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## **AN EXAMINATION OF E-LOYALTY OF INDONESIAN MILLENNIAL TRAVELER ON THE USING OF ONLINE TRAVEL AGENT (OTA)**

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### **Abstract**

*Millennial has characteristic of tech-savvy that drives them to use Online Travel Agencies (OTAs) more often. However, another characteristic of millennial is disloyal that becomes a challenge for OTA companies for maintaining their millennial customers. Thus, this study aims to develop and examine a research model that clarifies how millennial travelers become loyal to an online travel agency (OTA). A total of 326 respondents participated in this study. Structural Equation Modeling (SEM) was applied to analyze the research model. Findings indicate that hedonic feature provides significant influence on flow whereas utilitarian feature has significant influence on trust. Furthermore, flow provides significant influence on trust, meanwhile, trust has significant influence on affective and calculative commitment. Lastly, this study confirms that affective and calculative commitment provides significant influence on e-loyalty. The scope of this study is limited to hedonic and utilitarian features of*

*the OTAs that generates experience (flow) and trust of customers, as well as commitment, that will influence millennial traveler's e-loyalty.*

### **Keywords**

Online Travel Agency, Millennial Traveler, Hedonic and Utilitarian Feature, Flow, Trust, Commitment, E-Loyalty

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## **1. Introduction**

The Information Communication Technologies (ICTs) have been widely used in many industries. The utilization of this technology is also performed in tourism industry in order to increase the productivity. However, one of the basic impacts of ICT usage in this industry is the way how people obtain information related to their trips, including transportation and accommodation. World Economic Forum (2015) stated that in tourism and travel industry, online services and business operations are getting more importance to use internet for planning itineraries, booking travels and accommodations. World Travel and Tourism Council (2016) also reported that travel and tourism generated US\$7.2 trillion (9.8% of global GDP) and provided 284 million jobs in 2015.

Nusair, Bilgihan, Okumus & Cobanoglu (2013) mentioned that travelers, especially Millennial generation, are more likely to consider to online review when they arrange their trips. Boston Consulting Group (2014) also revealed that nowadays, 95% of people utilize digital resources for arranging their trips. As generally known, Millennials are characterized as tech-savvy and more familiar in online purchasing (Nusair et al., 2013). Hence, the presence of Online Travel Agents (OTAs) suits to the needs of Millennial travelers. Boston Consulting Group (2013) stated that Millennial travelers are not yet the main customer of airline, hotel, and travel companies, however, they will reach their peak earning, spending, and travelling years in the following five to ten years. Thus, this generation will be the main customers of this industry.

Alvara Strategic Research (2015) reported that more than 35% of Indonesian population is Millennial. Visa (2015) also stated that Indonesia is the country with the highest number of leisure travel in the past two years with the increasing rate is about 33%. Besides, the number of Internet users in Indonesia is up to 132 million users or almost 50% of total population (APJII, 2016). This issue indicates that Indonesian Millennial travelers are potential market for OTA. However, the increasing number of OTA users in Indonesia is only 12% (10 million) users.

Besides, Singapore Tourism Board (2014) stated Asian Millennial travelers, included Indonesian, have shown lack of brand loyalty. It explained that regarding brand awareness of travel services providers; Asian Millennial travelers are difficult to be persuaded to exhibit brand loyalty. It also mentioned that Millennial travelers are disloyal to one or more brand. However, Llach, Marimon, Almeida & Bernardo (2013) mentioned that OTAs would also keep the customers loyal for future online purchases. Thus, OTA companies can maintain their existence millennial customers. Bilgihan (2016) mentioned that website design quality positively influences the trust of customer. Thus, OTA companies should provide this aspect through their websites in order to create the loyalty of travelers. The study conducted by Bilgihan (2016) also found that Millennial has a positive e-loyalty but it limited to the online hotel context.

Furthermore, Nusair et al. (2013) underlined that in building trust and commitment, being free and gaining attention from customers are not enough. Nursair, Parsa, & Cobanoglu (2011) pointed that customer commitment is a central construct in the development and maintenance of marketing relationship. In the OTA context, companies need to be able to create those points in order to gain e-loyalty of Millennial travelers. Therefore, this research aims to develop and examine a comprehensive model that explains how Indonesian Millennial travelers become loyal to OTA. This research focuses on hedonic and utilitarian features of OTA websites that generate experience (flow), trust, affective and calculative commitment, and later on, it will provide Millennial traveler's e-loyalty.

