

Decisions Beyond Price Parity: The Role of Price Perception, Sales Promotion, and Ease of Use in Hotel Direct Booking Decision

Desiana Megawati Pujiningrum^{1*}, and Christina Whidya Utami²

^{1,2} Universitas Ciputra, Indonesia

Journal of Economics and Management Sciences is licensed under a Creative Commons 4.0 International License.



ARTICLE HISTORY

Received: 16 August 26

Final Revision: 31 August 26

Accepted: 09 September 26

Online Publication: 30 September 26

KEYWORDS

Direct Booking, Price Perception, Sales Promotion, Ease of Use, Reservation Decision

KATA KUNCI

Pemesanan Langsung, Persepsi Harga, Promosi Penjualan, Kemudahan Penggunaan, Keputusan Reservasi

CORRESPONDING AUTHOR

desianamp@gmail.com

DOI

10.37034/jems.v8i4.566

ABSTRACT

The rapid development of digital hotel distribution has intensified competition between hotel direct booking channels and online travel agencies (OTAs). This study examines the effects of price perception, sales promotion, and ease of use on consumers' direct booking decisions through hotel-owned channels. A quantitative, cross-sectional explanatory design was employed using data from 200 respondents who had made a hotel reservation through a direct booking channel within the previous 12 months. Data were collected through an online questionnaire using a five-point Likert scale and analyzed using multiple linear regression. The results show that price perception, sales promotion, and ease of use each have a positive and significant effect on direct booking decisions. Ease of use emerged as the strongest predictor ($\beta = 0.368$), followed by price perception ($\beta = 0.333$) and sales promotion ($\beta = 0.261$), with all significance levels at $p < .001$. The regression model was statistically significant and explained 70.7% of the variance in direct booking decisions (Adjusted $R^2 = 0.707$). These findings indicate that consumers evaluate direct booking based on both economic value and transactional convenience. Therefore, hotels should combine competitive pricing and targeted promotions with a seamless and user-friendly booking experience to strengthen direct booking performance and reduce reliance on OTAs.

ABSTRAK

Perkembangan distribusi hotel secara digital telah meningkatkan persaingan antara saluran pemesanan langsung hotel dan *online travel agencies* (OTA). Penelitian ini bertujuan untuk menganalisis pengaruh persepsi harga, promosi penjualan, dan kemudahan penggunaan terhadap keputusan konsumen dalam melakukan pemesanan hotel melalui saluran langsung milik hotel. Penelitian ini menggunakan pendekatan kuantitatif dengan desain eksplanatori *cross-sectional* terhadap 200 responden yang memiliki pengalaman melakukan pemesanan hotel melalui saluran langsung dalam 12 bulan terakhir. Data dikumpulkan melalui kuesioner daring menggunakan skala Likert lima poin dan dianalisis menggunakan regresi linear berganda. Hasil penelitian menunjukkan bahwa persepsi harga, promosi penjualan, dan kemudahan penggunaan masing-masing berpengaruh positif dan signifikan terhadap keputusan pemesanan langsung. Kemudahan penggunaan menjadi prediktor paling kuat ($\beta = 0,368$), diikuti oleh persepsi harga ($\beta = 0,333$) dan promosi penjualan ($\beta = 0,261$), dengan seluruh variabel memiliki tingkat signifikansi $p < 0,001$. Model regresi signifikan secara statistik dan mampu menjelaskan 70,7% variasi keputusan pemesanan langsung (Adjusted $R^2 = 0,707$). Temuan ini menunjukkan bahwa konsumen mempertimbangkan nilai ekonomi sekaligus kemudahan proses dalam memilih pemesanan langsung. Oleh karena itu, hotel perlu mengombinasikan harga yang kompetitif, promosi yang tepat sasaran, serta pengalaman pemesanan yang mudah dan lancar untuk meningkatkan pemesanan langsung dan mengurangi ketergantungan pada OTA.

1. Introduction

1.1. Research Background

The rapid digitalization of hospitality distribution has fundamentally changed how consumers search for, compare, and reserve hotel accommodation. Hotel rooms are increasingly distributed through multiple channels, including hotel-owned websites and mobile applications as well as online travel agencies (OTAs). This multichannel environment has intensified competition between hotel-owned and intermediary

booking channels because consumers can compare prices, information, promotional benefits, and transaction convenience before completing a reservation [1], [2], [3].

OTAs provide consumers with extensive search and comparison capabilities, while hotel-owned channels enable hotels to establish more direct relationships with customers and exercise greater control over the booking experience. Consequently, the choice between direct booking and OTA-mediated booking has become an

important strategic issue in hotel distribution. Previous research indicates that the relative attractiveness of these channels depends not only on hotel attributes but also on channel-specific characteristics such as website quality, convenience, trust, price, and perceived value [1], [3], [4].

