Factors Affecting Online Direct Hotel Booking: A Study in Bangkok

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ABSTRACT

The objectives of this research were firstly, to study tourist opinions towards factors affecting online direct hotel booking, and secondly, to study the different demographic characteristics that have impact on opinions towards the factors affecting online direct hotel booking. The survey research using accidental sampling was conducted with international tourists in Bangkok from October to December 2019. In total 449 questionnaires were used for analysis. The finding revealed ten important factors that could influence online direct hotel booking. They were 1) good payment conditions, 2) competitive price and promotion, 3) good service quality, 4) good cancellation policy, 5) convenience in making reservations, 6) comprehensive website and content, 7) effective use of technology, 8) interesting benefits, 9) good marketing activities, and 10) good communication with hotels. It also revealed that gender, education, profession and nationality showed significant impact on tourists' opinions towards factors affecting online direct hotel booking whereas age and marital status did not. Knowing the factors affecting tourists' online direct hotel booking and the influence of demographic characteristics on tourists' opinions towards the impact factors would enable small and medium-sized hotels to improve their online direct hotel booking which consequently leading to higher revenue and profit margin.

KEYWORDS: Hotel marketing, Online travel agency (OTA), Online direct hotel booking, Online reservation, Bangkok**.**

Introduction

Online travel agencies (OTAs) have become important for the overseas transient segment, particularly for small and independent hotels. In the first quarter of 2015, the study of individual leisure and business bookings showed year-on-year growth in bookings made via OTAs 15.1%, brand.com (7.1%), and Global Distribution System (GDS) (1.1%) whereas direct and Central Reservation System (CRS) bookings decreased by 8.4% and 6.1%, respectively (Barthel & Perret, 2015). Barthel & Perret (2015) stated that the OTA segment was becoming a strong competitor to the individual booking sector and distribution channels and had already taken a substantial share from traditional contracted booking channels, such as wholesalers and tour operators. Chubchuwong's study (2018)

found that bookings from online travel agencies (OTAs) had had a strong impact on hotel sales revenues and that individual business travelers from corporations and officials from government segments had slowly shifted towards OTAs because the room rates were more competitive.

Some independent hotels, which were established since the past two decades and had limited marketing distribution experience, were found to work with OTAs due to their strong market exposure. However, even though OTAs generate a lot of revenue for hotels, their high commission rates are a major concern for most hoteliers (Barthel & Perret, 2015; Gazzoli et.al.,2008; Lee, Guillet & Law, 2012; Chubchuwong, 2019; Chubchuwong, 2021). With commission ranging from 15% to 30%, OTAs are also considered a heavy burden on hotel profit margins (Barthel & Perret, 2015). Several researchers have observed troubled relationships between hotels and OTAs (Barthel & Perret, 2015; Gazzoli et al.,2008; Lee, Guillet & Law, 2012; Chubchuwong, 2019).

The existing literature on hotel online distribution often focused on pricing strategies and room availability issues for different segments of hotels (Gazzoli et al.,2008); the effectiveness of OTA websites (Park, Gretzel & Sirakaya (2007); and the effectiveness of online booking (Ye at al., 2011). As the global tourism industry is likely to continue to grow in the long-term, it is believed that OTAs will play even greater role in hotel room distribution. Thus, this research aimed to identify factors that could affect online direct hotel booking and to study the different demographic characteristics that had significant impact on tourists' opinions towards factors affecting online direct hotel booking.

Research objectives
The objectives of this research were
1. to study tourist opinions towards the factors affecting direct online hotel booking,

2. to study the different demographic characteristics that have impact on tourists' opinions towards the factors affecting online direct hotel booking.

Benefits of research
Understanding tourists' opinions towards online direct hotel booking, and the impact of demographic characteristics on tourists' opinions towards these factors would enable small and medium-sized hotels to improve their online direct hotel booking which will consequently lead to higher revenue and profit margin.

The author assumes that some small and medium-sized hotels in Thailand might have limited online marketing knowledge and experience and need some guidelines to improve their websites and online direct selling.

Literature review

Literature revealed that independent hotels have increasingly depended on OTAs for room distribution (Barthel & Perret, 2015). There are major benefits that hotels obtain by using OTAs, such as higher numbers of bookings and global market exposure especially for unbranded properties that might have limited visibility. However, research also revealed that hotels complained about the high commission rates that they paid to OTAs and the impact on their profits (Barthel & Perret,2015; Chubchuwong, 2019; Chubchuwong,2021).

