

Electronic Satisfaction in Tourism Industry

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In The name Of God

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Abstract:

Technology had a great impact on different industries .Tourism is not exempted from that. Several firms have offered their tourism services on-line and claim that they offer better their services comparing with the traditional travel agencies. But what is important is the perception of their customers. In this research different determinants of tourists' satisfaction in on-line tourism was investigated. Then this study has showed how much e-tourism could satisfy tourists in each of mentioned factors comparing with the traditional travel agencies.

The data collection strategy of this research was Survey, and data collection methods were both interview and mainly questionnaire. First of all the literature was reviewed in order to find a suitable model. A model named e-satisfaction was found. This model has five factors which are important in satisfaction of customers while they are purchasing on-line.

In order to customize this model for e-tourism several phases were implemented. First it was required that different items get gathered for each determinant factor as questions in the questionnaire. In this phase interviews were conducted with experts in tourism and people who had experienced e-tourism several times. Also different items were extracted from questionnaires in the literature of tourism and satisfaction. By this task E-satisfaction model (szymensky, Hise, 2000) was combined by tourism models. The questionnaire was made at this stage.

Then the data was analyzed by SPSS 13 and Factor analysis method was used. The summary of the result of this research is available in the conclusion section.

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Chapter 1- Introduction

It was only 50 years ago that the first mainframe computer was developed, 25 years since the introduction of the personal computer and only a decade since the World Wide Web was introduced, and yet their influence on daily operations is pervasive. It was in the mid-1990s, when a flurry of internet service providers began offerings of dial-up access, and e-services became widely available to mass consumers (Boyer et al.2002).

On the other hand tourism and leisure activities are becoming more and more important in the people's life. While the demand side of tourism services has grown, the supply side has been expanded exponentially and numerous competitors came in the industry. This increase in the supply side in the tourism industry increased the customers' expectations and made tourist providers look for possible solutions to overcome this dilemma by using novel methods for tourist attraction.

Using new technology is a way to solve this problem. The development of information communication technologies (ICTs) changed industry structures around the world, tourism is not exempted from that. E-tourism describes a new way of doing business. It means fast communications, global accessibility and minimal costs for new businesses going online (Scottish parliament,2002). E-commerce is a growing sector and many tourism businesses are involved in developing their internet services including traditional travel agents, tour operators, national tourist offices, airlines, hotels and other accommodation providers and car hire firms. This means of doing business is known as 'e-tourism', or 'tourism e-business' (Scottish parliament,2002).

It was mentioned that e-tourism firms use internet to better serve their customers. Customer relationship management is a crucial subject which firms take special attention to, which directly or indirectly results in Customer satisfaction, Customer loyalty and finally Customer retention. Among these concepts customer satisfaction can relatively influence customer loyalty and retention which in turns increases firms profit and efficiency. If a company wants to satisfy its customer, it should first investigate factors which affect customer satisfaction. It needs to answer what it is that satisfies customers(Conklin, 2002), then it should test how well it serves theses factors in its firm. In other word, what is the perception of its customers about each of these factors. There is a quick need for finding a way to assess and increase tourist satisfaction while they are searching and purchasing on line.

1.1 Background

Travel and tourism is one of the world's largest and fastest growing industries, generating 10 percent of Gross Domestic Products (GDP) in the year 2002 and more than 198 million jobs worldwide. According to the World Travel and Tourism Council(WTTC, 2002), this contribution is expected to grow to 10.6 percent of GDP by the year of 2012, account for 249 million jobs across the globe(Paajarvi, 2004).

Tourism has three stages; First stage is when potential tourists are searching for different tourist services, airline tickets, hotels etc in order to plan their trips. This stage is called pre-trip stage. The second stage begins when tourists start their trip and ends when they arrive to their first departure or finish their trip. The mentioned stage is called in-trip stage. The third and final stage follows the previous stage and consists of the services which tourist service providers offer their customers after their trip.

Because of the dependence of tourism especially its first stage upon the supply and exchange of information throughout the production and distribution chain, the tourism industry has proved particularly suitable for the adoption of IT (Bennett and Radburn, 1991).

ICTs have been applied in tourism since the early adoption of Computer Reservation System (CRS) in airlines in 1950s and in the transformation to Global Distribution Systems (GDSs) in the 1980s. Hotel property management systems (PMSs) and hotel CRS systems appeared shortly afterwards, bringing switch companies into the market as well in order to improve interconnectivity and interoperability. However, it is the development of the Internet that brought the revolutionary changes to the structure of the industry(Xiaoqiu Ma, 2003).

Many tourism businesses are involved in developing their internet services including traditional travel agents, tour operators, national tourist offices, airlines, hotels and other accommodation providers and car hire firms. Travel services fit extremely well with the new interactive media (Werthner and Klein, 1999), as the products are natural candidates for multimedia descriptions (Walden,2001).

New tourism environment is facing a rapidly changing environment and needs a continuous research.

Most agree that research on users can provide data with which to devise and introduce improved competitive strategies and that higher degrees of competitiveness are linked to the adaptation to changes in demand(Millan Angel, 2003).

Since websites of tourist's service providers are important factors for the development of tourism industry, it is important to often check if it fits the needs of prospective customers or not.

Given the role a web site plays as the only interface between a user and a company, effective web site design must be seen as a prerequisite for successfully instituting an Internet commerce initiative.

Although more than ten years has passed since the use of internet and websites for travel agencies, still there is room for improvement. Therefore a valid and empirically reliable measure that captures users' evaluation of the organization's web site and on-line tourist satisfaction measurement is essential.

1.2 Problem discussion

In the previous section it was outlined that e-tourism is playing an important role in the tourism industry today. Many tourism organizations put their information online and allow customers to book and reserve their options online. Lots of people use tourist websites as information channel or for purchasing tourism products instead of traditional travel agencies. In these cases since websites are the only channels which link tourism organizations with tourists, it is very important to design and facilitate them in a way that satisfies customers. Making customers satisfied is important from different perspectives. Many researchers have shown that satisfaction can affect customer retention and also it can make them recommend the goods or services to the others. About the case of tourism, satisfaction in the first step of tourism can affect potential tourists' intention for purchasing that special product or products. As a result it is necessary to investigate which factors are important for tourists while they are implementing the first step of their trip online. Bearing this statement in mind an essential question to be addressed is:

"What are the satisfaction factors of tourists when using tourism website comparing with traditional travel agencies?"

By answering the above question different factors will be investigated, in the next step the unique effect of each factor on e-satisfaction level will be investigated.

1.3 Delimitation:

A travel has three stages. First stage is when the tourist is planning and organizing the trip, this stage is called pre-trip stage. The second part is the time during the trip and is called in-trip stage. The last stage starts when the travel finishes. This stage is called after-trip stage. The term e-tourism can be conducted in all three stages but due to the great dependance of the first stage to information technology, the focus of this research is more on the electronic tourism in this stage.

1.4 Outline of this thesis:

Chapter 1: Provides background to the problem discussion, and the delimitation of this thesis.

Chapter 2: Provides an overview of the literature that is relevant to the area of the research. It covers different aspects of tourism, satisfaction models, tourist satisfaction models and online satisfaction model. The research concludes the research question from the literature, by mentioning the existing gap.

Chapter 3: The theoretical frame of reference is presented here. It describes the main things which are going to be found in this research.

Chapter 4: This chapter mentions the methodology that has been used in this thesis. It describes the purpose of the research, its approach, its strategy, the sample selection, the data and data collection as well as measures that have been taken to ensure the quality of the study.

Chapter 5: The empirical data that were gathered from the survey is put forward in this chapter.

Chapter 6: The analysis of data was the content of this chapter.

Chapter 7: The conclusion of this research is presented in this chapter. This also gives suggestions for further study.

Chapter 2-Literature Review:

Preface:

In this chapter first the literature of tourism and its different aspects will be discussed. After this brief review satisfaction has been chosen among all those aspects. It has mentioned different models of customer satisfaction and tourism satisfaction. Next it starts e-tourism and analyses different issues related to e-tourism. Finally it states online satisfaction and its models.

2.1 Tourist literature

For many countries tourism has become an important source of business activity, income, employment, and foreign exchange (Habor, 1998).

Different aspects of tourism have been researched up to now. Motivation, loyalty, satisfaction, retention are considered as the top four important ones. What is followed is a brief of some related researches which is available in the literature.

2.1.1 Motivation

Motivation has been referred to as psychological/ biological needs and wants, including integral forces that arouse, direct, and integrate a person's behavior and activity (Uysal & Hagan, 1993). Since a paradigm of tourism is always related to human beings and to human nature, it is a complex proposition to investigate why people travel and what they want to enjoy. Many disciplines have been utilized to explain phenomena and characteristics related to motivation. In psychology and sociology, the definition of motivation is directed toward emotional and cognitive motives (Ajzen & Fishbein, 1977) or internal and external motives (Gnoth, 1997).

In tourism research, this motivation concept can be classified into two forces, which indicate that people travel because they are pushed and pulled to do so by "some forces" or factors (Dann, 1981). According to Uysal and Hagan (1993), these forces describe how individuals are pushed by motivation variables into making travel

decisions and how they are pulled or attracted by destination attributes. In other words, the push motivations are related to the tourists' desire, while pull motivations are associated with the attributes of the destination choices. Push motivations are more related to internal or emotional aspects. Pull motivations, on the other hand, are connected to external, situational, or cognitive aspects. Push motivations can be seen as the desire for escape, rest and relaxation, prestige, health and fitness, adventure and social interaction, family togetherness, and excitement (Crompton, 1979). Tourists may travel to escape routine and search for authentic experiences. The results and effects of the motivation studies of tourist behavior require more than an understanding of their needs and wants. (Yoon, Uysal., 2005).

2.1.2 Satisfaction in tourism

In tourism destination management, maximizing travel satisfaction is crucial for a successful business. The evaluation of the physical products of destination (instrumental performance) as well as the psychological interpretation of a destination product (expressive attributes) are necessary for human actions (Uysal & Noe, 2003), which could be represented as travel satisfaction results destination loyalty. With reference to the tourism and hospitality industry, it can be stated that satisfied tourists are more likely to recommend the tourist destination to others, which is the cheapest and most effective form of marketing and promotion (Crosby, 1993). Furthermore, tourist satisfaction usually contributes to increased rates of the retention of tourists' patronage, loyalty and acquisition, which in turn helps in realizing economic goals like increased number of tourists and revenues. It was investigated by researchers (Akama, S. et al., 2002) that mentioned factors are the reason why tourist satisfaction is a subject which is worth being studied. That is the reason why satisfaction has been chosen among the mentioned aspects in tourism literature. In the following chapter satisfaction literature will be reviewed.

2.2 Satisfaction

Businesses recognized customer satisfaction (CS) plays a key role in a successful business strategy. What is unclear is the exact nature of that role, how satisfaction should be managed, and whether managerial efforts aimed at increasing satisfaction lead to higher store sales. (Gómez McLaughlin, Wittink, 2004).

The research findings indicate that the majority of companies derived benefits that were oriented on satisfying customers, improving process effectiveness, increasing company growth in terms of income, increased learning by customers, and enhancing value generation.

Customer satisfaction is a direct determining factor in customer loyalty, which, in turn, is a central determinant of customer retention (Gerpott ,Rams,Schindler,2001).

Peters and Waterman (1984) in their bestseller in Search of Excellence found that firms that valued their customers above all else out-performed those that did not. Insofar as satisfaction means the intent to purchase again and the high probability that the satisfied customer will recommend the goods or services to others, increasing customer loyalty can lead to higher profitability (Rust and Zahorik 1993). Moreover, bearing in mind that tourism is an experience made up of many different interdependent parts, some more tangible than others, customer satisfaction may be treated as a cumulative measure of total purchase and consumption experience over time (Habor, 1998) .

2.2.1. Models for measuring satisfaction

The quality management theories indicate that many key product and service attributes have a curvilinear relationship to satisfaction (Conklin, 2002).

Most of the studies conducted to evaluate consumer satisfaction have utilized models of expectation/disconfirmation (Francken & Van Raaij, 1981), equity (Fisk & Young, 1985), norm (Cadotte, Woodruff, & Jenkins, 1987), and perceived overall performance (Tse & Wilton, 1988).

-Expectation-disconfirmation

First of all, according to the expectation-disconfirmation model contributed by Oliver (1980), consumers develop expectations about a product before purchasing.

Subsequently, they compare actual performance with those expectations. If the actual performance is better than their expectations, this leads to positive disconfirmation, which means that the consumer is highly satisfied and will be more willing to purchase the product again. If the actual performance is worse than expectations, this leads to negative disconfirmation, which means that the consumer is dissatisfied and will be likely to look for alternative products for the next purchase.

-Equity theory

Oliver and Swan (1989) were interested in equity theory. Consumer satisfaction can be seen as a relationship between the costs of what the consumer spends and the rewards (benefits) he/she anticipates. Here, price, benefits, time, and effort are the major factors in determining satisfaction.

Thus, it can be said that if tourists receive benefits or value based on their time, effort, and money for travel, the destination is worthwhile.

-Norm theory

Latour and Peat (1979) suggested the norm theory. Norms serve as reference points for judging the product, and dissatisfaction comes into play as a result of disconfirmation relative to these norms. Francken and van Raaij (1981) hypothesized that leisure satisfaction is determined by the consumers' perceived disparity between the preferred (Y. Yoon, M. Uysal, 2005) and actual leisure experiences, as well as

the perceptions of barriers (both internal and external) that prevented the consumer from achieving the desired experience.

This theory uses some form of “comparison standard”. Consumers compare a product they have purchased with other products. Tourists can compare current travel destinations with other alternative destinations or places visited in the past. The difference between present and past experiences can be a norm used to evaluate tourist satisfaction.

-Perceived performance model

Tse and Wilton (1988) developed a perceived performance model. According to this model, consumer dissatisfaction is only a function of the actual performance, regardless of consumers’ expectations. In other words, the actual performance and initial expectations should be considered independently, rather than comparing performance with past experiences. Therefore, in this model, tourists’ evaluation of their satisfaction with travel experiences is considered, regardless of their expectations. This model is effective when tourists do not know what they want to enjoy and experience and do not have any knowledge about their destination circumstances, and only their actual experiences are evaluated to assess tourist satisfaction.

