

CONSUMER ONLINE ENGAGEMENT IN AIRLINE AND HOSPITALITY SERVICES

Leong Mei Kei

Syuhaily Osman

Department of Resource Management and Consumer Studies

Faculty of Human Ecology

Universiti Putra Malaysia

Introduction

Growth of airline and hospitality services demand had resulted in a tremendous increase in the number of airline and hospitality services. Consumers are travelling all around the world for vacations, business trips or visiting relatives. Many consumers prefer airline services due to the time taken can be shortened compared to other transportations. Such as cars, trains and ferry. In relation, hospitality services including budget hotels, hotels and motels provide a place to stay for consumers during their travel period.

A great variety of airlines and hospitality services companies provides a lot of choices to consumers. A large range of choices for airlines and hotels are beneficial to consumers because they are able to choose the best deal offered by the companies. For instance, a price conscious consumer would prefer to travel with the low cost budget airline company Air Asia due to the low prices offered. In contrast, a person who prefers services over price would prefer to stay in a higher end hotels such as the Hilton hotel. However, too many choices of companies may also confuse consumers because they do not know which company has the best deal and is most suitable for them. Therefore, building consumer online engagement is essential. Engaged consumers usually do not feel the dilemma in making decisions because they will minimize their alternatives and reduce confusion in choosing the most suitable services (Kasper, Bloemer, & Driessen, 2010). Furthermore, fully engaged consumers also tend to change less and inculcate a strong connection with the services company (Singh, Kumar, & Singh, 2010).

Consumer engagement can be built either from an offline or online environment. However, the way of communicating is different (Greve, 2014). According to Greve (2014), offline engagement is a nature of engagement and one way communication which includes feedback from friends, and spreading of word of mouth. In contrast, online engagement communicates with people in many different ways. It provides individuals the favourable

occasions to engage with the company through online social media but not limited to forum discussion and interaction (Mokoena, 2013). Online engagement between service companies and consumers has been made possible due to the emergence of social media. The social media had connected the people from all over the world. According to Baruah (2012), the exposure of social media can connect people more effectively than conventional media sources such as through television, radio and newspapers. Through social media, the connection of the consumers towards the service company will form engagements, where consumer online engagement are established eventually.

Cultivating consumer online engagement enables the consumers to feel secure and confident on their choice of company. Furthermore, engaged consumers can also reduce risk as they had already engaged and experienced the services provided. Nonetheless, there are a few dimensions in consumer online engagement which are affective engagement, behaviour engagement, and cognitive engagement. The consumers may engage with the airline or hospitality services differently according to the dimensions. Therefore, this research aims to examine the level of consumer online engagement towards the airline and hospitality services company.

Literature Review

Consumer engagement is defined as the consumer's personal connection to a brand manifestation from the affective, behavioural and cognitive responses beyond the purchasing behaviour (So, King, Sparks, & Wang, 2016). However, consumer online engagement refers to the consumer's personal connection with the company through online social media such as blogs, Facebook, Twitter and etc. Due to the growth in popularity of social media usage, consumer engagement can be done online. Consumer online engagement is far more effective than offline engagement. Online engagement consumers are able to have an interaction with the company.

Consumer online engagement is contained of a few domains namely affective engagement, cognitive engagement (Mollen & Wilson, 2010), and behaviour engagement (Sprott, Czellar, & Spangenberg, 2010) to have a comprehensive understanding on consumer online engagement constructs. Previous researchers such as Sprott *et al.* (2009) and van Doorn, Lemon, Mittal, Nass, Pick, Pimer, and Verhoef (2010) believe that consumer engagement consist of behaviour domains while others (Brodie, Hollebeek, Juric, & Ilic, 2011) believe that there are more than one domain in consumer engagement. Therefore, to enhance the understanding of consumer online engagement, three domains are included. In this research, affective engagement refers to

the level of emotional endurance which the consumers experienced (Calder, Isaac, & Malhouse, 2013), behaviour engagement refers to the motivational driver that stimulates the action beyond purchase (Marketing Science Institute, 2010) and cognitive engagement refers as consumers' active mental states experienced with the company (Hollebeek, 2013).

Creating a connection between the consumers and the company is beneficial for both groups. In a published research done by Habibi, Laroche, and Richard (2014) regarding brand community engagement in social media context, had discovered that community engagement will amplify the consumer trust towards the brand. Meanwhile, prior to a consumer to engage, the consumer is required to be aware of the company and being involved with the company beforehand (Thongthip & Jaroenwanit, 2016). Thus, once the engagement is built between both the parties, trust between them will also grow stronger and eventually reduce the perceived risk and the process of decision making.

