An Exploration of e-satisfaction in B2B2C Website in the e-tourism Strategic Alliance Network

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ABSTRACT

E-service is the integration of technologies, procedures, tools, business processes, policies and users’ efforts to involve both unassisted and assisted internet customer services and the associated networks. In leveraging e-services, many e-service providers have successfully created new revenue opportunities with lowered costs, higher customer satisfaction and generated a promising database of new customers. However, the efficiencies and success of e-service greatly depends on its associated service quality and the perceived level of customers’ satisfaction when they interact with these systems. Currently, there is limited empirical research on e-services quality and e-satisfaction. This thesis is aimed to investigate the factors of e-service quality in the content to e-tourism industry and their potential effects on e-satisfaction, e-retention and e-loyalty of the e-customers.

Electronic Service Quality (e-SQ) has always been a popular and developing research field because of its strategic importance in obtaining customers in the e-market space. It is known that e-customer behaviour is in fact very different from that of the offline physical world. Hence, it is very essential for e-service providers to understand and meet e-customers’ satisfaction. With respect to research in the area of e-Service Quality in e-tourism, not much work has been done and therefore there is need for further empirical study. With growing role of e-tourism website for their customer and service provider interaction, e-tourism service providers are realising the need to use a website as an important strategy to attract e-customers. Although e-services are effective in reaching more customers at a relative low cost but user frequently find them impersonal. Thus, it is very necessary for e-service providers to ensure that customers are satisfied with the e-service quality pertaining to the particular website, as this will positively impact e-loyalty and e-retention towards the website.

This research employ quantitative paradigm to tackle the various research problems such as

● The factors that have an impact on tourism website e-service quality;
● The effect of e-service quality factors on customers’ satisfaction;
● The effect of customers’ satisfaction on retention and loyalty of e-tourism customers.

Research data is collected via web-based survey from Malaysian public and were analysed using the multivariate data analysis techniques. The study identified six
dimensions of e-SQ in tourism websites, namely easy use, reliability, design, assurance, responsiveness and customisation. The results indicated that two e-SQ factors of easy use and customisation significantly affect e-satisfaction and e-satisfaction significantly influences e-retention and e-loyalty. Analysis also indicates that the customer demographics significantly affect their perceptions of e-SQ dimensions and e-satisfaction. The contribution of the study lies in identifying the e-service quality of e-tourism websites, and the factors affecting e-customers’ satisfaction, retention and loyalty. This research contributes theoretically to e-satisfaction in the e-tourism environment. Since e-satisfaction positively influence e-loyalty and e-retention, e-service provider’s website that intends to foster long-term customer loyalty, must ensure that their websites to provide the e-customers with great value. Such e-service providers must also ensure that all the associated marketing activities and practices are geared and customers consistently perceive great quality and added services. The proposed model in this study suggests that these expectations can be based on the e-SQ dimensions which act on satisfaction level. Understanding of e-service quality components has the following managerial implications. First, the easy use dimension shows us the need to develop user-friendly websites which ease consumer purchasing and searching, thus creating a suitable framework for the generation of higher satisfaction and loyalty levels. Second, the customisation dimension suggests that the website manager should enhance service loyalty, customer sensitivity, personalised service and a quick response to complaints.
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CHAPTER 1 Introduction and Research Problem

1.1 Introduction
1.1.1 Internet Marketing Era

The emergence of Information Communication Technology (ICT) and the new e-business platforms have pressurised the marketing functions of an organisation to face more and more intensified and continuing competition. These recent developments have also made e-marketers realise its strategic importance and acknowledge this powerful marketing medium. It creates new marketing channels and new communication patterns which induces the most dramatic implications for marketing practices. Recently, as a result of popular usage and acceptance of the internet as an efficient and convenient means of communication, this has become a dominant marketing force in this era (Ngai, 2003). It is partly due to the applicability of the web technology in blending sounds, pictures and video clips into multimedia techniques. This has increased Internet as an extensive and popular e-marketing medium. This is now the most potential e-marketing strategy using the web technology (Hoffman et al., 1995; Hoffman and Novak, 1996, 1997; Peterson et al., 1997). Academically, a new field of business science and marketing practice called e-marketing has emerged, which involves the marketing efforts and process of an organisation conducting business wholly or partly in the e-marketplace. Most of these e-marketing studies conceptualise on specific context as research purpose (Ngai, 2003), until Laudon and Traver (2002, p. 353) defined e-marketing as “using web tool and with its conventional marketing channels to create favourable, long-term relationship with customers and creating a competitive and strategic advantage for the organisation”.

Recent e-marketing studies can be categorised into two major categories: one, which agree that the web plays a dominant role in marketing, and other which disagree. However, both groups accept the facts that the benefits of e-marketing outweigh its associated disadvantages. Now, the internet has emerged as one of the largest B2B platform which provides tremendous opportunities and innovative and dynamic ways of approaching customers. E-marketing is realistic and essential for new economic era and interesting area of research (Hoffman and Novak, 1996, 1997, 2000; Peterson et al., 1997; Pitt et al., 1999a &b, 2002; Sharma and Sheth, 2004; Vargo and Lusch, 2004; Walsh and Godfrey, 2000).
1.1.2 An Integrated Marketing Strategy

Most of the recent e-marketing researchers are mainly focussing on the methods and opportunities to address customers online buying behaviour (Khalifa and Liu, 2002, 2003; Khalifa and Shen, 2005). It is an entirely different market space, where conventional 4Ps (Product, Price, Place and Promotion) marketing techniques do not always apply as they are insufficient to understand customers online buying behaviour (Rayport and Sviokla, 1994, 1995; Hoffman and Novak, 1996, 1997; Constantinides, 2004). E-customers are addressed by a new marketing approach rather than the conventional 4P’s marketing techniques. Hence, organisations must seek new strategy for attracting customers and adapt to e-business. As a virtual and traditional customer have difference in their buying behaviour, so new service providers should focus more on their efforts and factors which affect e-customers’ behaviour (Van Waterschool and Van den Bulte, 1992).

One of the main success factors of e-commerce is its customised services to customers’ needs and this would positively impact customer e-satisfaction (Buhalis, 1998; Khalifa and Liu, 2002, 2003; Khalifa et. al., 2002; Khalifa and Shen, 2005). In this new e-business environment, customers are increasingly being empowered by this new technology and they have easy accessibility to information about competitive products and prices. The e-market space also offers tremendous opportunities to eliminate the constraints of borders and time, and allow organisation to find customers around the world. This also minimise problems associated with economical and political constraint and regulations to foreign organisations. This leads to furious competition internationally and increase the competition pressure and the desire to deliver superior e-service quality and meet the customers’ expectations (Liu, 2000; Liu and Arnett, 2000; Pitt et. al., 2002; Sharma and Sheth, 2004).

1.1.3 The e-Tourism Strategic Network as a B2B e-Marketing Platform

Initially when internet technology was introduced, service providers started to have websites simply to indicate the organisation’s web presence. However, an organisation’s website has now developed into an important customer contact-point for direct customer interaction and acts as an innovative platform for business associates (Bradshaw and Brash, 2001; Pitt et al., 2002; Zineldin, 2000). Customers now use the web technology not only for information search but also for comparing prices and make
direct contact with product and service providers (Buhalis, 1998; Rust and Lemon, 2001; Pitt et al., 2002). This new e-tourism website is in fact a vital marketing tool for e-service providers to address their customers and facilitate their buying intentions. Eventually, e-service providers’ websites besides simply reflecting a web presence and providing information about a company and its product, have evolved into an important communication platform for e-marketing and customer interaction point. These now fulfil the role of a virtual office (Constantinides, 2004). Now, on the website, customer can receive information, get support and service or order products. The e-marketing technique initiates the potential customers relationship, obtaining and facilitating their buying intentions (Bradshaw and Brash, 2001; Khalifa and Liu, 2002, 2003; Khalifa et al., 2002; Khalifa and Shen, 2005).