## **2. Literature Review**

### **2.1 Online Travel Agencies (OTAs)**

The presence of Internet has fundamentally changed the travel and tourism industry, particularly in term of its impact on the effectiveness of distribution channels (Dale, 2003; Buhalis & Law, 2008). Inversini & Masiero (2014) also pointed that the appearance of Online Travel Agencies (OTAs) is challenging in this industry. As an intermediary, OTAs provide a platform for suppliers (airlines, hotels, train, car rental and event/attraction) to sell their products and/or services to the customers. The Travel Technology Association mentioned that OTAs provide business and leisure travelers with empowering and innovative ways to shop, compare, and purchase flights, hotels, rental cars, and other travel services. Thus, consumers can purchase a variety of traveling purposes based on their needs.

Kim, Kim & Han (2007) defined OTA is online providers of travel information that help customers purchase their travel tickets and other related conveniences. Nursastri (2016) mentioned that Indonesia has 40 local players of Online Travel Agencies (OTAs) but only 20 of them are the real time providers. Thus, the competition of OTAs is getting tougher in Indonesia. However, InfoKomputer (2015) mentioned that Traveloka.com and Tiket.com are the dominant players in current market even though they are categorized as start-up companies.

## **2.2 Characteristics of Millennial on Shopping**

As mentioned that Internet has dramatically changed the way people obtain information and engage in economic and social life. The existence of online shopping is part of these changing. However, one of factors that influence people on acceptance of online shopping is age (Khare, Khare & Singh, 2014). Parment (2013) revealed that generational cohort bond age descriptors with behavioral motivations and values. The research literature divides this generation into three cohorts: Baby Boomers for people who are born between 1946 and 1960; Generation X for those who are born between 1961 and 1979; and Millennial for people who are born between 1980 and 1999 (Gurau, 2012). However, researchers can categorize the cohort differently from one another but, in general, they agree that each cohort shares common attitudes and behaviors (Parment, 2013).

Millennial is the first generation to grow up with mobile digital technology that makes them very savvy in using technology and more involved in online behavior (Howe & Strauss, 2000; Petra, 2016; Lissitsa & Kol, 2016). Growing up with the technology makes Millennials different in the characteristics and features (i.e, attitudes and behaviors) from previous generations. Furthermore, in shopping behavior Parment (2013) found a very different pattern between Millennial and Baby Boomers. Noble, Haytko and Phillips (2009) mentioned that Millennial buyers select and consume products that defines who they are, what is important to them and what they value in life. However, Ordun (2015) mentioned that Millennial customers are lack of brand loyalty due to the fact that they are exposed to more promotions versus brand advertising while growing up.

## **2.3 Hedonic and Utilitarian Feature on Flow**

Hirschman & Holbrook (in Wu, Wang, Wei & Yeh, 2015) defined hedonic as shopping for amusement, enjoyment, fantasy, novelty, variety, surprise, awakening or sensuality. Bilgihan, Okumus, Nusair & Bujisic (2013) pointed that visual appealing design provides enjoyment of the online shopping experience. In line with this study, according to

Bilgihan (2016), when customers use Internet for shopping, they get both product value and some pleasure and enjoyment.

Ozturk, Nusair, Okumus & Hua (2016) indicated that people use mobile shopping services not only to get information about products/services, but also to feel pleasure. They also explained that the ease of use and simplicity may assist customers in completing their booking, but it is more efficiently if it also provides an entertainment and enjoyable booking experience. In the process of online shopping, customers are attached and engaged so that they can experience flow. Thus, this study suggests the following hypothesis:

*H1: Hedonic feature has a positive influence on flow (experience) in using OTAs*

Utilitarian feature is defined as a mission based on critical, rational, decision-affective, and goal-oriented (Hirschman & Holbrook in Wu et al., 2015). According to Ra, Pandey and Rhee (2015), utilitarian features indicate the function and benefit of website. However, Shen & Liu (2015) mentioned that experience is an interpretative consciousness of behavior that connected with time and space. From utilitarian features, customers purchase products or services because they intend to utilize those products or services.

