# SERVICE QUALITY OF TOUR OPERATORS IN YERCAUD HILL STATION: AN EMPIRICAL ASSESSMENT

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#### **ABSTRACT**

Tourism is considered as one of the most diverse and richest global industries in the 21st century. In the highly competitive tourism industry, service quality has been recognized as the key factors in maintain destination competitiveness. Well-brought-up service quality is not only intended to satisfy the tourists but it also get better the destination image, differentiate the destination from others and construct a loyal tourist to perform a certain post-visit behaviour. Hence, recognizing the importance of service quality for the growth and development of the tourism business and also of the economy, the researchers have made an attempt to study the service quality of tour operators in Yercaud Hill Station. In the present study, the primary data were collected in two stages. At the first stage, 5 tour operators i.e. Amar Tours & Travels, Tours and Travels Salem, Thomas Cook, Kunoni-SOTC and Alpha Tours & Travels were selected on the purposive basis. In the second stage, adopting convenience sampling, 100 tourists were selected from each tour operator. Thus, the primary data were collected from 500 tourists with the help of questionnaire. Analysis of variance, student t test, paired t-test, analysis of co-efficient of variation and percentage analysis were employed. The findings of the study shows a significant difference between the expected and perceived levels of various service quality dimensions such as assurance, empathy, reliability, responsiveness and tangibility, empathy in the select tour operators. In the present study, the researchers suggest various measures to improve service quality of the select tour operators.

**KEYWORDS**: Service Quality, Travel and Tourism, Tourism Services, Marketing of Tourism Services.

## Introduction

Tourism is considered as one of the most diverse and richest global industries in the 21<sup>st</sup> century. It is one of the top and fastest growing sectors and plays an important role in the economy and stimulates the growth of other economy. It creates job opportunities, brings foreign exchange to the host country, reduces poverty and improves standard of living. Moreover, tourism helps in improving infrastructure, encourages conservation of wildlife and preservation of traditional customs, handicrafts and festivals that might otherwise have been allowed to disappear. Tourism promotes supplementary services such as accommodation, hotel and railway booking, restaurant services, hospitality, guide service, recreational services, communication and transportation. In the highly competitive tourism industry, service quality has been recognized as the key factors in maintain destination competitiveness. Well-brought-up service quality is not only intended to satisfy the tourists but it also get better the destination image, differentiate the destination from others and construct a loyal tourist to perform a certain post-visit behaviour. India has rich source for tourism for the establishment of brand. India's tourism industry is experiencing a strong period of growth, driven by the burgeoning Indian middle class, growth in high spending foreign tourists, and coordinated government campaigns. Today, tourism has

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become more inclusive of new concepts which require the support of the government to develop and flourish. The most imperative factors for successful tourism development include product enhancement, marketing, regulations and human resource development.

# **Concept of Service Quality**

Service quality is an intangible concept because of the definition of quality may vary from person to person and situation to situation. From the perspective of the customer, the service quality differentiates sought quality and perceived quality. Sought quality is the level of quality that customers explicitly or implicitly demand and expect from service providers. Perceived quality means the overall impression a customer has and experiences about the level of quality after service realization. From the provider perspective, there are target quality and delivered quality. Achieving the quality of conformance between the target quality level and the real quality delivered to customers depends on the service quality management system in an organization. Service quality can be used as word-of-mouth advertising. Improved service quality results in more customer satisfaction. It is estimated that attracting new customers is about four times more expensive than retaining the current ones. Parasuraman, Zeithaml and Berry have identified 5 dimensions of service quality, namely, assurance, empathy, reliability, responsiveness and tangibility.