Drawing potential customers to this type of website is a crucial factor for business success (Gupta et al., 2004). Simply, e-tourism websites are the platforms that can build the relationships and later the web users can be transformed into potential customers and can be retained (Khalifa and Shen, 2005). Hence e-marketing is an important part of the service provider’s e-marketing strategy by having a commercial website which can access the market permanently and globally and its marketing information is available to customers at any time. Studies have also been done on the e-marketplace by focusing B2B e-commerce relationships (Grey et al., 2005) or B2B exchanges (Hoffman et al., 2002). Recently, the B2C (business to customer) phenomenon has also been included in academic studies (Ba and Pavlou, 2002). It is obvious that there is a growing trend of tour operators, travel agents and e-tourism service providers adopting e-tourism network as effective sales channel. However, as customers adapting to these changes, their behaviour changes as well. E-service providers have to face considerably high levels of uncertainty about customers' needs and their most desired services and have to offer the best combination of technologies and activities (Zinkhan and Watson, 1998). Hence, it is important for service providers to determine how e-tourism network changes customers' satisfaction and loyalty intention in this e-marketplace as this will impact organisation profitability (Danaher et al., 2003). The aim of this study is therefore to investigate the determinants of e-SQ, e-satisfaction, e-retention and e-loyalty in this e-tourism marketplace.
1.2 Electronic Service Quality (e-SQ)

An e-tourism website, with its integrated services and products, aims to attract e-customers by leveraging the functionality of their online purchase experience (Rice, 1997; Leong et al., 1998; Pitt et al., 1999a; Yang et al., 2003; Parasuraman and Zinkhan, 2002). Constantinides (2004) reported that after in-depth understanding of e-customer online experience preferences, e-service providers can focus on their efforts on formulating a website with features that will enable a positive outcome. It has been recognised that website service quality play an important role in creating a positive customer’s experience (Zeithaml et al., 2002; Zeithaml, 2002). Furthermore, this will subsequently affect an e-customer’s decision to re-purchase the products and services on the website (Khalifa et al., 2002; Khalifa and Liu, 2002, 2003; Loiacono et al., 2002; Piccoli et al., 2004). Hence, web service quality is a prerequisite for effective e-marketing and this website performance depends on how well it delivers e-service quality to the customer.

Grönroos et al., (2000) suggested e-service providers’ offerings and website e-services cannot be ignored as an essential strategy for addressing e-customers. In fact, these e-services are not much different from conventional services but more of services that are web-mediated. It can be characterised as service consumption process (Grönroos et al., 2000, p. 250). Grönroos (1998) has defined that the services consumption in this process will lead to an outcome of satisfaction directly or indirectly via customer need or customer value creation.

In e-service process, the e-service provider use this facility for e-service consumption and its associated e-service quality depends on the process of perceiving and experiencing while doing a search and purchase. This is sometimes considered as a consumption instrument for the perceived quality of the outcome. E-service providers shall design their services and products in a way that e-customers can evaluate and perceive these services (Grönroos et al., 2000, p.245). Though many different terms have been used such as e-service quality or online service quality by most recent literature, but there is still a lack of formal definitions (Ziethaml et al., 2002). Ziethaml et al., (2002) defined e-SQ as the extent to which a website facilitates efficient and effective shopping, purchasing and delivery of products and services (Ziethaml et al. 2002, p.363; Zeithaml, 2002, p. 135) and it had been adopted for this thesis. This
definition is more comprehensive as it has considered a more complete customer’s online experience and incorporated pre-sales, on-sales and post-sales service aspects.

Website e-SQ is quite new area of research and was firstly conceptualised academically around 2002 (Zeithaml et. al., 2002; Parasuraman, 2004). However no common agreement is obvious in their research about what specific factors impact the e-SQ. Essentially, these are basically the website’s ability and functional features that address e-customer needs and provide added value in the service process.

Recently, a lot of empirical support has been given to favour superior e-service and its subsequent impact on repurchase and e-satisfaction. Especially, e-satisfaction is not only the main driver of e-customer’s continuous behaviour (Bhattacherjee, 2001; Cenfetelli et. al., 2005; Hsu et. al., 2006; Lin et. al., 2005; Thong et. al., 2006a,b), but also the main factor for building and maintaining a long term customers loyalty database (Evanschitzky et. al., 2004).

This study focuses on e-tourism website within the strategic alliance network of B2B2C platform. It is very important for B2B e-service providers to acknowledge and have in depth understanding of customers preferences associated web quality attributes that contribute to the overall satisfaction. Though other previous researchers had addressed these issues related to travel industry, however, these studies has not extended further than the associated outcomes of e-satisfaction and e-loyalty. In order to fill this gap in the literature, there is a need to examine the quality dimensions of e-tourism website (Kaynama and Black, 2000; Chu, 2001; Law and Leung, 2000; Jeong and Lambert, 2001). A useful and initial qualitative study, using content analysis methodology on five popular websites, has deducted six e-service quality dimensions. This has also contributed a lot theoretically and helps to manager functions in the e-tourism industry (Power, 2005).

The e-SQ study on e-tourism e-commerce websites of service providers is in early stage but there exist a few validated measurement scales already (Ziethaml et. al. 2002; Parasuraman, 2004; Gounaris and Dimitriadis, 2003; Wolfinbarger and Gilly, 2003). These include the website quality as perceived from the point of view by customers with the study based on the TAM and TRA models (Shneiderman, 1997; Loiacono et. al. 2004).
al., 2002; Zeithaml, 2002; Zeithaml et. al., 2002). Following TAM and TRA, the popular known models include: e-TailQ developed by Wolfinbarger and Gilly (2003), e-SERVQUAL, by Parasuraman et. al., (2005) and WEBQUAL by Loiacono et. al.,(2002). Van Riel et. al., (2004) conducted a comprehensive study on e-service quality of travel offerings, particularly on quality perceptions of pre-transaction or pre-purchase stage of the services provided on three e-tourism websites. It identified seven dimensions of e-service quality and these seven dimensions are adopted for the present study. This study will investigate the dimensions in post-purchase stage to obtain a better validity and reliability of e-satisfaction attributes and further extended this in Malaysian context.

1.3 Research Problem and Areas

With reference to the above introduction, it is deducted that there is a need of an e-marketing strategy to be integrated through the internet. This is possible and easily accomplished with the web technological rapid development to formulate a virtual e-commerce platform and deliver quality e-services. Nowadays, this has triggered an important and interesting research field of e-service quality. By delivering quality, e-services is considered as an important differentiating strategy to serve e-customers especially in the e-tourism industry. Low price strategy and just web presence is no longer suitable or good enough to ensure successful e-business (Parasuraman and Zinkhan, 2002). Despite all the efforts in these significant research and vast managerial attention that has been channelled to these e-service excellence for about 10 years, there is still a need to focus more on these issues. Then only it will encourage customer loyalty and repeat purchases. E-service provider have to focus more efforts on the pre-sales, on-sales and post-sales transactions (Zeithaml, 2002; Zeithaml et. al., 2002; Parasuraman, 2004)).

Website e-SQ is the degree in which a particular website can facilitate effective and efficient online transaction and delivery of service and products (Ziethaml et. al., 2002, p. 363; Zeithaml, 2002, p. 135). It is also a critical factor for e-satisfaction and also important feature for e-customer relationship management, like e-loyalty. Essentially, e-SQ is that which differentiates a good quality website with the customer’s perception and complements the bonding effort of the e-customer and e-service provider virtually. However, many empirical researches have been carried out on the e-marketing of
conventional service providers and their efforts towards addressing e-customers (Khalifa and Liu, 2002, 2003; Khalifa et. al., 2002; Khalifa and Shen, 2005; Constantinides, 2004; Zeithaml, 2002; Zeithaml et. al., 2002; Parasuraman, 2004; Loiacono et. al., 2002; Piccoli et. al., 2004). There are obviously different results and viewpoints amongst researchers, especially about exactly what are the best presented e-service factors and how these factors vary when applied in this e-tourism industrial context. How the e-SQ affect e-satisfaction and e-loyalty in an integrated research? The current study will focus on some of these unexplored issues.

1.3.1 Research Problem

Further to the above discussion, the research problem for the present thesis can be rephrased as follows:

What are the website e-service quality factors and how they affect satisfaction, retention and loyalty?

1.3.2 Research Areas: e-Tourism Services

Most of the recent academic research focus on the area of e-SQ and its impacts on e-customer behaviour within a specific industrial context which are mostly on online retailing (Khalifa and Liu 2002, 2003; Loiacono et. al., 2002; Ziethaml et. al., 2002; Zeithaml, 2002). The present research in the e-tourism industry context is chosen for the following reasons:

(1) It is among the most potential and fastest-growing industries in the world

This industry, with its manpower of 10% global labour force, is generating about 200 million jobs internationally. This growing population of labour force at a rate of 11% is believed to contribute about 10% of the global GDP. In European continent itself it contributes about 5% of global GDP and about 8 million job opportunities. Recent trend in e-tourism is expected to grow steadily at about 8.6%, of the market in Europe or approximately EUR 20.5 billion (Rayman-Bacchus and Molina, 2001). Further, consumer research in tourism field is a rich domain for study in real-world phenomena which has given important theoretical implications and suggested managerial implications in this field (Mattila, 2004). The above figures are contributed by SMTEs (Small Medium Travel Enterprises) and accounts for a major share of the total turnover
of tourism industry (Cooper and Siu, 1998) which also contribute significantly in the regional economies (Buhalıs, 1999). Without being restricted by limited economic resources, the SMTEs can still play an important role to the markets by addressing their e-customers purchasing intentions in the e-market space (Buhalıs, 1998; 1999; Buhalıs and Main, 1998; Cano and Prentice, 1998; Collins et. al., 2003).