Price remains an important consideration because consumers can readily compare room rates across competing channels. However, recent evidence suggests that consumers do not evaluate direct booking solely according to nominal price differences, but also consider fairness, perceived value, offer uniqueness, and channel credibility [5], [6]. Therefore, a hotel may not necessarily need to offer the lowest price if consumers perceive the direct channel as providing fair and worthwhile economic value.

Sales promotion provides another mechanism through which hotels can increase the attractiveness of direct booking. Discounts, exclusive offers, complimentary benefits, vouchers, and other promotional incentives can increase the perceived benefits associated with a particular booking channel. Research on hotel choice demonstrates that promotional discounts can influence consumers during the consideration and booking stages, although their effectiveness may depend on other information available to consumers [7], [8].

The effectiveness of direct booking, however, cannot be explained by economic incentives alone. Consumers must complete a sequence of activities that includes searching for information, selecting a room, entering personal details, confirming availability, and making payment. A booking channel that offers attractive prices but requires excessive effort may therefore be less attractive than an intermediary platform that provides a more standardized and convenient transaction process [9], [10], [11].

Ease of use is particularly relevant because hotel websites and mobile applications compete with OTA platforms that have invested heavily in usability and transaction convenience. Previous studies demonstrate that website quality, usability, functionality, and perceived ease of use can influence consumers' online booking behavior and purchase intentions [10], [12], [13]. More recent research also indicates that website functionality and usability remain important determinants of consumers' hotel booking decisions.

Despite the growing body of research on online hotel booking, an important distinction remains insufficiently addressed. Most previous studies examine general online booking intention, website quality, trust, perceived value, or the adoption of mobile booking technologies, whereas fewer studies specifically examine the consumer decision to select a hotel-owned channel rather than an OTA. This distinction is important because deciding to stay at a hotel is different from deciding where to complete the reservation [1], [2].

The Indonesian hospitality market provides a relevant setting for examining this issue because consumers increasingly encounter multiple digital booking alternatives while hotels seek to strengthen direct customer relationships. Indonesian studies have examined hotel booking intention through factors such as perceived price, trust, brand image, and related consumer characteristics, but the specific combination of price perception, sales promotion, and ease of use in explaining direct booking decisions remains relatively underexplored [14]. Accordingly, this study examines whether price perception, sales promotion, and ease of use influence consumers' decisions to book hotels through hotel-owned channels.

The study addresses the following research question: "How do price perception, sales promotion, and ease of use influence consumers' decisions to book hotels through direct booking channels?" This study contributes to the literature by focusing specifically on direct booking as a channel-choice decision rather than treating it as a general online booking intention. It also integrates economic-value considerations, represented by price perception and sales promotion, with transactional convenience, represented by ease of use, to provide a more comprehensive explanation of direct booking decisions.

1.2. Literature Review

1.2.1. Direct Booking Decision in Hotel Distribution

Hotel direct booking refers to a consumer's decision to complete a hotel reservation through a hotel-owned channel rather than through an intermediary such as an OTA. Hotel-owned channels may include official websites, mobile applications, telephone reservations, instant messaging, or other direct reservation mechanisms. In contrast, OTAs aggregate multiple accommodation alternatives and facilitate comparison across hotels, making channel selection an important part of the consumer decision process [1], [3].

Previous research demonstrates that consumers evaluate hotel booking channels using both product-related and channel-related attributes. Website quality, convenience, price, trust, and perceived value can influence consumers' preferences for hotel websites and OTA platforms. Consequently, direct booking should be understood as a channel-choice decision in which consumers compare the economic and experiential benefits associated with alternative booking mechanisms [2], [4].

In this study, direct booking decision represents the consumer's retrospective decision to use a hotel-owned booking channel based on an actual booking experience within the previous 12 months. This definition distinguishes direct booking from general hotel purchase intention because consumers may already have selected the hotel while still deciding which channel should be used to complete the reservation. Based on

this perspective, price perception, sales promotion, and ease of use are proposed as relevant determinants of direct booking decisions.

1.2.2. Price Perception and Direct Booking Decision

Price perception refers to consumers' subjective evaluation of whether the price of an offering is reasonable, fair, competitive, and commensurate with the benefits received. In online hotel booking, price information is particularly salient because consumers can compare rates across hotel websites and OTA platforms. Previous research demonstrates that perceived price and price fairness influence consumers' evaluation of online hotel booking alternatives [5], [15].

The importance of price perception becomes more complex in a multichannel environment. Consumers may compare not only the nominal room rate but also cancellation conditions, additional benefits, loyalty rewards, and other non-price attributes associated with the booking channel. Recent evidence indicates that differences in price and non-price offers between OTAs and hotel direct websites can influence consumers' channel preferences, suggesting that direct booking competition extends beyond simple rate parity [6].

