



Munich Personal RePEc Archive

Service Quality of Travel Agents: The Viewpoint of Tourists in Egypt

Mohamed, Ghada Abd-Alla

Suez Canal University

4 November 2006

Online at <https://mpra.ub.uni-muenchen.de/25388/>
MPRA Paper No. 25388, posted 24 Sep 2010 15:17 UTC

SERVICE QUALITY OF TRAVEL AGENTS: THE VIEW POINT OF TOURISTS IN EGYPT

Ghada Abd-Alla Mohamed
Suez Canal University

Globalization, liberalization, and the internationalization of services are difficult challenges facing travel agents in Egypt. Thus, service quality is very important to be in competition, it is a key factor in differentiating service products and building a competitive advantage in tourism. The purpose of this study was to assess customers' expectations and perceptions of service provided by travel agents, and to discover how the service factors were related to overall satisfaction. The results of factor analysis suggested five factors derived from 26 attributes affecting service quality, and the result of regression analysis of these five factors of the service quality indicated that overall customer satisfaction was highly affected by resource and corporate image. The study concluded that customers' expectations of service quality exceeded their perceptions, with the tangibility dimensions having the largest gap.

Keywords: *service quality; perceptions and expectations; SERVQUAL; customer satisfaction*

INTRODUCTION

Tourism is the world's largest industry and makes a major contribution to the economies of most developed and developing countries (Jones & Haven-Tang, 2005). Tourism is being used as a ubiquitous vehicle for economic development and diversification and integral element of Economic Development Policy at a local, regional and national levels (Sharpley, 2002). Globally, the World Travel and Tourism Council (WTTC) estimates tourism employment at 214, 697,000 jobs or 8.1% of total employment, contributing US\$ 4217.7 billion or 10.4% of gross domestic product (GDP) in 2004 (WTTC, 2005) and predicts that tourism employment will grow to be a quarter of a billion jobs by 2014 (WTTC, 2003).

Sustaining tourism as a vehicle for economic development in any destination depends on maintaining destination competitiveness (Jones & Haven-Tang, 2005).

Kozak (2004) defines competitiveness as the degree to which a nation can, under free market conditions, produce goods and services that meet the taste of international markets, while simultaneously maintaining and expanding the real income of its citizens. In this respect, Egypt received 8.104 million tourists in 2004 and 8.6 million tourists in 2005 with a percentage increase of 6.2%. Additionally, Egypt occupied the 24th rank in the list of the biggest destinations all over the world in 2005, while it occupied the 34th rank for many years in that list (WTO, 2006).

According to the Egyptian Travel Agents Association (2005), Egypt has 1114 travel agents including 912 travel agents category "A" which have been allowed - according to the Egyptian law - to organize and receive outbound or inbound tours.

Egypt received 5.746 million tourists in 2003 (WTO, 2005) comparing with 2.5078 million tourists in 1993 with 129 % growth (Ministry of Tourism, 2003). This was reflected on the international tourism receipts to Egypt which reached 4.584 US\$ million in 2003 and 6.125 US\$ million in 2004(WTO, 2005), whereas the receipts were 2.152 US\$ million in Morocco and 826 US\$ million in Jordan in 2004 (WTO, 2005).

Undoubtedly, travel agents are the engine of this tourism movement. The services offered by travel agencies Category "A" include organizing, sightseeing tours and package tours, providing travel information, serving as middleman for accommodation and transportation bookings, issuing air tickets, and arranging car rental services.

The search for competitive chances through better quality products for tourists, and the pursuit towards excellence leading to respective implementation constitute a great concern to both public and private organizations that maximize the value chain of the tourist experience. In particular, consumers are increasingly demanding a quality product that is not always available. Such demand is now driving competitive strategies (Soriano, 1999).

While some believe that quality is defined as "the best", "the finest", "the greatest", "the most expensive", or "most superior", others correctly define quality as "doing the right things right". In a service organization, doing the right thing simply means balancing the three sets of expectations in the organization: the expectations of internal customer/associates (staff members and managers), external customers (those who purchase the organization's products and services), and

financial supporters (Owners and investors-public or private) (King, and Cichy, 2006).

The overwhelming customer demand for quality service and value product has become clear to the management of travel agents recently. Among all these customer demands, service has been increasingly recognized as a critical factor for the success of any business (Parasuraman et al., 1988; Gronoos, 1990). However, it is important to understand customers' attitudes towards the quality of the service provided by travel agents, before implementing any service-improvement programs (Lam& Zhang, 1999).

In the light of the previously reviewed literature, the purpose of the study is to assess the customers' expectations and perceptions of travel agents' service quality and to identify the gap between these expectations and perceptions. In this context, the targeted objectives of this research are: First to identify customers' expectations and perceptions of the service quality, and the gap between the expectations and perceptions; and second, to explore the impact of factors determining service quality on overall customer satisfaction.

SERVICE QUALITY

Quality is something that almost every person and every organization think they have-and yet very few people can define what it means. The problem in using superlatives in defining quality is that we tend to equate. Accordingly, it would be impossible to run a "quality" in travel agency that sells package tours charged average rates and sold to the average tourists. In addition, the vast majority of tourists would be unable to reach quality. This, of course, is not true at all. Quality is not a function of how much something costs but, rather, how well it meets the expectations of those who purchase it (Al-Alak and Al-Taèe, 2001).

In the service industry, definitions of service quality focus on meeting customers' needs and requirements, and how well the service delivered meets the customers' expectations (Lewis and Booms, 1983). Service quality can thus be defined as "the difference between customer expectations of service and perceived service". If expectations are greater than performance, then perceived quality is less than satisfactory and hence customer dissatisfaction occurs (Parasuraman et al., 1988; Lewis and Mitchell, 1990). Gronoos (1984) stated that, perceived quality of service was dependent on the comparison of expected service with perceived service, and thus the outcome of a comparative evaluation

process. For such a purpose, Sweeney et al. (1992) used the conjoint analysis method to examine the trade off function in the service area, and found that low price contributed negatively to service quality expectations, but positively to service selection.

Parasuraman et al. (1985) defined "service quality" as "the degree and direction of discrepancy between customers' perceptions and expectations", and "Perceived service quality" as "the gap between customers' expectations and perceptions, as a measurement of service quality". So, the smaller the gap, the better the service quality provided, and the greatest the customer satisfaction.