(2) An information intensive and ideal e-marketing strategy
E-marketing is especially critical for e-tourism industries as the service providers, along with other things, sell services and products for travelling to international destinations. Although some governments restrict foreign travel agent from promoting their services and products but, this problem had been circumvented by the web presence (Liu, 2000). Since 1990s, most of tourism SMTEs were aggressively marketing their services and products even with limited resources as they recognised that it is a cost efficient way to distribute products and reach customers online (Buhalıs, 1998). This industry is information-intensive in nature and is benefited from the capability of web features on a wider spectrum than other industries of non-information nature. Recent tourism research also highlights the benefits and opportunities of e-tourism regarding customer relationship marketing (Buhalıs, 1998; Buhalıs, 2000a, 2000b; Buhalıs, 2004; Liu, 2000; Nysveen and Lexhagen, 2001; Panagiotarakis et. al., 2005; Wang et. al., 2002).

(3) Acknowledgement of e-marketing and the essential application of website e-SQ as a competitive advantage
Heavy competition and advancement in ICT has given rise to a tendency of e-tourism service provider and its associated e-marketers to acknowledge the issues of the need for a differentiating e-marketing strategy and to deliver superior e-service quality (Buhalıs, 1998; Callaghan, 2003). Further, the research findings on e-customer behaviour suggest that e-SQ factors have important positive impact on e-satisfaction in e-tourism network. Moreover, e-marketing is a cost-effective marketing tool for SMTEs to participate in the e-tourism network (Buhalıs, 1998, 1999, 2000a; Buhalıs and Main, 1998; Lau et. al., 2001; Collins et. al., 2003). Yet, not much is known about what constitutes e-service quality in a e-tourism network and its subsequent impacts on e-satisfaction, e-retention and e-loyalty. This leads to the formulation of a refined research problem within the e-tourism marketing context.
1.3.3 Objectives

The final research problem of this thesis which is specifically applied in the e-tourism industry can, therefore, be fine tuned as follows:

What are the e-Tourism Website’s E-Service Quality factors in a B2B2C Strategic Alliance Network? How These Identified Factors Affect e-Satisfaction, e-retention and e-Loyalty with tourism website?

The main objectives of this thesis are:

1. To investigate the e-service quality dimensions of an e-tourism website within the B2B2C strategic alliance network in Malaysia.
2. To examine the impact of e-service quality of an e-tourism website on e-satisfaction.
3. To examine the impact of e-satisfaction on e-loyalty
4. To examine the impact of e-satisfaction on e-retention
5. To identify the impact of customers’ demographics on the perception of e-SQ dimensions of e-tourism websites
6. To identify the impact of customers’ demographic on satisfaction with e-tourism websites.

E-tourism websites, in the present thesis refers to the websites of e-service provider, whose main business activity is to provide tourism services and products to e-customers within the strategic alliance network, for example, e-service providers in B2B2C platform are, tourist attraction providers, hotels and tourist transportation providers.

1.4 Research Design and Methodology

1.4.1 Research Instrument

The research instrument used to solicit the data and information is given by questionnaires survey (see Appendix 4.1). It consists of item scales measuring e-SQ variables (Accs’-9 item, Navs’-12 item, Des’-11 item, Rels’-14 item, Asss’-12 item, Ress’-11 item and Cuss’-9 item, total 78 item), e-satisfaction (8 item), e-retention (5 item) and e-loyalty (12 item). Before responding to the questionnaires, respondents were requested to furnish information selectively on a few questions to provide their demographic profile details which include, gender, marital status, age group, occupation,
education level, mode of internet access used, internet experience, frequency of annual online purchase and contact e-mail.

All the above item scales are adopted from the following major researches: e-SQ from Van Riel et. al., (2004) and Lin, H.F (2007); e-satisfaction from Anderson and Srinivasan (2003) and e-retention and e-loyalty from La, K.V et. al.,(2004). Closed questionnaires are used as a preferred format of web based survey.

1.4.2 Population, Samples and Sampling Techniques

The questionnaires will be posted onto the website, www.myclub.net.my, as a HTML (Hyper-Text Mark-up Language) web page link. Web designed invitation letters are also sent to existing customers of the above mentioned service provider. The data collected from this can then be observed, downloaded or collated in real time. The sample population is basically made up of internet users and customers of this website. The participants are randomly selected from the service provider’s membership database or Malaysians who are attracted to this website by its promotional campaign.

The following formulae by Lind. et. al., (2005) justified the sample size by binomial distribution to give accurate data as:

\[ N = p(1-p) \frac{(z/E)^2}{\sqrt{1}} \]

Assuming that half of the randomly chosen respondents will be either e-shoppers or non e-shoppers, then, it is appropriate to use the formulae as \( p=0.5 \), let \( Z=1.96 \) (95% of confident level), and \( E= 0.05 \) (5% of error margin). Therefore \( N=384 \), which is the minimum valid respondents in order to allow this study to be generalised a larger population. Hence, decision had been made to adopt the 400 targeted respondents for this web based survey.

1.4.3 Statistical Tools of Analysis

The data collected in this survey were analysed using the Statistical Package for the Social Science (SPSS) Version 17.0 for Windows. Data was analysed using statistical tools such as descriptive statistics, factor analysis, regression analysis, and analysis of variance (ANOVA).
1.5 Main Definitions

The main definitions used for the theoretical and practical concepts related to this research problem in this thesis are presented in the following sections as these will be referred frequently in the subsequent chapters.

1.5.1 Service
A service is defined as *activity or series of activities usually intangible in nature that take place in the process of interacting between the customer and service provider’s staff and/or services and products, and/or systems of the service provider that are meant to serve and provide convenience or solutions of customers problems* (Grönroos, 2001).

1.5.2 Service Quality
Parasuraman et. al. (1985, p. 42) has defined that quality is customer’s perspective and to compare his/her expectations and performance implying that *quality is a conformance to customer specifications* (Berry et. al., 1988). Parasuraman et. al., (1988) hence defined *service quality as those perceptions by customers after a comparison between customer expectations and/or desires towards the service provider and the actual service received*. It is deducted that the e-SQ concept is closely related to the e-satisfaction concept; this can also be described as the ability of the service provider to satisfy customer needs, or a service conformance to e-customer requirements.

1.5.3 E-Services
As of today, no formal accepted definition of the term e-service has been generally accepted, so e-marketing and e-commerce studies give rise to new definitions as *value-added services, e-services, website functions, e-CRM features, Internet offerings*, etc. These terms mainly focus on facilitation of e-customers operations and value creation. Boyer et. al., (2002, p. 175) refined the definition of e-services. These are *interactive services that are delivered via the web using information, advanced telecommunications and multimedia technologies* while Grönroos et. al., (2000) define e-services as *the consumption and delivery process of the outcome which means that it is web mediated*, which acts as an interactive medium between e-service provider and the e-customers.
Zeithaml (2002, p. 135) defines e-service as all cues and encounters that occur before, during and after the online transactions that happen on a website.

1.5.4 Electronic Service Quality (e-SQ)
Zeithaml et. al., (2002) conceptualised electronic service quality (e-SQ) as the extent to which a website facilitates efficient and effective online purchasing and delivery of products and services (Ziethaml et. al., 2002, p. 363; Zeithaml, 2002, p. 135). The above definitions give a more complete e-customer web based service experience throughout all the online shopping process stages (Khalifa and Liu, 2003) and this also includes pre-sales, on-sales and post-sales site service aspects (Zeithaml, 2002; Zeithaml et. al., 2002).

1.5.5 E-Satisfaction
Satisfaction is defined by Oliver (1997) as the summary of psychological state resulted when the emotion surrounding disconfirmed expectation is coupled with a customer’s prior feeling about his or her experience. From this perspective, satisfaction may be best understood as an ongoing evaluation of the surprise inherent in a product or services acquisition and or after consumption experience. In this study, e-satisfaction is defined as the contentment of the e-customer with respect to his or her online purchasing experience with a given e-tourism website.

