

**Evaluating Young Customers' Perception of Service  
Quality offered by Travel Agencies in North Cyprus  
using their Zone of Tolerance**

**Simeon Oghenero Emmanuel**

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Prof. Dr. Elvan Yılmaz  
Director (a)

I certify that this thesis satisfies the requirements as a thesis for the degree of Master in Business Administration.

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Assoc. Prof. Dr. Cem Tanova  
Chair, Department of Business Administration

We certify that we have read this thesis and that in our opinion it is fully adequate in scope and quality as a thesis for the degree of Master in Business Administration.

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Assoc. Prof. Dr. Halil Nadiri  
Supervisor

Examining Committee

- 
1. Assoc. Prof. Dr. Halil Nadiri
  2. Asst. Prof. Dr. Mustafa Tümer
  3. Dr. Dođan Ünlücan

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## **ABSTRACT**

Global trends have shown the service sector being the focus of attention and importance lately. The industry has now assumed importance over the past decade and this can be attributed to the fact that almost all customer purchases and dealings are mostly conducted in service (intangible) forms. In North Cyprus, the importance of the service sector cannot be overemphasized. Overtime the region has gradually evolved into a tourist destination attracting a large number of tourists through the services of travel agencies and tour operators. This study is borne out of the need to ascertain and measure the quality of services offered by travel agencies by examining the perceptions of young customers using their zones of tolerance. More literally, it sets to find out what customers expect and perceive of the services being offered by travel agencies in the region.

The study begins with the first chapter highlighting the aim, methodology, scope and limitations of the study. Chapter two draws related literature from the previous work of several authors and scholars to present a comprehensive meaning of the topic of discussion. The third chapter explains the SERVQUAL methodology employed, collects statistical data and presents the findings of conducted analyses. The final chapter draws conclusion, managerial suggestions and recommendations for further research.

Results from several analyses show that customers perceive the service quality of travel agencies to be low and are not entirely satisfied with what they receive. Service quality and customer satisfaction were also found to have strong linear effects on word of mouth recommendation and purchase intentions. The zone of tolerance show that customers benefit from adequate service as their adequate

expectations are met but they are not duly supplied with superior services to match their desired expectations. This has several implications for managers of travel agencies.

**Keywords:** Service quality, satisfaction, zones of tolerance, customer satisfaction, travel agencies, North Cyprus.

## ÖZET

Yaşanan küresel trendler hizmet sektörüne yönelik ilgi ve önemi artırmıştır. Hizmet endüstrisinin son yirmi yıl içerisinde artan öneminde gerçekleşen birçok tüketici alımları ve girişimlerinin hizmet(soyut) özellikleri taşıması yer almaktadır. Bu gelişmeler Kuzey Kıbrıs için de geçerlidir. Zaman içerisinde Kuzey Kıbrıs'ın da içinde bulunduğu bölgenin turizm bölgesi olarak gelişmesi sonucunda seyahat acenteleri ve tur operatörleri tarafından sunulan hizmetler sayesinde önemli ölçüde talep bölgeye yaratılmıştır. Bu çalışma turizm sektörünün önemli saç ayaklarından biri konumundaki seyahat acentelerinin sunmuş olduğu hizmetlerin kalitesinin genç tüketici kesimi tarafından nasıl değerlendirildiğinin tespiti ve bu müşteri grubunun “tolerans kuşağı”nın da belirlenmesine amacı ile gerçekleştirilmiştir. Daha açık bir şekilde ortaya konulması gerekirse, bu çalışma ile seyahat acenteleri tarafından sunulan hizmetlerle ilgili müşterilerin beklenti ve algılamalarının tespit edilmesi amaçlanmaktadır.

Bu çalışmanın ilk bölümünde, çalışmanın amacı, araştırma yöntemi, kapsamı ve sınırlamaları ortaya konulmaktadır. İkinci bölümde çalışma ile ilgili detaylı literatüre taraması ve çalışmanın modeli anlatılmaktadır. Takip eden bölümde çalışmanın araştırma yöntemi ve yürütülen istatistiksel analizlerin sonuçları verilmektedir. Son bölümde ise sonuçlar, öneriler ve ileriye yönelik çalışmalar hakkında öneriler yer almaktadır.

Yürütülen analizler genç tüketici pazarında yer alan müşterilerin seyahat acenteleri tarafından sunulan hizmetlerle ilgili algılamalarının düşük seviyede olduğu ve aldıkları hizmetlerden yeterince tatmin olmadıklarını ortaya koymaktadır. Ayrıca analizler genel hizmet kalitesi algılaması ve müşteri memnuniyet seviyesinin

tavsiye etme ve tekrar hizmeti talep etme gibi ileriye yönelik davranışlar üzerinde güçlü etkisi olduğu da saptanmıştır. Tolerans kuşağının belirlenmesi ile ilgili analizler yeterli seviyedeki hizmet sunumunun müşteriler için fayda yaratmakla beraber müşteriler tarafından arzulanan beklentilerin hakkı ile karşılanması için üst düzey hizmet sunumuna ihtiyaç duyulduğunu ortaya koymaktadır. Bu sonuçtan seyahat acenteleri yöneticilerinin çıkarması gerekli önemli pratik sonuçlar vardır.

**Anahtar Kelimeler:** Hizmet kalitesi, tolerans kuşağı, müşteri memnuniyeti, seyahat acenteleri, Kuzey Kıbrıs.

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## LIST OF ABBREVIATIONS

Ade Exp	Adequate Expectations
ANOVA	Analysis of Variance
Ass	Assurance
B	Unstandardized Coefficient of Regression
BETA	Standardized Coefficient of Regression
DF	Degrees of Freedom
Des Exp	Desired Expectations
F	F Statistics
Emp	Empathy
H1	Hypothesis One
H2	Hypothesis Two
H3	Hypothesis Three
H4	Hypothesis Four
INT	Intention to Purchase
MSA	Measure of Service Adequacy
MSS	Measure of Service Superiority
Per Perf	Perceived Performance
Rel	Reliability
Res	Responsiveness
SAT	Satisfaction
SD	Standard Deviation
SQ	Service Quality
SIG	Significance Level

T	T Statistics
Tan	Tangibles
VIF	Variance Index Factor
ZOT	Zone of Tolerance

# CHAPTER 1

## INTRODUCTION

### **1.1 Aim of the study**

This study aims to measure the service quality of travel agencies in Gazimagusa city of Northern Cyprus. In performing this task, several mini-tasks are performed to arrive at a final conclusion. The perceptions of young customers are uniquely analyzed using their zones of tolerance (ZOT) to understand their views about travel agencies and if they have received quality services during service encounters. The study also aims to find out if service quality and the satisfaction of young customers have any significant effect or influence on word of mouth (WOM) and customers' purchase intentions (INT). Also, the study intends to ascertain the relationship between the service quality dimensions, service quality and satisfaction. Efforts are invested in finding out the ZOT for customers and how this factor affects their perceptions of travel agencies.

### **1.2 Methodology of the study**

In achieving its objectives, the study employed the principles of the SERVQUAL instrument while applying some minor changes to the items and wordings. Questionnaires imbuing the SERVQUAL elements were designed and administered to respondents. A pilot study was first conducted to search for problems with the practical presentation and application of the questionnaires before final questionnaires were widely distributed for general analyses. Data obtained was entered into SPSS and analyzed using several analyses. Demographic analysis was conducted to see the

composition of the respondents based on their ages, departments, gender, academic status and income levels. Reliability, factor, ZOT and multiple regression analyses were then conducted to aid in establishing the satisfaction levels of respondents and eventual quality of services.

### **1.3 Scope of the study**

The study centered on measuring the service quality of travel agencies through diagnosing the perceptions of young customers by analyzing their zones of tolerance. Young customers were important for this study as they embody the bulk of customers of travel agencies. An important source for these respondents is the EMU where majority of young students are enrolled for undergraduate and graduate courses.

### **1.4 Limitations of the study**

Majority of the limitations faced with this study was encountered in data analysis.

- Firstly, respondents were not well literate on the principles of the model used from which the questionnaires were designed. Much explanation was exhausted in trying to facilitate understanding on their part.
- Secondly, the model used was not comprehensive on the causes of satisfaction or dissatisfaction of customers. The analyses performed were explanatory only in statistical terms and not in literal or logical terms.
- Thirdly, feedback from respondents was slow due to the timing of questionnaire distribution.



## CHAPTER 2

### LITERATURE REVIEW

#### 2.1 Evolution of Services

As opposed to the popular opinion stressing goods as the foremost item of exchange for which both buyers and sellers transact, the evolution of services dates back prior to the establishment of goods as the main item of exchange for most firms (Berry, 1999). This acute belief is consistent with logic and facts considering that during the early years of the barter system, the seller of an item or good had to utilize good presentable skills established in services in order to attract buyers for his item of sale. Over the years however, more emphasis have been placed on goods as the main item of exchange in service encounters until the past two decades when more light was shed on the evolution and importance of this vigorous activity termed ‘services’ (Lovelock, 2001). This dynamic shift from the ‘goods-concentration age’ to ‘service-concentration age’ portrays the fact that most global activities or end products come as a result of services hence it is pertinent to highlight how ‘services’ evolved over the years and came to be regarded as an important item for exchange or transaction.

Even though interest in the manufacturing sector began in the 1920s, scholarly reviews and research on services began to dominate in various parts of the world in the late 1970s (Gummesson, 1991). A widely accepted theoretical work on the evolution of services was that propounded by Fisk, Brown and Bitner (1993). They asserted that

services came about in two eras, each characterized by three separate stages. This is simplified as showed:

- **First Era** – this era is marked by the birth and origins of services. The three separate stages describing this ‘era of service birth’ are:
  - a. **Crawling-out Stage (pre 1980)** – this is the period when early scholars and professionals in the service field created, guided and defended the concept of services and marketing.
  - b. **Scurrying-about Stage (1980 - 1985)** – this is the period when services grew in size and dimension with a great number of scholars rapidly erecting the basic structures of services.
  - c. **Walking-erect Stage (1986 - 1992)** – this is the period when services and the field of marketing became solidified and attained a respectable degree of success, credibility and legitimacy in the business discipline.
  
- **Second Era** – this era is characterized by the rapid expansion of services. It also consists of three distinct stages:
  - a. **Making-tools Stage** – this is the period when many tools were developed in the field of service marketing mainly advanced technological tools like the internet

and self service technologies (SSTs) to facilitate customer satisfaction and improve quality of services.

- b. Creating-language Stage** – in this stage, modern day jargons associated with services and marketing like service quality, service recovery, service-scapes, service experience, service failures *et cetera* were developed and used to give proper meaning and definition to the term ‘services’.
- c. Building Community Stage** – this is the stage when social structures like service awarding bodies, customer satisfaction indexes e.t.c are emerging to encourage and back the work of service firms and scholars from different academic and business fields. As noted by Bitner and Zeithaml (1996), this stage is currently evolving and constitutes modern day trends in the field of service marketing.

## **2.2 Introduction to Services**

No field has captured the opinions and attention of scholars like the field of service marketing. ‘Service’ and ‘marketing’ are interchangeably used together to portray a wider concept and meaning in the mind of readers (Bitner and Zeithaml, 1996). However, consistent with this research work, more emphasis is placed on the establishment and use of ‘services’ as it is the topic of discussion. The term ‘services’, has been used by a popular majority to express the delivery of intangible duties and tasks to customers who patronize them (Zeithaml, Berry and Parasuraman, 1990; Kotler, 1997; Lovelock, Patterson and Walker, 2001; Lisa, 2004). Wikipedia (2006) views services as the ‘non-

material equivalent of a good'. These services according to Coulter (2001) may be transmitted through means of phone calls, internet, verbal communication, consultancy and may as well come in forms of advice, directions, verbal planning, and recommendations. As opposed to physical products, services cannot be tasted, seen, touched, smelled or heard (Lovelock 1981; Zeithaml, Berry and Parasuraman 1985). This obscure and distinct nature of services makes it unavoidably difficult to measure as suppliers and consumers of services alike cannot adequately quantify what they offer or consume (Murray and Schlacter, 1990).

Overtime, the supplier or maker of service has been termed 'the provider'. The provider represents an entity, business organization or institution charged with providing services to meet a need. The consumer or customer of service has been referred to as 'client' representing any person, agency or institution requiring the services of 'the provider'. The provider has to provide remarkable services of varying types and characteristics in order to suit and satisfy the curiosity of the client as they come into the service experience with many diverse expectations (Cox and Dale, 2001).

One of the core fundamentals in marketing is the marketing mix which Zeithaml *et al.*, (2006) defined as the main elements that an organization controls which can be used to communicate with or satisfy its customers. The traditional marketing mix consists of what has been termed 'Four Ps' namely – 'product', 'place', 'price' and 'promotion'. Nevertheless, the marketing mix for services has been expanded to include an additional 'Three Ps' known as 'people', 'process' and 'physical evidence' owing to the fact that

services possess some salient but prominent differences to products. What surfaces therefore is a combination of ‘Seven Ps’ for services in contrary to what obtains for goods.

### **2.2.1 Types of Services**

Services vary in length, time and purpose for which they are offered. but have been categorically classified into the various types:

- a. Public or National Services** – these are services initiated by the government for its citizens to serve the nation and are mostly run by non-profit or non-governmental organizations.
- b. Health Services** – services carried out health-care professionals or by others under their supervision for the purpose of maintaining or restoring the health of others. It incorporates the services of nurses, doctors, laboratory technicians, hospital attendants, pharmacists, care attendants, et cetera.
- c. Professional Services** – services that are performed only by members of a profession within that particular field only. Consists of services of lawyers, engineers, scientists, stockbrokers, bankers, accountants, financial managers et cetera.
- d. Personal Services** – incorporates all personalized services (both skill and unskilled) offered on personal grounds on a small scale to suit specific customer needs and includes services of personal assistants, travel agents, customer assistants, chefs, carpenters, dry-cleaners, e.t.c.
- e. Directory Services** – sometimes referred to as ‘self service’, it explains services that organizes computerized content and runs on a directory server computer.

Automated phone directories, General Packet Radio Service (GPRS), Global Positioning System (GPS), Cash Machines, et cetera are notable examples of directory services.

- f. Transnational Services** – services involving two or more countries working together in alliance and cooperation e.g. humanitarian services, joint educational schemes, military services, diplomatic services et cetera.

### **2.2.2 Characteristics of Services**

The distinct attributes of services has added more spice to the definitions of services and have made it easily feasible to further distinguish the subject matter from goods. These remarkable features have called for more attention in the way services are marketed in relation to goods marketing. Notable scholars like Regan, 1963; Rathmell, 1966; Shostack, 1977; Lovelock, 1981; Zeithaml *et al.*, 1985; Cowell, 1991; Kotler, 1997 and Palmer, 2005 have identified four prominent attributes of service which are as follows:

#### **2.2.2.1 Intangibility**

This attribute was proposed as a means of differentiating between products and services (Levitt, 1981). In a prior work, Regan (1963) introduced the intangible nature of services as being ideas, activities, benefits or satisfaction which are offered for sale or are provided in connection with the sale of goods. Kotler (1997) identified this intangible characteristic of services in his own definition of service where he expresses service as any act or performance that one party can offer to another party that is essentially intangible and does not result in the ownership of anything. Intangibility is a notable attribute that is also used to differentiate between the marketing of goods and services. It applies to pure services

that present no tangible cues that allow them to be assessed by the senses of smell, sight, smell, sound, touch or taste in contrary to tangible goods (Lovelock, 1981; Palmer, 2005; Zeithaml *et al.*, 2006).

As a result of a service's integral intangibility, service clients are most times confronted with not knowing what to anticipate of a service until they consume it (Murray *et al.*, 1990). Hence trust is a high requirement for customers to deal with their service providers due to the intangible nature of services (Crosby, Evans and Cowles, 1990; Doney and Cannon, 1997; Dorsh, Swanson and Kelly, 1998). As it is impossible to gain experience of a service in advance due to its intangible nature (Cowell, 1991), customers typically rely on the service provider's reputation and the trust they have with them to help vaticinate service quality and make appropriate and suitable service choices (Coulter, 2001).

The element of intangibility showcases a host of challenges to marketers of services which Zeithaml, Bitner and Gremler (2001) explained as difficulties of stocking service closely related to the inseparable consumption of service as such, because of the difficulties associated with stocking of services, fluctuations in demand are difficult to manage. Intangibility no doubt makes pricing of services to be difficult because it is realistically arduous to decide on what to include in the advertising of a service as measurement is another issue entirely. Additionally, because of the intangible nature of services, they cannot be easily patented, communicated nor displayed to customers which makes overall quality to be difficult for customers to assess or measure.