Thai hotel industry
The hotel industry has long been the top foreign income earner of Thailand's tourism industry. In 2019, the revenue from the tourism industry was 1.91 billion THB, and accommodation sector was the first income earner among the other sectors of the tourism industry (Ministry of Tourism and Sports, 2019). In 2018, there were 24,391 accommodation establishments in Thailand and 98.9% of them had no foreign investment, and 86.2% of the total were small in size, with between 1 and 15 employees

(National Statistics Office, 2019). The 2018 accommodation survey reported that 55.9% of Thai hotels faced problems of increased competitive when compared to large and international chain hotels. Large hotel chain hotels usually have their own computer reservation systems (CRS) for global room distribution. However, generally small and medium-sized independent hotels do not. Chubchuwong (2019) found that 45% of small and medium-sized independent hotels still did not have their own online booking channels. As a result, they tend to use OTAs to help increase their market exposure and sales. Abuelkassem (2016), stated that small and medium-sized hotels (SMSHs) held a very weak competitive position against chain hotels due to a number of operational shortcomings such as limited services and facilities, low quality service, and unqualified personnel. However, small and medium-sized hotels do have some operational advantages that could enhance their competitiveness e.g. low prices, friendly service style, and an original accommodation experience. Brown & Kaewkitipong (2009), found that in terms of e-business use, Thai small and medium-sized tourism enterprises (SMEs) were less able to utilize e-business technology. Moreover, the size of their business was found to be a significant factor in determining their performance, not only for comparison with larger travel agencies or hotels, but also within the SME sector itself. They suggested that tourism SMEs should pay more attention to the strategic use of information technology (IT) in order to compete with their larger competitors and more IT skills education was needed.

Major global online travel agencies.

An Online Travel Agency (OTA) is defined as an agency engaged in selling and arranging accommodation, tours, transportation and trips for travelers on an online platform (Hotel Technology Index, 2019). In the 1990s, online travel intermediaries were established (Barthel & Perret, 2015; Gazzoli et.al.,2008) and have become the main global e-intermediaries.

competitiveness (National Statistics Office, 2019). Literature reveals that small and medium-sized hotels tend to be less

In the past, the booking of hotel rooms was traditionally made through direct reservations with intermediaries, such as tour operators, travel agencies, and meeting and destination management companies. However, in the past two decades, due to the growth and development of the internet and electronic marketing, hotel bookings have gradually changed to online reservations.

The two most important OTA players are Expedia and Priceline. Expedia Travel Service was launched by Microsoft in 1996 in the USA, followed by its European counterpart, Priceline, in 1997 (Barthel & Perret,2015; Gazzoli et.al.,2008). Both platforms allow customers to book their holidays online. Expedia gained first position in terms of worldwide gross bookings whereas Priceline was the largest OTA by revenue. Booking.com B.V. is part of the Price Line group and was established in 1996. It was translated into 40 languages and included 913,667 hotels in its network. Agoda Company Pte. Ltd. was established in 2005, and in 2007 it was acquired by Price Line. It has offices in more than 20 countries including Thailand. Agoda.com has more than 100,000 hotels in their network and the website has been translated into 38 languages.

The relationship between hotels and OTAs

Some literature revealed an unfriendly relationship between hotels and OTAs. Barthel and Perret (2015), and Chubchuwong (2019) mentioned the high commission demanded by OTAs and there were several tourism and hotel conferences that discussed the unsolved relationship problems between the two parties (Mest, 2017 in Chubchuwong, 2019). This indicated that the relationship between hotels and OTAs was not good and hotels were in an uneasy situation.

Chubchuwong (2019), found eight problematic areas regarding hotels using OTAs including 1) price cutting, 2).high commission, 3) no-show problems, 4) rate disparity, 5) OTAs using wrong pictures, 6)

negative reviews, 7) payment problems and 8) other operational problems. Due to these unresolved problems, hotels should try to

Hotel rooms' online booking behaviors and preferences

Chubchuwong (2021) studied the attributes of online travel agencies based on the systematic literature review, and also studied travelers' behaviors and preferences regarding online hotel room booking in order to find ways to improve direct online hotel reservation. In-depth interviews were used as a tool to determine the travelers' online hotel booking behaviors and preferences. In total, 37 participants, including foreign visitors and Thai residents who had experiences using OTAs for hotel room reservation, were interviewed between February and May 2019 in Bangkok. The results revealed ten important factors that affected direct online reservation with the hotels. They were 1) competitive price and promotion, 2) interesting benefits, 3) convenience of making reservation, 4) comprehensive website and information, 5) good credibility, 6) good payment condition, 7) good service quality and customer relationship, 8) loyalty program, 9) good cancellation policy, and 10) good marketing. It was concluded that the majority of tourists used OTAs to make room reservation because of the cheaper rates, instant confirmation and other benefits such as the possibility to book without paying a deposit in advance.

