

ONLINE TRAVEL PURCHASE DECISION AMONG YOUTH TRAVELLER IN MALAYSIA

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Abstract: *Previous studies have focus on online travel products but not service on the websites hence only one study focuses on online travel purchase decision of travel among youth consumer in Malaysia. Taking this into consideration, the present research hopes to further investigate and understand online travel purchase decision among youth travelers in Malaysia. This conceptual paper discusses the factors that influence online travel purchase decision among youth traveler in Malaysia. Specifically, the paper elaborates on the purpose relationship between website design, perceived risk, perceived usefulness, subjective norms and trust. Based on the extended discussion on relationships, the paper also provides a research framework for the online travel purchase decision for other researchers to expand in the future. This new framework has the potential to broaden everyone's perspective and comprehension of online travel purchase decisions. Tourism agencies and online travel shop can use online marketing strategy that will be suggested to improve their business and make better profit. With the understanding of consumer preferences and expectations, the travel companies will be able to design their marketing strategies properly and maintain the loyalty of their consumers when purchasing online. Besides contributing towards the literature on youth travelers purchase decisions, this paper will reinvigorate the factors of website design, perceived risk, perceived usefulness, subjective norms and trust towards the online travel purchase decision among youth travelers in Malaysia.*

Keywords: *Online travel purchase decision, perceived risk, perceived usefulness, subjective norms, trust, website design*

Introduction

Online travel agencies (OTAs) which compile the services offered by numerous businesses involved in travel and tourism are another option for making online reservations. Through websites and applications, OTAs market and sell travel-related products like hotel rooms, airline tickets, taxis and vacation packages (Rezgo, 2019). Consumer resistance is a negative reaction to or reluctance to use a certain product or services innovation (Tansuhaj et al., 1991). Consumer resistance is a crucial component of consumer behavior against online purchase since it can prevent an innovation from being adopted which can determine whether it succeed or fails (Talwar et al., 2020; Heidenreich & Kraemer, 2016). According to, the airline revenue maximization solution (ARMS) which offer a complete and comprehensive picture of an airlines revenue ecosystem and personalizes fares and offers to customers at a willing to pay rate using predictive forecasting features, helped Malaysia Airline (MAB) record 57% higher yield in passenger revenue in 2021 despite lower passenger traffic and reduce capacity 62% and 71% respectively.

Therefore, to encourage repeat business and client loyalty, a business must provide exceptional customer services (Rita, Oliveira & Farisa, 2019; Gounaris et al., 2010). High service quality is necessary to achieve a high customer satisfaction level which frequently resulted in positive behavioral intentions (Brady and Robertson, 2001). The secret to success in e-commerce is a website with good system quality, information quality and electronic services quality (Sharma & Lijuan, 2015). Customers could choose not to visit a website they do not trust. Customers with high brand awareness may boost the dependability of websites and foster client trust (Mohseni et al., 2018; Chang & Chen, 2008). Online merchants create information asymmetries since customers cannot access or understand service quality prior to purchase (Punyatoya, 2018).

Moreover, risk quantifies users' anxiety about being restricted to a small selection of homes, overpaying for lodging and making frequent bookings. On the other hand, concerns about privacy and security weigh the risk associated with disclosing financial information online when booking hotels, as well as other privacy and security rules related to the reservation flights and other accommodations. The implications of customer vulnerability and security and privacy risk in the context of mobile apps have been also highlighted in previous research (Ng & Wakenshaw, 2017; Laukkanen, 2016; Guttentag & Smith, 2017). Prior study suggests a negative correlation with perceived risk and online purchase decision related to mobile payment (Lu et al., 2011). Customers are required to reveal a lot of personal and financial information when booking travel using websites. A consumer may experience a variety of issues such as making a purchase and receiving bad services despite paying the seller with their credit or debit card. It may be challenging to evaluate the services and the security and privacy concerns throughout the purchasing process, there are more risk and less trust in online setting compared to physical stores (Ariffin, Mohan & Goh, 2018; Laroche et al., 2005). A study from Jin, Rahim, Fong & Cheng (2019), stated that perceived risk has negative influence in online purchase decision on travel. When there is a significant level of danger, consumers are likely to make online purchases. A study from Akhlaq & Ahmed (2015), discovered that customer decisions to make online purchases are negatively impacted by perceived risk. This shows that when consumers learn that an online transaction is dangerous, their decision to make a purchase is lowered.