-Shapely value model

The Shapley value model is a measure of the importance of including each attribute in the set of key dissatisfiers, i.e. the attributes that need managerial attention. The Shapley value works by assessing the relative effect on the dependent variable by different combinations of predictor variables. We have demonstrated the practical advantages of the Shapley value as a useful decision tool that can be applied to numerous problems of categorical data modeling arising in various managerial fields. Following the strategy suggested by the Shapley value for key drivers, the managers can choose the best direction toward improving customer acquisition and retention (Conklin, Powaga, Lipovetsky, 2002).

-Servqual model

There is a model for measuring service quality, which is one dimension of customer satisfaction, this model is SERVQUAL (Zeithaml et al., 1990). This is a famous model in academic area.

By SERVQUAL we can compare customers' expectations and their perceptions of actual performance. This scale has been developed for the service sector. It has five generic dimensions or factors, which are stated as follows:

- (1) Tangibles. Physical facilities, equipment and appearance of personnel..
- (2) Reliability. Ability to perform the promised service dependably and accurately.
- (3) Responsiveness. Willingness to help customers and provide prompt service.
- (4) Assurance (including competence, courtesy, credibility and security). Knowledge and courtesy of employees and their ability to inspire trust and confidence.
- (5) Empathy: including access, communication, understanding the customer, caring and individualized attention that the firm provides its customers.

In the SERVQUAL instrument, 22 statements measure the performance across these five dimensions. For each statement, the expectation and the experience of a customer is determined. There is some criticism on the long-term stability of the results of the SERVQUAL scale (Lam and Woo, 1997) and on the general applicability of the five dimensions (Buttle, 1996; Crosby and LeMay, 1998).

SERVQUAL scale has been widely used by academics and practitioners to measure service quality.

The service attributes that are used to measure service quality may not represent exact levels of service quality and/or may not measure all the important characteristics of a particular service. In addition, there are real limitations as related to interviewing respondents before and after the consumption of a given service (Akama, Mukethe Kieti, 2002).

2.3 Tourist satisfaction

Tourists, like other customers, usually have initial expectations of the type and quality of services to be offered in a particular destination. These expectations are formed mainly through information provided via tourism advertisements, commercials, brochures, mass media and informal information from friends and relatives. The extent to which tourist expectations are met will eventually determine the level of tourist satisfaction. If the overall performance, while or after visiting a destination, exceeds or meets initial expectation then the tourist is considered satisfied. However, if perceived performance falls below initial expectation then the tourist may be dissatisfied. Customer satisfaction is increasingly becoming a salient issue in most service industries.

With reference to the tourism and hospitality industry, it can be stated that satisfied tourists are more likely to recommend the tourist destination to others, which is the cheapest and most effective form of marketing and promotion (Crosby, 1993; Soderlund, 1998). Furthermore, tourist satisfaction usually contributes to increased rates of the retention of tourists' patronage, loyalty and acquisition, which in turn helps in realizing economic goals like increased number of tourists and revenues. (S. Akama, Mukethe Kieti, 2002) As a consequence, there is usually a positive association between tourist satisfaction and the destination's long term economic success. Moreover, tourists can express their satisfaction through many ways such as positive word of mouth, paying compliments to the service or product provider and development of long-term loyalty to the destination. At the same time, through tourist satisfaction, the relationship between the tourist and the tourist destination is strengthened (Akama, Mukethe Kieti, 2002). However, in many literatures service qualities mentioned as a main factor, it should be stated that overall tourist satisfaction is affected not only by the quality of what the tourist receives, but also by price and perceived value of the product and/or service. These results from an evaluation of the rewards and sacrifices associated with the purchase of the tourism product (Magi & Julander, 1995).

In summary, the evaluation of tourist satisfaction needs to be considered in multiple dimensions. Tourists may have varying motivations for visiting particular destinations, and also may have different satisfaction levels and standards. Therefore,

a model that integrates the approaches used by previous models may be most effective in assessing tourist satisfaction.

Consequently, destination managers should establish a higher tourist satisfaction level to create positive post-purchase tourist behavior, in order to improve and sustain destination competitiveness (Yoon, Uysal, 2005).

In tourism, as in other service industries, the emergence, survival, development, and failure of ventures depend heavily upon customer satisfaction. Peters and Waterman (1984) in their bestseller *In Search of Excellence* found that firms that valued their customers above all else out-performed those that did not. Insofar as satisfaction means the intent to purchase again and the high probability that the satisfied customer will recommend the goods or services to others (Collier 1994), increasing customer satisfaction can lead to higher profitability (Anderson et al. 1994).

Moreover, bearing in mind that tourism is an experience made up of many different interdependent parts, some more tangible than others, customer satisfaction may be treated as a cumulative measure of total purchase and consumption experience over time (Anderson et al. 1994).

2.3.1 Satisfaction constructs

Undoubtedly, satisfaction has been playing an important role in planning marketable tourism products and services. Tourist satisfaction is important to successful destination marketing because it influences the choice of destination, the consumption of products and services, and the decision to return (Kozak & Rimmington, 2000).

An understanding of satisfaction must be a basic parameter used to evaluate the performance of destination products and services theories.

2.3.2 Tourist satisfaction models

-Tourist satisfaction model (S. Akama, Mukethe Kieti, 2002):

Servqual is a satisfaction model which has been used in many academic researches it has stated that satisfaction can be measured by the use of the service quality. The Service quality dimensions in this model are: 1. tangibles 2. reliability 3. Responsibility

4.assurance 5.empathy 6.price. This model has been implemented in satisfaction by S. Akama, Mukethe Kieti (2002).

1.Tangibles

- Visual attractive and appealing of natural attraction
- Appealing and good condition physical facilities and equipment
- Uncrowned and unspoiled park
- Information centre with relevant information about the park
- Modern looking equipment and facilities
- Adequate transport systems
- Accessibility of physical facilities and natural resources
- Neat appearance of staff

2.Reliability :

- Giving prompt services to the tourists
- Providing services at the promised time
- Listening and providing accurate and correct information

3.Responsibilities:

- Willingness to assist tourists
- Responding to the tourists questions
- Informing the tourists about what is offered in the park.

4.Assurance :

- Safe and secure park
- Staff who are consistently courteous of their tourists
- Knowledge to answer tourists' questions
- Adequate safety facilities

5.Empathy:

- Convenient opening hours
- Giving personal attention to tourists
- Understanding the specific needs of tourists
- Convenient location of facilities and Equipment
- Good viewing and comfortable facilities
- Adequate water supply

6.Price

- Reasonable prices
- Cheap accommodative and catering facilities
- Cheap entertainment or recreational facilities Perceived value
- Providing service quality worth the money paid

- Tourist satisfaction model (Pizam et al., 1978):

A research empirically identifies eight factors of tourist satisfaction as a tourist destination area; and it suggests the means to measure them. By using a factor-analytic approach based on data obtained from a survey of 685 vacationing tourists, the following factors of tourist satisfaction were derived: beach opportunities, cost, hospitality, eating and drinking facilities, accommodation facilities, environment, and extent of commercialization.

Another research done by Hughe and Karen in 2003, determined the factors responsible for 220 tourists' satisfaction with a day guided tour of an aboriginal and islander community in North Queensland, Australia. Requirements of the tour guide and expectations of cultural interaction were compared with overall satisfaction. The degree to which these expectations were met determined satisfaction with the tour as a whole. Of particular importance was the ability of the tour guide to (1) provide an interesting commentary, (2) interact with the tour group, and (3) ensure the smooth running of the tour. Visitor evaluations of cultural enrichment and interaction with the local people were also important

- Tourist satisfaction model (Haber and Lerner 1998):

The general research hypothesis derived from the model is that tourist satisfaction is positively related to the attractiveness of the tourism venture's location; the areas of strength of the ventures and the number of services offered; and the entrepreneur's management skills and personal. Three factors of environmental attractiveness were revealed by a factor analysis carried out on 13 features of the *environmental dimension*: *one*, tourist-related infrastructure, which includes auxiliary services such as restaurants, shopping, transportation, places of entertainment, information; *two*, options for excursions, including organized tours, a range of tourism activities in the area, and a supply of activities for children and, *three*, scenery, including climate. The *organizational dimension* was examined by an area of strength index constructed

from the responses to seven questions relating to various aspects of the quality of the business: quality of the service, employee professionalism, price, product innovativeness, facilities, customer service, and location. The *entrepreneurial dimension* was measured by a personality index constructed from the responses to 12 items relating to achievement, desire for independence, locus of control, risk taking and persistence, and a managerial skills index based on six questions on acquiring financing, managing personnel, product innovation, ongoing business operation, and strategic management. All the questions were scored on a 5-point Likert scale, as well as the customer satisfaction measure.

-Satisfaction model in airlines (Pappas G, nd):

This research considers the relationship between service quality and satisfaction. This proposes a model which: posits a customer's overall satisfaction with a transaction to be a function of his or her assessment of service quality, product quality and price. The research illustrate this as follows:

In assessing satisfaction with an airline flight, for example, customers are likely to consider service features (e.g. courtesy and responsiveness of the flight crew) and product features (e.g. seat comfort) and meals during the flight) as well as price.

-HOLSAT model

A paper which has been done by Tribe and Snaith (1998) sets out to consider present approaches to the measurement of satisfaction. It does this within the context of tourist satisfaction with a holiday. The result of HOLSAT utilizes and modifies previous work in the area to develop a research instrument which approaches satisfaction attitudes using expectations/performance analysis.

- (1) Since five star quality is not the strategy of all destinations, survey instruments should be developed which are flexible enough to be adapted to different circumstances.
- (2) The development of HOLSAT is suggested as a basis for measuring tourists' satisfaction with a holiday destination. One key feature is that it compares the performance of holiday attributes against the customers expectations of the same. It

has great potential as an instrument because it does not embrace a fixed menu of attributes which are generic to all destinations.

(3) The pilot study in Varadero enabled the exploration of the methodology, and whilst the sample size was inadequate to generalize findings, the results within the study sample illustrated its potential usefulness in capturing tourists' sense of satisfaction/dissatisfaction with attributes of their chosen holiday.

2.3.3 Conclusion of tourist satisfaction

Tourist has three stages pre-trip in-trip and post purchase .As it was mentioned enough research have been done for the second stage ,but despite the importance of pre-trip phase , which ends to customer intention and making the decision for the trip, there haven't been enough researches related to this part. Moreover due to the high dependence of this stage on Information technology, this study is going to be focus on internet and electronic means in tourism or in other word"E-Tourism".

2.4 E-Tourism

It is widely recognized that Information and Communication Technologies are rapidly expanding and have affected the way businesses are performed and the way organizations compete (Porter, 2001). Organizations adopt e-business for several reasons and perceived benefits. Some of these benefits include better management of information, better integration of suppliers and vendors, better channel partnership, lower transaction costs, better market understanding, and expanded geographical coverage.

The Tourism industry is a consumer of a diverse range of information (Cho, 1998) and a main user of these technologies (Reinders & Baker, 1998). The technologies have affected the way tourism organizations conduct their business and, in particular, the way organizations distribute their tourism products in the marketplace (Buhalis, 1998; Buhalis & Licata, 2002).

Comments in the visitors' book clearly identified three categories of users. The first class of users was the tourist who wants to plan a trip, seeking information on air

routes, distances between cities and towns and locations of local tourist information centers. Which maybe on their planned route. Second there was also a clear demand from travel professionals who are seeking information to advise their clients. The final group were those who had emigrated from the region who used the information to keep in touch and as a promotional brochure for their friends(Millar, 1997).

Increasingly, consumers can undertake their entire tourism product search and booking online and, therefore, they require flexible, specialized, accessible, interactive products and communication with tourism organizations. Thus, both tourism destinations and enterprises increasingly need to adopt innovative methods and enhance their competitiveness. In 2001, 5% (900,000) of all UK tourism trips in Scotland were booked (The Scottish parliament) through the Internet totaling £270 million. Also already the largest category of online purchases by US consumers is travel.(Pappas,2000)

A MORI survey conducted March 2001 showed that the Internet was used as much as traditional brochures as sources of information for booking holidays and travel.

The research company Jupiter MMXI found that the UK is the biggest online travel market in Europe with nearly six million people visiting travel sites in January 2002. Large UK travel sites such as lastminute.com and easyjet.com are getting over a million visitors a month. In 2001 4.8% (900,000) of all UK tourism trips in Scotland were booked through the internet, totaling £270 million. (Figures published by Visit Scotland , 2002, in Tourism in Scotland 2001)

E-retailing is promoted widely as a convenient avenue for shopping. Shopping online can economize on time and effort by making it easy to locate merchants, find items, and procure offerings (Balasubramanian, 1997). Consumers do not have to leave their home nor travel to find and obtain merchandise online. They can also browse for items by category or online store (Szymanky, Hise, 2000).

E-tourism technologies have been developing over a number of years. In the 1970s, a travel marketing and distribution system known as Computer Reservation Systems (CRS) was introduced. This was an airline database that managed and distributed reservations electronically to remote sales offices and external partners. This allowed customers (travel agents) to make and confirm reservations and allowed all travel businesses to operate flexibly. It offered travel agents increased productivity and

competitive advantage as there after they were able to offer the consumer quick access to the most up-to-date information and indeed access to CRS is of continuing importance to online travel agents. In the 1980s, geographical coverage was expanded via Global Distribution Services. This has been developed since the Internet, offering consumers access to easily comparable information. All three systems operate both independently and jointly.

The critical success factors in the adoption of e-business are identified as: combining e-business knowledge, value proposition and delivery measurement, customer satisfaction and retention, monitoring internal processes and competitor activity, and finally building trust on our site.