Price transparency and perceived fairness are therefore important for direct booking decisions. Consumers are more likely to perceive a hotel-owned channel as attractive when the price appears competitive, understandable, and consistent with the benefits offered. Accordingly, when consumers perceive direct booking prices as fair and economically worthwhile, they are expected to be more likely to select the hotel-owned channel.

H1: Price perception has a positive and significant effect on consumers' direct booking decisions.

1.2.3. Sales Promotion and Direct Booking Decision

Sales promotion refers to short-term incentives designed to increase the attractiveness of an offering and stimulate consumer responses. In hotel distribution, sales promotion may include discounts, exclusive direct-booking rates, complimentary breakfast, room upgrades, vouchers, late check-out, or other value-added benefits. Such incentives can create an additional economic reason for consumers to select one booking channel over another.

Promotional incentives can be particularly relevant when consumers compare several hotel booking alternatives simultaneously. Some research found that promotional discounts are significant attributes in consumers' hotel consideration and booking decisions, although their effectiveness can depend on other information cues. Similarly, research on hotel price promotions indicates that the effect of promotional incentives may depend on hotel characteristics, price levels, and user-generated information [8].

For direct booking, exclusive promotional benefits may function as channel-specific incentives that compensate for the convenience and comparison advantages offered by OTAs. Promotional benefits can therefore provide consumers with an additional reason to select a hotel-owned channel when the benefits are perceived as attractive and financially worthwhile. Therefore, consumers who perceive direct-booking promotions as attractive and beneficial are expected to demonstrate stronger direct booking decisions.

H2: Sales promotion has a positive and significant effect on consumers' direct booking decisions.

1.2.4. Ease of Use and Direct Booking Decision

Ease of use refers to the extent to which consumers perceive that a booking channel can be accessed, understood, navigated, and completed with minimal effort. In the hotel booking context, ease of use includes the simplicity of searching for information, selecting rooms, entering reservation details, confirming availability, and completing payment. The concept is closely related to the perceived ease-of-use dimension of the Technology Acceptance Model, which proposes that users' perceptions of simplicity influence their acceptance and use of technology [9].

Previous hospitality research provides empirical support for the importance of usability and website quality in online booking. Hotel website quality has been associated with customer satisfaction and purchase intention, while website usability and functionality can affect consumer trust and online booking intentions [4], [10], [12]. Research comparing electronic and mobile hotel booking further demonstrates that usability and functionality are important components of consumers' evaluation of booking technologies [11].

Ease of use may be particularly important when hotel-owned channels compete with OTA platforms. Consumers accustomed to standardized OTA interfaces may be less willing to tolerate complicated navigation, unclear information, repeated data entry, or inconvenient payment processes on hotel websites. Therefore, a direct booking channel that minimizes transactional effort is expected to increase consumers' likelihood of choosing the hotel-owned channel.

H3: Ease of use has a positive and significant effect on consumers' direct booking decisions.

1.3. Conceptual Framework

The proposed framework integrates two complementary dimensions of direct booking evaluation. Price perception and sales promotion represent the economic value offered by the hotel-owned channel, whereas ease of use represents the effort required to complete the booking process. Consumers are therefore expected to be more likely to select direct booking when the channel

provides attractive economic benefits and a convenient transaction experience.

The framework is consistent with previous research showing that hotel booking decisions involve multiple information cues rather than a single price consideration. Consumers evaluate price, promotional

information, website characteristics, trust, and perceived value when selecting online booking alternatives [7], [13], [16]. Accordingly, the present study proposes that price perception, sales promotion, and ease of use simultaneously contribute to consumers' direct booking decisions.

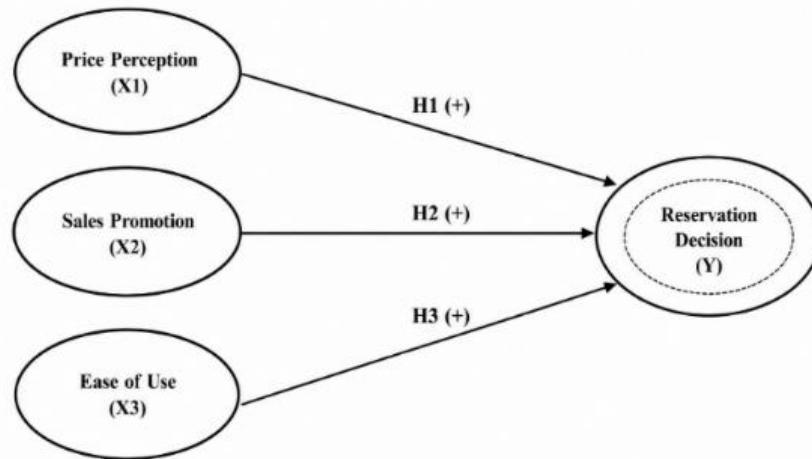


Figure 1. Conceptual Framework

2. Research Method

2.1. Research Design and Participants

This study employed a quantitative, cross-sectional explanatory research design to examine the relationships between price perception, sales promotion, ease of use, and consumers' direct booking decisions. The unit of analysis was an individual consumer who had previous experience using a hotel-owned booking channel. A cross-sectional design was considered appropriate because the study sought to examine relationships among variables based on respondents' recent direct booking experiences.

