of technology adoption in business travel i.e. technology as a distribution tool for corporate travel booking. technology needs of business travellers across the business travel network, use of technology as a possible medium for business travel booking. Internet marketers are striving hard to attract consumers to buy products and services online. In order to succeed in this highly competitive digitized world many online travel portals sell array of products which range from air tickets, hotel rooms, car rentals, bus booking, holidays, cab booking which they assemble from multiple vendors. In this way they position themselves as a full service online travel aggregator and assist the prospective consumers to search, evaluate and purchase the travel product through a single portal. It is imperative for the Internet marketers to understand the value of online purchase from the consumer perspective. Slowly and steadily the Internet marketers begin to embrace the customer value perspective and start believing that consumers will pursue value maximization with limited search costs, knowledge, income, mobility (Gale, 1994; Smith & Rupp, 2003).

Online Travel Agencies provide a contact point through the internet so that the prospective customers can search and eventually book the travel products. If the brick and mortar travel agencies wish to have an online presence the management must attempt for providing higher value to internet customers (Wolfe et al., 2004). This process is referred to as value innovation (Smith & Colgate, 2007). Nine fundamental factors of internet purchase

are described in the literature (Keeney, 1999; Wang et al., 2006) i.e. product quality, cost, time to receive the product, convenience, time spent, confidentiality, shopping enjoyment, security and environmental impact. Based on the customer value perspective the said study focused on finding out the relative weights of the nine fundamental purchasing travel products through Internet. The Analytical Hierarchy Process given by Saaty (1990) was used to analyze the weights given by Business Travellers. Review of literature indicates that in the framework of e-commerce there are many functional service qualities which are valued by customers during online purchase such as fast connectivity, security issues and user friendly network (Dhar & Wertenbroch, 2000). Online Travel Portals have several unique competitive characteristics. Online Travel Portals can utilize and select only those which are offered by the airlines and do not have the ability to change the prices or other product features. Online travel portals help the customers to find the best available ticket according to their needs (Clemons et al., 2002). Online Travel Portals offer multiple options for a given search. It can serve multiple customers simultaneously; electronic markets on the internet have made it easier for consumers to search for services from various electronic markets (O'Connor & Frew, 2002). E-Commerce has revolutionized many organizations and the evolution of ICT has spurted fierce competition between organizations and have to adapt technology in order to survive in the digital space. Online travel portals provide the first point of contact through the Internet to help the prospective customers to search for air fares and suitable flights and come to a decision and simultaneously book the ticket through the Internet (O'Connor & Murphy, 2003).

Electronic medium has new horizons for travel related information, price comparison and availability which will assist customers to book travel products online. The advent of reservations online is the most striking discovery in the digital space and these online travel portals are likely to be used by individuals as well as business travel planners (Carroll & Siguaw, 2003). Online travel portals and suppliers of online travel products provide common array of travel products. The common elements include the content of information, structure, security aspects, ease of use (Kim & Lee, 2004) Online Travel Portals are facing fierce competition in the digital market place and they are feeling the heat to assess the efficiency of their websites (Park et al., 2007), Perceived value is built during the purchasing process whereas satisfaction is evaluated post purchase as revealed through various studies. Huang (2008) found that loyalty to an online travel agency resulted in an increased intention to purchase from that agency. Loyalty refers to the psychological commitment that a customer makes in the act of purchasing (Nam et al., 2011). This commitment may eventually result in the final intention to purchase or recommend. Brand loyalty has a strong impact on purchasing intention (Hawes & Lumpkin, 1984). Lang (2000), indicates that many travel consumers are surfing the web but reluctant to book online preferring more conventional and traditional travel networks. Internet is serving as a mode to extract information while very few users who surf the net book online. This makes the literature review indecisive on how to represent the online purchasing behaviour of consumers.