Wu et al. (2015) mentioned that in online, websites with high information control allows their customer to look for relevant product information. This study also explained that customers do not mind to spend more time for reading information they need before deciding to purchase. Huang (2003) presented that customers experience flow through website. Therefore, customers experience the utilitarian features of website when they use it. To this point, Wu et al. (2015) argued that, by controlling information on the website, company can help customers improve their shopping experiences. Ozturk et al. (2016) suggested mobile hotel booking to design their website and application in a way that enhance customers' booking experience. Based on those previous studies, the second hypothesis is as follows.

*H2: Utilitarian feature has a positive influence on flow in using OTAs*

#### **2.4 Hedonic and Utilitarian Feature on Trust**

Basically, hedonic feelings of transparency, engagement, and enjoyment aim at creating an immersive atmosphere (Li and Mao, 2015). It is stated that hedonic feature seeks for pleasure; however, it also provides customers with emotion to trust the product or services. Nevertheless, as mentioned by Roy, Dewit and Aubert (2001), between parties trust is a fundamental aspect to achieve a successful outcome and create a long term business relationship. Bilgihan (2016) highlighted that trust can be created through design quality of

the website. Chai, Malhotra & Alpert (2015) also posited that repurchase and advocacy intentions depend on the trust and value constructs.

Ha & Stoel (2009) mentioned that customers tend to have higher uncertainty and risk in online purchasing decision due to the uniqueness of online shopping. Therefore, trust and enjoyment are important points in online shopping and e-shopping quality. Bilgihan (2016) mentioned that websites that are poorly designed are less trusted, thus, the design quality of websites positively affect customers' trust to the website. Based on those previous studies, the hypothesis of this research is proposed:

*H3: Hedonic feature has a positive influence on trust in using OTAs*

Generally, company website represents their appearance to the society (Bilgihan, 2016). As a result, company has to provide relevant and reliable information in order to win the market. In the context of hotel website, Essawy (2006) pointed that corporate website can lead to customers' mistrust once it becomes uninformative. Thus, to build trust among customers, company can enhance the utilitarian features through hotel booking website (Bilgihan, 2016). Although many people use Internet, Gefen & Straub (2003) stated that people prefer not to shop online due to the security issue. Customers need to believe the security of online services before performing any buying decision. Thus, the next hypothesis is purposed:

*H4: Utilitarian feature has a positive influence on trust in using OTAs*

## **2.5 Flow (Experience) on Trust and E-Loyalty**

Nah, Eschenbrenner & DeWester (2011) mentioned flow is an optimal state of experience that is completely absorbed and engaged by people in an activity that nothing else seems to matter. Bilgihan (2016) revealed that through experiencing flow, people are immersed in their activity and current actions transit perfectly into another, displaying an inner logic of their own and creating harmony.

Moreover, Heckman (1997) claimed that flow is intrinsically rewarding. This study explained that the activity becomes intrinsically rewarding if it is initially undertaken for other reasons. Kuikka & Laukkanen (2012) declared that a positive experience with the brand could lead the customers to performing a repeat purchase due to a transformation from positive attitude towards the brand. Consumers seek for information, pleasure, and enjoyment in their online environment (Bilgihan et al., 2013). However, getting information and pleasures are not enough since customers also need to trust the website afterwards. Bilgihan (2016) underlined that in e-commerce website, flow can generate trust. In online

environment, Bilgihan (2016) pointed that flow can reduce the possibility of undesirable consequences and help e-retailers to build trust in the minds of customers. Hence, customers who experience the flow towards corporate website can lead them to trust the website and perform a repeat purchasing. Thus, the following hypothesis is as follows:

*H5: Flow (experience) has a positive influence on trust in using OTAs*

Ilsever, Cyr & Parent (2007) defined e-loyalty as perceived loyalty towards an online website that intends to revisit or repurchase in the future. The authors also confirmed that in e-commerce context, flow experiences have an impact on e-loyalty. Bilgihan (2016) mentioned that flow relates to the intrinsic motivational factors. Thus, by providing online feature such as advergaming and gamification, company can generate to the website loyalty (Bilgihan et al., 2013).