### **2.2.2.2 Heterogeneity**

From the client's view point, there is a typical wide variation in service offerings. Heterogeneity as an attribute of service emerges because no two customers are exactly alike, hence each will no doubt have a unique or tailored demand or experience which is peculiar to him/her in a different way (Zeithaml *et al.*, 2006). This stems from the fact that since services are performances which are produced by humans for different humans, hence no two services will precisely be the same. Personalization of services increases its heterogeneous nature. It comes into play mainly as a result of the human element, be it the person delivering the service or the person consuming the service.

For example assume a travel agent who delivers services to his customers on different occasions, his moods, behavior, attitude, tolerance, and other work factors determines the kind of service he delivers to each customer. He delivers separate and distinct services to his different customers as he interacts with them. The service delivery depends to a large extent on the times and the human element which makes it highly unlikely for the travel agent to provide the same type of service to different customers or even to a same customer at different times.

Since services are heterogeneous across time, people and organizations, ensuring effective and consistent service quality is challenging. This implies that the same level of service quality cannot be guaranteed. This is a particular problem for services with high labor content, as the service is delivered by different people with different skills and factors



affecting them hence the performance of people can vary from day to day (Wolak, Kalafatis and Harris, 1998).

### **2.2.2.3 Perishability**

In contrast to goods which can be produced and kept for future consumption, services cannot be stored or amassed, any service capacity that goes unused is perished and cannot be kept or saved for future purposes (Rathmell, 1966; Donnelly, 1976; and Zeithaml *et al.*, 1985) . Services must be consumed once they are produced and cannot be saved, resold, shelved or returned if the customer is unsatisfied with the service offering.

Unlike the goods market, marketers of services or service providers find it extremely difficult to accurately predict or forecast service demand before production takes effect. This combination of perishability and fluctuating demand creates a host of problems for marketers of services (Peter and Donnelly, 2002) especially as perishability supports the notion that customers engage in more post-purchase than pre-purchase evaluation when selecting and consuming services (Pires and Stanton, 2000). Thus, service marketers are confronted with the huge decisive task of service capability estimation and planning as they are fundamental elements for service management.

### **2.2.2.4. Inseparability**

As opposed to goods, services are created and consumed at the same time and cannot be inventoried or saved for future usage or consumption. More literally, the production and consumption of service goes hand in hand and cannot be separated (Regan, 1963; Wyckham, Fitzroy and Mandry, 1975; Donnelly, 1976; Gronroos, 1978; Zeithaml, 1981; Carman and Langeard, 1980; Zeithaml *et al.*, 1985; Bowen, 1990; and Onkvisit and Shaw,

1991). This major characteristic implies that services cannot be created in the absence of customers. Precisely speaking, the inseparability attribute of service implies that clients must be available or present for the service to be provided as both production and consumption occurs simultaneously (Daly and McDonell, 2005). Customers of services immediately make use of services as soon as they are produced and none is kept for further use or purpose. This stems from the intangible nature of services which makes measurement or inventory of service quality almost impossible, difficult to attain or comprehend (Peter and Donnelly, 2002). For Palmer (2005), because customers are usually involved in the production process for a service at the same time as they consume it, it can be difficult to carry out monitoring and control to ensure consistent standards.

Also noted is the simple fact that production and consumption of services is simultaneous therefore makes mass production very difficult. Nonetheless production is conducted in such a way that suits or tries to satisfy the demanding but yet peculiar need of each service customer (Murray *et al.*, 1990).

### **2.2.3 Importance of the Service Industry**

The service sector has attained the rank of the dominant element of the economy over the past three decades (Ghobadian, Speller and Jones, 1994). Its importance over these years is one characterized by robust activities accounting for large percentages of jobs and income in both less developed, developing and developed countries around the world. As an example, 90 percent of the \$72 billion surplus in the United States trade surplus of 1971 was generated by business and professional services (Klein, 2007). Lovelock and Wirtz (2006) reports that in the United States economy for instance, private service firms

account for more than two-thirds of the country's Gross Domestic Product (GDP). More recently, also as a real life example Klein (2007) observes that activities from the service sector accounted for a 77.8 percent (about \$8.5 trillion) of the U.S GDP in 2005 and this is an alarming figure which goes a long way to show the growth and vitality of the sector which remains the engine of growth in most modern economies.

In the light of these notable developments, the higher concentration of the marketing of services over goods expresses the importance of this lucrative sector. Vargo and Lusch (2004) for instance introduced the service-dominant logic which asserts that services rather than goods are fundamental and key aspects to economic exchange. Higher transaction of lucrative services provides more GDP to a country's income and so more countries should emphasize and promote trade in profitable services. While this is a general opinion, it has been observed that many countries especially those in the developed world with the right laws, structures and rich labor force in place have applied and pursued this strategy and have not failed in many regards.

Virtually all areas and sectors of most countries' economies are linked to the service sector with its role of providing the work force necessary for every function and activity. Services affect all towns, cities, villages, states and country in every sector of the economy through the activities of nurses, professors, engineers, bankers, doctors, lawyers, accountants to mention a few.

With recent improvements in technology, services are used in almost all areas and made available around the world. The result is a more connected world, allowing consumers and

service providers alike to communicate and contribute to service quality all around the globe. A more outstanding aftermath is a vibrant and more lucrative service sector owing to improvements and innovations borne from this globalization of services.

The service industry is also vital especially when we consider that it accounts for majority of exports from most countries. The dawn of a modern era of service marketing and business has made countries benefit substantially from exporting a wide range of high valued services around the world that other nations value like software design, financial services, express package delivery, web package delivery *et cetera* (Klein, 2007). This contributes to a favorable trade balance and again, contribution to a country's wealth.

Perhaps the most significant contribution and importance of the service sector is the massive role it plays in absorbing a huge portion of both domestic and international workforce and creating opportunities for improvement of labor skills through intense competition between individuals, firms, industries, states and countries. Job creation and income generation remains key aspects and merits of the service sector and without the presence of the sector, there will be notable shrinkage in the living conditions of the populace.

While the importance of the service sector cannot be overemphasized, it should not be forgotten that the sector is vital to every country's economy and hence each country should stride to create and sustain fair and open markets that service providers need to achieve greater success and more growth potential in the future (Klien, 2007).

### 2.3 Service Quality

The concept of service quality has gained remarkable status and momentum in attracting research as well as attention in recent years (Kandampully, 1998). Many scholars have recognized the important roles it plays in modern business and have ventured into thorough studies on what it entails and how it affects businesses everywhere (Leonard and Sasser, 1982; Berry, 1987; Parasuraman *et al.*, 1988; Gale, 1990; Brown, Bowen and Swartz, 1982; Kandampully, 1996; Zeithaml *et al.*, 1996). Berry *et al.*, (1988) opines that the concept has emerged as a huge influencer of company success and the most powerful weapon which many service companies possess to gain status and outbid rivals. Juran and Gryna, (1993) highlight this by pointing out that the most important factor influencing business performance is the quality of goods and services offered by an organization, compared to those offered by its competitors.

Parasuraman *et al.*, (1985, 1988) defined service quality as the aggregate assessment of a particular service gained by comparison of customers' general expectations and a firms' performance of that service. Customer's expectations are formed from their own accumulation of contacts or service experiences in all areas of life (Ronald and Cleopatra, 2006). It is from these experiences that they form their own personal standards or benchmarks to assess service quality in several other firms. Their expectations may also be formed intuitively or irrationally as Gronroos (1984) reports. For Parasuraman *et al.*, (1985), these expectations play a very crucial role in gauging service quality in firms as it aids in knowing where the company stands in terms of pleasing its customers and attracting more customers. Thus, a well established fact holds that good service quality

amongst other things remains a prominent driving force for the attraction of customers and success of many firms. For Ghobadian *et al.*, (1994), it remains a prerequisite for success and survival in today's competitive business environ. This brings us to the importance of service quality.

### **2.3.1 Importance of Service Quality**

The various roles service quality play in modern day business and firms cannot be denied. Ascertaining what level of quality customers expect is very vital in defining and delivering quality service. In the long run, service quality becomes the end product and the reason d'état why many companies conduct researches into customer satisfaction. Most modern companies go through the ordeal of sourcing for possible ways through which they can adequately train their employees who aid in improving company services so as to attract more customers and gain a competitive edge among rival companies. Service quality remains a key word here and no wonder Daggar and Sweeney (2004) pointed it out having assumed the "role of an important corporate strategy" for most companies over the years.

Service quality has been found vital in this competitive era of conducting business and this can be reflected by the fact that firms embodying superior quality of service were found to be leaders in the market in regard to sales, high customer satisfaction, long-term customer loyalty and retention rates (Anderson and Sullivan, 1993; Boulding, Kalra, Staelin and Zeithaml, 1993; Eklof and Westlund, 2002). Globalised competition has stressed the strategic importance of high quality of services and customer satisfaction in the battle for winning consumer preferences and maintaining competitive advantages (Petruzzellis, D'Uggento and Romanazzi, 2006). High service quality is an antecedent to customer

satisfaction, repatronage and the success of many firms thus its importance should not be treated lightly.

Nadiri and Hussain (2005) stressed the importance of service quality by opining that in addition to the huge effect standard services have on promoting customer satisfaction, it stimulates return on purchases and encourages word of mouth recommendations. This word of mouth recommendation remains an important concept and vitamin for the growth of many firms. This comes with attendant benefits to the firm or organization in forms of long term profitability, reduced costs, employee satisfaction, and commitment, enhanced corporate image, increased business performance, market share and return on investment (Barsky and Labagh, 1992; Fornel, 1992; LeBlanc, 1992; Halstead and Page, 1992; Ghobadian *et al.*, 1994; Stevens, 1995; Legohere, 1998; Hackl and Westlund, 2000).

The importance of service quality stretches and touches virtually all global firms. Managers, students, scholars and customers alike have identified its presence as the most notable deciding factor when it comes to purchases and decision making.

### **2.3.2 Service Quality in the Tourism Industry**

It wont be a surprise to notice that services permeates the tourism industry especially as it is a people oriented industry where only people work to please and satisfy other people like themselves. Like other fields, the tourism industry involves both goods and services but the service component is relatively high compared to the goods component. In such a simple but yet complex industry, companies strive by all possible means to please their clients by ameliorating their services to gain a favorable market share of both customers

and income. As tourism remains a key industry in most country's economy (Aaron, 2006) incorporating the services of travel agents, tour operators, airline flight operators, hotel operators not forgetting the roles of other intermediaries, it therefore becomes imperative that these agents exert much effort and energy into upping and maintaining standard services to leave positive impressions in the mind of their customers. Juran and Gryna, (1993) pointed out that the most important factor influencing business performance is the quality of goods and services offered by an organization, compared to those offered by its competitors.

In the tourism sector, service quality play a key role in differentiating service products and building a competitive advantage as in most service firms (Hudson and Miller, 2004). Its growing importance in the entire service industry as well as the substantial revenue generated explains why notable researches have been conducted toward possible avenues for improving service quality in the sector especially as it is a people oriented sector and an image view of a country or people.

According to the World Travel and Tourism Council (2007), tourism is the world's largest and lucrative industry accounting for a substantial amount of jobs in countries, therefore maintenance or development in the sector as regards the quality of service it offers should not be treated lightly. Jobs in the tourism industry are spread across a country mostly in retail, telecommunications, construction and manufacturing companies. Jobs generated are forecasted to reach 255 million in 2010 (World Travel and Tourism Council, 2007) and this include the services of tour operators, travel agencies, hotels, airline companies and other numerous second parties. The ability of firms in these establishments to maintain



high quality of service goes a long way in their quest for survival in this very competitive industry.

The very important role tourism plays in a country's economic, social, diplomatic and cultural developments should not be sidelined. It has been argued that there exists a correlation between tourism expenditure per capita and the degree to which countries perform in the global market (Global culture, 2007). Economic developments as well diplomatic ties with partner tourist countries are enhanced and individual countries begin to enjoy this relationship in gatherings or coalitions (William, 1998). On social terms, tourism brings a rich flavor to tourist countries and individuals alike while blending people together to cohabit together. With the right foundations and supporting framework, a country easily benefits from sustainable tourism through increments/improvements in its GDP, image and culture. Thus, measurements and improvements of service quality in the tourism sector needs to be underlined and given priority considering the huge benefits it brings to an entire country (Cooper, Fletcher, Gilbert and Pearson, 2005).

Because of the services intrinsic in hotels, airports, retail shops, recreation facilities, transportation, restaurants, and telecommunications and with tourism affecting most of the services provided in these firms, Fick and Ritchie (1991) relates improvement of service quality in the tourism sector as equal to improvements in the nature and quality of infrastructures which most of the major 'tourist firms' use. This has attracted the focus, investment and expenditures of most governments who invest in providing and developing the necessary infrastructures to boost tourism. Thus, it is a cycle of quality development

according to Fick and Ritchie (1991) as tourism begets improvements in infrastructures and vice versa.

### **2.3.3 Effect of Service Quality on Customer Satisfaction**

There exists ample evidence of the correlation between service quality and customer satisfaction. These two concepts are in some cases synonymously and interchangeably used together but still, many authors in the field of services have come out to identify the differences and role one variable plays on the other (Bolton and Drew, 1991; Cronin and Taylor, 1992; Anderson and Fornell, 1994; Woodside and Wilson, 1994). Satisfaction is the customer's fulfillment response. According to Oliver (1997), satisfaction is a judgment that a product or service provides a pleasurable level of consumption-related fulfillment to the customer. Zeithaml, Bitner and Gremler (2006) added that satisfaction is the customer's evaluation of a product or service in terms of whether it has met the customer's needs and expectations.

Many however hold the general consensus that an organization's service quality is antecedent of customer satisfaction and among other notable factors, play vital roles in generating customer satisfaction which all companies strive to get (Rathmell, 1966; Zeithaml, 1981; Berry *et al.*, 1988; Parasuraman *et al.*, 1988; 1990; Cowell, 1991; Halstead and Page, 1992; Zeithaml *et al.*, 1996; Kotler, 1997; Lovelock *et al.*, 2001, Palmer, 2005).

Gronross (2001) requires service quality to have two notable features in other to influence the minds of customers and generate satisfaction – technical features and functional

features. Technical quality is best defined as what a particular customer expects and gets from his service interaction or encounter with his service provider. For instance, if a customer goes to a barbershop, he expects and hopefully gets a good personalized haircut. If a customer goes to a travel agent to make bookings, he expects and most probably gets his preferred flights with cheap or affordable tickets. If a consumer goes to a bank, he expects and gets fast and efficient service and access to his funds, overdraft or loans. Functional quality is the process(es) by which a customer gets a service. Mathematically, technical quality is a function of functional quality. For example, in the case of the customer going to a barbershop, how does he get his service? Is he attended to and delivered his haircut promptly and courteously? When he visits his travel agent, functional quality is reflected in the way he is approached, greeted, agent's technical know-how and speed of accurate bookings. When he goes to the bank, functional quality determines if he gets his services in a fast, efficient and of course in an applaudable way. For Gronross (2001), service quality should adequately embody the technical and functional features of service quality as they both prove to greatly influence customer perceptions, overall satisfaction, return purchases, positive word mouthing and long term customer loyalty.

An important effect of service quality on customer satisfaction is the WOM effect which translates into customer loyalty (Soderlund, 1998, Kim *et al.*, (2001), Heung, 2008). Previous studies and observations have shown that customers who experience quality services from a particular firm are more likely to repurchase and recommend the services of the company to their friends and family. Their activities of positive word mouthing contribute to building a positive brand image for the firm. Firms which are reputed for positive and high quality services tend maintain their huge customer base as well as attract

additional customers to benefit from their services (Heung, 2007). This chain of effects originally tied to service quality and customer satisfaction provides gains for both the customer and firm alike as both of them are left better off in the long run.

Coulter (2001) and Mishra (1995) opine that a notable effect of service quality on customer satisfaction is the development of trust. Normally the end result of customers trusting their service providers is related to long term loyalty and customer retention (Kotler, 1997).

Since it is overwhelming and more expensive to attract potential customers than to secure current ones (Ennew and Binks, 1996; Hormozi and Giles, 2004), most competitive service firms put in renewed efforts in improving those factors that raises their service level so that constant customer satisfaction can be continually reached. This is inline with Athanassopoulos, Gounaris and Stathakopoulos's (2001) line of thought that customer replacement costs like advertising, sales expenses and promotion are huge and it takes time for new customers to become profitable customers. Hence, there is a huge effect that service quality does to the customers' satisfaction levels.

Also related is the effect of increase or decrease in the confidence levels of customers who experience services from service firms. Due to the notable characteristics of services especially its intangible attribute, customers do not necessarily know what to expect of a service until they have consumed it (Murray and Schlacter, 1990). The whole transaction is thus perceived as a risky venture by customers who are literally blind to what they are purchasing. There rises the need for customers to trust their service provider in providing

exactly what suits the customer through an acceptable standard service quality. The ability of the firm in matching the expectations of their customers on a constant basis through high quality services goes a long way to boost the confidence level of the customers (Crosby, Evans and Cowles, 1990; Doney and Cannon, 1997; Dorsch, Swanson and Kelly, 1998).