1.5.6 E-Retention
When a customer holds favourable attitudes toward an e-service provider or its products and services, it is also a feeling of belonging or attachment to affection for their organisation, its products or services. These feelings manifest themselves through many forms of behaviours (Jones and Sasser, 1995). These e-customers hold strong belonging toward the e-service provider and even their purchase behaviours is driven by low price, conveniences, economic incentives and lack of alternatives. However, they are highly susceptible to competitors’ enticement (Amine, 1998). The behavioural benefits of these types of customers with the service provider, may not be monetary or in term of sales volume, but, in the form of behaviour such as word of mouth referrals. They are willing to recommend to others, but do not repurchase from the service provider automatically or exclusively.
**1.5.7 E-Loyalty**

Engel et. al., (1982) defined brand loyalty as the preferential, attitudinal and behavioural responses toward a brand of product, service expressed over a period of time by customer. It is also considered that loyalty is a biased behavioural purchase process resulted from a favourable psychological process (Jacoby and Kyner, 1973). Keller (1993) defined it otherwise as a favourable attitude towards a brand and resulted or manifested repeat purchasing behaviours over time. Hence, it is necessary to incorporate both attitudinal and behavioural dimensions while measuring loyalty. For present study, e-loyalty is defined as the e-customers’ favourable attitudes toward an e-tourism website resulting in repurchase behaviours over a period of time.

**1.6 Expected Contribution**

The present thesis aims at exploring the e-SQ in the e-tourism context by first reviewing the major findings and theories of previous empirical studies in the field of e-SQ and e-tourism marketing, this will reveal a better understanding of this phenomenon. Throughout this research process, the basic characteristics of e-tourism website service quality and the main factors affecting the associated e-service quality will be identified. These identified factors will be further explored for their impact on e-satisfaction, e-retention and e-loyalty. The findings of this study provide important pointers to e-tourism service providers in terms of e-SQ and e-satisfaction as a strategic tool to gain competitive advantage. The contribution is expected to contribute to both theoretically and practically.

Expected theoretical implications of this thesis are as follows:
- More in depth insight into the dimensions of website e-SQ to establish a deeper understanding of the phenomenon especially in tourism industry context;
- Study of the e-SQ phenomenon in an e-tourism industrial context with the aim to identify the e-SQ factors related to e-tourism website within the B2B2C strategic alliance network;
- Formulating an e-SQ scale in a e-tourism industrial context.
- Investigate the needs of e-customers and identify the factors affecting e-satisfaction with the e-tourism websites.
Expected managerial and practical implications of this study for e-service providers are the following:

• The formulated tourism e-SQ scale can be used as a valid and reliable instrument for e-SQ assessment and can be implemented by e-service providers for their websites evaluation and identifying directions for improvement;
• Identification of e-satisfaction factors can be used to assess and improve existing web quality design to addressing the e-tourism customers more efficiently. Therefore, these will give the e-service providers a better understanding of how good their websites are in terms of the service quality level and their ability to meet consumer needs to fulfil customer satisfaction.

1.7 Delimitations of the Research

This study is designed as a focus on investigating the e-service initiative of Malaysian e-tourism service providers in the B2B network. Furthermore, Malaysia, as compared to other Asian countries, have a reasonably well developed internet broadband infrastructure, and high percent of e-tourism service providers which use e-marketing in their business. The Malaysian e-tourism industry is also a fast-growing economic sector and, has been recognised as a vital source of revenue for the national economy. Thus, the focus of this study is confined to e-service quality of e-tourism service provider in Malaysia. Several main considerations are taken for literature review of the previous research works in this study. Three major field of literature which provide grounded theories are taken from references, relevancy and publication of top journals in the field of e-marketing, e-commerce and, tourism & hospitality industry (Berthon et al., 2003a, b; Baumgartner and Pieters, 2000; Theoharakis and Hirst, 2002; Pechlaner et al., 2004; and Harzing, 2005). Quantitative approach is used for addressing the research problems without forgetting the fact that though there are numerous limitations associated with quantitative research methodology. However, being constrained by time frame and resources availability, the chosen quantitative paradigm is believed to be still the beneficial and appropriate choice for addressing these research problems.
1.8 Outline of the Thesis

There are six chapters in the present dissertation as shown in Figure 1.1. Chapter 1 discusses the concept of e-marketing in detail and the major of e-tourism website in the B2B sector and website e-service quality for attending online customers. Research problem and hypothesis formulation is discussed in details. It also presents background of research, its objectives, its justification, methodology, terminology and delimitation of the study.

Chapter 2 provides a theoretical overview of research on e-SQ factors influencing e-satisfaction in purchasing service and products online. This chapter starts by examining the ground theories, concepts and latest findings related to the forwarded research area e-SQ, e-satisfaction and e-loyalty. Gaps in the literature review are then identified and preliminary model explaining e-SQ, e-satisfaction and e-loyalty are developed from the literature.

Chapter 3 presents a more detailed literature review of recent work (2000-2009) in e-tourism industry contexts. It discusses the e-SQ factors that affect e-satisfaction, e-retention and e-loyalty. Eventually it presents the research conceptual framework and the postulated hypotheses.

Chapter 4 discusses and justifies the adopted methodology and the research design strategy. It also presents a detailed discussion on questionnaires development, data collection and the method of survey administration.
Chapter 5 tabulates and explain the results of data analysis.

Chapter 6 presents the discussion, conclusion, theoretical and practical managerial implications, limitations of the study, and future research avenue.
CHAPTER 2 Literature Review: Research Theoretical Foundations

This chapter presents a detailed, selected and relevant literature overview within the research problem framework, considering the research problem formation. This study belongs to three main theoretical contexts, namely internet, tourism and service marketing. It includes the literature review of these three areas and the concepts and theories of website e-SQ and e-satisfaction. The first section deals with the reviews on the main service aspects, tourism marketing and e-commerce applicable to this study context. These subsections include integrated strategic alliances, strategic e-Tourism network and B2B2C e-Commerce strategic alliances.

The second section deals with conceptual foundations of e-Services Quality and e-Satisfaction which explains the main conceptual and theoretical aspects of e-Service Quality (e-SQ), e-Satisfaction, e-Loyalty, e-Retention and e-Communities. This section presents the ground theories and empirical findings in the field of e-Satisfaction and e-Service quality, and specifically focuses on latest research issues of e-Tourism. It presents the theoretical and conceptual foundations of e-SQ. The later part of the chapter discusses the different factors affecting website e-SQ and its associated aspects of online customer behaviour. The main e-Service quality factors and their impact on e-satisfaction, e-loyalty and e-retention are also discussed. Lastly, this deals with the literature review of recent empirical results in the area of e-SQ in e-tourism research field.

2.1 Introduction

The deployment of Information Communication Technology (ICT) to provide online marketing paradigm for tourism services and products is regarded as e-tourism. For example, tourism marketing aims to integrate efforts from local tourism service providers, to reduce costs and to enhance cooperation for quality product delivery to e-customers and improving the market visibility of destinations, (Buhalis, 2000a; Gretzel and Wober, 2000; Morrison, 2004). This new trend of technological evolution in tourism creates new strategies and challenges for both industry players and researchers in this
context. This is mainly because of the increasing customer expectations and internal and external competitive pressures to obtain and maintain organisational profitability.

The Internet offers numerous benefits which include easy accessibility of information, speedy and easy purchasing, marketing, and distribution and allow easy transaction between sellers and buyers. However, most of these e-business modelled service providers have difficulty to capture these benefits. As a result, Information System (IS) of some organisation has been used from a simple components consolidated to collect, process, store the present information solely for supporting organisational decision-making, to dynamic mechanisms of collecting, processing and presenting organisational intelligence and extensive environment (Laudon and Laudon, 2007; Turban et. al., 2004). The above accelerating and tourism interaction has initiated tremendous changes in this industry. Virtual integration and recent activities of merging and acquisition have further amplified the competitive pressures on the existing tourism business landscape and hence to re-model and have new governance and distribution structures. Essentially, this presents a need for strategic system integration to maintain the competitiveness of the e-tourism landscape. This new technological advances have transformed tourism globally by changing the strategic business structures and practices which extend beyond technical interfacing and hardware solutions (Porter, 2001).

