

Effect of Demographic variables on Consumers' Decision Making Regarding Online Air Ticket Purchase in Guwahati, Assam

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ABSTRACT: : This study has attempted to investigate the affect of demographic factors on consumers' decision making regarding the online purchase of air tickets with respect to consumers from the market of Assam. This study is quantitative in nature and the sample considered for the purpose of this study is the outbound passengers from the airport of Guwahati, Assam and who have purchased air ticket online. Sampling was done based on methods of stratified random sample in order to represent all the classes. Krejcie and Morgan (1970) sample size table have been used in order to get the desired sample size. Since this study is quantitative, and 5 point liker scale based questionnaire was used for collecting the data. Total 500 questionnaires were distributed and 222 questionnaires were fully filled. Out of 500 questionnaires only 222 were usable for analysis accounting to 44 per cent of responsive rate. The collected data were analysed using descriptive statistic. Findings from the study suggests that the variables which have significant affect on decision making regarding the online purchase of air ticket are occupation and income, gender was found to be non significant.

KEY WORDS: Online air ticket, Demographic factors, Guwahati, Assam

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I. INTRODUCTION:

There was a time when people were supposed to wait for the opening and closing time of a particular shop. The invention of the internet has changed the scenario gradually. Now-a-days, people can purchase anything product or service at any point of time according to their convenience. The world has become a global market with the invention of the internet.

The penetration of the internet has touched new milestones. The number of internet users in India in 2005 was only 40 millions whereas in 2017 the number of internet user reached to 481 million. It is expected that, the number of internet user will reach to 635.8 million by 2021 (Internet usage in India- Statistics & facts). There are several reasons behind the growth of online shops and these factors are:

- Busy lifestyle
- Nuclear family structure
- Late working hours
- Easily availability of banking facility
- Easily availability of internet (Sarkar, R. and Das, Sabyasachi 2016)

In this scenario, communication has also become a matter of great importance. People need to reach to their destination in designated time only; air communication is the only way to meet the need of individuals. Aviation market is one of the fastest growing markets in the world and India has also witnessed a drastic change in aviation industry. Total number of passenger travelled either domestic or international for the year 2016-17 was 26,49,69,723 (22nd Annual Report, AAI, 2016-2017). India is the third largest market in the world in terms of domestic and civil aviation. The number of passengers travelling by air has increased to 16.3% as compared to 2000-01.

With the easily availability of the internet, the number of consumers going online has increased. Now, people can get the desired product and services in a single place. Thus, in this scenario, it is important to study the factor which impacts the consumers' decision making process. Among all other factor, demographic factor is of vital importance. In later stage of this study, it will explain the effect of demographic factor on decision making regarding the online purchase of air tickets.

Objectives:

The objectives of the study are

1. To study the consumers profile
2. To study the effect of demography on intention and actual purchase behaviour regarding the online purchase of air tickets.

Hypotheses:

The proposed hypotheses for the purpose of this study are as mentioned below:

H1: Gender has a significant effect on intention and actual purchase behaviour.

H2: Occupation has a significant effect on intention and actual purchase behaviour.

H3: Income has a significant effect on intention and actual purchase behaviour.

II. LITERATURE REVIEW:

In different studies carried out by different researchers it has been highlighted that demographic variables such as age, gender, occupation, income and marital status have significant affect on consumers decision making process regarding online purchase of air tickets (Sulaiman, A. et al. 2008; Rastogi, A. K. 2010; Shrivastva, A. 2011; Nikhashem, S. R. et al. 2011).

If the purchaser is older in age, they will go for offline purchasing whereas if the purchaser is young in age, they will go online to purchase air tickets online Beldona, S. et al., (2011).

In the context of consumers from Indian market, male members are dominant in decision making (Rastogi, A. K. 2010).

Research Methodology:

This study is mainly based on primary data; secondary data have been collected from different journals and websites.