Besides that, according to earlier studies, perceived usefulness has a greater impact than perceived ease of use (Kucukusta, Law, Besbes & Legohérel, 2015). They concluded that when

it comes to consumer's online travel, efficacy, efficiency and functionality are more important than perceived ease of use. When performance outperforms expectations, customer happiness rises (Liang & Shiau, 2018; Choi et al., 2015). Customer satisfaction with purchase decisions should be influenced by perceived usefulness.

Furthermore, people frequently look to groups for their standard or assessment regarding certain behavior, but few researchers have examined the impact of subjective norms on online purchase decisions. According to Wang et al (2016), it has been asserted that customer utilize social networking sites to connected with their friends and family when they want to look up for travel related information sources. The results also showed that customers' purchase decisions are positively influenced by immediate feedback about information sources. When searching for travel accommodations on websites, users examine the review left by previous guest where these reviews have a big impact on other customers purchasing decision (Sun et al., 2020; Mauri & Minazzi, 2013).

Aside from subjective norms, trust is another main issue that needs to be addressed in this study. Consumer expectations for services or products form the basis of trust if these expectations are not discovered where consumer confidence will decline or even vanish (Wijaya & Warnadi, 2019). Consumer trust in online purchase and the impact of their privacy and security policy disclosure on websites (Punyatoya, 2018). Customers who have had positive experiences with a services provider in the past are more likely to trust them to keep their promises in the future (Ganesan, 1994). Having positive encounters minimizes ambiguity and fosters trust which should result in a longer lasting connection (Morgan & Hunt, 1994).

Youth travelers often have strong enthusiasm and leisure time to experience new places, despite being constrained by relatively modest amounts of disposable income. Youth and less affluent visitors are drawn to short haul destinations that are practical and affordable (Kamal, Suhaila, & Chiu, 2013; Jang, Bai, Hong & O'Leary, 2004). In the new era of technology, promotions for both goods and services are more common. At several stages of the product life cycle, from encouraging experimentation to implementing brand modification to sustaining brand loyalty, promotions are useful (Pinto & Castro, 2019). Even though they have the financial means to do so, young travelers when it comes to the value for their money (Glover, 2010).

In relation to that, studies that examine the relationship between website design, perceived risk, perceived usefulness, subjective norms and trust on online travel purchase decision among youth Malaysian travelers are scarce. These present a strong justification for further investigation on the interrelationship between website design, perceived risk, perceived usefulness, subjective norms and trust towards the online travel purchase decision. Specifically, the present study will focus on the relationship between website design, perceived risk, perceived usefulness, subjective norms and trust towards online travel purchase decision among youth. The findings from this research will significantly contribute towards new literature on the youth traveler participation. Besides it will also create useful information on online consumer behavior particularly regarding youth Malaysian travelers.

Literature Review

To encourage repeat business and client loyalty, a business must provide exceptional customer services (Rita, Oliveira & Farisa, 2019; Gounaris et al., 2010). High service quality is necessary to achieve high customer satisfaction level which frequently resulted in positive behavioral

intentions (Brady and Robertson, 2001). The secret to success in e-commerce is a website with good system quality, information quality and electronic services quality (Sharma & Lijuan, 2015). Customers could choose not to visit a website they do not trust. Customers with high brand awareness may boost the dependability of websites and foster client trust (Mohseni et al., 2018; Chang & Chen, 2008). Online merchants create information asymmetries since customers cannot access or understand service quality prior to purchase (Punyatoya, 2018).