EXPECTATIONS, PERCEPTIONS, AND SERVICE QUALITY

Parasuraman, Zeithmal, and Berry (1988) defined "perceived service quality" as "a global judgment, or attitude relating to the superiority of the service. They linked the concept of service quality to the concepts of perceptions and expectations in this way. "Perceived quality is viewed as the degree and direction of discrepancy between consumers' perceptions and expectations" (Heung, et al., 2000). Thus, they suggested that customers' assessment of overall service quality is based on the gap between their expectations and their perceptions of performance levels. They represented that concept using this equation:

$Q = P - E$; or SERVQUAL Score = Perception Score – Expectation Score.
But how do buyers form their expectations? Expectations are based on the customers' past buying experiences, the opinion of friends, and marketer and competitor information and promises.

Edvardson, et al. (1994) defined "quality" as the right quality is achieved when expectations are fulfilled, needs satisfied and demands met those of the customers, staff and owners. They also pointed out that a quality system should cover at least three aspects: customer-perceived quality, the processes in service production, and a systematic approach to conduct the quality project.

Miller (1977) suggested that consumers' expectations could be differentiated into those that are ideal, those that are expected, those that are deserved, and those that are the minimum tolerable.

Olson and Dover (1979) subsequently proposed that an expectation is the perceived likelihood that a product possesses a certain characteristic or attribute or will lead to a particular event or outcome.

Berry and Parasuraman (1991) offered two levels of expectations, namely; desired and adequate. They defined the level of service the

customer hopes to receive as "the desired level", while the level of service that the customer finds at least acceptable they called "the adequate service level". According to this approach, customers carry two sets of expectations. One set involves the level of service that they will find to be at least adequate, while the other set involves the desired level of service.

Through total quality programs, managers strive to eliminate failures and increase the guests' perception of product quality (Kotler et al., 2005). Therefore, Marketers must be careful to set the right level of expectations. If they set expectations too low, they may satisfy those who buy but fail to attract enough buyers. In contrast, if they raise expectations too high, buyers are likely to be disappointed (Kotler, 2005).

According to a variety of definitions of service quality proposed by various authors, two distinct features of service quality could be identified. First, because service cannot be produced in advance, quality service must exceed consumers' expectations. Second, the outcome of quality service is important as the process to deliver it (Hong Yen, 2000)

Consequently, a travel agency could face two potential service gaps. one is the gap between the level of service that the customer actually perceives and what that customer consider, adequate and the other is the gap between what is perceived and what is deserved to measure the adequacy gap, which Berry and Parasuraman called "the measure of service adequacy" (MSA), in which one subtracts customers' rating of adequate service from the perceived level of service. Likewise, to measure the desired service gap, or to calculate the measure of service superiority ("MSS", as Berry and Parasuraman called it), the formula is:

$$MSS = \text{Perceived service level} - \text{desired service level}.$$

Berry and Parasuraman (1991) went on to assess an operation's competitive status regarding service quality based on the MSA and MSS Scores. In this typology, an operation may fall into one of the following three broad categories based on service quality: Competitive disadvantage, competitive advantage, and customer franchise. A company that has negative MSA and MSS scores is at a competitive disadvantage, because its service falls below what customers consider being adequate, let alone what they desire. The middle group occurs when a company's MSA scores are positive and MSS scores are negative. That company is said to have at least competitive advantage, because its services exceed the minimum level of customer expectation even though they are below the desired level of service.

One usually finds that the minimum level of expectation tends to escalate as customers become more familiar with a firm or if the company promises increasingly higher levels of service. Finally when a company's

MSA and MSS scores are both positive, Berry and Parasuraman (1991) termed that as "having a customer franchise". By meeting or exceeding the desired service levels (not to mention the expectations of adequate service), the operation develops loyal customers.

THE SERVQUAL INSTRUMENT

In the service literature, a number of studies operationalise theoretical frameworks and introduce various methodologies to measure service quality in different tourism sectors (Saleh and Ryan, 1991; Pizam & Milman, 1993; Getty & Thompson, 1994; Ryan & Cliff, 1997). While there have been efforts to study service quality, there has been no general agreement on the measurement of the concept. The majority of the work to date has attempted to use the SERVQUAL methodology in an effort to measure service (Parasuraman et al., 1985; 1988).

SERVQUAL instrument was developed by Parasuraman, Zeithaml, and Berry (1985) that focuses on the notion of perceived quality. SERVQUAL as the most often used approach for measuring service quality has been to compare customers' expectations before a service encounter and their perceptions of the actual service delivered (Gronoos, 1982; Lewis and Booms, 1983; Parasuraman et al., 1985). Exploratory research conducted in 1985 showed that consumers judge service quality by using the same general criteria, regardless of the type of service. Parasuraman, Zeithaml, and Berry capture these criteria using a scale composed of 22 items designed to load on five dimensions reflecting service quality. Each item is used twice: first, to determine customers' expectations about firms in general, within the service category being investigated; and second, to measure perceptions of performance of a particular firm. These evaluations are collected using a 7-point Likert scale. According to the authors, the service quality is then the difference between customers' perceptions and expectations.

It has five generic dimensions or factors and is stated as follows (Van Iwaarden et al., 2003):

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 to its customers.

Luk et al. (1993) employed SERVQUAL to investigate customers' expectations regarding the quality of organized tour service. Le Blanc (1992), on the other hand, carried out an exploratory study of customers' perceptions of service quality in travel agencies in Canada. Nine dimensions of service quality were identified similar to those identified by Parasuraman et al. (1985, 1988) Besides, Lam and Zhang (1999) used SERVQUAL to assess the customers' expectations and perceptions of service quality, and to identify the gap between these expectations and perceptions.

