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CONSUMER TRUST IN INTERNET-BASED AIRLINE RESERVATIONS

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ABSTRACT

This paper explores consumer trust in Internet-based airline reservations using the data collected from individual consumers in Hong Kong. The empirical analysis shows that such attributes as perceived usefulness, ease of use, reputation, privacy, security and responsibility significantly influence consumer attitudes towards online airline reservation services. In addition, consumer attitudes are related to integrity, benevolence and ability, which in turn affect consumer trusting intentions to use online airline reservations. The research results in practically useful implications for improving Internet-based airline reservation services.

Keywords: Internet, airline reservations, consumers, trust and service management

EXECUTIVE SUMMARY

The primary objective of this research is to explore consumer trust in Internet-based airline reservation services. The issues in relation to trust in electronic commerce have been discussed in the literatures such as [1] [2] [3] [4] [5]. In the case of Internet-based airline reservations, consumers usually need to provide personal data such as name, telephone number, mailing address, nationality, passport number and credit card number when using an online reservation system to book air tickets. It is not uncommon that consumers may wonder whether the system can effectively make airline reservations. They may also worry about whether the system can protect personal privacy and reliably conduct electronic transactions. Moreover, they may concern about whether the system cares individual interests and benefits. If consumers had confidence in the Internet-based airline reservations, they would be willing to purchase the e-air tickets and disclose personal data to the reservation system. As far as this is concerned, the present paper examines a number of variables in relation to consumer attitudes, trustworthiness and trusting intentions.

The research methods include literature review, questionnaire design, survey and statistical data analysis. A research model and several hypotheses were developed on the basis of the established theories and the trust-related issues associated with Internet-based airline reservation services. The questionnaire was generated in the light of the proposed hypotheses. It consisted of a number of items in relation to perceived usefulness, ease of use, reputation, privacy, security, service quality, attitudes, trustworthiness and trusting intentions. A seven-point Likert scale was used ranging from not important to very important. It also collected demographic data such as age, gender, education, occupation and income. The questionnaire was distributed to individual consumers in a random manner. The respondents were requested to provide feedback in response to the questions and express opinions on Internet-based airline reservations. As a result, one hundred sixty responses were collected for data analysis. Several procedures of the Statistical Packages for Social Science (SPSS) were used to test the survey data in the light of the proposed hypotheses.

A three-level model was constructed to examine the relationships of a number of attributes in relation to consumer trust in Internet-based airline reservation services. Firstly, perceived ease of use, reputation, privacy, security, and service quality are antecedents of consumer attitudes. Secondly, consumer attitudes are supposed to be related to integrity, benevolence and ability. Thirdly, these attributes are antecedents of consumer trusting intentions to use Internet-based airline reservations.

The empirical results suggest that perceived usefulness, ease of use, reputation, privacy, security, and service quality have direct and significant effects on consumer attitudes. At the same time, consumer attitudes are highly related to integrity, benevolence and ability. Furthermore, these attributes have significant and direct effects on consumer trusting intentions to use Internet-based airline reservations. In particular, integrity, benevolence and ability, which represent trustworthiness, considerably determine the level of trusting intentions. In other words, a high level of trustworthiness in terms of integrity, benevolence and ability is essential to encourage consumers to use Internet-based reservation services.

Although different consumers have different perceptions on different trust factors, it is important to appreciate the determinants of the Internet-based airline reservation services from consumer perspective. It is not uncommon that consumers are very careful about the use of online services especially for expensive consumptions in the virtual environments. They would believe that benevolence is an important factor that affects trusting intentions. They may also consider to what extent they can benefit from online air-ticket reservations in comparison to traditional ticketing services. Therefore, the service providers should pay attention to consumer concerns in order to design a practically useful and user-friendly Internet-based platform for airline reservations. At the same time, they should try to let the customers enjoy the operations and benefit from the services.

This paper identifies the determinants of consumer attitudes and trusting intentions towards the Internet-based airline

reservation services. It has resulted in practically useful implications for managing Internet-based e-services. In conclusion, the building of trust is essential to the sustainable development of Internet-based airline reservation services, because it helps consumers reduce their concerns about risk and uncertainty when sharing their personal data in virtual environments. The service providers should devote to improve service quality and enhance the level of trust in order to encourage consumers to continuously use the Internet-based airline reservation services.

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