

Vol. 2, No. 2, 2024

https://ejournal.unma.ac.id/index.php/fbmj

e-ISSN: 3025-1095

# The Effect of Emotional Value and Perceived System Quality on Recommendation Intention on Customer Online Travel Services

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## **ABSTRACT**

This study aims to identify the influence of emotional value and perceived system quality on recommendation intention in online travel services. In the competitive online travel industry, the ability to retain and increase customer loyalty relies heavily on the experience perceived by users. Emotional value, which includes positive feelings that arise during interactions with the service, as well as perceived system quality, which includes technical factors such as speed, ease of use, and platform reliability, are believed to have a significant influence on customers' intention to recommend the service to others. This study adopts a quantitative approach with a survey method of online travel service users who have interacted with the platform. Results from data analysis show that the emotional value perceived by customers has a positive and significant influence on recommendation intentions, while perceived system quality also plays an important role in strengthening this relationship. This research provides insights for online travel service managers to understand the factors that influence customer recommendation intentions and how they can be used to improve user experience and customer loyalty.

Keywords: emotional value, system quality, recommendation intention, online travel service

DOI: https://doi.org/10.31949/fbmj.v2i2.12097

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Vol. 2, No. 2, 2024

https://ejournal.unma.ac.id/index.php/fbmj

e-ISSN: 3025-1095

#### INTRODUCTION

The online travel industry has rapidly developed in line with advances in digital technology, which has made it easier for consumers to plan and book their trips. Online travel service platforms have become popular choices due to their convenience, speed, and accessibility. With the increasing number of online travel service providers, consumers now have more options, creating intense competition within the industry. To remain competitive, online travel service providers need to enhance the perceived value for consumers, both emotionally and in terms of system quality, to influence the intention to recommend these services to others.

Online travel service providers play a key role in the modern tourism industry by offering platforms that enable consumers to easily and quickly search for, compare, and book a wide range of travel products and services. Data from statistics show that over 70% of consumers in Southeast Asia opt for online travel services for ticket and accommodation bookings. On the other hand, consumers often face various issues such as slow systems, difficulties in accessing information, or a lack of transparency. This creates a challenge for companies in maintaining customer loyalty, especially amidst such a diverse range of platform options. The issue faced in this situation is how emotional value, which is provided by the platform, and perceived system quality, affects the intention to recommend these services to others.



Figure 1. Growth of Customer Online Services

This graph shows the global and Indonesian revenue growth of online travel services from 2010 to 2024. In 2010, global revenue from online travel services saw significant growth. The graph shows a consistent increase, with acceleration in recent years, indicating that more global consumers are switching to online services for travel bookings. By 2024, global revenue is projected to reach approximately 455 billion USD, up from around 50 billion USD in 2010. This increase is driven by greater adoption of technology, broader internet access, and mobile app services that simplify the booking process.

In Indonesia, although the revenue scale is smaller compared to the global level, the graph shows rapid growth. In 2010, the revenue was around 1 billion USD but is projected to rise to 60 billion USD by 2024. This growth is driven by the increasing use of smartphones, the convenience of mobile apps for booking, and the rise of local startup companies in the sector that cater to the domestic market. Although the growth in Indonesia started from a smaller scale, its annual growth rate is relatively higher compared to the global average, reflecting the market's enthusiasm for digital technology in the travel sector.

Emotional value refers to the positive feelings that arise when consumers use online services, such as comfort, security, and enjoyment. These feelings can influence consumer attitudes and purchase decisions, thereby encouraging purchase intention and the potential to recommend the service to others. On the other hand, perceived system quality focuses on technical aspects, such as user-friendly interface design, speed of access, and ease of navigation. Good system quality enhances user experience, which in turn can drive purchase intention and recommendation.



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https://ejournal.unma.ac.id/index.php/fbmj

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Emotional value, as perceived by consumers from a product or service, has proven to play an important role in enhancing customer loyalty and satisfaction. According to Sheth, Newman, and Gross (1991), emotional value is one of the main dimensions of consumer value perception, which includes feelings of happiness, satisfaction, and comfort during interactions with the service. Emotional value becomes increasingly crucial in online travel services, where consumers often seek satisfying and memorable experiences. Research by Rintamäki, T., Kuusela, H., & Mitronen (2017) shows that high emotional value can increase purchase intention, especially in the highly competitive retail sector. Meanwhile, Huang (2016) states that positive emotional value also fosters the creation of a Flow Experience, which is a state where consumers become immersed in the booking activity, making them more likely to buy and recommend the service.

Hoffman and Novak (1996), in their study on online marketing activities (Mustafi & Hosain, 2020), were the first to use this flow concept in the context of web user experience. According to a survey conducted in June 2023 by Rakuten Insight on online travel agencies (OTAs), around 85% of Indonesians surveyed said they have used Traveloka, followed by Tiket.com and Agoda, both of which have grown into unicorn companies in Indonesia offering services such as flight tickets, hotel bookings, and more (Baron, 2024).

