

A SUPPLY/ DEMAND IMPACT OF SERVICE QUALITY AND DESTINATION IMAGE ON CUSTOMER SATISFACTION IN TOURISM OF INDIA

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Abstract:

Tourism is known as travel for pleasure or business also the theory and practices of touring, the business of attracting, accommodating and entertaining tourists and a tourist can be the person who moves outside or vacant of his home atleast for 24 hour to spend the wealth for pleasure either for living normal routine or normal working routine.

Purpose: The purpose of the study is to determine both supply/demand sides of service quality and destination image effect on customer satisfaction tourism of India.

Methodology: An empirical research approach will be adopted whereby 420 self-framed questionnaires will be distributed among the tourists on the tourist destination in India.

Findings: The paper will provides the supply/demand sides of service quality and its effect on customer satisfaction with help of empirical results of 14 top tourist destinations related to the top tourist destination of India mentioned by Ministry of Tourism of India.

Recommendations: Engendering and utilization of tourism is repeatedly interrelated and appears as demand/ supply driven and attraction-based activity. Just like other sectors tourism industry is also act as a major contributor in the economy of the country. Tourism is divided into various types and these types are called its "domains".

Tourism is majorly divided into various types such as Halal tourism, Suicide tourism, Medical tourism, Educational tourism, Sex tourism, Niche tourism, Religious tourism and so on. **Originality/Value:** The present study is purely unique with respect to its objectives as no empirical research has been done related to the supply/demand tourism effects. Moreover, it seeks to make people more aware in terms of motivation and also helps the tourism of India related to the supply/demand driven for the various tourist spots.

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Introduction

Background

Travel has existed since the dawn of time when the primitive man set out in search of a game that provided

the food and clothing required for his survival, sometimes traversing great distances. For reasons of commerce, religious belief, economic benefit, war, migration, and other equally compelling motives, people have travelled throughout history. In the Roman

era, wealthy aristocrats and high-ranking government officials have made pleasure trips. Seaside resorts located at Pompeii and Herculaneum gave people the opportunity to flee to their holiday villas to avoid Rome's summer heat. Travel has continued to rise even during the Dark Ages, and has played a crucial role in the growth of civilizations throughout documented history. Tourism as we know it today is very simply a phenomenon of the twentieth century. Historians say that the emergence of mass tourism in England started with the rise of the middle class and relatively cheap transportation during the industrial revolution. The advent of the post-World War II commercial airline industry and the subsequent introduction of the jet aircraft in the 1950s marked the rapid growth and expansion of international travel. This rise has contributed to the creation of a big new industry: tourism. In addition, international tourism was the focus of a variety of world governments as it not only offered fresh employment prospects but also created a way to gain foreign exchange. Nowadays tourism has evolved tremendously in terms of both economic and social significance. During the last few years, most developed countries' fastest increasing economic segment has been in the service sector. Though widely unrecognized as an agency in several of these nations, one of the main segments of the service sector is travel and tourism.

Service Quality

With the liberalization and internationalization of the service market, the standard of service has now become a significant means of distinction and road to growth in industry. This business quality-based distinction may be a crucial source of competition for many service companies and thus has consequences for leadership of these organizations.

Service Quality is a mixture of two words: price and operation. Resources are behavioural rather than theoretical constructs, and have been defined as behaviours, practices or attempts, acts or events,

operations or procedures. In other words, service is an operation or sequence of operations of a more or less intangible nature that usually may not actually exist in relations with the consumer and company personnel and/or the service providers' human resources or products and/or services that are offered as alternatives to customer problems Gronroos, C. (1984). Resources are intangible, because they cannot be physically understood. The theoretical nature of the services makes issues for both suppliers and customers. Service providers have difficulty in differentiating their services from those of rivals, while it is similarly difficult for customers to determine a company before it is purchased and used.

Service quality models crux:

Service quality assessment is an essential management method for identifying the desires of customers, and by assessing customer engagement in the service delivered. It will enable businesses identify their shortcomings and advantages and provide a superior experience for customers. Moreover, the most significant function of quality of service is to influence the satisfaction of the customers. High level of service significantly and positively impacts client retention and market engagement. This may even affect the customer's decision to purchase again. Organizations also ought to evaluate the customer view of service efficiency in order to deliver a superior offering and boost their business in today's dynamic environment.