Demographic characteristics and online hotel booking

With regard to demographic characteristics, Kotler et.al. (2017) stated that Generartion Y and Z tended to be familiar with using internet and digital technology than the older generation. Patchamas (2017) studied the opinions and confidence of 400 Thai consumers in regard to hotel room booking via OTAs. This research found that age, profession and income had significant impact on online hotel room booking, whereas gender had not. Consumers with different ages, profession and income had significantly different opinions toward online

develop their own online marketing channels by incorporating as many features and benefits offered of OTAs.

hotel booking. Sanson & Gupta (2018) studied the impact of demographic factors on online booking behavior in Jammu District, it was found that gender, occupation and qualification had significant relationship with consumers' online booking behavior. Therefore, studying the relationship between the demographic characteristics and the important factors affecting online direct hotel booking would enable small and medium sized hotels to design their online marketing more effectively. It seems that independent hotels, which have less IT expertise and no global distribution channel, tend to increasingly depend on OTAs. However, due to the troubled relationship between the two parties, it is recommended that hotels improve their own online direct reservation systems. Based on these 10 factors which were derived from the qualitative research of Chubchuwong (2021) and the finding of Brown & Kaewkitipong (2009) that the effective technology had the impact on the success of online marketing, therefore effective use of technology was added to the factors.

The author intended to conduct an empirical research based on 11 factors in order to confirm that they are the important factors that affect online direct hotel booking. In addition, it is of beneficial to understand which tourists' demographic characteristics have significant impact on these factors.

Research hypotheses
H1: The eleven factors influence online direct hotel booking. (They are competitive price and promotion, interesting benefits, convenience of making reservations, comprehensive website and information (including credibility), good service quality, effective use of technology, good marketing, good communication, good payment condition, good service quality, loyalty program, good cancellation policy, good payment condition.)

H2: Different demographic characteristics of tourists have different impacts on tourists' opinions towards factors affecting online direct hotel bookings. (see Figure.1)
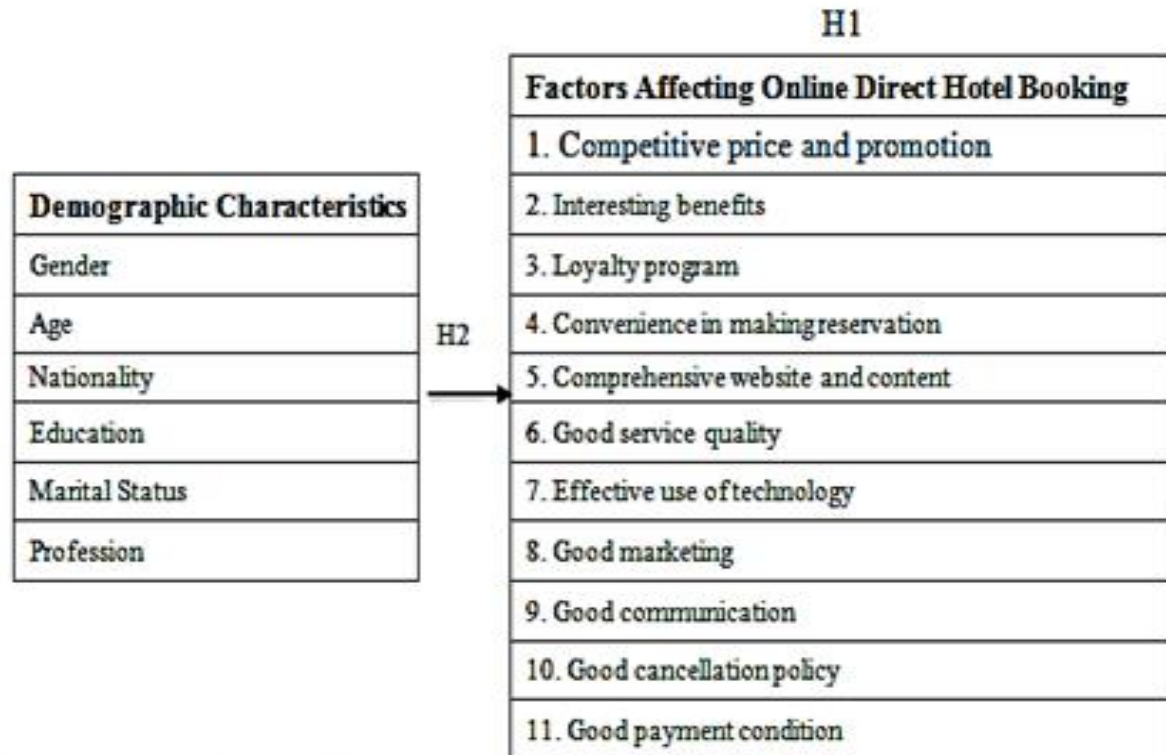
Research framework

H1

Factors Affecting Online Direct Hotel Booking
1. Competitive price and promotion
2. Interesting benefits
3. Loyalty program
4. Convenience in making reservation
5. Comprehensive website and content
6. Good service quality
7. Effective use of technology
8. Good marketing
9. Good communication
10. Good cancellation policy
11. Good payment condition

Demographic Characteristics
Gender
Age
Nationality
Education
Marital Status
Profession

H2

Fig. 1 Research Framework

Research methodology

Firstly, the literature review was done particularly of Chubchuwong (2021). After that the survey research was conducted in Bangkok with 449 respondents.

