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“Understanding the factors that attract travellers to buy tickets online in Saudi Arabia”

Abstract

Despite widespread discussions of online consumer behavior and the effect of web quality on online user’s actions, there is a lack of research in the area of consumer attitude towards the services provided by airline companies due to the specific nature of travellers. This study aims to measure consumers’ e-satisfaction and intention to purchase tickets while using the online services provided. To obtain the study objective, a conceptual framework is developed based on literature pertaining to e-consumer behaviour, web quality, and travel and tourism streams. The constructs within the framework will be tested using an online survey targeting actual airline online users (travellers) in the Kingdom of Saudi Arabia. Structural equation modelling approach will be utilized to test and validate the framework. Findings would help decision makers within airline companies to understand their customers’ online behavior and enable enhancements to be made to their airline storefront, hence ensuring the satisfaction of potential customers and conversion of visitors into buyers.
1 Research background

There are quite numerous studies that came across the online customers’ behaviour such as their browsing attitudes, continuance intention to use a website, willingness to purchase, or their shopping interests. Also research has been conducted to focus on different industries or sectors such as retailing, banking, governmental transactions, hotel booking and many other practices. This study intends to focus particularly on the Airline industry. It is stated that although making travel arrangements online is the internet’s second-largest commercial area after computer technology, many airline companies may still not have sufficient knowledge to build a “useful” website (Law & Leung 2000). More recently, a study by (Law et al. 2010) agrees that to date, there has been only limited research into tourism website evaluation. Online services such as flight booking, selecting seats, web check-in, and more importantly buying tickets are essential for airline companies to promote. So it is important to gain better and comprehensive understanding on how travellers behave when they complete their online travel arrangements. Literatures from online consumer behaviour, web quality, and travel and tourism where deeply investigated to come up with a measurement tool to study the travellers behaviour.

1.1 Consumer behaviour models

Online consumer behaviour studies adopted famous theories such as the Expectation Confirmation Theory (ECT) which suggests that satisfaction usually depends on the consumers initial expectations of a service and if it is going to be confirmed or not during actual use (Oliver 1980). Also, Theory of Reasoned Action (TRA) (Fishbein & Ajzen 1975) and its family theories, including the Theory of Planned Behaviour (TPB) and the Technology Acceptance Model (TAM) were extensively tested. TRA and TPB focuses on determinants of intention and behaviour (Ajzen 1985) while TAM states that the actual system use is
determined by the behavioural intention and the attitudes towards usage, which in turn can be explained by perceived usefulness and perceived ease of use (Davis 1989). These models have been extensively used by researchers separated as well as companied in the context of e-retailing (Dennis et al. 2009). Most of its constructs were confirmed to be valuable in predicting the behaviour. In this research we cannot ignore the important of such variables and we will adopt the most related to our study.

1.2 Web quality models

In addition to the traditional consumer behaviour research, many literatures from information technology aspect focused on the web site quality and its effect on user’s behaviour when using a website. Researchers developed several scales to measure the web quality of a website and they defined many dimensions for this purpose. Site content, security, design, accessibility, navigation, responsiveness, personalization, and enjoyment are some examples of these dimensions. Most of the web quality scales where developed based on the traditional service quality scale SERVQUAL (Parasuraman et al. 1985) and modified to employ the web context. Examples of these scales are: SITEQUAL (Yoo & Donthu 2001), e-SERVQUAL (Zeithaml et al. 2000), And “E-S-QUAL” (Parasuraman et al. 2005). Several studies suggested that dimensions of website quality may differ by type of product or retailer and that there is a need to explore each type independently (Peterson et al. 1997). This was actually deployed within the travel and tourism industry by some researchers. (Kaynama & Black 2000) developed an instrument called “E-QUAL” to measure travel web service quality with seven dimensions. Law & Wong (2003) proposed three dimensions that encourage customers to purchase travel products online in Hong Kong. According to (Nusair & Kandampully 2008), all previous studies do not perfectly matched each other in terms of reporting similar web quality dimensions. That can explain the need for more studies to develop scales with dimensions that fit the purpose of the industry or products type for the online storefront.
2 Research gap and contribution