Destination Image

An image is the set of definitions by which an entity is identified, and by which it is defined, remembered and linked. That is, a picture is the net result of a person's beliefs, ideas, emotions, desires and perceptions on an entity being interacted. In the sense of travel and tourism, Crompton (1978) describes an image of a destination as the collective amount of views, thoughts, experiences and perceptions a visitor has about a tourist

destination location. Gunn suggests that an image of a destination evolves on two occasions—an endogenous image and an engineered image. An organic picture, in Gunn's words, is one that emerges from a long tradition of non-tourist-directed contact for any citizen (Gunn, 1989). Geographic activities might have had clear tourism effects but were not explicitly planned to do so. Gunn also notes that all of this acculturation derives from literary (and broadcast) discourse: journal and radio accounts on global affairs, geography texts, literature, and nonfiction. The second stage of destination's regional image is a created image, resulting from a concerted attempt to create, encourage, advertise and promote the tourism.

CUSTOMER SATISFACTION

As noted in Oliver (1993), the word "satisfaction" is derived from the Latin *satis* (enough) and *facere* (to do or make). A similar term is "satiating" which means broadly enough or "enough to satisfy." Both definitions demonstrate the argument that fulfilment means a culmination or fulfilment. Customer loyalty may also be defined as the customer's reaction to fulfilment. Recent market definitions, however, provide for a broader variety of responses than mere achievement indicates that a degree of fulfilment is understood, as in the essential needs of water, food, and housing. Studies on human behaviour, however, understand that even such rates of need can (and are often) be addressed individually. Customer studies have indeed stepped away from the simple sense of accomplishment or happiness, and are instead exploring and portraying this term as the customer perceptions.

LITERATURE REVIEW

The tourism company owner / manager has a range of standard service models to choose from, to recognize a handful, such as SERVQUAL (Parasuraman, Zeithaml, & Berry, 1988), SERVPERF (Cronin & Taylor, 1992), DINESERV (Stevens, Knutson, & Patton, 1995)

and RENTQUAL (Ekiz, Bavik, & Arasli, 2009). More recently, Swart (2013) developed a Service Quality Scorecard (SQSC), a tool for assessing the variables which impact service quality in tourist visits. The SERVQUAL is amongst the most commonly used models for standard of operation. This model was created in the mid-1980s by Parasuraman, Zeithaml, and Berry described as 'a structure to recognize the standard of quality services' (Evans, p. 868, 2015). Mill (2011) suggests that the SERVQUAL model remains the most fitting framework for describing guest happiness in the tourism-related industries. The SERVQUAL paradigm is made up of five dimensions: reliability, responsiveness, assurance, tangibility and empathy (Parasuraman et al. 1988). Such dimensions / variables are the most common and commonly utilized in measuring standard of service (Chou, Liu, Huang, Yih, & Han, 2011; Kuo, Chou, & Sun, 2011). Those variables are listed below.

Reliability is the 'capacity to consistently and correctly execute the planned operation' (Parasuraman et al., 1988). George (2011) reinforces this concept by suggesting that, to satisfy its obligation, 'the workers of the company will conduct the requested function correctly the first time' This implies that in a hospitality industry, such as a guest house, the bed must be managed correctly on front foot, and the waiters must serve the food without any faults according to the specifications of the client.

Responsiveness is the 'willingness to support customers to offer services timely (Parasuraman et al., 1988) to confidence 'that the service is provided efficiently, and the workers are ready and able to represent and benefit buyers' (George, 2011). When a visitor checks-in at a guest house, workers will automatically assist him / her and not hesitate for certain excuses.

Assurance involves 'the competence and courtesy of employees and their willingness to encourage faith and loyalty' (Parasuraman et al., 1988), and 'the capacity [of employees] to express trustworthiness and elicit a sense of public interest' (George, 2011). A waiter needs to

know the menu during the supply of the service and to be willing to offer the guest suggestions about what to order. It will build trust in the visitors that they have ordered the correct meal which would help all involved actors: happiness of the clients, higher tip service for the waiter which improved outcomes for the company. Tangibility is characterized as 'the physical facilities, equipment, and staff presence' (Parasuraman et al., 1988) and 'the existence of physical facilities, equipment, personnel, and written materials' (Ismail, Haron, Ibrahim, & Isa, 2006). Tourists are introduced from diverse ethnic contexts and perceptions to various behaviors, actions, behavior and looks of workers. Travel facilities are real as the workers are element of the tourism journey and depict the destination image in the visitors' minds. Therefore, it is the duty of tourism organization owner and manager to provide staff with the requisite expertise, resources and knowledge to deliver tourism services in a versatile and tailored manner (Evans, 2015).

