

## **Business Air Travelers' Willingness to Pay for In-flight Wireless Internet Service: An Exploratory Study**

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### **Abstract**

This study investigated business air travelers' willingness to pay (WTP) for in-flight wireless Internet service (WIS) and when WTP is positive or conditional, the payment amount. We used the contingent valuation method to elicit the WTP from Taiwanese business air passengers and employed an independent two-equation model to determine the potential factors. Raw data analysis indicated that 40% of the respondents were willing to pay for in-flight WIS. Among the respondents who were willing to pay, the maximal and minimal stated WTP for unlimited use of in-flight WIS were US\$48 and US\$6, respectively. The conditional mean WTP was approximately US\$13. The estimated model also suggested that several variables determined the probability of a positive WTP: personal monthly income, greater than one hour on WIS at the airport, perceptions regarding the necessity of onboard WIS, and flight length.

*Keywords:* Willingness to pay, wireless Internet service, contingent valuation