Bilgihan (2016) revealed that Millennial customers who experience flow when they shop online is intend to revisit in the future and be engaged with the site. Nah et al. (2011) mentioned that customers who enjoy the virtual experience of website and find that the activities on the site engage them are more likely to develop greater loyalty, brand image and brand association. The virtual environment experienced by customers drives them to take an action in the future. Thus, the next hypothesis is proposed:

*H6: Flow (experience) has a positive influence on e-loyalty in using OTAs*

## **2.6 Trust on Affective and Calculative Commitment**

Moorman, Deshpande & Zaltman (1993) defined that trust is a willingness to rely on an exchange partner in whom one has confidence. According to Morgan & Hunt (1994), trust exists when one party has confidence in an exchange partner's reliability and integrity. The study also mentioned that to create a success relationship in marketing, the presence of relationship marketing and trust is the main key because they directly lead to cooperative behaviors.

Hence, Nusair et al. (2013) underlined that in building trust and relationship commitment, being free and gaining attention from customers are not enough. They added that trust and relationship commitment are needed to create efficiency, productivity and effectiveness of relational outcomes. Nusair et al. (2013) divided commitment into two dimensions, which are affective and calculative. According to Wetzels, Ruyter & Birgelen (1998), affective commitment is based on a sense of liking and emotional attachment to the partnership. Thus, they also mentioned that affective commitment has positive influence that directs customers in the intention of staying and the willingness of investing in a relationship.

For instance, affective commitment is strongly influenced by trust (Hashim & Tan, 2014; Bloemer, Pluymaekers & Odekerken, 2013). When consumers are affectively committed to a partner, they trust and enjoy doing business with that partner (Nusair et al., 2013). Nusair et al. (2013) pointed that increase in consumers' motivation in the relationship based on affective reasons depends on their trust level in online social network (OSN). Thus, Cizel, Cizel, & Ajanovic (2015) underlined that online platforms that allow travelers to share their experience, evaluation and comment are considered as an important information.

Additionally, Morgan & Hunt (1994) reported that the consumers' attitude is influenced by proposing relationship commitment and trust as key factors. Bloemer et al. (2013) found that trust and affective commitment are the vital roles that drive to a positive impact. To this point, trust creates the affective commitment of customers so that it can encourage them to use products or services. Therefore, the hypothesis is proposed:

*H7: Trust has a positive influence on affective commitment in using OTAs*

Calculative commitment is the level of consumer need through their experience in order to maintain a relationship, thus it provides them to anticipate termination or switching costs related to leaving the relationship (Geysken, Steenkamp, Scheer & Kumar, 1996). Bloemer et al. (2013) pointed that in order to avoid too much cost when leaving customers, company calculatively committed to maintain their relationship with them.

Therefore, Abosag & Lee (2013) revealed that calculative commitment establishes a competence trust. The study also underlined that the combination of accumulated trust, calculative commitment, and affective commitment lead customers to have the will to maintain the relationship. By having trust in websites, customers may associate themselves with calculative commitment that will generate a commitment. Consequently, the following hypothesis is proposed:

*H8: Trust has a positive influence on calculative commitment in using OTAs*

## **2.7 Affective and Calculative Commitment on e-Loyalty**

Moorman et al. (1993) defined commitment as an enduring desire to maintain a valued relationship. Specifically, commitment is a process whereby individuals bond with certain behaviors to reduce their internal dissonance, which in turn may give rise to, costs or regrets (Chang & Gibson, 2015). In this study, commitment is discussed into two basic dimensions, which are affective commitment and calculative commitment (Bansal, Irving, & Taylor, S. F., 2004). Bhattacharya, Rao & Glynn (1995) pointed that affective is a part of psychological attachment that is acquired from loyalty and affiliation.



