

Role of Personalization in Online Travel Shopping: A Systematic Review

Prof. Rohit Rammurthy¹, Dr. Varsha Agarwal²

¹Assistant Professor, Center for Management Studies, Jain (Deemed-to-be University), Bengaluru, India

²Assistant Professor, Center for Management Studies, Jain (Deemed-to-be University), Bengaluru, India

Abstract - The online travel shopping industry has seen a magnificent rise over the last decade. The emergence of new online players and the increasing options to choose from have resulted in the online travel industry boom. This rapid growth further induced the concept of personalization in the space of travel. Travelers are now looking at customizing every travel plan according to their needs as the need for personal convenience, and secured travel is on the rise. The online travel shopping industry has witnessed an increase in many young travelers, most certainly due to technology and social media. Travel blogs, Facebook, and Instagram have entirely changed how the travel industry looked like a decade ago. Consumers today can get inspiration to travel by reading blogs, following travel pages on Instagram, or the minute-to-minute updates of friends, family, and colleagues can also be the spark plug to instant travel plans. Today, many travelers are on the lookout for an opportunity to escape from the daily routine, and the online travel shopping industry is doing a great job of customizing travel plans according to the needs and preferences of such consumers. Word-of-Mouth plays a significant role in increasing online travel shoppers who prefer personalization in all their travel plans.

Key Words: Personalization, Online travel shopping, Indian Travel industry, Travellers

ONLINE SHOPPING

Personalization in the online travel shopping is the process of providing the products and services on websites according to the travelers' preferences. Personalization in online shopping is used for increasing sales and enhancement in the customer service. Personalization plays an important in increasing attractiveness of consumers for online shopping of travel related products and services. These days technology is able to provide many opportunities for data gathering and implementation of personalization. Implementation of personalization has now received enormous attention from research point of view. This happened mainly because of web advent and increased usage of internet and coming trend of personalization. Very limited research has been conducted to examine the perception, purchase intention and loyalty of consumers for personalization in online travel shopping from the consumers' perspective.

Smart phones and tablets are huge success and it is making mobile applications an important channel of booking travel services. Travelers' geo-localization also allowing real time sales for products that are location based. The revolution in travel industry is giving central role to the consumers. And with this companies are also getting benefits. Because of these developments in the market, travel companies are thinking about their old models of business and focusing on acquiring the knowledge about the expectations of customers. They are starting fruitful communications with consumers. In the advanced economy online transactions are becoming the integral part of sales in travel industry. And this is continuing to show stronger growth rates in comparison with traditional channels in the travel sector.

Law et, al. (2000) found that Makemytrip.com focused on US travel to India initially. But now it is an important player in the market of India. Its gross sales increased to 50per cent after 2011. Travel shopping websites are growing continuously because travelers are joining similar minded individuals and sharing their experiences in the form of photos, advices, blogs, videos and tips.

According to Internet Economy Watch (2012) report, online booking of the air tickets showed almost 31per cent increase in comparison with last year. In a data collection by leading online shopping website the online visits for books and apparel products has increased 26 percent and 19 percent respectively as compared to last year. Online visits for footwear segment have also increased. In no. of visits has been increased to 4.3 million where in previous year it was 3.9 million. The online visits for jewelry segment have been decreased and it is showing almost 20 percent of decrease every year.

REVIEW OF LITERATURE

According to Nusair et, al. (2010) the advanced technology is making the online bus ticket booking easier in India. The traditional modes of booking tickets were very tedious. The traveler needs to visit the broker for ticket of bus. But now this

has been replaced with few clicks of mouse on company's website. Travelers are finding these options very convenient. The printed copy of the itinerary will be regarded as ticket. This has decreased the hassle of collecting tickets from brokers.

According to Mittal et, al. (1996) personalization in the traditional mode of retailing can be described as the social communication between the service or product provider and their customers. In the area of e-commerce personalization is redefining the retailing strategies.

In the environment of ecommerce, personalization is playing important role in improving the service levels as well as improving customer loyalty according to Shaw (2003). Many online marketers are now offering highly personalized products as well as services in a wider range of categories. This is transforming the practice of retailing into consumer oriented from retailer oriented.

According to Bonett (2001) at present, the online travel industry is facing numerous challenges in the current market. Those are rapidly rising costs, enormous economic pressures and fulfilling customer expectations. Online travel is playing important role in the e-commerce segment with a global contribution of almost 70 per cent of all the online market activities. The availability of the internet, prevalence of the online banking, broadband penetration and use of credit/debit card is low in India; the major challenges in the travel industry are external environments. Volatility in the aviation industry impacts pricing and inventory and consumer sentiments also during purchase of travel product.

Online travel industry created revolution in India for planning and buying the travel product and service. Travel websites have introduced the ease and convenience of the operators and expanding the choices for consumers. Now travelers can simply search on internet for destinations of their choice. They can evaluate the available options and can take decisions. These travel portals are emerging as one stop shop for all travel related needs in place of mere ticket agents. The future of the online travel industry has been marked by consolidation and new players are crating ventures into this sector. These collaborations will certainly lead to success of the online travel industry.

According to Mouakket (2012) Personalization can be applied to all marketing mix elements. Both products and services can be personalized. With this distribution, pricing and promotion can also be personalized. For example Makemytrip.com and other web sites promote more effectively their merchandise via personalized recommendations for services as well as products on the basis of collaborative filtering technology. Hence, personalization is clearly getting more importance and attention.

