

A Study on Demographic Analysis of Online Travel Shoppers

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Abstract: *The rapid increase of internet usage and the transformation in the space of information & technology has resulted in an evolution with regards to the online travel shoppers. Through this study, we are looking at analysing the demographics of online travel shoppers and understand the mindset of consumers when it comes to online travel shopping. With each passing day there is increasing demand for personalisation travel and this is paving a path way for many new entrants in the online travel market to enlist their services. This study will help us understand the current demographics of the customers looking for personalisation in travel using the online platforms to make their purchases. Through this study we shall also aim at understanding the age group dominating the online travel shopping along with personalisation being the key requirement. With the internet becoming more accessible, a lot of people in today's time have gained hand on learning when it comes to making their purchase online as this adds to their convenience. Similarly, this study will help us know in detail about the demographics of the customer base making the shift from travel agents to online travel shopping.*

Keywords: Personalisation, Travel, Online Shoppers, Demographics

1. Introduction

Personalization is a process for enhancing the customer relationship management and sales as well. According to 'Nelson et. al, (2008)' sometimes personalization is known as individual marketing also because under personalization websites cater to individual customers. Now days companies are starting to provide high quality of personalization to their customers. According to 'Riecken et. al, (2000)' personalization is the main mediator of the satisfaction of customers as well as support behavior. Customer satisfaction is the ultimate goal of the personalization in online shopping and it has been regarded as the necessary component of the success of online marketing companies. Still there are very few evidences available to show the effectiveness of personalization, on the strategy of online marketers.

Internet has made a revolutionary part in today's Business. It significantly transforms the consumer's attitude and the usage. Previously, Internet was used as a tool of gathering information but nowadays, it has become a market for many businesses. Due to the enormous growth in business opportunities, there are a number of services being offered on the internet. One such business is the online shopping where one can get apparels, products, kitchen utensils, online ticket bookings etc.

According to Crouch (1999) the travel industry has gone through a process of disinter mediation as well as reinter mediation. Traditional travel channels for distribution were made of minor tourism organizations. Now they have been replaced by innovative group of virtual massive tourism projects. These ventures are grounded on inventive online industry simulations. These are supported by innovative information expertise. This sophisticated information technology is helping these business ventures in bringing personalized online services and reaching to the new heights.

According to Sigala et, al. (2001) the traditional ways of booking tickets are becoming outdated due to evolution of

the technology. The travel industry has changed drastically and providing travelers the opportunities and experiences those seem good and true. The increased saturation and rights of entry in the online industry is making these online booking of tickets popular among the travelers. The market is flooded with the thousands of offers and discount deals and there is lot of information available for travelers to take advantage of and enjoy the travel.

According to Rajamma (2009) payment mechanism is also playing important role in broader recognition of online shopping travel products among the Indian consumers. With improved security in the online as well as IVR transactions, government is trying to emphasize on safety in online transactions by creating awareness about ways, measures and means to control frauds. Initially there was some hesitation for making transactions online and involvement of the personal facts such as credit/debit card figures but currently with harmless opportunities for online dealings and protected accesses installation, faith has increased among shoppers. Now a day's willingness for online shopping in comparison with offline mode and offered ease and convenience is leading for maximization of the online travel companies.

This process of retailing involves customization of products and services for individual customer needs. Etailers are allowing the consumers in choosing their own services according to their preferences by adoption of the new technologies in personalization. According to Goldsmith (1999) personalization has been identified as a strategy that should be included to the marketing mix as an important element. Personalization is the important consideration while redesigning any e-commerce website. Many online marketers are providing highly personalized experience of shopping by cordoning off areas of strategy of home page or any product page for recommendations about product. They are changing the landscape of page where a shopper lives.

2. Review of Literature

In the online travel industry, internet is showing great importance. It has been proved as biggest information provider. Internet use and its power are increasing day by day. It is helping customers in developing their itineraries and they are purchasing it on their own. Due to this trend travel agent are disappearing from the travel industry. Personalization is playing great role. It motivates and encourages users in recognizing their needs and wants.

It has been revealed that when a customer shops online from companies those offer personalized products and services than companies can get the information about consumers very easily and at cheaper cost. It helps companies to gather more information about users. And it helps them in predicting users' preferences and online choice pattern. This personalized information can help company to formulate further business strategies and designing of interface and communication with the potential customers. Nunes et, al. (2001) described the process of personalization as a way of artificial intelligence use. It helps in the analysis of demographic profile of consumers. Companies can give further recommendations about the preference patterns of consumers.

