



THE INFLUENCE OF ONLINE REVIEW ON ONLINE HOTEL BOOKING INTENTION IN PRAYAGRAJ

Dr Sudhanshu Singh

Associate Professor, Dept. of Business Administration

L.D.C. Institute of Technical Studies, Prayagraj (U.P.)

ABSTRACT

Increasing number of hotels has created a competitive value among each hotel and that is why the customer needs more and more information about the hotels to find the right choice that they want to book. People generally have the opinion of others as part of their decision-making. It is well known fact that word of mouth, either positive and negative, can significantly influence customers' purchase decisions.

The rising horizons of the Internet has brought about a word-of-mouth (WOM) revolution. Consumers, now, consult online customer feedback before making purchases. With the advent of newer apps about hotels and other travel utilities, today's consumers have really been benefited, as the desired information is available all the time.

This study discusses the role of online review and buying orientation on purchase intention. This research aims to analyse the influence of online review on online hotel booking intention in Prayagraj. Quantitative method along with causal analysis, has been used in this study. Finding of this research shows that Usefulness and Completeness of online review influences online hotel booking intention in Prayagraj significantly and Promptness, Volume and Strength of online review does not have significant influence to the online hotel booking intention in Prayagraj.

Keywords: online review, usefulness, promptness, volume, strength, completeness, online booking intention, hotel

Introduction

The Internet has now become, means of hotel booking in India and has greatly influenced the way, booking information is distributed. More than 60% of consumers consult online customer reviews before making purchases (Lightspeed Research, 2011). Presently, tourists and travellers have been benefited from the development of mobile technologies and newer mobile apps. The rising horizons of the Internet has created a word-of-mouth revolution. Now a days, individuals make their opinions and feelings available on the Internet. We can consider electronic WOM (eWOM) a form of communication that provides a mechanism to boost consumers' decision making. Online reviews play a vital role in hotel booking online.

Through the Apps and websites, the prospective customers get to know the reviews shared by the people who have already stayed at the hotel, and this in turn influences purchase intention. Online reviews have become one of the important references while people book hotels online. It has become a tendency for consumers to comment online about their hotel- stay experience. Online reviews are an important source not only for

consumers but also, for companies. Online reviews reveal consumer opinions and hotel advices. The relationship between the online review and consumer purchase intention is prime factor to be studied, in this research. Based on many studies, it can be said that the positive online reviews will result in higher consumer buying intentions online. Trust on others' opinion will have a positive relationship and have a strong influence on intention of buying online.

The new mobile apps along with many websites, makes it obvious for travellers to examine hotel quality, excellence of services provided by the hotel and consumption experiences.

Moreover, with reviews gaining popularity, the hotels found it difficult to utilize online reviews. Therefore, the use of more specific cues to help customers understand relevant reviews will assist hotel management to utilize it efficiently.

The present study aims at gaining a clear understanding of influence of online hotel reviews the on travellers' booking intentions.

This paper focuses on websites in the hotel industry and aims to measure the influence of previous customers' reviews on customer purchase intentions. Also, the study seeks to verify approve if the strength of negative reviews can be minimized through appropriate company response. With an experimental study on the impact of online hotel reviews on consumer decision - making and expectations, the study will be carried out.

Research Hypothesis

H1: There is influence of the Online Reviews on Online Hotel Booking Intention simultaneously.

H2: There is influence of Usefulness of Online Review on Online Hotel Booking Intention partially.

H3: There is influence of Promptness of Online Review on Online Hotel Booking Intention partially.

H4: There is influence of Volume of Online Review on Online Hotel Booking Intention partially.

H5: There is influence of Strength of Online Review on Online Hotel Booking Intention partially.

H6: There is influence of Completeness of Online Review on Online Hotel Booking Intention partially

RESEARCH METHOD

This research is focused on finding causal relationships between variables. It determines the cause-and-effect relationship between variables, finding how the dependent variable changes with variations in the independent variable.

This research is conducted in Prayagraj for three months, March to May, 2019. Population and Sample Population in this research is the people that have booked an hotel through online services like websites or apps., in Prayagraj. The sampling technique of this research is Quota Sampling, which is considered as suitable in getting some information quickly and efficiently.

One Hundred respondents are the sample size of this research.

As a primary data tool, a questionnaire on online review that influence online hotel booking intention, was used. Secondary data in this study was taken from books, journals, and relevant literature from library and internet. Validity test was done to examine the accuracy of the indicators of variables. The instrument considered as a valid if the correlation coefficient between the score of each question and the total score of all questions is positive and more than 0.3 ($r \geq 0.3$).