The number of online travel agencies (OTAs) used in Indonesia has increased as a result of improved internet access and smartphone usage. A younger and more tech-savvy population prefers the convenience of booking travel online. With the emergence of digital payment systems and growing trust in online transactions, OTAs in Indonesia have become more popular due to their simple operations, variety of choices, and user-friendly interfaces. As tourism grows, OTAs continue to provide accessible and efficient services, solidifying their important role in Indonesia's travel industry (Baron, 2024).

Tourism plays a significant role in Indonesia's economy, contributing substantially to employment and GDP. Millions of jobs in the tourism sector, directly and indirectly in related sectors like transportation, retail, and food services, have been created by the tourism industry, which in 2019 accounted for about 5% of GDP, with foreign tourists spending billions of US dollars on accommodation, food, and entertainment. After the pandemic, the industry has made a strong recovery, with the government intensifying efforts to boost tourism and infrastructure. Furthermore, sustainable tourism has become a key focus. Indonesia aims to balance economic growth with the preservation of the environment and culture. Achieving this goal, tourism continues to be a main driver of the economy (Baron, 2024).

Between 2023 and 2030, the travel industry is projected to grow at a compound annual growth rate (CAGR) of 12.99%, generating revenue of \$667.55 billion by 2023 (T Perk, 2024). Thus, the industry is expected to reach \$1,569.25 billion. China holds the greatest potential for growth in the online travel booking industry (T Perk, 2024). This is likely due to rising middle-class incomes, greater disposable income, and wider internet access. Tourists spend more than five hours reading travel articles online for inspiration and planning their trips within 45 days before finally booking. Social media has the greatest influence on tourists' destination choices, with 75% of tourists saying social media posts inspired their travel to a particular destination in 2023 (T Perk, 2024). This aligns with and relates to the Theory of Planned Behavior.

### LITERATURE REVIEW, FRAMEWORK AND HYPOTHESIS

Emotional Value refers to the positive feelings consumers derive when using a particular product or service. Meanwhile, Flow Experience is a state where an individual becomes so focused and immersed in an activity that they experience deep satisfaction. The relationship between these two concepts often plays a crucial role in the context of user experience, particularly with digital products, entertainment apps, and various activities that require ongoing interaction. Previous research has indicated that



Vol. 2, No. 2, 2024

https://ejournal.unma.ac.id/index.php/fbmj

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Emotional Value plays a key role in driving Flow Experience. For example, a study by Huang (2016) showed that when a person experiences emotional satisfaction during a specific activity, the likelihood of entering a flow state also increases. In other words, the greater the emotional value gained, the stronger the focus and engagement of the user in the activity. Similarly, research by Hamari et al. (2018) found that positive emotional value in video games can extend Flow Experience and enhance user engagement. Other related research by Park and Lee (2019) explored this relationship in the context of e-commerce, where Emotional Value created from online shopping satisfaction plays a significant role in generating Flow Experience. The findings revealed that Emotional Value increases satisfaction and helps users stay more focused, thereby achieving a sustained Flow Experience.

Flow Experience, on the other hand, is a state where the user becomes fully immersed in an activity that provides deep satisfaction. In the context of technology, the connection between Perceived System Quality and Flow Experience is important because a high-quality system is believed to increase the likelihood of users achieving a flow state during interaction. Previous research has shown that Perceived System Quality has a direct impact on users' Flow Experience. A study by Csikszentmihalyi (1990), for example, found that an optimal environment increases the chances of achieving flow. In the digital context, this environment is manifested through the system quality perceived by the user. In line with this, research by Wang, C., Hong, Y., & Wei (2010) showed that a good system quality—characterised by a responsive and user-friendly interface—helps users stay focused and fully engaged, thereby increasing the chances of achieving flow during interaction. Another study by Shin (2019) further strengthened this connection by demonstrating that mobile applications with high system quality can enhance users' Flow Experience, particularly in activities requiring high concentration, such as e-learning and mobile gaming. In his research, Shin stated that good Perceived System Quality allows users to ignore technical disruptions, ultimately enabling them to experience a deeper Flow Experience. Furthermore, research conducted by Liao et al. (2020) in the context of e-commerce revealed that positive Perceived System Quality (e.g., stable and easy-to-use systems) is associated with emotional satisfaction and users' Flow Experience during online shopping. High system quality allows users to feel comfortable and focused on the activity, which in turn increases the likelihood of achieving flow.

### **METHODS**

This research is an empirical study conducted at online travel services companies, tiket.com, trip.com and traveloka. This research was conducted at these companies because the three companies are major players in the online travel industry in Indonesia and also in the international market. This research is all customers of online travel services, tiket.com, trip.com and traveloka. The population of the company is not known exactly because there are so many of them. The sample is part of the characteristics possessed by the population. In general. In selecting research samples, researchers used random sampling techniques. Based on the sample selection criteria, in this study there were 100 customers of online travel services, tiket.com, trip.com and traveloka used as samples.