2.2. Integrated Strategic Alliances

Different forms of strategic alternatives have been used by tourism organisation in response to the above mentioned pressures (Sonia and Ramaseshan, 2004), which include license agreement, co-marketing, joint ventures, merger and acquisitions, supplier arrangement and strategic alliances. Eman (2004) pointed out that working together as alliances was used in executing tourism master planning to sustain competitiveness where strategic alliance had been viewed as the best choice for the travel industry. Evans (2001) postulated many reasons and objectives that initiated organisation to form strategic alliance such as re-structuring of market structure and entries, economies of scope and scale, services and product segmentation and positioning, resource extension/access and utilisation efficiencies, skill enhancement and risk reduction/sharing (Spekman, et. al., 1996, Constantia, and Nicolette, 2006). These strategic alliances are becoming popular and obvious in the domestic and
international market as these will further enhance competitive advantage by integrating the complementary partners’ competence in this new economical era.

This is particularly obvious since the year 2000, in the case of airline alliance partnership. Crotts and Turner (1999) highlighted the factors that affect trust and commitment towards one another in strategic alliance besides issues like adaptation, reputation, cooperation, communication, non-retrievable investment and social bonds. On the basis of detailed literature review from 1990’s until 2000’s, Wang et. al., (2004) and Janell (2003) pointed out that there is demand for an integrated framework that relates to the organisational achievement in sustaining competitive advantage to cope with this dynamic and complex nature of the alliance.

2.2.1 Strategic e-Tourism Network

Structural changes within the tourism industry have emerged as new business models for e-commerce. This has resulted in formation of disintermediation and the emergence of intermediaries in deploying smart agencies, global reservation technology providers and tourism web portals (Buhalis, 2000a, b, c; 2004; Buhalis and Licata, 2002; Wynne et. al., 2001). These tourism organisations have realised that they need to optimise the biggest and advanced e-commerce platform to remain competitive and in meeting customers’ needs. E-marketing has been recommended as one of the top priorities for SMTEs (Small Medium Tourism Enterprises) and e-mediaries have superseded the non-fully integrated service framework (Kandampully and Duddy, 2001). Hence Dale, (2003) further proposed an enhanced and new strategically advance Strategic Tourism Network model, which is a total integration of almost all tourism related products and services. Porter, (1996) and Ghadour, et. al., (2004) use this model with latest concept of cluster competitiveness to show the promising result via e-marketing in cluster of industries like tourism and hospitality industry.

A more developed form of database marketing has been used by e-tourism agencies but unfortunately only as a mailing list and hence has not been utilised effectively. Another factor is that the SME can not afford to invest into a complete B2B platform (Oppermann, 1999). Despite all this, nowadays, organisation conducts many forms of business transactions without forgetting to develop value-driven and sustainable e-
business models (Wickramasinghe, 2007 and Currie, 2004). E-business cannot just simply offer traditional services and products online but also requires a broad-scale process changes and asset deployment. These efforts will ultimately serve as the basis for an organisational competitive advantage in today's digital economy (Mahadevan, 2000). The critical success factors of this e-business model, besides products and services, shall include items such as pricing structure, customer value, revenue source, asset and cost. It shall deploy a broader scale asset and process changes as competitive advantage (Wickramasinghe, 2007).

2.3 B2B2C e-Commerce Strategic Alliances

Electronic commerce has been preliminary defined doing e-business with the advances and features of the web technology (European Commission 1998), for example, electronic trading of physical goods and information. This includes the associated processes such as e-marketing, purchase, transaction and delivery support. In service industry, e-commerce platform provides services, like, online legal advice or after-sales support, and design collaboration between two organisations. Many others have gone further from traditional business to value-chain or innovative ways to integrate added value via sound and functional information management. The commonly used definition of e-commerce is …the sharing of business information, maintaining business relationships, and conducting business transactions by means of web-based technology (Riggins and Rhee, 1998, p. 90). It has also been defined as “….anything that enhances your relationships with an existing customer and increases the revenue you get from the customer online….”(Sullivan, et. al., 1996, p. 991). Hence, from the perspective of organisation, the degree of trust and the need for security ultimately affect the website success. This must also be considered as one of the decision making factors for going ahead in e-commerce (Puppel, et. al., 2003). It is obvious then many companies of various sizes have participated in electronic commerce for years, coupled with the emergence of strategic alliances in recent years, to secure enhanced channel partners in sharing desired goals. These can be only fulfilled by a significant level of capital and management input. Undoubtedly the main contribution to the relationship is based on cooperation, trust and commitment between the parties, e-Channel partners have to believe each other (trust), be willing to assist each other on a regular basis rather than
adhoc fashion (commitment), and working together to achieve this goal (cooperate) (Mehta, et. al., 2006, Porra, 2000).

Wide choices of services and products are also in great demand by global customers using a web based channels. B2B e-commerce platforms with its multi-structures and multi-channel strategies have been possible and successful in providing these opportunities. These platforms contain important strategic features that coordinate complex supply chains for serving multiple channels efficiently; dealing with conflicts; creating synergies across them; finding optimal channel mixes to build strategic alliances and gain a sustainable competitive advantages (Buhalis and Laws, 2001; Buhalis and Law, 2008). Typical example is that the tourism and transport industry has come together into a deliberate association that has some synergistic strategic value. These strategic alliances had taken the form of: (a) a buyer-seller relationship, for example, between airline and a conference hotel, and (b) a tour operator and a resort owner. The development and management of alliances has been prominent in the hospitality and tourism industry where the firms work collaboratively with one another to serve the customers, for example, in bound tour operators perform an important role as travel intermediaries that link local tourism suppliers with overseas wholesalers and outbound agents.

In an investigation in the multi-channel distribution dynamic nature and the e-channel relationship management using the Event Study Methodology (Cheng. et. al., 2007), suggested that firms should be cautious and not over-committed to an excessive number of collaborative efforts, and should have scarificed their competitive market position. This study reported that after the insertion of e-channel functions, positive and significant ARs were found. Capital markets reacted positively and also there was an increase in the firms' stock prices/financial performance. However, there may be drawbacks associated with the short term view of the Event Study methodology. Another new research methodology was adopted using EVA and MVA financial measures to assess the true value of organisations after e-Channel addition. The results provide empirical support that organisation financial performance was significantly different before e-channel addition. Two very important strategies, communication and multi-channel, are identified as crucial for B2B platform (Chankraborty, et. al., 2002). Hence, it is deducted that dynamic e-business need to integrate systems across intranets,
extranets and the internet. This is required to modify existing systems for a more complete and comprehensive e-channel within B2B platform.

Hence these B2B alliances are critical components to create greater value while meeting global expectations and achieve the service provider's intended growth and objectives (Skarmeas et al., 2002). In fact e-service provider can increase their efficiency and re-model their multi-channel strategies by taking the following into consideration while designing the B2B tourism platform: (1) the dynamic global growth rate and business activities by some organisations and market new entrants as in the case of increased international outsourcing; (2) the adoption of supply chain management systems optimising the enhanced coordination of integrated alliances, distribution channels, and relational exchanges; and (3) the deployment and increased of strategically electronic forms of exchange, like, information storage, retrieval and access, as this will more efficiently manage the entire operations and market intelligence network (Buhalis, 2000c, Buhalis and Law, 2008). These designed e-channel strategies allow e-service providers to reach customers in multiple ways like, using their preferred channel such as the Internet, sales force, or value-added reseller. The points such as the coverage of each channel, optimal number of channels and identifying the strategic channels are taken into consideration for designing e-channel. This process of building integrated e-commerce quality strategy is by nature dynamic, relentless and iterative one (Bedi. and Banati, 2006; Mohanty, et. al., 2007).

E-commerce for tourism industry was first introduced around in 1995 as web based travel reservation systems by linking buyers and sellers in travel services. E-service providers include travel intermediaries, travel services providers and corporate travel buyers. Researchers suggest that complementarities, lock-in, novelty and efficiency are the potential value-creating factors of e-businesses (Chircu and Kauffman, 2000; Amit and Zott, 2001). Search engines, service integration, and personalisation are perceived as the most favoured value-added services by the e-customers. E-tourism businesses should provide more of these services to match the customers’ preferences and the companies’ actual services (Nysveer, et. al., 2003). Hence, emphasis should be given in keeping attractive up-to-date web content and speedy and fast streamline information flow between the web and the internal information systems. Studies have identified four general critical factors in e-commerce, namely; system design quality, service quality,
system use and playfulness (Bell and Tang, 1998; Chang and Arnett, 2000). It is emphasised recently that the concept relating to evaluation of e-commerce websites of different context should not be solely from the technical system but should be from the customers’ perspective.