RESEARCH METHOD

The Analytic Hierarchy Process is used in this case. It is a mathematical tool and a multi-objective decision making tool given by Saaty in 1990. The process uses pairwise comparison method to rank order alternatives of a research problem that are formulated and solved in hierarchical structure. The technique is simple in nature and helpful in decision making. The Analytical Hierarchy Process adopts a methodology of setting up a pairwise comparison table where each element is paired with every other element known as criteria comparison matrix denoted by numerical values 1, 3, 5, 7, 9. The number of

comparisons of criteria are calculated as n (n-1)/2 which in our case is 9(9-1)/2=36. The Analytical Hierarchy Process works best when a problem is further broken into levels comprising of factors or elements. The factors though are mutually independent but are comparable with the factors of the same level. It is deduced as an effective decision making tool. The study explored the relative weights that business travellers assign to the factors for decision making in selecting online travel portals for travel booking. The population of the research comprises of Business Travellers booking their travel online. A questionnaire survey was used to gather data from business travellers who booked their travel online. The business travellers were surveyed at IGI, New Delhi, India. We surveyed in IGI, New Delhi because it is the largest airport in India and due to the business travellers who select online travel portals for travel booking. 300 Business Travellers were interviewed at the departure lounge of IGI Airport, New Delhi out of which 150 questionnaires were incomplete in many respects and could not be used and only 150 questionnaires were usable resulting in the response rate of 50%. The below mentioned Table 1 gives an insight of the demographics of the respondents who were interviewed at Indira Gandhi International Airport, New Delhi, India.60% of the respondents were male and the remaining 40% were females. Age group varied from 25-29 to 60-64 range.

Table 1. Demographic Profile of Business Travellers at Indira Gandhi International Airport, New Delhi (Data Source: Primary Data collected at Indira Gandhi International Airport, New Delhi)

Sample	N	Percentage
Male	90	60%
Female	60	40%
25-29	20	13.33%
30-34	28	18.66%
35-39	40	26.66%
40-44	22	14.66%
45-49	12	8%
50-54	10	6.66%
55-59	10	6.66%
60-64	08	5.33%

MEASURES

A total of nine most fundamental values for selecting online travel portals for travel booking were found in the literature surveyed i.e. product quality, cost, time to receive the product, convenience, time spent, confidentiality, shopping enjoyment, security and environmental impact (Keeney, 1999). Each respondent must make the decision between each pair of fundamental objectives. First, each respondent compares two distinct objectives and decides which one is more important than the other. Then, each respondent assigns an importance rating from 1-9, where 9 indicates the objective has the highest possible order of affirmation; 7 means strongly favoured and its dominance demonstrated in practice, 5 indicates experience and judgement strongly favour one objective over the other, 3 means experience and judgement slightly favoured one objective over the other; and 1 means two objectives contribute equally to the business travellers. After completing the pairwise comparison of criteria, the consistency of the data is checked by using the Eigen value λmax to calculate the consistency index CI. Amax is the Eigen value and is used to calculate the consistency index, CI as follows: $CI = (\lambda max - n)/(n-1)$ (Analytical Hierarchy Process, Saaty, 1980), where n is the matrix size. Judgement consistency can be checked by taking the consistency ratio (CR) of CI with the appropriate value in Table 2. The CR is acceptable, if it does not exceed 0.10.

A standard Analytical Hierarchy Process questionnaire was designed displayed in meant to collect the relative weights of the fundamental objective. Each respondent must make the decision between each pair of fundamental objectives. First, each respondent compares two distinct objectives and decides which one is more important than the other. Then each respondent assigns an importance rating displayed in Table 2 above. The range varies from 1–9, where 9 indicates the objective has the highest possible order of affirmation. 7 means strongly favoured and its dominance demonstrated in practice. 5 indicate experience and judgement strongly favour one objective over the other. 3 means experience and judgement slightly favoured one objective over the other and 1 means two objectives contribute equally to the consumer.

Table 2. Pairwise Question Pattern

	9	7	5	3	1	3	5	7	9	
Product Quality										Cost

Data Analysis

To understand the relative weights given by Business Travellers to the criteria in selecting online travel portals for travel booking, Analytical Hierarchy Process was chosen to analyze the relative weights given by business travellers. The expert's choice of software helped the study from all perspective i.e. from the development of the model to the final report output. The structuring module feature helped the study in the development of the Analytical Hierarchy Process for decision making pattern of the business travellers in selecting online travel portals for travel booking.

