

Factors Affecting Domestic Internet User's E- Loyalty to Travel Agencies Web Sites

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Abstract

In this paper E-loyalty issue has been investigated with emphasis on the effects of three independent variables, E-perceived quality, E- perceived value and attitude towards e-shopping on the dependent variable electronic loyalty among web site user's of the Tourism Development Company.

The most important purpose of this study is analyzes the impact of these factors on the loyalty of internet users. Results obtained using the methods of exploratory factor analysis and linear regression showed the three variables investigated, have a positive impact on the dependent variable electronic loyalty. However, the e-perceived service quality has the greatest impact on the dependent variable.

The results of this paper can have potential areas of scientific and practical knowledge in order to gain a greater understanding of customers and increase market share.

Keywords: E- loyalty; E-perceived quality; E- perceived value; Attitude; Exploratory factor analysis

Introduction

Today, many travel-service websites enable Internet users to access a wide range of travel-related services to plan their trips, from information searching to booking hotel rooms or airline tickets. This resulted in the Internet becoming one of the most important platforms for travel-related service businesses today [1]. For example electronic purchases of travel products and services have grown significantly, amounting to 52 percent of reservations made online in 2005 compared to 40 percent in 2004 [2]. According to the Internet World Statistics (2008), the Internet user rate has grown to 130 percent in 2008 (248 million), compared to that of the year of 2000 (108 million) in North America. The Executive Report of TIA (2008) reported that four in ten (40%) e-travel customers are in Generations X and Y, while half (50%) are Baby Boomers. It is also interesting to indicate that in 2010, the total number of internet users, were more than one billion and forty six million. These numbers highlight the rapid shift of electronic users in general and particularly in related travel services [3].

This paper studies electronic loyalty of internet users to web travel agencies and factors affecting this process. In this regard e-loyalty issue has been investigated with emphasis on the effects of three independent variables, e-perceived quality, e- perceived value and attitude towards e-shopping on the dependent variable electronic loyalty among web site user's of the tourism Development Company.

The most important purpose of this study is analyzes the impact of the above factors on the loyalty of internet users. To achieve this, the following questions are arisen:

- 1- Does e-attitudinal loyalty impact on behavioral e-loyalty?
- 2- Does e-Perceived quality impact on behavioral e-loyalty?
- 3- Does e-perceived value impact on e-attitudinal loyalty?
- 4- Does Attitude towards e-shopping impact on behavioral e-loyalty?

The authors are trying to develop and improve the realm of theory

and practice and provide the applied results for managers of travel agencies and marketing managers.

No doubt the customer of travel agencies have expectations associated with their friendly service and how they receive from these organizations that accurate understanding of the expectations of the managers could be the competitive advantage. It can be stated accurate understanding of the needs of current and potential customers of organizations is the first step of improve the capability and competitiveness in the market development organizations. Satisfy customer needs and expectations can be satisfying for them and encourage them to maintain their connection with tourism service providers.

Also the results of this article can lead to expand the current scientific and practical knowledge in the area of this research, specifically for Iran, as well as to understand better the related customers in travel agencies web sites.

Literature Review

The frequency of satisfaction of purchases made will ultimately lead to customer loyalty. Srinivasan and Anderson [4] emphasize that occupational factors such as trust, perceived value, and individual factors such as convenience and size, does not modify the relationship between satisfaction and loyalty [5]. Hutchinson et al. [6] studied the relationship between perceived quality, perceived value, satisfaction and behavioral variables such as the decision to re-visit destination, and word of mouth advertising, among tourists in South America Gulf

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Region. They concluded that service quality no significant effect on the value and satisfaction. While perceived value positively associated with the satisfaction variable. The interesting thing about the results was that service quality had no significant effect on any of the behavioral variables (word of mouth advertising and re-purchase). But both value and satisfaction variables were in the positive relationship with decision to re-visited destination and the word of mouth and advertising.

Huang [7] surveyed the factors affecting electronic loyalty to Taiwan to pay travel offices. He showed the wholesaler travel agencies consider quality assurance and e-mail as the most important factors affecting their loyalty [7].

Kim et al. [8] with researching on the three universities, on public library and three local department store in the southwestern states of America, showed e-loyalty to the websites has been affected by satisfaction and confidence in e-shops. Their results also suggest that the e-satisfaction and e-ensure have positive relationship with each other [8].

Ho et al. [1], investigate the factors affecting the quality of tourism services among clients of e-travel services offices in Taiwan. Five factors were present as major components of quality services: data quality, security of web applications, customer relationship and responsibility and Also showed that the quality of service plays a large role in customer satisfaction and loyalty [1].

Search in the scientific journals indicated that e-loyalty, is very new object in Iran and researches are only about electronic banking services.

