



The role of utilitarian and hedonic values on users' continued usage intention in a mobile hotel booking environment



Ahmet Bulent Ozturk^{a,*}, Khaldoon Nusair^b, Fevzi Okumus^a, Nan Hua^a

^a Rosen College of Hospitality Management, University of Central Florida, 9907 Universal Blvd, Orlando, FL 32832, USA

^b College of Economics and Political Science, Sultan Qaboos University, Al Khoudh, Muscat 123, Oman

ARTICLE INFO

Article history:

Received 10 February 2016

Received in revised form 20 May 2016

Accepted 21 June 2016

Available online 11 July 2016

Keywords:

Utilitarian value

Hedonic values

Continued use

Mobile booking

Mobile applications

ABSTRACT

This research aims to develop and test a theory-based model that empirically investigates the antecedents of consumers' continued usage behavior intentions toward mobile hotel booking (MHB) technology. The proposed model was tested via structural equation modeling (SEM) by using data collected from 396 MHB users. Among the investigated factors, utilitarian and hedonic value had significant impacts on users' continued usage intentions. Furthermore, perceived risk, subjective norm and innovativeness significantly influenced utilitarian and hedonic value; also, perceived ease of use had a significant impact on utilitarian value. This study offers important theoretical contributions, as it provides valuable information to researchers in developing and testing related theories. In addition, the study brings clear practical implications to hotel operators, online travel agencies (OTAs), and hospitality technology vendors in developing effective marketing strategies to increase the continued usage level of MHB users.

© 2016 Elsevier Ltd. All rights reserved.

1. Introduction

With the increase in the advancements and popularity of mobile technologies, mobile devices have become ideal companions for travelers, allowing them not only to access information and services but also to do booking while they are on the move (Murphy et al., 2016). According to a study by HeBS digital, over 15% of hotel bookings came from mobile devices in the first quarter of 2014. In addition, compared to the first half of 2013, desktop bookings declined by 5% while mobile booking increased by 86% in the same period of 2014 (HeBS Digital Mid-Year Review, 2014).

On other hand, as more travelers have started to rely on their mobile devices to research travel and to book hotels at such a rapid pace, it is no surprise that major hotel companies and online travel agencies (OTA) have adopted and developed an online mobile presence in an attempt to meet this raising demand. For instance, according to a study conducted by TripAdvisor, 74% of the hotel facilities thought that it was important to offer the opportunity of mobile booking to their customers (TripBarometer by TripAdvisor, 2013). Another survey from TravelClick indicated that around 50% of surveyed hotels have an application that allows users to book rooms through their mobile devices, and of the remaining 44 per-

cent, 23% planned to add booking functionality to their mobile site (TravelClick Press Releases, 2014). These statistics clearly demonstrate that mobile booking has drastically changed the distribution channels for hotels and OTAs over the past few years and it is estimated that mobile booking will become the prevailing distribution channel for hotels and OTAs in the near future (Inversini and Masiero, 2014; Kucukusta et al., 2015; Law et al., 2014; Tode, 2014).

As MHB technology has emerged as a critical distribution channel for hotel operators and OTAs, it is essential to understand the determinants of users' continued usage intentions toward this technology. Mobile services in general have been attracting excessive attention from researchers due to its relative novelty and continued expansion. However, academic research on mobile booking in general and mobile hotel booking in particular is very limited. It is important to note that previous studies in the context of mobile services have mainly concentrated on the adoption and acceptance of these technologies (Wang and Wang, 2010). Even though initial acceptance is crucial for the dissemination of an innovation, previous studies have suggested that acceptance does not assure continued usage of the innovation (Hong et al., 2006; Hsieh et al., 2008; Thong et al., 2006). For example, MobileWalla, a mobile research company, reported that mobile users eventually delete around 90% of the apps downloaded (Varela, 2014) and around 26% of the apps are only used once (Cerejo, 2013).

In this study, we analyzed MHB continued use through hedonic and utilitarian value perceptions. The advancements in mobile

* Corresponding author.

E-mail addresses: ahmet.ozturk@ucf.edu (A.B. Ozturk), knusair@squ.edu.om (K. Nusair), fevzi.okumus@ucf.edu (F. Okumus), nan.hua@ucf.edu (N. Hua).

technologies have increased the level of functionality (e.g., ease of use, personalization, and responsiveness) of mobile devices, which has presumably extended the use from utilitarian purposes to hedonic enjoyment (Chun et al., 2012). Prior research has indicated that the combination of utilitarian and hedonic performance would be more noticeable in mobile shopping services as consumers use their mobile devices not only for getting information about a product or service (utilitarian) but also for pleasure (hedonic) when using various functions of the mobile devices (Ozturk et al., 2016; Bilgihan and Bujisic, 2015; Yang, 2010).

On the other hand, as mobile devices have limited capabilities (e.g., limited screen size and less network connection speed), the risks associated with the booking process may act as impediments to the use of MHB technologies. However, users may perceive risk differently depending on the benefits they expect from the use of MHB technology. MHB users may be willing to take risks in return for the values of utilitarian performance and hedonic enjoyment or the risks associated with MHB technology may influence users' utilitarian and hedonic value perceptions negatively. Furthermore, MHB users' utilitarian and hedonic value perceptions may differ based on their instrumental beliefs such as perceived ease of use (PEOU). For example, when MHB technology is easy to use and free of effort, it may assist users to complete their bookings more efficiently by providing an entertaining and enjoyable booking experience, which in turn may affect their utilitarian and hedonic value perceptions positively. In addition, prior literature from behavioral sciences suggests that social influences including subjective norm and individual differences such as innovativeness are theoretically important in explaining consumers' perceptions toward innovations as well (Chun et al., 2012).

