

AN ASSESSMENT OF THE EMPATHETIC GAP BETWEEN ONLINE TRAVEL PORTALS AND TRAVEL AGENCIES WITH REFERENCE TO DELHI

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Abstract

The main aim of this paper is to analyze an empathy gap between online travel portals and travel agencies. Travel bookings and arrangements through online travel portals in India are becoming popular day by day. The conventional means of obtaining airline tickets and related travel arrangements are rapidly changing. These changes are primarily become possible by alluring offerings offered by online travel portals that claim to provide an easier, less expensive, multiple options of getting travel arrangement in budget. Although consumers are attracting towards these offerings but still consumers have different opinions for services provided by the online travel portals. They feel strong empathetic service gap while they get travel services from OTA's. This study is an attempt to find out the variables where empathy gap was felt.

A structured approach is followed with: Introduction, Aim of the study, Objective, Review of literature, Research Methodology. Further the study deals with analysis and interpretation of the data. On basis of research findings, suggestion and conclusion are given.

Keywords: Online travel portals, Travel agency, Empathy, Consumer Behaviour.

Introduction

An up-gradation of IT and internet brings the revolution in travel and tourism market. This revolution can be strongly sensed in India although it is lower in comparison with developed countries. Gradually this is capturing all markets and also molding the consumers buying behavior and decision making. It is replacing the traditional way of business into virtual services. With reference to travel and tourism industry and purchase behavior of consumer's consumption structure, innovation in leisure travel ideas, development of transportation, and guidance from

service suppliers to citizen, it is envisaged that more travel demands will be cultivated to encourage more people to use on-line booking service.

Rosha Raju & Kaur Navdeep (2015) asserted about [report by The Economic Times](#), “paper-based transactions cleared through cheques in FY 2015 (April 2014 – March 2015) summed up to INR 85 lakh crore (US\$1.33 Trillion) whereas cashless transactions through credit card, debit card, NEFT, and online wallets comprised of INR 92 lakh crore (US\$1.43 Trillion). Statistical data shows the **total transaction amount in India – exclusive of cash transactions is reached on \$2.76 Trillion in FY15**” ([dazeinfo.com](#)). The huge involvement of the internet in commerce and business increases the importance of e-commerce. Its impact can be seen in travel industry also. Therefore, it has become an urgent issue for on-line travel companies and travel agencies to think about how to improve services and customer satisfaction.

It is believed that the goal of every organization is to meet the needs and the requirements of its consumers. Meeting the needs and the requirements of the consumers will not only ensure the survival of the organization but also flourish it. Customer is presumed to be one of the most important stakeholders in any organization because without him, organizations are not likely to succeed. Travel trade in India contributes 6.8% of India’s GDP; INR 2,178.1 Billion to the country’s GDP, USD 18.13 Billion in foreign exchange earnings, and 3.6 % growth is foreign tourists from May 2015, 39.5 million jobs, 7.7% of its total employment.

Success of any service organization is depends on the service quality of the organization. It has become ever more important to the achievement of customer satisfaction and competitive advantage and coupled with the increasing complexities of the need and expectation of customers, it is imperative to explore the relationship between service quality and customer satisfaction. It is very important to understand the feeling and expectations from the services for which he is spending the money. To know about expectation and level of satisfaction accordingly, an empathy study is necessary.

“**Empathy** is the capacity to understand or feel what another person is experiencing from within the other being's frame of reference, i.e., the capacity to place oneself in another's position. Empathy is seeing with the eyes of another, listening with the ears of another and feelings with the heart of another” (www.wikipedia.com).

Different service quality dimensions are mentioned here. These are as follows:

RATER Dimensions (Service Quality)				
Reliability	Responsiveness	Assurance	Empathy	Tangibles
All the promised tasks well performed, Convenient and flexible working hours, Right service at first time, Sincere interest to solve customer problem.	Employees understand the specific needs of the customer, Prompt service, Employees behavior, Employees are willing to help, Employees are courteous with	Competent employees, Employees have sufficient knowledge about the service, reputation	Personal attention by employees. Cultivation of friendly relationship, Learning the customers’ special needs , Allocating required time to	Modern and technologically relevant equipment, Other material elements and documents, Appearance of personnel

	customers		deliver each service	
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Source : www.ijstm.com

As this study is focused about empathy dimension so only empathy variables are studied and evaluated.

Literature Review

The literature review is based on the different studies done on travel agencies and online travel portals. In the first few paragraphs it depicts about travel agencies and online travel portal further it is continuing with emergence and impact of the internet and information technology in travel trade followed by studies on service quality.