The target population comprised consumers who had made hotel reservations through hotel-owned channels, including official hotel websites, mobile applications, instant messaging, telephone, or walk-in reservations. Because the total population of direct-booking users could not be precisely identified, purposive non-probability sampling was employed. Respondents were eligible when they had completed at least one hotel reservation through a direct booking channel within the previous 12 months.

A total of 200 valid responses were obtained and included in the analysis. The sample size was considered adequate for the planned multiple regression model with three independent variables. Researcher proposed that sample size considerations for regression should account for the number of predictors and expected effect size, and the present sample substantially exceeds the

minimum commonly recommended for a model with three predictors [17].

2.2. Measures and Data Collection

Data were collected through a self-administered online questionnaire distributed using Google Forms. All constructs were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The study examined four constructs: price perception, sales promotion, ease of use, and direct booking decision.

Price perception was operationalized as consumers' evaluation of the affordability, fairness, competitiveness, and value of prices offered through hotel-owned booking channels relative to alternative OTA channels. Sales promotion represented consumers' perceptions of the attractiveness and benefits of promotional incentives available through direct booking. Ease of use represented the perceived simplicity, clarity, and convenience of completing the direct reservation process, while direct booking decision represented consumers' evaluation of their decision to use a hotel-owned booking channel based on an actual recent booking experience.

The measurement approach was informed by previous research on online hotel booking, perceived price value, website quality, and perceived ease of use [9], [13], [18]. The operationalization of the constructs and their measurement focus are presented in Table 1.

Table 1. Operationalization of Constructs

Construct	Operational Definition	Measurement Focus
Price Perception	Consumers' subjective evaluation of the price offered through the hotel-owned channel relative to competing booking channels	Affordability, fairness, competitiveness, and perceived value
Sales Promotion	Consumers' evaluation of promotional incentives offered through the hotel-owned booking channel	Attractiveness of discounts, exclusive offers, complementary benefits, and promotional value
Ease of Use	Consumers' perception that the direct booking process can be completed clearly and with minimal effort	Navigation, information clarity, reservation process, confirmation, and payment convenience
Direct Booking Decision	Consumers' retrospective evaluation of choosing a hotel-owned booking channel instead of an OTA	Preference for direct booking and evaluation of the direct-booking choice

2.3. Data Analysis

Data were analyzed using IBM SPSS Statistics. The Data were analyzed using IBM SPSS Statistics. The analysis began with validity and reliability assessments, followed by common method bias assessment, classical assumption testing, and multiple linear regression analysis. This analytical sequence was adopted to ensure that the measurement quality and regression assumptions were evaluated before testing the proposed hypotheses.

Item validity was assessed using corrected item-total correlations, with a coefficient of at least .30 considered acceptable. Internal consistency was evaluated using Cronbach's alpha, with values of .60 or higher considered acceptable for the present exploratory analysis. Common method bias was assessed using Harman's single-factor test because the study relied on a single self-reported questionnaire [19].

Classical assumption tests were subsequently conducted before estimating the regression model. Normality was evaluated using the Kolmogorov–Smirnov and Shapiro–Wilk tests, multicollinearity was assessed using tolerance and variance inflation factor (VIF), and heteroscedasticity was examined using the Glejser test. Multiple linear regression was then employed because the model contained three independent variables predicting one dependent variable without mediation or moderation effects.

Individual hypotheses were evaluated using standardized regression coefficients, t-values, and significance levels. The overall significance of the regression model was assessed using the F-test, while explanatory power was evaluated using R^2 and adjusted R^2 . As an additional robustness assessment, bootstrap resampling with 5,000 resamples was employed to examine the stability of the estimated regression coefficients.

3. Result and Discussion

3.1. Measurement Quality and Common Method Bias

The measurement quality was assessed through item validity and internal consistency, and the results are presented in Table 2. Corrected item-total correlations ranged from 0.650 to 0.832 across the four constructs, indicating that all measurement items exceeded the minimum criterion of .30. Cronbach's alpha values ranged from 0.776 to 0.853, demonstrating acceptable internal consistency across all constructs.