Internet as another selling channel is the value of World Wide Web. Researchers at McKinsey and Company report that the retention of customers online is easier than in traditional “bricks and mortar” companies where the online company spends three to five times less to retain them. Companies that retained customers exhibited traits of reliable basic operational execution. Their sites downloaded quickly; they responded to customer queries quickly; they delivered more than 95 percent of their orders on time; and they made it easy for customers to return or exchange purchases. One company raised its on-time delivery rates from 60 to 90 percent, and cut customer churn in half (Agrawal et al., 2001). Internet can play an important role in enhancing a brand and corporate reputation. The Internet also can play a pivotal role in enhancing brand relationships and corporate reputations.

The use of the Internet plays an important role in the development and use of Information and Communication Technologies. There is a growing availability of Internet resources in travel and tourism for a diversity of users (Walle, 1996). The Internet can be used in two different but not exclusive ways: first, as a source of information, and second, as a marketing tool to facilitate online transactions.

It has been pointed out that the development of Information and Communication Technologies blurs the traditional boundaries between distribution and information (Swarbooke, 1996). For example, interactive information screens at tourist information centers enables tourists to obtain information and make bookings at the same time. On the other hand, tourism organizations can use Information and Communication Technologies for addressing individual needs and wants of their consumers.

2.4.1 Functional activities of e-commerce:

E-commerce supports functional activities in tourism organizations in the following functions (Pappas, 2000):

- E-commerce provides new channels for the global marketing of products and services, and presents opportunities to create new businesses providing information and other knowledge-based intangible products.
- *Marketing.* The advent of e-commerce is changing marketing practice in the tourism industry. First, e-commerce enhances the promotion of products and services through direct, information-rich and interactive contact with customers, Second, e-commerce establishes a direct online distribution channel, Third, e-commerce enables savings in administrative and communication costs because it reduces the use of ordinary mail and paperwork, Fourth, e-commerce enhances customer service by enabling customers to find detailed information online, and by answering standard e-mail questions with intelligent agents and human expert systems. Finally, customers need less time to find more information upon tourism products and make comparisons.
- *Purchasing.* The benefits of electronic systems such as EDI (*Electronic Data Interchange*) for e-commerce in purchasing are the reduction of lead times, and administrative and communication costs.
- *Design.* The use of e-commerce can facilitate high quality design of products and services in the tourism industry, through continuously refined information about current and potential customers to anticipate and respond to their needs.
- *Production.* E-commerce applications enhance the degree of externalization of some tourism services. Management information systems like *Enterprise Resource Planning* (ERP) and database technologies can facilitate supplier-customer relationships and the electronic analysis and transfer of information.
- *Sales and distribution.* E-commerce has enabled the development of new tourism companies that compete with traditional tourism intermediaries by enhancing direct marketing and cost reductions. Online booking is an example of activity that customers can perform directly with tourism companies without the intervention of a travel agent.
- *Human Resource Management.* The use of the Internet enables online training and personnel selection. Many companies advertise job openings on their own web sites,

and the candidates' information is electronically transferred to the company's human resource database.

2.4.2 Benefits of using internet for electronic tourism firms:

A report which has been gathered by Scottish parliament has mentioned some other benefits of e-tourism:

- That it is the most **cost effective** way of communicating with target markets and disseminating information

- It is a **quick and easy** way for the customer to buy travel products

- It offers opportunities for **improvements in customer service** and retention through meeting and promoting individual preferences

- It reduces costs through **increased efficiency** in internal operations and purchasing processes

- It **encourages greater co-operation** amongst traditional competitors through the provision of hypertext links. Links are a cheap, quick way of raising the profile of a new site and getting round the difficulty of up-dating information in-house. The inclusion of links on tourism websites offers benefits to both the user and the service provider. The service provider can offer a greater range of information on related tourism products without having to enter into contracts with the service providers and the user has access to immediate information and online shopping opportunities.

2.4.3. Disadvantages of e-tourism

E-tourism has some disadvantages:

- Tensions between growing demands for personalized services tailored to the individual's needs and interests and reluctance amongst consumers to release such information over the Internet in case it is misused.

- The preference of many customers to conduct complicated transactions in a face-to-face environment (e.g. high street travel agents).

- Existing travel agent business being superseded, with resultant job losses

- Growing inequality and increased social exclusion for those customers and businesses without access to necessary technology

2.4.4 Customer expectation in e-tourism:

Scottish parliament (2002) has mentioned the expectations of tourists that can be created after implementing e-tourism:

- Quick response to enquiries
- More detailed and tailored information on tourism destinations
- Possibility of booking travel, accommodation and restaurants online
- Able to check out competition easily at the click of a button
- Importance of destination management and marketing
- Branding – collection of tourism products and services
- Tourism marketing as a means of facilitating regional development
- “marketing should be used as a strategic mechanism in co-ordination with Planning and management rather than as a sales tool”
- Must acknowledge travel motivations (moves towards personal service through customer profiling).

These expectations for measuring satisfaction.

In the early 1980s, the IMP group established that relationships were perceived as "good" if they were long term, close and cooperative (Wiley, Chichester, 1982). As there were fewer communication channels available then, these relationships were established mainly through face to face meetings between the supplier and buyer. Obviously, a wide variety of technical, commercial and organizational information is exchanged between companies and the type of communication channel used depends on the type of information being exchanged (Sheena Leek ,Turnbull , Naudé,2003).

2.4.5 Impact of internet on tourism industry

It has been argued that the challenges and issues faced by the industry include: (Bacchus, L. and Molina2001)

- Low / varied level of ICT literacy amongst some micro businesses and SMEs
- Degree of access amongst SMEs to technology
- Extent to which SMEs feel Government should be responsible for providing a national website with links to information about their business
- Level of responsibility each SME should have for their own marketing and the development of their own website

-Opportunities/disadvantages of Broadband – possibility of paying for use of broadband to reduce Internet congestion.

-Collapse of dot coms in 1999-2000 led to significant losses for venture capitalists. As a consequence investors are more cautious of business plans based on costly marketing campaigns aimed at quickly raising the company's global profile. Instead it has been suggested that the future of many dot coms lie in the development of 'clicks and mortar', 'bricks and clicks' businesses, which benefit from the advantage of both internet and traditional business.

2.4.6 Threat of tourism websites:

Perhaps the most powerful competitors emerging in Internet-based tourism services are those with the resources to invest. They seem to be the portal sites, reservation technology providers, and Microsoft. Portal sites are approaching the sector through structuring their vast data warehouses into thematic sites (e.g. tourism). CRS providers see the Internet as another distribution channel that compliments their existing arrangements, while Microsoft recognize the potential of the sector for exploiting their own considerable technological and financial strengths (Rayman-Bacchus, L. and Molina, A. ,2001).

Scottish parliament,2002, has mentioned that there are some other possible technological innovations that may impact on tourism include:

- Interactive digital television (IDTV)
- Mobile and m-commerce distribution

2.4.7 Barriers to introducing IT in small to medium sized hospitality organizations

There are some factors as barriers of implementing IT in organizations (Anckar and Walden, nd).

- 1 Lacking financial resources
- 2 Lacking IT knowledge/experience;
- 3 Resistance to change
- 4 Peripheral locations

-Lacking financial resources

Few companies, and certainly not SMEs, have sufficient in-house expertise to launch an e-commerce project without some external help. Although it can be argued that a Web presence does not necessarily involve great costs, minimizing the expenses by cutting down on essential forms of customer service is a highly questionable strategy.

-Lacking IT knowledge/experience

SMTes' illiteracy in IT essentially means that they are unable to take advantage of many opportunities for efficiency improvements and enterprise promotion. The IT revolution has profound implications for the management of the industry (Buhalis, 1999), which means that the hotel manager of the future must be familiar and comfortable with technology, able to see and exploit its potential (Baines, 1998). With an increasing number of computer-literate prospective travelers, consumer expectations could force the introduction of IT in SMHOs and their satisfaction would increasingly depend on this provision. Unless the SMHOs satisfy their needs, they will fail to attract consumers (Buhalis and Main, 1998).

-Resistance to change

Closely related to the issue of lacking IT knowledge is the barrier arising from a resistance to change at management and/or worker level. According to Collier (1991), there are all sorts of reasons why managers and workers might resist technological change. First, they may resent change especially if there is no consultation. Second, they may be anxious about their job, and third, they may be worried about appearing incompetent.

-Peripheral location

The barriers to introducing IT are likely to be even higher in peripheral regions, where new technologies not always gain a foothold as rapidly and with the same intensity as in urban centers. The barriers may also arise from technological services; for instance, broad bandwidth Internet connections, being more expensive as a result of the limited demand, or a technological infrastructure not being available in peripheral areas because of the great expenses involved. Hence, for many peripheral SMHOs fast Internet connections are not a matter of course, which must be taken into consideration when planning their Internet strategies. Moreover, in peripheral regions, IT-knowledgeable workers and professional consultants may be hard to find or

extremely busy. Consequently, the peripheral companies may not be able to find system developers or workers who can operate the systems the topics that have been covered by researchers related to e-tourism: Benefits of internet for tourism websites, advantage and disadvantages of e-tourism, expectations of tourists toward e-tourism, Factors that can change e-tourism, Threats (firms, technology), barriers for implementing e-tourism.

As it is mentioned different aspects of e-tourism have already been studied, but in spite of the importance of satisfaction we had mentioned before there haven't been enough studies related to this topic.

2.5 Online satisfaction

Measuring Electronic satisfaction as a concept has gained increasing importance in the marketing literature in recent times. The examination of consumer satisfaction in an online context follows the growing consensus that in Internet retailing, as in traditional retailing, consumer satisfaction is not only a critical performance outcome, but also a primary predictor of customer loyalty and thus, the Internet retailer's endurance and success.

Successful online companies tend to direct their attention to customer satisfaction and retention, using surveys to identify customers' needs; offering a website that is simple, accessible and affordable to use; honesty regarding disclosure of fees and charges; offering additional communication channels to clients, such as SMS; ongoing improvements of the website; providing tools online to enable clients to conduct transactions and manage their accounts independently), with distinctive focus on increased segmentation and fine-tuning of value propositions.

Quality is one of the factors which satisfy customers .Since website is the link between customer and company, companies should show in their websites all the efforts about improvement of quality.

Besides a company should provide high quality Web sites to its customers: there is no human contact through Web sites. The interaction via the Internet between a company and a customer is always through technology. This means the "moment of truth" between a company and a customer is the Web site. Although companies may try to emulate human behavior with technology, the interaction remains different because

some aspects of human interaction cannot be replaced with technology, e.g. courtesy, friendliness, helpfulness, care, commitment, flexibility and cleanliness. The absence of these aspects of human interaction through which quality can be delivered to customers will have to be compensated by better performance on other quality factors or by excellent performance on “new” specific Web quality factors.

2.5.1 Electronic satisfaction models

Servqual is a famous academic model for measuring satisfaction .and it has recently been tested for online firms too. SERVQUAL dimensions in relation to e-business:

-Tangibles

Examples of the tangible factor are “has up-to-date equipment”, “physical facilities are visually appealing” and “materials are visually appealing”. These aspects might be even more important in e-business as there is no face-to-face contact between the customer and an employee. The visual aspects of the equipment (i.e. the Web site) are the only visual contact between a customer and an organization. Therefore, the need to have well functioning and good-looking Web sites is paramount. There are a great number of customers who abandon their shopping carts on the Internet because they get frustrated with the technology or the design and lay out of the Web site interface (Hager and Elliot, 2001).

The visual aspects of Web sites are also judged differently by the people of different age. While young people may be attracted by flashy graphics, sounds and a high-speed interface, older people do not want blinking texts that are hard to read or animations that distract from the use of the Web site (Houtman, 2002). Although a number of Web sites offer users the opportunity to customize the Web site to their needs, this customization process is mostly aimed at the content of the Web site and not at the graphics, animations and sounds.

-Reliability

Some of the aspects in the reliability factor have to do with “doing what is promised” and “doing it at the promised time”. Although many organizations seem to think that the major reason why customers shop via the Internet is because of the low prices, this does not always need to be the case. Some organizations found out the hard way that there are also a lot of customers shopping via the Internet because of convenience considerations (Riseley and Schehr, 2000). If customers cannot trust an organization

to do what they ask, those customers will be dissatisfied. Priceline, for example, ran into big problems by the end of 2000 because of its focus on the lowest prices. People could buy a plane ticket at a very low price, but because of possible inconvenient flying times there was a big risk for customers. This resulted in dissatisfied customers who were happy to trade off Priceline's discounts for the convenience of a competitor (Riseley and Schehr, 2000).

-Responsiveness

One of the aspects in the responsiveness factor is "gives prompt service". The amount of time it takes to download a Web page appears to be of great importance to the users of the Internet. Research in 1999 found that fewer than 10 percent of users leave a Web site if page response time is kept below 7 seconds.

However, when it rises above 8 s, 30 percent of users leave. When delays exceed 12 s, a staggering 70 percent of users leave a Web site (Cox and Dale, 2001, 2002). It can be assumed that people expect Web sites to be even quicker than in 1999 because of the technological advances. Thus, it is very important for organizations to have a Web site that is quick, but on the other hand users expect Web sites to be visually appealing. As the number and size of animations, pictures and sounds increase to make a Web page more visually appealing, the time it takes to download that Web page will also increase, which is judged negatively by users. Hence, there is a trade-off between the looks of a Web site and the speed of that site. Organizations will have to try to find the right balance between good looks and speed.

The trade-off between looks and speed is complicated by companies' demand that their Web sites convey the corporate image (Manning et al., 1998).

The design department of a company wants Web pages to be easily recognizable as belonging to that company. In their view, Web pages have to display company and product logos as well as other graphics that underscore the corporate identity. These graphics add to the overall size of Web pages and thereby increase the download time for Internet users. It is questionable whether users are willing to accept slower pages in return for more logos and graphics that do not improve the functionality of the Web site (although they might improve the visual appeal).

-Assurance

One of the aspects in the assurance factor is “knowledge to answer questions”. Customers expect to find everything they want on a Web site. In a bricks and mortar store, people feel comfortable with a limited inventory. On the Internet, people are not satisfied if they cannot find everything they want. Web shops need to have great depth of inventory and rich and relevant product information (Dayal et al., 2002).