Prahalad (2004) believed that the connection between consumer and the company will increase the transparency of information and enhance the co-creation value. Consumers can understand the company and have a bond of a two-way communication which is the co-creation of value rather than one-way communication, such as distributing brochures and television advertising. The co-creation value is created by both of the company and the consumers where the company is able to retain the consumers based on the consumers' reviews, feedbacks or complaints. Therefore, building consumer online engagement is essential to both parties as engaged consumers are less prone to fraud and have a reduced perceived risk while the marketers can retain the consumers.

In view of the importance of examining the consumer online engagement, the level of consumer online engagement among Malaysians is also paramount. Measuring the level of consumer online engagement can enable the researcher to be aware of the current degree of consumers' connection towards the airline and hospitality company. Even though there are a few researches conducted regarding the level of consumer online engagement, none has empirically tested consumer online engagement in airline and hospitality services sector. For instance, a published literature review paper summarized by Hollebeek (2011) had discussed on the level of customer brand engagement but the research had not been tested empirically. Similarly, Malthouse, Haelein, Skiera, Wege, and Zhang (2013) had discussed the level of customer engagement through reviewing previous researches. Hence, this research attempts to close the gap by measuring the level of consumer online engagement in airline and hospitality services empirically.

Methodology

The data was collected among social media users and consumers who had experience in travelling with an airline or staying in a hotel prior to the survey. This research used the online survey platform, Survey Monkey, to distribute the questionnaires because this research targets the consumers who are active in social media. A sample of 390 respondents was collected by using convenience sampling method to acquire as many responses as possible. The data were collected by using online self-administrative questionnaire. There are three sections in the questionnaires which include demographic characteristics of respondents, pattern of social media usage and the last section is consumer online engagement. The section of consumer online engagement were adapted from Cheung, Lee, and Jin (2011) which consists of three subsections of affective engagement, behaviour engagement and cognitive engagement. The questionnaires were measured by using a 5-point Likert scale ranging from 1-Strongly Disagree to 5- Strongly Agree. The data were analysed by using *Statistical Package for Social Sciences* (SPSS) software to generate the tables of demographic characteristics of respondents, social media usage pattern and level of consumer online engagement.

Result and Findings

Demographic characteristic of respondents

The demographic characteristics of respondents were presented in Table 1. Among the 390 participants, slightly more than one-third of the respondents (67.7%) were female and 32.3 percent were male. The big differences between female and male respondents may likely be due to the uncontrollable proportion among the respondents. In terms of age, the distribution of respondents were almost similar with 50.5 percent of respondents ranged from 18-35 year old and 49.5 percent of respondents were between 36-51 year old.

Race distribution of the respondents detailed that more than half of the respondents (58.7%) were Malay and followed by 33.1 percent of Chinese and 5.9 percent of Indian. In terms of marital status, slightly more than half of the respondents (54.1%) were single and 44.9 percent were married. According to the income group, 32.3 percent of the respondents were earning RM1501-RM3000 every month followed by slightly more than a quarter (29.5%) of the respondents was earning less than RM1500 and 20.8 percent of the respondents were earning more than RM5001 monthly. The remaining (17.4%) were those who earn RM3001-RM5000 every month.

Social media usage pattern

The respondents were asked several questions including the frequency of social media usage and average time spent on social media daily and the purposes of following the social media of the airline or hospitality services company. Based on Table 1, a majority of the respondents (96.9%) used social media everyday and a small portion of 3.1 percent of the respondents does not use social media daily. This result is in line with the research done by Hamad, Embi, and Abu Hassan (2012). The authors believe that Malaysian young adults are increasingly spending more time on social media comparing. Furthermore, in a published research carried out by Samsudin (2009) had also discovered that most of the Malaysian respondents are using social media everyday.

On the other hand, approximately three quarters of the respondents (78.5%) spend more than one hour on social media in a day, and the remaining of 21.5 percent of the respondents spend an average of one hour or less on social media in a day. Meanwhile, a majority of the respondents (84.6%) follow the airline hospitality services company to gain promotional updates while vaguely more than half of the respondents (51.0%) to get informed of the latest news. However, 14.9 percent of the respondents would like to participate in the contest held by the company, while 10.5 percent and 9.7 percent liked to comment on post trip experiences and share opinions. This shows that, most of the respondents were interested with the updates of the company.