A number of criticisms have been made regarding the underlying conceptualization and operationalisation of the SERVQUAL model and scale (Cronin & Taylor, 1992; Brown et al., 1993). Babakus and Boller (1992) identified a number of methodological problems with the SERVQUAL scale. Carman (1990) stated that the 22 SERVQUAL items could not be used exactly as designed unless modifications to items and wordings are made to accommodate the new settings. Peter et al. (1993) and Brown et al. (1993) made a compelling argument about the reliability and discriminate validity of the SERVQUAL methodologies. Ryan and Cliff (1997) in their study of travel agencies' service quality, found a pattern of results that were similar to these of Brown et al. (1993). It is notable that the correlation between perceptions and total satisfaction was high in both studies, which raised a question about whether the perceptions scale is almost a good measure of "satisfaction" or "quality", and that "the perceptions" component outperforms the SERVQUAL instrument (Callan, 1994). Teas (1993) challenged the ideal point of expectation construct that Parasuraman et al. developed.

Despite the criticism of the applicability of SERVQUAL, many researchers have found that the instrument is useful for measuring service quality. Fick and Ritchie (1991), studying perceived service quality in airlines, hotel, restaurants and ski sectors, demonstrated the usefulness of the SERVQUAL instrument to indicate the relative importance of expectations in affecting customer satisfaction. Based on the SERVQUAL application, Coyle and Dale (1993) identified different determinants of service quality from the viewpoints of hotel guests and hotel management. Martin (1995) compared the importance/ performance

analysis technique and the SERVQUAL technique in the measurement of service quality in the hotel industry, and discovered significant differences between management and employee perceptions of service quality. Bojanic and Rosen (1994) applied the SERVQUAL instrument to a particular restaurant chain, and found that the three most important expectations of restaurant patrons were assurance, reliability and tangibles. Apart from these, there have been many other studies applying the instrument and its approach to investigate customer expectations, perceptions and satisfaction (Parasuraman et al., 1991; McCleary et al., 1993; Knutson et al., 1995).

Table 1. Quality dimensions and attributes

The Cranfield View	Berry's 1985 SERVQUAL	Berry's 1990 SERVQUAL
Specification Conformance Reliability Delivery Value	Reliability Responsiveness Competence Access Courtesy Communication Credibility Security Understanding Tangibles	Tangibles Reliability Responsiveness Assurance Empathy

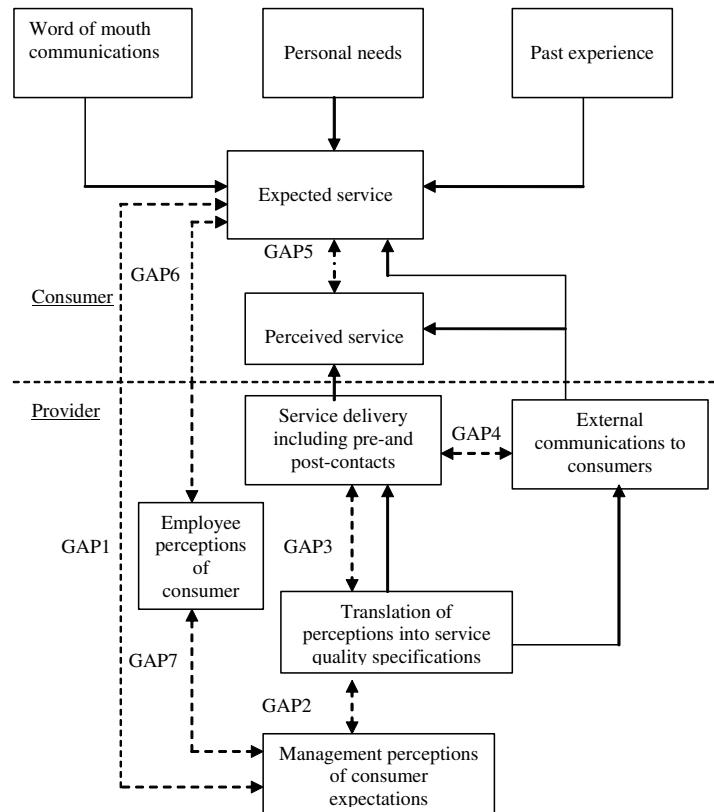
Source: Al-Alak and Al-Ta'èe, 2001

Within this intuitive, or explicit, exchange value framework which customers use to make relative quality judgments across competing offers, it has also been suggested that a series of generic attributes, exhibited in most product or service offers, is adopted to provide a standard reference for such purposes. Work undertaken by Cranfield Institute has suggested that there are five dimensions of quality in this respect. Alternatively the SERVQUAL dimensions formulated by Berry, Zeithaml and Parasuraman (1985) extend the Cranfield view further. Furthermore, the results of their more recent research (Berry, Zeithaml and Parasuraman, 1990) indicate the main attributes used by customers to judge service quality (Al-Alak and Al-Ta'èe, 2001). Figure (1) illustrates the dimensions and attributes proposed by these authors.

MODEL OF SERVICE QUALITY GAPS

There are seven major gaps in the service quality concept (Shahin, 2004), which are shown in the following figure. The model is an extension of Parasuraman et al. (1985), Curry, 1999 and Luk and Layton, 2002.

Figure1. Model of service quality gaps



According to the following explanation (ASI Quality Systems, 1992; Curry, 1999; Luk and Layton, 2002), the three important gaps, which are more associated with the external customers are Gap 1, Gap 5 and Gap 6; since they have a direct relationship with customers .

Gap 1: Customers' expectations versus management perceptions: as a result of the lack of a marketing research orientation, inadequate upward communication and too many layers of management.

Gap 2: Management perceptions versus service specifications: as a result of inadequate commitment to service quality, a perception of unfeasibility, inadequate task standardization and an absence of goal setting.

Gap 3 : Service specifications versus service delivery: as a result of role ambiguity and conflict , poor employee-job fit and poor technology-job fit, inappropriate supervisory control systems, lack of perceived control and lack of teamwork.

Gap 4: Service delivery versus external communication: as a result of inadequate horizontal communications and propensity to over-promise.

Gap 5: The discrepancy between customer expectations and their perceptions of the service delivered: as a result of the influences exerted from the customer side and the shortfalls (gaps) on the part of the service provider. In this case, customer expectations are influenced by the extent of personal needs, word of mouth recommendation and past service experiences.

Gap 6: The discrepancy between customer expectations and employees' perceptions: as a result of differences in the understanding of customer expectations by front-line service providers.

Gap 7: The discrepancy between employees' perceptions and management perceptions: as a result of the differences in the understanding of customer expectations between managers and service providers.