Empathy reflects the 'careful, individualized service that the organization gives to its clients' (Parasuraman et al., 1988).

Nevertheless, George (2011) claiming that 'employees ought to handle clients as customers' elaborates on this concept. Traveling is a hellish situation for many tourists as travel agents can give false misgivings, or they may have completely misunderstood some transfers or other services directions. When such events occur, tourism suppliers need to have a sense of sympathy for their clients and try to do so and try to help them by delivering with personal attention and care to resolve the matter immediately. Against the context of these variables in service quality, it is important to recognize that the variations in service quality are calculated by discrepancies, in which the disparity between tourist perceptions and tourist experience can determine. Tourism experience is linked to a higher level of psychological need, such as privilege and socialization, which leads to the total

quality of life-being of tourists (Prebensen, Chen, & Uysal, 2014).

Selecting a travel destination in times like this is not just a preference; it is also a lifestyle statement. Exactly what sort of journey is worth spending in one's hard-earned money and relatively scant leisure time? The secret to success for tourist destinations is to create a product that allures potential consumers in an empathetic way (Morgan et al. 2004). Tourist destinations ought to offer something exceptional; otherwise, potential tourists will not be attracted (Howie 2003). A positive image expansion as well as the branding of a tourist destination is therefore irreversible, in order to categorize and distinguish one destination from the next. Therefore results depicts that tourist should show the interest by providing a motivating communication strategy in order to decide a specific tourist destination (D'Hautserre 2001). "Image of destinations are in the 'mind's eye' whether these places have been visited or not." (Howie 2003). There are furthermore limited past studies that support the finding of the present study like (Beerli, Meneses, & Gil, 2007; Gitelson & Kerstetter, 1994; Jenkins, 1999; Van Raaij & Francken, 1984; Woodside & Lysonski, 1989; Zalatan, 1998) too has reported that the image of the destination and the self-concept commitment offer visitors a higher tolerance to seek the location for enhanced customer service. (Hunter & Yong, 2007) pointed out that the greatest emblematic attributes do have massive impact on the viewpoint of the destination image in terms of service quality. Earlier researches have also found a strong positive correlation between tourism service quality measures and the destination image (Faullantet al., 2008; Gallarza et al, 2013; Hakala et al., 2013; Namukasa, 2013). The other studies have listed the strong and positive relationship here between image of the destination and the overall quality of the service (Chen, C.M., Chen, S.H., & Lee, H.T., 2010).

Research problem

The performance of an organisation of the tourism industry has been recognized as a steadily growing sectors in the world, because it is very important in this scenario to cater to the needs of this sector's visitors, so it is highly important to deal with the need of today's customer / tourist and retain a happy existing customers by continuously improving the quality of services.

Service quality has been researched extensively to find out the focus areas for the management so as to increase customer satisfaction levels. In the back drop of literature it was observed that service quality varies. Besides there was a significant relationship between service quality and customer satisfaction thus this study was carried out to identify the Impact of Service Quality on Customer Satisfaction in Tourism Industry: A study in Uttarakhand by drawing a constructs based on literature review of previous studies, theories on service quality models and on the basis of research gap service quality dimensions, demographic variables, destination image were included as a construct to measure the relationship with customer satisfaction.

Objectives of the study

This research sought to fulfil the following objectives:

- To identify the factors effecting customer satisfaction in tourism industry.
- To measure the relationship between the service quality and customer satisfaction in tourism industry.
- To assess the relationship of destination image with customer satisfaction and service quality.

Hypotheses

H₁: service quality has positive relationship with customer satisfaction

H₂: Destination image has positive relationship with customer satisfaction.

H₃: There is a significant relationship between destination image with service quality.