The common method bias assessment showed that the first unrotated factor accounted for 41.74% of the total variance. This value was below the commonly applied 50% criterion used in Harman's single-factor assessment. Therefore, the result does not indicate a substantial common method bias problem in the present dataset, although Harman's test should be interpreted as a diagnostic rather than definitive evidence of the absence of method bias [19].

Table 2. Measurement Quality and Common Method Bias

Construct	Corrected Item-Total Correlation	Cronbach's Alpha	Assessment
Price Perception	0.650–0.779	0.776	Reliable
Sales Promotion	0.702–0.767	0.791	Reliable
Ease of Use	0.764–0.832	0.850	Reliable
Direct Booking Decision	0.694–0.810	0.853	Reliable
Harman's Single Factor	—	41.740%	No substantial CMB indicated

Note: All item-total correlations met the minimum validity criterion used in the study

3.2. Descriptive Statistics

The descriptive characteristics of the study variables were examined using their mean scores and standard deviations, and the results are presented in Table 3. Price perception recorded a mean of 4.048 (SD = 0.587), sales promotion recorded a mean of 3.972 (SD = 0.653), ease of use recorded a mean of 4.186 (SD = 0.603), and direct booking decision recorded a mean of 4.038 (SD = 0.617). These results indicate generally positive

evaluations of all constructs among respondents who had previous experience with direct hotel booking.

Table 3. Descriptive Statistics

Variable	Mean	SD	Interpretation
Price Perception	4.048	0.587	High
Sales Promotion	3.972	0.653	High
Ease of Use	4.186	0.603	High
Direct Booking Decision	4.038	0.617	High

Among the independent variables, ease of use recorded the highest mean score (M = 4.186). This indicates that

respondents generally perceived the direct booking process as easy and convenient. The relatively small standard deviations also indicate that respondents' evaluations were reasonably concentrated around their respective mean values.

3.3. Regression Assumption Tests

Before estimating the regression model, normality, multicollinearity, and heteroscedasticity were examined, with the results summarized in Table 4. The Kolmogorov–Smirnov test was statistically significant ($D = 0.075$, $p = .008$), whereas the Shapiro–Wilk test was not statistically significant ($W = 0.987$, $p = .054$). Given the mixed normality evidence, bootstrap resampling was used as an additional robustness procedure to assess the stability of the estimated coefficients. The multicollinearity results indicated no problematic overlap among the independent variables. Tolerance values ranged from 0.447 to 0.518, while VIF values ranged from 1.932 to 2.239. The Glejser test also produced significance values ranging from .746 to .995, indicating no evidence of problematic heteroscedasticity. The mixed normality results were therefore addressed through bootstrap resampling, while the multicollinearity and heteroscedasticity diagnostics did not indicate problematic

Table 4. Regression Assumption Tests

Test	Result	Interpretation
Kolmogorov–Smirnov	$p = .008$	Significant deviation
Shapiro–Wilk	$p = .054$	Not significant
VIF	1.932–2.239	No problematic multicollinearity
Tolerance	0.447–0.518	Acceptable
Glejser Test	$p = .746-.995$	No heteroscedasticity

3.4. Hypothesis Testing

The hypothesis testing results for the three proposed relationships are presented in Table 5. All three independent variables demonstrated positive and statistically significant relationships with direct booking decision. Specifically, price perception, sales promotion, and ease of use each produced p-values below .001, providing empirical support for H1, H2, and H3. Among the three predictors, ease of use produced the strongest standardized coefficient ($\beta = 0.368$). Price perception followed with $\beta = 0.333$, while sales promotion produced the smallest coefficient at $\beta = 0.261$. The results therefore suggest that consumers' direct booking decisions are influenced by both economic attractiveness and transactional convenience, with ease of use representing the strongest predictor in the present sample.

Table 5. Hypothesis Testing Results

Hypothesis	Relationship	β	t-value	p-value	Decision
H1	Price Perception $\rightarrow$ Direct Booking Decision	0.333	5.795	< .001	Supported
H2	Sales Promotion $\rightarrow$ Direct Booking Decision	0.261	4.890	< .001	Supported
H3	Ease of Use $\rightarrow$ Direct Booking Decision	0.368	6.754	< .001	Supported

3.5. Overall Model and Explanatory Power

The overall explanatory and statistical performance of the regression model is summarized in Table 6. The regression model was statistically significant ($F = 160.778$, $p < .001$), indicating that price perception, sales promotion, and ease of use jointly contributed to explaining variation in direct booking decisions. The model produced an R^2 of 0.711 and an adjusted R^2 of 0.707. The adjusted R^2 of 0.707 indicates that the three predictors jointly explain 70.7% of the variance in consumers' direct booking decisions. The remaining 29.3% is attributable to other factors not included in the present model. The relatively high explanatory power indicates that economic value and transactional convenience provide an important basis for understanding direct booking decisions within the observed sample.