According to Brown and Bond (1995), "he Gap model is one of the best received and most heuristically valuable contributions to the service literature. The model identifies seven key discrepancies or Gaps relating to managerial perceptions of service quality, and tasks associated with service delivery to customers. The first six Gaps (Gap 1, Gap 2, Gap 3, Gap 4, Gap 6, and Gap 7) are identified as functions of the way in which service is delivered, whereas Gap 5 pertains to the customer and as such is considered to be the true measure of service quality. The Gap on which the SERVQUAL methodology has influence is Gap 5.

CUSTOMER SATISFACTION

Thus, consumers form judgments about the value of marketing offers and make their buying decisions based on these judgments. Customer

satisfaction with a purchase depends on the product's performance relative to buyer's expectations. A customer might experience various degrees of satisfaction. If the product's performance falls short of expectations, the customer is dissatisfied. If performance matches expectations, the customer is satisfied. If performance exceeds expectations, the customer is highly satisfied or delighted. (Kotler, et al., 2005). More than thirty-five years ago, a company's first task is to "Create Customers." However, creating a customer can be a difficult task. Customers choose the service offering them the most value, customers are value-maximizers, they compare value they receive in consuming the product to the value expected; this affects their satisfaction and repurchase behavior. Customer satisfaction with a purchase depends on the product's performance relative, to the buyer's expectations. A customer might experience various degrees of satisfaction.

Measuring customer satisfaction

Companies use the following methods to measure how much customer satisfaction they are creating (Kotler, et al., 2005).

1. Complaint and Suggestion Systems:

A customer centered organization makes it easy for customers to make suggestions or complaint such systems not only help companies to act more quickly to resolve problems, they also provide companies with many good ideas for improved products and services.

2. Customer satisfaction surveys:

Simply running complaint and suggestion systems may not give the company a full picture of customer satisfaction and dissatisfaction. Studies show that one of every four purchases results in consumer dissatisfaction customers bother to complain-most customers simply switch suppliers. As a result, the company loses customers needlessly.

Responsive companies take direct measures of customer satisfaction by conducting regular surveys. They send questionnaires or make telephone calls to a sample of recent customers to find out how they feel about various services of the company's performance. They also ask about the buyer's views on competitor performance.

Although the customer-centered firm seeks to deliver high customer satisfaction relative to competitors, it does not attempt to maximize customer satisfaction. A company can increase customer satisfaction by lowering profits. In addition to customers, the company has to satisfy stakeholders, including employees, dealers, suppliers, and stockholders. The company must deliver a high level of customer satisfaction while

delivering at least acceptable levels of satisfaction to the firm's other stakeholders.

Today's winning companies track their customer's expectations, perceived company performance and customer satisfaction. Customer satisfaction measures are meaningful only in a competitive context, thus companies must monitor both their own and their competitors customer satisfaction performance.

For customer centered companies, customer satisfaction is both a goal and a major factor in company success. These and other companies realize that highly satisfied customers produce several benefits for the company. They are less price sensitive, and they remain customers for a longer period. They buy additional products over time as the company introduces related products or improvements and they talk favorably to others about the company and its products (Kotler et al., 2005).

METHODOLOGY

Cross sectional survey was used and one self administrated questionnaire was distributed to collect the data from the targeted sample. The survey was conducted in January and February, 2006, in the peak season of the tourism in Egypt.

The questionnaire consists of four main parts. Part one dealt with the sociodemographic data of the respondents. Part two concentrated on the customers' expectations of the service quality on a 7-point Likert scale, ranging from "strongly disagree" which took score 1 to "strongly agree" which took score 7. Part three was to assess the customers' perceptions of the service quality on the same 7-point Likert scale. Part four was to evaluate the customers' overall satisfactions of the service quality, on a 7-point Likert scale ranged from "very dissatisfied" which took score 1 to "very satisfied" which took score 7.

The questionnaire was distributed in Cairo because tours in Cairo include many details which must be dealt carefully by travel agencies. Additionally, in Cairo, there are many travel agents, and the tourists were easily found.

A pilot study was conducted to assess the reliability of the attributes, and to ensure that the wordings of the questionnaire was clear.

The sample size was 400 tourists. Only 226 responses were valid resulting in a 56.7 % percent response rate. The population of this study was all the current users of travel agents. The current users were defined

by Fick and Richie (1991), as "someone who had visited one or more travel agencies within the previous three months".

The descriptive statistical analysis was used to investigate the sociodemographic profile of the respondents. Paired t-tests were conducted to assess the significance of differences between the two means of expectations and perceptions at a significance level of $p < 0.05$. The principle component analysis was conducted to reduce the 26 service attributes into a set of simplified dimensions; these attributes were used by Lam&Zhang, 1999 and Shahin, 2004.

Multiple regression analysis was also conducted to investigate the impacts and the relative importance of the new dimensions, obtained from the principle component analysis, on the dependent variable which was the customer's overall satisfaction .

FINDINGS AND DISCUSSION

Table 2 shows that 57.5% of the respondents were male. Most respondents were in the age range 35-44 representing 26.1% and 55-64 representing 23.9%. Regarding the occupation, the majority of the respondents were professionals representing 33.3%, executive managers (16.7%), and housewives (12.1%). When investigating the purpose of the last trip, a leisure purpose dominated the sample as it represents 59.8% of the total respondents. Visiting relatives/friends constitute 19.7%, while business purposes constitute 10.6%. The data also illustrate that "once a year" as an average of use of travel agency services dominated the sample (36.4%), "twice a year" (30.3%) and "less than once a year" 13.6%.

Table2. Profile of the travel agency user respondents (n = 226)

Variable		Percentage of the total
<i>Gender</i>	Male	57.5
	Female	42.5
<i>Age</i>	18-24	11.5
	25-34	19.5
	35-44	26.1
	45-54	12.4
	55-64	23.9
	More than 64	6.6

<i>Occupation</i>	Executive/ manager	16.7
	Professional	33.3
	Student	11.4
	Worker	6.1
	Retired	6.1
	Housewife	12.1
	Others	14.4
<i>Purpose of last trip</i>	Business	10.6
	Leisure	59.8
	Visiting relatives/ friends	19.7
	Others	9.8
<i>Average use of travel agency services</i>	Less than once a year	13.6
	Once a year	36.4
	Twice a year	30.3
	Three times a year	13.6
	Four times a year	3.8
	Five times or more a year	2.3

Expectations and perceptions of service quality and gap values

Table 3 shows the perception means, expectation means, gap means and t value regarding the differences between perceptions of received service quality and expectations. The results showed that customers had not got high expectations of travel agents as the highest mean of expectation was for the provision of service right the first time, followed by visually appealing promotional brochures (mean = 5.06). They look for the best for the interests of their customers", "appealing office décor, and sufficient resources to offer good service" (mean > 5).