## **2.4 Importance of measuring Service Quality**

It is absolutely necessary and relevant for a company to continuously assess customers' ratings of the service quality it offers. In the service industry, the measurement of service quality is of paramount and fundamental importance (Leonard and Sasser, 1982; Gammie, 1992; Chang and Chen, 1998; Gummesson, 1998; Sureshchander et al., 2002; etc). Considering that the industry is one characterized by people conducting services as the end or byproduct to customers, it is right to assert that customers are therefore in the best position to help measure the services being offered to them by their service providers. Most companies get this assessment through the traditional means of distributing customer surveys and questionnaires while others engage in a more direct approach by direct verbal interviews and observations. The most important element in all these approaches is that the process remains unbiased and the interviewer objective.

Perhaps the most valued reason why companies engage in service quality measurement is to improve their services in order to meet the expectations and perceptions of their customers. They need to know if the services they offer are standard enough or low to warrant more improvements in the way it is delivered. Improvement of services requires a proper understanding of customers' perceptions about the services they have experienced

in the past (Hernon and Nitecki, 2001) to provide a better understanding of the customers and if they require service improvements or not.

Companies need to periodically measure their services because it is the only way to know where they stand in respect to rivals in the industry (Lovelock, 1996). The rapid development of the service industry and intense competition between rival firms in the industry has resulted in an increasing need for service providers to measure their services in order to know their respective standings amongst rivals so as to ascertain areas for improvements. This knowledge helps them in ascertaining whether their services are standard compared to those offered by other rivals and if they need to take extra measures to up or improve their services even beyond their resources so as to match the competition of posed by their rivals.

The measurement of service quality is also vital according to Mishra (1995) because even though a company might know it is delivering low services, it still needs adequate knowledge gained from good measurement to identify those key weakness areas or loopholes where it is lacking and failing its customers.

It should not be forgotten that the aim of services marketing and customer relationship management is to build long lasting relationships with customers so as to be certain of customer repurchases, loyalty and long term profits. Therefore, evaluating service quality helps in this area by enabling the company to share information with its customers, hence giving them the impression and feeling that they are part of the company (Cronin and Taylor, 1992; Ghobadian *et al.*, 1994; Hernon and Nitecki, 2001). This enables an

organization to develop partnerships with its customers in order to gain a competitive edge.

There is a likelihood that companies consider that their perception of high quality service might not be viewed and experienced in the same way by its customers therefore an appraisal of a company's services enables it to gain an understanding of its reputation among its customers and rivals. It helps the company, management and entire staff to gain realistic cognition by knowing what people think of them and their core services. In other words, it helps organizations formulate, know and adjust their brand image.

#### **2.4.1 Alternative models for measurement of Service Quality**

Despite the ever increasing importance of service quality and the service sector, opinions have been divergent on the methods of measuring service quality in different firms across the service industry. Although many scholars have established that there exist the importance of measuring quality, they have never agreed on the best possible way to measure this concept but have proposed several methods of measuring service quality (Erto and Vanacore, 2002; Parasuraman *et al.*, 1985; Philip and Hazlett, 1997; Cronin and Taylor, 1992; Franceschini and Rossetto, 1997; Teas, 1994; Schvaneveldt, Enkawa and Miyakawa, 1991). Prominent among these methods are the following:

Cronin and Taylor (1992) developed the SERVPERF model which fully stands for service performance. Simply put, this model measures the performance-only aspect of service quality by assuming that service quality is a function of consumer attitude reflected by the performance of the service. Gronroos (1984) proposed the Technical and Functional

Quality Model which seeks to measure service quality from three dimensions of technical quality, functional quality and the image of a firm. Based on Gronroos' model, firms should provide services to match customers' perceptions of how they want services (functional quality), how they expect it (technical quality) and how they view the services or firm (company image). Mattsson (1992) developed the Ideal Value Model where he advocated that firms should follow the value approach to service quality and view it as an outcome of the satisfaction process. He noted that in addition to other dimensions, service quality should be measured based on customers' experiences, ideal, minimum and desirable expectations. These constitute the tolerance levels for customers which he pointed as extremely vital for firms to be aware of. Brogowicz, Delene and Lyth (1990) came up with the Synthesized Model which seeks to identify possible dimensions associated with service quality in a traditional fabric of planning, implementation and control. It seeks to measure how three factors namely company image, external influences traditional marketing affects services through influencing customers' perceptions. Perhaps the most widely used model of service quality is the SERVQUAL Model proposed by notable scholars within the service marketing field.

#### **2.4.2 Research Model (SERVQUAL)**

The SERVQUAL instrument had its foundation in 1985 when Parasuraman *et al.*, developed a conceptual service quality model based on gap analysis. This analysis has been popularly referred to as the 'GAPS model' and it argued that service quality could be measured by the difference between customers' ratings of their expectations (E) their perceptions (P) and of service quality mathematically computed as  $\text{service quality} = P - E$ . The resulting gap score is assessed in accordance with a disconfirmation paradigm that if



P equals E, it is considered to be a zero disconfirmation meaning customers are satisfied and service quality is normal or standard; if E exceeds P, it is considered to be a negative disconfirmation implying service quality is low and hence customers are dissatisfied; if P exceeds E, it is considered to be a positive disconfirmation meaning that service quality is high or above standard and customers are exceedingly delighted.

This analysis identified and explained five (5) service gaps that tend to arise within a firm in the process of delivering service(s) visualized as follows:

- Gap 1: also known as the market-information gap, it is the difference between consumers' expectations and company's perception or understanding of those expectations, i.e. not knowing what customers expect.
- Gap 2: also known as the service-standard gap, it is the difference between company's perceptions of customers' expectations and company's service quality specifications i.e. improper or conflicting service quality standards.
- Gap 3: also known as service-performance gap, it is the difference between service quality specifications and the service actually delivered i.e. inadequate service delivered.
- Gap 4: also known as internal-communication gap, it is the difference between the company's service delivery and the communications to customers about service delivery i.e. whether promises matches delivery.

- Gap 5: also known as the service-quality gap, it is the difference between customers' expectation of the company's service and what they perceive of the received service i.e. overall unfulfilled service.

The authors concluded that in ameliorating service quality, the service quality gap (gap 5) has to be closed and this implies conducting researches into what causes the problems intrinsic in Gaps 1-4 and working tirelessly to rectify these shortcomings.

#### **2.4.2.1 Constructs of the SERVQUAL Model**

After having its early foundation in the 1985 Gaps model, the SERVQUAL model employed in this research work was later developed in 1988. Although several models have been put out that measured service quality for specific service firms, Coulthard (2004) pointed out that until 1988 when the proponents of the SERVQUAL model proposed their measurement ideas, no measurement technique had been generically developed that could be applied to all service firms to identify and measure customers' expectations and perceptions of services.

The underlying objective of the model was to develop, test and refine a scale for measuring service quality as perceived by customers (Parasuraman *et al.*, 1988). The SERVQUAL scale was developed as a multiple-item scale for measuring customer perceptions specifically based on a concept of 'perceived quality' representing customers' discernment of the services they had received. Zeithaml (1987) defined perceived quality as customers' judgment of a firm's "overall excellence or superiority" in comparison to other services received. Parasuraman *et al.*, (1985) defined it more clearly by visualizing perceived service quality "as the degree and direction of the discrepancy between

customers' perceptions and expectations. Their view was in conformity with the findings of Solomon *et al.*, (1985) and Czepiel *et al.*, (1985) who all viewed service quality as the outcome of a comparison between what customers' expect of a service and what is perceived to be received. Expectations according to Millan and Esteban (2003) can be seen as the customer's specific desires or needs. It consists of what the customer feels should be inclusive and delivered in a service encounter with a service provider (Parasuraman *et al.*, 1991). Perceptions on the other hand simply imply the general opinion, beliefs, judgement or analysis of the customer in relation to the service he just received.

The SERVQUAL model evaluates customers' expectations and performance scores and then calculates service quality as the resulting difference of these scores. It is in form of a questionnaire consisting of 22 itemized questions taken from five dimensions which are critical determinants of service quality (Parasuraman *et al.*, 1988). These 22 items relates to the dimensions and customers (respondents) are required to rate their relative importance according to a Likert scale type analysis in accordance to their importance and based on their expectations and perceptions of services they have received. It should be noted however that the research team originally identified ten (10) general dimensions during their research in 1985 and later reduced them to five (5) in 1988.

The SERVQUAL tool consists of two sections; an expectations section containing 22 statements to know the general expectations of customers in regards to a service and a perceptions section containing another 22 statements to assess the perceptions of customers in regard to a service. These statements were weighed on a seven-point Likert

scale type from scale one (1) for ‘strongly disagree’ to scale seven (7) for strongly agree with no verbal labels for scales two (2) to six (6).

#### **2.4.2.2 Dimensions of the SERVQUAL model**

The proponents of SERVQUAL instrument based its literature and methodology on five dimensions of service quality popularly referred to as the RATER dimensions. These critical dimensions were identified as prominent features for services and could be applied across a wide variety of service context:

- **Reliability** – refers to the ability of the firm to perform its’ promised services dependably and accurately i.e. is the firm delivering its services to customers as already promised in its adverts and propagandas?
- **Assurance** – refers to the nature of employees in regard to their knowledge about company’s services, their interpersonal courtesy skills and of course their ability to inspire trust and confidence in the minds of their customers.
- **Tangibles** – refers to the appearance of the company’s physical facilities, equipment, personnel and communication materials; otherwisely known as servicescape or physical appearance of all service tangibles.
- **Empathy** – refers to employees’ ability in providing caring, individualized attentions to the company’s customers.
- **Responsiveness** – the employees’ ability and willingness to assist the company’s customers and provide prompt service.

Parasuraman *et al.*, (1988) further asserted that the multiple-item scale was concise and easy to apply especially as it embodied good reliability and validity which firms across a broad range of service companies can use to better understand the service expectations and perceptions of customers all in an attempt to ameliorate service quality. The proposed dimensions can be adapted to meet the demands of any type of service and company which overall makes the entire SERVQUAL instrument acceptable. Nonetheless, like every other model, the model has not gone untouched, unrivalled, or unchallenged. It has received mixed reviews and criticisms over the years.

#### **2.4.2.3 Criticisms/shortcomings**

Virtually all methods used to measure service quality have shortcomings (Hudson and Miller, 2004). Each has its own strengths and weak points; however in the words of Silverman (1993), it will be wrong for one of them to be ruled as completely “useless or more useful”. The SERVQUAL model faced harsh criticisms and evidences related to its conceptual basis, dimensionality and methodology were evaluated.

##### **2.4.2.3.1 Conceptual Critics**

Prominent amongst these criticisms was that put forward by Cronin and Taylor (1992, 1994) who criticized the conceptual ideas of the model. The SERVQUAL proponents based the model’s scale development on the concept of perceived service quality which was related to but not equivalent to satisfaction that results from the comparison of customers’ expectations with perceptions. In their review, Cronin and Taylor (1992, 1994) vehemently argued that perceived quality should be rightly viewed from the angle of being an attitude and not based on expectations or perceptions. For him, the use of the expectations-disconfirmation model as basis for the SERVQUAL is not validated because

it does not define perceived service quality in a comprehensive manner and should be rightly discarded on that premise. They agitated that the scale which based its concepts on the expectation-disconfirmation model provides no proof of measuring either service quality or customer satisfaction. They however proposed an attitudinal model of service quality (SERVPERF) based on the adequacy-importance model and his view was supported as well as accepted by fellow researchers in the field – Oliver (1980) and Iacobucci (1994) as it explains empirical variance more satisfactorily than disconfirmation scores.

#### **2.4.2.3.2 Dimensional Critics**

Several authors did not welcome the dimensional used in the SERVQUAL model. Carman (1990) criticized the model for assuming that only five (5) dimensions could influence or affect service quality. Consistent with the nature of services, he opined that services has different sides and quality features and faulted the SERVQUAL model for only identifying and relying on those five (5) dimensions of service. He later identified a large number of underlying service dimensions and stressed the multifaceted nature of some services. Hudson and Miller (2004) argue that the replications and application of the SERVQUAL model to other industries show that the nature and number of the dimensions is not in itself unique and applicable to all firms. In most cases, the number of dimensions change from three to nine (Carman, 1990; McDougall and Levesque, 1994). Consistent with the findings of Finn and Lamb (1991), it is observed that the dimensions change when customers patronize or assess product services (e.g. retail stores) instead of pure services (travel agencies). In the light of this, scholars like Cronin and Taylor (1992, 1994) and Brown, Churchill and Peter (1993) proposed a unidimensional construct model which

was not widely accepted. Other authors suggested a conjoint analysis (Desarbo, Huff and Romandelli, 1994) but their approach proved problematic as respondents encountered difficulties with filling out the questionnaires. Overall, the SERVQUAL instrument still remains easy to use compared to other models put forward by other authors according to Llosa, Chandon and Orsingher, 1998.

#### **2.4.2.3.3 Process-centered Critics**

In his model, Gronroos (1982) identified three (3) facets of service quality – technical (final outcome), functional (process of how final service was provided) and image (company's corporate image). He later criticized the SERVQUAL model for entirely concentrating on the process or functional aspect of service delivery rather than with the technical aspect. He was supported in the same vein by Brady, Cronin and Brand (2002) who asserted that in addition to the functional aspect of service quality, other technical and image aspects like cost or value of the service, physical environment and other uncontrollable factors like customers' emotions and behavior affect the service encounter process and should therefore be included in the measurement of service quality. Through their studies, Richard and Allaway, (1993) faulted the SERVQUAL model by observing that both technical and functional aspects of services were responsible for fluctuations in the choice behavior of customers and eventual assessment of service quality. Mangold and Babakus, 1991 provided a more ideal attack on the model by opining that its functional orientation makes it virtually impossible for accurate measurement of service quality to be conducted as it is non conclusive of all factors that affect customers and service quality.

#### **2.4.2.3.4 Validity Critics**

In their work, Parasuraman *et al.*, (1988) claimed that the SERVQUAL model was generally valid and can be applied to virtually all firms in the service industry. This assertion has received tremendous unfavorable judgement grounded by the failure of majority of the replicated works fail to apply the original literature or methodology of the original model, thus making it inaccurate or inapplicable (Smith, 1995). Most scholars or researchers have on their own initiatives altered the normal format of the SERVQUAL ideology by either omitting or adding items to the instrument to adapt it to specific service scenarios. The most profound adjustments had to do with numerous changes to the original 22-item format/scales to fit different service firms. This simply contradicts the general applicability idea proposed by the authors of the original model.

#### **2.4.2.3.5 Likert Scale Critics**

Bishop, Oldendick and Tuchfarber (1980), Carman (1990), Babakus and Mangold (1992) and Smith (1995) are few of the numerous scholars who found problems with the Likert scale used in the traditional SERVQUAL model detailing it as incomprehensive, customer misleading and forced-choice. Tourangeau (1984, 1992) opined that there exist some attitude questions requiring respondents' evaluative judgments. The reliability of the SERVQUAL model on the use of Likert scales erases this valid respondent judgement as they hastily choose any scale to express their agreement or disagreement. Smith (1992, 1994) criticized the model on grounds that the absence of verbal labels for scale point two (2) to six (6) may make respondents to overuse the extreme end-points (scale point one and seven) which have verbal labels. Krosnick and Fabrigar (1997) points out that verbal



labeling of all the scale points might be less subjective to respondent bias and may more accurately record their responses.

#### **2.4.2.3.6 Other Critics**

Cronin and Taylor (1992, 1994) greatly criticized the difference scores of the SERVQUAL model, concocting that they do not add anything new and interesting to the measurement of service quality. They actively condemned the use of expectation as a comparison standard which greatly affects the whole idea of what service quality implies (Cronin and Taylor, 1994; Teas, 1994). They noted that the scores do not explain the variances notable in service quality and later proposed their own model of performance only which they opined explained more of these variances through the use of performance scores.

Teas (1993) criticized the nature of the expectation statements regarding its subjective influences on respondents and Carman (1990) questioned the timing and frequency of the entire SERVQUAL questions viewing it as being extensively problematic, boring and difficult to fill. Bouman and Van Der Wiele (1992) questioned the question wording by insisting that the instrument is mixed up and causes confusion for respondents.

Andersson (1992) criticized the SERVQUAL model for its failure and inability to use economic theory (e.g. the role of costs in service quality), statistical theory (e.g. the reliance on the use of Likert scales and then subjecting data received to conflicting statistical method) and psychological theory (e.g. the ignorance of the effects of moods and emotions in service quality delivery).

However, despite criticisms of the general applicability of the perceived service quality model (SERVQUAL instrument), this instrument is a concise multiple-item scale with good reliability (Lewis & Mitchell, 1990) and has been widely accepted as a valid instrument (Carman, 1990; Clark *et al.*, 1992; Finn & Lamb, 1991; Fisk *et al.*, 1993) in the measurement of service quality.

