Chapter 67
Investigating the Motives of Customers’ Continuance Intentions towards Online Reservation: The Role of E-Service Quality

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ABSTRACT

Despite the growth in online reservation in recent years, research surrounding customer continuance intentions regarding this service remains insufficient. This research attempts to fill this gap by integrating the e-service quality model with the expectation–confirmation model (ECM) to measure continuance intentions regarding online reservation. Data was collected from a survey of users who have prior online reservation experience at two universities in the United Arab Emirates. Statistical analysis was performed to test the relationships among the different research variables using structural equation modeling (SEM). The results show that all the e-service quality dimensions proposed in this study significantly affect utilitarian value, with the exception of e-service quality related to responsiveness. Furthermore, utilitarian values positively influence hedonic values and both utilitarian and hedonic values have a positive influence on satisfaction. Finally both subjective norms and satisfaction are significantly associated with continuance intentions regarding online reservation. Implications of the study and directions for future research are provided.

1. INTRODUCTION

Using the Internet as a reservation method has benefited businesses and customers by reducing costs and providing up-to-date information to both parties (Sohn & Tadisina, 2008, Al-maghrabi et al., 2011a). In fact, many researchers believe that online reservation, such as hotel and airline reservation, is considered one of the largest and fastest growing areas of B2C e-commerce (Buhalis & Licata, 2002; Ruiz-Mafe et al., 2009). Studies have shown that hotel reservation is the second
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most frequently purchased travel product online (Card et al., 2003), and according to PhoCusWright, one third of the world’s travel sales will be conducted online by the end of 2012 (Cezar & Ogut, 2012). Accordingly, companies are investing a huge amount of money and effort to provide better online services to improve customer satisfaction, and consequently, retention through the Internet (Khalifa & Liu, 2001; Bhattacherjee, 2001a; Thong et al., 2006).

Despite this increase in the number of customers using the Internet to reserve online, relatively little research has been devoted to investigating user attitude towards this service in particular compared to the enormous number of studies about online shopping in general. For example, the study of Bigne et al. (2010) investigates the impact of motivation, opportunity and ability of e-customers on ticket repurchasing intentions. Their findings have revealed that all three factors influence repurchasing intention, but that the influence of opportunity is relatively small compared with that of motivation and ability. Llach et al. (2013) examine the impact of e-quality on consumer’s loyalty in the context of the online airplane ticket purchase. They have found that the functional and hedonic quality significantly affect loyalty through perceived value. Al-maghrabi et al. (2011a) integrate the technology acceptance model with the expectation confirmation theory to measure continuance intentions of online shopping for airlines web sites. Their results have found that perceived usefulness, enjoyment, social pressure, and loyalty incentives are determinants of online flight booking continuance in Saudi Arabia.

The study of Li and Buhalis (2008) has revealed that the type of travel website most visited, self-efficacy, domain-specific innovativeness, and perception of the Internet, significantly influence online booking among Chinese customers. Kim and Kim (2004) have surveyed customers from eight hotels in Korea to investigate the determinants that explain a customer’s online reservation intention. They have found that convenience, safety, price, ease of information search and transaction significantly affect online reservation intention and that ease of information search and transaction are more important than price. Wong & Law (2005) have examined the effect of information quality, sensitivity content, and time on online hotel purchase intention and have found that all three factors positively affect intention.

One important construct which can be considered essential in the online market is service quality; hence improving e-service quality is becoming even more critical for the survival of companies in this highly competitive market (Oliveria et al., 2002; Sohn & Tadisina, 2008; Li et al., 2009; Llach et al., 2013). Good service performance is expected to enhance customer satisfaction and consequently increase customers’ purchase intentions (Olsen, 2002). To satisfy current customers and attract new ones, we need an understanding of the relationship between service quality constructs and their consequences. Yet, there has been minimal research to date regarding the influence of e-service performance on user attitude towards online reservation. For example, Sigala and Sakellaridis (2004) have examined the influence of web users’ cultural profiles on their perceptions of e-service quality among multicultural students using a specific tourism Web site. Their study has shown that only three cultural dimensions (power distance, masculinity features, and long-term orientation) affect expectations of certain WEBQUAL dimensions. The study of Lee and Wu (2011) of airline websites in Taiwan illustrates that perceived trust and usefulness positively moderate the relationship between e-service quality, perceived service value, and service satisfaction. Bernardo et al. (2012) have found out that both e-service quality, named in their study functional quality, and hedonic quality have a positive impact on perceived value among