The reliability of the data is measured by the Cronbach's Alpha which in total is 0.6. If Cronbach's Alpha is less than 0.6, it indicates that the data is unreliable. By testing for both consistency and stability of the responses, the reliability test was done. The interpretation of Cronbach's Alpha is < 0.6 indicates that the data is unreliable, 0.7 indicates that the data is acceptable and 0.8 indicates that the data result is reliable.

Multiple regression analysis was done for calculating a coefficient of multiple determinant and regression equation using two or more independent variables and one dependent variable. For data collected from a

sample, the probability of the regression coefficient was also calculated. The equation of multiple regression analysis used in this research is as shown below:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \varepsilon$$

Description:

Y = Dependent Variable (Online Hotel Booking Intention)

X1 = Usefulness of online review

X2 = Promptness of online review

X3 = Volume of online review

X4 = Strength of online review X5 =

Completeness of online review β_0 = Constant

$\beta_1, \beta_2, \beta_3, \beta_4, \& \beta_5$ = The regression coefficient of each variable ε = Error

RESULT AND DISCUSSION Validity and Reliability Result Validity Test Table 1. Validity Test Result

		Useful ness	Promptness	Volume	Strength	Completeness	OHBI
Usefulness	Pearson Correlation	1	.640	.578	.501	.528	.624
	Sig. (two tailed)		.000	.000	.000	.000	.000
	N	100	100	100	100	100	100
Promptness	Pearson Correlation	.640	1	.602	.426	.464	.469
	Sig. (two tailed)	.000		.000	.000	.000	.000
	N	100	100	100	100	100	100
Volume	Pearson Correlation	.578	.602	1	.687	.456	.341
	Sig. (two tailed)	.000	.000		.000	.000	.000
	N	100	100	100	100	100	100
Strength	Pearson Correlation	.501	.426	.687	1	.548	.411
	Sig. (two tailed)	.000	.000	.000	.000	.000	.000
	N	100	100	100	100	100	100
Completeness	Pearson Correlation	.528	.464	.456	.548	1	.603
	Sig. (two tailed)	.000	.000	.000	.000		.000

	N	100	100	100	100	100	100
OHBI	Pearson Correlation	.624	.469	.341	.411	.603	1
	Sig. (two tailed)	.000	.000	.000	.000	.000	
	N	100	100	100	100	100	100

** . Correlation is significant at the 0.01 level (2-tailed). Source: SPSS Output, 2019 Table 1.

Shows that the correlation index is higher than 0.3 and below the significance level of 5%. Therefore, the data is considered valid.

Reliability Test Table 2. Reliability Test Result Cronbach's Alpha N of Items

.793

.7

Source: SPSS Output, 2019 Table 2. Shows that Alpha Cronbach is 0.793 which is above the acceptance limit of 0.6; therefore, the research instrument is reliable.

Multiple Linear Regression Analysis Table 3. Multiple Linear Analysis Output

Model	Unstandardised Coefficient		Standardised Coefficient		Significance
	B	Standard Error	Beta	T	
Constant	4970	2149		2313	.023
Usefulness	.462	.110	.436	4.207	.000
Promptness	.109	.109	.102	.999	.321
Volume	-.159	.091	-.199	-1.737	.086
Strength	.057	.075	.083	.768	.445
Completeness	.361	.091	.370	3.972	.000

a. Dependent Variable: Purchase Intention

Source: SPSS Output, 2019 The equation is as

follows:

$$Y = 4,970 + 0.462 x_1 + 0.109 x_2 + (-0.159 x_3) + 0.057 x_4 + 0.361 x_5 + e.$$

The interpretation of the question is:

1. A constant value of 4.970 means that when all the independent variables are zero, then the performance of the employee (Y) as a dependent variable is 4.970.
2. X1` s coefficient value of 0.462 means that if there is one unit increment in usefulness of online review (X1) then the online hotel booking intention (Y) will increase by 0.462.
3. The X2 coefficient value of 0.109 means that the online hotel reservation intention (Y) increases by 0.109 if the promptness of the online rating (X2) increases by one unit.
4. The X3 coefficient value of 0.159 means that the online hotel booking intention (Y) decreases by 0.159 when the volume of online reviews increases by one unit (X3).
5. The X4 coefficient value of 0.109 means that the online hotel reservation intention (Y) increases by 0.109 when the online rating value increases by one unit (X4).