Garrity, et. al., (2005) conducted a comprehensive literature review in the field of information systems using previous research works and models namely: Technology Acceptance Model (TAM), Garrity and Sanders’s IS Success model and DeLone and McLean’s IS Success Model. The study was done from three important aspects of information systems, that is, from the organisational viewpoint (as a component of the larger system), the socio-technical viewpoint (human component in this realm) and the human–machine viewpoint (web user as components of system functionality). Service provided by these e-commerce websites is one of several major quality factors affecting suppliers, choices and the final decision making. Homburg and Garbe (1999) reported that e-SQ in the context of B2B setting, consists of three main quality dimensions namely: structural, process-related and outcome-related quality. Their empirical results also propose that process-related quality has the strongest positive influence on satisfaction, trust and commitment. Service available in the B2B environment is mainly reliability services, convenience services, interaction services and customer service. The latter is considered the first order priority in B2B2 e-commerce design. In service context, optimising informational and communicational features have been found significant in the supply process (Homburg and Garbe, 1999). Svensson (2001, 2002) applied Parasuraman et. al.’s (1988) service quality factors to further assess the perceived quality of matched pairs of users and providers. Woo and Ennew (2005) argue that it is also necessary to incorporate both views of the interaction before confirming the applications of these dimensions. These are considered the critical factors which contribute to customer satisfaction in business-to-business markets.

2.4 E-Services Quality (e-SQ)

Service quality is always considered the interesting and popular research topic in service marketing research (Grönroos, 1984, 1998, 2000; Wyckoff, 2001; Parasuraman et. al., 1988), and continues as a top consideration for current and in future researches (Svensson, 2001; Lovelock, 2004; Parasuraman, 2002, 2004; Edvardsson, et. al., 2005).
The major factor creating these interests is mainly market saturation and fierce
competition in this new economic era (Parasuraman et. al., 1988). This concerned
quality is also an increasingly important differentiating factor between competitors both
in a traditional environment and online market space (Wolfinbarger and Gilly, 2003),
through e-commerce (Parasuraman and Zinkhan, 2002; Parasuraman, et. al., 2005, Liu
and Arnett, 2000; Zeithaml, 2002; Zeithaml et. al., 2002). E-tourism has been
recognised as a service-oriented industry delivering customer service quality (Jeong and
Oh, 1998; Faché, 2000; Ekinci and Riley, 2001, Otto and Ritchie, 1996; Swarbrooke
and Horner, 2001); and normally using internet for communicating with customers. The
urge and need to create and provide this added value e-quality service should always be
a major concern of e-tourism service providers. Hence e-SQ was introduced and defined
by Ziethaml, Parasuraman and Malhotta (2002), as the website quality extension that
facilitates shopping, purchasing and delivery of services and products (Ziethaml et. al.,

The dimensions of e-SQ that customers perceive were almost similar to traditionally
and conventionally used service quality (Ziethaml et. al., 2002; Zeithaml, 2002), only
with differences in specific attributes underlying them. There are new dimensions
related to website-specific attributes, namely, site aesthetics, appearance, ease of
navigation, functionality, flexibility, efficiency, and security; and some traditional
service quality aspects which are not important in e-SQ context. (Zeithaml, et. al., 2002;
Parasuraman and Zinkhan (2002). Thirteen e-SQ dimensions were identified using
Technology Acceptance Model (TAM) proposed by Davis and Kelley (1994), while
trying to classify the customer behaviour of acceptance and willingness to use Internet
technology. Davis et. al., (1997) reported that internet or web technologies have been
perceived useful for predicting consumer behaviour. It is proposed that a balance of
adopting this particular technology cannot be ignored (Davis & Kelley, 1994; Davis et
al., 1997; Legris, et al., 2003).

Cristobal, et. al., (2007) applied multiple-item scale for studying and measuring e-SQ
and its associated influence on e-satisfaction and website e-loyalty level. The findings
of the study indicated that the factors namely web design, assurance, customer service
and order management, influence satisfaction and satisfaction in turn subsequently
influences customer loyalty. Other generic factors identified in the study while
evaluating general websites and delivery e-service quality, include ease of use or usability, information content and availability, graphic style, privacy, security and fulfilment. In their examination e-pharmacies websites, Yang, et. al., (2001) further measured and identified six dimensions of customer perceptions of service quality, namely: ease of use, content and its accuracy; timeliness of response; aesthetics, and privacy.

Lociacono, et. al., (2002, 2007) had established the WEBQUAL scale with 12 dimensions: design, intuitiveness, visual appeal, innovativeness, information quality and its presentation, flow (emotional appeal), informational fit to task, interaction, trust, response time, integrated communication, business processes. In general, the WEBQUAL scale looks only helpful for website designers as it is more geared for web page and functional design rather than measuring e-service quality. Furthermore, in this study, the customer service dimension was deleted from the scale analysis due to some methodological reasons especially when the survey was not an actual purchase. Therefore it is not acceptable on a fully e-service quality scale. Another drawback issue is that the authors only correlated their factors with overall quality and not with the overall quality of the model.

Zeithaml, et. al., (2000, 2002) further improved the e-SERVQUAL via a three-stage research process including exploratory study with a focus group, data collection and analysis. This research identified seven dimensions: contacts, efficiency, reliability, privacy, responsiveness, fulfilment, compensation. The first four dimensions were used to measure the customers’ perceptions of e-service quality and treated as the core e-SERVQUAL scale. While the last three dimensions are actually the conceptualised service recovery e-SERVQUAL scale and become significant particularly when e-customers have questions or encounter problems. Based on the study, it is concluded that SITEQUAL by Yoo and Donthu, (2001) is superior to the other scales considered (Webqual 4 and EtailQ) for e-service quality and possess a strong predictive power. Generally, it can be concluded that the most common e-service quality dimensions constitutes the quality of the offered services and/or products. However SITEQUAL appears to be an interesting, albeit incomplete, starting point in grasping the complete online purchasing process as a whole starting from information searching to payment on service delivery and also till after sales service (Bressolles and Nantel, 2004). Based on
the proven conceptual framework of the SERVQUAL instrument and adjusted for the
online travel services (Kayanama, and Black, 2000), most of the developed e-SQ scales
are for specific industrial service context, like e-retailing (Ziethaml, 2002; Ziethaml et.
al., 2002; Loiacono et.al., 2002; Wolfinbarger and Gilly, 2003). Though there are many
further attempts for evaluating e-tourism service context (Chung and Law, 2003), the
main scales developed for e-service quality are e-SERVQUAL, WEBQUAL, and
cTailQ, and the last one is still the most comprehensive among all those latest literature
for general websites (Shahin and Chan, 2006).

It is apparent now that service quality has always been considered as one of the
important criterion for customers to select and evaluate their e-service providers
(Gilmour, et. al., 1994; Mentzer, et. al., 1989). Superior e-service quality is believed to
attract the loyalty of new customers and encourage repeat purchases by existing
customers (Parasuraman et. al., 1994). Thus, it is regarded as the most potent business
effort available to e-service provider to develop customer loyalty (Parasuraman et. al.,
1988; Loiacono, et. al., 2007). Lastly, it is concluded that the effort in improvement of
e-service quality will always result in customer’s behavioural loyalty (actual purchase)
and psychological loyalty (repurchase intention), and it is particularly important for e-
service providers (Chao, 2008).

In the case of B2B platform, the most complex nature of services require the
management of a bigger number of variables to ensure their flawless provision towards
the outcome (Lovelock and Yip, 1996, Peyrott. et. al., (1993), also stresses that there is
an increased demand for increased customisation when serving organisational buyers.
As a result, evaluating, selecting and deciding on the continuation of the relationship
with a B2B service provider is not a routine task (Gounaris, 2005). Halinen (1996)
suggests that quality provided may be categorised into two distinct dimensions:
immediate outcome and final outcome quality. Outcome quality is related to the success
of the service provider to provide a solution to the problem and after sales effects to/on
the customer. Research results show that while the levels of customer satisfaction for a
service chosen online or offline is quite similar, loyalty to the service provider is higher
when the service is chosen online rather than offline. However, loyalty and satisfaction
have a reciprocal relationship such that each positively reinforces the other, and this
relationship between overall satisfaction and loyalty is further strengthened online (Shankar, et. al., 2003).