Two other aspects in the assurance factor are “employees can be trusted” and “feel safe in your transactions with employees”. First, there is the risk for users to share personal information with an organization they do not know. Research on this topic (Statistical Research Inc., 2001) shows that at least 50 percent of users are very concerned about: misuse of credit card information given over the Internet; selling or sharing of personal information by Web site owners; and cookies that track customers’ Internet activity.

Second, the same research shows that two-thirds of active Web users typically abandon a site that requests personal information and one in five has entered false information to gain access to a Web site. Daughtrey, 2001, has mentioned aspects in the assurance factor that could be very important in e-business:

- . Availability of a formal privacy and confidentiality policy on a Web site;
- . Secured access to a Web site (that customers are prompted to acknowledge);
- . General reputation of supplier;
- . Certifications or guarantees of assurance
- . Reports of experiences of other customers

The first aspect in this list is also acknowledged by the International Organization for Standardization in Geneva. The Code of Practice for Information Security Management (ISO/IEC 17799:2000) provides a basis for establishing and maintaining the means of handling sensitive data (Daughtrey, 2001).

Certifications and guarantees of assurance are also important in e-business. More and more organizations are trying to obtain certification by an objective, consensus-based standard, just as they did earlier with quality management standards (Daughtrey, 2001). These organizations are becoming aware of the advantages of such certification in relation to customers’ trust in these organizations.

-Empathy

In the dimension of empathy there are several aspects that are usually not found on a Web site. Because of the fact that there is no human interaction, Web sites normally

do not offer personal attention. To achieve this, a number of Web sites have a design that can be personalized by the users of these sites, so people can have their own version of the Web site. This kind of Web site design is aimed at giving users the experience of getting personal attention.

The idea is that the more a Web site is tailored to a particular customer's needs, the more likely that customer will return again and again (The Economist, 2001). The most advanced technologies in this area aim to create a face-to-virtual-face interaction. A friendly looking face of a virtual assistant on your screen is supposed to make customers feel more comfortable. With the use of artificial intelligence, the virtual assistant can suggest products or services that might be of interest to a customer based on previous purchases and on reactions to the questions of the virtual assistant. The latter possibility of asking users of a Web site questions via a virtual assistant will enable companies to tailor their offerings to the wishes of the user to prevent customer dissatisfaction. The only purpose of all these technological gadgets is to add one of the Web's key missing ingredients: warmth (The Economist, 2001).

It seems that most of the dimensions and aspects that have been defined for general service environments are also important in e-business. Besides the five dimensions as defined by Zeithaml et al. (1990), empirical evidence might come up with more specific dimensions related to e-business. Some preliminary research has been done in this area (Cox and Dale, 2001, 2002; Fink and Laupase, 2000; Schubert and Dettling, 2001; Wan, 2000), but no definitive results have been attained. Hence, more research is needed (Zeithaml, 2002).

2.5.2 E-satisfaction model

In e-satisfaction model, a qualitative phase of research was initiated to identify possible antecedents to e-satisfaction. Qualitative research for model formulation is advocated for areas such as e-satisfaction that are ill-defined, under-researched, or relatively new (Miles and Huberman, 1994). To this end, focus-group interviews (three focus groups with seven to eight members each) were conducted with online shoppers (i.e., people who have purchased items online). The interviews were designed to elicit information on online purchasing behaviors, satisfaction levels, and shopping elements that make e-retailing a more satisfying or dissatisfying experience. The dialogue was captured on tape. The transcript was reviewed by the authors. (Szymansky, Hise, 2002)

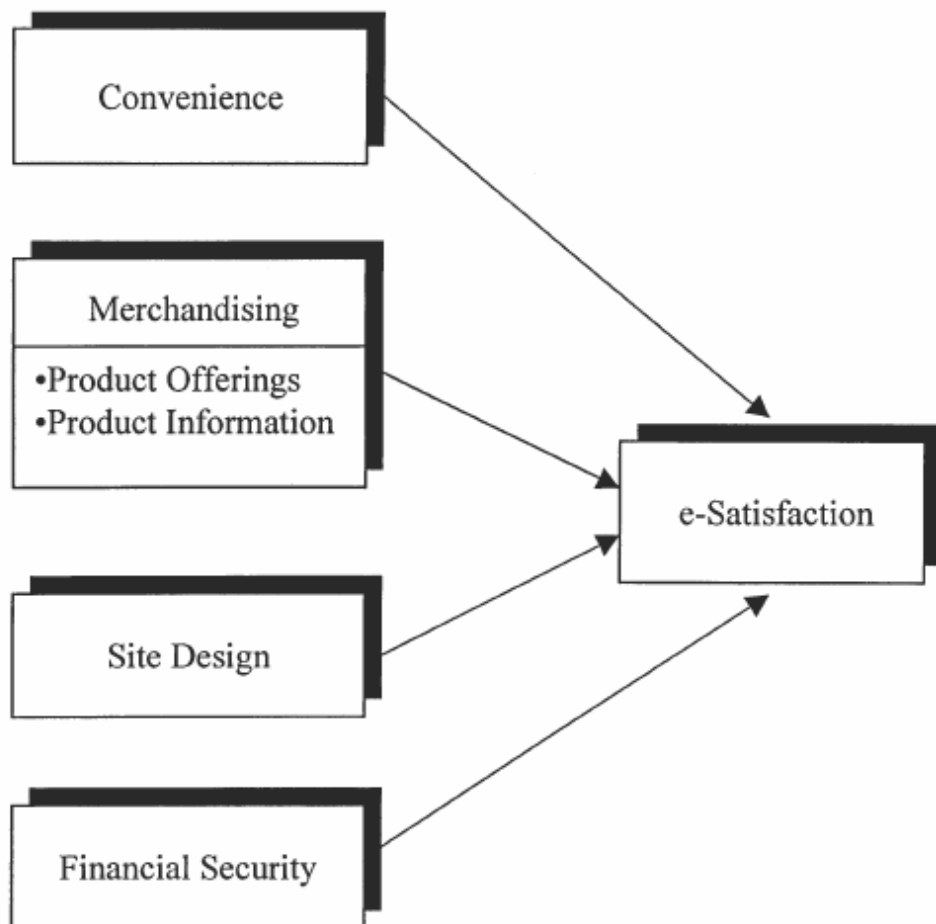


Figure 2.1: Conceptual Model of e-Satisfaction. Source e-Satisfaction: An Initial Examination, SZYMANSKI, HISE., 2000.

It was found that people's perceptions of online security play an important role in e-satisfaction. However, financial security is not the primary predictor of e-satisfaction among e-buyers. The result of the coefficient model showed, the coefficient for financial security is tied for second in terms of its relative impact on e-satisfaction.

In addition to the financial security of online transactions, discussions of e-commerce frequently address the perceived merchandising benefits of e-retailing—that is, wider assortments and richer information. These benefits are discussed often in the context of superior e-merchandising motivating people to shop online. These findings can add insight to this discussion. It was documented that, on average, perceptions of superior merchandising do not have a dramatic impact on e-satisfaction among e-buyers. In fact, among the shoppers we surveyed, greater breadth of offerings had no unique impact on e-satisfaction levels. Although superior product information did impact e-satisfaction to a statistically significant degree, it can be argued that the practical significance of this effect is not great.

It was found that the size of the estimated coefficient is relatively small. In fact, it was the smallest of the four statistically significant factors in our model. All told, these data imply that the merchandising elements captured here have little effect on whether consumers are satisfied or dissatisfied e-shoppers.

What does appear to occupy a more prominent role in consumer e-satisfaction assessments are site design and convenience (in addition to financial security). Good site design includes having fast, uncluttered, and easy-to-navigate sites. Convenience includes saving time and making browsing easy. All told, these findings imply that giving special attention to convenience, site design, and financial security may produce the most positive outcomes pertaining to e-satisfaction. These three elements display the greatest effect on e-satisfaction among the e-buyers we surveyed.

We can use factors from Servqual and e-satisfaction model to determine factors affecting satisfaction in e-tourism.

So we are going to find: Factors **affecting tourist satisfaction**.

In order to fill the gap in the tourism industry, by the help of this mentioned model, E-satisfaction model, we are going to find satisfaction factors of tourists when using tourism website comparing with traditional travel agencies?"

Chapter 3-Frame of Reference

3-1 Conceptual framework

According to Miles and Huberman (1994)"The conceptual framework explains either graphically or in narrative form the main things to be studied(Willig, 2005)

"Previous chapters presented a background followed by a problem discussion that resulted in the research problem. The research problem was satisfaction in online tourism. This research problem ended with two research questions which will be introduced in the following paragraphs. In chapter two literatures related to the research questions were reviewed. This literatures consists tourism, satisfaction, e-tourism and online customer behavior literatures. The conceptual framework presented in this chapter is building the foundation for the methodology, analysis and conclusions.

3-2: First Research question:

Information technology has a great impact on different industries these days. Tourism is one of the industries which is influenced significantly by Information Technology in recent years. This research is going to investigate different factors which affect tourist satisfaction. In the previous chapters it was mentioned that purchasing tourist services can be either offline as the traditional methods or online with the help of new technology.

This thesis focuses on the second way of purchasing tourism services which is online purchasing but originally it has two phases.

As it was mentioned the first phase of this research is to find factors which are important in online tourist's satisfaction. This research will combine e-satisfaction model which was offered by Szymansky and Hise (2000) with other tourist satisfaction models and also factors which were investigated in the interviews by experts. The first phase uses both qualitative and quantitative method. This phase is going to answer the following question:

"What are the satisfaction factors of tourists when using tourism website comparing with traditional travel agencies?"

3-2 Second research question:

By answering the first question it will be stated that what the satisfaction factors are while a person experiencing e-tourism, although these findings will be a great help but e-tourism needs a further knowledge. The factors which are the determinants of e-satisfaction model in tourism industry were found in the previous part. In the next part of this study the unique effect of each of these factors on e-satisfaction level will be investigated. It will define each factor has the most impact on e-satisfaction in tourism industry. These statements will introduce the strength and weaknesses of the new method of tourism comparing to traditional travel agencies.

This part of the research will complete the model from Hise and Szimansky, and makes an extensive answer to the second research question.

In this phase the answer to the second research question would be found

"What is the impact of each investigated factor on e-satisfaction in tourism industry?"

Using research questions and research area we can now build research model.

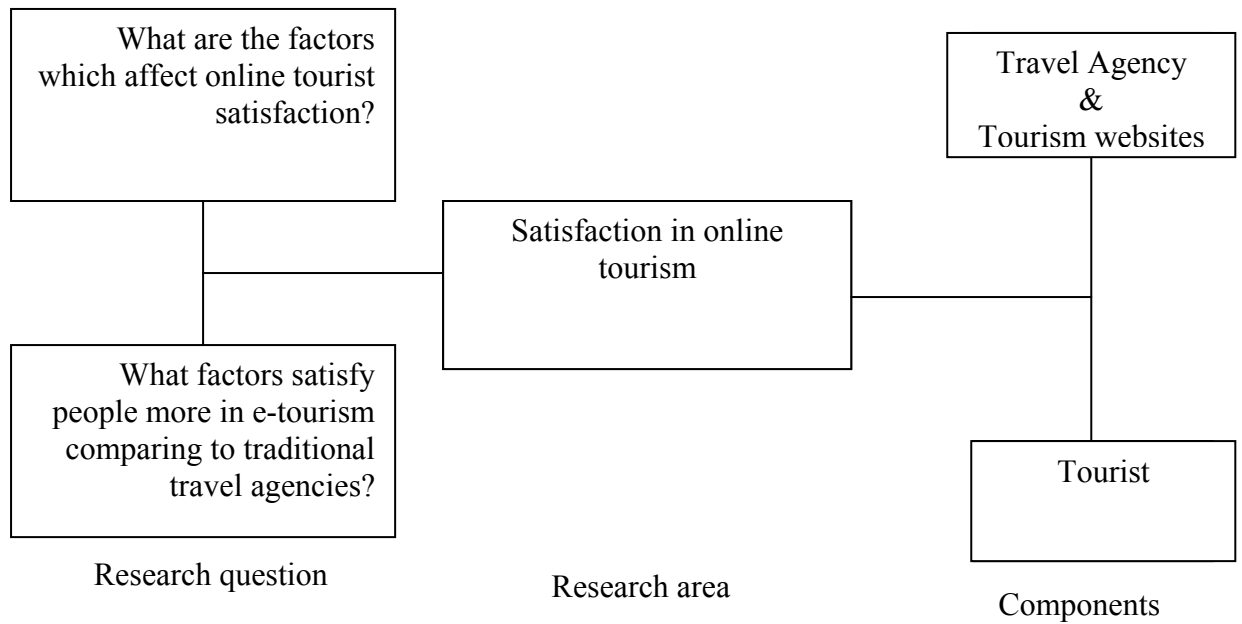


Figure.3.1 Research model of this study

Chapter 4 -Methodology

This chapter is going to describe how the thesis will find satisfaction factors of people when using tourism website comparing with using traditional travel agencies.

Moreover it will describe which methods and techniques will be implemented for conducting this research. A method is a tool that can be leveraged to Help solve problems and obtain knew knowledge (Holm and Solvang, 1997). This chapter presents the procedure of the research ,describing the purpose of the research ,its approach the sample selection ,the data and data collection as well as discussing the efforts made in order to ensure the quality of this study.

4.1 Research purpose

All research purpose formulation can be categorized as being exploratory ,descriptive or explanatory .In practice the purpose is a determination of the research problem that describes the direction and objectives of the research.(Christensen et al., 1998)(Paajarvi, 2004). In the following section first the definition of different purposes will be mentioned then the purpose of this study will be stated.