Furthermore, Geyskens et al. (1996) underlined that affective commitment is related to an emotional relationship between customer and service provider that encourages them to keep their exchange relationship. In line with this study, Bansal et al. (2004) also defined affective commitment presents the emotional attachment of customer to the service provider. Several studies found that affective commitment has a positive correlation with brand loyalty (Mattila, 2006; Iglesias, Singh & Batista-Foguet, 2010). For instance, Cifci & Erdogan (2016) also found behavioral loyalty is positively influenced by affective commitment. Thus, the following hypothesis is proposed:

*H9: Affective commitment has a positive influence on e-loyalty in using OTAs*

Rafiq, Fulford & Lu (2013) underlined that to distinguish between loyal and non-loyal customers, commitment is the key variable. They pointed that commitment is the desire of customers in order to continue and ensure the relationship. Bansal et al. (2004) defined calculative commitment as a cost-based attachment in which one feels to stay with the company. In line with this definition, calculative commitment is the person's recognition of the cost occurred when he or she leaves the organization (Geyskens et al., 1996; Rafiq et al., 2013) Thus, this commitment is more related to the high investment of the relationship in which switching costs are high or there is a lack of attractive alternatives.

Raies, Muhlbacher & Perret (2015) also found that affective, calculative, and normative commitments have an important role on loyalty. Although providing an influence on loyalty, calculative commitment has a weaker effect compared to affective commitment (Nusair et al., 2013). Additionally, Mattila (2006) indicated that calculative commitment has an influence on customer's loyalty. In that sense, calculative commitment drives customers to take their action in using the website in the future. Thus, the last hypothesis is proposed:

*H10: Calculative commitment has a positive influence on e-loyalty in using OTAs*

### **3. Research Goal, Scope and Method**

The aim of this study is to examine e-loyalty of Indonesian Millennial travelers who in using online travel agency (OTA). In this study, OTA refers to local online travel agency providers in Indonesia. According to the purpose, a self-administered survey towards questionnaire was applied to gather data in this research. This research adopted all variables that are used from previous studies. The characteristics of sample set out were Millennial with a minimum age of 17 years and have ever used Online Travel Agencies (OTAs) in

Indonesia at least once within the last 6 months. Table 1 shows the measurement items and research constructs with a 5-point scale measurement.

**Table 1: Constructs and Questionnaire Items**

<b>Construct</b>	<b>Question Items</b>	<b>Origin</b>
Hedonic Feature	<ul style="list-style-type: none"> <li>- I feel this OTA website is entertaining</li> <li>- I feel this OTA website is agreeable</li> <li>- I feel this OTA website is exciting</li> </ul>	Huang (2003)
Utilitarian Feature	<ul style="list-style-type: none"> <li>- I feel this OTA website is ordered</li> <li>- I feel this OTA website is reliable</li> <li>- I feel this OTA website is correct</li> <li>- I feel this OTA website is functional</li> </ul>	Huang (2003)
Flow (Experience)	<ul style="list-style-type: none"> <li>- I experienced flow the last time I booked on this OTA website</li> <li>- In general, I experienced flow when I booked on this OTA website</li> <li>- Most of the time when I booked on this OTA website, I feel that I am experiencing flow</li> <li>- The last time that I booked on this OTA website, I was fully engaged</li> </ul>	Huang (in Bilgihan, 2016); Bilgihan et al. (in Bilgihan, 2016)
Trust	<ul style="list-style-type: none"> <li>- I trust this OTA keeps my best interests in mind</li> <li>- This OTA will always be honest with me</li> <li>- I believe in the information that this OTA provides</li> <li>- This OTA is genuinely concerned about its customers</li> </ul>	Morgan & Hunt (in Bilgihan et al., 2015)
Affective Commitment	<ul style="list-style-type: none"> <li>- It is easy to become attached to this OTA</li> <li>- This OTA has a great deal of attraction for me</li> <li>- This OTA has a great deal of personal meaning for me</li> </ul>	Allen & Mayer (in Nusair et al., 2013)
Calculative Commitment	<ul style="list-style-type: none"> <li>- I am afraid something will be lost if I stop using this OTA</li> <li>- To stop using this OTA would require considerable personal sacrifice</li> <li>- Some aspects of my life would be affected if I stop using this OTA</li> <li>- One of the few serious consequences of stop dealing with this OTA would be scarcity or available alternatives (other OTAs)</li> </ul>	Allen & Mayer (in Nusair et al., 2013)
E-Loyalty	<ul style="list-style-type: none"> <li>- As long as the present service continues, I doubt that I would switch OTA</li> <li>- To me this site is the best OTA to do business with</li> <li>- I believe that this is my favorite OTA</li> </ul>	Chang & Chen (in Bilgihan, 2016); Lin & Wang (in Bilgihan, 2016)

Moreover, the researcher directly conducted data collection by using questionnaire that was distributed online. All statements in the questionnaires were filled in one time. The

collected data was checked due to its completeness and then the existing data was analyzed in the next stage. This research obtained 421 responses with 90 respondents did not meet the screening questions and 5 questionnaires could not be processed. So, there are 326 questionnaires used in this research. From the data collected, 218 respondents (67%) are female and 171 respondents (53%) were student. The most used OTA within the last 6 months is Traveloka.com with the percentage of 84%.