#### **2.4.2.4 The Revised Model (3-column format)**

In response to these numerous criticisms, the traditional instrument was substantially retooled to address some of the problems associated with it relating to the negatively worded items, expectations questions and the number of questions all in an attempt to avoid greater confusion. Parasuraman *et al.*, (1991) amended the traditional model by changing the negative worded statements to a positive one. They moved from the normative paradigm expressed in the old 1988 version and replaced words like ‘should’ to ‘will’ or ‘would’. This revision helped reduced the confusion the statements caused in the minds of respondents and the reliance on normative judgmental statements.

As a reaction to the criticisms leveled by Carman (1990) who among other things criticized the model on the grounds that determinants of service quality deferred in their importance to respective respondents and in different service settings, Parasuraman *et al.*, (1991) refined the 1988 version and included an additional section for respondents to ascertain the level of importance for each of the five (5) dimensions. They accomplished this by allocating a number of points to each dimension all totaling a hundred (100). Matching weighted gap scores were then utilized in the analysis which helped in knowing

which dimension customers' found relatively important compared to the rest. This was quite different to the 1988 version where all the service quality dimensions were equally treated as important.

These slight changes still attracted a host of critics and in 1994, Parasuraman *et al.*, initiated and developed a three-column format of their model. The revised model broke down the singular expectation column into two columns, one representing respondents' desired expectations and the other, minimum expectations. The third column represented respondents' evaluation of service performance. From their pilot studies and research, the Parasuraman *et al.*, (1994) identified this reconceptualized three-column format as the most useful one to administer and use in measurement of service quality as it incorporates respondents' comparison of their expectations.

Other notable changes in the revised model were the reduction of the total statements from 22 to 21, a reordering of the sequence of some of the statements and an extension of the seven (7) point Likert scale to a nine (9) point scale (Parasuraman *et al.*, 1994).

## **2.5 Zone of Tolerance, MSA and MSS**

Simply and concisely put, the zone of tolerance for customers represents that area where the performance of services ought to be and is based on customers' expectations of services (what service should entail or embody). Many researchers have found out through observations and empirical studies that customers have implicit zones where they expect services to fall in. Many opine that instead of having just one 'ideal' level or single expectation for a particular service, customers actually have a range of expectations

(Zeithaml *et al.*, 1991; Parasuraman, Zeithaml and Malhotra, 2000; Gronroos, 2001). This tolerance zone consists of two separate levels – adequate and desired levels. The adequate level represents the basic essentials or common nutrients that customers envisage services to have and accept while the desired level represents what customers expect service to be. All these are reflected in service attributes and the delivery process. For example, a customer's adequate or minimum expectations from his travel agent may be related to his/her expectations for fast flight bookings and at cheap economical prices. As regard his desired expectations, it may be related to extra service intensifiers to boost his satisfaction rate like politeness/friendliness of his travel agent, free flights or upgrade and customized follow up. In general, the concept explains the range of service performance that a customer would consider satisfactory (Kettinger and Lee, 2005). The area between the adequate level of expectations and the desired level of expectations has been termed 'the zone of tolerance' (Nadiri and Hussain, 2005).

Parasuraman *et al.*, (2000) reports that customers are happy or satisfied if the performed service falls within their zones of tolerance (notably the adequate level), dissatisfied if it falls below their adequate or minimum level, and extremely satisfied or delighted if service performance meet or exceed their desired level. The zone of tolerance is quite different for customers depending on their individual personalities and their monetary investments in services. For instance, a customer who spends an unreasonably high amount of money in procuring a first-class flight ticket from his travel agent will have no room for flight delays, transfers, absence or shortage of in-flight entertainment. His/her zone of tolerance is quite different and reasonably high compared to other economy customers. The underlying principle and lesson for service firms is therefore to study the

requirements and tolerance levels for their customers and not to overpromise but focus on delivering services to fall within these zones of tolerance.

The relative importance of this concept prompted Parasuraman *et al.*, (1994) to include its ideas in their revised three-column format. The latest SERVQUAL scale pictured three columns representing customers' evaluation of their minimum or adequate expectations, desired expectations and their perceptions of service performance.

The Measure of Service Adequacy (MSA) concept is used to show the adequacy of services offered by service firms. It is the obtained by subtracting adequate expectations from perceived performance (mathematically represented as  $MSA = \text{Perceived Performance} - \text{Adequate Expectations}$ ). The MSA concept is an important indicator of the extent to which service firms are meeting its customers' minimum or adequate expectations. Overall, computed MSA scores can be used to indicate certain areas where travel agency services are below the level expected by its customers.

The Measure of Service Superiority (MSS) on the other hand is used to show the superiority of services offered by service firms. It is the obtained by subtracting desired expectations from perceived performance (mathematically represented as  $MSS = \text{Perceived Performance} - \text{Desired Expectations}$ ). The MSS concept is an important indicator of the extent to which service firms are meeting its customers' desired expectations. Overall, computed MSS scores can be used to indicate certain areas where travel agency services are below the level expected by its customers. The concept helps

to ascertain if service firms are delivering superior services to their customers or not.

Figure 1 below graphically shows the relationship between these vital concepts.

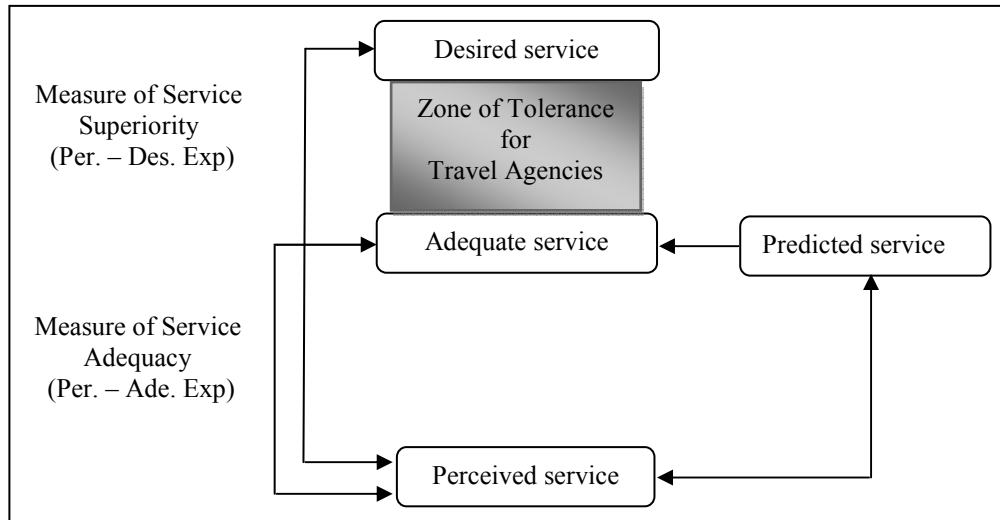


Figure 1: ZOT, MSA and MSS for Travel Agencies. Adapted from Zeithaml et al. (1993)

## 2.6. Important Segment of the market: young customers

This research work studies young customers' assessments of service quality of travel agencies industry in Gazimagusa, North Cyprus. The country has a huge attraction for tourists thus creating intense competition amongst the travel agencies in the region. Majority of these tourists come and exit through the services of travel agents who assist in procuring flight tickets and making arrangements for these holiday makers. Considering that North Cyprus is an island, unlike most countries, the major means of entry and exiting the island is by flights which is provided by several airline companies. These airlines

operate jointly with travel agencies to facilitate and provide ticket and flight details to their customers which comprises of young customers (mostly international university students).

In North Cyprus, university education is increasingly improving and attracting a substantial number of international students. There are about five (5) accredited universities in the country accounting for approximately 40,000 students among which about 28,000 are international students. They constitute a vital ingredient for travel agencies because they are the majority of temporary visitors to the island who directly or indirect involve the services of travel agents. Thus the study therefore attempts to measure the services of travel agencies by assessing their expectations, perceptions and ZOT.

## **2.7. Conceptual Model**

This study employs the literature and concepts of the 1994 revised SERVQUAL model by Parasuraman *et al.* In their 1988 traditional model of measuring service quality, five dimensions of services were identified as important elements that customers envisage in any service encounter. This model was later revised in 1994 based on the premise that customers' assess quality services from the zone of tolerance perspective and then make comparisons with actual service performance. The resulting consensus as gained from empirical studies and observation is that customers become satisfied when they perceive services to be fair, satisfactory and dissatisfied if otherwise (Parasuraman *et al.*, 1988, 1991, 1994; Zeithaml *et al.*, 1990, 1996).

Figure 2 shows that customers come into the service transaction with varied expectations (adequate and desired expectations). The discrepancy between the upper and lower level

expectations form the zone of tolerance for each customer. From what customers want of services (as defined by their expectations), they enter the service transaction with five dimensions in mind which services ought to possess. The quality of service when compared to their expectation levels determine if they are satisfied, dissatisfied or delighted. What follows is a string of behavioral effects on the customer which affects the service firm in a proportionate manner. This relationship has been graphically illustrated in figure 2 as the conceptual model for this research work.

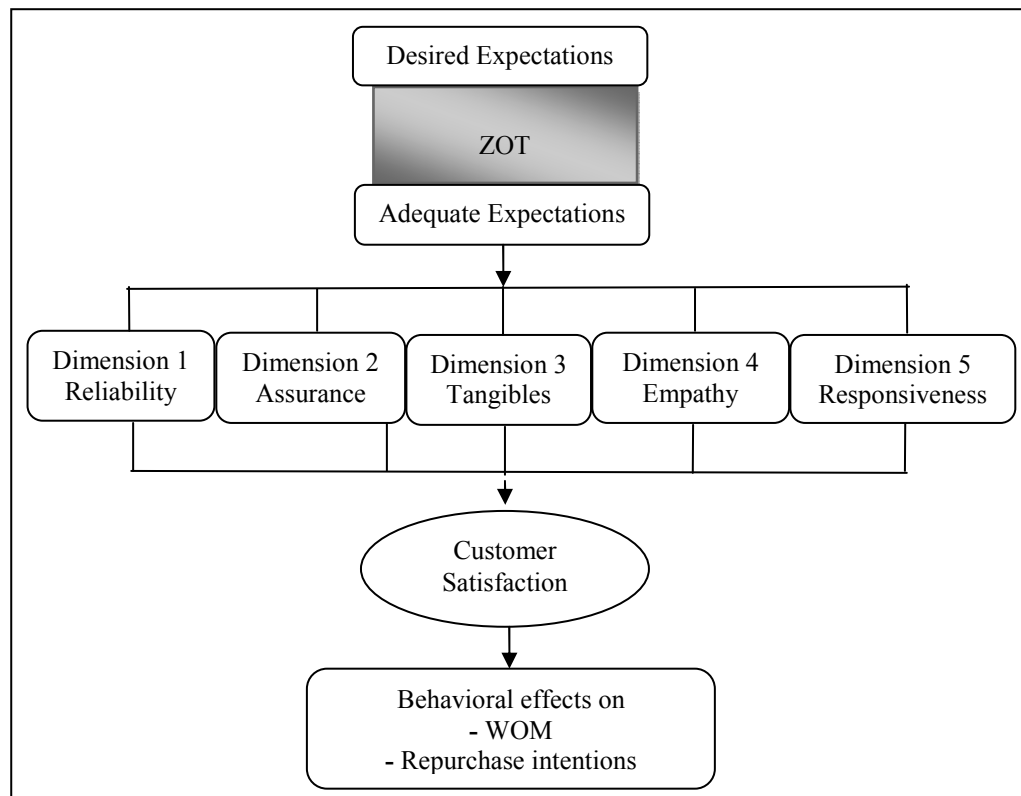


Figure 2: Conceptual Model

While Parasuraman *et al.*, (1988, 1991, 1994) linked the five dimensions of service to performance in most service industries, Heung (2008) reports that their overall effect on customer satisfaction is even more influential. These factors or dimensions among other



more intrinsic factors influence a firm's service quality which in turn affects customers' perceptions and expression of the firm's services. Customers are either satisfied or dissatisfied from their service encounter with firms and this also affects their future behavioral intentions in terms of word of mouth, repurchase or loyalty to the firm (Bitner, 1990; Cronin and Taylor, 1992, 1994; Olsen, 2002; Kang, Nobuyuki and Herbert, 2004; Söderlund and Öhman, 2005).

Zeithaml *et al.*, (1993) argues that a customer's previous experiences with a firm will directly influence their expectations of a future encounter with that firm. If the customer's experience comes positive, he/she gladly enters into another service experience and expects the same treatment all over again. The customer's repeated purchases to the firm pay off as Reichheld and Sasser (1990) reported a high correlation between customer retention and profitability. So it purports that satisfied customers are more likely to repurchase from the same firm while dissatisfied customers act otherwise.

Satisfied customers are more likely to spread positive word of mouth (WOM) to their friends and families thereby playing an important role in attracting more customers to a firm and improving its market share (Oliver, 1997). When customers propagate their positive service experiences through positive word of mouth recommendations, these recommendations are considered to be acts of loyalty to the service firm (Hoffman and Bateson, 1993; Seines, 1993; Oliver, 1997, 1999; McDougall and Levesque, 2000). Therefore it is utterly vital to perfectly understand the crucial roles word of mouth recommendation and repurchase behavior have in determining the profitability of firms. Companies therefore work in earnest to firstly understand their customers' tolerance

levels, improve those desirable dimensions that customers look out for to induce satisfaction and then consistently improve core services. Zeithaml *et al.*, (1990, 1996) have repeatedly opined that for firms to know where they stand and what customers think of their services, they have to take accurate steps in measuring their services and improve on loopholes or service gaps.

In the light of these findings therefore, this study will aim to test the following hypothesis:

**H1:** Service quality has positive effect on intention to recommend (word of mouth)

**H2:** Service quality has positive effect on purchase intentions

**H3:** Customer satisfaction has positive effect on intention to recommend (word of mouth)

**H4:** Customer satisfaction has positive effect on purchase intentions

## CHAPTER 3

### METHODOLOGY AND DATA ANALYSIS

#### 3.1 Methodology

This research work concentrates on measuring the service quality of travel agencies in the region of Gazimağusa, North Cyprus. To aid in this assessment, the perceptions of young customers relating to their expectations and general service performances were collected using quantitative data resources. Their opinions as gained from actual service experiences with their travel agencies provided valuable data for the analysis of this research work. It is of prominence that young customers of travel agencies are studied in respect to their usage or patronage of travel agency services because of the following reasons:

- Considering the nature of the island, they are the largest group of temporary visitors coming for business, pleasure and especially studies.
- They possess more knowledge of the services expended by travel agencies as they constitute the largest customers of these agencies.
- The Eastern Mediterranean University and other institutions in the region offer a favorable habitat for young students which is of vital importance for this research work. The institution embodies a huge base of both domestic and international students normally within ages 18 to 25 years. It is these young students/customers that mostly utilize and patronize the services of

travel agencies during their short and long holidays. Thus, their intellectual evaluations of travel agencies are therefore considered acute and precise judging from their fresh experiences, knowledge, literacy and ability to vividly remember their service encounters.

- Based on their literacy, young customers' (university students) ability to understand the method of research (applied SERVQUAL questionnaires) is of vital importance.

The revised SERVQUAL model of Parasuraman *et al.*, (1994) was employed as the primary model for understanding and measuring the service quality of travel agencies. It examines service quality as a function of customers' perceptions based on five (5) dimensions of services. These dimensions have been previously referred to as the RATER scale (Reliability, Assurance, Tangibles, Empathy and Responsiveness).

In the analysis, customers rate the services of travel agencies based on these five dimensions and according to their zones of tolerance. Parasuraman *et al.*, (1991, 1994) explained that customers' expectations are divided into two levels of services they can tolerate or expect from their service providers. They are the adequate (minimum) and desire levels (suitable).

Both qualitative and quantitative methods were used to collect data necessary for the research work. Qualitative method entails the utilization of previous literature on the subject of study put forward by authors and scholars alike. The quantitative method used

here entailed the use of questionnaires to gather first-class information for use in analysis.

A questionnaire was devised to collect data from respondents regarding their expectations and perceptions of the services offered by travel agencies. The format of the questionnaire followed the literature of the revised three-column SERVQUAL format by Parasuraman *et al.*, (1991) and was divided in two sections (please see Appendix A). The first section contains a total of thirty two (32) questions/statements. It tries to gather information on respondents' evaluation of service quality (spread around the five dimensions) using comparisons of their adequate expectations, desired expectations and service performance. Statements related to word-of-mouth (WOM), satisfaction and intention to repurchase were also incorporated to provide a broader picture or ascertain if these factors influences overall satisfaction and possibly repurchase. These statements/questions were adapted from the works of Parasuraman, A., Zeithaml, V.A. & Berry, L.L. (1988); Parasuraman, A., Berry, L.L., & Zeithaml, V.A.(1991); Bigne', Camiso'n, Marti'nez and Belloch (1996); Avci, Turgay and Karatepe (2004) and Akbaba (2006). Rather than a five (5) point scale, a seven (7) point Likert scale was employed in this section simply because it provides respondents with the opportunity to draw or make real distinctions across the scale (John, 2008). The second section collects demographic information of the respondents.