In the case of SMTEs, it is recommended that the e-retailers focus particularly on four dimensions, ease of use, and access, reliable and prompt responses and attentiveness. If e-retailers failed to deliver accurate services on time and this will result in lack of synchronisation between offline business processes and the marketing and sales functions, for example, synchronisation between the inventory and logistics department (Jun, et. al., 2004). Therefore there shall be an integration of offline and online operations with the main aim to improve their service delivery performance. Alternatively e-retailer can outsource or subcontract its logistics function to a separate or third party specialising in logistics management to achieve timely and accurate service deliveries. E-retailers shall also maximise their efforts to provide personalised services, as their primary marketing and distribution channel (Jun, et. al., 2004). There are three stages of online purchase process: pre-purchase where users perform information search, alternatives’ screening, evaluation and choice purchase by customer-company communication, interaction, order placement and transaction, and after-purchase involving customer support, post-sales service, complaint resolution, etc. Being involved in each of these stages customers have specific needs and want to use different e-services, like e-CRM web feature. This will influences customer satisfaction with the website and with the e-service provider (Khalifa and Liu, 2002; 2007).

### 2.5 E-Satisfaction

Hallowell (1996, p. 28) had defined customer satisfaction as the customer’s perception of the value received in a transaction or relationship and further suggested that customer satisfaction as equivalent to making sure that product and service performance meets customer expectations and … occurs when the marginal utility of a transaction is equal to or greater than preceding acquisitions. Spring and Mackoy (1996) also suggest: Perceived service quality comes first, then satisfaction with quality. Perceived service quality can be viewed as how to develop services, whereas customer satisfaction is the evaluation of how successfully these services are fulfilling the needs and desires of customers (Spring and Mackoy, 1996, pp. 330). Grönroos (2001, pp. 151) suggested: Quality as such should not be measured”, but “how well perceived service
quality dimensions serve customers could and should be measured with customer satisfaction with the service.

Tikkanen, et. al., (2000) looked at details of both the contextual and relational aspects of customer satisfaction and dissatisfaction in B2B markets. They observed that customer satisfaction by the internal buyer-seller relationship within the context of a network is more vital for relationship formation in the wider network. In the complex network of B2B platform, the different perceptions of the service itself and which preferences evaluation was used during the interactions is important. E-Satisfaction is basically the satisfaction based on internet-mediated marketing relationships.

Many studies have highlighted the numerous competitive advantages obtained by setting up an e-tourism website. However, there is a dearth of studies examining customers’ perspectives about the factors for a successful e-tourism website. Law, et. al., (2004), on the basis of their study in the Asian Pacific regions, reported that e-customers consider online payment security and customised Asia-Pacific website as the most and least important factors respectively. Web homepage presentation was one of the antecedents that were correlated with e-satisfaction. Other factors were: technological, information, product characteristics and logistic support. However, logistical support seems to be the most significant antecedent for e-commerce (Ho and Wu, 1999). Satisfaction is also one of the most important customer reactions in B2C online environments where 80% of highly satisfied e-customers would re-purchase within three months, and about 90% would refer the website to others (N.DIRECT, 2002; WebPartner, 2002). Research has demonstrated that satisfaction builds customer loyalty (Anderson and Srinivasan, 2003). Customer loyalty leads to repeat purchases (Reibstein, 2002), enhances favourable word of mouth (Bhattacherjee, 2001), and improves company profitability market share. It is found that e-customers’ satisfaction with the e-service provider is determined by the service quality provided via both the online and the traditional channels (Montoya-Weiss et. al., 2003).

Chadee and Mattsson, (1996) suggested that perceived trustworthiness of an e-broker is significant to investors' satisfaction, and perceived operational competence and environmental security impact the formation of trust. To boost more trust, a special section should be reserved for customer complaints and requests in the website.
Based on these studies, the following specific attributes are identified:

- Security transmitted by the service providers.
- Different channels for contacting the service providers.
- Responsiveness to customers’ potential opinions, complaints, suggestions, requests; and
- After sales support and order tracking.

Alzola and Robaina, (2006) and Yuan and Wu, (2008) identified three aspects of e-commerce which service providers can use to increase the organisation’s value added features:

- Transaction-specific aspect (customers’ assessment of the value they obtain after they finish one specific transaction);
- Cumulative aspect (customers’ overall measurement of all their experiences related to an organization’s past, present, and future performance; and more consistent with the concept of experiential marketing).

The research on service quality has opened up more integrated theoretical studies correlating e-satisfaction where customers will be more satisfied with a reasonable level of quality at a low price rather than a high quality audit at a high price. This situation is observed with packaged holidays that offer the same services of destination where prices are comparatively low, perceived quality of the offering is somewhat lower, but satisfaction can still be achieved by a high added value. These positive responses to the quality of service leads to satisfaction, but not necessarily a superior e-service quality (Oliver, 1999) but a high value e-service. Gonzalez, et. al., (2007) developed a model to depict how service quality perceptions and customer satisfaction affect behavioural intentions in spa resorts case study. The results also clearly demonstrate the positive influence of service quality and customer satisfaction by behavioural commitment in e-tourism industry. However, price is in fact still an important element and for consumers
and it has a significant influence on customer’s satisfaction (Heitmann, *et. al.*, 2007). The results also indicate that price fairness and acceptance directly influence customer satisfaction and loyalty (Martin-Consuegra, *et. al.*, 2007).

In Asian culture and industry context, a study identified four dimensions namely: information needs, convenience; technological inclination, and safety to have significant effect on the hotel customers’ satisfaction who were experienced internet users (Kim, *et. al.*, 2006). On the other hand, for the inexperienced users, the study found that service performance and reputation, convenience, price benefits, technological inclination, and safety significantly influenced the online purchase intention. Overall convenience, technological inclination, and safety dimensions were significant for both satisfaction and online purchase intention. However, information dimension is significant only for e-satisfaction and service performance, reputation and price benefits dimensions are significant only for online purchase intention.

In a study of B2B online brokerage (OLB) users, Bhattacherjee (2001) reported that satisfaction and perceived usefulness were predicted by customers’ confirmation of expectations from initial service use.

### 2.6 E-Loyalty

Academicians have defined loyalty as “a favourable attitude towards a product or an organisation which in turn result in a consistent purchase over time” (Keller, 1993). Hence loyalty will only be present when this favourable attitude for the product or organisation is manifested in this re-purchase behaviour. Gremler *et. al.*, (1994) further supported that both associated attitudinal and behavioural dimensions need to be incorporated in scale measurement for loyalty. Therefore, for this research purpose, e-loyalty is defined as the customer’s favourable attitude (attitudinal) toward an e-business which in turn creates repeat purchase behaviour (behavioural). The general theory of consumer loyalty can also be applied to tourist loyalty in e-tourism industry context where loyalty and retention rate is also driven by customer satisfaction (Yoon and Uysal, 2005). Cronin and Taylor (1992) reported that the satisfaction in fact has a stronger and more consistent effect on purchase intentions. Baker and Crompton, (2000) and Brown, (1952) (cited in Rauyruen and Miller, 2007) categorised loyalty into: undivided loyalty, divided loyalty; unstable loyalty and no loyalty. Lipstein (1965) and
Kuehn and Farley (1966) empirically investigated loyalty using the probability of repurchase products. However, some more researchers (Day, 1969 cited in Shankar, et al., 2003; Jacoby & Chestnut, 1978 cited in Fodness and Murray, 1999) convinced that these behavioural-based definitions are not sufficient as they could not distinguish clearly between true loyalty and spurious loyalty. This may be due to the factors such as insufficient consumer choice, for example, in airline industry where the flight path is controlled or monopolised by a country’s national carrier. In response to these criticisms, methodological improvement had been proposed to measure both the attitudinal component and the behavioural component simultaneously (Anderson and Srinivasan, 2003). However, from the study on a hotel's customer database, it indicates that there is a non-linear relationship between satisfaction and loyalty. Embedded within these findings is the contention that customer loyalty is difficult to define. In general, there are three popular and acceptable approaches to measure loyalty (Bowen, 2002): attitudinal measurement, behavioural measurement and composite measurement.

These behavioural measurements have considered the consistent, repetitious purchase behaviour and thus act as a more accurate indicator of loyalty. There is also one different opinion suggested that this behavioural approach of repeat purchases is not necessary a psychological commitment towards a certain brand or product (Tepeci, 1999). For example, a traveller who stays at a particular hotel because of the most convenient location, however when a new hotel operates around the corner, he may switch accommodation as this new hotel which provides added value. Though the traveller had done repeat purchase previously but this does not necessarily means commitment to this hotel brand. These attitudinal measurements, which reflect the emotional and psychological attachments inherent in loyalty are mostly concerned with the sense of engagement, allegiance and loyalty. Another example being a customer though having a favourable attitude to this hotel, but he/she may not stay at the hotel or recommend the hotel to others may be because he/she feels that the hotel is too expensive to be used regularly (Toh, 1993). Most of the study like above, are uni-dimensional loyalty to tangible goods such as brand loyalty, however, relatively little empirical research has examined loyalty to service loyalty or service organisation.