Table 3. Standard Weight Values for selecting Online Travel Portals by Business Travellers(N=150) (Data source: Keeney, 1999)

	Product Quality	Cost	Time required to receive the Product	Convenience	Time Spent	Confidentiality	Shopping Enjoyment	Security	Environmental Impact
Product Quality	1	2.43380	2.89652	2.36767	2.37775	0.40028		0.34751	0.97414
Cost	0.44348	1	1.08477	0.70588	0.10990	0.27411	0.91580	0.26562	0.66432
Time required to receive the product	0.35709	0.13567	1	0.49454	0.57912	0.23753	0.54376	0.22520	0.57133
Convenience	0.44590	1.734730	2.07529	1	1.78542	0.22496	0.90532	0.25286	0.76686
Time Spent	0.42739	1.19717	1.82709	0.57263	1	0.21269	0.92693	0.22083	0.59127
Confidentiality	2.61331	3.89198	4.42986	4.44564	4.62698	1	4.30493	1.18530	2.14963
Shopping Enjoyment	1.04917	1.20162	1.88143	1.13460	1.19142	0.22398	1	0.31035	0.63768
Security	2.99533	3.92042	4.45200	4.10195	4.48528	0.85724	3.21755	1	2.42935
Environmental Impact	1.03490	1.57067	1.75723	1.51899	1.73116	0.47088		0.42104	1
	10.36657	17.08606	21.40419	16.3419	17.88703	3.90167	14.39388	4.22871	9.78458

The study evaluated the criteria in selecting online travel portals and comprised of several levels such as the goal hierarchy, criteria hierarchy and sub-criteria hierarchy. Secondly the opinions were sought from experts to assign weight values. Eventually, the geometric mean value was used to calculate complete decision-making scores from

business travellers. By following this process the standard weight values can be established to select online travel portals shown in Table 3. The pairwise comparison matrix of criteria and sub criteria is used to get each hierarchical factor weight. Table 4 mentioned below summarizes those results. The Eigen value λ max deduced is 6.0012. In the results of the study, we find the consistency index, CI, as follows: CI = 0.020. RI was found to be 1.25 and further calculated the CR=CI/RI= 0.020/1.25=0.016. As the value of CR is less than 0.1 it proves that the judgements are acceptable.

Pairwise comparison matrices and the priority vectors for the remaining criteria can be deduced displayed in below mentioned Table 4. Table 4 displays the weight of the nine factors which influences the online behaviour of business travellers.

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by	Business Travel	iers (N=1	50) (Data	source:	Keeney, 19	999)	
				y			ı

	Product Quality	Cost	Time required to receive the Product	Convenience	Time Spent	Confidentiality	Shopping Enjoyment	Security	Environmental Impact	W'
Product Quality	0.09912	0.14339	0.14337	0.15119	0.13148	0.10370	0.07799	0.0890	0.10009	0.11989
Cost	0.04302	0.05871	0.05013	0.04633	0.05122	0.06487	0.06953	0.061901	0.06898	0.05765
Time require to receive the product	0.03134	0.05314	0.04117	0.03052	0.02948	0.06007	0.03895	0.05215	0.05815	0.04398
Convenience	0.04703	0.08703	0.09307	0.06312	0.09785	0.05229	0.06942	0.05488	0.06429	0.07031
Time Spent	0.04411	0.06643	0.08235	0.03215	0.05304	0.05549	0.06481	0.05533	0.06025	0.05802
Confidentiality	0.24936	0.23091	0.20071	0.27123	0.24990	0.27509	0.30037	0.29240	0.22209	0.25280
Shopping Enjoyment	0.10232	0.06256	0.08877	0.06928	0.05969	0.06060	0.07030	0.07671	0.06603	0.07354
Security	0.29327	0.25285	0.21419	0.25254	0.24234	0.21809	0.23221	0.23904	0.25189	0.24005
Environmental Impact	0.09999	0.8761	0.08617	0.09464	0.09337	0.12127	0.11343	0.09780	0.10478	0.09981

The results display that confidentiality, security and product quality are considered by Business Travellers in selecting online travel portals for their travel booking.

CONCLUSION

Online Travel Portals must change their strategies to meet Business Travellers' demands as the occurrence of online travel purchase has increased since the online travel agencies represent a viable alternative to traditional travel agencies. Business Travellers will be attracted to online travel portals if they feel that they are getting a better deal for their travel booking. Nine fundamental factors have been proposed in the literature and the research assessed whether these nine factors are considered by business travellers in selecting the online travel portals for travel booking. The data was analyzed from the questionnaires filled by 150 business travellers at IGI Airport. The nine factors were assigned different weights by business travellers booking their travel through online travel portals. We found that confidentiality, security and product quality were the three main factors considered by business travellers while selecting an online travel portal for travel booking which contradicts that convenience (Harris & Duckworth, 2005) and cost (Clemons et al., 2002) are the key factors for selecting the online travel portals for online travel purchase.

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