As shown in table 3, customer perception scores were not high as the highest score that reached 4.70 and registered to the Promotion strategies to project image. One can see that all rest means of attributes were lower than 4.41. Actually, it must be noted that all the expectation scores in relation to the service attributes in this study were higher than the perception scores, indicating that each service attribute suffered a service quality shortfall. The largest gap scores were found for "the material elements and documents that have to also with the service are visually appealing" (gap score = -1.06, and "Employees look clean and tidy" (mean score =-0.99). According to Kang et al., 2002, The research on measuring service quality has focused primarily on how to meet or exceed the external customer's expectations, and has viewed service quality as a

measure of how the delivered service level matches consumer's expectations. These perspectives can also be applied to the employees of a firm and in this case, other major gaps could be closed in the service quality gaps model). That was followed by "the physical facilities that are visually appealing" (mean score=-0.98). The paired-sample t-test was conducted to examine the significance of the differences between the perception means and expectation means of all the 26 attributes. The results showed that there were significant differences between perceptions and expectations of all attributes. The negative signs of the gaps are indicating that the perceptions are lower than the expectations. It is important to confirm that the negative gap is not necessarily implying that the customer is not satisfied. Pearce (1991) and Hughes (1991) have argued that tourists may be satisfied even though their experiences did not fulfill their expectations. Tourism managers are supposed to be responsible for guest satisfaction, but they often find little guidance on how to determine whether they have delivered a satisfactory service experience (Yüksel and Rimminigton, 1998).

From a managerial perspective, it would seem important to track trends of the extent to which expectations are met over time as well as trends in performance. The use of difference scores gives managers a better understanding of whether increasing expectations or diminishing performance might be responsible for declining service quality and customer satisfaction (Hudson, et al., 2004).

Accordingly the findings should therefore be used by companies to develop potential management and marketing strategies (Hudson, et al., 2004).

Table3. Distribution of service quality values between consumers' expectations and perceptions of Egypt travel agencies (n=226)

Attributes		Perception		Expectation		Gap Mean	t-value
		Mean	SD	Mean	SD		
1	<i>They have modern looking equipment and new technologies</i>	4.02	2.04	4.84	2.02	-0.83	4.37*
2	<i>Appealing office decor</i>	4.04	2.08	5.02	1.98	-0.98	5.35*
3	<i>Employees look clean and tidy</i>	3.84	1.94	4.83	1.84	-0.99	5.25*
4	<i>The material elements and the documents that have to do with the service (destination , lodgings,...visualization) are visually appealing</i>	4.00	2.05	5.06	1.81	-1.06	5.43*
5	<i>All the promised tasks well performed and perfected</i>	4.05	1.95	4.90	1.84	-0.86	4.73*
6	<i>When the customer has a problem</i>	4.34	2.06	4.97	1.87	-0.63	3.28*

	<i>they show a sincere interest to solve it</i>						
7	<i>Provision of service right the first time</i>	4.41	2.01	5.11	1.84	-0.70	3.71*
8	<i>They habitually perform good service</i>	4.09	2.11	5.00	1.87	-0.91	4.97*
9	<i>They insist on making no mistakes in their documents</i>	4.25	2.18	4.90	1.96	-0.65	3.47*
10	<i>Telling when service to be completed</i>	4.12	2.12	5.00	1.87	-0.88	4.57*
11	<i>Prompt service</i>	4.07	2.16	4.76	1.91	-0.69	3.38*
12	<i>Employees are always willing to help</i>	4.19	2.21	4.92	1.94	-0.73	3.64*
13	<i>When there is a problem , there is always a quick response</i>	4.39	2.14	4.95	1.93	-0.56	2.92*
14	<i>The behavior of employees installs confidence in their customers</i>	4.33	2.12	4.75	1.85	-0.42	2.30*
15	<i>You feel safe in your transactions with the agency.</i>	4.31	1.90	4.78	1.90	-0.47	2.57*
16	<i>Employees are consistently courteous with customers</i>	4.27	2.00	4.95	1.80	-0.68	4.19*
17	<i>Employees have sufficient knowledge about the product</i>	4.42	2.02	4.94	1.87	-0.51	2.97*
18	<i>Employees follow-up each customer individually</i>	4.30	2.02	4.84	1.93	-0.54	3.29*
19	<i>The working hours are flexible and convenient</i>	4.23	2.08	4.75	1.87	-0.52	2.79*
20	<i>Personal attention by employees</i>	4.18	2.07	4.95	1.82	-0.77	4.25*
21	<i>They look for the best for the interests of their customers</i>	4.14	2.04	5.03	1.95	-0.89	4.79*
22	<i>The employees understand the specific needs of their customers</i>	4.16	2.00	4.86	1.86	-0.70	3.86*
23	<i>Projection of quality service image</i>	4.25	1.99	4.90	1.83	-0.65	3.61*
24	<i>Sufficient resources to offer good service</i>	4.17	2.13	5.01	1.82	-0.83	4.82*
25	<i>Adequate capacity to satisfy customer's needs</i>	4.14	2.20	4.74	1.96	-0.61	3.02*
26	<i>Promotion strategies to project image</i>	4.70	2.23	4.94	2.05	-0.42	1.13*

Notes:

- * T-test two- tail with probability<0.05.
- 2. A Gap mean is defined as perception mean – expectation mean
- 3. SD: standard deviation
- 4. Customers' expectations and perceptions were measured on a 7-point Likert scale,
1= very bad
7= excellent

DIMENSIONS OF SERVICE QUALITY

The results of factor analysis as presented in table 3 suggested five factors, with 24 attributes out of 26; they explained 80.64% of the total variance. The five factors were named responsiveness, reliability, empathy, resources and corporate image, and tangibility. The composite reliability analysis indicated that the coefficients of five factors ranged from 0.745 to 0.935. Accordingly, the reliability coefficients for the five factors exceeded the recommended significant level of 0.70 (Nunnally, 1967). Therefore good internal consistency among the variables within each dimension was found.