4.1.1Explortory research

An exploratory case study is aimed at defining the questions and hypothesis of a subsequent study or determining the feasibility of the desired research procedure (Yin. 1994). An exploratory research is a suitable approach when the researcher is uncertain of the theories that are relevant. An exploratory study is valuable by means of finding out what is happening, to seek new insights, to ask questions and to assess phenomena in a new light. Particularly it is useful when you wish to clarify your understanding of a problem(Martinson, 2005).According to Erikso and Wiedersheim-Paul (1997) exploratory research is useful when the problem area is difficult to limit, the perception of which model to use is diffuse and it is unclear what characteristics and relations that are important. Martinson (2005) believes that there are three different ways to conduct exploratory research,

1-A search of literature

2-Talking to experts

3-Conducting focus groups interview

But according to what (Paajarvi, 2004),says there are many different sources to gather as much information about a specific subject as possible.

4.1.2 Descriptive studies

When a problem is clearly structured and when the intention of the study is not to conduct research about factors' related causes and symptoms it is appropriate to conduct descriptive research(Paajarvi, 2004).The descriptive study aims to portray an accurate profile of persons, events or situations (Martinson, 2005).Some research has a purpose of describing different kind of phenomena. For examples stages, assurances ,course of events and actions. A descriptive case study presents a complete description of a phenomena within its context (Yin, 1994).To have use of a model for description it is important to have specified the purpose of the description, what you want to know ,what knowledge you want to gain (Wiedersheim-PaulErikson, 1999).

4.1.3 Explanatory study

Current study is a mean to analyze causes and coincidences. A study that establishes causal relationship between variables maybe termed explanatory. So most explanatory researches seek causal relationship between independent and dependant variables. By changing the value of the independent variable it is possible to study fluctuations in the value of the dependant variable(Paajarvi, 2004). Thus, in order to conduct an exploratory research one must in advance know which dependant variables assert influence on the dependant variable(christen, 1998)

It has been stated that the aim of this thesis is to answer the following questions: What are the satisfaction factors tourists when using tourism website comparing with traditional travel agencies?"

Moreover it is going to be investigated that how much each factor was successful in e-tourism comparing with traditional travel agencies. In fact this thesis is going to find relationship between e-satisfaction which is a dependent variable and its determinants. Therefore, according to the definition of each mentioned purpose of the study and also the characteristics of this thesis it is logical to mention that the purpose of this study is explanatory.

4.2 Research approach

A qualitative study is one where the major purpose is to understand the reality in a holistic way, not to prove specific phenomena (Stefenson, 2004).In a qualitative approach the researcher tries to identify phenomena by examining the characteristic of it. A quantitative study is a research whose results are based on numbers and statistics

and are presented in figures. For designing the questionnaire qualitative approach has been used, but in the further procedures, the data gathering by questionnaire and data analyzing the approach is quantitative.

4.3 Research strategy

Strategy is a general plan of how to get about answer in the research questions. The constraints as access to data, time, location etc. will be considered. Clear objectives from the research questions and specified sources will be contained. Person (2004) has mentioned four different strategies for conducting a research.

- 1- Survey
- 2- Case study
- 3- Desktop research
- 4- Experiment

Before mentioning which strategy has been used in this thesis, a short definition of different strategies will be introduced.

Surveys are popular in business and management research and allow large amount of data from a sizeable population to be collected.

Case study is about developing a detailed and intensive knowledge about a single case or a few cases. It generates answers on the questions: Why, What and how although what and how is more survey like. In other words a case study is an attempt to take knowledge from a specific, limited part of a problem area and then use this knowledge to explain the whole problem area.

Yin (1994) states that a case study can involve a single or a multiple case study. A single case study makes an in- depth investigation regarding only one organization or decision. When two or more organizations are investigated, it is called a multiple case study, which gives the opportunity to compare studies in a cross-case analysis, so that a higher level of understanding can be reached.

Experiment methods Owes much to the natural sciences, but features strongly in social sciences research. Particularly it involves; definition of theoretical hypothesis, selection of samples from known population and samples to different experimental conditions(Martinson, 2005).

In this thesis survey strategy was chosen because of two reasons. First it was mentioned that the aim of this thesis is to find the satisfaction factors of the time people use tourism website comparing with traditional travel agencies. Millan (2003)

mentioned that research on users can provide data with which to devise and introduce improved competitive strategies and that higher degree of competitiveness are linked to the adaptation to changes in demand. Second reason, e-satisfaction model which is the base of this thesis and is going to be tested in tourism industry, has implemented survey method.

4.4 Sample selection

Selecting the sample can be done in various ways. According to Zikmund (2000) the major alternative sampling plans may be grouped into probability sampling and non-probability sampling (Zikmund, 2000).

Probability characterized by each member of the population having a known nonzero probability of selection.

Zikman(2000) states that there are three non-probability sampling; Convenience sampling, Quota sampling and snow ball sampling.

Convenience sampling: This sampling method selects the units or people that are most conveniently available.

Quota sampling: The purpose of the quota sampling is to ensure that certain characteristics of a population sample will be represented to the exact extent the investigator's desire.

Snowball sampling: This kind of sampling is a procedure in which initial respondents are selected by probability methods, and then additional respondents are obtained from the information given by the initial respondents.

The sampling method which has been used in this thesis is quota sampling and the related characteristic is the people who have experienced e-tourism at least once before. Our sample were passengers in beauvais airport, Paris. The total questionnaires that were collected were 115 which reduced to 99 after omitting missing values and outliers.

4.4.1 Sample selection in this thesis:

As it was mentioned in the sample selection part, the sample was the people who had experienced e-tourism at least once before. The aim of this thesis was to implement this task by questionnaire but in order to choose on-line or off-line questionnaire first the exact sample had to be selected.

A lot of connections were implemented with tourism websites for their cooperation in this research. They were asked to send either online or offline questionnaire to their

customers either by email or any other convenient way which was possible for them. Although they showed their interest in the topic of this research, they mentioned that they didn't have the required conditions and facilities and it was impossible for them to do this task. Then another attempt was started, and different contacts were done with the airports whose tickets were sold only on internet. Finally an airport named Beauvais in Paris accepted to cooperate with this research. This airport was related to Ryanair.com which is an airline company which has cheap flights for most of the important cities in the Europe. All of the tickets of this company sold directly to the passengers on-line. Beauvais airport let us distribute the questionnaire in the airport area in front of check-in desk .That was the reason why off-line questionnaire was chosen in this thesis

4.5 Primary And secondary data:

Data can be classified on the basis of how it is collected and also on the basis of its form. The former categorizes data in terms of primary and secondary data while the latter distinguishes between qualitative and quantitative data.

As it was mentioned above, there are two general types of marketing data based of their form: Primary and Secondary. Primary data are collected for the first time specifically for the needs and purpose of the present study. While secondary data are already published data that has been collected for other purposes than for the needs at hand. Although there are savings in cost and time to use secondary data, on the other hand there are some points to take into consideration while choosing type of data .The extent to which data fit the information needs of the research, its accuracy and its timelines. The data fit problem implies that since secondary data have been collected for a purpose other than for the current research, it rarely complies with the information needs of the project at hand. The data which has been used in this thesis is primary data which had been collected by survey.

4.6 Qualitative and quantitative data

Quantitative research mainly documents numbers and focuses on quantities and fluencies of quantifiable things –variables –that can be statistically analyzed. The analyze focuses on discovering and measuring the correlations between different variables. A quantitative research is structured and has predefined hypothesis that it wishes to consolidate or falsify.

The characteristic of qualitative data is that it is presented in words, text, symbols and actions. A qualitative research gains an understanding of a specific phenomena's holistic view rather than understanding its separate parts. In this thesis both qualitative and quantitative methods have been used which would be described in more details in 4.7.1.

4.7 Methods used in this thesis

4.7.1 Use of data in this thesis:

This thesis first is going to find satisfaction factors for tourists while they are purchasing online from the literature and interviews. The finding of this part would be factors which are qualitative data. For answering this question, two steps are implemented. First, different interviews are conducted with both, people who travel a lot and also experts. These experts are professional in tourism and customer online buying behavior. So the first step for answering first research question collects *primary data*. Next step for answering first research question will search through literature. In other words a review through different related models is useful for this stage and would give better result. In this step, the data which has already been established are used, so the collected data is secondary data.

The next step is going to investigate which one of the factors mentioned in the previous step would satisfy people more in online tourism comparing with traditional travel agencies. This step not only finds this but also measures how much each factor affects their satisfaction in e-tourism comparing with traditional travel agencies. The findings of this part are quantitative data and primary data is collected for answering this question.

4.7.2 Data collection method

Person (2004) believes that there are four different methods for collecting the data, these methods are mentioned below:

- 1-Secondary data
- 2-Observation
- 3-interviews
- 4-questionnaire

However there is another category for methods of collecting the data which is Communication method and observation method.

The data collection methods used in communication with respondents are interview and questionnaire.

The main advantage of the interview is its versatility, in fact it has an ability to collect data on a wide range of information needs (Paajarvi, 2004). On the other hand,

the main limitations of the method are the respondent's unwillingness or inability to provide data, and the risk of the questioning process having a negative influence.

In this thesis, the first part which is

Answering the first research question uses the secondary method while literature was reviewed and also interview method with experts and tourists.

Self-completion questionnaires are believed to get the most reliable responses, as respondents have an opportunity to review the completed questionnaire or revisit questions that are not answered initially (Kozak, 2000).

4.7.3 Questionnaire Designing:

As it was mentioned in the literature a satisfaction model was base of this research. This model is called e-satisfaction model conducting by Szimensky and Hise,2000. This model investigated 5 aspects of satisfaction which are important in on-line purchasing. These aspects are: Convenience, Merchandising (product offering and product information), Site design and financial security.

In order to design a questionnaire measuring electronic satisfaction specific for Tourism websites, a complete process was done. It was required that some questions be designed for each of the five aspects in e-satisfaction model. This part was the qualitative phase and was done by reviewing the literature and conducting some interviews.

First part was reviewing the literature of satisfaction, tourist, tourist satisfaction, and online satisfaction. Conducting this task had an important role in questions related to those five factors. Most of the items were gathered here and the majority was from the questionnaire of e-satisfaction model (Szymensky,Hise,2000) some items were from questionnaire of Servequal Model (S. Akama, Mukethe Kieti,2002).

In the next part some interviews were conducted with experts in tourism and electronic tourism and also people who travel a lot especially people who use internet a lot for doing their trips. In this part also some more questions were gathered. The reason why literature review and interview with experts were used for making the questions was to increase the reliability of the questionnaire.

In the next part the results of the interview and literature review was collected together and helped us to create questions. By this phase the initial questionnaire was made.

Then in order to increase the reliability of this work a pre-test and a pilot test were implemented. First the questionnaire was given to expert in tourism and designing the

questionnaire some changes was made to it. Then for the pilot test the questionnaire was given to the some people who have experienced e-tourism at least once, in order to see if it is easy to understand or not. Again some more modifications were made to this questionnaire. By this phase the final questionnaire was made after that.

The final questionnaire is shown in appendix 1.

The questionnaire starts with demographic information. After that there were two main parts exactly as the work of Szymensky and Hise (2000), which is base of our work. First part of the questions was related to the four factors, Convenience, Product offering, product information and Financial security. At the top of this part there was a description and asked respondents to compare their satisfaction in on-line tourism with off-line tourism (traditional travel agencies) for each item. The answers were 5 point scale; 1. Much worse than, 2; Worse than 3; The same, 4; Better than, 5; Much better than.

Next part was related to tourists' satisfaction toward web site design. In the description at the top of this part was written that, based on your experience as an on-line customer of a tourism website tell how much you are satisfied with each statement in tourism websites. The answers in this part were again a 5 point scale response but it wasn't in the comparison form like the previous part. 1: Strongly Dissatisfied, 5: Strongly Satisfied.

This was the process for making the questionnaire, in order to assess factors affecting tourism satisfaction in electronic tourism.

4.7.4 Data collection in this thesis:

In the mentioned airport the questionnaire was distributed in front of the check-in desk.. Since the questionnaire was in English people first were asked if they were fluent in English or not and then the questionnaires were given to the ones whose responses were positive. In order to get better result and repeated results only one questionnaire was given to each group. Also for the convenience of the respondents pens and clipboards were made available to them.

4.8 Consolidate (Quality of the research)

As it was mentioned before, in order to decrease the validity problems in the research, a pilot test was conducted in our research. To this aim, after designing the initial questionnaire it was given to 10 people who were native English speakers and had experienced e-tourism before. The questionnaire was modified once more based on the suggestion of these people.

After collecting the data Cronbach's alpha and correlation coefficients were calculated. Table 4-2 in shows the reliability of each factor. The correlation coefficient is for factors which have 2 items and Cronbach's alpha for factors which have more than two items.

Table 4.1 and 4.2 show that the items in our questionnaire are reliable.

Cronbach's Alpha	N of Items
.868	14

Table4.1Reliability Statistics

Factors	Cronbach's alpha/ Correlation coefficients
Site design (a)	.817
Convenience (a)	.682
Financial security (b)	.65
Product information (b)	.643
Product offering (b)	.53

Table 4.2 Reliability for each factor

(a) Cronbach's alpha

(b) Correlation coefficient

Chapter 5: Results

In this chapter the findings regarding the empirical data of the survey will be presented. The questionnaire which was used in this research had four sections. The first section was related to demographic information of the respondents. The second and third sections were related to our research question and had asked respondents the level of their satisfaction about each item in online tourism comparing with the traditional travel agencies. These questions were five points scale questions. Finally some key questions were extracted from the literature which would be helpful for e-tourism literature.

Age of the respondents was the first information which the respondents had to answer. In our sample the distribution of male and female was almost the same, while the percentage of female respondents (52%) was a little more than the percentage of male respondents (48%).

The majority of the respondents were between 18-34 years old. This can be due to different reasons. First of all it may be the result of the old people desire to continue traditional methods and it is the young generation who always prefer to try novel methods. In other words the population of the people who have experienced e-tourism, our selected population, consists of more young people than the elderly people. The second reason may be because old people are reluctant to answer questionnaire. The age of respondents can be seen in figure 5-1.