## Importance of Tourism

In the era of globalization, tourism enhances the economic growth by job creation, source of foreign exchange and development of regions with potential for tourism. India is known among modern travelers for its colorful culture, rich history, beautiful landscapes and breathtaking architecture. India was receiving fewer than 3 million foreign tourist arrivals each year. During 2018, foreign tourist arrivals in India stood at 10.56 million, in January 2019 stood at 1.10 million achieving a growth rate of 5.20 per cent year-on-year, and expected more than 15 million tourists by 2025. In 2017, tourism generated about \$230 billion in India, making up 9.4 per cent of the country's gross domestic product, and the tourism and hospitality sector is among the top 10 sectors in the Indian economy attracting foreign investments. The sector is expected to generate \$490 billion per year by 2028. The government signed a \$40 million loan agreement with the World Bank for a tourism development project. The financial budget for the year 2018-19 allots \$200 million for the development of tourist circuits. Tourism contributes growth and development of a country by bringing numerous economic value and benefits; and helping in build country's brand value, image and identity. India's rising middle class and increasing disposable income has continued to support the growth of domestic and outbound tourism. India's travel and tourism sector accounted for 8 per cent of the total employment opportunities generated in the country in 2017, providing employment to nearly 42 million jobs in 2017. The number is expected to rise by 2 per cent annum to 52.3 million jobs by 2028. Almost 20 million people are now working in the India's tourism industry. Tourism is an important source of foreign exchange earnings in India. Tourism helps preserve several places which are of historical importance by declaring them as heritage sites. Likewise, tourism also helps in conserving the natural habitats of many endangered species. Tourism tends to encourage the development of multiple use infrastructures that benefits the host community, including various means of transports, health care facilities, and sports centers, in addition to the hotels and high-end restaurants that cater to foreign visitors. Tourism also promotes peace and stability in developing country by providing jobs, generating income, diversifying the economy, protecting the environment, and promoting cross-cultural awareness.

## Statement of the Problem

Tourism industry serves tourists from all cultural backgrounds worldwide and each tourist has personal preferences on how they want their services delivered. Attempting to satisfy each tourist's demands may stretch the firm's limited resources and this could lead to incompetency and ultimate closure of the business firm. Therefore, tour operators ought to find out which specific attributes of service quality are more important to tourists when selecting tourism products, services and destinations. Hence, service quality is important for a sustainable tourism development. Tour operators ought to establish the service quality components that most impact on their operational performance. Due to severe competition in tourism, service quality has become one of the most important sources of competitive advantage. Thus, tour operators need to focus on ways to enhance the level of service quality, tourists' satisfaction and their revisit intentions. So, recognizing the importance of service quality for the growth and development of the tourism business and also of the economy, an attempt has been made to achieve the following objectives.

#### Objectives of the Study

- To analyze the perceived service quality of the tourists towards select tour operators in Yercaud Hill Station.
- To find out the service quality gap at the select tour operators in Yercaud Hill Station.
- To offer suitable suggestions to improve the service quality of select tour operators based on the findings of the study.

# **Testing of Hypotheses**

The following null hypotheses were formulated and tested.

**H**<sub>01</sub>: There is no significant relationship among the tourists belonging to different demographic profiles towards the perceived service quality in the select tour operators.

**H**<sub>02</sub>: There is no significant difference between the expected and perceived service quality levels in the select tour operators in Yercaud Hill Station.

# Methodology

The present study is empirical in nature, based on field survey. There are around 50 plus tour operators in Yercaud Hill Station of Tamil Nadu as on January 2019. The primary data were collected in two stages. In the first stage, 5 tour operators i.e. Amar Tours & Travels, Tours and Travels Salem, Thomas Cook, Kunoni-SOTC and Alpha Tours & Travels were selected on the purposive basis. In the second stage, adopting convenience sampling, 100 tourists were selected from each tour operator. Thus, the primary data were collected from 500 tourists with the help of questionnaire. The primary data were collected for a period of 3 months from January 2019 to March 2019. The secondary data were collected mainly from journals, magazines, government reports and books. The data collected were quantified, categorized and tabulated. Statistical tools such as analysis of variance, student t test, paired t-test, analysis of co-efficient of variation and percentage analysis were employed in the present study.

#### **Results and Discussion**

**Influencing factors to prefer particular tour operator:** The influencing factors of the tourists to prefer particular tour operator are related to the service personnel. According to them, most important factor is the competence and knowledge of the service personnel, followed by helpfulness, credibility, kindness of the service personnel, respect to the customer and provision of information about transport, destination and accommodation.

Test Calculated Table Significance **Variables** D.F Result Used Value Value Level 498 Not significant Gender t test 0.453 1.965 5 per cent ANOVA5.154 3.821 3, 496 Significant Age 1 per cent 3, 496 Education ANOVA 2.924 Significant 2.623 5 per cent ANOVA 4, 495 Not significant Occupation 2.190 2.390 5 per cent Monthly income Not significant **ANOVA** 0.731 2.623 3, 496 5 per cent Tour operators **ANOVA** 1.831 2.390 4, 495 Not significant 5 per cent

Table 1: Relationship Among the Respondents towards Perceived Service Quality

## Inference

There is no significant relationship among the tourists belonging to different genders, occupations, monthly income groups and tour operators towards perceived service quality. On the other hand, there exists a significant relationship among the tourists belonging to different age groups and educational status groups towards perceived service quality.