Instruments

A review of literature and the findings from the qualitative research of Chubchuwong (2021) provided the foundation for this research. In designing the questionnaire, questions under each factor were drawn from the author's qualitative research results which revealed ten important factors that affected online hotel booking behaviors and preferences. However, in designing the factors for the survey research, the topic of 'good credibility' was reconsidered to be part of the information on the website, so the author combined it into the 'comprehensive website and content'. In addition, 'the communication' between customers and the hotels was separated from 'good service quality' to be a new factor in order to measure its level of importance.

The study of Brown & Kaewkitipong (2009), found that in terms of e-business use, Thai small and medium-sized tourism enterprises were less advanced in utilizing e-business technology. Therefore, the effective use of technology was found to be significant for online marketing. Thus, it was included as one of the topics of study. The final questionnaire comprised four sections: section 1. experience of using online travel agencies (OTAs) for hotel reservation including 5 questions; section 2. the factors influencing consumers to book directly with a

hotel, this section includes 47 statements under 11 factors; section 3. open-ended questions, this question allows respondents to give comments that may help the hotel to improve their online direct booking; section 4. profile of respondents including gender, age, nationality, education, profession and marital status. A screening question was used to check whether the respondents had ever booked through OTAs. The reliability of the multi-item measures was also checked.

Population and samples

The survey research was conducted with international visitors age 18 and above in Bangkok between October and early

Data Analysis

For objective one, descriptive statistics were employed to find frequencies, percentage, standard deviation and mean of each item of factors, and for objective two, independent t-test, and one way ANOVA were employed to analyze the impact of

December, 2019. Accidental sampling was used. The questionnaires were distributed at major tourist attractions in Bangkok i.e. the Grand Palace, major temples, major department stores, food markets, and the Khao Sarn area. In total, 458 questionnaires were collected; however, some were incomplete, so 449 questionnaires were used for analysis. According to Taro Yamane (1973) for an undeterminable size of population, with 95% confidence level, the sample size is n = 400. Therefore, in this research, n = 449 is considered sufficient.

different demographic characteristics on tourists' opinions towards each factor.

Results

The profiles of the respondents were shown in Table 1

Table 1. Profile of Respondents

		Frequency	Percent (%)
Gender	Male	247	55.01
	Female	191	42.54
	Missing	11	2.45
	Total	449	100
Age	18–24	113	25.17
	25–39	246	54.79
	40–54	62	13.8
	55+	24	5.35
	Missing	4	0.89
	Total	449	100
Nationality	Asian	201	44.77
	European	159	35.41
	American	68	15.14
	Oceania	18	4
	African	2	0.45
	Missing	1	0.22
	Total	449	100
Education	Diploma	69	15.37
	Bachelors	218	48.55
	Masters &Doctoral	125	27.84
	Missing	37	8.24
	Total	449	100
Status	Single	276	61.47
	Married	121	26.95
	Divorced	8	1.78
	Widow	3	0.07
	Other	23	5.12
	Missing	18	4
	Total	449	100
Profession	Company employee	163	36.3
	Student	101	22.5
	Own business	91	20.27
	Freelancer	44	9.8
	Government official	26	5.8
	Missing	24	5.34
	Total	449	100

From Table 1, 55.01% were males, and 42.54% females. For the age range, the author applied generation age groups of Kotler et. al. (2017): Gen Z (18-24 years) 25.17%, Gen Y (25-39 years) 54.79%, Gen X (40-54 years) 13.80%, and Baby Boomers (55 years and above) 5.35%. In regard to origin, the highest number was Asian 44.77 followed by European 35.41%, American 15.14%, Oceania 4.00%, and African 0.45%. The largest group had graduated with bachelor's degree 48.55%, followed by masters and doctoral degree 27.84%, and diploma 15.37%. For profession, 36.30% were company employee, followed by students (22.50%), own business (20.27%), freelancer (9.80%), and government official (5.80%). For the marital status, 61.47% were single, followed by 26.95% married, divorced 1.78%, and 5.12% others. For the hotel room booking behaviors, the details were shown in Table 2.

Table 2. Hotel room booking behavior		Frequency	Percent (%)
How many times have you booked hotels in the past 3 years?	1-5 times	210	50.12
	6-10 times	115	27.45
	11-15 times	30	7.16
	16-20 times	33	7.88
	21 times or more	31	7.4
Percentage of your hotel bookings were made via OTAs?	1-25 %	35	9.23
	26-50 %	57	15.04
	51-75 %	75	19.79
	76-100 %	212	55.94
When you book via OTAs, do you also look at the hotels' websites?	Every time	72	18.18
	Most of the time	101	25.51
	Sometimes	135	34.09
	Rarely	63	15.91
	Never	25	6.31

From Table 2, more than 50% of respondents had booked hotel rooms 1-5 times in the past three years, and 27% had booked 10 times in the past three years. Of these bookings, 55.94% of respondents had used OTAs for hotel room bookings more than 75% of the time, and 19.79% had used OTAs more than 50% of the time. 34.09% of respondents stated that even though they booked with OTAs, they sometimes checked the individual hotel websites as well; 25.51% said they had checked hotel websites most of the time, 18.18% had checked all the time, 15.91% said they had rarely checked, and 6.31% had never checked.