Website Design

The website design has roughly one per tenth of a second to make an impression on visitors and potential customers for them to convey the reliability and professionalism of the website towards business. However, it is crucial to go overboard. Using a flash intro, animation and scrolling text sparingly in the website design and solely to emphasize a point for the greatest impact (Palmer, 2022). The design is important since it not only links to the customer and business, but also plays an important role in determining the customer's return to the website repeatedly. Visual design concentrated on the website's aesthetically pleasing appearance and emotional appeal. It is seen as a crucial component of the company's brand image that influences the consumers' initial perceptions towards them. The more captivating the images on the website, the more chances of keeping the visitors' attention on our products or services. The website will have a diversified vibe if it includes high quality and interesting photo images, illustrations, tables and infographics. A unique image would be better to represent the products to the target audiences. The website design should be user friendly, and the menu should be available on any pages.

Information, features and services offered on the website and designated as a different way for customers and retailers to connect are referred to as content. Visitors will stay on the website longer if the material is of high quality, informational, interesting and meets their needs. They will get more knowledge about the company and start to go for more information when they need it. As a result, it will eventually influence consumer decisions in buying a product or services through the website as well as becoming a loyal customer to the website (Bleier et al., 2019). The viewers should be aware of their location on the website and have quick access to allocate their desire (Lofgren, 2020). The ability to navigate to the pages that contain the information users are seeking as it is essential to provide a positive user experience.

Futuremore, Cho (2015) discovered comparable outcomes in the study of Korean consumer on online purchase decisions. Consumer will not utilise a certain website to make online reservations if it is designed poorly. Websites should have straight layouts that enables users to complete their jobs quickly and easily. Few research has provided strategies that enable direct marketers to plan more helpful websites (San, Martn & Herrero, 2012). Website design quality has evidence from previous researchers that describe the online purchase decision was positively affected by website design (Jin, Rahim, Fong, Cheng, 2019; Tan, Ariff, Zakuan & Sulaiman, 2016).

H1: Website design has a significant influence on online travel purchase decisions.

Perceived Risk

Perceived risks are referred to as cost linked with the purchase decision of the customer which acts as a kind of uncertainty about the future. This uncertainty will eventually affect the consumer purchase decision (Wei et al, 2018). Risk quantifies users' anxiety about being restricted to a small selection of homes, overpaying for lodging and making frequent bookings.

On the other hand, concerns about privacy and security weigh the risk associated with disclosing financial information online when booking hotels, as well as other privacy and security rules related to the reservation flights and other accommodations. The implications of customer vulnerability and security and privacy risk in the context of mobile apps have been also highlighted in previous research (Ng & Wakenshaw, 2017; Laukkanen, 2016; Guttentag & Smith, 2017). Prior study suggests a negative correlation with perceived risk and online purchase decision related to mobile payment (Lu et al., 2011).

Functional risk refers to the fact when making an online purchase whereas a customer cannot verify the products operation or quality of the products. Nonetheless it seems very light, this presents a significant barrier for visitors to visit the store. Regardless of that, even the seller offers his own products (Bocker, 2022). Large enterprise and high-end brands also mitigate this risk by accommodating 30-day return policies while expanding the statutory right of withdrawal for distance selling contracts from 14 to 30 days. These precautions are taken because they make the buyer feel more secure about the acquisition of the products.

Data misuse has already been attempted to be stopped by the legislature, and it has been partially effective. However, customers should think about the provider's reliability before making a purchase to ensure that their information is secure. Trust and security symbols that have a clear explanation of how cookies are used when entering a site can also be effective in this situation to win over customers. Credit cards, Paypal, TouchnGo and Online transfer is the most common method that have been used in purchasing a product or services. The more recognized payment methods that have been provided to customers, the more likely they will choose the one that they feel secure and easier to use.

H2: Perceived risk has significant influence on online travel purchase decisions.