For example, with the convenience of customers in different areas of city banks, concluded that variables of customer satisfaction, customer's brand trust and brand value have positive correlation with attitudinal and behavioral loyalty [9]. Haghighi et al. [10] also investigated customers of Mellat bank in the city of Tehran. Their research showed that customer satisfaction has the mediator role in service quality on service loyalty. In another research in one of branches of Saderat bank, the findings showed that Internal processes and technologies available in the banks has a positive impact on customer loyalty [11]. However, it seems about the object of loyalty to the e-tourism websites no paper has been published in Iran country. Probably, the reason is lack of online buying system for many travel offices in the country.

Theoretical Framework for Research

The theoretical research forward on the basis of four independent variables is established: E-attitudinal loyalty (AEL), E-Perceived quality (PEQ), E-perceived value (PEV) and Attitude towards e-shopping (AES). For study effects of independent variables on dependent variables that make up the hypothesis a linear regression analysis and for construct validity of research variables and measures to reduce factor analysis are used. Researcher used SPSS software to perform the analysis.

With regard to the Variables described, four hypotheses are:

- E-attitudinal loyalty impact on Behavioral e-loyalty
- E-Perceived quality impact on Behavioral e-loyalty
- E-perceived value impact on E-attitudinal loyalty
- Attitude towards e-shopping impact on Behavioral e-loyalty.

The four hypotheses of the study were approved:

- Attitudinal loyalty has an impact on E- loyalty behavior

- Perceived quality has an impact on E- loyalty behavior
- E- Perceived value has an impact on E-loyalty behavior
- Attitude towards e-shopping has an impact on e-loyalty behavior.

Research Method

This is a descriptive research. Based on the literature review, 39 items were identified. It should be noted that the perceived quality of the variables is very large dimensions and to simplify the analysis of survey studies, the dimensions are divided into smaller groups. For example, Bai et al. [12] highlight both operational and usability. Operational issues is related to Web content and usability returns to design issues.

Also the studies of Dunn and Qu [13], indicate the dimension of perceived quality is divided into two categories: technical and service. Technical characteristics of Web sites include variables such as design, conduct search and easy use of the available services. Website services refer to the availability of services for our customers, such as data quality, quality tourism and to respond to customers.

For collecting the primary information, a questionnaire was used. The questionnaire included questions about demographics of age, gender; education level and income as well as those identified in the literature (These type of questions, all were based on a wide range of five Likert scale, from totally disagree to totally agree). The designed Questionnaire were distributed by email, to 625 clients of Marco Polo Tourism Development Company, in mid-July 2012. From total questionnaires, only 160 were returned, of which 16 were excluded because of lack of data entry.

Findings

Results of descriptive statistics

The following table shows the frequencies of the demographic characteristics of the statistical population of the study, including age, gender, income and education. Based on the results, the most frequent age of data for the age range of 31-40 (equivalent to 74, 48.1 percent of total sample), most of the male gender (equal to 85, 55.2%), the highest frequency the income range of 701-900 dollars (equal to 65, 42.2%) and most of the education diploma or less education (equivalent to 56, 36.4 percent) (Tables 1 and 2).

Test the research hypotheses

Factor analysis showed that out of 39 survey items, 13 items must be removed, because of low communalities and factor loading. Following the results of factor analysis, with the elimination of 13 items, average scores for each of the variables were calculated for the remaining items that provide condition for analysis of the relationship between them with creating new variables (Table 3).

Results of regression analysis

The results of linear regression, using enter approach, for this research, are presented in table four. The P-value for F test shows Significant of research models and features of four independent variables in predicting the dependent variable. Adjusted R² statistics also show that the independent variables to explain the variance of the dependent variable are medium strength.

The research also shows that the P-value of each of the variables at the confidence level of 0.05, are significant. P-value of each variable

Percentage	Frequency	Age
1.9	3	Less than 20
26.6	41	20-30
48.1	74	31-40
20.8	32	41-50
2.6	4	51-60
100	154	Total
Percentage	Frequency	Gender
48.8	69	Female
55.2	85	Male
100	154	Total
Percentage	Frequency	Income (1000Toman)
7.1	11	300-500
35.1	54	501-700
42.2	65	701-900
15.6	24	More than 901
100	154	Total
Percentage	Frequency	Education
36.4	56	diploma or less education
17.5	27	Associate Degree
29.9	46	BA
11.7	18	MA
4.5	7	Ph.D.
100	154	Total

Table 1: Frequency table for demographic characteristics.

is less than 0.05, so all of four hypotheses confirmed. In addition positive coefficients and t statistics of variables also indicate a positive relationship between the dependent variable. The highest coefficient (0.281) is assigned to variable quality of service. So from the perspective of customers, service quality, is the most important factor influencing behavioral e-loyalty to the Marco Polo Tourism Development Company (Table 4).

Conclusion

The results of this study showed that e-service quality has the greatest impact on customer loyalty electronic behavior among the customers of Tourism Development Company Marco Polo (Regression coefficient for this variable was greater than the coefficient of other variables). This more than anything will emphasize on promotion of related elements of e-service quality.