6. The X5 coefficient value of 0.109 means that the online hotel reservation intention (Y) increases by 0.109 when the online rating increases by one unit (X5).

Coefficient of Correlation R and Coefficient of Determination R²

Table 4. Table R and R²

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.714	.510	.484	2349

a. Predictors: (Constant), completeness, volume, promptness, usefulness, strength
b. Dependent Variable: Online Hotel Booking Intention

Table 4 shows that the correlation coefficient (R) is 0.714; this means that there is a significant relationship between independent variables and dependent variables. while the remaining 49% is explained by other factors unrelated to the model or are not discussed in this study

Hypothesis Testing Table 5. Simultaneous Test (F-test Output) ANOVA

Model	Sum of Square	Df	Mean Square	F	Significance
Regression	539,397	5	107,879	19,550	.000
Residual	518,713	94	5,518		
Total	1058,110	99			

a. Dependent Variable: purchase intention
b. Predictors: (Constant), completeness, volume, promptness, usefulness, strength
Source: Data Processed, 2019

Table 5 shows that the Fcount value is 19,550. The value of Ftable is found in the distribution table F by adding the degree of freedom 1 (numerator) 5 and the degree of freedom 2 (numerator) 95 with the significance level 0.05 ($\alpha = 0.05$) and the confidence level 95%, then Table 2.30.

Table 6. Partial Test (t-test output)

Variable	t(count)	t(table)	Description
Usefulness	4.207	2.637	Accepted
Promptness	0.999	2.637	Rejected
Volume	-1.737	2.637	Rejected
Strength	0.768	2.637	Rejected
Completeness	3.972	2.637	Accepted

The partial influence for each independent variable is explained as follows:

1. The tcount value of X1 is 4.207 with the significance level of 0.000. Since the value of tcount = 4.207 > ttable = 2.637 means that H2 is accepted. It follows that X1 (usefulness of online rating) sometimes has a considerable influence on the intention of online hotel booking (Y).
2. The value of the X2 count is 0.999 with the significance level of 0.321. Since the value of tcount = 0.999 < ttable = 2,637 means that H3 will be rejected. This means that X2 (promptness of online evaluation) sometimes does not have a significant influence on the intention to book a hotel online (Y).
3. The value of the X3 count is - 1.737 with the significant level of 0.086. Since the value of tcount = 1,737 < ttable = 2,637 means that H5 is accepted. This shows that X5 (online evaluation integrity) has a considerable influence on the intention to book a hotel online (Y).

4. The value of the X4 count is 0.768 with a significant level of 0.445. Since the value of $t_{count} = 0.768$ $t_{table} = 2.637$ means that H5 is accepted. This shows that X5 (online evaluation integrity) has a significant influence on the intention to book a hotel online (Y).

5. The count value of X5 is 3.972 with the significant level of 0.000. Since the value of $t_{count} = 3.972 > t_{table} = 2.637$ means that H5 is accepted. This shows that X5 (online evaluation integrity) has a significant influence on the intention to book a hotel online (Y).

Discussion From the data that has been calculated above and the results that already exist then will be discussed one by one about the influence of independent variables on dependent variables:

1. Usefulness of online rating

The hypothesis about the influence of the usefulness of online rating on the intention of the online hotel reservation in Prayagraj has been proven to be true, therefore Hypothesis 2. is accepted. The usefulness can be defined as the usefulness or usefulness of the content of the online reviews on the website of the online travel agent. Customers find the content of the review in the online travel agency very useful because the information provided is related to the hotel, is authentic and corresponds to reality. In addition, the content of online reviews can also increase customer trust in a hotel. The usefulness of this study reflects the content of the review. Content that meets customer expectations can make it easier for customers to choose and weigh, this is very helpful and influences purchase interest.

2. Online opinion update (Promptness)

The hypothesis about the effect of the Promptness/punctuality of the online opinion has a positive relationship, but it does not significantly influence the intention of the online hotel reservation in Prayagraj, so hypothesis 3 is rejected. So hopefully the Prayagraj customer doesn't pay too much attention to uploading a review. Reviews that have been uploaded for a long time are still useful as they can help build a company's reputation. Outdated reviews do not have a significant impact on customer interest in buying, especially on the intention to book a hotel in Prayagraj online.