Table 3 showed the top 5 OTAs used by respondents. They were asked to give the four names of OTAs that they used most. The results were as follows: Booking.com (32.7%), Agoda. (27.5%), Expedia.com (9.6%), Traveloka.com (9.4%), and Airbnb.com (5.6%).

Table 3. Preferred brands of OTAs used		
	Frequency	**Percent (%)**
booking.com	279	32.7
agoda.com	234	27.5
expedia.com	82	9.6
traveloka.com	80	9.4
airbnb.com	48	5.6
hotels.com	27	3.2
trivago.com	16	1.9
tripdvisor.com	12	1.4
hostel world	11	1.3
travel.com	7	0.8

The top ten reasons that they checked the hotel websites were 1) to check price 2) to see photos and pictures, 3) to check promotion, 4) to check distance/location.5) to obtain more information 6) to check facilities and amenities, 8) to check the convenience of booking directly, 9) to check service, 10) to check social media. (See Table 4)

Table 4. Reasons for checking hotel websites		
Reason	**Frequency**	**Percent (%)**
To check price	204	37.43
To see photos, pictures	58	10.64
To check promotion	43	7.89
To check distance/location	36	6.61
To have more information	31	5.69
To check facilities/amenities	31	5.69
To check rating/standard	27	4.95
To check the convenience	25	4.59
To check service	22	4.04
To check social media	18	3.3
Credibility/review	12	2.2
To check availability	11	2.02
Safety/ security	8	1.47
To check events/activities	6	1.1
Advertising/marketing	3	0.55
Tourist attractions	3	0.55
Cancellation	3	0.55
Flexibility	2	0.37
Food service	1	0.18
Season	1	0.18
Total	545	100

To assess the importance of the 11 factors that may influence tourist decisions to book directly with hotels, a Likert scale (5 point scales) The composite mean scores for each factor were as follows: cancellation condition (4.16), payment condition (4.15), convenience (4.13), website and content (4.03), service quality (4.02), price and promotion (4.00), other benefits (3.86), marketing (3.81), technology (3.80), communication (3.69), and loyalty program (3.50). (See Table. 5)

However, when considering the scores of individual statements, the ones that were rated above 4.0 (which mean 'very important' to 'the most important) were shown in Table 6.

Reliability analysis of the data

According to Hair et al. (2010), reliability is an assessment of the degree of consistency between multiple measurements of a variable. Cronbach's alpha is widely-used to measure the reliability of a multi-item scale. It is generally agreed that 0.7 is the lower limit of the Cronbach's alpha coefficient. The result of the factor loading of variables in this study mostly exceeded .70 so it was considered a reliable measurement tool. (see Table 5)

