

# Impact of Travel & Tourism Mobile Application on Consumer Behaviour with Reference to Oyo Rooms in Coimbatore District

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**Abstract:** *Consumer behavior is one of the important factors that can determine the usage of any products in the market. So, here taken for the behavior of using OYO app in the Coimbatore district. It had taken various factors influencing the usage of OYO app in the particular region and it can emerge as a deciding factor for choosing the option of choices. Various statistical analyses are used to know about the dependent and independent variables used in the study. Data collection is done through Google forms and it helps us to know about respondent's idea on the product. Various findings are attained through the data collection of the survey. Many suggestions are given to the OYO rooms for better service in the market.*

**Keywords:** Consumer behavior, dependent variable & independent variable

## 1. Introduction

Consumer behavior is the study of how individual customers, groups or organizations select, buy, use, and dispose ideas, goods, and services to satisfy their needs and wants. It refers to the actions of the consumers in the marketplace and the underlying motives for those actions. A consumer may take the decision of buying a product on the basis of different buying motives. The purchase decision leads to higher demand, and the sales of the marketers increase. The consumer behavior is not only influenced by the status of a consumer, but it also reflects it. The factors Influencing Consumer Behavior are Purchasing Power, Group influence, Personal preference, Economic conditions and Marketing Campaigns.

## 2. Review of Literature

Igor H. Crnojevac<sup>1</sup> (2010) study on "e-Tourism: A comparison of Online and Offline Bookings and the Importance of Hotel Attributes" [JIOS, VOL. 34, NO. 1 (2010), PP. 41-54] states that, bookings between women and men do not differ significantly. The smallest share of online reservations belongs to the age group 41 to 50 years.

Mu Zhang<sup>2</sup> et al (2015) paper adopts Gap model and SERVQUAL questionnaire as a reference, builds six service quality dimensions of online travel booking which based on data analysis and research. The authors gave following conclusions: (1) there is significant difference between customer perceived service quality standards and customer expectations of service quality level of online travel booking.

Dubey & Parihar<sup>6</sup> (2013) conducted a study to compare pre and post-condition growth of Internet tourism marketing of India for the period 1993 to 2011. The study was conducted by applying t-test on the data extracted from Reserve Bank of India and the annual reports of the Ministry of Tourism.

The revenue received from foreign tourists was taken as the sample size.

## Statement of the Problem

- There is an undifferentiated segmentation in OYO rooms.
- OYO rooms have been positioned as budget hotels.
- Sunrise check-in demand for every OYO rooms.
- Photographs are not convinced with the reality of OYO rooms.
- Non-availability of booked rooms at last minute.

## 3. Objectives of the Study

### Primary Objectives

To study on the impact of Travel & Tourism mobile application on consumer behavior with reference to OYO rooms in Coimbatore.

### Secondary Objectives

- To study the factors influence customer bookings.
- To analyze the reasons behind room cancellations.
- To study the strategies for better positioning as budget hotels.
- To study the service factors relating to hotel sector.

## 4. Research Methodology

**Descriptive Research:** The study follows descriptive research method. Descriptive studies aims at portraying accurately the characteristics of a particular group or situation. Descriptive research includes surveys and fact-finding enquiries of different kinds. The major purpose of descriptive research is description of the state of affairs as it exists at present.

### Sampling Type

**Simple random sampling:** This type of sampling is also known as chance sampling or probability sampling where each and every item in the population has an equal chance of

inclusion in the sample and each one of the possible samples, in case of finite universe, has the same probability of being selected.

**Sample Size Calculation**

The population of the respondents are unknown hence the below mentioned formula for the sample size calculation is incorporated in order to find the sample size. The error of significance is 95%.

$$S = \frac{Z^2 * P(1 - P)}{M^2}$$

Here,

S = Sample size of the study

Z = Level of confidence for (95%) is 1.96

P = Population proportion

M = Margin of Error ( 0.05)

The sample size thus arrived is 367 for an unknown population. So, I can take the population of 390 which is greater than 367.