Table 6. Overall Regression Model

Statistic	Value
R	0.843
R^2	0.711
Adjusted R^2	0.707
F	160.778
p-value	< .001

The overall regression model was statistically significant ($F = 160.778$, $p < .001$), indicating that price

perception, sales promotion, and ease of use jointly contributed significantly to explaining variation in consumers' direct booking decisions. The model produced an R^2 of 0.711 and an adjusted R^2 of 0.707. Thus, the three predictors jointly explained 70.7% of the variance in direct booking decisions, while the remaining 29.3% was attributable to other factors not included in the model.

3.6. Discussion

3.6.1. The Effect of Price Perception on Direct Booking Decision

The results support H1, indicating that price perception has a positive and significant effect on consumers' direct booking decisions ($\beta = 0.333$, $p < .001$). This finding suggests that consumers are more likely to select hotel-owned booking channels when they perceive the price as fair, competitive, and consistent with the benefits received. The result is consistent with previous research demonstrating the importance of perceived price and price fairness in online hotel booking decisions [5], [15].

The finding is particularly relevant because consumers can readily compare prices across hotel-owned websites and OTA platforms. Therefore, direct booking does not necessarily require hotels to offer the lowest nominal price in every situation. Instead, hotels need to ensure

that consumers perceive the direct channel as offering an economically fair and worthwhile proposition.

Recent research provides further support for this interpretation by demonstrating that consumers respond not only to price differences but also to non-price characteristics and channel credibility. Research shows that offers uniqueness and channel credibility can influence hotel booking decisions beyond conventional rate parity considerations. Therefore, direct booking strategies should move beyond simple price matching and emphasize the total value offered through the hotel-owned channel [6].

Nevertheless, price perception was not the strongest predictor in the present study. Its standardized coefficient was lower than that of ease of use, suggesting that competitive pricing alone may not be sufficient to shift consumers from OTA-mediated booking to direct booking. Hotels should therefore combine transparent and competitive pricing with a low-friction booking experience rather than relying exclusively on price reductions.

3.6.2. The Effect of Sales Promotion on Direct Booking Decision

H2 is supported because sales promotion has a positive and significant effect on direct booking decisions ($\beta = 0.261$, $p < .001$). This result indicates that promotional benefits can increase the attractiveness of hotel-owned booking channels. Discounts, complimentary benefits, vouchers, upgrades, and exclusive direct-booking offers can provide consumers with a concrete economic reason to choose direct booking.

The finding is consistent with research demonstrating that promotional discounts can influence consumers during the hotel search and booking process. Some research found that promotional discounts were significant attributes in both the consideration and booking stages, although the effectiveness of promotions can depend on other information cues. Similarly, promotional strategies can influence consumers' hotel choices when the promotion provides meaningful additional value [7], [8].

However, sales promotion produced the smallest standardized coefficient among the three predictors. This suggests that promotional incentives are relevant but may not be sufficient when the overall booking experience remains inconvenient. Consumers may be attracted by an exclusive promotion but still prefer an OTA if completing the reservation through the hotel-owned channel requires greater effort.

The managerial implication is therefore that hotels should use promotion selectively as a complement to direct-channel quality. Price discounts should not become a substitute for improving usability, information clarity, payment convenience, and confirmation processes. Promotional incentives should instead

reinforce an already convenient direct-booking experience.

3.6.3. The Effect of Ease of Use on Direct Booking Decision

H3 is supported, with ease of use demonstrating a positive and significant effect on direct booking decisions ($\beta = 0.368$, $p < .001$). More importantly, ease of use emerged as the strongest predictor among the three independent variables. This result indicates that consumers place substantial importance on how easily they can search for information, make a reservation, obtain confirmation, and complete payment through hotel-owned channels.

The finding is consistent with the Technology Acceptance Model, in which perceived ease of use represents an important determinant of technology acceptance [9]. Hospitality research has similarly demonstrated that website usability, functionality, and quality are associated with online booking intention and consumer responses [4], [10], [12]. Research on electronic and mobile hotel booking further indicates that usability and functionality are important dimensions in consumers' evaluations of digital booking channels [11].

The stronger effect of ease of use compared with price perception and sales promotion provides an important contribution to understanding direct booking behavior. It suggests that consumers' decisions are not determined exclusively by economic value but also by the effort required to complete the transaction. This finding is particularly relevant because OTA platforms have developed standardized booking journeys that allow consumers to search, compare, select, and pay within an integrated environment.

Ease of use should also be interpreted broadly within the present study because direct booking includes websites, mobile applications, instant messaging, telephone, and walk-in channels. Consequently, ease of use encompasses the consumer's ability to obtain information, communicate with the hotel, verify availability, receive confirmation, and complete payment with minimal friction. This broader interpretation is consistent with research emphasizing functionality, usability, and overall digital experience in hotel booking behavior [13], [20].

