

A Research on Consecutive User Experience Factors in the Reservation System of Home Sharing Platform

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Abstract

Background/Objectives: Currently, the global trend is leaning toward an age where individuals' experience is more importantly considered than individuals' possession.

The purpose of this research is to systematically analyze the reservation stage of sharing economy platform in the perspective of consecutive user experiences.

Methods/Statistical analysis: In this research, user experience factors indicated in the reservation stage of accommodation were deducted as properties of the six stages: search, booking request, booking confirmation, invoice, payment and voucher issuance. In addition such factors were analyzed as properties of user experiences consecutively and particularly indicated in home sharing platform included in sharing economy. Home sharing platform reservation system is particular in that it allows users to not only use its function to make reservations, but also experience rational benefits and emotional benefits in each stage. AirBnB(<http://www.airbnb.co.kr>) and Hanintel(<http://www.hanintel.com>) serving as representative services in home sharing platform were selected as the subjects, and their screen information displayed in the process of making individual reservations based on the searched regional accommodation data was collected and analyzed. Data was collected from 1st November 2016 to 18th December 2016.

Findings: As a result of conducting an analysis, it was found that Hanintel focused on operating local affiliate programs allowing reservations as well as on its original role to make reservation and AirBnB promoting branding which emphasizes experience to be acquired by tourists have mutually different marketing strategies. In addition, it was also found that Hanintel was designed mainly based on reservation functions in the reservation stage whereas AirBnB was designed mainly based on emotion and participation in the reservation stage.

Improvements/Applications: Considering that providers and consumers can share their resources and create new values through reliability in sharing economy based on ICT and cooperation consumption, the values and benefits of using home sharing platform can be promoted when the reservation system are designed to positively develop consecutive user experience in making reservations based on the premise that the functional usability is secured.

Keywords: User Experience, Sharing Economy, Rational Benefits, Emotional Benefits and Reservation System

1. Introduction

According to '10 major attentive issues of ICT in 2015' of KT Economic Research Center, online commerce market through mobile made record of 15 trillion Won pertaining to double of 7.6 trillion Won which was the predicted value for '14 with expectation of rapid growth.¹

Currently, the global trend is leaning toward an age where individuals' experience is more importantly considered than individuals' possession. In addition, consumers are leaning toward cooperative consumption where goods are shared with a number of individuals. Sharing economy refers to an economy where goods are exchanged to rather create values than based on prices. A business model of sharing economy platform is designed to allow participants to gain profits through exchanging values, and is generally designed as shown in Figure 1².

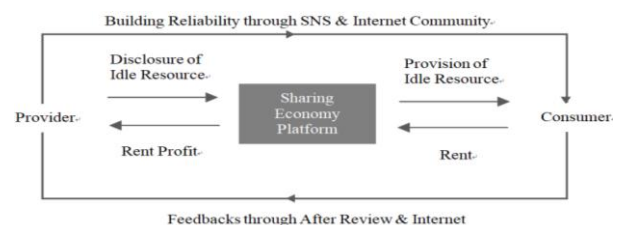


Figure 1. Business Model of Sharing Economy²

Sharing economy is expanding into all sorts of industries. In particular, integration of information technology and ideas in the tourist industry is resulting in a growth of diverse sharing economy services. Actually, the tourist industry is found to be influenced by home sharing platform as are as changes in travel patterns among tourists are concerned.³ Home sharing platform is an online accommodation market where transactions between hosts and guests occur. Namely, it is a platform that establishes a

connection between hosts providing goods and guests using spaces. In addition, such platform uses ICT to allow transactions between hosts and guests. According to the business model shown in <Figure 1>, providing a reservation management system which provides user experiences differentiated in comparison to other platform companies could secure competitiveness. Accordingly, in this research, a plan for positively developing consecutive user experiences relating to reservations is proposed through examining characteristics of user experiences indicated in reservation process provided in home sharing platform⁴ differentiated from the traditional reservation method, and a design is provided to help operate and select a space among administrators, hosts and guests.