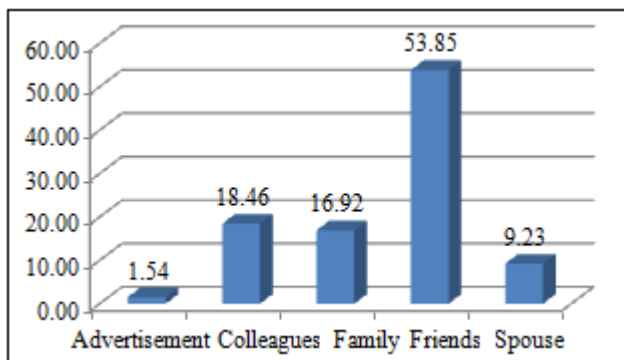
**Tools for Analysis**

- Simple Percentage Analysis
- Chi-square test
- ANOVA (Analysis of Variance)

**5. Analysis & Interpretation**

**Table 1.12.1:** Showing the influencing factor of OYO app

Responses	No. of respondents	Respondents %
Advertisement	6	1.54
Colleagues	72	18.46
Family	66	16.92
Friends	210	53.85
Spouse	36	9.23
Grand total	390	100



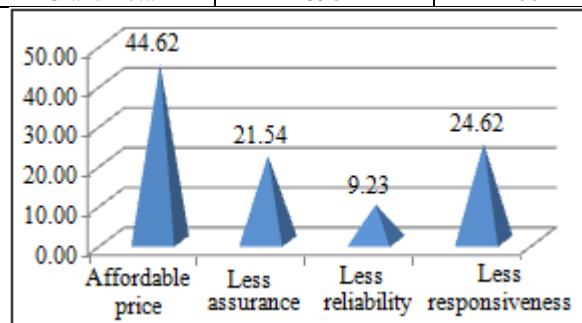
**Graph 1.12.1:** Percentage on influencer of OYO app

**Interpretation**

For the influence of OYO app to use, 1.54% of respondents through advertisement, 18.46% through colleagues, 16.92% through family, 53.85% through friends, and 9.23% through spouse.

**Table 1.24.1:** Showing the reason for budget hotels

Responses	No. of Respondents	Respondents %
Affordable price	174	44.62
Less assurance	84	21.54
Less reliability	36	9.23
Less responsiveness	96	24.62
Grand Total	390	100



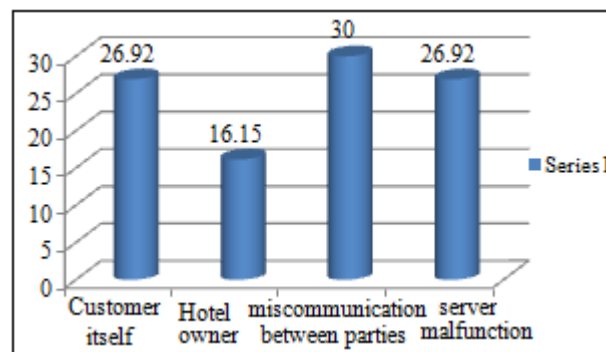
**Graph 1.24.1:** Percentage on reason for budget hotels

**Interpretation**

From this graph, for the reason for positioning OYO as budget hotels, 44.62% of respondents have opted affordable price, 21.54% have opted less assurance, 9.23% have opted less reliability, and 24.62% have opted less responsiveness.

**Table 1.16.1:** Showing reason for room cancellations in OYO rooms

Responses	No. of responses	Respondents %
Customer itself	105	26.92
Hotel owner	63	16.15
miscommunication between parties	117	30.00
server malfunction	105	26.92
Grand Total	390	100



**Graph 1.16.1** Percentage on reason for room cancellation

**Interpretation**

From this graph, for the reason for room-cancellation, 26.92% of respondents are referring customer itself, 16.15% are referring hotel owner, 30% are referring miscommunication between parties and 26.92% are referring server malfunction.

**Affordability vs Annual income of the respondent**

H0: There is no significant difference between the affordability and annual income of the respondent.