In this study, the researcher used convergent validity based on Confirmatory Factor Analysis (CFA) and Average Variance Extracted (AVE). According to Hair, Black, Babin & Anderson (2014), the main objective of CFA is to assess the construct validity of a proposed measurement theory. Thus, CFA was applied to examine how well the considered variables represent the constructs. The reliability was measured by using construct reliability (CR).

This study used structural equation modeling (SEM) in Lisrel 8.8 for testing and analyzing data collected. SEM allows researchers to examine a series of dependence relationships simultaneously (Hair et al., 2014).

#### **4. Result**

According to Hair et al. (2014), CFA should be 0.5 and ideally 0.7 or higher. In this study, the reliabilities of all constructs ranged from 0.60 to 0.88. Hair et al. (2014) also mentioned that AVE should be 0.5 or greater to suggest adequate convergent validity. The result of this study found that AVE values ranged from 0.57 to 0.64 that indicates convergent validity was not a problem. The squared correlation between pairs of constructs was less than AVE, suggesting discriminant validity.

The goodness-of-fit measures were applied for assessing the overall model fit in this study. The results show that the overall fit indices for the proposed model were acceptable, with chi-square/df equal to 2.48, RMSEA of 0.067, NFI of 0.96, CFI of 0.97, GFI of 0.86, RFI of 0.95, PNFI of 0.84, and IFI of 0.97. In addition, the explained variances were 47% for flow experience, 77% for trust, 69% for affective commitment, 24% for calculative commitment, and 57% for e-loyalty.

**Table 2: Measurement Model Results**

Construct	Indicators	Standardized Loading	Construct Reliability	AVE
Hedonic Feature	HF1	0.77	0.82	0.61
	HF2	0.83		
	HF3	0.74		
Utilitarian Feature	UF1	0.66	0.85	0.58
	UF2	0.82		
	UF3	0.85		
	UF4	0.72		
Flow	FL1	0.87	0.87	0.62
	FL2	0.88		
	FL3	0.77		
	FL4	0.60		
Trust	TR1	0.73	0.86	0.60
	TR2	0.81		
	TR3	0.80		
	TR4	0.79		
Affective Commitment	AC1	0.71	0.80	0.57
	AC2	0.80		
	AC3	0.76		
Calculative Commitment (CC)	CC1	0.68	0.84	0.57
	CC2	0.78		
	CC3	0.83		
	CC4	0.72		
E-Loyalty	EL1	0.75	0.84	0.64
	EL2	0.84		
	EL3	0.82		

## 5. Discussion

E-loyalty is customer's willingness for maintaining a relationship in the future by repurchasing or revisiting (Anderson & Srivasan, 2003; Toufaily, Ricard & Perrien, 2012). Maintaining the existing customers is more advantageous than acquiring the new ones. However, there are some driving variables in creating customer's e-loyalty. A summary of study results is presented in Table 3 and Figure 1. This study found some constructs that can be used by OTA companies in building their customer's e-loyalty, especially for their Millennial customers.

This study finds that hedonic feature has a positive influence on the flow of Millennial travelers in the using of Online Travel Agencies (OTAs). The result is supported by the previous research conducted by Bilgihan (2016) that revealed flow experience can be performed through hedonic features of the website. The absence of direct contact between customer and company makes the hedonic features become one of the most important things in creating the customer’s experience. Therefore, OTAs need to consider the hedonic features on their website. Nevertheless, hedonic feature has no influence on trust of Millennial customers in the using of Online Travel Agencies (OTAs). This finding is inconsistent with the study result of Bilgihan (2016) that indicated quality of website provides significant effect on customers’ trust. Thus, it can be stated that hedonic features do not consider trust.