Table 4. Results of factor analysis on 24 attributes with their five dimensions (n =226)

Attributes	Factor loading	Eigen-value	% of Var.	Cum Var %	Reli. Coef.	Factor
1.The employees understand the specific needs of their customers	0.7863					
2.Prompt service	0.7691					
3.The behaviour of employees in still confidence in their customers	0.7483	9.6521	42.12	42.12	0.891	
4.Employees are always willing to help	0.7314					
5.When there is a problem , there is always a quick response	0.7254					
6.Employees are consistently courteous with customers	0.6841					
1.When the customer has a problem they show a sincere interest to solve it	0.7983					
2.They habitually perform good service	0.7790					
3.Telling when service to be completed	0.7541	4.5129	19.15	61.27	0.935	Factor 2 Reliability
4.Provision of service right the first time	0.7352					
5.All the promised tasks well performed and perfected	0.6642					
6.The working hours are flexible and convenient	0.8462					

1.They look for the best for the interests of their customers	0.8013	2.1816	7.22	68.49	0.745	
2.Personal attention by employees	0.7246					
3.Employees follow-up each customer individually	0.6835					Factor 3 Empathy
4.Adequate capacity to satisfy customer's needs	0.7524					
5.Sufficient resources to offer good service	0.7139					
1.Employees have sufficient knowledge about the product	0.6679					Factor 4 Resources and Corporate image
2.Promotion strategies to project image	0.6572	1.3541	6.28	74.77	0.778	
3.Projection of quality service image	0.5838					
1.Appealing office decor	0.6935					
2.They have modern looking equipment and new technologies	0.6851	1.3005	5.87	80.64	0.861	
3.Employees look clean and tidy	0.6345					Factor 5 Tangibility
4.The material elements and the documents that have to do with the service (destination, lodgings, visualization) are visually appealing	0.617					

The five dimensions customer's expectations and perceptions along

Based on the results of factor analysis, table 5 presents the results of "expectations", "perceptions", and "gap" means scores for the mentioned five factors. The results indicate that although "reliability" has a highest expectation score (4.996), it did not record the highest gap score (-0.796) because the customer also perceived a relatively high reliability. This result does not match with Lam and Zhang (1999) in their study of service quality of travel agents in Hong Kong, in which they found that customers had the highest expectation score for reliability, and largest gap score. Such results were also found by Ryan and Cliff (1997) in their study of travel agencies' service quality, in which the items with the largest gaps were those derived from the "reliability" dimension of the original SERVQUAL model. On the other hand, "tangibility" registered the highest gap due to the low perception and relatively high expectation. Indicating perhaps that most travel agents were not able to provide on

appealing office décor, to have modern looking equipment and new technologies, and to ensure that their employees were neat and tidy. On the contrary, this result did not match with Lam and Zhang (1999) results; they found that "tangibility" registered the smallest gap score in their research.

Table 5. Comparison of consumer's perceptions and expectations of travel agency service (n = 226)

Factor	Perceptions			Expectations			Gap	
	Mean	SD	Rank	Mean	SD	Rank	Mean	Rank
Responsiveness	4.235	2.105	2	4.865	1.880	5	-0.630	2
Reliability	4.202	2.050	4	4.996	1.858	1	-0.796	4
Empathy	4.213	2.053	3	4.893	1.893	4	-0.680	3
Resource and corporate image	4.358	2.145	1	4.908	1.925	3	-0.593	1
Tangibility	3.975	2.028	5	4.938	1.913	2	-0.965	5

Notes:

1. SD: standard deviation
2. Gap means score is defined as perception mean – expectation mean.

The relative importance of the five service factors in predicting overall satisfaction

The results of regression analysis of the five factors of the service quality as an independent variable while overall satisfaction as a dependent are indicated that the coefficient of determination R² is 0.568 indicated that 56.8% of the total variance occurred in overall satisfaction was explained by the mentioned five factors and 43.2% was due to unstudied factors. One can note that "resource and corporate image" is the most important factor as the partial correlation coefficient r reached 0.611 followed by "responsiveness" 0.304, "reliability" 0.212, "tangibility" 0.154, and "empathy" 0.140 respectively.

The t-values of all independent variables were less than the significant level 0.05, and the positive regression coefficients indicated that the five independent factors positively affected the respondents' overall satisfaction with service quality.

Table 5. Results of regression analysis of determinants of overall satisfaction with travel agency (n = 226)

Independent variables	r	Beta	t	Sig. t
Resource and corporate image	0.611	0.327	11.46	0.000
Responsiveness	0.304	0.133	4.73	0.000
Reliability	0.212	0.087	3.22	0.001
Tangibility	0.154	0.068	2.32	0.022
Empathy	0.140	0.67	2.09	0.038
Constant	-	1.390	5.46	0.000

Multiple R = 0.753

R² = 0.568

Adjusted R² = 0.558

F = 196.70

Standard error = 0.728

This means that resource and corporate image were crucial to an excellent-service travel agent. This was further supported by the findings shown in table 4, i.e. those customers had relatively higher expectations score for this factor than for the others. This result appeared to be the same of le Blanc's (Oh,&Parks, 1997), in which "corporate image" was the most significant independent regression variable in explaining customers' overall satisfaction with services provided by travel agencies. On the contrary, this appeared to be a different result from that of (Lam &Zhang, 1999), who found that the most important factor in predicting customers' overall satisfaction was "reliability", followed by "responsiveness and assurance".

It appears that travel agents should make more efforts to improve their service quality along this critical factor. Assuring quality in tourism education and using employing those graduates in the Egyptian travel agents, continuous training for employees to deliver professional service to customers in terms of courtesy, a customer oriented attitude, sufficient resources to offer good service, the care of the effective promotion campaigns may help to ensure customer satisfaction.

CONCLUSION

The main finding of the research is that there is a notable gap between customer expectations and perceptions corresponding to the service quality introduced by travel agents, indicating that the customers' expectations of service quality were not met.