H1: There is a significant difference between the affordability and annual income of the respondent

Table 2.0.1 Affordability vs Annual income of the respondent

Affordability	Income				
Row Labels	1,00,001 to 3,00,000	3,00,001 to 5,00,000	Above 5 lakhs	Below 1 lakh	Grand Total
Dissatisfied	9	12	3	30	54
Highly dissatisfied	3	6	6	18	33
Highly satisfied	6	6	6	24	42
Satisfied	57	57	27	120	261
Grand Total	75	81	42	192	390

Results					
	1,00,001 to 3,00,000	3,00,001 to 5,00,000	Above 5 lakhs	Below 1 lakh	Row Totals
Dissatisfied	9 (10.38) [0.18]	12 (11.22) [0.05]	3 (5.82) [1.36]	30 (26.58) [0.44]	54
Highly dissatisfied	3 (6.35) [1.76]	6 (6.85) [0.11]	6 (3.55) [1.68]	18 (16.25) [0.19]	33
Highly satisfied	6 (8.08) [0.53]	6 (8.72) [0.85]	6 (4.52) [0.48]	24 (20.68) [0.53]	42
Satisfied	57 (50.19) [0.92]	57 (54.21) [0.14]	27 (28.11) [0.04]	120 (128.49) [0.56]	261
Column Totals	75	81	42	192	390 (Grand Total)

**Result**

The chi-square statistic is 9.8576. The p-value is 0.362135. The result is not significant at  $p < .05$ . So,  $H_0$  is accepted. There is no significant difference between the affordability and annual income of the respondent.

**ANOVA**

**Gender vs opinion towards using OYO app**

$H_0$ : There is no significant difference between the male and female towards using the OYO app

$H_1$ : There is a significant difference between the male and female towards using the OYO app

**Table 3.0.1: Gender vs opinion towards using OYO app**

Gender	Opinion towards using the OYO app				
	Dissatisfied	Highly dissatisfied	Highly satisfied	Satisfied	Grand Total
Female	15	6	6	81	108
Male	60	12	24	186	282
Grand Total	75	18	30	267	390

Anova: Single Factor				
Summary				
Groups	Count	Sum	Average	Variance
Dissatisfied	2	75	37.5	1012.5
Highly Dissatisfied	2	18	9	18
Highly Satisfied	2	30	15	162
Satisfied	2	267	133.5	5512.5

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	20056.5	3	6685.5	3.988367	0.107355	6.591382
Within Groups	6705	4	1676.25			
Total	26761.5	7				

**Result**

The p-value (0.107355) is less than the alpha value(0.05). So,  $H_1$  is accepted. There is a significant difference between the male and female towards using the OYO app.

**6. Findings**

- From ANOVA test, there is a significant difference between the male and female towards using the OYO app.

- There is no significant difference between the affordability and annual income of the respondent.
- From this graph, for the reason for positioning OYO as budget hotels, 44.62% of respondents have opted affordable price, 21.54% have opted less assurance, 9.23% have opted less reliability, and 24.62% have opted less responsiveness.
- For the influence of OYO app to use, 1.54% of respondents through advertisement, 18.46% through colleagues, 16.92% through family, 53.85% through friends, and 9.23% through spouse.
- From this graph, for the reason for room-cancellation, 26.92% of respondents are referring customer itself, 16.15% are referring hotel owner, 30% are referring miscommunication between parties and 26.92% are referring server malfunction

**7. Suggestions**

- OYO can target elite customers and can go ahead and sign up contracts with elite hotels to target niche market.
- They should take care of the room cancellations prevailing to the customer and it should be reduced to a level.
- OYO should take care with the problem of usage rate of the application/web-portal.
- They should concentrate on the quality factors included in the app for all OYO rooms.

**8. Conclusion**

The study develops better understanding of customer’s decision making factors in context to OYO rooms stay. Many factors influencing the consumer behavior of OYO can help the organization to make the good quality service. The research showed that the consumer behavior can help them to know about the customer’s frequency of usage. The demographics are significantly affecting the frequency of using OYO rooms. The research will help us to have a comprehensive, holistic and clearer understanding of factors that influence the consumer behavior of Indian consumers.

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