RELATIONSHIP OF BRAND EQUITY WITH HOTEL BOOKING WEBSITES

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Abstract: **Building Brand Equity is one of the top most priority of any business firm, but being succeeded in this is not an easy task because the services are similar in the case of online hotel booking websites. By Brand equity, the customers can differentiate one brand from another and it influences the perceptions of the brand it is important for both the websites and hotels. Due to rapid growth in internet availability and hotel aggregators, travelers increasingly prefer to book hotel online. This happens when perceived value of the consumers met; which eventually leads to brand loyalty. This conceptual study helps to find the impact of brand loyalty and perceived value in building brand equity towards online hotel booking websites in India.**

Keywords: **brand equity, hotel aggregators, brand loyalty, perceived value.**

1. INTRODUCTION

Information Technology in Hotel Sector

The rapid growth in Information Technology (IT) and internet availability many business firms changed their operations by integrating IT into their business operations, in hotel industry this combination emerged into third-party online hotel booking sites, were the consumers can book an hotel room without direct contact with the hotel. These booking sites collaborates with various hotels and provides various options for hotel. While booking through these sites the consumers are provided with various other benefits such as advance booking, free cancellation, early check-in check-out etc. OyoRooms, TripAdvisor, MakeMyTrip, Cleartrip, Yatra, Expedia, Trivago are some of the third-party sites providing services in India, some of these sites also provides services such as booking flight, train, bus tickets and tour packages this adds as an additional advantage. These sites also works as mobile applications on smartphone (android, apple iOS, Blackberry) and on tablet PC (Windows, iPad). These sites allows consumers to book hotel rooms 24/7, view room details and pictures, provides other amenities and details of the hotel, allows to give feedback which makes consumers feel convenient. Building Brand Equity is one of the top most priority of any business firm, but being succeeded in this is not an easy task because the services are similar in the case of online hotel booking websites. By Brand equity, the customers can differentiate one brand from another and it influences the perceptions of the brand it is important for both the websites and hotels. Due to rapid growth in internet availability and hotel aggregators, travelers increasingly prefer to book hotel online. This happens when perceived value of the consumers met; which eventually leads to brand loyalty. When reading through previous literatures, it is found that only limited researches are done on brand equity in hotel sector. According to Mackey (2001) and Kim et al (2003) "while there are lot of literatures on the equity of goods, literatures based on service branding are limited".

Brand

Kotler et al (2005 pp. 549) defined Brand as "a name, term, sign, symbol, design or a combination of these that identifies the makers or seller of the products or services". According to Prasad and Dev (2000) "a brand can be said to include all tangible and intangible attributes that the business stands for". According to Kotler and Armstrong (2004) "Brand represents consumer's sensitivity and emotional attachment to the product". A strong brand enjoys the benefit of reduces competitive advantage, profitability, customer loyalty etc.

Brand Equity

Since 1980's, the subject of brand equity developed rapidly. Aaker (1991, pp.15) defined Brand Equity as "a set of brand assets and liabilities limited to a brand, its name and symbol that add to or subtract from the value provided by the product or service to a firm or to that firm's customers". Agarwal and Rao (1996) defined brand equity as the total quality and choice intention. Brand equity is classified into three main perspectives: (a) financial perspective (value of the brand to the firm) (b) customer perspective (value of a brand to the consumers) and (c) combination of both.

Consumer Based- Brand Equity

Aaker (1991) viewed brand equity as the multidimensional concept that includes perceived qualities, brand loyalty, brand awareness, brand association and propriety assets. Keller (1993) stated that brand knowledge and brand awareness are the two dimensions of brand equity. Cob-Walgren et al (1995) adopted brand awareness, brand association and perceived quality from Aaker (1991) concept of brand equity for their study on "Customer based perceptual measure of brand equity" and found that brand equity has effect on perception, intention and the attitude of the customer. Yoo et al (2000) adopted perceived quality, brand association and brand loyalty from Aaker (1991) in his study and the results stated that these three dimensions contribute to the brand equity.

Brand Awareness

According to Aaker (1991) and Keller (1993) brand awareness is a vital element of brand equity. Rossiter and Percy (1987) stated that brand awareness is the "ability of consumers distinguish a brand among other brand". Rossiter (1991) also stated that "brand attitude and intention to purchase a product can only be developed through brand awareness. Aaker (1991, pp.62) stated that there are three levels of brand awareness: (a) brand recognition, (b) brand recall, (c) top of mind. Many researchers such as Lin and Chang (2003) Hoye and Brown (1990) found that brand awareness has the most vital influence on consumer purchase decision.

Perceived Quality

Aaker and Keller stated that perceived quality is the core dimension of customers based brand equity. It is related to the willingness of the consumer to pay a price premium, Brand choice and intention to purchase the brand. According to Carman (1990), Parasuraman (1998) perceived quality has a positive effect on customers purchase intention.

Brand Loyalty

Aaker (1991) referred brand loyalty as "the attachment that a customer has to a brand". According to Oliver (1999, pp.34) brand loyalty is defined as "deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, hence causing repetition of same-brand or same-brand set purchasing, despite situational influence and marketing efforts having the potential to cause switching behaviours".

Brand Association

According to Aaker (1991) brand association and brand equity are strongly interrelated. It acts as an information collecting tool. According to Keller (1998) "brand associations can be created via the associations with attitudes, attributes and benefits respectively". According to Yoo et al (2000) and Atilgan et al (2005) "strong brand association leads to high brand loyalty.