Conceptual framework

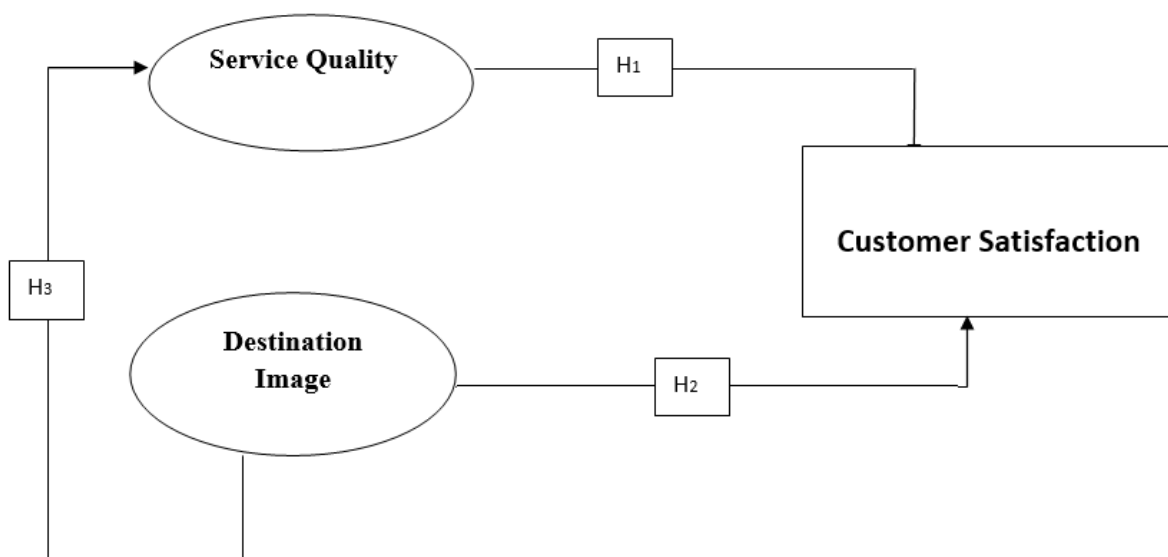


Fig. 1.2 Overall Conceptual Framework of the Study

Research Methodology

Questionnaire design

Statements of the questionnaire are taken from the past studies and modify as per the need of the study. All the statements of the questionnaire are range from strongly agree to strongly disagree on a five likert scale. Whereas 1 = strongly agree and 2 is denoted as strongly disagree.

Sample size and Data collection

Data for the current study was collected through an online survey. For collection of data online survey was conducted, link of it were sent randomly through mail, on facebook page, in Whatsup group. To collect data in small time researcher has used connivance sampling. Convenience sampling as a method of sampling, based on past studies (Yang, 2005; Luo et al, 2010) and link were sent to respondent with a request mail attachment to forward it further. In total 420 responses were collected.

Data analysis tools

For analysing data SPSS 20 version were used. First reliability and validity of instrument were measured through KMO and Cronbach’s alpha test. Results shows KMO= .694 and Cronbach’s alpha = .717 which is satisfactory for conducting further analysis and make a instrument reliable and valid for the study because as per Field, 2009 reliability and validity of the instrument above .50 considered to be acceptable. Further to test the hypothesis CFA and SEM was used.

ANALYSIS AND DISCUSSION

A confirmatory factor analysis was used before testing the hypothesis through SEM. CFA confirmed by using particular data set to what is believed theoretically (Hari et al., 2010). For this CFA employed in case of known underlying latent variable structure. The CFA method primarily helps in deciding a particular model that represents the data and its validation through the various model fit indices. The table 1 below shows goodness of fit measures of this study along with the acceptable threshold values as suggested by (Hair et al., 2010 and Hu and Bentler 1999) and all the modification indices are in acceptable range.

Table 1 Model fit indices and acceptable value

<i>Model fit indices</i>	<i>Threshold</i>	<i>Value Obtained</i>	<i>Interpretation</i>
Chi-Square/df	<5	1.80	acceptable
CFI	>.95	.953	great
GFI	>.95	.953	great
NFI	>.95	.902	great
AGFI	>.80	.935	great
RMSE	<.05	.044	Good

Results

Table: 2 Regression Weights

Regression Weights: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P
service_quality <--- Destination_image	.163	.082	1.989	.047
customer_satisfaction <--- Destination_image	.085	.043	1.984	.047
customer_satisfaction <--- service_quality	.103	.033	3.145	.002

Result in table 2 reveals that there is significant relationship between customer satisfaction and destination image as p-value is .047. There is significant relationship between service quality and destination image (p=.47). Also there is a significant relationship between customer satisfaction and service quality (p=.002).

