



Applying flow theory to booking experiences: An integrated model in an online service context



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ABSTRACT

User–website interactions in service contexts create opportunities for positive online experiences that can foster brand equity, nurture trust, and eventually lead to long-term relationship building. The purpose of this study is to examine the concepts of “online customer experiences” and “flow” and their mediating roles in influencing customers’ loyalty to a hotel booking website. To achieve this goal, a theoretical model was developed, which suggests that online flow in services includes both hedonic and utilitarian features. According to the study results, hedonic and utilitarian features affect the flow experience positively. The study results indicate that hedonic features have a stronger effect on the flow experience compared with utilitarian features. The findings imply that when customers experience flow in online hotel booking services, they develop a sense of trust toward the website. Positive experiences with the website enhance the brand equity. These findings can help researchers and service providers understand the flow concept in online hotel booking services.

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1. Introduction

The Internet has increased the opportunities to advance the hotel industry [62]. By driving the adoption of online booking services, hoteliers can achieve high return on their investments [28]. Despite the apparent popularity of the Internet as a distribution channel in hotel booking services [61,73,75], the levels of loyalty to hotel websites have declined since 2002 [20]. Forrester Research reported that 40% of business travelers are not loyal to any travel company [20]. Lee et al. [75] noted that 69% of visitors in 2009 booked their accommodations online, which represented a 50% increase from 2008. However, among those who used hotel booking services, only 20% used a hotel website, indicating a significant decrease. In recent years, many hotels have experienced increases in bookings through online travel agent channels, such as Expedia, Orbitz, and Travelocity [123]. Moreover, more travelers are choosing to book places to stay through

alternative lodging websites, such as Airbnb. It is estimated that 14% of travelers booked a private home, condo or apartment for at least one of their trips in 2013 [107]. When compared with online travel agents, the decline in hotel website booking is also a result of most hotel brands offering identical products and services with little differentiation among themselves [129]. Additionally, Morosan and Jeong [84] investigated hotel booking websites, and their findings indicate that travelers favor intermediary websites over hotel-owned websites for reservation purposes. The 2015 ACSI Travel Report, featuring customer ratings for hotels and online travel agencies, reveals that online travel agencies rate higher than hotel websites in overall customer satisfaction [109]. Therefore, it is necessary for hotel brands to develop websites that attract customers and encourage online booking and loyalty [65]. It was found that 24% of annual online revenue is lost globally because of poor online customer experiences [43]. Despite the importance of customer experiences to business performance, little attention has been given to the development of online customer experiences that result from customer interactions in online service encounters [106]. The online customer experience is important for hotel booking services [7]. Consumers may seek both hedonic and utilitarian benefits when making online reservations, which

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potentially lead to a “flow” state. Previous studies have examined flow in e-commerce settings, but online service contexts (e.g., hotels, airlines, and car rentals) have received little research attention [11].

To this end, this research integrates a model of flow that aims to develop loyalty to hotel booking services. The term “flow” was first defined by Csikszentmihalyi [21] as a situation where individuals act with a sense of total control, concentration, deep involvement, and enjoyment. Later studies adopted similar definitions, claiming that flow is the enjoyment that people experience when acting with total involvement [59]. Previous studies have shown that applying the concept of flow to understand consumer experiences in service settings is promising, but it is an underdeveloped field [46,61,93], especially for services such as hotel stays, tourist attractions, and travel packages [35]. As tourism is becoming the leading driver in e-commerce business, accounting for 43.9% of the B2C e-commerce market [35], it could be argued that hotels could provide compelling experiences through their websites. A well-designed website conveys positive brand perceptions in the minds of customers [8].

A unique characteristic of online shopping for services is that customers have to base their judgments on the information presented (e.g., pictures or virtual tours of rooms) on the websites. Specifically, consumer purchases are usually based on appearances, as conveyed in, for example, pictures, images, quality information, and video clips of the product [53,70]. Consequently, the promise of online hotel room reservations depends, to a great extent, on the online experience, the user interface and how people interact with the service setting [44,53].