According to Warrington et, al. (2001) evidence shows that many consumers search online stores for product purchase but after that they abandon their purchase and exit from the stores. Another survey by Shop.org (2001) reports that 55 percent of the consumers leave their shopping carts before counter as well as 32 percent of the consumers abandon it before the point of sale. Personalization features motivates consumers to complete online transactions and reduces the consumers abandoning their shopping carts before purchase. According to Noel et, al. (1996) in the consumer intention research perception is most important predictor of the consumer's behavioral intention. Hence, it is necessary to define that which personalization features will play the most important role in forming consumer's behavioral intentions with respect to online ticket purchase using personalization features.

Hence as a summary, it is essential for firms engaging in e-commerce to study and understand how the personalization factors affect the online purchase behaviour. However, there are relatively very few researches investigating the personalization factors affecting consumers' online buying behaviour. This study measures the consumer purchase intentions toward online shopping of travel bookings and also investigates the intention for personalization features of online shopping websites.

Yan et, al. (2006) conducted a study to find the option of grocery shopping as well as importance of delivery charges and found out the impact of delivery charges and other situational factors on the option of grocery shopping and option of medium. For survey 152 supermarkets were approached in South England. Conceptual grocery shopping scenarios were offered that were characterized by four situation factors. Conclusions indicated that consumers' preference of online shopping channel affected by all four situational factors. It was also noticed that, although of some

significance, delivery charges were not the most influencing attribute. Choice of online or traditional shopping was affected by the travel time for traditional store.

Jiang et, al. (2013) conducted a study for identifying the dimensions of convenience in the online shopping. In this study convenience was the major feeling behind the acceptance of online shopping among consumers. The author conducted the focus group interviews of online shoppers and identified the factors behind the convenience in online shopping. After that the data analysis was performed for the collected data in the online survey. It helped in building and verifying the five dimensions of measuring the convenience in the online shopping. These five dimensions were as follows: entrance, exploration, estimation, business and post buying accessibility. Online marketers could use the tool of five factor measurement for knowing the convenience in online shopping observed by the consumer. These kinds of tools could help the managers in identifying and eliminating the difficulties in providing the online shopping with convenience to consumers. This helped them in increasing the loyalty of customers.

In summary, when the usage of e shopping is increasing, usage of internet is becoming mandatory for consumers shopping requirements. In most of studies it is said that online shoppers in India are largely dependent on their time, convenience, usage and pattern of money spending. In this matter the biggest challenge is privacy and this is the major concern in implementation of online personalization.

Research Objective

Objectives of the study is to find the demographic profiles of online shopping consumers;

3. Methodology

A closed ended structured questionnaire was designed for primary data collection with sample size of 650. The location chosen for survey was Bangalore. Statistical tools such as descriptive analysis was used to analyse the data and meeting the objectives. Data has been collected from primary sources for the purpose of this study, from respondents who book tickets online. The data was obtained by using the survey method through the administration of structured questionnaires to the respondents. Non probabilistic convenience sampling was used for the primary data collection.

4. Data Analysis and Interpretation

Demographics of the Respondents

This section provides an understanding about the demographic characteristics of the sample. Table 1 gives information about gender, marital status, education, income, occupation and age.

Results in table 1 shows that majority 56.3 respondents are male who use online shopping for booking travel related services. 58.3 percent of the respondents are married and 41.7 percent of them are single. 26.6 percent has cleared their HSC, 29.6 percent are undergraduates and rest is 23.6 percent post graduates and 20.1 above post graduates.

Majority of respondents 45.7 percent have family income of Rs 30,000 to 50,000 per month followed by 38.2 percent, who earn above 50,000. Majority 32.7 percent of respondents are salaried people followed by 26.6 percent students. 16.1 percent of respondents are housewives who shop online. It can be inferred from the table that the majority of the respondents fall under the age group of 21-30 with 37.7 percent. After that 26.1 percent of respondents belong to 31-40 age groups.

Table 1 Demographic Characteristics of respondents

Gender		
	Frequency	Percent
Male	336	56.3
Female	261	43.7
Total	597	100.0
Marital Status		
	Frequency	Percent
Single	249	41.7
Married	348	58.3
Total	597	100.0
Education		
	Frequency	Percent
HSC	159	26.6
UG	177	29.6
PG	141	23.6
Above PG	120	20.1
Total	597	100.0
Income		
	Frequency	Percent
Below 30, 000	96	16.1
30,000-50,000	273	45.7
Above 50, 000	228	38.2
Total	597	100.0
Occupation		
	Frequency	Percent
Student	159	26.6
Salaried People	195	32.7
Self Employed	147	24.6
House Wife	96	16.1
Total	597	100.0
Age		
	Frequency	Percent
Less than 20	135	22.6
20-30	225	37.7
30-40	156	26.1
Above 40	81	13.6
Total	597	100.0

Source Primary Data

Use of internet and online shopping websites usage

To get an understanding of perception of consumers towards online shopping websites, the responses from online shoppers were analyzed with the help of descriptive statistics. The analyzed data has been presented in a graphical form followed by an interpretation. The demography of consumers for online shopping websites can be understood by analyzing the comfort level of respondents with internet, no. of times they purchased products online in last one year, no. of shopping websites used in last one year and most frequently used online shopping travel websites.