2. Stages of Reservation System

As shown in Figure 2, in general, stages of online reservation for accommodation is largely divided into search > booking request > booking confirmation > invoice > payment > voucher issuance. In this process, each accommodation provides users with not only price information, but also additional information such as tourist attractions nearby, package tours and local means of transportation. In addition, each accommodation conducts marketing through managing guest royalties and running various promotions to induce guests to revisit. Different from the traditional method where a place of business is either visited or reached through phone, the original purpose of the next generation reservation system is to connect to the reservation management system on a real time basis to process all procedures related to reservation and payment at one stop, and, thereby, enhance customer convenience and save time and costs.

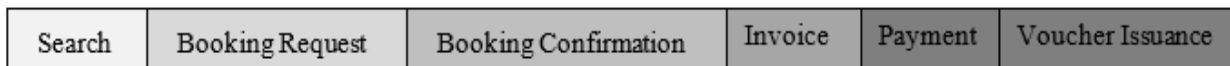


Figure2. Stages of Online Reservation for Accommodation

3. User Experience Consecutively Indicated in Home Sharing Platform

Consumers of the past showed a pattern of attention-interest-desire for buying-action of buying depending on whether being prompted for desire of buying after having interest in commodities with attention to commodities through ads.⁵ Consumer-perceived value is defined as a value resulting from mutual, relative and preferential experiences acquired from use of products.⁶ In the process of extending consumer-perceived value into user experience, among tangible/intangible factors provided in home sharing platform, the particular factors considered important for consumers to purchase accommodation products are divided into rational benefits and emotional benefits as shown in Table 1. Initially, rational benefits consist of reduction and practicality in the perspectives of finance and economy, and refer to users' experience in saving money. In s sharing platform, the greatest rationality is that providers' investment cost and consumers' expense cost can be saved.

Secondly, emotional benefits refer to a use of sharing to increase community participation. As a social consumption which reveals values and individualities while developing relationships with others, a rental type economy model between hosts and guests is looked at from a perspective that a low priced accommodation cost can help others as well. In sharing economy, an experience called as participation allows individuals to feel more responsible, expand themselves as a consumption target, and attract consumption targets into self-concept. This signifies that individuals directly consume home sharing products and use such products as resources or tools for interacting/communicating with others and sharing/expanding common experiences.

Table1. Classification of User Experience in Reservation Stage of Home Sharing Platform

Division	Property
Rational Benefits (Reduction & Practicability)	Search
	Invoice
	Payment
	Voucher
	Recommendation
Emotional Benefits (Participatory Network & Self-Expansion)	Booking Request
	Booking Confirmation
	After Review

4. User Experience in AirBnB Reservation System

AirBnB is the world's largest home sharing service used by people to rent out their space partially to others. In Korea, the number of accommodations provided is approximately 13,000⁷. It is expected that the number will continue to increase. As shown in Figure3⁸ AirBnB with its slogan of 'don't just go there, live there' displays differentiated positioning through emphasizing⁹ new experiences in staying and living at local homes as well as through providing new experiences. As shown in Table 2 In comparison to other large accommodation companies, a lack of the control system used for registration and management of accommodations is displayed as a weakness¹⁰ to guests in terms of reliability and safety. Accordingly, a mutual evaluation system between guests and hosts is introduced as a complementary measure to enhance mutual reliability and user experiences. In addition, another differentiated part is that 'social connection', a function provided in SNS, serves as a safety system that mutually confirms identifications. As shown in Figure 4, as far as reservation and payment structure flow is concerned, the reservation system not only runs its original functions, but also focuses on enhancing the value of sharing through providing roles to be played by companies, hosts and guests to enhance reliability between hosts and guests.