Table 1: Demographic Characteristics and Social Media Usage Pattern of Respondents (n=400)

Variables	Frequency	Percentage
Gender		
Male	126	32.3
Female	264	67.7
Age		
18-35 year old	197	50.5
36-51 year old	193	49.5
Race		
Malay	229	58.7
Chinese	129	33.1
Indian	23	5.9
Marital Status		
Single	211	54.1
Married	175	44.9
Divorced	4	1.0

Table 1 (continues)

Variables	Frequency	Percentage
Income groups		
<RM1500	115	29.5
RM1501–RM3000	126	32.3
RM3001–RM5000	68	17.4
≥RM 5001	81	20.8
Frequency to use social media		
Daily	378	96.9
2-3 times a week	9	2.3
Once a week	1	0.3
Less than once a month	2	0.5
Average time spend on social media in a day		
Less than half an hour	34	8.7
1 hour	50	12.8
Between 1-2 hour(s)	93	23.8
Between 2-4 hours	105	26.9
More than 4 hours	108	27.7
*Purpose of following the Hotel or Airline		
To stay up-to-date with promotions of the hotel or airline company	330	84.6
To stay up-to-date with news of the hotel or airline company	199	51.0
To share opinions	38	9.7
To give post trip feedback	41	10.5
To participate in campaigns and activities held by the hotel or airline company	58	14.9

Level of consumer online engagement towards airline and hospitality service company

In the current research, 21 questions were asked to measure the level of consumer online engagement in terms of the degree of affectively engaged, behaviourally engaged, and cognitively engaged. Figure 1 to 4 shows the degree of the engagement in low, moderate and high engagement level towards the service company.

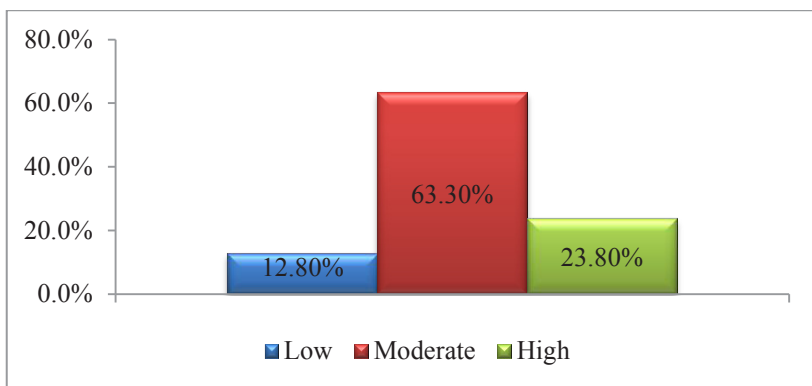


Figure 1: Level of Affective Engagement

Figure 1 shows the respondents' level of affective engagement towards the airline and hospitality services company. Based on the figure, more than half of the respondents (63.3%) were moderately affectively engaged with the company while more than one-fifth (23.8%) were highly affectively engaged with the company. The remaining 12.8 percent was lowly affectively engaged with the company. Therefore, it can be observed that there were moderate to high level of affective online engagement.

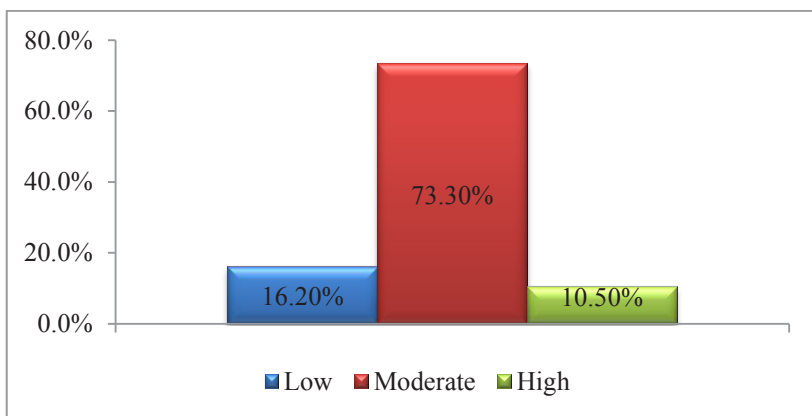


Figure 2: Level of Behaviour Engagement

In terms of the level of behaviour engagement, most of the respondents (73.3%) were classified as having a moderate level of behaviour engagement and followed by 16.2 percent of the respondents were lowly engaged behaviourally. The remaining 10.5 percent was classified as highly

behaviourally engaged consumers. Hence, it is speculated that the respondents in this research were having moderate levels of behavioural engagement.