**Table 2: Consistency in the Service Quality Dimensions** 

Service Quality Dimensions	No. of Respondents	Mean Score	Standard Deviation	Co-variation
Assurance	500	11.93	3.11	26.07
Empathy	500	17.80	3.15	17.71
Reliability	500	14.99	3.21	21.41
Responsiveness	500	11.54	2.68	23.23
Tangibility	500	11.58	1.72	14.89

#### Inference

There exists consistency in the acceptance level of tourists towards tangibility dimension of service quality (14.89%), followed by empathy (17.71%), and reliability (21.41%). Conversely, there is a variation in the acceptance level of the tourists towards assurance (26.07%) and responsiveness (23.23%) dimension of service quality.

Table Value at 1% Respondents Score t Value Result ₹ **Service Quality** D.F Š Level **Dimensions** Mean 500 15.40 Expected level Assurance 38.230 499 2.586 Significant Perceived level 500 10.75 Expected level 11.35 500 **Empathy** 32.293 499 2.586 Significant Perceived level 500 7.73 Expected level 500 14.10 Reliability 23.595 499 2.586 Significant Perceived level 500 9.86 Expected level 500 15.76 Significant Responsiveness 53.424 499 2.586 Perceived level 500 9.89 14.73 Expected level 500 **Tangibility** 33.894 499 2.586 Significant Perceived level 500 10.12

Table 3: Expected and Perceived Levels of Service Quality

#### Inference

A significant difference is found between the expected and perceived levels of various service quality dimensions such as assurance, empathy, reliability, responsiveness and tangibility, empathy in the select tour operators.

## **Problems**

42.20 per cent to 48.20 per cent of the tourists' problems with their tour operators are absence of customer intimate strategy, poor quality customer service, inadequate range of products and inadequate customer communication. Absence of creativity and innovativeness, inadequate customer contact programmes, absence of update information to customers, lack of customer specific strategies and delay in service are the problems of the tourists in the select tour operators at 51.40%, 52.20%, 54.80%, 55.60% and 56.60% respectively.

# Suggestions

- Tour operators should constantly monitor new developments in the market so as to improve the
  quality of their offerings. Managers who work in the hotel sector should pay particular attention
  to the tangible facilities, hotel design, maintenance of the setting and surroundings. They should
  focus on the employees who contribute to the creation of quality services.
- Tour operators should invest more on physical aspect of tourism services like bringing modern
  and technologically relevant infrastructure; providing hygienic and high quality food and
  beverages; ensuring neat and clean environment and tidiness of staff; and, providing
  appropriate health care facilities.
- Tour operators should make certain that tourists receive diversified service, individual attention
  and proper care by improving the overall efficiency of the service personnel through appropriate
  training programs. Therefore, the training programs intended to enhance the importance of the
  aptitude and desire to provide tourists with the best possible service.
- Tour operators have to establish effective relationships with their stakeholders, and especially
  with their suppliers, defined as those companies operating within the external environment that
  are responsible for the provision of other components of the total tourism products.
- Elements of tourism service quality to be improved in the areas such as taxi service quality, price and value, quietness, tourist facilities, entertainment, hygiene, transport service and food and beverage quality.

#### Conclusion

Indian tourism industry is growing and it has vast potential for generating employment and earning large amount of foreign exchange besides giving a fillip to the country's overall economic development. Since tourism is a multi-dimensional activity, and basically a service industry, it would is necessary that the central and state governments, private sector and voluntary organizations become active partners in the endeavour to attain sustainable growth in tourism. India has evidenced sustainable and inclusive economic growth due to the wide expansion of tourism sector. "Incredible India" is the very first initiative of its own kind, with the primary objective of providing India a unique identity in the world. It appeals the domestic and international tourists to travel India. Further, another initiative "Atithi Devo Bhava" serves a dual purpose where we ask the international tourists to experience the hospitality of India while asking people of India to understand their origin and values. In the present study, the researchers suggest measures to improve service quality of the select tour operators. If the study provokes the authority concerned to take some positive measures for improving it, the researchers will feel amply rewarded.

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