Finally, the Statistical Package for Social Sciences (SPSS) version 15.0 was employed in analyzing and interpreting the data amassed from the questionnaires.

### **3.2 Tourism in North Cyprus and place of travel agencies and tour operators**

Turkish Republic of Northern Cyprus is part of an island with the other half internationally known and accepted as the Republic of Cyprus due to its alliance, links and diplomatic ties with the EU and other notable countries like Germany, Greece and Great Britain. Even though North Cyprus is largely segregated and politically isolated, the region is mostly renowned for the presence of universities and its force as a predominant tourist location (Kozak, Karatepe and Avci, 2003). Its ability to attract a lot of tourists (both domestic and international) owes to its distinct geographical location and the presence of appealing tourist attractions. On a geographical world map, together with the Republic of Cyprus, it is the third largest island after Sicily and Sardinia (Nadiri and Hussain, 2005) and its location in the Mediterranean gives it an added advantage in tourism terms over other landed countries. Also, its closeness to the Middle East and the rest of Europe makes the journey distance relatively shorter and affordable for tourists.

The government of North Cyprus declared that its domestic tourist sector is the dominant sector in achieving economic growth and development in the second half of the 1980s (Altinay and Hussain, 2005). Tourism in the region accounts for more than 19% of the Gross National Product (GNP) which explains the importance, vitality and richness of the sector and the weight of its contributions (Economic and social Indicators, 2008). Consistent with this finding, Altinay and Hussain (2005) reported that tourism in North Cyprus has recorded calm growth over the last decade thus paving the emergence and development of new travel agencies, tour operators and hotels.

According to the Office of Information and Tourism Marketing, the region reported an increment in tourist establishments comprising restaurants, casinos, hotels and travel agencies between 2007 and 2008. These establishments were spread among the cities of Girne, Gazimagusa, Iskele, Lefkosa and Guzelyurt. For example, the number of restaurants increased from 537 to 627, casinos increased from 22 to 25 and travel agencies merged and combined forces to provide improved services to tourists which saw their quantity mildly decline from 165 to 137. These establishments were also important employers of labor and recorded an increase of employed labor (both skilled and unskilled) in the sector from 8,208 to 9,751 employees from 2007 to 2008. The Office of Information and Tourism Marketing also reports that the growth of the tourism sector was instrumental to account for an increase in tourist arrivals from 791,036 to 808,682 from 2007 to 2008. The net tourism income as expected increased from \$381million to \$434.3million between 2007 and 2008 with a reported 27.2% contribution ratio to the trade balance (Office of Planning, 2008).

The emergence of travel agencies and tour operators in the region has rapidly grown and received stiff competition from both domestic rivals and foreign rivals. The internet plays a major role in making this competition stiffer as modern day technology permits tourists to easily make their holiday arrangements on the internet and in a fast and more reliable fashion. This is perceived to be a major threat to travel agencies and tour operators (Barnett and Standing, 2001).

Considering the isolation of the region and the fact that it's an island, the major means of entry to and from the region is through air and sea travels with air travels being the principal route taken by most tourists. Operating airlines have taken ample advantage of this opportunity since air transportation is the most common and comfortable way of travelling to North Cyprus (Kozak *et al.*, 2003). To operate efficiently however, they need the services of middlemen/firms such as travel agencies and tour operators to work jointly in providing memorable experiences for tourists.

While both concepts have been jointly used, they portray different meanings and their roles differ. A tour operator can be a single individual or a collection of individuals making up a firm. Responsibilities include organizing well packaged tours around tourist attractions for tourists, acting as their leader, instructor, information giver, motivator, adviser and entertainer (Heung, 2008). Tour operators are in most cases affiliated to and work with travel agencies (Mossberg, 1995). On the other hand, the services of travel agencies include the sales and issuance of flight tickets of airline carriers, providing travel information, booking of hotels, car rentals, and in most cases fill the role of tour operators by organizing events or tours (Lam and Zang, 1999).

In North Cyprus, the role of travel agencies and tour operators permeates the tourism sector. Virtually all tourists who visit the region go through the services of these middlemen owing to the fact that these agencies are the main medium through which tourists can get firsthand information about the island preceding their visit. Also noted, is the fact that since most tourists come to the island through long haul air flights, travel agencies remain the principal agent for disseminating information relating to flight fares,



holiday plans and packages. In a literal sense, travel agencies and tour operators, most especially the latter act as a country's ambassadors to tourists as they are the main components through which a country's idea, culture, people, values and norms are shared with the tourists.

### **3.3 Definition of population – University Students**

A population has been defined as a set of all individuals or objects of interest or measurements obtained from all individuals or objects of interest. Since the goal of this research work is to assess young customers' perceptions of travel agencies, it utilized data gathered from university students. Thus, the population of this study is the university students of Eastern Mediterranean University.

A breakdown of the population consists of both domestic and international students of the university who had personally utilized the services of one or more travel agencies within the last six (6) months. They are made up of students from Turkey, Cyprus, Iran, Pakistan, Nigeria, Cameroon and other international students spread among the departments and faculties. More focus is placed on the domestic students from Cyprus and Turkey because they are more affiliated with the services of the domestic travel agencies in the region than other international students coming from abroad.

It was gathered from the admissions office that the total number of registered students in the university is 14,000 with more than 50% of this number being domestic students from Northern Cyprus and Turkey. This therefore adds in explaining why more emphasis is placed on students from this region as they represent a larger portion of the population.

### 3.4 Sampling

A sample simply refers to a subset of a population. In this study, steps are taken to assess the service quality of travel agencies as a function of the perceptions of young customers so the population of the study refers to young university students.

Stratified convenience sampling was used where the population is divided into different strata or layers. Each population element belongs to one group only and all items in each group are identical as much as possible. Samples will then be selected from each strata using the technique of convenience sampling.

Stratified convenience sampling based on nationality and department was therefore employed. Table 1 shows a breakdown of the stratified sample.

Table 1: Sample Classification by Strata

<b>Stratification</b>	<b>Strata</b>	<b>Percentage (%) of Population</b>	<b>Percentage (%) of Sample</b>
<b>Nationality</b>	North Cyprus	22.5	22.8
	Turkey	64.5	67.2
	International	13.0	10.0
<b>Faculty</b>	Architecture	7.5	7.3
	Arts & Sciences	6.2	9.0
	Business & Economics	14.6	11.7
	Communication	4.1	4.5
	Education	26.0	22.7
	Engineering	21.3	22.5
	Law	7.7	5.8
	Tourism	4.3	9.5
	Computer Science	8.3	7.0
<b>Total</b>		<b>100</b>	<b>100</b>

### **3.5 Pilot Study**

A test study was carried out to investigate and ascertain the suitability and conformity of the questionnaires. An important aspect of the pilot study was to establish if the questionnaire questions were easily comprehensible and well articulated in terms of the instructions, statements and questions. For this reason therefore, a total of thirty (30) sample questionnaires were distributed to a portion of the population of which fifteen (15) were Turkish students, ten (10) were Cypriot students and five (5) were foreign students.

All thirty (30) questionnaires were collected as they were administered on the spot by the researcher himself and patiently waited until receipt. During this process, polite conversation ensued between the researcher and respondents about their opinions of the questionnaires.

Upon receipt of the questionnaires, it was however observed from careful observation and conversations that some amount of confusion existed as regard the nature of the statements/questions of the SERVQUAL questionnaire in the first section of the questionnaire. Some complained about the words used which provided no clues or examples of what some of the statements actually referred to.

To lessen the difficulty encountered with filling the questionnaires therefore, examples of some items were provided in parenthesis (notably in the first 3 items). Some

statements/questions were restructured, reworded and simplified to facilitate more understanding.

### **3.6 Questionnaire Design**

The questionnaire used for this study followed the framework of the revised SERVQUAL model proposed by Parasuraman *et al.*, (1991, 1994). The questionnaire was divided into two (2) sections (please see Appendix A).

The first section termed the ‘attributes scale measurement’ examines respondents’ assessment of twenty (22) items covering the five (5) attributes or dimensions of service quality put forward by Parasuraman *et al.*, (1988, 1991, and 1994). Respondents were politely instructed to rate these items according to their minimum expectations, desired expectations and perceived service performance visually represented in a three (3) column format. An additional ‘non-applicable’ (N/A) column was included to help register the opinions of respondents who found some items non-applicable to their assessments of travel agencies. One (1) additional question was included to ascertain respondents’ evaluation of the overall service quality of travel agencies. Also, Nine (9) additional questions/statements were added to the original dimensional statements to ascertain respondents’ satisfaction levels and after-service behavioral activities or attitudes (e.g. word of mouth and repurchase).

A seven (7) point Likert measurement scale was used with one (1) representing the lowest and 7 representing the highest levels. No verbal statement was used for scales two (2) to six (6).

The second section termed ‘demographic information’ tries to assemble relevant demographic data of the respondents based on their gender, age, nationality, department, academic status and income.

A total of 465 questionnaires were administered to random respondents of which 433 were returned. Of this amount, 400 were deemed good for analysis which represents a healthy 86% response rate from the original sample of 465.

### **3.7 Data Analysis and Findings**

The Statistical Package for Social Sciences (SPSS) version 15.0 was employed in analyzing and interpreting the data amassed from the questionnaires. The performed analyses were descriptive to know the composition for the demographic information of the questionnaires which included respondents’ gender, age, nationality, department, status and income. Reliability analysis were then conducted, factor analysis was also run, MSA, MSS and ZOT scores were calculated and finally regression was run all in an attempt to establish any relationship between the items, service quality and satisfaction.

#### **3.7.1 Demographic Analysis**

The third part of the questionnaires (section three) contains demographic profiles and composition of the respondents related to their gender, age, nationality, department, status and income. Descriptive analysis was conducted using SPSS and it produced the following findings. Table 2 shows the gender composition. A higher number of male

respondents participated in the survey. The high number of males in the Eastern Mediterranean University accounts for this rift.

Table 2: Gender Composition

<b>Gender</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Male</b>	243	60.8
<b>Female</b>	157	39.2
<b>Total</b>	<b>400</b>	<b>100.0</b>

Table 3 shows the age composition and shows that more respondents fall within the age gap 18 – 22 and the fewest respondents within the age gap 31 and above.

Table 3: Age Composition

<b>Age (yrs)</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Under 18	32	8.0
18 – 22	208	52.0
23 – 30	150	37.5
31 and Above	10	2.5
<b>Total</b>	<b>400</b>	<b>100.0</b>

As illustrated, table 4 shows the composition of the respondents according to their nationality. Majority of the respondents are Turkish nationals as they represent a large portion of the university students and their large enrollment is possibly attributed to

geographical proximity. Students from Iran, Cameroun, Nigeria, Pakistan, Jordan and other countries are grouped and classified under ‘international’.

Table 4: Nationality Composition

Nationality	Frequency	Percentage (%)
North Cyprus	91	22.8
Turkey	269	67.2
International	40	10.0
<b>Total</b>	<b>400</b>	<b>100.0</b>

Table 5 illustrates the distribution of respondents according to departments in the university. Questionnaires were distributed according to the average number of students in the departments as some departments naturally attracted more students compared to others. Hence more respondents were contacted in departments having more students than others departments having few. As can be seen, Engineering, Education and Business departments accounted for more respondents than Law and Tourism.

Table 5: Department Composition

<b>Department</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Architecture</b>	29	7.3
<b>Arts &amp; Sciences</b>	36	9.0
<b>Business &amp; Economics</b>	47	11.7
<b>Communication</b>	18	4.5
<b>Education</b>	91	22.7
<b>Engineering</b>	90	22.5
<b>Law</b>	23	5.8
<b>Tourism</b>	38	9.5
<b>Computing &amp; Tech.</b>	28	7.0
<b>Total</b>	<b>400</b>	<b>100.0</b>

Finally, respondents' demographics is represented in table 6. The table shows the average monthly family income of respondents and shows a majority of 120 respondents' family monthly earnings around the \$2501 – \$4000 and the closest earners around \$1501 - \$2500. This poses a problem for the university as it faces questions on how it can attract students from the lowest and high income families. It can do this by strategizing and providing affordable but qualitative services.



Table 6: Respondents by Family Monthly Income

Income (\$)	Frequency	Percentage (%)
1500 & Less	49	12.2
1501 – 2500	99	24.8
2501 – 4000	120	30.0
4001 – 6000	54	13.5
6001 & Above	78	19.5
<b>Total</b>	<b>400</b>	<b>100.0</b>

### 3.7.2 Reliability Analysis

The goal of any reliability test is to check for consistent results if repeated measurements are made on the dimensions or the any scale at hand. Carmines and Zeller (1979) opines reliability analysis as the extent to which any observation or test measurement results in the same or repeated results if tests are continually conducted. In this study, as several items in the SERVQUAL scale are the area of interest or focus, internal consistency should be used or checked.

Numerous studies have employed this method for checking the reliability of a scale (e.g. Parasuraman *et al.*, 1991; Cronin & Taylor, 1992, 1994). The Cronbach's Alpha or Coefficient Alpha is the common tool used to check for internal consistency and hence determine the reliability of a scale. According to Nunnally (1978), the coefficient alpha should be equal to or greater than 0.7 for internal consistency to be attained. Coefficients meeting the 0.7 criterion help to explain that the scale embodies no random error

(Churchill, 1979). For Malhotra (2002), any value below this amount is usually considered unsatisfactory.

Table 7 shows the findings of reliability analysis conducted on all the five SERVQUAL dimensions and on the Measure of Service Adequacy (MSA), Measure of Service Superiority (MSS) and the Zone of Tolerance (ZOT).

Table 7: Reliability Coefficients

Dimensions	Adequate Expectation	Desired Expectation	Perceived Performance	M.S.A	M.S.S	Z.O.T
<b>Tangibles</b>	0.917	0.873	0.838	0.863	0.843	0.895
<b>Reliability</b>	0.939	0.898	0.928	0.927	0.918	0.927
<b>Responsiveness</b>	0.931	0.882	0.925	0.918	0.911	0.917
<b>Assurance</b>	0.913	0.822	0.866	0.860	0.811	0.888
<b>Empathy</b>	0.945	0.897	0.935	0.928	0.906	0.942
<b>Total</b>	0.977	0.950	0.973	0.970	0.961	0.970
<b>Overall</b>			<b>0.961</b>			

From the reliability results, virtually all Cronbach Alpha meet the reliability criterion by exceeding 0.7 with most of them exhibiting high values. The overall reliability of the scale used in this study was therefore satisfactory (Cronbach's alpha coefficient = 0.953) (Nunnally, 1978). Thus we can confidently state that the dimensions and entire scale shows good internal consistency, is void of random errors and met the conditions for convergent validity (Churchill, 1979; Parasuraman *et al.*, 1991).

### 3.7.3 Factor Analysis

Factor analysis is a statistical package sometimes termed 'reduction technique'. It is used in reducing and refining large scale items and questions to form a smaller number of coherent subscales (Pallant, 2007). This is of utmost importance in large studies

where the mass of data, factors or components are inter-correlated e.g. SERVQUAL scale. Factor analysis in this case helps to reduce this large number of related variables to a more manageable number, prior to using them in other analyses such as multiple regression or multivariate analysis of variance. These reduced variables, items or dimensions as in the case of SERVQUAL cover those few items that account for the correlations among a large host of variables.

The reliability and validity of SERVQUAL scale for travel agencies among young customers (university students) was tested using principal component factor analysis with varimax rotation. The results of the statistical tests (KMO = 0.962; Bartlett test of sphericity = 7368,720, significance = 0.000) indicated that the factor analysis method was appropriate. According to the test results, the 22 items of SERVQUAL failed to provide five distinct dimensions: tangibles, reliability, responsiveness, assurance, and empathy. The factor loadings of all these dimensions were found to be uni-dimensional (eigenvalue = 14,031 which is greater than 1) percentage of variance explained was 63.78% (which is an acceptable figure), and all the factor loadings were found to be greater than 0.50 (Hair *et al.*, 1979).

#### **3.7.4. MSA, MSS and ZOT Analysis**

These measures aid in clearly defining the zones of tolerance of general customers and will be applied to this research work.

The Measure of Service Adequacy (MSA) is calculated by subtracting adequate expectations from perceived performance (mathematically represented as  $MSA =$

Perceived Performance – Adequate Expectations). In this case, the MSA concept is described as an important indicator of the extent to which travel agencies are meeting its young customers' minimum expectations. Simply stated, the MSA can be used to indicate certain areas where travel agency services are below the level expected by its customers.