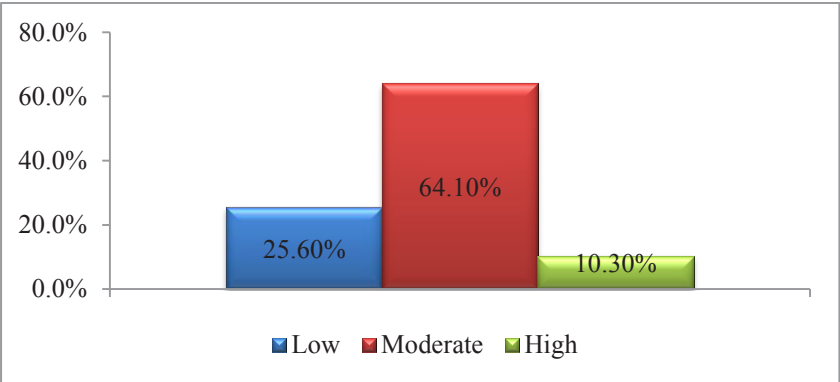


Figure 3: Level of Cognitive Engagement

Based on Figure 3, more than one-third of the respondents (64.1%) were cognitively engaged with the company moderately. Subsequently, 25.6 percent of the respondents have low cognitive engagement whereas only 10.3 percent were highly engaged cognitively. This shows that the overall degree of cognitive engagement were more towards low to moderate.

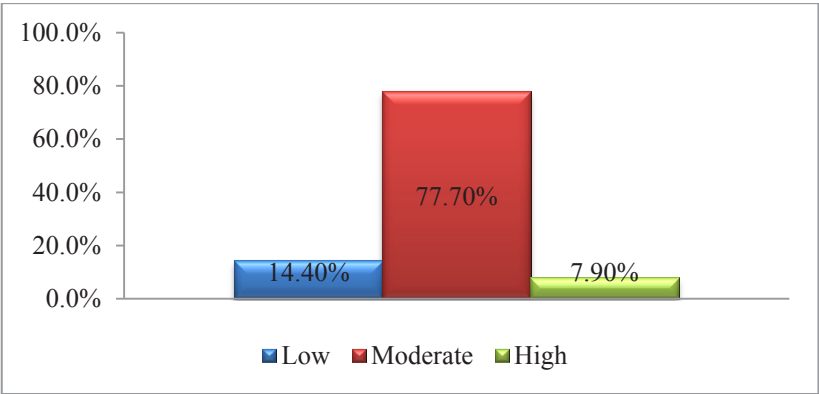


Figure 4: Level of Consumer Online Engagement

Figure 4 displays the level of consumer online engagement towards the airline and hospitality services. Based on the analysis, it can be observed that

more than three quarters of the respondents (77.7%) were moderately engaged online with the company. Meanwhile, only 7.9 percent of the respondents were highly engaged with the company. This results shows that the degree of consumer online engagement were moderate.

Conclusion

Overall, the results of the analysis have discovered moderate level of consumer online engagement among the respondents. The results also show that level of behaviour and cognitive engagement are low to moderate while the remaining affective engagement is moderate to high. This indicated that the respondents might be lowly engaged due to plenty of other airline and hospitality services available in the market. Consumers are unable to establish a strong connection bond with the company. Thus, this provide implications for both consumers and services companies with respect to the awareness on the importance of consumer online engagement. Furthermore, current study is also able to close the gap between the previous researches by examining the level of consumer online engagement in Malaysia. This is essential especially for consumers themselves as they are able to understand their level of online engagement and for the service company, they can design better ways to increase engagement among the strategies based on affective, behaviour and cognitive engagement.

The level of consumer online engagement can be increased by several methods from both parties. For consumers, they can try to be involved or actively participate in events or contests held by the service company. On the other hand, service companies can organize more contests to increase consumer participation, creating more forum discussions on the social media, and posting more promotional and news updates. In addition, with the advancement of social media, services companies can hold live discussions and broadcast videos with consumers through Facebook. As a conclusion, two-way communications between both parties is essential to ensure strong connections.

References

Baruah, T.D. (2012). Effectiveness of social media as a tool of communication and its potential for technology enabled connections: a micro-level study. *International Journal of Scientific and Research Publication*, 2(5), 1-10.