Comfort level with internet use

This table 2 represents respondents comfort level with the internet use.

Table 2: Comfort level with internet use

	Frequency	Percent
Very Uncomfortable	18	3.0
Somewhat Uncomfortable	25	4.2
Neutral	29	4.9
Somewhat Comfortable	284	47.6
Very Comfortable	241	40.4
Total	597	100.0

Source: primary data

It can be understood from fig.no 1 that majority of the respondents 47.6 feel somewhat comfortable with the use of internet, followed by 40.4 percent who feel very comfortable in using internet. Very few 3 percent respondents feel very uncomfortable with use of internet.

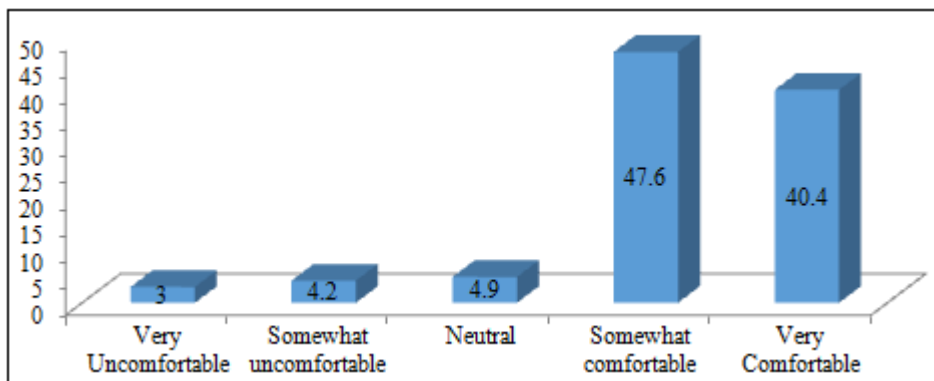


Figure 1: Comfort level with internet use

No. of times products purchased online in last 1 year

Table 3 represents no. of times products purchase online in last one year by respondents.

Table 3: No. of times products purchased online in last 1 year

	Frequency	Percent
0-5	72	12.1
6-10	268	44.9
More than 10	257	43.0
Total	597	100.0

Source Primary Data

From Fig. no. 2 it can be understood that majority of the respondents 44.9 percent shop online frequently and bought 6 to 10 products online in past one year followed by 43 percent respondents who shop above 10 products over internet in last one year. It shows the consumers perception towards online shopping.

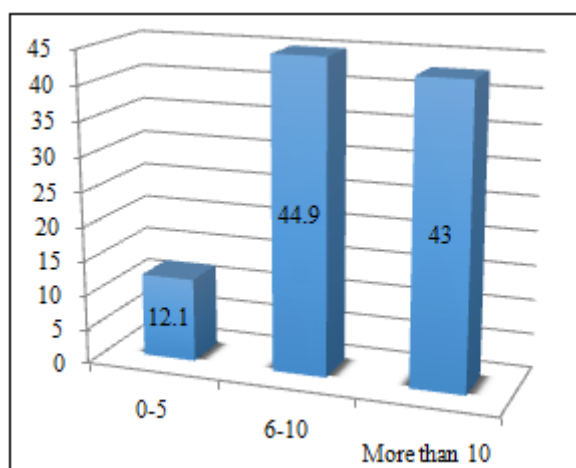


Figure 2: No. of times products purchased online in last 1 year

No. of online shopping websites used in last 1 year

This table 4 represents no. of online shopping websites used in last 1 year by respondents.

Table 4: No. of online shopping websites used in last 1 year

	Frequency	Percent
Less than 3	71	11.9
3-5	275	46.1
More than 5	251	42.0
Total	597	100.0

Source Primary Data

From Fig. no. 3 it can be understood that majority of the respondents 46.1 percent has used 3 to 5 online shopping websites for online shopping of products and services, followed but 42 percent who used more than 5 websites in last one year for shopping over internet. It clearly shows the perception of consumers towards online retailers.