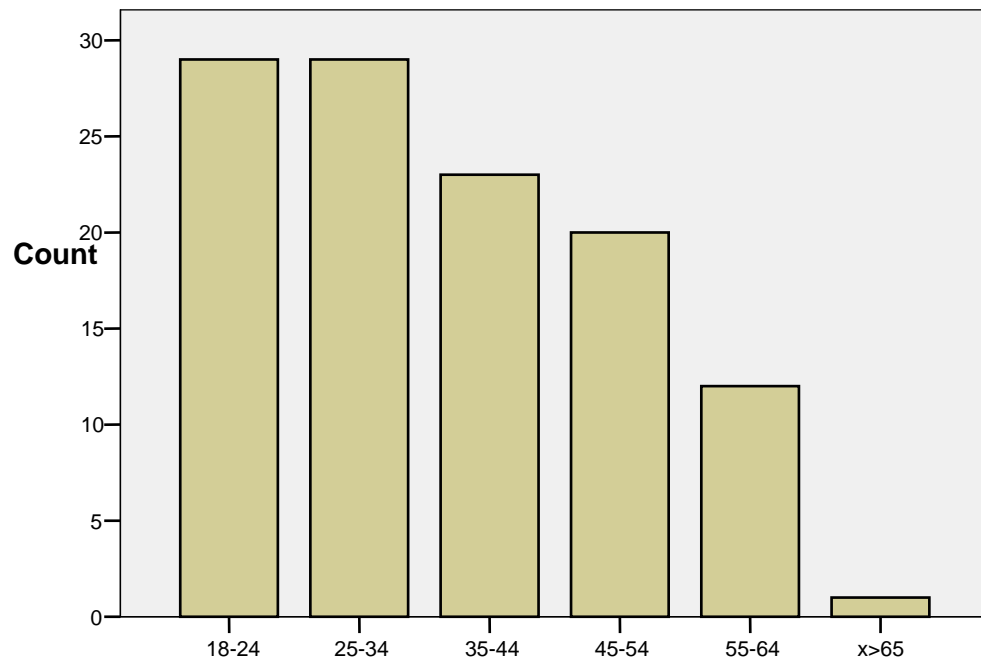


Figure 5.1 Age of respondents

The purpose of the trip of respondents is showed in the following table (Table 5.2).

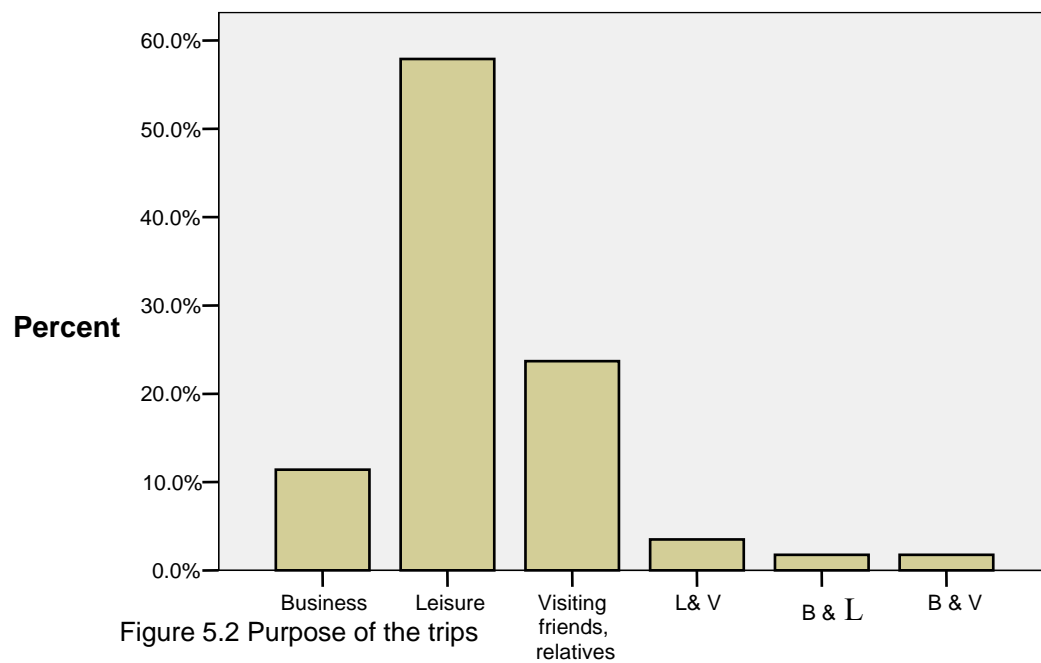


Figure 5.2 Purpose of the trips

L&V: Leisure & Visiting friends
 B&L: Business & Leisure
 B&V: Business & Visiting friends

Students consists a high percent of respondents. The occupation of the respondents has been shown in figure5-3.

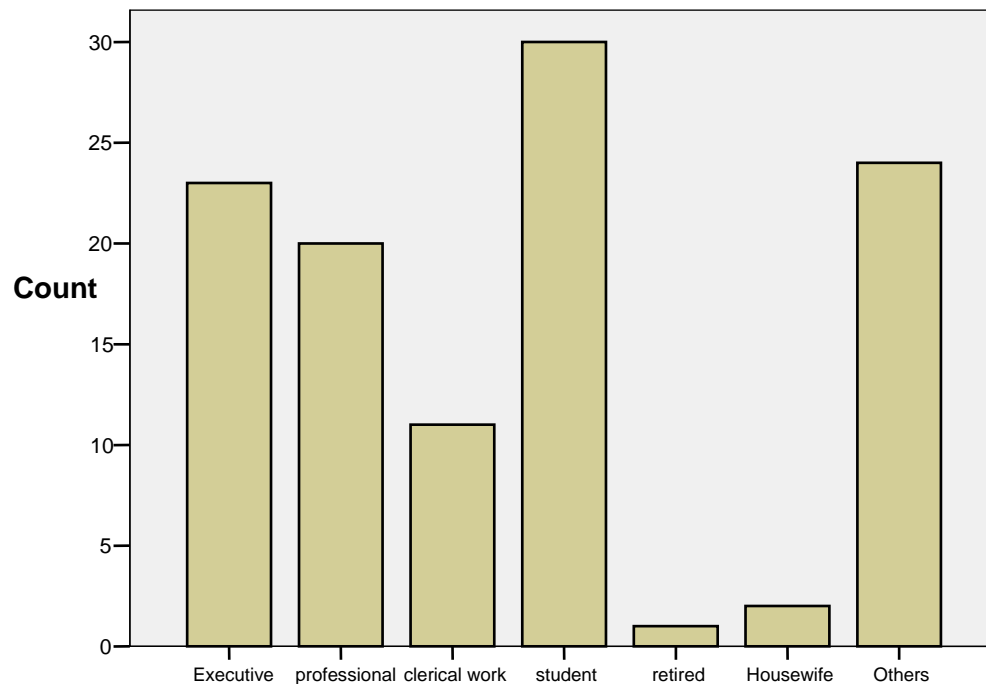


Figure 5.3 Occupation of respondents

Use of travel agency and tourism website has been shown in the following table. It shows that 37% of respondents use travel agencies less than once a year and about %8 of them use travel agencies more than five times a year.

		N	Marginal Percentage
Use of travel agency	less than once a year	41	37.3%
	once a year	22	20.0%
	Twice a year	20	18.2%
	Three times a year	15	13.6%
	Four times a year	3	2.7%
	Five times or more a year	9	8.2%
Valid		110	100.0%
Missing		5	
Total		115	

Table5-1, Use of travel agency/year.

Table 5.2 shows the percentage of respondents related to the frequency of their use of tourism websites. How many times in a year respondents use tourism websites. %35

use more than five times in a year. The figures are almost opposite the use of travel agencies and shows that respondents use tourism websites more than travel agencies.

		N	Marginal Percentage
Use of tourism websites	less than once a year	13	11.5%
	once a year	12	10.6%
	Twice a year	13	11.5%
	Three times a year	23	20.4%
	Four times a year	12	10.6%
	Five times or more a year	40	35.4%
Valid		113	100.0%
Missing		2	
Total		115	

Table 5.2 Use of Tourism website /year.

The following figure shows that the average of their use of travel agency is much less than that of in their e-tourism use.

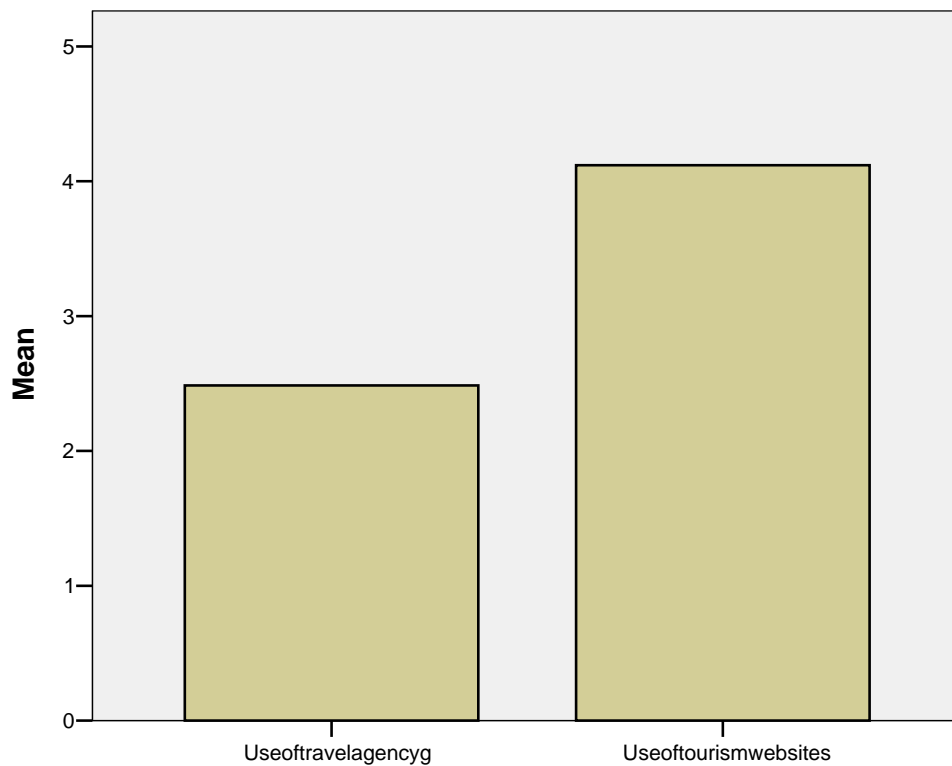


Figure 5-4 A comparison between average use of travel agencies and tourism websites/year.

		N	Marginal Percentage
timeefficiency1	Much worse than	2	1.8%
	Worse than	6	5.4%
	The same	23	20.7%
	Better than	33	29.7%
	much better than	47	42.3%
Valid		111	100.0%
Missing		4	
Total		115	

Table.5.3 rate of respondent's perception of time efficiency
(In on-line tourism comparing with traditional travel)

Table5-3 demonstrates the number and percentage of 1 to 5 scales for time efficiency item.

This table shows, how the time efficiency of using e-tourism comparing with the traditional travel agencies is. It shows that 42.3 % of respondents think that using tourism website causes much better time efficiency comparing with going to traditional travel agencies.

The following table shows respondents opinion about the convenience of possibility of using e-tourism any where and anytime comparing with the related limitation in traditional travel agencies.

		N	Marginal Percentage
Purchase anywhere	Much worse than	2	1.9%
	Worse than	13	12.0%
	The same	28	25.9%
	Better than	36	33.3%
	much better than	29	26.9%
Valid		108	100.0%
Missing		7	
Total		115	

Table 5.4 Perceptions about convenience of purchasing any where
(In on-line tourism comparing with traditional travel agencies)

Table 5-5 both the numbers and percentages for each, 1 to 5, answer to the fourth question in the questionnaire. The question is how direct and immediate is the access of information in tourism websites comparing with the information which is available in the travel agencies. About %30 of respondents think that it is much better and only %2.7 think that it is much worse than travel agencies.

		N	Marginal Percentage
Direct access to information	Much worse than	3	2.7%
	Worse than	11	9.9%
	The same	24	21.6%
	Better than	40	36.0%
	much better than	33	29.7%
Valid		111	100.0%
Missing		4	
Total		115	

Table 5-5 Direct access of information
(In on-line tourism comparing with traditional travel agencies)

The following table (Table 5.6) shows the mental perception of tourists bout customer services in e-tourism comparing to the services which are offered by travel agencies.

		N	Marginal Percentage
Customer service5	Much worse than	13	11.7%
	Worse than	32	28.8%
	The same	31	27.9%
	Better than	22	19.8%
	much better than	13	11.7%
Valid		111	100.0%
Missing		4	
Total		115	

Table 5.6 perception of respondents about Customer service
(In on-line tourism comparing with traditional travel agencies)

In the next questions respondents are asked to mention how they think about the number of tourism services in on-line tourism comparing with providing tourism information and services off-line. However the respondents who think number of tourism services are the same in both cases contains the highest column but in fact the totally people who think number of tourism services in online environment is better and much better are more than 50% of the total respondents(Figure 5.5).