Despite the fact that previous research have used consumer behaviour and Information systems literature to measure the customer behaviour toward using an online portal in general and within the context of many industries, many researchers also agreed that there is still a need to combine dimensions from different disciplines to form new and robust measurement tools (Cheung et al. 2005; Dennis et al. 2009). Moreover, as mentioned earlier, recent evidence suggests that to date, there has been only limited research into tourism website evaluation and that the existing tourism literature simply does not have any commonly agreed upon standards or techniques for website evaluation (Law et al. 2010). Consequently, an airline company need to better understand their traveller’s attitude when they process their travel arrangements. This study introduces a new tool for airlines to measure their customer’s satisfaction with their web services provided. Such satisfaction could influence them to purchase tickets online. The study will offer in depth analyses into the behaviour of this special spectrum of users (travellers). Figure 1 below indicates the study area of focus and the areas where the research will cover.

![Figure 1 Research area of focus](image-url)
3 Research Aim and Objectives

The research aims to utilize the existing theories on consumer behaviour and scales within web quality to develop a framework for measuring the traveller’s web satisfaction and willingness to purchase tickets from airlines website.

The objectives include:

- Identifying the factors that most likely have a significance influence on web e-satisfaction and intention to purchase airlines e-tickets.
- Developing a conceptual framework concerning the relationships between e-satisfaction its antecedents and its consequence (Intention to purchase).
- Empirically assessing the proposed conceptual model.
- Validating the factors that might influence potential travellers to use the online web services and reasons that might convert a visitor into a buyer.

4 Study context

4.1 Study location (Saudi Arabia)

This study will be conducted in Saudi Arabia which has a relatively large population that is estimated to be more than 28 million. And it is considered as the 14th largest country in the world covering more than 2 million square kilometres (Nations Online 2010). Also by analyzing the current Saudi e-commerce market, it is found that according to the Communications and Information Technology Commission (2007), nearly one third (30.5%) of the Saudi population are using the internet regularly. In addition, a national survey that was conducted by the Arab Advisors Group in 2007 claimed that 14.3% of the Saudi population have used e-commerce and they spent $3.28 billion in e-commerce transactions in 2007 (Arab Advisors Group, 2007). This demonstrates the potential and opportunities available for online services to be adopted in this area.
In addition, in Saudi Arabia, there are no other proper methods of public transportation apart from air travel or cars. For example, there are no proper passenger railway networks between cities. Only 5 cities in the east of The Kingdom are linked (Saudi Railways Organization, 2011). Therefore, air travel is the most common method of transportation and for about 60 years there has been only one Airline company in Saudi Arabia. Three other airlines were introduced in 2003, 2007 (low cost) and 2005 (premium airline). Two of the newly launched companies were closed due to operational and financial problems (Alhamdan 2009; Aleqtesadiah 2010).

4.2 Study industry of focus (Airlines)

It is not only in Saudi Arabia where Airlines are suffering. Currently all airline companies are facing big challenges to cover the running costs and to gain profits at the same time. Also, with the huge competition between travel agencies, traditional airlines and low cost carriers, it became essential to adopt smart solutions to reduce costs. E-solutions, however, are effective both in directly reducing operating costs and in making the enterprise more efficient, productive, and customer-centric. This is especially true in an industry with long-term growth like the travelling industry. Utilizing the internet to provide airlines services is becoming essential for any airline to succeed. However, providing the service is not usually enough, but encouraging more customers to use these services rather than traditional ones plays an important role in this success. “Distribution through own websites is generally regarded as the most cost effective for airlines” (Lubbe 2007).