3.6.4. Theoretical and Managerial Implications

The findings provide an integrated explanation of direct booking decisions through economic value and transactional convenience. Price perception and sales promotion represent the economic benefits associated with selecting the hotel-owned channel, whereas ease of use represents the effort required to complete the transaction. The simultaneous significance of all three variables indicates that consumers evaluate direct

booking through multiple dimensions rather than relying on price alone.

Theoretically, the findings extend existing online booking research by distinguishing direct booking decision from general online hotel booking intention. Previous studies have frequently examined online booking through website quality, trust, perceived value, or technology adoption, whereas the present study focuses specifically on the decision to select the hotel-owned channel over an intermediary. This distinction contributes to the literature on multichannel hotel distribution by emphasizing that the consumer's channel decision represents a separate component of the booking process [1], [2].

From a managerial perspective, the results suggest that hotels should prioritize friction reduction in their direct booking channels. Navigation should be simple, information should be transparent, room availability should be easy to verify, confirmation should be immediate or clearly communicated, and payment procedures should be convenient. Competitive pricing and targeted promotional incentives remain important, but they should support rather than substitute for a seamless direct-booking experience.

The explanatory power of the model further reinforces this interpretation. Price perception, sales promotion, and ease of use jointly explain 70.7% of the variance in direct booking decisions. The relatively high explanatory power indicates that hotels seeking to strengthen direct booking should approach channel competitiveness as an integrated value-and-convenience problem rather than merely a price competition problem.

This finding also provides a useful qualification to the TPB-based interpretation used in the original research. Ease of use can be conceptually related to consumers' perceived ability to complete the behavior, consistent with the perceived behavioral control dimension of TPB. However, because the present study does not explicitly measure the complete TPB mechanism, including behavioral intention, the findings should be interpreted as an adapted application of TPB rather than a full empirical test of the original TPB model. The original manuscript itself acknowledges this limitation.

3.6.5. Discussion of the Overall Finding

Taken together, the results establish the following ordering of predictors: Ease of Use ($\beta = 0.368$) > Price Perception ($\beta = 0.333$) > Sales Promotion ($\beta = 0.261$). This ordering indicates that consumers may be attracted by economic benefits but are more strongly influenced by whether the booking process can be completed conveniently and with minimal effort. The finding therefore suggests that direct-booking competitiveness requires hotels to combine economic attractiveness with transactional simplicity.

The result provides a more nuanced interpretation of the phrase "beyond price parity." Direct booking cannot be strengthened simply by matching or reducing OTA prices because consumers also consider the quality of the transaction itself. In practice, a hotel-owned channel may become more attractive when it offers a fair price, relevant promotional benefits, and a booking journey that is as easy as or easier than competing alternatives.

The findings also provide an important strategic implication for hotels operating in an OTA-dominated environment. Hotels should avoid treating direct booking as merely a pricing initiative and instead develop an integrated channel proposition. Such a proposition should combine transparent pricing, targeted promotional benefits, clear information, responsive communication, and a seamless reservation and payment process

4. Conclusion

This study examined the effects of price perception, sales promotion, and ease of use on consumers' direct booking decisions through hotel-owned channels using data from 200 respondents with recent direct-booking experience. The results demonstrate that all three proposed determinants have positive and statistically significant effects on direct booking decisions, thereby supporting H1, H2, and H3, while the overall regression model is statistically significant and explains 70.7% of the variance in direct booking decisions based on the adjusted R^2 of 0.707. Among the three predictors, ease of use emerged as the strongest determinant ($\beta = 0.368$), followed by price perception ($\beta = 0.333$) and sales promotion ($\beta = 0.261$), indicating that consumers evaluate direct booking through both economic value and transactional convenience. The findings suggest that hotels seeking to reduce dependence on OTAs should not rely exclusively on price reductions or promotional incentives but should prioritize a seamless booking experience supported by competitive and transparent pricing and targeted promotional benefits. Overall, the study demonstrates that direct booking should be understood as a multidimensional channel-choice decision in which consumers assess not only whether the hotel offers sufficient economic value but also whether the booking process is simple, accessible, and efficient.