Table 5. Factors influencing tourist decisions to book directly with hotels		Mean	Std. Deviation	Factor Loading	Cronbach's Alpha
Price & Promotion		**4**	**0.62**	**0.613**	**0.937**
6	cheaper room rate than online travel agencies	4.33	0.92	0.7	0.94
7	similar room rate as online travel agencies	3.87	0.99	0.697	0.938
8	early bird booking discount	3.94	1.02	0.594	0.936
9	a better promotion/discount	4.18	0.87	0.575	0.937
10	a variety of rates to compare	3.94	0.96	0.539	0.935
11	interesting packages	3.89	1.07	0.603	0.936
12	seasonal rate adjustment	3.88	1.02	0.586	0.936
Other Benefits		**3.86**	**0.73**	**0.636**	**0.936**
13	room upgrade	3.96	1.01	0.598	0.936
14	early check-in/late check out	3.9	1.05	0.628	0.936
15	a room including breakfast	4.07	0.98	0.664	0.936
16	a room including dinner	3.51	1.24	0.644	0.939
17	free transport from airport -hotel- airport	3.85	1.15	0.646	0.934
Loyalty Program		**3.5**	**1.19**	**0.699**	**0.935**
18	membership benefits	3.41	1.32	0.733	0.935
19	special rates for repeat visitors	3.6	1.23	0.665	0.935
Convenience		**4.13**	**0.72**	**0.677**	**0.936**
20	is easily to navigate and find	4.08	0.96	0.685	0.935
21	can be booked directly online	4.2	0.91	0.712	0.938
22	has a speedy booking process	4.07	0.96	0.686	0.937
23	can be booked with mobile phones or tablets	4.12	0.99	0.659	0.936
24	has instant confirmation online	4.16	0.98	0.645	0.935
Website & Content		**4.03**	**0.67**	**0.574**	**0.936**
25	has a user-friendly web site	4.06	0.9	0.554	0.935
26	provides more information on the web site	4.09	0.89	0.635	0.935
27	has good pictures on the web site	4.1	0.95	0.685	0.936
28	has a variety of hotel information such as nearby attractions	3.95	0.93	0.597	0.936
29	has positive client reviews on the web site	4.04	1.02	0.499	0.935
30	has a web site that is translated into my language	3.96	1.13	0.476	0.936
Service Quality		**4.02**	**0.76**	**0.653**	**0.936**
31	has good and satisfying customer service	4.22	0.88	0.674	0.936
32	builds a good customer relationship during the client's stay	4.12	0.9	0.711	0.936
33	offers interesting activities	3.73	1.09	0.574	0.936
Technology		**3.8**	**0.84**	**0.632**	**0.936**
34	has their own direct booking engine	3.77	1.07	0.71	0.935
35	has no problems with the internet	4.08	0.97	0.559	0.936
36	sends the promotion via email	3.55	1.23	0.628	0.935
Marketing		**3.81**	**0.85**	**0.578**	**0.935**
37	has good word of mouth	4	0.95	0.455	0.935
38	has good social media	3.74	1.14	0.625	0.933
39	has good advertisement	3.73	1.07	0.65	0.935
40	is a well-known hotel	3.77	1.08	0.582	0.937
Communication		**3.69**	**0.83**	**0.702**	**0.936**
41	can conveniently communicate with the hotel	4.14	0.88	0.581	0.935
42	has personal contact with someone at the hotel	3.71	1.06	0.746	0.937
43	knows someone at the hotel	3.37	1.23	0.787	0.938
44	is a repeat visitor at that hotel	3.54	1.16	0.694	0.936
Cancellation		**4.16**	**0.77**	**0.686**	**0.936**
45	finds it easy to cancel	4.09	0.91	0.667	0.935
46	can find the cancellation and refund policy on the web site	4.17	0.9	0.745	0.935
47	can cancel a booking without a fee	4.22	0.91	0.647	0.936
Payment		**4.15**	**0.64**	**0.611**	**0.937**
48	does not have to pay advance deposit	4.06	0.93	0.648	0.937
49	can use a credit card for payment	4.27	0.89	0.519	0.937
50	does not need to use a credit card to guarantee a booking	3.92	1.01	0.699	0.937
51	has more payment choices	4.06	1.06	0.585	0.935
52	has safe and secured payment system	4.46	0.81	0.604	0.936
Note: n = 449					

Table 6 Ranked tourists' opinions towards factors affecting their decision to book online with hotels

	Factors	Mean
1	has safe and secured payment system (good payment condition)	4.46
2	cheaper room rate than online travel agencies (competitive price& promotion)	4.33
3	can use a credit card for payment (good payment condition)	4.27
4	has good and satisfying customer service (good service quality)	4.22
5	can cancel a booking without a fee (good cancellation policy)	4.22
6	can be booked directly online (convenience in making reservation)	4.2
7	better promotion/discount (competitive price and promotion)	4.18
8	can find the cancellation and refund policy on the web site (good cancellation policy)	4.17
9	has instant confirmation online (convenience in making reservation)	4.16
10	can conveniently communicate with the hotel (good communication)	4.14
11	can be booked with mobile phones or tablets (convenience in making reservation)	4.12
12	builds a good customer relationship during the client's stay (good service quality)	4.12
13	has good pictures on the web site (comprehensive website and content)	4.10
14	provides more information on the web site (comprehensive website and content)	4.09
15	finds it easy to cancel (good cancellation policy)	4.09
16	is easily to navigate and find (convenience in making reservation)	4.08
17	has no problems with the internet (effective use of technology)	4.08
18	a room including breakfast (interesting benefits)	4.07
19	has a speedy booking process (convenience in making reservation)	4.07
20	has a user-friendly web site (comprehensive website and content)	4.06
21	does not have to pay advance deposit (good payment conditions)	4.06
22	has more payment choices (good payment condition)	4.06
23	has positive client reviews on the web site (comprehensive website and content)	4.04
24	has good word of mouth (good marketing)	4.00

According to the ranked factors (table 6), the ten very important to the most important factors influencing online direct booking were good payment conditions, competitive price and promotion, good service quality, good cancellation conditions, convenience of making reservation, comprehensive website and content, effective use of technology,

interesting benefits, good marketing activities, and good communication. This finding mostly supports the study of Chubchuwong (2021). However, in this study, the effective use of technology was included and rated higher than the loyalty program.

For the analyses of the impact of the different demographic characteristics on tourists'opinions towards the factors affecting direct online hotel booking, independent t-test and one-way ANOVA were employed.

The results indicated that age and marital status had no significant impact on tourists' opinions towards factors affecting direct online hotel booking. However, it was found that 'gender' had significant impact on one factor which is the 'convenience of making reservation'. Female tourists rated the importance of convenience of making reservation significantly higher than male tourists. (See Table 7).