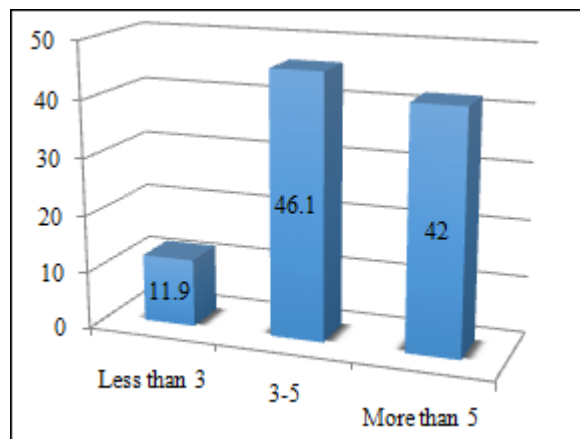


Figure 3: No. of online shopping websites used in last 1 year

Most frequently used online shopping website for travel bookings

This table 5 represents most frequently used travel websites for travel booking by respondents.

Table 5: Most frequently used online shopping website for travel bookings

	Frequency	Percent
Yatra.com	102	17.1
Makemytrip.com	249	41.7
Irctc.co.in	246	41.2
Total	597	100.0

Source Primary Data

From Fig. no. 4 it can be understood that majority of the respondents 41.7 percent use Makemytrip.com website for booking their travel related services online. Similarly, 41.2 percent of respondents use Irctc.co.in website for their ticket booking needs. Only 17.1 percent respondents use Yatra.com website for their travel related needs. This shows the perception of consumers towards each online travel shopping website.

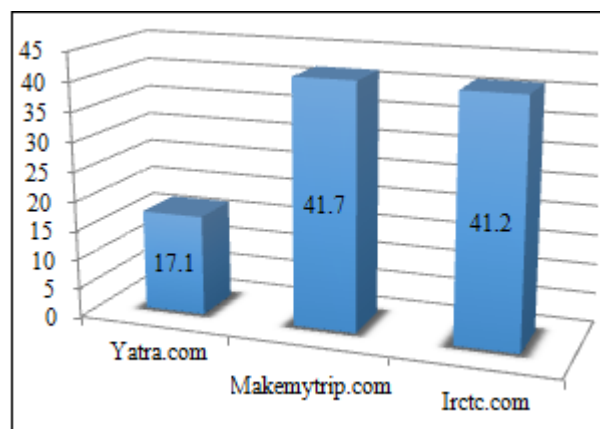


Figure 4: Most frequently used online shopping website for travel bookings

5. Findings

Majority 56.3 respondents are male who use online shopping for booking travel related services. 58.3 percent of the respondents are married and 41.7 percent of them are single. 26.6 percent has cleared their HSC, 29.6 percent are

undergraduates and rest is 23.6 percent post graduates and 20.1 above post graduates. Majority of respondents 45.7 percent have family income of Rs 30,000 to 50,000 per month followed by 38.2 percent, who earn above 50,000. Majority 32.7 percent of respondents are salaried people followed by 26.6 percent students. 16.1 percent of respondents are housewives who shop online. It can be inferred that the majority of the respondents fall under the age group of 21-30 with 37.7 percent. It can be understood that majority of the respondents 47.6 feel somewhat comfortable with the use of internet, followed by 40.4 percent who feel very comfortable in using internet. Very few 3 percent respondents feel very uncomfortable with use of internet. It can be understood that majority of the respondents 44.9 percent shop online frequently and bought 6 to 10 products online in past one year followed by 43 percent respondents who shop above 10 products over internet in last one year. It shows the consumers perception towards online shopping. It can be understood that majority of the respondents 46.1 percent has used 3 to 5 online shopping websites for online shopping of products and services, followed but 42 percent who used more than 5 websites in last one year for shopping over internet. It clearly shows the perception of consumers towards online retailers. It can be understood that majority of the respondents 41.7 percent use Makemytrip.com website for booking their travel related services online. Similarly, 41.2 percent of respondents use Irctc.co.in website for their ticket booking needs. Only 17.1 percent respondents use Yatra.com website for their travel related needs. This shows the perception of consumers towards each online travel shopping website.

6. Conclusion

Analysis shows that online shoppers prefer personalized services in online travel websites. Although, consumers have started using online shopping websites for booking of tickets, but it needs to go long way to find considerable market share for companies in the field of online marketing. To get them out of this traditional way of booking tickets and other travel related services, can be a challenge. Online marketers need to focus on adoption of attractive personalized features and strategies to attract potential consumers.

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