The Measure of Service Superiority (MSS) on the other hand is calculated by subtracting desired expectations from perceived performance (mathematically represented as  $MSS = \text{Perceived Performance} - \text{Desired Expectations}$ ). In this case, the MSS concept is described as an important indicator of the extent to which travel agencies are exceeding its young customers' desired expectations. It can be used to identify areas where travel agency services are performing better than its customers expect.

The Zone of Tolerance (ZOT) represents that zone where users of services or customers expect service performance to be. It consists of two levels – a low level (where customers expect the minimum or basic nutrients of any service offer) and a high level (where customers expect the best or desirables of any service offer). Customers are usually satisfied if service performance falls within this zone (meet adequate expectation i.e. low level), delighted if it meets their desired expectations or the higher level and dissatisfied if it falls outside their tolerance zone or below adequate expectations. The ZOT is calculated by subtracting adequate expectations from desired expectations for each service user or customer (mathematically given as  $ZOT = \text{Desired Expectation} - \text{Adequate Expectation}$ ).

The mean scores and deviations for adequate expectations, desired expectations and perceived performance are calculated for each item, each dimension, each respondent, averagely, and generally. Table 8 below illustrates this.

Table 8: Means and Standard Deviation for Expectations and Perception

Dimensions & Items	Ade. Exp		Des. Exp		Per. Perf	
	Means	S.D	Means	S.D	Means	S.D
<b>TANGIBLES</b>						
•Modern looking equipments	3.32	1.921	5.84	1.129	4.55	1.636
•Visually appealing physical facilities	3.30	1.724	5.79	1.235	4.68	1.677
•Employees have neat appearance	3.34	1.815	5.91	1.178	4.81	1.813
•Visually appealing work materials	3.26	1.754	5.89	1.183	4.55	1.913
<b>RELIABILITY</b>						
•Provides service at promised time	3.26	1.754	5.91	1.180	4.58	1.828
•Sincere interest in solving problem	3.30	1.770	5.88	1.282	4.52	1.822
•Performs service right the first time	3.31	1.804	5.90	1.249	4.54	1.809
•Provides services as promised	3.16	1.729	5.98	1.139	4.52	1.951
•Insist on error-free records	3.27	1.742	6.02	1.130	4.62	1.876
<b>RESPONSIVENESS</b>						
•Employees inform customers when services will be performed	3.14	1.820	5.94	1.219	4.62	1.839
•Employees give prompt attention	3.24	1.835	6.01	1.214	4.65	1.814
•Employees are always willing to help	3.26	1.863	6.01	1.235	4.65	1.899
•Employees are never too busy to respond to requests	3.19	1.824	5.94	1.204	4.58	1.872
<b>ASSURANCE</b>						
•Employees behavior instill confidence in customers	3.26	1.827	6.07	1.135	4.67	1.948
•Customers feel safe in their transaction	3.24	1.734	5.59	1.204	4.68	1.661
•Employees are consistently courteous	3.31	1.668	5.74	1.118	4.70	1.763
•Employees are knowledgeable to answer questions	3.25	1.754	5.94	1.114	4.72	1.816
<b>EMPATHY</b>						
•Employees give individual attention	3.21	1.746	5.97	1.214	4.65	1.847
•Convenient operating hours	3.05	1.703	5.92	1.205	4.63	1.888
•Employees give personal attention	3.09	1.729	5.96	1.238	4.66	1.861
•Agency has best interest at heart	3.02	1.678	5.94	1.191	4.60	1.883
•Employees understand customers' specific needs	3.06	1.746	6.01	1.193	4.76	1.875
<b>OVERALL SERVICE QUALITY</b>					4.76	1.805

From table 8 above, the mean for adequate expectation ranges from 3.02 to 3.34 while the standard deviation ranges from 1.668 to 1.921. The item 'employees are consistently courteous' received the lowest score while the item 'modern looking equipment' has the highest deviation score.

Under desired expectation, the item ‘employees inform customers when service will be performed’ received the lowest mean score of 5.94 while the item ‘employees’ behavior instill confidence in customers’ received the highest mean score of 6.07. For standard deviation, the item ‘employees are knowledgeable to answer questions’ received the lowest score of 1.114 while the item ‘employees give personal attention’ received the highest score of 1.238.

Mean for perceptions range from 4.55 to 4.81. The item ‘modern looking equipment’ had the lowest score while the item ‘employees have neat appearance’ has the highest score. Standard deviation for performance ranges from 1.636 to 1.951. The item ‘modern looking equipment’ received the lowest score and the item ‘provides service as promised’ received the highest score. The mean for overall service quality is 4.76 while the deviation falls at 1.801.

Table 9 shows the mean and standard deviation for MSA, MSS and ZOT.

Table 9: Means and Standard Deviation for MSA, MSS and ZOT

Dimensions & Items	MSA		MSS		ZOT	
	Means	S.D	Means	S.D	Means	S.D
<b>TANGIBLES</b>						
• Modern looking equipments	1.23	2.349	-1.29	1.916	2.52	1.964
• Visually appealing physical facilities	1.38	2.292	-1.11	2.029	2.49	1.761
• Employees have neat appearance	1.47	2.418	-1.11	2.061	2.57	1.884
• Visually appealing work materials	1.29	2.434	-1.34	2.072	2.63	1.927
<b>RELIABILITY</b>						
• Provides service at promised time	1.28	2.332	-1.32	2.124	2.61	1.904
• Sincere interest in solving problem	1.22	2.376	-1.36	2.071	2.58	1.965
• Performs service right the first time	1.38	2.391	-1.36	2.111	2.74	1.894
• Provides services as promised	1.25	2.527	-1.46	2.224	2.71	1.887
• Insist on error-free records	1.39	2.376	-1.39	2.050	2.78	1.958
<b>RESPONSIVENESS</b>						
• Employees inform customers when services will be performed	1.48	2.387	-1.32	2.146	2.80	1.964
• Employees give prompt attention	1.41	2.482	-1.36	2.033	2.77	2.034
• Employees are always willing to help	1.40	2.470	-1.35	2.170	2.74	2.111
• Employees are never too busy to respond to requests	1.39	2.472	-1.36	2.094	2.75	2.015
<b>ASSURANCE</b>						
• Employees behavior instill confidence in customers	1.41	2.556	-1.40	2.118	2.82	1.908
• Customers feel safe in their transaction	1.45	2.088	-0.91	1.816	2.35	1.876
• Employees are consistently courteous	1.40	2.228	-1.04	1.825	2.44	1.766
• Employees are knowledgeable to answer questions	1.46	2.236	-1.22	1.893	2.69	1.864
<b>EMPATHY</b>						
• Employees give individual attention	1.45	2.229	-1.32	2.006	2.76	1.874
• Convenient operating hours	1.58	2.292	-1.30	2.063	2.88	1.945
• Employees give personal attention	1.58	2.344	-1.29	2.065	2.87	1.959
• Agency has best interest at heart	1.58	2.232	-1.34	2.027	2.92	1.946
• Employees understand customers' specific needs	1.70	2.289	-1.25	2.066	2.95	2.022

From table 9 above, the Measure of Service Adequacy (MSA) ranges from 1.22 to 1.70. Previous studies reports that a positive score implies that perceived service performance exceeds adequate expectations. This analysis reports all round positive values for the MSA which means travel agencies actually met their young customers' minimum expectations by providing an adequate service. The item 'sincere interest in solving problems' received the lowest mean score while the item 'employees understand customers' specific needs' received the lowest mean score. MSA portrayed a similar

result of positive values for standard deviation with the item ‘customers feel safe in transaction’ having the lowest deviation of 2.088 while the item ‘employees’ behavior instill confidence in customers’ has the highest score of 2.556. Overall, we can evidently say performed services met the minimum expectations of young customers.

Positive mean values for the Measure of Service Superiority (MSS) implies that travel agencies are meeting the desired expectations of customers and a negative value proves otherwise. From the table, the mean values for MSS ranges from -1.46 to -0.91 meaning travel agencies are not providing superior services by meeting the desired expectations of their young customers. Shortfalls are especially noticed with the item ‘providing services as promised’ with the lowest score of -1.46 and the item ‘customers feel safe in their transaction’ recorded the highest mean score of -0.91. Deviations range from 1.816 to 2.224 with the item ‘customers feel safe in their transactions’ recording the lowest deviation and the item ‘provide services as promised’ recorded the highest deviation.

From table 9, it is observed that the zone of tolerance for customers is an all round positive one which implies that even though desired expectations are not met by travel agencies, the services provided fall within young customers’ tolerance zone by meeting their minimum or adequate expectations. The mean score ranges from 2.35 to 2.95 with the lowest item as ‘customers feel safe in transactions’ and the highest as ‘employees understand customers’ specific need’. Standard deviation ranges from 1.761 to 2.111 with ‘visually appealing physical facilities’ ranking the lowest item and ‘employees are always willing to help’ ranking the highest item.



Figure 3 illustrates the zone of tolerance for customers of travel agencies with their means in parenthesis.

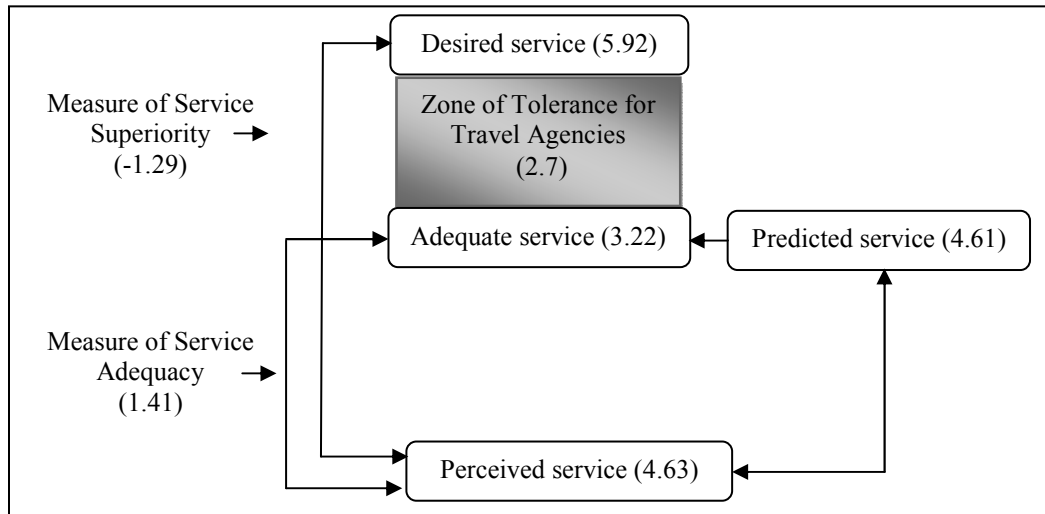


Figure 3: Zone of Tolerance for Travel Agencies (Gap mean in parenthesis)

The figure shows a negative MSS score of -1.29, a positive MSA score of 1.41, perceived service 4.63 falling within the zone of tolerance and predicted service (customer satisfaction) of 4.61 which is below the perceived service. Figure 4 illustrates the zones of tolerance for each dimension.

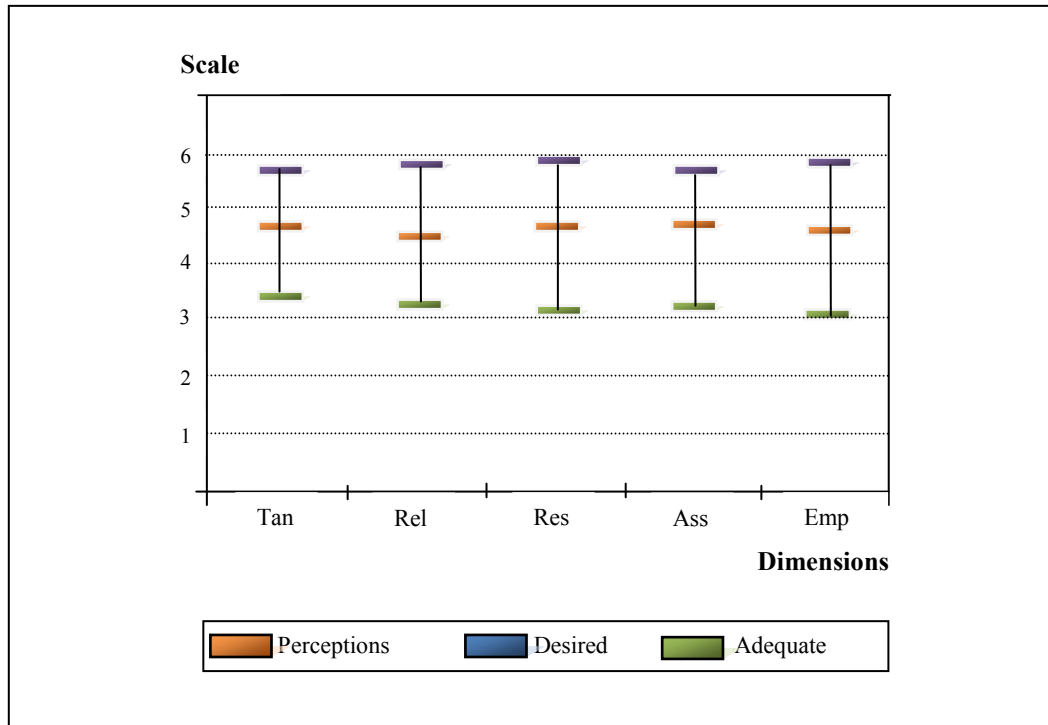


Figure 4: Zones of tolerance for Travel Agencies

Figure 4 shows the zone of tolerance travel agencies for all adopted SERVQUAL dimensions. As illustrated, it can be noticed that Empathy and Responsiveness have established a wider zone of tolerance than the other dimensions. Tangible is the narrowest of all dimensions. For Tangible, service performance falls near the midpoint of desired and adequate expectations. Same applies for Empathy. Assurance and Responsiveness show the perceptions climbing toward desired expectations. Most importantly, the figure shows that perceptions or service performance are in the zone of tolerance of customers for all dimensions with Empathy and Responsiveness having wider tolerance zones than other dimensions.

### 3.7.5 Gap Analysis

In accordance with the goals of this research, gap analysis has been conducted to establish if service quality exercises satisfactory results as expressed by the perceptions of respondents or if travel agencies record poor service quality performances. Table 10 shows the gaps analysis for all of the adopted SERVQUAL items. The gap mean is computed by subtracting the expectation mean from the perception mean for each item.

Table 10: Expectation Mean, Perception Mean and GAP Mean

Dimensions and Items	Expectation Mean	Perception Mean	Gap Mean*
<b>TANGIBLES</b>			
•Modern looking equipments	5.84	4.55	-1.29
•Visually appealing physical facilities	5.79	4.68	-1.11
•Employees have neat appearance	5.91	4.81	-1.10
•Visually appealing work materials	5.89	4.55	-1.34
<b>RELIABILITY</b>			
•Provides service at promised time	5.91	4.58	-1.33
•Sincere interest in solving problem	5.88	4.52	-1.36
•Performs service right the first time	5.90	4.54	-1.36
•Provides service as promised	5.98	4.52	-1.46
•Insist on error-free records	6.02	4.62	-1.40
<b>RESPONSIVENESS</b>			
•Employees inform customers when service will be performed	5.94	4.62	-1.32
•Employees give prompt attention	6.01	4.65	-1.36
•Employees are always willing to help	6.01	4.65	-1.36
•Employees never too busy to respond to requests	5.94	4.58	-1.36
<b>ASSURANCE</b>			
•Employees' behavior instill confidence in customers	6.07	4.67	-1.40
•Customers feel safe in transactions	5.59	4.68	-0.91
•Employees are consistently courteous	5.74	4.70	-1.04
•Employees are knowledgeable to answer questions	5.94	4.72	-1.22
<b>EMPATHY</b>			
•Agency gives individual attention	5.97	4.65	-1.32
•Convenient operating hours	5.92	4.63	-1.29
•Employees give personal attention	5.96	4.66	-1.30
•Has best interest at heart	5.94	4.60	-1.34
•Employees understand customers' specific needs	6.01	4.76	-1.25
<b>OVERALL SQ.</b>		4.76	

\*Gap mean = Perception mean - Expectation mean

From the table, expectations mean scores vary from 5.74 to 6.07. Perceptions mean scores vary from 4.52 to 4.81. As noticed, perception mean scores are generally lower than the expectations mean scores which is accountable for the all round negative gap mean scores. The gap scores vary from -0.91 to -1.46 and are computed by subtracting the expectation scores from perception scores for each item (perception - expectation). The negativity of these scores means that travel agencies are delivering substandard, poor or inadequate services to their customers with the largest gap noticed in 'provides services as promised' (-1.46) which is a cause for high concern. On scanning the whole dimensions, more items in reliability and responsiveness recorded higher gap scores such as 'insist on error-free records' (-1.40), 'sincere interest in solving problems' (-1.36), 'employees give prompt attention' (-1.36), 'employees are always willing to help' (-1.36).