Area of this study has been chosen as airport of Guwahati, Assam. The primary data have been collected from the airports of Guwahati, Assam. To collect the data a predesigned questionnaire have been used. This study is cross-sectional as it intends to examine the effect of the demography on decision making process regarding the online purchase of air tickets. The samples have been drawn from the population of passengers who have purchased air tickets online and travelled from the airport of Guwahati, Assam. The number of domestic passengers from the airport of Guwahati for the month of is 4,28,513 for the month March, 2018 (AAI, 2018). To estimate the sample in order to represent the population Krejcie and Morgan (1970) sample size table have been utilised, the table suggested 384 as the sample size at 95% confidence level with 5% confidence interval. TAM model have been taken for the purpose of this study, one new variable such as demographic variables have been included in this study. The questionnaire have been prepared based on 5-point Likert scale where 5= strongly disagree and 1- strongly agree.

III. RESULTS:

The descriptive statistics regarding demographic profile of the respondents are presented in the table 1 below-

Table 1:

Demographic Variables	Category	Frequency	Percentage
Gender	Male	145	62.5
	Female	87	37.5
Age	Upto 20 Years	10	4.3
	20-30	120	51.7
	30-40	73	31.5
	40-50	16	6.9
	above 50	13	5.6
Education	Below 10 th	1	0.4
	10 th	7	3
	10+2	14	6
	Diploma	12	5.2
	Graduate	128	55.2
	Post Graduate	66	28.4
Occupation	Doctrate	4	1.7
	Student	38	16.38
	Clerical Job	36	15.52
	Managerial Jobs (Pvt. Sec)	62	26.72
	Self Employed	41	17.67
	House wife	12	5.17
	government officer	26	11.21
	Others	17	7.33
Income	No income or less than 02 lakh	56	24.14
	2-4 lakh	56	24.14

	4-6 lakh	30	12.93
	6-8 lakh	25	10.78
	above 08 lakh	65	28.02
Marital Status	Single	111	47.84
	Married	112	48.28
	Separated	5	2.16
	Divorced	2	0.86
	Widowed	2	0.86

From Table 1, it can be concluded that

- The majority of the respondents are male,
- The majority of respondents are in the age group 20-30 years of age,
- The majority of the respondents are Graduate
- The majority of the respondents are employed as managers in private sector
- The majority of the respondents have annual income of more than 08 lakhs.
- The majority of the respondents are married.

The descriptive statistics regarding the source of access to internet, Purpose of browsing the internet, Product purchased in last 06 months, regarding purchase of air tickets online have been presented in the Table 2.

Table 2:

Variables	Category	Frequency	Percentage
Source of access to Internet	pc-lt	13	5.60
	Mobile	42	18.10
	pc-lt/mobile	91	39.22
	Pc-Lt/Office	7	3.02
	Mobile/C-Café	3	1.29
	Mobile/Office	8	3.45
	pc-lt/Mobile/Office	55	23.71
	pc-lt/Mobile/C-cafe/Office	13	5.60
Purpose of browsing the internet	Online Shopping	26	11.20
	Info/Chat	37	15.94
	Info/Work/Enter/Online Shopping	42	18.10
	Info/Work/Online Shopping	41	17.67
	Info/Work/Study/Chat/Entertainment/Online Shopping	86	37.06
Purchase in last 06 month	Yes	232	100.00
	No	0	
Product purchased in Last 06 months	IT	1	0.43
	Clothes	47	20.26
	Books	2	0.86
	Elec	14	6.03
	IT/Clothes/Services	79	34.05
	IT/Clothes/Services/books	44	18.97
	IT/Clothes/Services/Books/Elec	45	19.40
Have you ever purchased air ticket online	Yes	232	100.00
	No	0	

From Table 2, it can be concluded that

- The majority of the respondents have access to internet via pc-lt/mobile
- The majority of the respondents browse the internet for the purpose of Information search, Work, Study, Chat, Entertainment, and Online Shopping.
- 100 percent of the respondents have purchased products or services online.
- The majority of the respondents have purchased IT products, clothes, and services.
- 100 percent of the respondents have purchased air ticket online.