**Table 3: Path Estimates**

<b>Hypotheses</b>	<b>Estimates</b>	<b>t-Value</b>	<b>Hypotheses Supported YES/NO</b>
H1: HF → (+) FL	0.61	8.32	YES
H2: UF → (+) FL	0.12	1.78	NO
H3: HF → (+) TR	0.04	0.64	NO
H4: UF → (+) TR	0.69	10.33	YES
H5: FL → (+) TR	0.27	4.35	YES
H6: FL → (+) EL	0.08	1.37	NO
H7: TR → (+) AC	0.83	10.94	YES
H8: TR → (+) CC	0.49	7.02	YES
H9: AC → (+) EL	0.45	6.10	YES
H10: CC → (+) EL	0.41	6.32	YES

This study also generates the result that utilitarian feature has no positive influence on flow of millennial travelers in using Online Travel Agencies (OTAs). This result does not support the research finding of Wu et al. (2015), which argued utilitarian feature can help customers improve their shopping experience. However, utilitarian feature has influence on trust in using Online Travel Agencies (OTAs) which similar to the previous study conducted by Bilgihan (2016) that mentioned creating trust can be performed by providing utilitarian features. Utilitarian features become into prominent because customers seek the functional utilities of OTAs. Therefore, OTAs are suggested to focus on their utilitarian features to create trust on their customers.

Furthermore, this study shows that flow creates customer's trust in using Online Travel Agencies (OTAs). This finding is consistent with Bilgihan (2016) that trust can be effectively created through customer experience. The flow experience of customers when using OTA becomes something of an imprint. Thus, it leads them to have a trust on the OTA. However, flow has no influence on e-loyalty in the usage of Online Travel Agencies (OTAs). This finding is inconsistent with Bilgihan (2016) that said customers tend to revisit if they experience flow during online purchasing. It is also inconsistent with Nah et al. (2011) that revealed they who enjoy the virtual experience of website are more likely to develop greater loyalty. The flow experience does not guarantee the creation of the customer's e-loyalty to the OTA. This may occur because the negative experience while using OTA leads the customers to be reluctant in reusing the OTA.

The next result discovers that trust has influence on affective and calculative commitment in the using of Online Travel Agencies (OTAs). This finding is consistent with the research performed by Fullerton (2015) that mentioned affective commitment is influenced by trust. Nusair et al. (2013) also found that trust influences affective and calculative commitment. Trust and commitment must exist together in order to create a successful relationship between customers and companies. Thus, OTAs need to build trust in order to create affective and calculative commitment.

In addition, this study finds that affective and calculative commitment has influence on e-loyalty of Millennial travelers in using Online Travel Agencies (OTAs). This study is consistent with the research that revealed affective commitment is positively associated with behavioral loyalty (Nusair et al., 2013; Cifci & Erdogan, 2016). Although, this study is inconsistent with the study result conducted by Nusair et al. (2013) that confirmed there is no significant effect of calculative commitment on e-loyalty on millennial customers. Commitment comes into play when companies desire a long-term relationship with their customers. In that sense, affective and calculative commitment has an important role to create e-loyalty of Millennial travelers in using OTA.