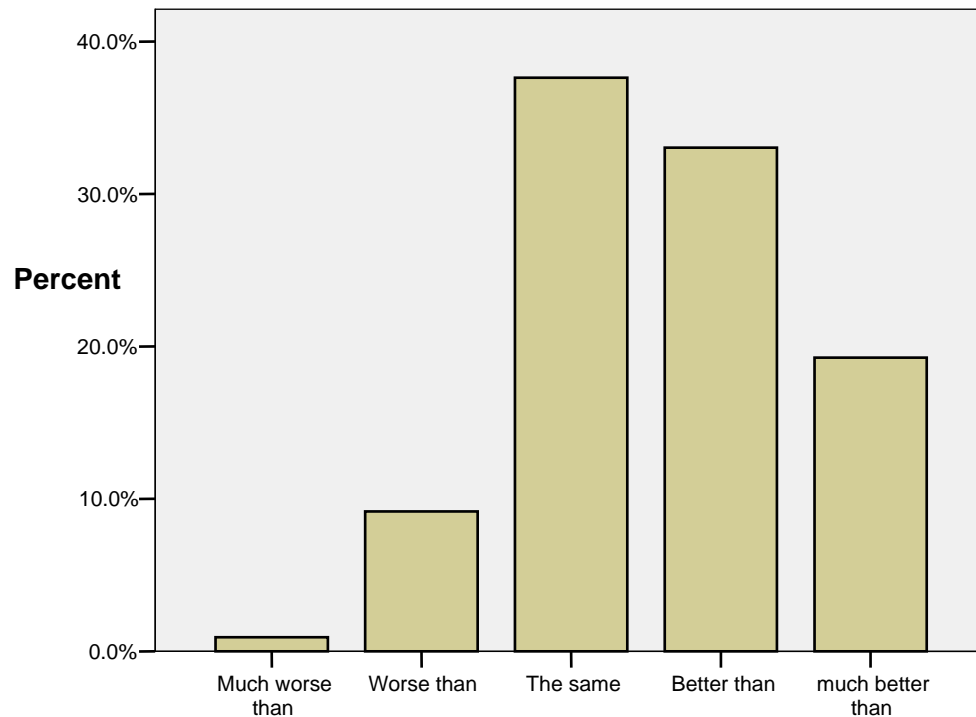


Figure.5.5 number of tourism services
(In on-line tourism comparing with traditional travel agencies)

The comparison between the variety of tourism services in both environments has been shown in Table 5.7., %16.7 think that variety of tourism services is much better in e-tourism comparing with off-line tourism.

	N	Marginal Percentage
Variety of tourism services7		
Much worse than	1	.9%
Worse than	8	7.4%
The same	37	34.3%
Better than	44	40.7%
much better than	18	16.7%
Valid	108	100.0%
Missing	7	
Total	115	

Table 5.7 Perception of respondents about the variety of services
(In on-line tourism comparing with traditional travel agencies)

In figure 5-6 the perception of respondents about the price of tourism services in online tourism comparing with off-line tourism is shown.

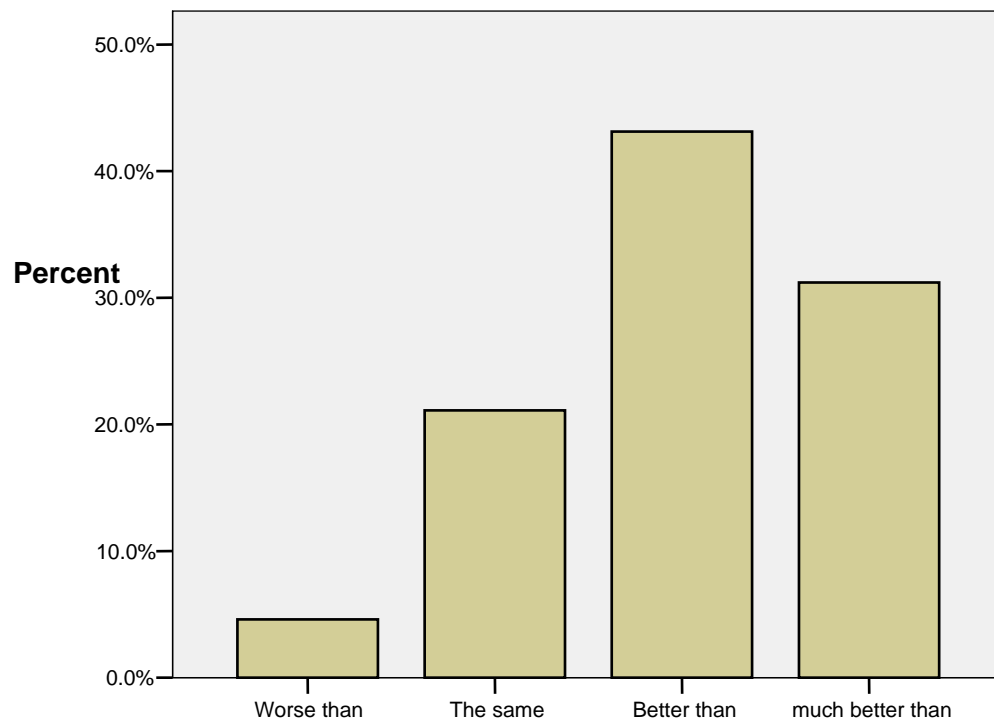


Figure.5.6 Perceptions about price of tourism services
(In on-line tourism comparing with traditional travel agencies)

		N	Marginal Percentage
Quality of information	Much worse than	3	2.7%
	Worse than	25	22.7%
	The same	44	40.0%
	Better than	31	28.2%
	much better than	7	6.4%
Valid		110	100.0%
Missing		5	
Total		115	

Table 5.8 Perception of respondents about quality of information
(In on-line tourism comparing with traditional travel agencies)

Table 5.8 shows that almost %40 of respondents think that quality of information in tourism website is the same as that of in off-line tourism.

		N	Marginal Percentage
Quantity of information	Much worse than	2	1.8%
	Worse than	18	16.4%
	The same	39	35.5%
	Better than	35	31.8%
	much better than	16	14.5%
Valid		110	100.0%
Missing		5	
Total		115	

Table 5.9 Perception of respondents about quantity of information
(In on-line tourism comparing with traditional travel agencies)

Table 5.9 shows the quantity of information in on-line tourism comparing with off-line. %35 think that it is the same in both environment. %14.5 think is much better in on-line. It seems that respondents are more satisfied with quantity of information than quality of information.

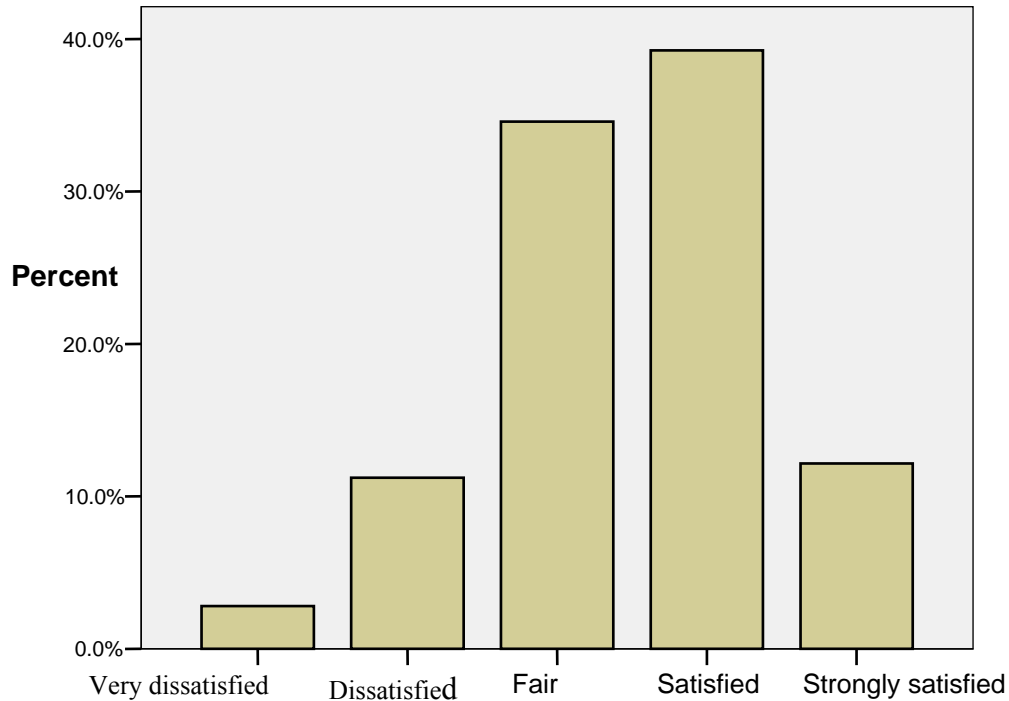


Figure5.7 Perception of respondents about ease of use of the web site

Figure 5.7 shows the perception of respondents from ease of use of tourism websites, 35% think that it is fair and about 40% mentioned that they've been satisfied.

		N	Marginal Percentage
Attractive website	Very dissatisfied	7	6.5%
	Dissatisfied	13	12.1%
	Fair	35	32.7%
	Satisfied	43	40.2%
	Very satisfied	9	8.4%
Valid		107	100.0%
Missing		8	
Total		115	

Table 5.10 Perceptions of respondents about attractiveness of tourism websites

Table 5.10 shows the attractiveness of tourism websites, almost % 48 of the respondents have selected satisfied and very satisfied.

Table 5.11 shows how satisfied respondents are with interactiveness and helpfulness of tourism websites. Figures show that %30 of respondents are satisfied toward this factor.

		N	Marginal Percentage
Interactive and helpful	Very dissatisfied	4	3.7%
	Dissatisfied	19	17.8%
	Fair	39	36.4%
	Satisfied	33	30.8%
	Very satisfied	12	11.2%
Valid		107	100.0%
Missing		8	
Total		115	

Table 5.11 Perception of respondents about interactive and helpfulness of the tourism websites

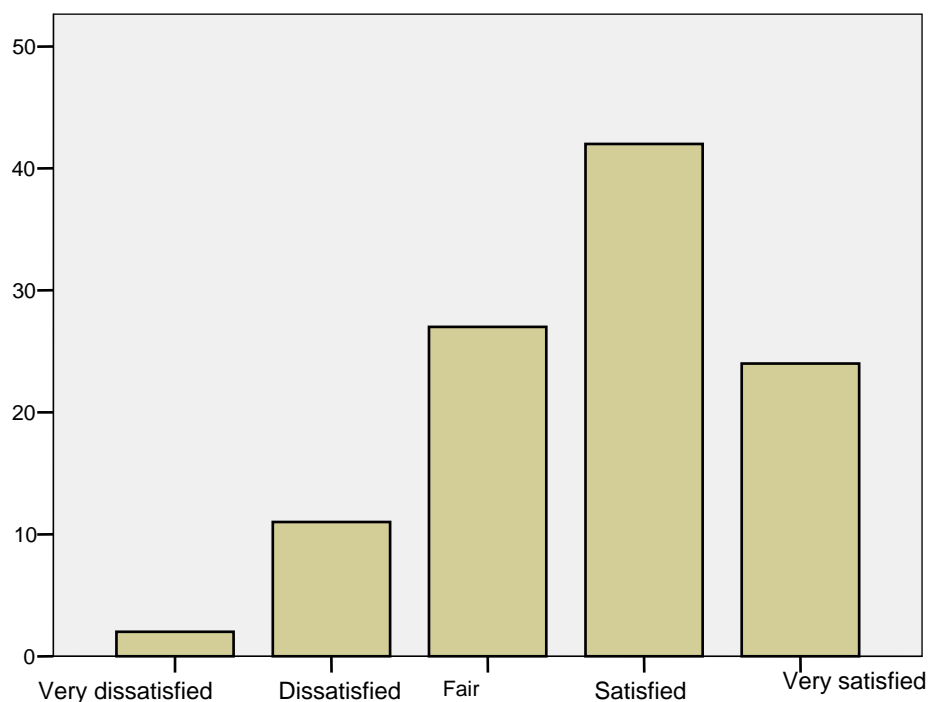


Figure 5.8 Download time of tourism websites

Figure 5.8 shows how much if people are satisfied with download time of tourism websites.

		N	Marginal Percentage
Overall satisfaction	Poor	3	2.8%
	Fair	16	14.7%
	good	62	56.9%
	Very good	28	25.7%
Valid		109	100.0%
Missing		6	
Total		115	

Table 5.12 Rate of overall satisfaction of e-tourism

Table 5.12 demonstrates that how respondents rate their overall satisfaction in on-line tourism. It shows that more than 80% of responses have rated their overall satisfaction good and very good and only 2.8% of the responses are poor.

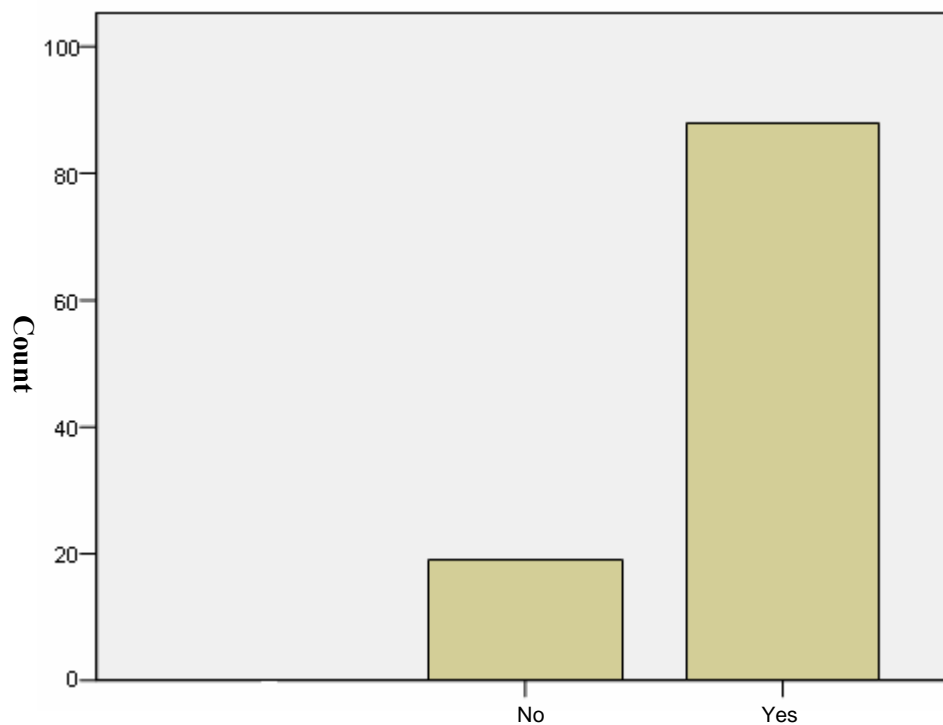


Figure 5.9 Does Satisfaction affect intention?