5. User Experience in Hanintel Reservation System

Since its start as a guest house for Koreans at New York, Hanintel has been indicating a continuous growth up to this point. As shown in Figure 5¹¹, its biggest merit is that it allows users to find out about preferred tours as well as to make a reservation for accommodations through local Koreans. Its properties per each reservation stage are not much different from those of the other home sharing platforms. Although a participatory network functions, it is not greatly activated. This fragmentarily shows the strong power that a differentiated part of service where local Koreans serve as the hosts is capable of securing customer attraction. As shown in Table 3, In this platform, space sharing itself exists as the main goods, and diverse package tours and tourist information are provided through content affiliation. Through such process, consecutive experiences in providing lowered prices and rational benefits are provided. Its differentiated tourist mentoring service allows users to directly exchange opinions with local Koreans, and guests and hosts are able to make

inquiries on accommodations and recommend tour guides within an open space. Affiliate companies and hosts conduct mutual activities and provide additional regional contents that contribute

to accomplishing reservations and enhancing the reservation rate. In addition, its

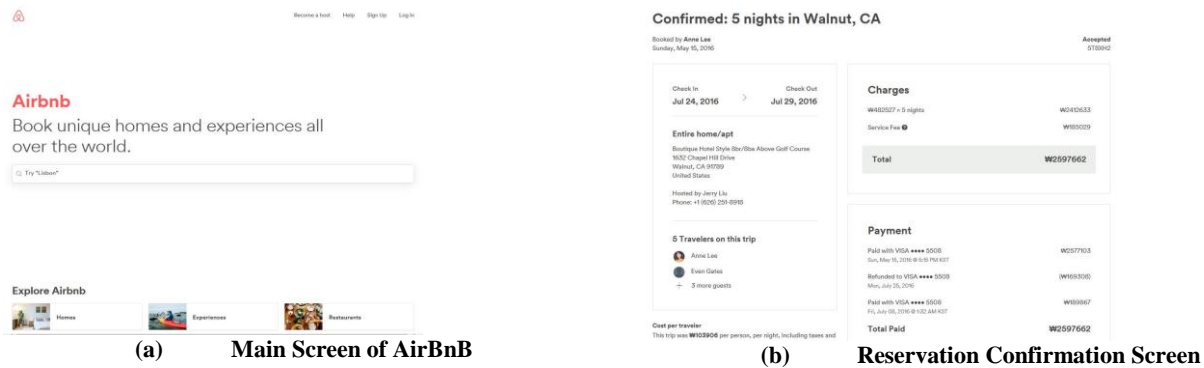


Figure 3. Main Screen of Airbnb⁸

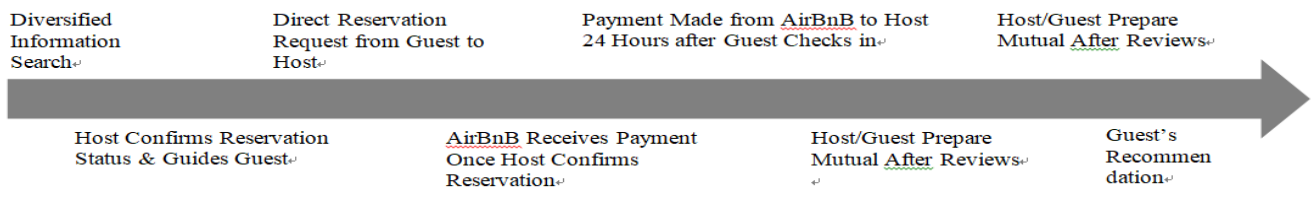
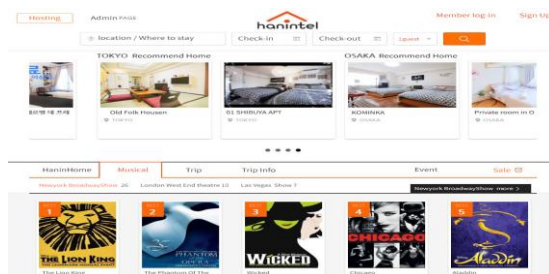


