

Customer Trust and Purchase Intention: How Do Primary Website Service Quality Dimensions Matter in the Context of Luxury Hotels in Vietnam

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ABSTRACT

With the continuous development of information technology, websites play an important role in businesses, especially hotels. Websites can bring great benefits to hotels. Measuring website service quality is still the main concern of hotel managers. This article analyzes the impact of website service quality dimensions on customer trust and purchase intentions for hotels. A total of 571 responses were collected among tourists at 4-5-star hotels in Vietnam. The results indicated that there are positive relationships between the dimensions of website service quality, customer trust and purchase intentions. Implications were discussed to improve website service quality in order to increase customer trust and purchase intentions.

KEYWORDS

Hotel, Information Quality, Interaction, Vietnam, Website Design, Website Functionality

1. INTRODUCTION

Many studies have so far examined the relationship between customer purchase intention and its antecedents. There is a question of special importance in the age of technological revolution 4.0 and e-commerce: How can a company increase its online customer purchase intention and improve its competitive edge?

The literature has clearly established a starting point for analysis. Parasuraman et al. (1988) have emphasized the chain model of service quality - trust – purchase intention in the traditional business environment characterized by direct interactions between the company employees and customers. Specifically, service quality dimensions will affect customer trust, and, in turn, the customer trust will lead to customer purchase intention. There are two important questions for the future research orientation: (1) whether this chain model can be applied to the online business environment; and (2) What is the role of online service quality in this chain model?

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Researchers have looked at the factors that influence customer purchase intention in the traditional business environment (human interactions between company employees and customers). However, few systematic studies have focused on how quality service factors affect customer purchase intention through the mediating role of trust. Furthermore, we believe that not all components of service quality have the same effect on customer trust and purchase intention.

Therefore, it is important to study which service quality factors have the greatest influence on customer trust and purchase intention and to assess the level of associations among these factors.

This research aims to answer these key questions in the B2C e-commerce environment, specifically the hotel-to-customer e-commerce environment in Vietnam - one emerging country. In addition, given the continuing liberalization of the economy and therefore of increased competition this will naturally increase the adoption of e-commerce (Huy et al., 2012). Vietnam has achieved many economic achievements since the start of its economic reforms in 1986. The purpose of these economic reforms was to transform its centrally planned economy into a market-oriented economy. Vietnam's economy in 2017 had a high economic growth rate of 6.81% (General Statistics Office of Vietnam, 2017). One of the sectors contributing significantly to this high economic growth rate was the hotel and tourism industry. In 2017, Vietnam attracted 12.992 million international visitors (Vietnam National Administration of Tourism, 2017) and had about 784 3-5-star hotels to serve international and domestic tourists (Vietnam National Administration of Tourism, 2016).

Studies have examined the relationships between hotel website service quality dimensions, customer trust and purchase intention. However, most of these studies have been conducted in economically developed countries and very little research has been conducted in Vietnam - a country with an emerging economy and increasing international economic integration. Based on the literature review, we look at the relationships among customer perceived website service quality dimensions, trust, and purchase intention in luxury hotels in Vietnam. Specifically, this study intends to: (1) point out key hotel website service quality dimensions; (2) consider the relationship between these service quality factors and customer trust; (3) examine the relationship between customer trust and purchase intention; and (4) investigate if each dimension of hotel website service quality has a direct or indirect impact on customer purchase intention.

2. CONCEPTUAL FRAMEWORK

Based on the literature review, we have constructed our research model that consists of customer perceived website service quality (7 dimensions identified in this study), customer trust and purchase intention (Figure 1). The primary results of the literature review that are relevant to the constructs in the research model will be discussed as follows.

2.1. Identify Key Online Service Quality Factors

It can be said that identifying important online service quality factors is a tremendous task as there are so many studies conducted in this field. In order to be able to select key website service quality dimensions in the hotel-to-customer e-commerce environment, we must investigate the theoretical basis of the B2C e-commerce. Scholars have pointed out that the difference between the online business environment and the traditional business environment is that the online business environment primarily involves interactions between online information systems and customers. It is therefore necessary to analyze two important aspects as reference points for the present study. The first aspect is related to customer service quality characterized by the SERVQUAL model. This model was developed by Parasuraman et al. (1988) and suitable for the traditional service environment. The second aspect is related to information systems and website design quality. This aspect focuses on non-human interactions between networks/computers and customers. Although there are many online service quality factors, we only selected the factors that have been empirically validated, that are applicable to our research environment, and that have impacts on customer trust and purchase intention.

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