The descriptive statistics regarding the frequency of purchase of air ticket in last 12 months and experience in purchasing air ticket online have been presented in the Table 3.

Table 3:

	Category	Frequency	Percent
Frequency of purchase of air ticket online during last 12 months	1-2 times	133	57.33
	3-4 times	56	24.14
	4-5 times	21	9.05
	more than 5 times	22	9.48
Experience in purchasing air ticket online	Excellent	81	34.91
	Above Average	80	34.48
	Average	53	22.84
	below Average	12	5.17
	Poor	6	2.59

From the Table 3, it can be inferred that

- The majority of the respondents have purchased air ticket online 1-2 times.
- The majority of the respondents have excellent experienced while purchasing air tickets online.

Test of Hypotheses:

H1: Gender has a significant effect on intention and actual purchase behaviour.

H0: Gender has no significant effect on intention and actual purchase behaviour.

Table 4: Gender Cross-tabulation with Intention

Percentage within Gender		Intention			Total
		Neutral	Agree	Strongly agree	
Gender	Male	33	37	75	145
	Female	16	21	50	87
Total		49	58	125	232

Table 5: Chi-Square tests

Chi-Square Tests			
	Value	df	Sig (p)
Pearson Chi-Square	.866	2	0.648

From Table 4, it can be inferred that the majority of the respondents have strong intention towards purchase of air tickets online.

From Table 5,

The Pearson Chi-Square value = .866, df = 2 with sig (p=0.64)>0.05

Since, sig(p=0.64)>0.05, the relation between gender and intention towards the online purchase of air ticket was not significant.

Thus, from the table 5, it can be said that the gender has no significant affect on intention towards online purchase of air ticket.

Table 6: Gender Cross-tabulation with actual purchase

Percentage within Gender		Actual Purchase			Total
		neutral	Agree	Strongly agree	
2.Gender	Male	23	18	104	145
	Female	15	3	69	87
Total		38	21	173	232

Table 7: Chi-Square test

Chi-Square Tests			
	Value	Df	Sig (p)
Pearson Chi-Square	5.311	2	0.070

From Table 6, it can be inferred that the majority of the male respondents have indicated that they will purchase air ticket online.

From Table 7,

The Pearson Chi-Square value = 5.311, df = 2 with sig (p=0.070)>0.05

Since, sig(p=0.070)>0.05, the relation between gender and the actual online purchase of air ticket was not significant.

Thus, from the table 7, it can be said that the gender has no significant affect on online purchase of air ticket.

Thus, from Table 5 and Table 7, the proposed hypothesis was not supported hence null hypothesis was accepted. Hence, it can be concluded that gender has no significant effect on intention and actual purchase behaviour towards online purchase of air tickets.

H2: Occupation has a significant effect on intention and actual purchase behaviour.

H0: Occupation has no significant effect on intention and actual purchase behaviour.

Table 8: Occupation cross-tabulation with intention

Percentage within Occupation		Intention			Total
		neutral	Agree	Strongly agree	
Occupation	Student	8	6	24	38
	Clerical Job	9	11	16	36
	Managerial Jobs (Pvt Sec)	13	20	29	62
	Self Employed	14	5	22	41
	House wife	1	3	8	12
	government officer	1	5	20	26
	Others	3	8	6	17
Total		49	58	125	232

Table 9: Chi-Square tests

Chi-Square Tests			
	Value	df	Sig (p)
Pearson Chi-Square	23.435	12	0.024

From table 9,

The Pearson Chi-Square value = 23.435, df = 11 with sig (p=0.02)<0.05

Since, sig(p=0.020)<0.05, the relation between occupation and the intention towards online purchase of air ticket was significant.

Hence, occupation has significant effect on intention towards online purchase of air tickets.

