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THE ROLE OF WEB DESIGN TOWARDS INFLUENCE PURCHASE
INTENTION IN HOTEL INDUSTRY

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DECLARATION

“I admit that this report is the result of my own, except certain explanations and passages where every of it is cited with sources clearly.”

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DEDICATION

I would like to dedicate the appreciation to my family members who supported me from spiritually and financially, beloved supervisor and panel who guided me throughout the research, housemates and course mates that assisted me through the journey of research.

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ABSTRACT

This paper aims to report the findings of an empirical research focusing on the role of web design that influence purchase intention in hotel industry. With very little effort or time, hoteliers can publish hotel information on their website and customers can make room reservations online. To understand the mechanism surrounding these transactions, this study was conducted to investigate the role of web design that influence purchase intention in the hotel industry. The data for this study will be collected by using questionnaires from 150 respondents in the hotel industry at Melaka. The results indicate that purchase intention on website hotel are determined by usability, functionality, perceived usefulness and ease of use. Overall, in this research findings, the ease of use is the most influence and has resulted in a significant on the online purchase intention with a value of 0.000. The collected data will be analysed, interpreted and discuss in this research.

Keywords: *Web design, Usability, Functionality, Perceived Usefulness, Ease of use, Purchase Intention, Hotel Industry, Melaka*

ABSTRAK

Kertas kerja ini bertujuan untuk melaporkan hasil penyelidikan empirikal memberi tumpuan kepada peranan reka bentuk web yang mempengaruhi niat pembelian di dalam industri hotel. Dengan sangat sedikit usaha atau masa, pengusaha hotel boleh menerbitkan maklumat hotel di laman web mereka dan pelanggan boleh membuat tempahan bilik dalam talian. Untuk memahami mekanisme sekitar urusan niaga ini, kajian ini telah dijalankan untuk menyiasat peranan reka bentuk web yang mempengaruhi niat pembelian dalam industri hotel. Data untuk kajian ini akan dikumpulkan dengan menggunakan soal selidik daripada 150 responden dalam industri perhotelan di Melaka. Hasilnya menunjukkan bahawa niat pembelian di laman web hotel ditentukan oleh kebolegunaan, fungsi yang bermanfaat, kegunaan yang senang digunakan dan kemudahan penggunaan. Keseluruhannya, dalam penemuan penyelidikan ini, kemudahan penggunaan adalah yang paling mempengaruhi dan telah menghasilkan keputusan yang signifikan pada niat pembelian dalam talian dengan nilai 0.000. Data yang dikumpul akan dianalisis, ditafsirkan dan dibincangkan dalam kajian ini.

Kata kunci: *Reka bentuk web, Kebolegunaan, Fungsi, Persepsi kegunaan, Kemudahan penggunaan, Niat pembelian, Hotel Industri, Melaka*

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CHAPTER 1

INTRODUCTION

1.1 Introduction

This research objective to classify about the studied of tourism which stands in the hotel industry. It shows the role of web design toward influence purchase intention in the hotel industry. In addition, this chapter also consists of National Policy of Tourism industry in Malaysia. Formerly, this study explains the tourism industry in Malaysia. From this chapter, the study also consists the research objectives and research questions, the scope of the study and lastly is about the significance of the study.

1.2 Background of Study

The tourism industry in Malaysia is presently the six main funder to the economy in Malaysia. In two thousand fourteen, RM161 billion to the Gross Domestic Product with approximately 14.9 percent. The tourism industry in this country tagline used 'Malaysia Truly Asia' for an official slogan in endorsing Malaysia, besides inviting tourists to vacation in our country. The most important aimed at the first impression from customers is the website hotel itself. An early customer's description is done by only facing the hotel's website by browsing the online website.

Nowadays, the internet has become a strong influence on the hotel industry to implement websites to their sell images. Besides that, in providing the option of booking a room or switching to search for a hotel, this website will show an important role to the customer. Marketing tools that make it easy to be a good marketing are by using the website. The website is also the best place to be used as a communications platform between the customer and the hotel. Hence, a good website is a website that has useful information for users by using effective affairs, it can increase sales volume and comfort this hotel a reputable name.

They asserted that the number of online users has increased compared to previous results on online purchase (Kucukusta *et al.*, 2015). In their research also studies the trend that will grow and change characteristics of the online user grounded on demographic and internet usage in the dynamic environment. Due to the popularity of online purchases on hotel websites, it is very important for hotel's companies to understand the needs of customers who use the hotel's website for online purchases.

1.3 Information and Communication Technology Development in Malaysia

The use of information and communication technology in Malaysia is increasing. It is a government ingenuity to encourage the advance and progression of online businesses. The number is increasing as the user becomes an important driver of information and communications technology in Malaysia. Additionally, through the improvement of information and communication technology, it provides a good experience for internet users and it helps positively to the development of digital business in Malaysia.

Global Competitiveness Report in 2014 to 2015, Malaysia's ranking has increased from four places to 20 of the 144 (World Economic Forum, 2015). In the digital economy rankings of 2010, as determined by the Economic Intelligence Unit, Malaysia ranks thirty-six out of seventy countries. To determine the position of a country, a four-decimal score is used, including infrastructure for connection and technology, social-cultural environment, law and business, policies that are mandated by governments, and adopted by users and business.

Therefore, Malaysia has participated in the Asia Pacific Economic Cooperation (APEC) to develop rules, policies, and laws in e-commerce. Malaysia's participation in this initiative will make Malaysia as the top country in the improvement of information and communications technology. Thus, the trend of buying on the website is not a stranger to Malaysians compared with people in other countries is more advanced. Malaysia is one of the developing countries that started using digital business in both domestic and international businesses. The Ministry of Communications and Multimedia is the government organization responsible for the development and development of Information Communication Technology.

According to the Department of Statistics, Malaysia (2016), Malaysia is a developing country with a population of 30,254,000 million until September of two thousand fourteen. The Malaysian government hopes to turn the country into a knowledge economy and to realize the vision to become a developed country by 2020.

1.3.1 Websites and E-commerce

The website is a platform for information retrieval and has many functions that can be used. Among its functions is a website can be a personal website, a company's commercial site, a government website or a non-profit organization website. The website is a collection of correlated websites, which includes the generally recognized with a common domain name, the content multimedia, and issued on at least one web server. Websites can be opened through a public Internet Protocol (IP) network, for example, the Internet, or a private local area network (LAN), with reference to a uniform search source (URL) that classifies the site.

Companies in both service and product-related businesses are using e-commerce to improve their sales. Defined e-commerce as the purchasing and retailing of goods and services over computer networks, including the Internet. Along with price and quality of electronic service now plays the main part in user's receptiveness. A website for tourism such like example trivago.com it is can easily find the best hotel for the best price and also can gain information for weekend trips to destinations and also can find the right hotel on the Trivago website. Online tourism managers frequently start their search with search engines for example Excite and Google to learn and decide on sources. Meanwhile, a website is a part of the connection between a company and its customers, it is apparent that it must mirror the quality efforts that are in place through the company.

Websites also can be divided into two comprehensive types which are static and interactive. Static sites work or capture info but do not allow engagement with the users or audience directly. Lately, the community part of e-commerce design has also emerged as the main concept (Huang and Benyoucef, 2013) which highpoints the meaning of Web 2.0 tools and online communities. Meanwhile, the interactive sites are part of the Web 2.0 community of sites and allow for interactivity between the site users or visitors and site owners. Certain websites are informational or created by supporters or for individual use or entertainment. A lot of websites do target to make money, using one or more business models, including e-commerce. E-commerce is services or products are purchased straightly through the website.