Brodie, J.R., Hollebeek, L. Juric, B., & Ilic, C. (2011) Consumer engagement in a virtual brand community: an exploratory research. *Journal of Business Research*, 66(1), 105-114.

Calder, B.J., Isaac, M.S., & Malthouse, E.C. (2013). Taking the consumer's point of view: engagement or satisfaction. *Marketing Science Institute*.

Cheung, C.M.K., Lee, M.K.O., & Jin, X.L. (2011). *Customer Engagement in an Online Social Platform: A Conceptual Model and Scale Development*. Paper presented at Thirty Second International Conference on Information System, Shanghai. Retrieved from https://www.researchgate.net/publication/220268891_Customer_Engagement_in_an_Online_Social_Platform_A_Conceptual_Model_and_Scale_Development

Greve, G. (2014). The moderating effect of customer engagement on the brand image- brand loyalty relationship. *Procedia- Social and Behavioural Sciences*, 148, 203-210.

Habibi, M.R., Laroche, M., & Richard, M. (2014). The roles of brand community and community engagement in building brand trust on social media. *Computers in Human Behavior*, 37, 152-161.

Hamad, A., Embi, M.A., & Abu Hassan, H. (2012). The use of social networking sites among Malaysian universities students. *International Education Studies*, 5(3), 56-66.

Hollebeek, L. (2013). The consumer engagement/value interface: an exploratory investigation. *Australasian Marketing Journal*, 21(1), 17-24.

Hollebeek, L.D. (2011). Demystifying customer brand engagement: exploring the loyalty nexus. *Journal of Marketing Management*, 27(7), 785-807.

Kasper, H., Bloemer, J., & Driessen, P.H. (2010). Coping with confusion: the case of the Dutch mobile phone market. *Journal of Service Theory and Practice*, 20(2), 140-160.

Malthouse, E.C., Haenlein, M., Skiera, B., Wege, E., & Zhang, M. (2013). Managing customer relationships in the social media era: introducing the social crm house. *Journal of Interactive Marketing*, 27, 270-280.

Marketing Science Institute. (2010). *2010-2012 Research Priorities*. Marketing Science Institute, Boston, USA. Retrieved from:

<http://image.sciencenet.cn/olddata/kexue.com.cn/upload/blog/file/2010/9/201091515178616316.pdf>

Mokoena, S. (2013). Engagement with and participation in online discussion forums. *The Turkish Online Journal of Educational Technology*, 12(2), 97-105.

Mollen A. & Wilson H. (2010). Engagement, telepresence and interactivity in online consumer experience: Reconciling scholastic and managerial perspectives. *Journal of Business Research*, 63(9-10), 919-925.

Prahalad, C.K. & Ramaswamy, V. (2004). Co-creation experiences: the next practice in value creation. *Journal of Interactive Marketing*, 18(3), 5-14.

Samsudin, Z. (2009). The use of online social networking sites among malaysian teenagers: what impact does it have on our classrooms? Retrieved from:

http://www.unescobkk.org/fileadmin/user_upload/apeid/Conference/13th_Conference/Papers/2.D.1_Online_social_networking__Zarina_Samsudin_.pdf

Singh, A., Kumar, B., & Singh, V.K. (2010). Customer engagement: new key metric of marketing. *International Journal of Arts and Sciences*, 3(13), 347-356.

So, K.K.K., King, C., Sparks, B.A., & Wang, Y. (2016). The role of customer engagement in building consumer loyalty to tourism brands. *Journal of Travel Research*, 55(1), 64-78.

Sprott, D., Czellar, S., & Spangenberg, E. (2009). The importance of a general measure of brand engagement on market behaviour: development and validation of scale. *Journal of Marketing Research*, 46(2), 92-104.

Thongthip, W. & Jaroenwanit, P. (2016). *The Influence of Product Involvement and Perceived Value on Customer Brand Engagement of Thai and Lao Consumer: A Case of Milk Products*. Paper presented at Proceeding of 53rd ISERD International Conference Zurich, Switzerland, 30th-31st October 2016. Retrieved from: http://www.worldresearchlibrary.org/up_proc/pdf/482-147765354811-16.pdf

Van Doorn, J., Lemon, K.N., Mittal, V., Nass, S., Pick, D., Pirner, P., & Verhoef, P.C. (2010). Customer engagement behavior: theoretical foundations and research directions. *Journal of Service Research*, 13(3), 253-266.