3. Volume of online reviews

The hypothesis on the influence of the volume of online reviews has a negative relationship and does not significantly influence the intention to book a hotel online, so Hypothesis 4 is rejected. For those surveyed, the volume does not offer no added value because the number of reviews is large, but it only contains short comments and does not provide any useful information, it is not considered informative. That being said, it is possible that most customers on Prayagraj will only see the star rating without considering the importance of the number / number of reviews.

4. Online review completeness

The hypothesis about the influence of the online rating completeness on the intention of the online hotel reservation in Prayagraj has been proven to be true, thus Hypothesis 6 is accepted. more interested in complete and clear information about your experience of stay, location, price and service in relation to the hotel. In this study, completeness means the completeness of the review and the details of the reviews provided. The more complete and more detailed the information in an evaluation, the more the customer will use the evaluation as a reference in making purchasing decisions. In this way, the completeness variables influence purchasing decisions. The result of this research shows that based on the hypothesis test with Ftest, it has been shown that there is a linear relationship between independent and dependent variables at the same time. It also shows that, based on a hypothesis test with ttest, it can be seen from the significance value that not all variables individually have a significant effect. The variables that have a positive and significant influence are the usefulness and integrity of the online hotel reservation intention, while the opportunity and value have a positive but not significant influence on the online hotel reservation intention. Volume has a negative effect and does not significantly affect the intention to book a hotel online. This finding is the same with previous theories and research that online review volume has no effect on the consumer to book a hotel online.

CONCLUSION

1. The independent variable which are usefulness, promptness, quantity, strength and completeness of online review simultaneously effect online hotel booking intention as the dependent variable.
2. Usefulness of online review as one of independent variables partially affects online hotel booking intention as dependent variable positively.
3. Promptness of online review as one of independent variables partially have positive effect but does not significantly affect online hotel booking intention as dependent variable.
4. Quantity of online review as one of independent variable have negative relationship and have no significant impact on the online hotel booking intention as dependent variable partially.
5. Strength of online review as one of independent variables partially affects positively but does not significantly affect online hotel booking intention as dependent variable.
6. Completeness of online review being one of the independent variables partially affects online hotel booking intention as dependent variable positively.

REFERENCES

- [1] APJII, Profil Pengguna Internet Indonesia 2016. Jakarta: Puskakom UI, 2017.
- [2] PHRI, "Perhimpunan Hotel dan Restoran Indonesia," PHRI Online, 2016. [Online]. Available: <http://www.phrionline.com/>.
- [3] Y. Yu, X. Guo, Y. Zhang, and H. Zhao, "Online Review Impacts on Hotel Online Booking Decision," in Proceedings of the 6th International Conference on Electronic, Mechanical, Information and Management Society, 2016.
- [4] A. Thamizhvanan and M. J. Xavier, "Determinants of customers' online purchase intention: an empirical study in India," *J. Indian Bus. Res.*, vol. 5, no. 1, pp. 17–32, Mar. 2013.
- [5] P. T. Kotler, J. T. Bowen, and J. Makens, *Marketing for Hospitality and Tourism*. Upper Saddle River, NJ: Pearson Prentice, 2014.
- [6] M. Reza Jalilvand and N. Samiei, "The effect of electronic word of mouth on brand image and purchase intention," *Mark. Intell. Plan.*, vol. 30, no. 4, pp. 460–476, Jun. 2012.
- [7] K. Z. K. Zhang, C. M. K. Cheung, and M. K. O. Lee, "Examining the moderating effect of inconsistent reviews and its gender differences on consumers' online shopping decision," *Int. J. Inf. Manage.*, vol. 34, no. 2, pp. 89–98, Apr. 2014.
- [8] M. R. Ward and M. J. Lee, "Internet shopping, consumer search and product branding," *J. Prod. Brand Manag.*, vol. 9, no. 1, pp. 6–20, Feb. 2000.
- [9] C. Jayawardhena, L. Tiu Wright, and C. Dennis, "Consumers online: intentions, orientations and segmentation," *Int. J. Retail Distrib. Manag.*, vol. 35, no. 6, pp. 515–526, May 2007.
- [10] D. N. Bellenger and P. K. Korgaonkar, "Profile the recreational shopper," *J. Retail.*, vol. 56, no. 3, pp. 77–92, 1980.