Perceived Usefulness

Perceived usefulness is a degree to which a person thinks employing a specific technology would be advantageous (Hussein et al., 2019; Davis, 1989). A person's assessment of a usefulness belief and the conviction of that belief may influence how useful they perceive something to be. Perceived usefulness has a greater impact than perceived ease of use (Kucukusta, Law, Besbes & Legohérel, 2015). They concluded that when it comes to consumer's online travel, efficacy, efficiency and functionality are more important than perceived ease of use. When performance outperforms 8 expectations, customer happiness rises (Liang & Shiau, 2018; Choi et al., 2015). Customer satisfaction with purchase decisions should be influenced by perceived usefulness.

According to research by Kim and Song (2010), the perceived usefulness of online stores is significantly influenced by system or technological features such advanced search engines, personal shopping carts, multilingualism, product filtering and reward point redemption services or products. Extrinsic cues such as product information have become more significant in social commerce because consumers cannot directly verify environmental elements (Krichhoff, 2000). According to Cohen and Vendenbergh (2012), if a consumer finds the information valuable, they will take it into account when making a purchase. Cho (2015) also discovered that the validity of the link between perceived usefulness and online travel purchase decision is only applicable to the actual goods purchased but not services. Online travel purchase decisions are the subject of this study in making them a form of services. This study fills a research gap by concentrating on the online purchase decision.

H3: Perceived usefulness has significant influence on online travel purchase decisions.

Subjective Norms

Subjective norms are based on individual judgments of what should or not be done in light of potential rewards or penalties associated with engaging in certain behaviour. According to Kim et al (2013), subjective norms are defined as the inspiration of customers that they received from friends, family or coworkers to make a purchase from online retailers. People frequently look to groups for their standard or assessment regarding certain behaviour, but few researchers have examined the impact of subjective norms on online purchase decision. According to Wang et al (2016), it has been asserted that customer utilise social networking sites to connected with their friends and family when they want to look up for travel related information sources. The results also showed that customers' purchase decision is positively influences by immediate feedback about information sources. When searching for travel accommodations in websites, users examine the review left by previous guest where these reviews have a big impact on other customers purchasing decision (Sun et al., 2020; Mauri & Minazzi, 2013).

In the context of e-commerce, the subjective norm refers to social pressure that customers feel when making online purchases. Furthermore, according to Bhattacharjee (2000), interpersonal factors like word of mouth from friends and family as well as external environment factors like media reports and people who engage in online shopping shape subjective norms. Additionally, a person's decision to complete a certain business online can be impacted by someone nearby who is close to them. Influencers can be any person from any and different backgrounds to ensure that people will purchase the products that they promote. This will eventually affect the consumer purchase decision in buying goods or services.

H4: Subjective norm has significant influence on online travel purchase decisions.