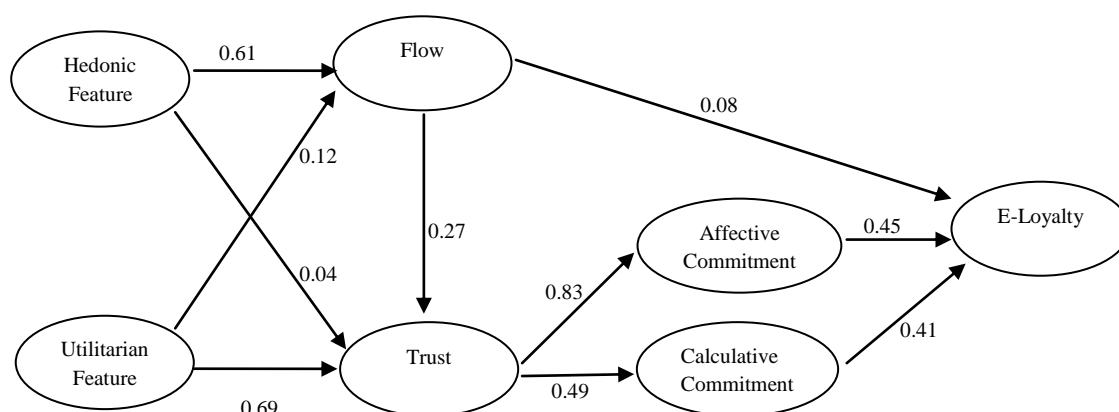


Figure 1: Final Model

## 6. Conclusion

This study highlights some findings. Hedonic feature provides significant effect on flow while utilitarian features influence customer trust in using OTA. The study also finds that flow has a significant effect on trust, but not on e-loyalty. On the other side, trust effectively influences affective and calculative commitment of Millennial in using OTA. Furthermore, those commitments provide a significant effect on e-loyalty. In addition, flow has the weakest significant effect on trust while trust has the strongest significant effect on affective commitment.

Competition in travel and tourism industry drives OTA companies to keep their eyes on their potential market. Company needs to adjust their marketing strategies to attract and maintain customers, especially Millennial generation. Based on the study results, the researcher proposes some practical implications that can be implemented. The study result indicates that hedonic feature has a positive effect on the flow (experience) of Millennial travelers. Moreover, flow mediates the various things that lead Millennial travelers have trust, affective and calculative commitment, and e-loyalty in using OTA. Therefore, OTAs need to design their website according to hedonic features. The aim is to increase customer experiences through displaying interesting places on homepage, providing travel histories of well-known travel blogger, and also providing multiple cities or countries search.

Although the result shows that utilitarian feature does not have a significant effect on Millennial travelers experience, utilitarian features have a significant effect in creating trust that drives them to have positively affective and calculative commitment in using OTA. Thus, OTA need to display information to ensure their website is trusted. It can be displayed

by applying security transaction (e.g., GeoTrust, MasterCardSecureCode, RapidSSL), award (e.g., Top Brand, IATA, etc) and also reviews from secured institution (e.g., TripAdvisor scores). In addition, OTA can also add other utilitarian features such as travel features, things to do, and nearest festival in their website to give a hint for traveling ideas.

Furthermore, trust has a positive influence on the affective and calculative commitment of Millennial travelers in using OTAs. Those commitments have a significant effect that keeps Millennial travelers stay loyal to certain OTA. To that point, OTAs can offer customer loyalty program or special promotions only for those who subscribe their website. It aims to create emotional bonding between customer and OTA.

In addition, from descriptive statistical result, it is known that most respondents in this study are female. It indicates that female millennial traveler is growing. Thus, OTA also needs to provide another content (e.g., spa information in certain tourist attractions, shopping centers, and shopping discount in certain city or country) that will attract them. Furthermore, the descriptive statistical indicates that respondents are dominated by students. It shows that travelers from this millennial group like to travel. Thus, OTA can create campaigns designed specifically for them, such as group discount for lodging. Their limited budget or lack of traveling knowledge and experience can also provide another opportunity for OTA companies, such as open trip collaborating with well-known travel bloggers.

Although the study contributes to travel and tourism literature, it still has some limitations. This research examined general millennial generation, which actually can be more specific, such as student, worker, or business traveler. Besides, data collected was distributed online so that researcher could not ensure whether respondents answered questionnaire in accordance with the condition felt during using OTAs. Furthermore, this study only tested OTAs with more than one product offered, so it may cause bias if this study is applied to OTAs with specific product offered (i.e., hotels.com, booking.com, etc).

The limitation of this study generates some suggestions for future research expected to enrich this current study. Future research can examine Millennial respondents based on specific group (i.e., college student, worker, business traveler, backpacker, or flashpacker) because each group has different judgment on preferences. Another finding also suggests to add flow (experience) as mediation on trust, affective commitment, calculative commitment, and e-loyalty for the next studies. Other variables, such as brand equity, perceived risk and perceived utility, can also be added to enhance the literature. The next studies may analyze similar area, but focus on OTAs, which provide open trips only, or specific product (i.e.,



hotels.com, booking.com, etc). Since this study focuses on OTA website, the next research can also specify on OTA mobile application.

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