Figure 5.9 is about the question: Does your e-satisfaction affect your intention of buying from a tourism website. 20% claim that there isn't any relationship between satisfaction and intention but more than 80% think that satisfaction affects intention of buying from that website.

	N	Marginal Percentage
Future purchase	20	7.8%
both	20	17.4%
On-line	82	71.3%
Travel Agency	4	3.5%
Valid	115	100.0%
Missing	0	
Total	115	

Table 5.13. use of travel agency or tourism website for future purchase

In the next question they were asked if they will use travel agency or tourism website for their next travel. Table 5.13 demonstrate that 71% of respondents mention that in their future travels they will use tourist websites for their travel while only 3.5 % has told that they will use traditional travel agencies and 8% has said that it depends on the situation.

	N	Marginal Percentage
Recommend to others	9	7.8%
No	8	7.0%
Yes	98	85.2%
Valid	115	100.0%
Missing	0	
Total	115	

Table 5-14 recommend e-tourism to others?

The last question had asked them if they will recommend others to use tourism web sites or not. Table5-14 shows that 85% the respondents recommend on-line tourism to the others.

Table 5-15 shows descriptive statistics of each item. Mean and standard deviation of each question related to e-satisfaction model have been shown in this table.

	Mean	Std. Deviation	Analysis N
Time efficiency	4.05	.983	99
Purchase anywhere	3.76	1.021	99
Convenience of anytime	4.35	.849	99
Direct access to information	3.78	1.084	99
Number of tourism services	3.60	.914	99
Variety of tourism services	3.66	.835	99
Quantity of information	3.42	1.001	99
Quality of information	3.15	.941	99
Safe feeling in transactions	2.86	.990	99
Formal privacy	3.16	.923	99
Friendliness of website	3.46	.962	99
Attractive website	3.31	1.037	99
Interactive and helpful	3.33	1.010	99
Uncluttered screens	3.19	1.056	99

Table 5-15 Descriptive statistics

Chapter 6-Analysis:

In chapter two it was mentioned that a satisfaction model named e-satisfaction model is base of the work in this research. This Model has five factors which affect satisfaction in on-line purchasing. The data collection method in this chapter was questionnaire. For each factor two to four items were gathered from the questionnaires in the literature. To analyze the data we had to reduce these data. In fact the items had to be reduced to the five main factors. The method which could do this task was Factor analysis.

Factor analysis attempts to identify underlying variables, or factors, that explain the pattern of correlations within a set of observed variables. Factor analysis is often used in data reduction to identify a small number of factors that explain most of the variance observed in a much larger number of manifest variables. Factor analysis can also be used to generate hypotheses regarding causal mechanisms or to screen variables for subsequent analysis (for example, to identify co linearity prior to performing a linear regression analysis).

A factor analysis was performed to ascertain whether a five factor measurement reflects consumers' underlying mental model. The result confirmed the five factor model which was mentioned by Szymansky and Hise(2000) . To be sure if it is permitted to use Factor analysis or not, KMO analysis should be conducted. Since KMO is greater than 0.5(=0.79) it shows that the number of samples is big enough for using factor analysis (see table 6-1). Moreover since the Sig. of Bartlett's test is 0 it is permitted to use Factor analysis.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.790
Bartlett's Test of Sphericity	Approx. Chi-Square	560.772
	df	91
	Sig.	.000

Table 6.1 KMO and Bartlett's Test

The five-factor explained the 72% of the variance in the data (Table 6-2).

Component	Total	% of Variance	Cumulative %
1	5.232	37.372	37.373
2	1.738	12.414	49.786
3	1.236	8.830	58.616
4	1.074	7.671	66.287
5	.89	5.779	72.066

Table 6.2: Total experienced variance

All items load heavily onto one of the factors and all factors are easily interpreted (Table 6-3).

Factor	Factor loading	Cronbach's alpha/ Correlation coefficient(A)
Fact 1: Site design		.817
Attractive website	.864	
Friendliness ease of use	.682	
Uncluttered screens	.645	
Fact 2: Convenience		.682
Purchase any time	.797	
Purchase anywhere	.737	
Time efficiency	.711	
Fact 3: Financial security		.65
Formal privacy	.897	
Safe feeling in transactions	.807	
Fact 4: Product information		.643
Quantity of information	.832	
Quality of information	.740	
Fact 5: Product offering		.53
Number of tourism services	.753	
Variety of tourism services	.789	

Table 6-3 , Factor loadings and Cronbach's alpha

Items time efficiency, The convenience of Shopping from home, office,(any where), 24/7 opening hours of tourism websites are categorized in the same group which can be easily grouped in convenience.

Items number of tourism services and variety of tourism services, have been categorized in the same group which can be the characteristics of product information. Quality of information and quantity of information have been in the same group which are the determinant of product information.

Safe feeling in on-line purchasing and availability of formal privacy have been in the same group which can be called financial security.

Friendliness and ease of use of the website, attractive website design, Interactive and helpfulness of the websites and presenting uncluttered websites are categorized in the same group which are obviously determinant of website design.

Regression was used to estimate the unique effect of convenience, product offerings, product information, site design and financial security on overall e-satisfaction.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Fact1. Site design	5.328	1.196	.377	4.455	.000
Fact2. Convenience	5.280	1.189	.375	4.439	.000
Fact3. Financial security	1.674	1.191	.119	1.405	.163
Fact4. product information	2.039	1.193	.144	1.709	.091
Fact5. Product offering	2.290	1.190	.163	1.924	.057

Table 6.4 regression result
Dependent Variable: e-satisfaction Level
Independent variables: Factors

The data in Table 6.4, shows the regression coefficient for Site design and convenience are statistically significant when $p < 0.5$, product information and product offering is significant when $p < 0.1$. But in spite of the expectations, financial security doesn't have any significant relationship with e-satisfaction. Moreover they show that Site design and convenience ($\beta = .38$) together has been tied as the first most important

determinant of on-line satisfaction in tourism industry. The data also demonstrate that the product offering is the second predictor of e-satisfaction and product information is the next important predictor of e-satisfaction.

Some other analysis can be done in this research. The impact of e-satisfaction in the first stage of the trip has been asked in this questionnaire, the result shows that a high percentage of people think that their satisfaction of the first stage affect their intention to buy service products on-line. The statistics will be shown in the following table.

Satisfaction affects intention

Satisfaction affects intention	Number	Percentage
No	19	16.5%
Yes	88	76.5%
Missing	8	7.0%
Total	115	100.0%

Table 6.5. Does satisfaction affect intention of buying?

Table 6.5 shows that 76.5% of respondents believe that their on-line satisfaction affects their intention of buying from that website but, 16.5 % think that e-satisfaction does not have any impact on intention for buying on-line. The high percentage of the people who agree with the positive relationship between e-satisfaction and intention for buying from tourism web sites shows the importance and value of this research and its results.

Chapter 7 Conclusion

In chapter two it was mentioned that a satisfaction model named e-satisfaction model is base of the work in this research. This Model has five factors which affect satisfaction in on-line purchasing. A confirmatory factor analysis was performed on independent variables using SPSS 13. The results confirm the five-factor structure for the predictors of e-satisfaction as in Szymanski and Hise (2000).

The finding shows that what appear to have greatest influence on e-satisfaction are site design and convenience. In fact theses two are tied together as the first most important determinants of e-satisfaction. Good site design includes having fast, friendly uncluttered sites. Convenience include increasing time efficiency and make it possible for customers to shop anytime and from anywhere in the globe which is the most important factor for tourists. Discussions of e-commerce frequently address the perceived merchandising benefits in e-shopping which is wider product offering and product information. Our finding can add insights to this discussion. We found that perception of superior product information and product offering do not have a dramatic impact on e-satisfaction level. Although superior product offering and product information did impact e-satisfaction to a statistically significant degree, it can be argued that the practical significance of these effects are not great. In fact the coefficients of these two factors are less than the half of that of in site design and convenience.

As a result the finding of this research can help the managers of e-tourism firms and managers of traditional travel agencies who plan to enter the e-market, that by paying special attention to site design and convenience may produce the most positive outcome pertaining to e-satisfaction.

7.1 Limitations and future research suggestions:

There were several limitations for conducting this research. Data collection method was the most limitation of this study, which could be solved by the help of tourism websites. Although all the websites who were contacted with, were highly interested in the subject of this research and they informed that they need the result of this study but they mentioned that there isn't any possibility for them to cooperate with the author for data reduction.

The author suggests prospect researchers to replicate this work with on-line questionnaire and compare the result of on-line data collection with off-line one. Moreover tourist industry consists of different parts it would be useful to re-exam this research in different sections of this industry, for example: Airlines, tickets, booking, hotel reservation systems, Museums etc.

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Appendix:

Questionnaire in Studying Satisfaction with Tourism Websites

Good morning/afternoon/evening. I am a MSc. student of marketing and E-commerce in Lulea University of technology, Sweden. I would like to conduct a research concerning the satisfaction of tourists in online purchasing. I sincerely hope you can spare a few minutes to answer the following questions and all the information will be used for academic purpose only while kept confidential.

Part one (Your Details)

<p>-Gender:</p> <p>1. <input type="checkbox"/> Female</p> <p>2. <input type="checkbox"/> Male</p> <p>-Age</p> <p>1. <input type="checkbox"/> 18-24</p> <p>2. <input type="checkbox"/> 25-34</p> <p>3. <input type="checkbox"/> 35-44</p> <p>4. <input type="checkbox"/> 45-54</p> <p>5. <input type="checkbox"/> 55-64</p> <p>6. <input type="checkbox"/> 65 or above</p> <p>-Nationality:</p> <p>-Occupation:</p> <p>1. <input type="checkbox"/> Executive/Manager</p> <p>2. <input type="checkbox"/> Specialist</p> <p>3. <input type="checkbox"/> Clerical Work</p> <p>4. <input type="checkbox"/> Student</p> <p>5. <input type="checkbox"/> Retired</p> <p>6. <input type="checkbox"/> Housewife</p> <p>7. <input type="checkbox"/> Others: _____</p>	<p>-Purpose of this trip:</p> <p>1. <input type="checkbox"/> Business</p> <p>2. <input type="checkbox"/> Leisure</p> <p>3. <input type="checkbox"/> Visiting Friends/Relatives</p> <p>-Use of travel agency services:</p> <p>1. <input type="checkbox"/> Less than once a year</p> <p>2. <input type="checkbox"/> Once a year</p> <p>3. <input type="checkbox"/> Twice a year</p> <p>4. <input type="checkbox"/> Three times a year</p> <p>5. <input type="checkbox"/> Four times a year</p> <p>6. <input type="checkbox"/> Five times or more a year.</p> <p>-Use of tourism websites</p> <p>1. <input type="checkbox"/> Less than once a year</p> <p>2. <input type="checkbox"/> Once a year</p> <p>3. <input type="checkbox"/> Twice a year</p> <p>4. <input type="checkbox"/> Three times a year</p> <p>5. <input type="checkbox"/> Four times a year</p> <p>6. <input type="checkbox"/> Five times or more a year</p> <p>E-mail address (optional):</p>
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Part two

Based on your experiences as an online customer of tourism websites, please consider the following set of questions related to **your satisfaction on tourism websites**. Read the questions 1 to 12 and **compare your purchasing from tourism websites with the traditional travel agencies** and circle a number between 1 and 5.

1: Much worse than, 2: Worse than, 3: The same, 4: Better than 5: Much better than

Question	
1-How much are you satisfied with the <i>time efficiency</i> of purchasing from a tourist website comparing to going to traditional agencies?	1 2 3 4 5
2-How is shopping from a tourism website from home, office, etc. comparing with <i>going</i> to and shopping from travel agencies?	1 2 3 4 5
3- The convenience of <i>24/7 operating hours</i> of tourism websites comparing to the limited working hours of traditional travel agencies.	1 2 3 4 5
4-How <i>direct</i> and immediate is the <i>access of information</i> in tourism websites comparing to traditional travel agencies.	1 2 3 4 5

AGENDA: 1:Much Worse Than 2:Worse Than 3:The Same 4:Better Than 5:Much Better Than	
5-How is the number of tourism services (Airline tickets, hotels, etc.) offered on internet comparing to traditional travel agencies.	1 2 3 4 5
6-How is the variety of tourist services (Airline tickets, hotels, etc.) offered on internet comparing with traditional travel agencies.	1 2 3 4 5
7-How is the quantity of information about airline flights, restaurants, shopping, transportation etc. in tourism website comparing to traditional travel agencies?	1 2 3 4 5
8-How is the quality of information about airline flights, restaurants, shopping, transportation etc. in tourism website comparing to traditional travel agencies?	1 2 3 4 5
9-Do you feel Safe in online transactions comparing with traditional travel agencies.	1 2 3 4 5
10-How is the availability of a formal privacy in tourist websites comparing with traditional travel agencies.	1 2 3 4 5

Part Three

Based on your experiences as an online customer of a tourism website, please consider the following set of statements relate to **your satisfaction of the tourism websites** .Read the statement 13 to 18 and tell **how much you are satisfied with each statement in tourism websites**.

1:Strongly Dissatisfied(SD) 5:Strongly Satisfied(SS)

	SD	SS
11-Friendliness and ease of use of the tourist web sites	1 2 3 4 5	
12-Attractive web site design	1 2 3 4 5	
13-Interactive and helpfulness of the tourist websites	1 2 3 4 5	
14- Presenting uncluttered screens	1 2 3 4 5	

15-How would you rate your overall satisfaction of your electronic tourism experience?

Very Good	Good	Fair	Very poor	Poor
2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>	1 <input type="checkbox"/>

16- Does your satisfaction of a website positively affect your intention of buying from that website?

Yes ☐ No ☐

17- In the future, will you get your travel needs online or from travel agencies?

Online ☐ Travel agency ☐

18- Will you recommend purchasing from tourist websites to others?

Yes ☐ No ☐

19- Is this flight the beginning of your trip or the end?

Beginning ☐ End ☐

Thank You For Your Participation!