Table 7 The Independent T-test of gender and convenience of making reservation

Gender	n	mean	Std. Deviation	Sig
Male	247	4.13	0.777	0.016
Female	191	4.16	0.608	

Education level was found to have a significant impact on tourists' opinions towards loyalty program, effective use of technology, and good marketing.

Those who graduated with a diploma rated the importance of 'effective use of technology' higher than those who graduated with masters, doctoral and bachelor degrees. Education level also had a significant impact on opinion towards the marketing activities of hotels. Those who graduated with bachelors' degrees or diplomas considered marketing activities of hotels more important than those who graduated with masters and doctoral degrees. (see Table 8.)

Table 8. The ANOVA test of educational level and influential factors

Education Level	Mean			F - value	df.	Sig.
	Diploma	Bachelors	Masters & Doctoral			
Loyalty Program	3.52	3.66	3.22	5.464	411	0.005
Effective use of Technology	4.02	3.82	3.68	3.907	411	0.021
Good Marketing	3.82	3.94	3.59	7.31	411	0.001

Profession had a significant impact on loyalty program. Tourists who were students considered loyalty programs, good marketing activities, good cancellation conditions and good payment conditions more important than people in other profession.

Students and freelancers also rated the importance of good service quality higher than company employees and government officials. Both students and freelancers gave more importance to cancellation and payment conditions than company employees. employees and government officials. (see Table 9)

Table 9. The ANOVA test of profession and influential factors

Profession	Mean					F-value	df.	Sig.
	Student	Own Business	Company Employee	Government Official	Free-lancer			
Loyalty Program	3.81	3.56	3.31	3.38	3.46	2.933	424	0.021
Service Quality	4.17	4.09	3.91	3.56	4.16	4.771	424	0.001
Good Marketing	4.01	3.87	3.69	3.65	3.74	2.744	424	0.028
Good Cancellation Policies	4.31	4.08	4.12	3.83	4.32	3.246	424	0.012
Good Payment Condition	4.28	4.07	4.13	3.83	4.2	3.025	424	0.018

Nationality had the significant impact on most factors. People with different nationalities had significantly different opinions towards the factors influencing online hotel booking. Respondents from Asian countries gave more importance to competitive price and promotion, interesting benefits, comprehensive website & content, effective use of technology, and good communication with hotels than those from European and American countries. Asian tourists also gave more importance to loyalty program, comprehensive website and content, good service quality and good marketing activities than those from European counties or America. (see Table 10)

Table 10. The ANOVA test of nationality and influential factors

Nationality	Mean			F-value	df.	Sig
	Asian	European	American			
Competitive Price and Promotion	4.12	3.86	3.99	7.508	426	0.001
Interesting Benefits	4.04	3.7	3.71	11.887	426	.000
Loyalty Program	3.8	3.14	3.42	14.855	426	.000
Comprehensive Website and Content	4.14	3.93	3.98	4.515	426	.011
Good Service Quality	4.18	3.87	3.95	7.991	426	.000
Effective Use of Technology	3.93	3.64	3.83	5.335	426	.005
Good Marketing	4.02	3.62	3.65	11.564	426	.000
Good Communication	3.8	3.57	3.6	4.014	426	.019

Discussion and conclusions

This research findings revealed ten factors, regarded as very important factors affecting online direct booking: good payment conditions, competitive price and promotion, good service quality, good cancellation policy, convenience of making reservation, comprehensive website and content, effective use of technology, interesting benefits, good marketing activities, and good communication. This was mostly in line with the findings of Chubchuwong (2021). However, this research found that 'effective use of technology' was rated more important than 'loyalty program'. Even though 'loyalty program' showed less important than other 10 factors at present, it might be increasingly important in the near future as it was preferred by students who would become future visitors to hotels.

This research found that most tourists had had experiences using OTAs for hotel room reservation 1-5 times in the past three years. The most popular OTA brands used by tourists were Booking.com, Agoda.com followed by Expedia. This was also supported the findings of Chubchuwong (2021). For hotel websites, 43.69% of respondents stated that while making a reservation with an OTA, they also checked the hotel websites most of the time or every time. There were 10 reasons for checking websites as found in the study. These results provided important insights and opportunities for hotels to improve their websites in order to encourage tourists to book directly and thus increase the number of direct online bookings. Hotel websites need to provide all of this information if they are to satisfy clients.

For the study of factors influencing tourist decisions to book directly with hotels, it was found that safe and secure payment conditions was the most important factor and hotels need to provide clear payment methods that are efficient and secure. A credit card should be used for payment.

The second most important factor was room rates that are on par or cheaper than the OTAs. This is a problematic issue. for hotels. Hotels should negotiate with If it is not possible, hotels should create packages or special conditions such as other interesting benefits to attract direct bookings, particularly for repeating visitors.

Room cancellation without a fee is equally important. If hotels can offer this by not charging a cancellation fee except during the peak period, they will get more direct bookings.