According to the disconfirmation paradigm, the negative gap scores imply a negative disconfirmation implying that the service quality of travel agencies is low hence young customers are not entirely satisfied.

### **3.7.6 Hypothesis Testing for the Controlled Variables**

Regression analysis was carried out to test the following developed hypothesis at a 5% significant level (sig. 0.05).

**H1:** Service quality has positive effect on intention to recommend (WOM)

**H2:** Service quality has positive effect on purchase intentions (INT)

**H3:** Customer satisfaction has positive effect on intention to recommend (WOM)

**H4:** Customer satisfaction has positive effect on purchase intentions (INT)

Table 11 shows the findings.

Table 11: Hypothesis testing

<b>Hypothesis 1: independent - SQ; dependent – WOM</b>				
	R (correlation)	R <sup>2</sup>	ANOVA (F)	Beta
<b>Value</b>	0.906	0.820	1812.692	<b>0.906</b>
<b>p-value</b>	0.000		0.000	<b>0.000</b>
<b>Hypothesis 2: independent - SQ; dependent – INT</b>				
	R (correlation)	R <sup>2</sup>	ANOVA (F)	Beta
<b>Value</b>	0.844	0.712	984.052	<b>0.844</b>
<b>p-value</b>	0.000			<b>0.000</b>
<b>Hypothesis 3: independent - SAT; dependent – WOM</b>				
	R (correlation)	R <sup>2</sup>	ANOVA (F)	Beta
<b>Value</b>	0.918	0.843	2141.884	<b>0.918</b>
<b>p-value</b>	0.000			<b>0.000</b>
<b>Hypothesis 4: independent - SAT; dependent – INT</b>				
	R (correlation)	R <sup>2</sup>	ANOVA (F)	Beta
<b>Value</b>	0.933	0.871	2677.408	<b>0.933</b>
<b>p-value</b>	0.000			<b>0.000</b>

Results show an all round significance at 0.000. With the test value (0.05) exceeding the significance levels (0.000) at  $P < 0.05$ , we reject the null hypotheses and accept the alternative hypothesis 1, 2, 3, and 4. The following conclusions are therefore drawn;

- Service quality has positive effect on word of mouth recommendations
- Service quality has positive effect on purchase intentions
- Customer satisfaction has positive effect on word of mouth recommendation
- Customer satisfaction has positive effect on purchase intentions

Correlations ranging from 0.844 to 0.933 show a very strong linear relationship between service quality, customer satisfaction and word of mouth and intention to purchase.

### **3.7.7 Regression Analysis**

Multiple regression as it is called, consists of multiple techniques that can be used to explore the relationship between one continuous dependant variable and a number of independent variables. It can tell a researcher how well a set of variables is able to predict a particular outcome. It can also be used to address a variety of research questions. For instance, as relates to this study, it can be used to answer research questions such the following:

- The relationship between the five SERVQUAL dimensions and overall service quality of travel agents (where overall service quality is the dependent variable and SERVQUAL dimensions are independent variables)
- The relationship between the five SERVQUAL dimensions and customer satisfaction from travel agencies (where satisfaction is the dependent variable and SERVQUAL dimensions are independent variables)

#### **3.7.7.1. Regression for Overall Satisfaction (SAT) Model**

While employing standard multiple regression, each independent variable was entered simultaneously and evaluated in terms of its predictive power. The SERVQUAL dimensions were the independent variables while satisfaction (SAT) was the dependent variable. A summary of the model shows that the R Square at 0.792 which reveals that 79% of the variation in overall satisfaction is explained for by the predictors or

independent variables. This means tangibles, reliability, responsiveness, assurance and empathy all account for 79% variations or changes in the overall satisfaction.

Table 12 shows the coefficients for the model and it tries to compare and identify which of the independent variables (SERVQUAL dimensions) contributed the most to the prediction of the dependent variable (satisfaction). Looking at the beta column under standardized coefficients, it is noticed that Empathy holds the largest beta coefficient of 0.424 while Tangibles has the smallest beta coefficient with 0.088. This means that Empathy makes the strongest unique contribution to overall satisfaction when the variance explained by all other variables is controlled for while Tangibles is the least single contributor.

Table 12: Coefficients for Overall Satisfaction

SAT Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	T	Sig.	Tolerance	VIF
(Constant)	-1.170	0.492		-2.378	0.018*		
Tangibles	8.289E-02	0.039	0.088	2.131	0.034*	0.380	2.629
Reliability	7.572E-02	0.038	0.113	1.990	0.047*	0.198	5.044
Responsive.	0.168	0.048	0.209	3.478	0.001*	0.179	5.585
Assurance	0.120	0.045	0.134	2.637	0.009*	0.250	4.002
Empathy	0.275	0.033	0.424	8.368	0.000*	0.251	3.991

\*(p<0.05), P= 0.000; DF= 5; R= 0.890; R<sup>2</sup>= 0.792; Adjusted R<sup>2</sup>= 0.789.

All predictors in the table above can be said to make statistically significant unique contribution to the prediction of the dependent variable as their significance values are all less than 0.05. The Tolerance and VIF columns are used in this table to check for multicollinearity problems. Tolerance is an indicator of how much of the variability of a specific independent variable is not explained by the other independent variables in the model. For each independent variable, if this value is very small (usually less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the

possibility of multicollinearity. For all the independent variables in table 12, Responsiveness records the lowest value of 0.179 thus it can be said to pose no multicollinearity problem. VIF values above 10 would represent a possible case of multicollinearity however. Again, Responsiveness showcases the highest value of 5.585 thus the model may pose no multicollinearity problem.

Table 13 is the analysis of variance (ANOVA) which assesses the statistical significance of the overall satisfaction model. From the table, the model is found to reach statistical significance at zero (**sig.** = 0.000).

Table 13: Analysis of Variance (ANOVA) for the Overall Satisfaction Model

Model		Sum of Squares	DF	Mean Square	F	Sig.
SAT	Regression	7846.972	5	1569.394	245.848	<b>0.000</b>
	Residual	2055.515	322	6.384		
	Total	9902.488	327			

Table 14 illustrates the correlations between all variables in the satisfaction model (both dependent and independent variables). This is vital in order to know whether the model exhibits a relationship between its variables and if it does, what is the strength and direction of the linear relationship between the variables.



Table 14: Correlation for Dependent and Independent Variables for SAT Model

		<b>SAT</b>	<b>Tan.</b>	<b>Rel.</b>	<b>Resp.</b>	<b>Ass.</b>	<b>Emp.</b>
<b>Pearson</b>	SAT	1.000	0.716	0.788	0.807	0.781	0.844
<b>Correlation</b>	Tangibles	<b>0.716</b>	1.000	0.754	0.719	0.670	0.704
	Reliability	<b>0.788</b>	0.754	1.000	0.859	0.751	0.744
	Responsiveness	<b>0.807</b>	0.719	0.859	1.000	0.794	0.786
	Assurance	<b>0.781</b>	0.670	0.751	0.794	1.000	0.815
	Empathy	<b>0.844</b>	0.704	0.744	0.786	0.815	1.000
<b>Sig. (2-tailed)</b>	SAT	.	0.000	0.000	0.000	0.000	0.000
	Tangibles	0.000	.	0.000	0.000	0.000	0.000
	Reliability	0.000	0.000	.	0.000	0.000	0.000
	Responsiveness	0.000	0.000	0.000	.	0.000	0.000
	Assurance	0.000	0.000	0.000	0.000	.	0.000
	Empathy	0.000	0.000	0.000	0.000	0.000	.

The model is significant for all variables at 0.000. All Pearson Correlation coefficients are positive (ranging from 0.670 to 1.000). In relation to satisfaction however, Tangibles, Reliability and Assurance have coefficients of 0.716, 0.788 and 0.781 respectively and are said to have a strong and positive relationship with satisfaction. On the other hand, Responsiveness and Empathy have coefficients of 0.807 and 0.844 meaning they have a very strong and positive relationship with satisfaction. Thus the satisfaction model as seen from the above table exhibits a positive linear relationship between the dependent and independent variables implying that any increase in one of the independent variables will lead to a significant increase in the dependent variable.

Table 15 shows that there exists a very strong linear relationship between WOM and INT as all coefficients range from 0.899 to 1.000. Hence increments in the satisfaction levels of young customers will lead to a very strong increment in WOM and INT and vice versa.

Table 15: Correlation for SAT, WOM and INT

		SAT	WOM	INT.
<b>Pearson Correlation</b>	SAT	1.000	0.918	0.933
	WOM	0.918	1.000	0.899
	INT	0.933	0.899	1.000
<b>Sig. (2-tailed)</b>	SAT	.	0.000	0.000
	WOM	0.000	.	0.000
	INT	0.000	0.000	.

### 3.7.7.2. Regression for Overall Service Quality (SQ) Model

Regression was also conducted for service quality (SQ) model with the five adopted SERVQUAL dimensions as the predictors or independent variables and SQ as the dependent variable. The R Square at 0.766 which reveals that 76% of the variation in overall service quality is explained for by the predictors or independent variables. This means tangibles, reliability, responsiveness, assurance and empathy all account for 79% variations or changes in the overall service quality.

Table 16 shows the coefficients for the model and it tries to compare and identify which of the independent variables (SERVQUAL dimensions) contributed the most to the prediction of the dependent variable (service quality). Again Empathy holds the largest beta coefficient of 0.551 while Assurance has the smallest beta coefficient with 0.080. This means that Empathy makes the strongest unique contribution to overall service quality when the variance explained by all other variables is controlled for while Assurance is the least single contributor.

Table 16: Coefficients for Overall Service Quality

SAT Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	T	Sig.	Tolerance	VIF
(Constant)	-0.107	0.171		-0.625	0.532		
Tangibles	0.029	0.013	0.091	2.135	0.034*	0.382	2.629
Reliability	0.027	0.012	0.125	2.206	0.028*	0.218	5.044
Responsive.	0.027	0.016	0.100	1.694	0.091	0.198	5.585
Assurance	0.024	0.015	0.080	1.577	0.116	0.269	4.002
Empathy	0.119	0.011	0.551	10.759	0.000*	0.266	3.991

\*(p<0.05), P= 0.000; DF= 5; R= 0.875; R<sup>2</sup>= 0.766; Adjusted R<sup>2</sup>= 0.763.

Apart from Assurance and Responsiveness in the table above, all other predictors can be said to make statistically significant unique contribution to the prediction of the dependent variable as their significance values are less than 0.05. The Tolerance and VIF columns are used in this table to check for multicollinearity problems. Tolerance values range from 0.198 to 0.382 which is above 0.10 thus posing no multicollinearity problem. VIF values are all below 10 suggesting the absence of multicollinearity in the model.

Table 17 is the analysis of variance (ANOVA) which assesses the statistical significance of the overall satisfaction model. From the table, the model is found to reach statistical significance at zero (**sig.** = 0.000).

Table 17: Analysis of Variance (ANOVA) for the Overall Service Quality Model

Model		Sum of Squares	DF	Mean Square	F	Sig.
SQ	Regression	844.791	5	168.958	219.506	<b>0.000</b>
	Residual	257.857	335	0.770		
	Total	1102.648	340			

Table 18 depicts the correlations between all variables in the service quality model (both dependent and independent variables). This is vital in order to know whether the model exhibits a relationship between its variables and if it does, ascertains the strength and direction of the linear relationship between the variables.

Table 18: Correlation for Dependent and Independent Variables in SQ Model

		<b>SQ</b>	<b>Tan.</b>	<b>Rel.</b>	<b>Resp.</b>	<b>Ass.</b>	<b>Emp.</b>
<b>Pearson</b>	SQ	1.000	0.700	0.750	0.770	0.764	0.853
<b>Correlation</b>	Tangibles	<b>0.700</b>	1.000	0.754	0.719	0.670	0.704
	Reliability	<b>0.750</b>	0.754	1.000	0.859	0.751	0.744
	Responsiveness	<b>0.770</b>	0.719	0.859	1.000	0.794	0.786
	Assurance	<b>0.764</b>	0.670	0.751	0.794	1.000	0.815
	Empathy	<b>0.853</b>	0.704	0.744	0.786	0.815	1.000
<b>Sig. (2-tailed)</b>	SQ	.	0.000	0.000	0.000	0.000	0.000
	Tangibles	0.000	.	0.000	0.000	0.000	0.000
	Reliability	0.000	0.000	.	.000	0.000	0.000
	Responsiveness	0.000	0.000	0.000	.	0.000	0.000
	Assurance	0.000	0.000	0.000	0.000	.	0.000
	Empathy	0.000	0.000	0.000	0.000	0.000	.

The model is significant for all variables at 0.000. All Pearson Correlation coefficients are positive (ranging from 0.670 to 1.000). In relation to service quality however, Tangibles, Reliability, Responsiveness and Assurance have coefficients of 0.700, 0.750 and 0.770 and 0.764 respectively and are said to have a strong and positive relationship with service quality. On the other hand, Empathy has a coefficient of 0.853 meaning the variable has a very strong and positive relationship with service quality. Thus the service quality model as seen from the above table exhibits a positive linear relationship between the dependent and independent variables implying that any increase in one of the independent variables will lead to a significant increase in the dependent variable.

Table 19 shows that there exists a very strong linear relationship between WOM, INT and service quality as coefficients for WOM and INT in relation to SQ are 0.906 and 0.844. Hence a rise or fall in the service quality of travel agencies will lead to a very strong same effect in WOM and INT.

Table 19: Correlation for SQ, WOM and INT.

		<b>SQ</b>	<b>WOM</b>	<b>INT.</b>
<b>Pearson</b>	SQ	1.000	0.906	0.844
<b>Correlation</b>	WOM	<b>0.906</b>	1.000	0.899
	INT	<b>0.844</b>	0.899	1.000
<b>Sig. (2-tailed)</b>	SQ	0.0000	0.000	0.000
	WOM	0.000	.	0.000
	INT	0.000	0.000	.

## CHAPTER 4

### CONCLUSION AND RECOMMENDATIONS

#### 4.1 Conclusion

Having its base and framework from the SERVQUAL model, this research work has attempted to measure the service quality of travel agencies in the region of Gazimagusa, Northern Cyprus by evaluating the perceptions of young customers using their zones of tolerance. Young customers in this case are the driving force and long-term future influences of the survival of most companies. Questionnaires were designed and administered to respondents to aid in data collection for analysis. The sample population consists of university students in the Eastern Mediterranean University (EMU) North Cyprus. A pilot study was carried out and few changes were applied to the questionnaires. Several analyses were then conducted to check for problems in the data of which none existed that could generate much concern. The reliability analysis conducted proved that the entire scale exercised reliability, good internal consistency and is void of random errors. Results from factor analysis showed that this research was uni-dimensional as opposed to the traditional five (5) SERVQUAL dimensions. This result supports the previous research findings on SERVQUAL. The main purpose of the study was to demonstrate attitude differences in zone of tolerance rather than to examine the factor structure of the dimensions. Also the Cronbach alphas were exceeding 0.70

that were comparable with those found by other researchers, therefore the five-dimensional framework was employed.

Analysis was then conducted for MSA, MSS and ZOT to check if travel agencies deliver adequate or superior services to their young customers. This would help in making comparisons and determining if these customers are satisfied or dissatisfied with the level of service they receive. Results reveal that travel agencies have provided adequate services which match the minimum expectations of their young customers but have not met their desired expectations. This implies that customers are satisfied to some extent but not necessarily pleased or delighted with the quality of services they receive from their travel agencies.

Gap analysis was likewise performed where negative mean values show that travel agencies suffer from critical shortfalls in service quality for all SERVQUAL items. This has serious implications for managers of travel agencies.

Regression was also conducted at a 5% test value was used to test the hypotheses if there was any positive effect of service quality on WOM, INT and if there is any positive effect of satisfaction on WOM and INT. Results at 0.000 significant levels prove that service quality and satisfaction do have considerable effects on WOM and INT.

Lastly, multiple regression analysis was conducted to show the relationship and strength of the SERVQUAL dimensions in affecting or influencing service quality and customer satisfaction. It applied to two models – satisfaction and service quality model. Results

from regression showed that the models met the assumptions of normality, homoscedasticity, independence of residuals and linearity as the residuals are normally distributed about the predictor dependent variable, with the variance the same for all predicted scores and errors of prediction are not dependent on another (Tabachnick and Fidell, 1996). Results also show that the models are void of multicollinearity problems as the VIFs were well below 10 and Tolerance values more than 0.10. High correlations show a very strong linear relationship between service quality, satisfaction and SERVQUAL dimensions implying increases in the independent variables are bound to affect the dependent variables.

In the satisfaction model, regression showed that all dimensions are statistically significant contributors to satisfaction with Empathy and Responsiveness making the largest contribution to variations in young customers' satisfaction and Tangibles the least contributor. In the service quality model, Assurance and Responsiveness do not make any statistical significant contribution to variations in service quality while the rest dimensions do. Again, Empathy makes the strongest and largest unique contribution to changes in service quality.