Figure 4. Airbnb Reservation/Payment Structure Flow

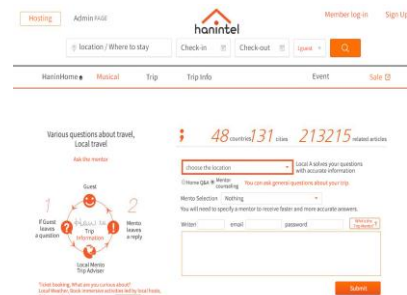
Table 2: User Experience Property Consecutively Indicated in Airbnb Reservation System

Division	Property	Consecutive User Experience Property
Rational Benefits (Reduction & Practicability)	Search	Price, After Review, Facility Level, Additional Service, Regional/Spatial Safety, Host Reliability Confirmation, Mutual Evaluation, Social Connection & Multi-Channel Service
	Invoice	Host Promptness, Response Rate & Multi-Channel Service
	Payment	Personal Information Protection & Multi-Channel Service
	Voucher	Multi-Channel Service & Time Saving
	Recommendation	Economic Price Benefit & Practical Network Establishment
Emotional Benefits (Participatory Network & Self-Expansion)	Booking Request	Prompt Response, Accurate Information & Multi-Channel Service
	Booking Confirmation	Multi-Channel Service
	After Review	Post Credit Rating, Host Response, Mutual Evaluation System Operation, Multi-Channel Service & Activity

original function as an online reservation system is provided at one stop as well.



(a) Main Screen of Hanintel



(b) Mentor Service Screen Figure 5. Main Screen of Hanintel¹¹

Table 3: User Experience Property Consecutively Indicated in Hanintel Reservation System

Division	Property	Consecutive User Experience Property
Rational Benefits (Reduction & Practicability)	Search	Price, After Review, Facility Level, Additional Service, SNS Connection, Regional/Cultural Affiliate Content & Multi-Channel Service
	Invoice	Host Promptness, Response Rate & Multi-Channel Service
	Payment	Personal Information Protection & Multi-Channel Service
	Voucher	Multi-Channel Service & Time Saving
	Recommendation	-
Emotional Benefits (Participatory Network & Self-Expansion)	Booking Request	Multi-Channel Service
	Booking Confirmation	Multi-Channel Service & Temporal/Spatial Continuity
	After Review	Post Credit Rating, Cultural Affiliate Program, Package Tour CP, Host's Mentoring Service & Multi-Channel Service

6. Conclusion

Sophisticated network-based information communication

environment has been creating a new business model called as sharing economy, through a convergence between online and offline.

In this research, the reservation stage of sharing economy platform

was systematically analyzed in the perspective of consecutive user experience. User experience factors indicated in each stage of general reservation system were deducted as properties of the six stages: search > booking request > booking confirmation > invoice > payment > voucher issuance. In addition, such factors were analyzed as properties of user experiences consecutively and particularly indicated in home sharing platform. In sharing economy, each stage of the reservation system of home sharing platform was particular in that it provides users with not only its original function to make reservations, but also consecutive experiences in rational benefits and emotional benefits.

Initially, AirBnB was particular in that it accomplishes reliability-based value creation through allowing users to conduct cooperative consumption through sharing within the 6 reservation stages. In particular, a use of SNS which plays a key role in securing reliability established an important opportunity for providers and users to develop a sense of fellowship, and such platform based on high reliability can be developed into a differentiated strategy that can be used to by AirBnB to create an identity in the same industry.

Secondly, Hanintel was rather more focused on enhancing its reservation rate through enhancing how diversely and frequently the owned spaces are exposed than on reliability-based value creation among platform participants. Although reduction and practicality were indicated in the perspectives of economy and finance, in the long term, it is necessary to be cautious about depletion of contents to be caused by consumptive activities in the market of sharing economy platform. Through an experience called as participation, individuals will be able to feel more responsible, expand themselves as consumption targets, and attract such consumption targets into self-concept. This process will create new values through allowing individuals to directly consume home sharing products and use such products as resources or tools for interacting/communicating with others and sharing/expanding common experiences.

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