Data analysis is a research activity in the form of a process of searching and organising in order to interpret the data obtained (Sugiyono, 2022). This study uses quantitative analysis using descriptive statistical calculation techniques. Researchers use the SEM PLS analysis method using the PLS application to perform data processing. Partial test is a testing model that aims to test the significance of the influence of each independent variable on the dependent variable (Ghozali, 2021; 141).



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https://ejournal.unma.ac.id/index.php/fbmj

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#### **RESULTS AND DISCUSSION**

The results in this study regarding the contribution of the coefficient of determination are illustrated in the following table:

Table 1. Dissemination Coefficient Result

## Model Summary<sup>b</sup>

			Adjusted R	Std. Error of the	
Model	R	R Square	Square	Estimate	Durbin-Watson
1	.921ª	.848	.845	1.67067	2.109

a. Predictors: (Constant), X2 , X1

b. Dependent Variable: Y Sumber: Output SPSS 26 (2024)

Coefficient of determination of emotional value and perceived system

KD =  $r^2 \times 100\%$ 

= 0,921 ×100%

= 92,1%

The effect of emotional value and perceived system on intention to recommend is 92.1%, the remaining 7.9% is influenced by other variables not examined. The hypothesis obtained from the research results as follows:

**Tabel 2. Hypothesis Test** 

## Coefficients<sup>a</sup>

		Unstandardize	ed Coefficients	Standardized Coefficients		
Model		В	Std. Error	Beta	Т	Sig.
1	(Constant)	1.759	.813		2.163	.033
	X1	.451	.053	.744	8.476	.000
	X2	.148	.067	.195	2.223	.029

a. Dependent Variable: Y

Source: SPSS 21 output, 2024

The emotional value variable shows a value of t statistics of 8.476 and t (table )1.991 with a significant level of 5% then t statistic 8.476> t table 1.991 and the significance value is 0.000 then H0 is rejected. This means that emotional value has a significant effect on the intention to recommend. Emotional Value refers to the emotional value that users derive while using the service, which includes positive feelings such as comfort, happiness, and satisfaction. In the context of online travel services, positive emotional experiences are often the main driver of customer satisfaction. Research by Huang (2016) shows that the greater the emotional value users feel while using a service, the more likely they are to feel satisfied and recommend the service to others. For example, when a consumer feels safe and satisfied with a ticketing or accommodation booking experience, they are likely to have a stronger intention to recommend the service to their friends or family.

The perceived system variable shows a t-statistic value of 2.223 and a t table of 1.991 with a significant level of 5%, so t statistic 2.223 > t table 1.991 and a significant value of 0.029 then H0 is rejected. This means that the perceived system has a significant effect on the intention to recommend. Perceived System Quality is the user's perception of the technical quality of the system, such as access speed, ease of navigation, and platform stability. Good system quality can increase users' comfort in using online services, which in turn has the potential to increase their intention to recommend the service. Previous



Vol. 2, No. 2, 2024

https://ejournal.unma.ac.id/index.php/fbmj

e-ISSN: 3025-1095

research, such as that conducted by Wang et al. (2010), indicated that responsive interfaces and easy-to-use systems play an important role in improving the overall user experience. A stable and fast system also reduces the potential for technical glitches, allowing users to stay focused on their activities, such as booking tickets or searching for accommodation.

## **CONCLUSION**

Emotional Value emerged as a key driver of customer satisfaction and recommendation intention. Positive emotional experiences, such as feelings of comfort, security, and enjoyment, enhance customer perceptions of the service, thereby increasing their intention to recommend it. This aligns with previous research indicating that emotional satisfaction can foster loyalty and positive word-of-mouth. Perceived System Quality, which includes factors such as system speed, ease of use, and stability, also demonstrated a strong influence on the recommendation intention. A well-functioning, user-friendly platform enhances the overall user experience, making it more likely for customers to engage fully with the service. This positive interaction, in turn, boosts the likelihood of recommending the service to others.

The study further highlighted the interaction between Emotional Value and Perceived System Quality. Both factors do not operate in isolation but instead complement each other. A positive emotional experience can heighten a customer's engagement with the system, which amplifies their perception of system quality. Conversely, a high-quality system facilitates a smoother and more enjoyable experience, strengthening the emotional connection with the service. This interplay between emotional value and system quality creates a more cohesive and satisfying user experience, leading to higher recommendation intentions.

Recommendation Intention serves as a critical measure of customer loyalty and satisfaction. When both emotional value and system quality are optimised, customers are not only more satisfied but also more likely to recommend the service to friends and family, further driving the growth of the service provider in a highly competitive online travel market. In conclusion, the results of this study emphasise the importance of both emotional and technical aspects in shaping customer experiences in the online travel services industry. Service providers should focus on improving system performance and creating emotionally engaging experiences to foster customer satisfaction and increase the likelihood of positive recommendations. This approach can enhance customer retention, loyalty, and ultimately contribute to the long-term success of online travel services in a competitive marketplace.

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