The results of factor analysis suggested five factors named responsiveness, reliability, empathy, resources and corporate image, and tangibility to be considered.

The results of regression analysis of the five factors of the service quality indicated that resources and corporate image is the most important factor influencing customers overall satisfactions as the partial correlation coefficient followed by the responsiveness factor, reliability, tangibility, and empathy respectively. It means that travel agencies must pay more attention to improve these two important areas in terms of adequate capacity to satisfy customer's needs, sufficient resources, to offer good service, employees have to have sufficient knowledge about the product, promotion strategies to project image, projection of quality service image. These areas are the most influential to be competitive.

To reach these objectives, it could mean that travel agencies will have to implement strategies for human resources in short and long terms to recruit, train and develop qualified employees. Besides, tourism faculties and academic institutes must develop their educational programmes and courses according to market needs and requirements accomplishing quality approach regarding international levels. In addition, corporate image appears to be important to achieve customers overall satisfaction. It may require additional investment in terms of promotion campaigns and building quality service image. Consequently, Egyptian travel agencies may have to share in the international tourism promotion campaigns with state organizations and foreign tour operators. Thus, this research can be followed by further research to study the impact of corporate image on perceived service quality in Egypt to guarantee customer's loyalty.

REFERENCES

- Al-Alak, B. & AL-Taèè, H. (2001). Perceived quality of services provided by Hotels in Jordan among Foreign Guests (A field study). *Faculty Of Economics and Administration Sciences Journal*, Al-Zaytona University, pp.497-501.

- ASI Quality Systems (1992). Quality function deployment-practitioner workshop. *American Supplier Institute Inc. USA*.
- Babakus, E. & Boller, G.W. (1992). An empirical assessment of the SERVQUAL scale. *Journal of Buisness Research*, Vol. 24, No. 3, pp. 253-268.
- Berry, L. & Parasuraman, A. (1991). *Marketing Services: Competing through Quality*. New York, Free Press.
- Berry, L. Zeithaml, V. & Parasuraman, A. (1985). Quality counts in services too. *Business Horizons*, (May /June), pp. 44-52.
- Berry, L. Zeithaml, V. & Parasuraman A. (1990). Five imperatives for improving service quality. *Sloan Managemen Review*, Vol. 31, No.2, pp.29-38.
- Bigne, J., Camisòn, C., Martinez, C., Miquel, M. & Belloch, A. (1996). Las agencias de vi ajes: Factores de calidade implicaciones de marketing. V Congreso Nacional de Economía, Las Palmas de Gran Canaria, Diciembre. *Libro de Ponencias del Turismo*, Vol.6, pp.189-210.
- Bojanic, D. & Rosen, L. (1994). Measuring service quality in restaurants: An application of the SERVQUAL instrument. *Hospitality Research Journal*, Vol. 18, No.1, pp. 3-14.
- Brown, S. W. & Bond, E. (1995). The internal/external framework and service quality: Toward theory in services marketing. *Journal Marketing Management*, Februry, pp.25-39.
- Brown, T., Churchill, Jr, G. & Peter, J. (1993). Improving the measurement of service quality. *Journal of Retailing*, Vol. 59, No. 1, pp. 127-139.
- Callen, R. (1994). Development of a framework for determination of attributes used for hotel selection – indications from focus group and in-depth interviews. *Hospitality Research Journal*, Vol. 18, No. 2, pp. 53-74.
- Carman, J. (1990). Consumer perceptions of service quality: An assessment of the SERVQUAL dimensions. *Journal of Retailing*, Vol. 66, No. 1, pp.1-9.
- Coyle, M. & Dale, B. (1993). Quality in the hospitality industry: A study. *International Journal of Hospitality Management*, Vol. 12, No. 2, pp.141-153.
- Cronin, J. and Taylor S. (1992). Measuring service quality: a reexamination and extension. *Journal of Marketing*, Vol. 56, No. 4, pp.55-68.
- Curry, A. (1999). Innovation in public service management. *Managing Service Quality*, Vol. 9, No. 3, pp.180-190.
- Edvardsson, B., Thomasson, B. & OvretVeit, J. (1994). *Quality of Service: Making it Work*. New York, McGraw-Hill.
- Egyptian Travel Agents Association (2005). *Agencies Directory (2004-2005)*
- Fick, G. & Ritchie, J. (1991). Measuring service quality in the travel and tourism industry. *Journal of Travel Research*, (fall), pp.2-9.
- Getty, J. & Thompson, K. (1994). A procedure for scaling perceptions of lodging quality. *Journal of Hospitality Research*, Vol. 18, No.2, pp.75-96.
- Gronoos, C. (1982). A service quality model and its marketing implications. *European Journal of Marketing*, Vol. 18, No. 4, pp.44-63.
- Gronoos, C. (1984). An applied service marketing theory. *European Journal of Marketing*, Vol. 16, No. 17, pp.30-41.