Flow experiences are important to keep customers satisfied in the context of services [94]. To compete with online travel agents, hotel brands need to offer compelling online experiences to foster customers’ purchase intent and brand loyalty. Delivering better online interactions provides an opportunity for the hotel brand to offer its customers an optimal shopping experience, where the visitor is deeply involved and completely immersed in the shopping activity [35]. Flow is an important construct to explain consumer behavior in computer-mediated environments [122]. The objective of this research is to enhance the understanding the concept of flow and customer experiences with hotel-owned online services. The primary aim of this study is to develop a theory-based model of flow experience that enhances trust and brand equity and encourages customer loyalty. More specifically, this study examines (1) the direct impact of hedonic and utilitarian website features on the flow experience; (2) the influence of hedonic website features on brand equity and the impact of utilitarian website features on trust; and (3) the influence of flow experience on brand equity, trust, and e-loyalty. For the purpose of this study, the lodging industry was chosen as an illustrative service industry context.

2. Literature review and hypotheses development

Pine and Gilmore [100] suggest that offering a unique experience is the key to winning the hearts and minds of consumers. Their work argues that consumers appreciate the experience more than the actual tangible value. Consequently, the experience is a vital element of the overall product/service being purchased ([6,42,85,101,105,110]). Accordingly, researchers examine the consumer’s shopping experience with online services using the “flow” construct as a potential measure of the consumer’s experience [27,91,106,122].

As stated earlier, the term “flow” describes a situation in which people act with a sense of total control, concentration, and deep involvement. Consumers’ interactions with hotel brand-related stimuli on the website can lead to a state of flow

([51,52,56,92,116]). Flow variables are related to attractive outcomes in online service contexts, such as positive affect [15], positive perceptions and attitudes toward websites [2,56], exploratory behavior with increased learning [116], and future intentions to revisit and repurchase [115,134].

2.1. Hedonic features, utilitarian features, and flow experiences in services

In online shopping, consumers may seek utilitarian benefits, such as ease of use, price and product/service offering comparisons, but they may also consider hedonic benefits, such as visually appealing website designs, which provide enjoyment in the online experience. Various elements of a website’s utilitarian and hedonic features can create a flow experience [114]. McGinnis et al. [81] state that to enhance the consumer experience, service providers need to understand the drivers of flow. Following Bridges and Florsheim [9] and Sénécal et al. [114], it is theorized that the website’s hedonic and utilitarian elements will influence the flow experience. Table 1 outlines hedonic and utilitarian online shopping behaviors.

Feelings such as happiness, fantasy, awakening, sensuality, and enjoyment are some of the reasons why people shop for online services [136]. Online shopping enjoyment is positively correlated with the flow experience [69]. Hsu et al. [55] and O’Cass and Carlson [94] demonstrate that the flow experience is salient in influencing online shopping behaviors, such as continuance intentions, purchase intentions and impulse buying. Childers et al. [18] highlight the importance of websites’ hedonic characteristics. Hedonic features are related to the perceived enjoyment of the website and are used to measure the affective aspect of the website’s appeal [49]. Hedonic website features are expected to create flow experiences [9,114]. A greater perception of a website’s interactivity through hedonic elements can lead to the increased achievement of flow experiences [72,116]. Accordingly, the following hypothesis is proposed:

H1 (:).

The hedonic features of a hotel booking website have a positive impact on the flow experience.

Childers et al. [18] claim that different “webmospheres” (e.g., hedonic- vs. utilitarian-appealing service environments) cause the differential importance of usefulness, ease of use, and enjoyment. Utilitarian performance is judged according to whether a particular purpose is accomplished [127]. Huang [56] indicates that flow elicits favorable web evaluations of the utilitarian aspects. Previous research has shown that better user perceptions of the utilitarian features (e.g., easier navigation) in online services correspond with more opportunities to achieve flow. Choi et al.

Table 1
Hedonic and utilitarian features.

Attribute	Hedonic	Utilitarian
Common names	Experiential	Task-oriented, goal-directed
Purpose	Entertainment	Efficiency, goal attainment
Preferences	Product involvement	Accessibility, convenience
	Social interaction	Product selection
	Positive surprises	Information availability
Outcome	Fun, the experience itself	Commitment to goal
Interface	Symbolism and imagery	Product information
Stimulation	Sensory	Product attribute information
Information search	Non-directed, on-going	Directed, purchase-specific
Site navigation	Navigational	Goal-directed
Motivation	Intrinsic	Extrinsic

Source: [3,51,89,91,92,111,112,132].

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