The convenience of making reservations directly online by computer, mobile phone, tablet or another device is also very important. Hotels must use modern booking engines which are able to confirm bookings instantly.

Even though hotels sell their rooms online, they should have someone with whom clients can conveniently communicate, and the response should be provided in a fast, efficient and friendly manner.

The hotels' website and content should be user-friendly, have good pictures with up-to-date information. The website should have positive clients' review.

Hotels have advantages over OTAs in that they have guests stay on premise. Good and satisfying customer service and good customer relationship building are very important factors to attract clients to book directly for the next visit. This is the advantage of small hotels that should be stressed (Abuelkassem ,2016). Satisfying guests can generate good word of mouth which is an important, zero cost marketing.

In order to provide convenient online reservation, hotels should have their own booking engine and they must make sure that there is no problem with the internet or wifi.

Even though the loyalty program is considered less important than other 10 factors, it is becoming more necessary

today especially for students as they are potential segment for future repeat visits.

This research revealed that different age and marital status did not show significant impact on opinion of tourists towards any factors. However, it was found that Generation Z (18-24 years) (mean =4.26) and Generation Y (25-39 years) (mean =4.11) gave more importance to the convenience of making reservation online than older generation. This is in line with Kotler et al.(2017) and Chubchuwong (2021)'s study which found that majority of respondents were between 21-39 years. This might be because these two generation groups are more familiar with using technology for online reservation than other generation.

The research found that 'gender' had significant impact on tourists' opinions towards 'convenience of making reservation'. Female tourists rated the importance of convenience of making reservation significantly higher than male tourists.

Education level was found to have a significant impact on tourists' opinions towards factors relating to competitive price and promotion and good payment condition. This is in line with Sanson & Gupta (2018). It was found that tourists who graduated with a diploma or bachelor 's degree were more concerned about the effective use of technology by hotels for making reservations, marketing activities and loyalty programs than those with a higher education level. This might be related to their income level, which made them more sensitive to competitive price and payment condition, marketing promotion and loyalty program offerings. Hotels should take these findings into consideration and provide different room rates, loyalty program offerings and design marketing activities by targeting at this groups more than other groups.

Profession was found to have significant impact on tourists' opinions towards several factors. This is in line with Patchamas (2017) and Sanson & Gupta (2018). Tourists who were students considered the loyalty program, marketing activities, good cancellation policy and good payment conditions offered by hotels to be more important than those from other profession. It could be said that students had less income and were more price and promotion sensitive than other profession; therefore, hotels should design special rates and promotions for students both for individual travelers or groups especially during student holiday season. Even though students are unlikely to generate high revenue today, but they are potential repeating customers in the long term.

Nationality had the most significant impact on most factors. Tourists from Asian countries are more concerned about competitive price and promotion, comprehensive website & content, effective use of technology, and good communication than those from European countries. Asian tourists also gave more importance on other interesting benefits, loyalty programs, good service quality and marketing activities than those from European counties and America. Inconclusion, Asian tourists are more sensitive to most factors relating to direct online reservation. Therefore, hotels should take this insights into consideration and pay attention to this segment.

Recommendations

In the past decade, the hotel room booking via OTA has been growing rapidly. This research found that 56% of respondents used OTAs for hotel room reservation 75% of the times or more. Therefore, the direct hotel booking has been declining. Chubchuwong (2019 ,2021) found that OTAs benefited hotels in terms of global market exposure and increased number of reservation. However they also brought several marketing and operational problems such as rate disparity, price cutting, high commission and no shows. This unfavorable condition diminishes hotels' potential revenue and profit. This research revealed 10 important

factors regarding hotel room online booking. Hotels can use these findings as guidelines to improve their price and promotion, other benefits, websites, online booking conditions such as payment and cancellation condition, service quality, communication, online booking technology and loyalty program. This research also provided insight that while tourists were booking their rooms with OTA, 34% of them 'sometimes' checked the hotels' websites, and 43.69% checked hotels ' websites 'most of the times' to 'every time'. Therefore, hotels still have good chances to attract direct online reservation, particularly, repeating visitors whom they already have acquaintances with the hotel and direct contact.

For hotel marketers, apart from knowing which factors are most significant for improving online hotel booking, it is also important to understand the impact of demographic characteristics on tourists'

opinions towards factors affecting direct hotel online booking, particularly, gender, education level, profession and nationality of tourists. Hotels needed to analyze their major and minor market segments based on each important demographic characteristics in order to design their online direct marketing strategies and approaches to each market correctly. Knowing tourists' opinions and the impact of tourists' demographic characteristics towards factors affecting online hotel booking would enable small and medium-sized hotels to improve their hotel direct online booking which will consequently lead to higher revenue and profit margin.

As this is the study of the demand side i.e. tourists, it is interesting to study whether small and independent hotels can adopt these guidelines, and what are the problems and obstacles in doing so.

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