- Gronoos, C. (1990). *Service Management and Marketing: Managing the Moments of Truth in Service Competition*. USA, Lexington Book.
- Heung, V., Wong, M. & Qu H. (2000). Airport-restaurant service quality in Hong Kong. *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 41, No.3, Cornell University, pp.86-96.
- Hong Yen, T. (2000). an activity-based management approach to measure service quality cost of restaurant. *Paper presented at the Sixth Asia Pacific Tourism Association Annual Conference*, Thailand, 28June - 1 July 2000.
- Hudson, S., Hudson, P. & Miller, G. (2004). The measurement of service quality in the tour operating sector: A methodological comparison. *Journal of Travel Research*, Vol. 42, No. 3, pp. 305-312.
- Hughes, K. (1991). Tourist satisfaction: A guided tour in North Queensland. *Australian Psychologist*, Vol. 26, No. 3, p.168.
- Iwaarden V., J., Van der, W., I., Dall, L. & Millen, R. (2003). Applying SERVQUAL to websites: An exploratory study. *International Journal of Quality & Reliability Management*, Vol. 20, No. 8, pp. 919-935.
- Jones, E. & Haven-Tang, C. (2005). *Tourism SMEs, Service Quality and Destination Competitiveness*. London, CABI.
- Kang, G., James, J. & Alexandris, K. (2002). Measurement of internal service quality: Application of the SERVQUAL battery to internal service quality. *Managing Service Quality*, Vol. 12, No. 5, pp.278-291.
- King, J. & Cichy R. P. (2006). *Managing for Quality in the Hospitality Industry*. New Jersey, Pearson Prentice Hall.
- Knutson, B., Stevens, P. & Patton, M. (1995). DINESERV: Measuring service quality in quick service, casual theme, and fine dining restaurants. *Journal of Hospitality and Leisure Marketing*, Vol. 3, No. 2, pp. 35-45.
- Kotler, P., Bowen, J. & Makens, J. (2005). *Marketing for Hospitality and Tourism*. Delhi, Pearson Education.
- Kozak, M. (2004). *Destination Benchmarking: Concepts, Practices and Operations*. Wallingford, CAB International.
- Lam, T. & Zhang H. (1999). Service quality of travel agents: the case of travel agents in Hong Kong, *Tourism Management*, Vol. 20, No. 3, pp.341-343.
- Le Blanc, G. (1992). Factors affecting customer evaluation of service quality in travel agencies: Investigation of customer perceptions. *Journal of Travel Research*, Vol. 30, No. 4, pp.10-16.
- Lewis, B. & Mitchell V. (1990). Defining and measuring the quality of customer service. *Marketing Intelligence and Planning*, Vol. 8, No. 1, pp.11-17.
- Lewis, R. & Booms, B. (1983). *The Marketing Aspects of Service Perspectives on Services Marketing*. Chicago, American Marketing Association.
- Luk, Sh. T. & Layton, R. (2002). Perception gaps in customer expectations: Managers versus service providers and customers. *The Service Industries Journal*, Vol. 22, No. 2, pp.109-128.
- Luk, S., de Leon, C., Leong, F. & Li, E. (1993). Value segmentation of tourist's expectations of service quality. *Journal of Travel and Tourism Marketing*, Vol. 2, No. 4, pp.23-38.

- McCleary, K., Weaver, P. & Ahao, J. (1993). Segmenting the business traveler market. *Journal of Travel and Tourism Marketing*, Vol. 1, No. 4, pp.53-67.
- Miller, J. (1977). Studying satisfaction , modifying models, eliciting expectations , posing problems , and making meaning for measurements, in conceptualization of consumer satisfactions and dissatisfaction. Report No.77-103, ed. Khunt Cambridge. MA: Marketing Science Institute.
- Ministry of Tourism (2003). *Tourism in Figures 2003*. Ministry of Tourism, Egypt.
- Nunnally, J. (1967). *Psychometric Theory*. New York, McGraw-Hall Inc.
- Oh, H. & Parks, S. (1997). Customer satisfaction and service quality: A critical review of the literature and research implications for hospitality industry. *Hospitality Research Journal*, Vol. 20, No. 3, pp.35-64.
- Oslon, J. & Dover, P. (1979). Disconfirmation of customer expectations through product trial. *Journal of Applied Psychology*, Vol. 64.
- Parasuraman, A., Zeithaml, V. & Berry, L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, Vol. 49, No. 4, pp.41-50.
- Parasuraman, A., Zeithaml, V. & Berry, L. (1988). SERVQUAL – multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, Vol. 64, No. 1, pp. 12-40.
- Parasurama, A., Zeithaml, V. & Berry, L. (1991). Understanding customer expectations of service. *Sloan Management Review*, Vol. 32(Spring), No. 3, pp.39-48.
- Pearce, P. (1991). Introduction to tourist psychology. *Australia Psychologist*, Vol. 26, No. 3, pp.145-146.
- Pizam, A. & Milman A. (1993). Predicting satisfaction among first time visitor to a destination by using the expectancy disconfirmation theory. *International journal of Hospitality Management*, Vol. 12, pp.197-209.
- Ryan, C. & Cliff, A. (1997). Do travel agencies measure up to customer expectation? An empirical investigation of travel agencies' service quality as measured by Servqual. *Journal of Travel and Tourism Marketing*, Vol. 6, No. 2, pp.1-31.
- Saleh, F. & Ryan, C. (1991). Analyzing service quality in the hospitality industry using the Servqual model. *Service Industries Journal*, Vol. 11, No. 3, pp.324-343.
- Shahin. A. (2004). SERVQUAL and model of service quality gaps: A framework for determining and prioritizing critical factors in delivering quality services. *Paper presented at the International Conference*, Tehran, Iran, pp.1-5.
- Sharpley, R. (2002). The challenges of economic diversification through tourism: the case of Abu Dhabi. *International Journal of Tourism Research*, Vol. 4.
- Soriano, D. (1999). Total quality management. *Cornell Hotel and Restaurant Administration Quarterly*, Cornell University, Vol. 54.

- Sweeney, J., Johnson, L. & Armstrong, R. (1992). The effect of cues on service quality expectation and services selection in a restaurant setting. *Journal of Services Marketing*, Vol. 6, No. 4, pp.15-22.
- Teas, R. (1993). Consumer expectations and the measurement of perceived service quality. *Journal of Professional Services Marketing*, Vol. 8, No. 2, pp.33-53.
- World Tourism Organization (2005). *Tourism Highlights*. Madrid, WTO.
- World Tourism Organization (2006). *Tourism Highlights*. Madrid, WTO.
- World Tourism and Travel Council (2003). Travel and tourism a world of opportunity-The 2003 travel and tourism economic research. [Http://www.wttc.org/measure/PDF/ExecutiveSummary.Pdf](http://www.wttc.org/measure/PDF/ExecutiveSummary.Pdf). Accessed on 29 November 2003.
- World Tourism and Travel Council (2005). *Travel and Tourism for Going Ahead: The 2004 Travel and Tourism Economic Research*, London, WTTC.
- Yüksel, A. & Rimmington, M. (1998). Customer- Satisfaction Measurement. *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 39, No. 6, pp.60-71.

SUBMITTED: NOVEMBER 2006

REVISION SUBMITTED: JANUARY 2007

ACCEPTED: FEBRUARY 2007

REFEREED ANONYMOUSLY

Ghada Abd-Alla Mohamed (dr_abdallaghada@hotmail.com) is a Head of Tourism Studies Department, and Deputy Dean for Education and Students Affairs, at Suez Canal University, Egypt.