According to Bennett (1993) traditional travel agencies need to further strengthen their role as advice giving; otherwise online travel agencies will threaten their future.

According to Lewis, Semeijan & Talalayevsky (1998) travel agencies provide information about travel products and hence act as a link between the supplier and the customer. Further, they deal with the transaction like printing tickets and also provide advice to travelers when the Internet and World Wide Web became available it changed the entire travel agency market.

According to Lang (2000) traditional travel agencies may disappear from the market in future because travelers will prefer to buy their trips through online travel agencies. However, previous researches contradict this view and claim that many travelers prefer to book their travels at a traditional travel agency and that it still will be a need for traditional travel agencies in the future.

Law et al. (2004) said that the human touch and personal service is an essential part of traditional travel agencies, which gives them advantages over online travel agencies.

Lang (2000) also gives the same argument in his study that the main reason for choosing a traditional travel agency is they provide a greater security and have a human touch as they provide a personal service and over all the customers have a feeling of loyalty towards their travel agents.

Andersson (2010) views that buying of online trips has grown into gigantic market nowadays and there is an obvious competition between traditional and online travel agencies.

Tsai et al. (2004) stated that previously, it was the traditional travel agency that dominated the market but ever since the online travel agencies entered the market, some customers switched on to buy their trips online.

Alvarez, Martin and Casielles assert that:

“The development of information and communication technologies (ICTs) has had profound effects in goods and services marketing. In particular, the advent of electronic commerce has forced companies to face new types of competition and customer relationship management to survive in markets.” (2007)

Law, Leung & Wong (2004) opined that an opportunity to provide travel services and products online appeared with the advent of internet. Internet has resulted in a completely new communication and distribution channel and it work as an electronic intermediary between travellers and suppliers.

Ainscough & Lockett (1996) affirmed that internet has given rise to online travel agencies which enable customers to purchase at any time and globally. Some previous customers of traditional travel agencies discovered e-commerce and this led to increased competition in the travel industry (Tsai et al., 2004).

Harris & Rea (2010) perceived that internet has also proved to be an excellent tool for exchanging information. Further As this industry is service oriented business industry, companies are implementing various new techniques to satisfy consumer needs and providing information to them through web and different value generated strategies like value extraction, value capture, value addition, value creation etc.(Werthner H., Ricci F., 2004).

Gronroos (1984) defined perceived service quality as the outcome of an evaluation process, whereby the consumer compares his expectations with the service he perceives he has received.

Andaleeb and Conway (2006) wrote that empathy has been found to be more suitable and important in enhancing service quality in industries where building relationships with customers and clients ensures the firm's survival as opposed to "transaction marketing".

Shahin (2006) orated that service is an activity or series of activities of more or less intangible nature. It normally, but not necessarily, takes place in interactions between customers and service employees and/or physical resources or goods and/or systems of the service provider. Mohamed Abd Alla (2007), Service quality of travel agents: The view point of tourists in Egypt, The main findings of the research is there is a notable gap between customer expectations and perceptions corresponding to the service quality introduced by travel agents, indicating that the customers' expectations of the service quality were not met.

Shahin Arash (2011), Estimation of customer dissatisfaction based on service quality gaps by correlation and regression analyses in a travel agency, this paper includes five major categories of service quality dimensions and is further subdivided in 15 dimensions and an additional question for measuring the overall dissatisfaction. The findings imply that maximum value gap is related to 'appealing accommodation facilities', which is a part of the dimension of tangibles. The minimum value gaps are also related to 'on time delivery' and 'reputation of service. Regression analysis has proved and estimated liner correlation between the gaps of empathy and tangibles and the overall customer satisfaction.

Ali Faizen (2012), an assessment of the service quality using Gap analysis: A study conducted at Chitral, in this study the perceived quality of a given service is the outcome of an evaluation process during which customers compare their prior expectations of the service with that they have actually received. i.e. having perceived service against the expected service. Overall satisfaction will have huge impact on service quality dimensions of agents. Service organizations can achieve a strong reputation for quality service only when they consistently meet or exceed customer service expectations.

Objective

The purposes of this research paper are as follows:

- a) To find out an empathetic service gap between online travel portals and Travel Agencies
- b) To learn about the impact on travel purchase decision

Research Methodology

(a) **Research Design:** - To have a better understanding about the issue descriptive research design was used. To get the primary data close ended questionnaire was administrated on 5 point Likert Scale.

(b) **Sample Design:** - 200 respondents (100 consumer of Travel agency and 100 consumers of online travel portals) were selected through convenience sampling.