Trust

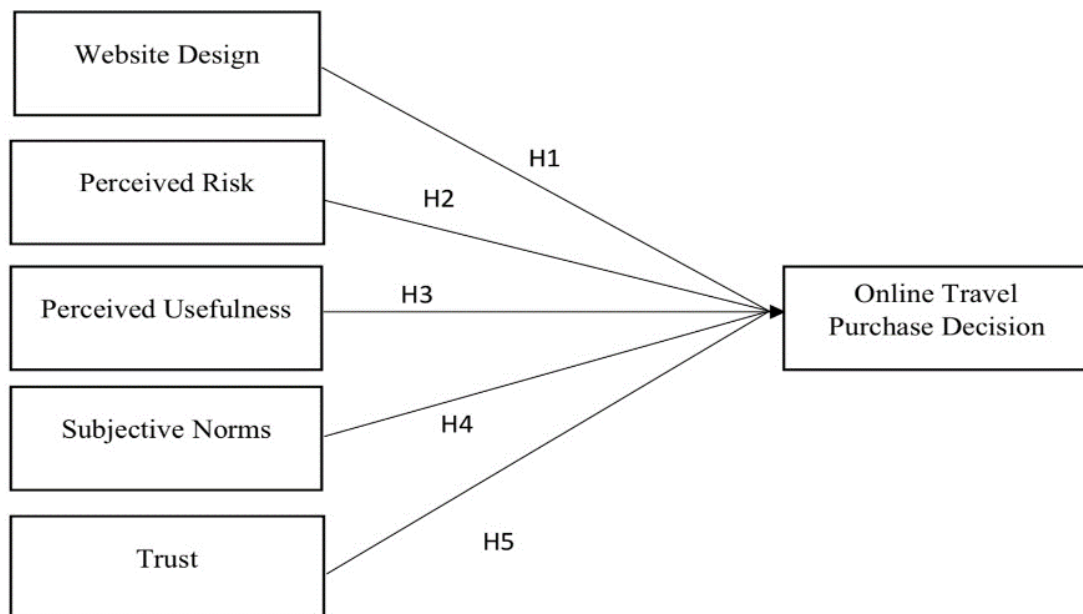
Trust is defined as the amount to which a consumer will accept vulnerability and unreliability in order to rely on an online credibility, goddess and competency (Eastlick & Lotz, 2011). Consumer expectations for services or products form the basis of trust if these expectations are not discovered where consumer confidence will decline or even vanish (Wijaya & Warnadi, 2019). Consumer trust in online purchase and the impact of their privacy and security policy disclosure on websites (Punyatoya, 2018). Customers who have had positive experiences with a services provider in the past are more likely to trust them to keep their promises in the future (Ganesan, 1994). Having positive encounters minimizes ambiguity and fosters trust which should result in a longer lasting connection (Morgan & Hunt, 1994).

The multidimensional construct of trust is frequently used and is essential in guiding consumer behavior. The idea of trust has been studied throughout the last few decades in a variety of contexts including social, psychology, sociology, economic and marketing (El-Ansary & Roushdy, 2013). According to Ayuningtyas and Widiyanto (2015), indicators of buying decision include consistency in purchasing a desired product to repurchase and meet their expectation. Before making a purchase decision, consumers are required to trust the seller that is demonstrated by their expertise, goddess and integrity (Budyastuti & Iskandar, 2018; Hayuningtas & Widiyanto, 2015). Online transactions built on cutting-edge technologies offer website to website connection rather than face to face engagement. The majority of customers in this new technologies' era were doubting the retailer's dependability during the pre and post-sale to support merchant authentication and non-repudiation of detective product because of the

limited physical interaction that they had with the store (Kim & Bensabat, 2003; Leeraphong & Mardjo, 2013).

It will be simpler for the business to express their targeted marketing messages and foster favorable perceptions of their brand in consumer thoughts when they get trusted by the target audience (Ebrahim, 2020). According to Jadir et al, Rana and Dwivedi (2022), internet trust is a major factor that influences the consumer purchase decision. In addition, numerous research has shown that trust has a direct and important impact with the online purchase decision (Jin, Rahim, Fong & Cheng, 2019; Balasubramanian, Konana & Meron, 2003; Gefen & Straub, 2004; Kwek et al, 2011; Yoon, 2002). Customers are more disposed to make higher priced online purchases when they have greater trust in the online store (Thamizhvanan & Xavier, 2013).

H5: Trust has a significant influence on online travel purchase decisions.



Figures 1: Conceptual Framework

Based on the above propositions, we develop a conceptual framework (Figure 1) that explains Factor influencing online travel purchase decisions among youth travelers in Malaysia.

This study will use the theory of Technology of Acceptance Model (TAM). The models that have been developed in this research framework are based on the model TAM2 Venkatesh and Davis (2000). This makes up that TAM2 has seven components which are subjective norms, image, job relevance, output quality, result demonstrability, perceived usefulness and perceived ease of use. However, the researcher has extended the variables by adding website design, perceived risk and trust as new variables for the online travel purchase decision among youth travelers in Malaysia. Hence, in this study we only take two components which are subjective norms and perceived usefulness and add them with new variables which are website design, perceived risk and trust which make the total of components five variables. Independent variables of this research consist of website design, perceived risk, perceived usefulness,

subjective norms and trust. The purpose of this study is to identify the relationship between independent variables and dependent variables.

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