In addition, according to Eid, Zaidi, & Sciences, (2010), Airline is considered as high-tech industry to lead other business sectors having technological role-model and advancement. That confirms how this industry is important to be a focus of research.
5 Proposed model and hypotheses

Considering the study aim and objectives and after reviewing previews studies, we suggest a model that corresponds with TRA in centralising e-satisfaction and employ it as the main precursor for the intention to purchase tickets online. In a study that was conducted by Bai et al. (2008), they listed several studies in the offline environment that suggest that satisfaction leads to purchase intentions and found that this is applied to the online environment too. Also, a study by Jeong et al. (2003) reveal that customer’ information satisfaction is an important factor of online behavioural intentions. Moreover, we are unable to neglect the famous and widely confirmed Technology Acceptance Model (TAM). It is a well-accepted intention model for predicting and explaining IT usage (Ahn et al. 2007). We adopted the two constructs ease of use and usefulness to be ancestors of e-satisfaction as well as intention to purchase. In addition, since we are studying an online store, we should include the web quality dimension as an important construct to explain the e-satisfaction. Jeong et al. (2003) found that website quality is essential for information satisfaction. More recently, Ho & Lee (2007) tried to develop a scale to measure e-service quality scale for the travel industry. His results, suggested that e-travel service quality served as an important indicator for predicting satisfaction as well as behavioural intention. Customers trust in the airline also plays an essential role into the decision to complete the transaction and purchase products online. Nusair & Kandampully (2008) listed several studies that suggest that trust is an important dimension for the success of the online business (Lee & Turban, 2001; Zeithaml et al., 2002; Bomil & Ingoo, 2002; Luo, 2002; McKnight et al., 2002; Krauter & Kaluscha, 2003). And according to Kim et al. (2009), in previous studies, trust is empirically found to be a strong predictor of satisfaction in online context. Therefore, in our model it is integrated as a successor to e-satisfaction. Additionally, within the airline industry and after particularly reviewing studies from travel and tourism stream, we found an important dimension that can
motivate e-satisfaction which is incentives. An important example of such incentive can be by applying price discount for online buyers. On a study of airline ticket purchase attitude that compare online and traditional purchase, the result suggest that the most important way of attracting customers to buy online is to motivate consumers to focus on the amount of money that could be saved by purchasing air tickets online (Athiyaman 2002). Finally, in e-commerce, a company’s reputation is perhaps even more critical to the customer because there are fewer visible signals of credibility and greater risks in a virtual environment (Wirtz 2003). We inserted the airline reputation as a construct that can partly express e-satisfaction. Figure 2 below show our proposed conceptual framework and hypotheses.

Figure 2 Proposed Frame work

6 Suggested Methodology

To achieve aim and objectives of the study, the following methodology is proposed:

First, utilizing the literature and the previous studies, a framework to measure the traveller’s e-satisfaction and intention to purchase is proposed as mentioned earlier. Second, a scale will be adopted from previous studies and a questionnaire will be developed to measure each
construct in the scale. The questionnaire will be piloted within a small group of users to examine its reliability and validity. Then the survey will be administrated online to cover large geographical areas and produce fast, complete, lower cost response with a less data entry effort. This survey will be sent to actual airline online users who have subscribed and used the website of the biggest Airline in Saudi Arabia. Third, using structural equation modelling (SEM) via AMOS software, the researcher will measure the goodness-of-fit of the proposed model and examine the regression weights to validate the hypotheses. Finally, a number of online Saudi users (Travellers) can be invited to join semi structured interviews in order to achieve a better understanding of the results and the relationships between constructs.

7 Conclusion

The need to understand the current new market is essential for airline companies to survive and be successful. This study should help airline companies to develop their online e-business solutions in a way that can attract customers to use them and then result into profit. A conceptual framework will be developed based on literature from e-consumer behaviour, web quality, travel and tourism. Constructs would be tested using an online questionnaire and data will be analysed using a structural equation modelling approach to test and validate the framework and produce theoretical and practical recommendations.
References


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