Setting a tourism website with Brief facilities for providing information as well as online reservation for buying tickets and tours, could not be enough to meet the growing needs and wants of customers and keeping long-term relationship with them.

Support Services, updated information, interactive communication features, attractive design and the ability to create confidence and security and also quality of core services (such as travel tours), will be required, as the key indicators for the quality of a website. However, the majority of Iranian Travel Agencies websites are mostly informational (like introduce package tours and tourist attractions), and just by these, there is no way to keep long-term relationship with customers.

Even at the stage of introducing the services, Marco Polo (as one of the top websites in the travel agencies) and also many websites rely only on Persian language and for this reason, in addition to reducing the perceived value, lose much of its overseas markets.

Travel agencies are required to use e-marketing, to gain greater awareness of customer needs and provide quality service for your

custom. Because otherwise, the Internet can become a factor for promoting the competitive advantages of competitors travel agencies.

The survey results also showed that the cognitive value of travel agencies has a positive impact on customers making loyalty. This indicates that In addition to increasing the quality of services the customers' perception about the value of services must improve.

The results of factor analysis in this study's items showed that Price, Variety of services and Feeling good buy, have positive and significant role in increasing the perception of value. Thus, it can be suggested that travel agencies should emphasize on the above three factors in order to attract customers that have comments.

Factor Loading	Communalities	Item
0.633	0.670	The technical quality of service Quality of communication
0.666	0.718	Assurance
0.539	0.593	Communication methods
0.723	0.677	Information of websites
0.701	0.580	Study of purchase
0.782	0.681	Easy Search
0.640	0.589	Conductivity
0.531	0.631	Attractive design
0.511	0.596	Sense of security
0.813		Cronbach's alpha
0.587	0.566	Service dimension of quality The value of information
0.521	0.676	Privacy policy
0.536	0.716	Accountability
0.588		Cronbach's alpha
0.666	0.672	Perceived value Perceived performance
0.681	0.641	prices
0.685	0.677	Received value
0.607	0.705	Variety of Products
0.632		Cronbach's alpha
0.539	0.523	Attitude towards e-shopping Ensure to e-shopping
0.762	0.633	Be familiar with e-shipping
0.508	0.506	Satisfaction of e-shopping
0.640		Cronbach's alpha
0.532	0.606	Attitude e-loyalty Selected priority
0.721	0.613	Negative ads
0.605	0.623	Competitiveness
0.774	0.666	Continuing relationship
0.640		Cronbach's alpha
0.678	0.627	Behavioral e-loyalty Verbal advertising
0.640	0.585	Shopping more than 50%
0.719	0.698	Find products
0.647		Cronbach's alpha
0.901		Total Cronbach's alpha

Table 2: Exploratory factor analysis results.

Standard Deviation	Mean	Number of items	Variable
0.52	3.64	12	Quality of services
0.63	3.32	4	Perceived value
0.64	3.65	3	Internet buying attitude
0.63	3.63	4	E-attitudinal loyalty
0.74	3.44	3	Behavioral e-loyalty

Table 3: The number of items, the mean and standard deviation of study variables.

Significant level	T	Coefficient	Variable	
0.135	-1.501	-0.524	Constant	
0.001	3.426	0.281	Quality of service	
0.010	2.624	0.227	Perceived value	
0.001	3.342	0.229	Attitude to e-shopping	
0.030	2.194	0.154	Attitude e-shopping loyalty	
		0.483	Summary of statistics	
		0.497		Adjusted R ²
		36.797		F
		0.000		P- value
		154		Sample Size

Table 4: Linear regression analysis for variables used in the study.

Attitude toward online shopping was another variable in this study. The results showed this variable has a positive impact on behavioral e-loyalty. However, many people in Iran have not a positive attitude towards online shopping. This may be due to cultural background, lifestyle, education level, age, gender and level of a country or region development and the domestic people attitude towards online purchases. Therefore, it is recommended the travel agencies provoke customers to make online purchases by price reduction as well as other benefits such as discriminatory pricing, improve customers' attitudes toward online shopping.

The results of this study also showed that attitudinal e-loyalty, has a positive impact on e-loyalty behavior. In the other word, travel agencies should be aware and consider customers' attitude and commitment to internet travel supplier, the range of products they want, the behavior of tourists at the future time, repeated purchases, word ads and etc.

Suggestions for Future Research

- Investigating the impact of demographic variable as a moderate factor in similar studies.
- Comparison the finding of the current study with different SMEs in travel industry.
- Comparisons between online customer loyalty and customer loyalty in travel agencies
- Examining web site users' behavior based on a longitudinal study.
- Conducting the current study in other sectors of travel or hospitality organizations (such as airlines).

Limitations

- Low rate of electronic questionnaires were received due the low online customers participation
- Weak assistance of the company for delivering the customers' email.

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