Brand Equity in Hotel Sector

According to Mackey (2001) and Kim et al (2003) "while there are lot of literatures on the equity of goods, literatures based on service branding are very limited". Krishnan and Hartline (2001) stated that "brand equity connected with tangible goods have gained greater attention in the literatures, fundamental understanding on the nature of brand equity in service has not yet developed". Bateson and Hoffman (1999) stated that the similarity in characteristics of the service resulted in difficulty for consumers to differentiate between the services until they experience it, as a result more perceived risk is connected with purchasing of the services than the goods. Blackwell et al (2001) defined perceived risk as "the confusion faced by consumers about the potential positive and effect of their purchase decision". According to William (2002) to reduce the perceived risk when purchasing services, consumers often resulted in buying brands they are familiar and the brands they trust.

With development of hotel aggregators Value for money, Relationship benefits, Trust towards 3rd party online booking sites, Trust towards hotel, Online reviews and feedbacks and Service provided plays a vital role towards brand loyalty and perceived value in building brand equity. It acts as consumer perception and also reflects on consumer intention to book. Kotler (2005) stated perception as "the process by which information is received, selected, organized and interpreted by individual". Seo Yeon Kim (2017) proved that the perceived value, which was affected by both price and quality was positively related to individual's intention to book. Yaqian Zhou (2011) proved that in sequence of degree of significance, brand loyalty, brand awareness and perceived quality as brand sub-dimensions have positive relationships with perceived value and revisit intentions. S. Sapic (2014) found that quality of interaction and value for money which is the two dimensions of perceived value achieved a statistically significant effect on loyalty. Riadh Ladhari (2015) from the findings of the study the nature of comments has significant effect on all four dependent variables (booking intentions, attitude towards the hotel, trust in the hotel, and perception of the website). Diana Gavilan (2018) found impact of good and bad ratings during the first stage of decision making process when booking a hotel. BeverleyA Sparks (2011) the study found out that consumer is more influenced by early negative information, when the overall set of reviews is negative.

Conceptual Model
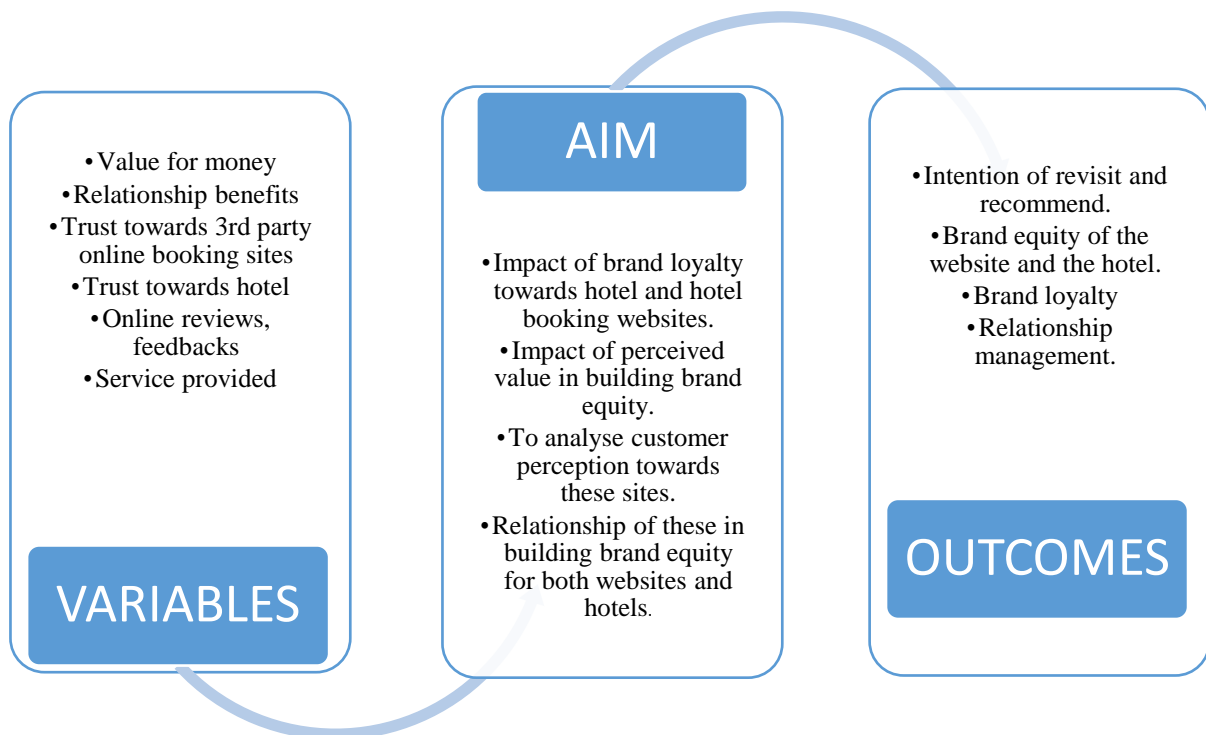
2. DISCUSSIONS AND CONCLUSION

Building brand equity in service industry is not an easy task as the services are similar with every brand. In this competitive environment Consumer based brand equity on consumer's perception of the brand is very important. This paper presents review of literature of brand equity in hotel sector and definitions of brand equity and its dimensions by authors. The review has been made with journal papers related to brand equity. Many researches are done on brand equity of tangible goods and some researches are done in identifying the relationships of brand equity dimensions with firm's operations; this paper focuses on relationship of brand equity with hotel booking websites.

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