With the rapidly rising popularity of MHB technology, this study aims to develop a conceptual framework that empirically examines the antecedents of users' continued usage intentions toward MHB technology. Particularly, this research investigates the influence of utilitarian and hedonic value, on users' intentions to continuously use MHB technology. In addition, the impacts of perceived risk, PEOU, subjective norm and innovativeness on utilitarian and hedonic value are analyzed. This study should be useful to MHB enterprises, as it provides suggestions for developing an effective marketing strategy to identify potential MHB users and to increase the continued usage level of the current ones.

2. Literature review

2.1. Mobile hotel booking technology

Based on Wang and Wang (2010) definition, we define MHB technology as a location-based online distribution information system that is designed to provide hotel reservation support for mobile devices through mobile websites and mobile applications (Apps). With MHB, travelers can use different channels to book a hotel room including hotels' mobile websites (e.g., Hilton.com, Marriott.com) or mobile apps and OTAs' mobile websites (e.g., Expedia.com, Priceline.com) and mobile apps. Mobile websites are the sites that are specifically designed for mobile devices. The content of a mobile website is only a subset of the regular website, which includes only the features that are utmost importance for users that are on the move. Whereas mobile apps are downloaded and installed on mobile devices instead of rendered within a web browser and are only available for download through distribution platforms such as Apple App Store, Google Play or Windows Phone Store etc.

MHB technology allows users to access the necessary information to book their hotel room at anytime and anywhere on the move. With global positioning system (GPS) technology, location-based search results allow users to find hotels close to their positions,

making the booking process easier and faster and allowing users to save time and complete their booking in a few clicks. In addition, given the increased popularity of mobile technologies, hotels and OTAs have started to reach their customers directly through mobile devices and provide them with personalized services. For instance, MHB allows hotel operators and OTAs to offer location-based services (LBS) to their customers (Iversini and Masiero, 2014; Wang and Wang, 2010). LBS are network-based services that combine the geographical location of a mobile device with other information in order to deliver added value to the users (Barnes, 2010; Xu and Gupta, 2009). With MHB combined with LBS applications, such as mobile concierge (location-sensitive personalized guide), hotel guests are able to receive valuable information (information about local restaurants, venues and attractions, etc.) that they need during and after the booking process (Iversini and Masiero, 2014; Law et al., 2015; Wang and Wang, 2010).

3. Theoretical framework and hypotheses development

3.1. Utilitarian and hedonic value

The theoretical foundation of this research is framed in the context of motivational theory (Deci, 1976) and self-determination theory (Deci and Ryan, 1985) that links the concept of motivation and value. According to self-determination theory, extrinsic and intrinsic rationale determines individuals' behavior. Intrinsic motivation "refers to doing something because it is inherently interesting or enjoyable," whereas extrinsic motivation "refers to doing something it leads to separable outcome" (Ryan and Deci, 2000; p. 55). Based on this discussion, Babin et al. (1994) presented two different types of shopping values, namely hedonic and utilitarian values. The researchers concluded that consumers' motivations (hedonic and utilitarian) are centered on the values that they can potentially gain from consumption behaviors.

Utilitarian value can be defined as an overall judgment of functional benefits and sacrifices (Overby and Lee, 2006). From a utilitarian point of view, consumers are very task oriented and rational in their behavior (Batra and Ahtola, 1991). Hedonic value, alternatively, is more subjective and personal than utilitarian value (Yang and Lee, 2010). In a hedonic perspective, consumers are looking to derive pleasure, such as fun and playfulness from the use of a product or service (Hirschman and Holbrook, 1982). From a hedonic value perspective, consumers desire entertainment and consider the purchasing process an enjoyable experience in which completing the transaction is not required (Anderson et al., 2014).

Building upon prior research and based on the discussion provided above, we propose a theoretical model that conceptualizes MHB values as having utilitarian and hedonic roles that affect users' continued usage intentions. In addition, the proposed model integrates a set of constructs—including perceived risk (drawn from theory of perceived risk), PEOU (drawn from the technology acceptance model) (Davis, 1989), subjective norm (drawn from the theory of reasoned action) (Fishbein and Ajzen, 1975), and innovativeness—which are jointly proposed to have a positive impact on MHB utilitarian and hedonic value dimensions (Fig. 1).

3.2. Impacts of utilitarian and hedonic value on continued usage intention

Previous research has indicated that when consumers perceive high levels of utilitarian and hedonic value from consumption experiences, they tend to express positive behavioral intentions, such as repeat purchase and continued use (Chang, 2013; Chiu et al., 2014; Kandampully et al., 2015; Rodriguez and Trujillo, 2014). For example, Chiu et al. (2014) investigated repeat purchase intentions of

Download English Version:

<https://daneshyari.com/en/article/1009177>

Download Persian Version:

<https://daneshyari.com/article/1009177>

[Daneshyari.com](https://daneshyari.com)