- [11] K. C. Gehrt, N. Onzo, K. Fujita, and M. N. Rajan, "The Emergence of Internet Shopping in Japan: Identification of Shopping Orientation-Defined Segments," *J. Mark. Theory Pract.*, vol. 15, no. 2, pp. 167–177, Apr. 2007.
- [12] A. Nasermodeli, K. C. Ling, and F. Maghnati, "Evaluating the Impacts of Customer Experience on Purchase Intention," *Int. J. Bus. Manag.*, vol. 8, no. 6, Feb. 2013.
- [13] T. C. Kinnear and J. R. Taylor, *Marketing Research: An Applied Approach*. New York: McGraw-Hill Inc., 1996.
- [14] R. D. Blackwell, P. W. Miniard, and J. F. Engel, *Consumer Behavior*. Singapore: Cengage Learning Asia Pte Ltd, 2012.
- [15] W. G. Zikmund, B. J. Babin, J. C. Carr, and M. Griffin, *Business Research Methods*, 9th ed. South-Western: Cengage Learning, 2013.
- [16] Baymard Institute, "40 Cart Abandonment Rate Statistics," Baymard Institute, 2017.
[Online]. Available: <https://baymard.com/lists/cart-abandonment-rate>.
17. Mahmood, T., Qaseem, S., Ali, Q. M., Ali, H. F., Humayon, A. A., & Gohar, A. The Impact of Brand Identification, Brand Equity, and Brand Reputation on Brand Loyalty: Mediating Role of Brand Affect in Pakistan.
18. Pantelidis, I. S. (2010). Electronic Meal Experience: A Content Analysis of Online Restaurant Comments. *Cornell Hospitality Quarterly*, 51(4), 483–491. <https://doi.org/10.1177/1938965510378574>
19. Park, D.-H., Lee, J., & Han, I. (2007a). The Effect of On-Line Consumer Reviews on Consumer Purchasing Intention: The Moderating Role of Involvement. *International Journal of Electronic Commerce*, 11(4), 125–148. <https://doi.org/10.2753/JEC1086-4415110405>
20. Park, D.-H., Lee, J., & Han, I. (2007b). The Effect of On-Line Consumer Reviews on Consumer Purchasing Intention: The Moderating Role of Involvement. *International Journal of Electronic Commerce*, 11(4), 125–148. <https://doi.org/10.2753/JEC1086-4415110405>
21. Rehman, Z., Ali, H. F., Syed, A., Khan, M. A., & Ali, R. (2018). Factors Effecting Consumer Trust in Online Purchases. *International Journal of Global Sustainability*.
22. Ratnasingam, P. (2012). Customer's Trust Indicators in the Online Hotel Booking Decision, 2(2), 7.
23. Serra Cantallops, A., & Salvi, F. (2014). New consumer behavior: A review of research on eWOM and hotels. *International Journal of Hospitality Management*, 36, 41–51.
<https://doi.org/10.1016/j.ijhm.2013.08.007>
24. Sparks, B. A., & Browning, V. (2011). The impact of online reviews on hotel booking intentions and perception of trust. *Tourism Management*, 32(6), 1310–1323.
<https://doi.org/10.1016/j.tourman.2010.12.011>
25. Sparks, B. A., So, K. K. F., & Bradley, G. L. (2016). Responding to negative online reviews: The effects of hotel responses on customer inferences of trust and concern. *Tourism Management*, 53, 74–85.
<https://doi.org/10.1016/j.tourman.2015.09.011>

26. Tsao, W.-C., Hsieh, M.-T., Shih, L.-W., & Lin, T. M. Y. (2015). Compliance with eWOM: The influence of hotel reviews on booking intention from the perspective of consumer conformity. *International Journal of Hospitality Management*, 46, 99–111.

<https://doi.org/10.1016/j.ijhm.2015.01.008>

27. Vermeulen, I. E., & Seegers, D. (2009). Tried and tested: The impact of online hotel reviews on consumer consideration. *Tourism Management*, 30(1), 123–127.

<https://doi.org/10.1016/j.tourman.2008.04.008>

DR. SUDHANSHU SINGH

28. Wang, Y. D., & Emurian, H. H. (2005a). An overview of online trust: Concepts, elements, and implications. *Computers in Human Behavior*, 21(1), 105–125.

<https://doi.org/10.1016/j.chb.2003.11.008>

29. Wang, Y. D., & Emurian, H. H. (2005b). An overview of online trust: Concepts, elements, and implications. *Computers in Human Behavior*, 21(1), 105–125.

<https://doi.org/10.1016/j.chb.2003.11.008>

30. Ye, Q., Law, R., & Gu, B. (2009). The impact of online user reviews on hotel room sales. *International Journal of Hospitality Management*, 28(1), 180–182.

<https://doi.org/10.1016/j.ijhm.2008.06.011>