References

- [1] Liu, J. N. K., & Zhang, E. Y. (2014). An investigation of factors affecting customer selection of online hotel booking channels. *International Journal of Hospitality Management*, 39, 71–83. <https://doi.org/10.1016/j.ijhm.2014.01.011>
- [2] Lee, S. H., Deale, C. S., & Lee, J. (2022). Does it pay to book direct?: Customers' perceptions of online channel distributors, price, and loyalty membership on brand dimensions. *Journal of Revenue and Pricing Management*, 21(6), 657–667. <https://doi.org/10.1057/s41272-022-00382-x>
- [3] Ye, F., Yan, H., & Wu, Y. (2019). Optimal online channel strategies for a hotel considering direct booking and cooperation with an online travel agent. *International Transactions in*

- Operational Research*, 26(3), 968–998. <https://doi.org/10.1111/itor.12470>
- [4] Wang, L., Law, R., Guillet, B. D., Hung, K., & Fong, D. K. C. (2015). Impact of hotel website quality on online booking intentions: eTrust as a mediator. *International Journal of Hospitality Management*, 47, 108–115. <https://doi.org/10.1016/j.ijhm.2015.03.012>
- [5] Andrés-Martínez, M.-E., Gómez-Borja, M.-Á., & Mondéjar-Jiménez, J.-A. (2014). A model to evaluate the effects of price fairness perception in online hotel booking. *Electronic Commerce Research*, 14(2), 171–187. <https://doi.org/10.1007/s10660-014-9137-4>
- [6] Lee, S. W., & Sharma, A. (2025). Beyond rate parity: Examining offer uniqueness and channel credibility in hotel pricing. *Tourism Economics*, 31(2), 309–331. <https://doi.org/10.1177/13548166241273881>
- [7] Hu, X. (Simon), & Yang, Y. (2020). Determinants of consumers' choices in hotel online searches: A comparison of consideration and booking stages. *International Journal of Hospitality Management*, 86, 102370. <https://doi.org/10.1016/j.ijhm.2019.102370>
- [8] Jang, S., & Moutinho, L. (2019). Do price promotions drive consumer spending on luxury hotel services? The moderating roles of room price and user-generated content. *International Journal of Hospitality Management*, 78, 27–35. <https://doi.org/10.1016/j.ijhm.2018.11.010>
- [9] Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), 319–340. <https://doi.org/10.2307/249008>
- [10] Li, L., Peng, M., Jiang, N., & Law, R. (2017). An empirical study on the influence of economy hotel website quality on online booking intentions. *International Journal of Hospitality Management*, 63, 1–10. <https://doi.org/10.1016/j.ijhm.2017.01.001>
- [11] Wu, J. (Snow), & Law, R. (2019). Analysing behavioural differences between e- and m-bookers in hotel booking. *International Journal of Hospitality Management*, 83, 247–256. <https://doi.org/10.1016/j.ijhm.2018.10.023>
- [12] Ali, F. (2016). Hotel website quality, perceived flow, customer satisfaction and purchase intention. *Journal of Hospitality and Tourism Technology*, 7(2), 213–228. <https://doi.org/10.1108/JHTT-02-2016-0010>
- [13] Salameh, A. A., Al Mamun, A., Hayat, N., & Ali, M. H. (2022). Modelling the significance of website quality and online reviews to predict the intention and usage of online hotel booking platforms. *Heliyon*, 8(9), e10735. <https://doi.org/10.1016/j.heliyon.2022.e10735>
- [14] Aryanti, R., & Tjokrosaputro, M. (2024). Faktor yang memengaruhi booking intention pada jaringan hotel berbintang lima di Indonesia. *Jurnal Manajemen Bisnis dan Kewirausahaan*, 8(4), 921–934. <https://doi.org/10.24912/jmbk.v8i4.31643>
- [15] Lien, C.-H., Wen, M.-J., Huang, L.-C., & Wu, K.-L. (2015). Online hotel booking: The effects of brand image, price, trust and value on purchase intentions. *Asia Pacific Management Review*, 20(4), 210–218. <https://doi.org/10.1016/j.apmr.2015.03.005>
- [16] Kim, S., Kim, J., & Park, S. (2017). The effects of perceived value, website trust and hotel trust on online hotel booking intention. *Sustainability*, 9(12), 2262. <https://doi.org/10.3390/su9122262>
- [17] Green, S. B. (1991). How many subjects does it take to do a regression analysis. *Multivariate Behavioral Research*, 26(3), 499–510. https://doi.org/10.1207/s15327906mbr2603_7
- [18] Mohamad, M. A., Radzi, S. M., & Hanafiah, M. H. (2021). Understanding tourist mobile hotel booking behaviour: Incorporating perceived enjoyment and perceived price value in the modified Technology Acceptance Model. *Tourism & Management Studies*, 17(1), 19–30. <https://doi.org/10.18089/tms.2021.170102>
- [19] Podsakoff, P. M., MacKenzie, S. B., Lee, J.-Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. *Journal of Applied Psychology*, 88(5), 879–903. <https://doi.org/10.1037/0021-9010.88.5.879>
- [20] Rita, P., Vong, C., & Santos, M. (2025). How website quality influences hotel choice: A comparative study of leisure and business travelers. *Tourism and Hospitality Research*. <https://doi.org/10.1177/14673584251376632>