(c) **Area of the Study:** Delhi

(d) **Analysis:** - The data collected was analyzed with the help of statistical tools like Arithmetic mean and Frequency Distribution.

(e) Hypothesis

H_0 - There is no significant empathy service gap between online travel portals and travel agencies

Analysis & Interpretations

As travel bookings from online travel portals and travel agencies are increasing continuously but to keep consumers loyal to the service provider is big challenge, because it is observed that consumers feel gap between expected and perceived services. Travel is directly related to the traveler's feeling of excitement, joy and relaxation. They always look for pamper and expect empathy from service providers. So, to find out an empathetic service gap between online travel portals and travel agencies and its impact on travel purchase decision, respondents were asked to indicate the level of empathy for various factors on 5 point scale from 1 to 5 (5 denotes the level of impact as 'Very Much, whereas, 1 is the 'Very Less'). Final result is obtained with the help of arithmetic mean and frequency distribution.

In addition following criteria is used for analysis part:-

The mean score among 1 - 1.8 means **Very Less**

The mean score among 1.9 - 2.6 means **Less**

The mean score among 2.6 - 3.4 means **Neutral**

The mean score among 3.4 - 4.2 means **Much**

The mean score among 4.2 – 5.00 means **Very Much**

The final scores for various factors are presented in the following table:

Table 1.1

	Factors	OTP		TA		Difference			Level of Difference
		Arithmetic Mean	Level of Empathy	Arithmetic Mean	Level of Empathy	OTP	TA	T-Test Value	
1	Personal attention by employees.	2.36	Less	3.95	Much	2.36	3.95	3.71436	Significant

2	Cultivation of friendly relationship	2.27	Less	4	Much	2.27	4	2.4156	Significant
3	This service providers will concern about your unique demand	2.54	Less	3.89	Much	2.54	3.89	8.9457	Significant
4	This service providers actively inquire your needs	2.21	Less	2.38	Less	2.11	2.38	0.01575	Not Significant
5	offer you personalized product and service	3.11	Neutral	3.15	Neutral	3.11	3.15	0.7259	Not Significant
6	Allocating required time to deliver each service	3.09	Neutral	3.14	Neutral	3.09	3.14	0.63915	Not Significant
7	Service providers are able to satisfy your psychological needs	2.26	Less	3.95	Much	2.26	3.95	9.8639	Significant

As the above table shows that employees who works at online travel portals pay less personal attention to the consumers (Mean Score = 2.36) even they are failure to cultivate friendly relationship with consumers (Mean Score = 2.27). They are least concerned about consumer's unique demand (Mean Score = 2.54). They rarely inquire about consumer's need (Mean Score = 2.21). Although sometime they offer personalized product and services (Mean Score= 3.11) also allocate required time to deliver each service (Mean Score= 3.09) but these service providers are not able to satisfy consumer's psychological needs (Mean Score= 2.26).

Whereas employees who works at travel agency pays much personal attention to consumers (Mean Score= 3.95). They cultivate much friendly relationship (Mean Score= 4) and also concerned about consumer's unique demand (Mean Score = 3.89). Although, they do not actively inquire about their needs (Mean Score= 2.11). The employees are neutral in offering personalized product and services (Mean Score= 3.15) and in allocation of required time to deliver services in better way (Mean Score= 3.14). At the end this is good that service providers at travel agency are much able to satisfy consumer's psychological needs (Mean Score= 3.95).

After analysis of the data, in majority of statement, the calculated value of t- statistics is greater than its tabulated value, which leads to the rejection of Hypothesis. So it can be concluded, that there is a significant empathy service gap between online travel portal and travel agency.

Conclusion

From the above study it can be concluded that both online travel portal and traditional travel agencies plays an important role in increasing travel & tourism in Delhi. There has been increase of business with online travel portals. Traditional agencies are also in a continuous process of upgrading their technology. They have their uniqueness of providing face to face contact with the customer, providing personal one –to one interaction. But still, these are lagging behind in making client loyal to them.

It is also found that there is an empathetic service gap between online travel portals and travel agencies. It also has effect on travelers purchase decision.

In India travelers moving towards online travel purchase but they strongly feel empathy service gap so for this fulfillment they again look forward for the purchase of travel services from traditional travel agencies.

Hence, it can be said that empathy services are very important to retain the clients. Therefore, it is very important that both travel agencies and online portals should be in continuous process of upgrading themselves and inculcate new ideas and concepts which can generate more customer satisfaction and have repeated clients.

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