According to Hof (1998) personalized online shopping improves sales and profits for the retailers who practice it. However traditional definitions and personalization studies do not support it because of reduced or lesser opportunities of interpersonal contact with the consumers in the online retail outlets. Personalization requires prior information from consumers voluntary or involuntary before implementation by retailers. If consumers do not want to reveal their personal information because of privacy reasons than they will not be able to take the benefit of the personalization features and it will not be possible for retailers to implement these features. Hence in the e-commerce environment, personalization may not enhance consumer purchase intention always.

A study aimed for better understanding the evolving environment of online selling and helped in describing the approaches for online vendors for the coming generation and it was conducted by Amalsh Sharma (2011). This was a qualitative research for clarifying a few aspects. Viewpoints of customers were found out with the help of surveys. Based upon the study, author had tried to predict certain primary aspects and strategic tactics, which are going to rule the online marketing world in the upcoming future.

Cho et, al. (2009) conducted a study and 300 female adults, from whom the data was collected using an online survey, were selected via a nationwide random sampling method. The data was analysed using AMOS 7.0 and SPSS 15.0. Remarkably, the comfort of working of a website was not really connected to the observation of the competence of website as well as it did not influence the optimistic tactic to the online customization of apparel. For giving away a sense of capable and useful websites to the customers, vendors must try to form protected portals. For implementation of customization in the apparel easy operation could be of benefit for consumers. Therefore, marketers need to implement the easy and ideal level of website and it should be useful and capable.

Kim et, al (2010) conducted a study to find the relationship between word of mouth quality, online trust, observed usefulness and easiness in use and buying intention in online shopping. An empirical study was conducted for the test of hypothesis and performing the empirical analysis. The study concluded that there were positive effects on the quality of

WOM because of the participation and responses of others on product review sections or bulletin board. It was found that world of mouth had positive influence on the trust on online shopping and this trust positively influenced the usefulness and buyers intentions as well as perceived easiness in use of online shopping. The result of the study confirmed that the buyers' shopping intentions were positively influenced by the consumers' perceived usefulness as well as easiness in us of online shopping.

A study was conducted by Jayawardhena et, al. (2007) with a sample size of 396. An email survey concerning their online shopping motivations and experiences was sent to a consumer panel. It was proposed that there was no noteworthy effect on consumers' online shopping inclination because of consumer purchase orientation. This was opposite of the prevalent thought that internet consumers were primarily inspired by convenience. It was brought to notice that prior purchase and gender were the factors that have a noteworthy influence on buying intention.

Lin et, al. (2009) conducted a study to find the relationship between the loyalty and satisfaction of customers. And it also determined the effect of this dynamics consideration with respect to internal factors such as hold up cost and the external factors such as portal service quality and technology acceptance. In this study structural equation modelling was taken as the tool for analysis. In this study the users of Taiwan participated and their shopping experiences were examined. Results of the study were as follows: loyalty of customers was influenced by the satisfaction of customers, technology acceptance positively influences the customer loyalty and satisfaction, service quality of the portals also influenced the loyalty and satisfaction of customers positively, loyalty of online shoppers was affected by the hold-up cost but it was not influenced with satisfaction positively and directly.

Inversini et, al. (2014) conducted a study to find the selling of rooms online and use of social media and role of travel agents. The centre focus of the study was: why do hoteliers choose to be present in social media website and online travel agent (OTA) for the purpose of sales. Human and technological factors related to the two practices were also determined. Large number of hotels in Swiss touristic area was put under survey for the research purposes. The empirical analysis consisted of two ordered logic models finding out the significance for social media as well as for online travel agent. Conclusions clearly showed that there was a constant tension between online sales and visibility in the online web space. Along with that it was also clear that there was an apparent difference between the social media and the adoption of hospitality structure in the online travel website with employing personnel with specific skills and using online management tools.

A study was done by Law et, al. (2008) to find the difference between perceptions of browsers who had browsed a websites and buyers who had completed online shopping. The quality of travel website had not been studied so far, by tourism and hospitality researchers. Perceived significance of the attributes that add up to matter productivity and easy use of tourism portals for above two segments of users' was studied. Moreover, these users' purchase intention and level of satisfaction was also studied. In 2005, at Hong Kong International Airport, 862 international travellers were interviewed. Empirical results suggested that quality factors were considered significant by website users and they were usually contented with travel websites. Purchase intention in the users of these websites had a positive view. But, for purchase intention and customer satisfaction, there was a noteworthy difference between the users of the two segments. Most significantly, research conclusions suggested that customer satisfaction was positively related with travel website quality, and that it was related to purchase intention.

CONCLUSIONS

Customization and personalization in travel sooner or later will become the essential requirement of every traveller. Due to the increased traction and ever-changing dynamics of the online travel shopping portals, the travel industry will continue to evolve. It will offer consumers with innate customization options to choose from and buy. Customer satisfaction will remain prime, and with the blend of technology and data analytics, complete personalization offering, and a higher reach in the preferred targets, markets are achieved.

Personalization can help online travel portals make their customer feel accommodated and welcomed. After the trip, the after purchase connects with the customer allows building a lasting relationship. This convinces them to return for many future trips and spread the word to their networks. And through personalization, online travel shopping portals can use their customer data to send across timely messages and offers. This will make the customers feel like a valued member of the brand's community instead of just a transaction.

With personalization and the attractive web presence of online travel shopping portals, last-minute travel plans might see a significant surge in times to come. If the website offers deeper insights about destinations and its unique travel experiences, it will attract more consumers and multiply with word of mouth.

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