## **4.2 Managerial Implications**

The results of this study proves to be valuable to managers of travel agencies as it points out several practical implications that can be employed to improve on quality, customers' satisfaction and gain market benefits.



Gap analysis shows a negative disconfirmation (expectations  $\geq$  perceived performance) implying that the service quality of travel agencies is low hence young customers are not entirely satisfied. This calls for attention and a review of the general strategies and services pursued by management in service quality and delivery.

Travel agencies therefore should attempt to increase and if possible perfect the Empathy and Responsiveness related items as they are the largest contributors to service quality and customer satisfaction. Most of these items have the highest gap mean in the analysis.

So based on this, the following are highly required:

- Travel agencies should ‘recruit employees who give personal attention’ with the right mental attitude
- Travel agencies should have operating hours that are convenient to their young customers
- Employees should have employees who have young customers’ interest at heart as well as understand their specific needs
- Employees should delight customers by giving prompt desired service
- Employees should always aim to interest and please their young customers
- Employees should be friendly and generally responsive to customer requests

With the so much focus on the shortcomings/ineffectiveness of employees, travel agencies in the region should therefore try to migrate from the traditional culture of recruiting their employees based on family ties.

- Travel agencies should engage in careful selection and recruitment of employees based on customer orientation and experience rather than on traditional merits (family ties or favors)
- Consistently train employees on customer service oriented courses to enable them become more experienced, adept and versatile in their profession of meeting the ever increasing needs of young customers.

The ZOT analysis assists managers in identifying key areas where their service deliveries are substandard or performing at best. The all-round negative MSS scores imply that travel agencies deliver substandard services to their young customers and hence they need to upgrade their delivery content and turn customers into delighted ones to ensure higher chances of retention. Therefore,

- Travel agencies need to increase their efforts especially in the Reliability dimension which items recorded the highest negative scores
- Travel agencies need to conduct customer oriented research to adequately identify the different needs of young customers and how to meet their topmost expectations
- Travel agencies should garner all its incentives, market research and initiatives into exceeding minimum expectations and matching the desirables in an attempt to close the service gap and narrow the zone of tolerance.
- Travel agencies need to carefully monitor the tolerance levels their young customer and aim at performing services in line with customers' tolerance zone

More importantly, the study showed that service quality and satisfaction strongly affects future purchase intention (INT) of customers and word of mouth (WOM). Knowing fully well that WOM itself is a valuable and priceless marketing tool in customer attraction and retention,

- Travel agencies should focus on long-term initiatives (like after-service follow-up) to make their customers more satisfied as well as insure customers' inclination to repurchase or make others to through the WOM effect.
- Work with middlemen or promoters (like the media) to focus on positive WOM and influence young customers' purchase intentions

An important implication to managers of travel agencies is the identification of certain areas or dimensions that are more important or key areas of success if improved upon. Overall, Empathy excel as the single most vital dimension for both service quality and customer satisfaction hence management ought to invest more time, capital, and efforts in achieving perfection in that regard.

### **4.3 Limitations**

The generalization of outcomes and conclusions drawn from this study is limited;

- Representatives of the sample where stratified convenience sampling method was employed
- Study is conducted only among EMU students which does not reflect the ideas of all university students that form part of the youth market in TRNC

- Since the population of the research is university students, the outcomes does not reflect the ideas of the whole market
- Incomplete and incorrectly filled questionnaires caused unnecessary repetition of the data collection process thus making the research work unduly spanned.
- Reluctance of respondents to freely partake in filling out the questionnaires.
- Strenuous, lengthy and difficulties associated with SERVQUAL data entry into SPSS.

#### **4.4 Recommendations for Future Research**

- Rewording and reduction of the SERVQUAL items could make the data entry process less stressful and less confusing for respondents to fill who are not well versed with SERVQUAL.
- Timing is very vital in any SERVQUAL study as it collects information based on customers' experiences and service performances. In future studies therefore, data should be collected from respondents when their experiences are still fresh to enable valid, precise and accurate data intake.
- This study focuses on young customers only (EMU university students) which even though is a good research sample population, are not evidently a clear representation of all customers of travel agencies. Future studies should therefore incorporate all levels of customers.

- Study focused on a portion of Gazimagusa which is not a clear indication of the operation or performance of travel agencies in the entire region. Further studies should seek to analyze travel agencies in all boundaries in the region covering travel agencies to get a clearer picture of their general performance and customer satisfaction.
- Future studies should make a provision at the end of the SERVQUAL questionnaires like other questionnaires to allow respondents to pass open-ended judgments, comments and recommendations regarding SQ and SAT.

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## **APPENDICES**

## Appendix A: English Questionnaire Sample

### TRAVEL AGENCIES' SERVICE QUALITY QUESTIONNAIRE

This survey constitutes part of a MBA thesis carried out in partial fulfillment of MBA program. It seeks to assess young customers' perceptions of the services provided by travel agencies in Magusa using their tolerance levels. Please read and answer all the questions carefully. The survey takes an estimated 15 minutes to complete. Thank you for your participation and time!

#### Section One: Attributes scale measurement

##### Vital explanations and instructions

- ✓ Each item in this section measures your *expectations* and *perceptions* of the services offered by travel agencies. The *expectations* is subdivided into *adequate services* (lowest service that you find acceptable) and *desired services* (the normal service you individual want or find suitable). The *perceived service performance* explains the service level you personally believe your travel agent supplies.
- ✓ Please rate the items according to your *adequate service expectations*, *desired expectations* and *perceived service performance* from scales 1 (lowest) to 7 (highest) by circling whichever is appropriate.
- ✓ Please **either** rate all three columns **or** circle the N/A (not applicable) option for each item as the case may be.

When it comes to Travel Agencies with the following...	My Adequate Expectations is						My Desired Expectations is						My Perceived Performance is						N/A			
1. Modern looking equipments and technology (e.g. computers or printers)	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
2. Visually appealing physical facilities (e.g. surrounding, office space).	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
3. Employees have a neat appearance.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
4. Materials (e.g. pamphlets or brochures) associated with the service are visually appealing.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
5. When promises to do something by a certain time, it does so.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
6. When you have a problem, shows a sincere interest in solving it.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
7. Performs the service right the first time.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
8. Provides its services at the time it promises to do so.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
9. Insists on error-free records.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
10. Employees tell you exactly when services will be performed.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
11. Employees give you prompt service.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
12. Employees are always willing to help you.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
13. Employees are never too busy to respond to your requests.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A

14. The behavior of employees instills confidence in customers.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
15. Feel safe in your transactions with agency.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
16. Employees of are consistently courteous with you.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
17. Employees have the knowledge to answer your questions.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
18. Agency gives you individual attention.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
19. Agency has operating hours convenient to all its customers.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
20. Agency has employees who give you personal attention.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
21. Agency has your best interest at heart.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
22. Employees understand your specific needs.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	N/A
23. How do you evaluate overall service quality?								1	2	3	4	5	6	7	
<b>WI1.</b> I will say positive things about this agency to other people								1	2	3	4	5	6	7	
<b>WI2.</b> I will recommend it to someone who seeks my advice.								1	2	3	4	5	6	7	
<b>WI3.</b> I will encourage friends and relatives to use this agency.								1	2	3	4	5	6	7	
<b>SAT1.</b> I am satisfied with my decision to get some service from this agency.								1	2	3	4	5	6	7	
<b>SAT2.</b> Taking everything into consideration, how do you feel about this agency?															Very Dissatisfied ← Very Satisfied →
<b>SAT3.</b> Taking everything into consideration, how do you feel about this agency?								1	2	3	4	5	6	7	Very Displeas ← Very Pleas →
<b>I1.</b> In your future decisions would you plan to reuse this agency?								1	2	3	4	5	6	7	Not Probable ← Very Probable →
<b>I2.</b> In your future decisions would you plan to reuse this agency?								1	2	3	4	5	6	7	Impossible ← Very Possible →
<b>I3.</b> In your future decisions would you plan to reuse this agency?								1	2	3	4	5	6	7	No Chance ← Certain →



1	2	3
4	5	6
7	↑	

**Section Two: Demographic information**

Vital explanations and instructions:

✓ Your responses here will only be used for statistical analysis and will be treated with utmost confidentiality. Please tick with an 'X' on whichever category applies to you. *Thank you for your participation and time!*

**Gender:**  Male  Female

**Age:**  Under 18  18 – 22  23 - 30  31 and above

**Nationality:** \_\_\_\_\_

**Department:**  Architecture  
 Business and Economics  
 Education  
 Law  
 Tourism

Arts and Sciences  
 Communication and media studies  
 Engineering  
 Foreign languages  
 Computing and technology

**Respondents by status:**  Undergraduate  
 Masters  
 Doctoral

**Total monthly income of your family:**

1500 TL and less.  1501-2500 TL

2501-4000 TL

4001-6000 TL

6001 TL and more

## Appendix B: Turkish Questionnaire Sample

### SEYAHAT ACENTELERİNİN HİZMET KALİTESİ ANKETİ

Bu araştırma İşletme Yüksek Lisans tez çalışmasının uygulaması amacı ile yapılmaktadır. Bu amaçla SERVQUAL modeli kullanılarak genç tüketicilerin (üniversite öğrencilerinin) seyahat acenteleri tarafından sağlanan hizmet kalitesi algılamaları ve tolerans kuşakları tespit edilmeye çalışılacaktır. Anketin cevaplanması için toplam olarak on beş dakikaya ihtiyacı duyulmaktadır. Soru ve cevapların dikkatlice incelenerek cevaplanmasında sağlayacağımız destek ve zaman için teşekkür ederiz.

#### Bölüm 1: Ölçek Hakkında Bilgiler

##### Açıklama ve Yönlendirmeler

- Her bir yargı cümlesi seyahat acenteleri tarafından sağlanan hizmetlerin kalitesi ile ilgili beklentilerinizi ve algulamalarınızı ölçmeye çalışmaktadır. Beklentilerinizin değerlendirilmesinde *en düşük seviyedeki hizmet beklentim* (Düşündüğüm en düşük seviyedeki hizmet performansının yeterliliği) ve *arzulanan seviyedeki hizmet beklentim* (Arzu ettiğim hizmet performansının seviyesi). Algladığımız hizmet seviyesi ise seyahat acentenizin size sunduğu hizmetlerden algıladığınız performans seviyesini göstermektedir.
- Yargı cümlelerini değerlendirirken düşüncelerinizi en iyi şekilde yansıttacak şekilde 1(en düşük) ve 7 (en yüksek) aralığında ölçeği kullanınız.
- Tüm sütunları (üç) cevaplayınız veya fikriniz olmadı (F.Y) durumları da bu sütunu işaretleyiniz.

Seyahat acentesi ile ilgili	En Düşük Seviyedeki Hizmet Beklentim	Arzulanan Seviyedeki Hizmet Beklentim	Algıladığım Hizmet Seviyesi	Fikrim Yok
1. Modern görünümlü ekipman ve teknolojiye(bilgisayar ve yazıcı) sahip olması.	1 2 3 4 5 6 7	1 2 3 4 5 6 7	1 2 3 4 5 6 7	F.Y
2. Fiziksel imkanların(ofis salonu ve oturma alanları) görsel olarak çekici olması.	1 2 3 4 5 6 7	1 2 3 4 5 6 7	1 2 3 4 5 6 7	F.Y
3. Çalışanlarının görünümlerinin (kıllık-kıyafet) düzgün olması.	1 2 3 4 5 6 7	1 2 3 4 5 6 7	1 2 3 4 5 6 7	F.Y
4. Hizmetle ilgili materyallerin (broşür ve formlar gibi) görsel olarak çekici olması.	1 2 3 4 5 6 7	1 2 3 4 5 6 7	1 2 3 4 5 6 7	F.Y
5. Vaat ettiklerini, belirli bir zaman içerisinde yerine getirmesi.	1 2 3 4 5 6 7	1 2 3 4 5 6 7	1 2 3 4 5 6 7	F.Y
6. Karşılaştığımız herhangi bir sorunu çözebilmek için, samimi bir şekilde ilgi gösterilmesi.	1 2 3 4 5 6 7	1 2 3 4 5 6 7	1 2 3 4 5 6 7	F.Y
7. İlk seferinde ve doğru olarak hizmetini sunulması.	1 2 3 4 5 6 7	1 2 3 4 5 6 7	1 2 3 4 5 6 7	F.Y
8. Hizmetlerini tam olarak sunmayı vaat ettiği zamanda yerine getirmesi.	1 2 3 4 5 6 7	1 2 3 4 5 6 7	1 2 3 4 5 6 7	F.Y
9. Hizmetlerini hatasız olarak sunmaya çalışması.	1 2 3 4 5 6 7	1 2 3 4 5 6 7	1 2 3 4 5 6 7	F.Y

10. Çalışanların, hizmetin tam olarak ne zaman sunulacağı konusunda bilgi vermesi.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
11. Çalışanların, hizmet verirken dakik olması.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
12. Çalışanların, hizmet vermeye istekli olması.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
13. Çalışanların, hiçbir zaman isteklerine cevap verebilmek için çok meşgul olmaması.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
14. Çalışanların davranışlarının müşterilere güven verici olması.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
15. Acente ile olan işlemleriniz sırasında kendinizi güvende hissetmeniz.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
16. Çalışanların, size sürekli olarak nazik davranması.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
17. Çalışanları, sorularınıza cevap verebilecek bilgi birikimine sahip olması.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
18. Acentenin sizinle bireysel olarak ilgilenmesi.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
19. Acentenin bütün müşterileri için uygun çalışma saatlerinin olması.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
20. Acentenin size kişisel ilgi gösteren çalışanlara sahip olması.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
21. Acentenin sizin için en iyi olanı istemesi.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
22. Acente çalışanlarının, sizin tam olarak ne istediğinizi anlaması.	1	2	3	4	5	6	7	1	2	3	4	5	6	7	F.Y
23. Genel hizmet kalitesini nasıl değerlendirirsiniz?															
<b>WI1.</b> Bu acente ile ilgili çevremdeki diğer kişilere olumlu şeyler söyleyeceğim.															
<b>WI2.</b> Bu acente ile ilgili tavsiyelerimi soran kişilere olumlu görüş belirteceğim.															
<b>WI3.</b> Arkadaşlarımı ve aile bireylerimi bu acentenin hizmetlerinden yararlanmaları için teşvik edeceğim.															
<b>SAT1.</b> Bu acentenin hizmetlerinden yararlanma ile ilgili kararımdan memnunum.															
<b>SAT2.</b> Her şeyi dikkate aldığımızda, bu acente ile ilgili hisleriniz,															
	Hiç							Hiç							
	Çok							Çok							
	Değilim							Değilim							
	-----→							-----→							
	Memnun							Memnun							
	1 2 3 4 5 6							1 2 3 4 5 6							
	Hiç							Hiç							
	Hoşnut							Hoşnut							
	Çok							Çok							
	Değilim							Değilim							
	-----→							-----→							
	Hoşnutum							Hoşnutum							
	1 2 3 4 5 6							1 2 3 4 5 6							
<b>SAT3.</b> Her şeyi dikkate aldığımızda, bu acente ile ilgili hisleriniz,															
	Hiç							Hiç							
	Şanslı							Şanslı							
	1 2 3 4 5 6							1 2 3 4 5 6							
11. İleride yapacağınız acente tercihlerinizde tekrar bu acenteyi tercih etmeyi															

düşünür müsünüz?				Kesinlikle Yok ←----- -→ Evet 1 2 3 4 5 6
I2. İleride yapacağınız acente tercihlerinizde tekrar bu acenteyi tercih etmeyi düşünür müsünüz?				İhtimal Büyük İhtimal Dışı ←----- -----→ ile Evet 1 2 3 4 5 6
I3. İleride yapacağınız acente tercihlerinizde tekrar bu acenteyi tercih etmeyi düşünür müsünüz?				Mümkün Çok Değil ←----- -----→ Mümkün 1 2 3 4 5 6

### Bölüm 2: Demografik Özellikler

Bu bilgiler tamamen akademik amaçlı kullanılacak olup tüm cevaplar toplu şekilde değerlendirilecektir.

Cinsiyet:  Erkek  Kadın Yaş:  18 altında  18 – 22  23 - 30  31 ve üstü

Uyruğunuz: \_\_\_\_\_

Bölümünüz:  Mimarlık  Fen ve Edebiyat  Lisans  
 İşletme ve Ekonomi  İletişim ve Medya İlişkileri  Yüksek Lisans  
 Eğitim  Mühendislik  Doktora  
 Hukuk  Yabancı Diller  
 Turizm  Bilgisayar ve Teknoloji

Cevaplayıcıların Statüsü:

Ailenizin Toplam Aylık Geliri:

1500 TL ve altı.  1501-2500 TL  2501-4000 TL  4001-6000 TL  6001 TL ve üstü