Table 3: Standardized Regression Weights

Standardized Regression Weights: (Group number 1 - Default model)

	Estimate
service_quality <--- Destination_image	.133
customer_satisfaction <--- Destination_image	.135
customer_satisfaction <--- service_quality	.201

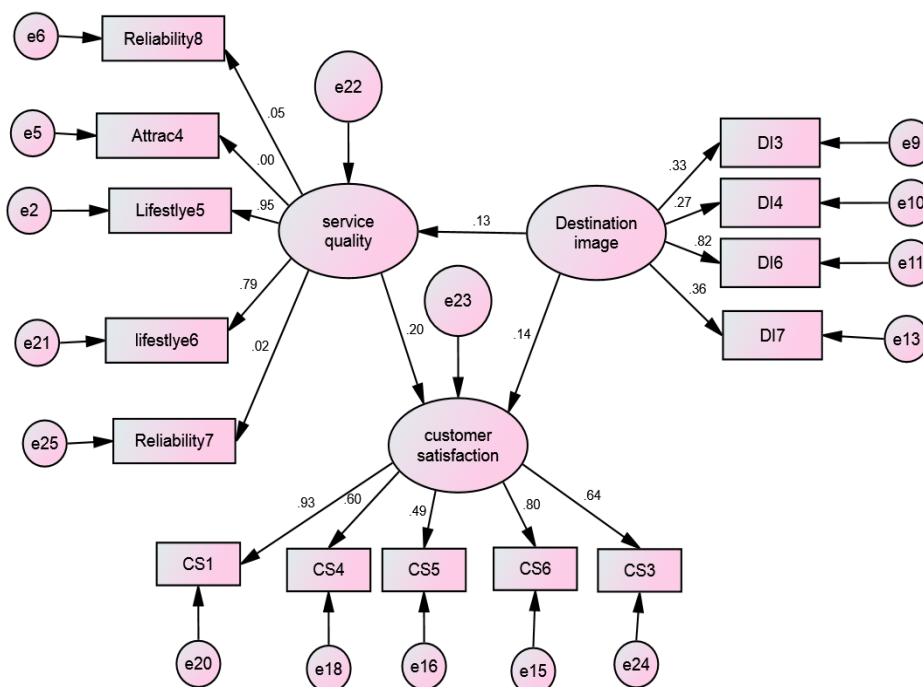
Table 3 shows the value of standardized regression weights, it is clear from the table that destination image have significant and positive relation with service quality (.133>0.1) and service quality has positive and significant impact on customer satisfaction (.201>.1). Also destination image has significant and positive impact on customer satisfaction (.135>.1). Interference can be made that service quality is stronger indicator of customer satisfaction in comparison to destination image.

Table 4: Summary of hypothesis testing

S.no	Hypothesis	Result
1	H ₁ : service quality has positive relationship with customer satisfaction	Supported
2	H ₂ : Destination image has positive relationship with customer satisfaction.	Supported

3	H ₃ : There is a significant relationship between destination image with service quality.	Supported
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Fig: Structural Equation Modeling (SEM)



Conclusion

Tourism has become a rapidly growing sector and most of the academic studies on this field are increasing on daily basis. Moreover there are several studies on destination image, service quality and customer satisfaction in tourism industry but the number of studies on these subjects are lacking in this domain. Thus as a fastest growing industry, the demand/supply impact of service quality and destination image on customer satisfaction has a great potential in India for the fruitful and satisfied visitation of tourists to meet their expectations. In this context, this study aimed at the driven of supply/demand influence service quality and destination image on customer satisfaction in terms of both tourists and services provider.

Finding shows that foreign tourists’ perception are greater than the domestic tourists’ service quality and destination image perception are greater since the visitation of international tourists’ to these destinations and they have great expectations (Kenzhebayeva, 2012). Also more the tourists literate and well qualified they have lower perception and visitation intention because the living standard and lifestyle are higher Pekyaman, 2008; Kenzhebayeva, 2012).

Results indicate that there is significant and positive relationship between service quality and customer satisfaction secondly, the destination image and customer satisfaction also has a significant and positive relationship and thirdly, destination image and service quality also has significant and positive relationship. The results also reveal the service quality has an impact

on the tourist satisfaction Tourism developer or policy maker need to consider the importance of people both from the service provider and the local community as they are one who interacts with the tourists. In addition destination image plays a vital role in visitation of tourists the various attributes such area image, behavioural of administration and hotel image must have met the expectation of customer in order to intend them to re-visit the destination.

Limitations

Firstly the findings may not be representative and conclusive. Secondly, the present study used a field survey method to collect the data from different destinations of India to seek the opinion of tourists on various aspects surroundings of the tourism sector. Further this study would have been improved further by interviewing the tourism managers, travel agencies, localities etc.

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