Table 10: Occupation cross-tabulation with Actual purchase behaviour

Percentage within Occupation		Actual Purchase			Total
		Neutral	Agree	Strongly agree	
Occupation	Student	6	1	31	38
	Clerical Job	9	2	25	36
	Managerial Jobs (Pvt Sec)	9	8	45	62
	Self Employed	9	5	27	41
	House wife	1	0	11	12
	government officer	1	2	23	26
	Others	3	3	11	17

Table 11: Chi-Square test

Chi-Square Tests			
	Value	Df	Sig (p)
Pearson Chi-Square	13.934	12	0.030

From Table 11,

The Pearson Chi-Square value = 13.934, df = 12 with sig (p=0.030)<0.05

Since, sig(p=0.030)<0.05, the relation between occupation and the actual purchase behaviour towards online purchase of air ticket was significant.

Hence, occupation has significant effect on actual purchase behaviour towards online purchase of air tickets.

Thus, from table 9 and table 11, the null hypothesis was rejected.

Hence, it can be concluded that occupation has significant effect on intention and actual purchase behaviour towards purchase of air tickets online.

H3: Income has a significant effect on intention and actual purchase behaviour.

H0: Income has no significant effect on intention and actual purchase behaviour.

Table 12: Income cross-tabulation with Intention

Percentage within Annual Income		Intention			Total
		Neutral	Agree	Strongly agree	
Annual Income	No income or less than 02 lakh	9	17	30	56
	2-4 lakh	14	16	26	56
	4-6 lakh	9	7	14	30
	6-8 lakh	4	3	18	25
	above 08 lakh	13	15	37	65
Total		49	58	125	232

Table 13: Chi-Square Tests

Chi-Square Tests			
	Value	Df	Sig (p)
Pearson Chi-Square	7.795	8	0.001

From table 13,

The Pearson Chi-Square value = 7.795, df = 08 with sig (p=0.001)<0.05

Since, sig(p=0.001)<0.05, the relation between income and the intention towards online purchase of air ticket was significant.

Hence, income has significant effect on intention towards online purchase of air tickets.

Table 14: Income cross-tabulation with actual purchase behaviour

Percentage within Annual Income		AP			Total
		neutral	Agree	Strongly agree	
Annual Income	No income or less than 02 lakh	6	4	46	56
	2-4 lakh	9	5	42	56
	4-6 lakh	6	7	17	30
	6-8 lakh	3	1	21	25
	above 08 lakh	14	4	47	65
Total		38	21	173	232

Table 15: Chi-Square test

Chi-Square Tests			
	Value	Df	Sig (p)
Pearson Chi-Square	13.048	8	0.001

From Table 15,

The Pearson Chi-Square value = 13.048, df = 08 with sig (p=0.001)<0.05

Since, sig(p=0.001)<0.05, the relation between income and the actual purchase behaviour towards online purchase of air ticket was significant.

Hence, income has significant effect on actual purchase behaviour towards online purchase of air tickets.

Thus from table 13, and table 15, the null hypotheses was rejected.

Hence, it can be concluded that Income has significant effect on intention and actual purchase behaviour towards online purchase of air tickets online.

Summary of Hypotheses test:

- Gender has no significant effect on intention and actual purchase behaviour.
- Occupation has significant effect on intention and actual purchase behaviour.
- Income has significant effect on intention and actual purchase behaviour.

Limitations:

- Most of the respondents have high income, which may have created biasness at the time of answering the questions.
- Most of the respondents are highly educated.
- Most of the respondents are highly experienced in purchasing air tickets online.
- This study is only related with purchase of air ticket online.

Future research:

- The future research can be carried out with respondents with low or medium income.
- The future research can be carried out with less educated people
- The future research can be carried out with less experienced people in purchasing air tickets online.
- The future research can be carried out by considering other sector such as railway ticket booking, bus ticket booking, movie or concert ticket booking.

IV. CONCLUSION:

In the context of the respondents from Assam, the demographic variables such as gender have no effect on intention and actual purchase behaviour whereas occupation and income has significant effect on intention and actual purchase behaviour of air tickets online.

Thus, it can be concluded that online purchase of air ticket depends on the requirement which is not dependent on gender but, it definitely depends on occupation and income of and individual. The main demographic factor that influences consumers decision making regarding online purchase of air tickets are income and occupation of the individual.

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