_Service loyalty has been defined as the degree to which a customer perform repeat purchasing behaviour from a e-service provider after positive attitudinal disposition toward the provider, and always considers using only this provider when a need for this_
service arises. Further to the above, an extremely loyal customer can be considered a
customer who always considers a particular e-service provider as he/she think highly of
this organisation and will not consider other alternative e-service providers for services
and products. Meanwhile, an extremely non-loyal customer will never use the provider
again after being given the negative impressions toward the organisation and would be
willing to listen to suggestions about other providers and even willing to purchase their
services and products. Loyal customers normally are ones who will behave or perform
these actions which can be regarded as behavioural measurement used in this study.
These include at least:

- Positive word-of-mouth about the organisation;

- Recommending the organisation to someone who seeks advice;

- Encouraging friends and relatives to have business transaction with the organisation;

- Always considering the e-service provider as the first choice and frequent purchase
  more services and products from then on.

These loyal customers should also further recommend by word-of-mouth this
organisation to friends and relatives who seek advices on their service and products
required. Hence, in this study, scale items had been developed based on the proposed
service loyalty definition described above.

The ripple effect of loyalty can be encouraged to new customers by recommending and
or referring the organisation, offering social support or benefits to other customers and
employees, co-producing the service and mentoring other inexperienced customers in
realising the full value of customer loyalty (Gremler and Brown, 1996). In a healthy
website study, need fulfilment, responsiveness, website security and technical
functionality, have been found to have positive impact on trust and these are the main
antecedents of satisfaction (Gummerus, et. al., 2004). Sometimes customers may
instead to be spuriously loyal to an e-retailer, that is, they shop at a specific location, but
will also shop elsewhere if persuaded or influenced by others (Huddleston et. al., 2004).
Therefore, the development of customer e-loyalty during post-purchase evaluation is
crucial for e-service provider, while the probability of shopping again at a given store
increases when reinforcing stimuli, for example, a favourable store image is presented.
Hence, implementation of e-CRM efforts such as chat room, e-mail, worldwide web,
will directly improves e-loyalty (Lee-Kelley, et. al., 2003). E-service provider should
develop strategies to enhance relational bonds be it financial, social, and structural between customers and e-service providers, which can lead to customer retention (Hsieh, et. al., 2005). E-service provider should also acknowledge the effectiveness of the CRM features and technologies used in websites that are related to conversion rates, customer satisfaction, and ultimately loyalty (Gefen and Devine, 2001). Features and technologies of e-CRM are of particular importance to B2B platforms as these will improve the crucially important relationship to a number of customer service agents scattered across continents. The B2B participating agents shall be well trained and are specifically selected for personality and helpfulness and can offer extensive 24-hour coverage.

Customer perceived value and satisfaction were also indirectly mediated to loyalty through brand commitment (Luam and Lin, 2003; Oliver, 1999). This brand loyalty has been defined as commitment to repurchase or re-patronise a product/service consistently, which in turn cause repetitive same-brand or same brand-set purchasing and without being influenced by other marketing influences which has the potential to switch brands. The customer’s repeat purchase behaviour is developed before psychological commitment to an e-service, is actually derived from a sense of loyalty towards a brand (Beatty and Kahle, 1988). However, this conceptualisation and empirical validation of loyalty model for e-service context has not been addressed fully. In other words, theoretical model for the main antecedent influences on loyalty within an e-service context need to be addressed. Most of the presented conceptual framework of e-loyalty is in fact an integration of previous research on brand loyalty. However, e-loyalty is about compelling product presentations, convenient and reasonably priced shipping and handling, quality customer support, on-time delivery, and clear and trustworthy privacy policies (Gommas, et. al., 2001).

Donio, et. al., (2006) used both attitudinal and behavioural measures to discover that relationship quality is particular important to e-loyalty in the (B2B) context. The attitudinal measures include factors like; willingness to recommend, encompass intent to repurchase, which are the developing and basis for leading indicators of e-loyalty. While these behavioural measures involved activities like, complaints and interactions, volume or frequency of purchasing, customer retention and longevity, repeat purchasing, returns, debt, which are the lagging indicators of customer loyalty. They
further used the combined or composite loyalty approach and investigated through these
two levels of relationship quality with employees of the supplier and the supplier itself
as a whole. All the investigated four dimensions of relationship quality are satisfaction,
service quality, trust and commitment, which influence attitudinal loyalty; only
perceived service quality and satisfaction influence behavioural loyalty.

This means that only the relationship quality at the organisational level influences
customer loyalty, whereas, the relationship quality at the employee level is not of
significance in influencing B2B customer loyalty. While the specific attributes which
are identified in influencing attitudinal loyalties are trust in the supplier, effective
commitment to the supplier, overall satisfaction and perception of service quality. In the
majority of their studies, Anderson et. al., (1997); Cronin and Taylor (1992) and
Zeithaml et. al., (1996), found that transactional customer relationship is the main factor
of repeated purchasing behaviour. Other numerous studies have also established service
quality and loyalty relationship, hypothesising an indirect effect and observed a positive
direct satisfaction and loyalty relationship (Andreassen and Lindestad, 1998; Ostrowski,
Hirschman (2004) in stating that as loyalty behaviour decline, then the overall
satisfaction relationship declines and eventually ceases to exist. Dick and Basu (1994)
suggested that true loyalty occurs when the customer possess both attitudinal loyalty
and behavioural loyalty. By association, website loyalty seems to depend on customer
skills in managing and controlling the website. The designed features and function of
website will help customers in acquisition of the necessary skills to manage the website
(Flavian, et. al., 2006, Wangenheim and Bayon, 2004). The findings also reveal that
less frequent shoppers responded to informational technology applications, such as
expert product reviews and suggestions and information search engines. Frequent
shoppers, on the other hand, responded to transactional technology applications such as
using a saved purchase list, short-term markdowns, and sophisticated credit card
technologies (Yun and Good, 2007).

More recent study found that less web experienced users responded and are more
responsive to informational technology applications, such as expert product reviews and
suggestions and information search engines. In comparison, more experienced web
users are more responsive to transactional technology applications such as using a saved
purchase list, short-term markdowns, and sophisticated credit card technologies (Yun and Good, 2007). Trust seems to be the major factor in building loyalty to a website. In essence, other factors like; privacy, security, perceived usefulness, good reputation, and need for customisation are the important contributes to web initial trust (Casalo et al., 2007). Trust is defined as the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustee irrespective of the agility to monitor or control that other party (Mayer et al., 1995, Staples and Ratnasingham, 1998).

### 2.7 E-Retention

Many service providers provide a strong incentive for shoppers to visit a website and retain customers on a website; they need to be competitive in the e-marketplace. They do need to determine how to create added value for customers and also determines how to maximize the value for loyal consumers. Koo (2006) finds that website image attributes significantly and affects site loyalty intentions, that is, intention to revisit and commit. Intention shapes customer willingness to try, purchase, adopt, or reject a product, brand, service, or store, and the willingness to repurchase, the willingness for future purchase, and willingness to recommend to others, for example through the word-of-mouth (Ostrom, 1969; Sirohi et al., 1998). As customer becomes loyal because of the good impression they form from their shopping experience, they share and recommend their experiences with others and are the best advocates of any organisation or its products (Gupta, et al., 2004).

Rauyruen and Miller (2007) adopted a retention conceptual framework related to community-based, customisation-based, desire-based, and constraint-based contributes of e-customer retention for a Taiwanese reasonable size e-store. It is found that community-based contributes more significantly than other factors and online switching barriers were positively affecting repurchase intentions. In another issue, if customers perceived an e-service provider with satisfaction and considered high switching costs, they were ultimately locked into the relationship and buffered from alternative providers. This study suggested that customisation has a significant indirect effect on retention but not directly on repurchase intentions. Hence, customised online offerings will draw customer attention and not will not directly and effectively enhance
e-loyalty. It was also observed that social interaction (community-based) impacts directly through loyalty commitment but indirectly through trust. Then “trust” has an important role in developing loyalty commitment, relationship marketing outcomes and share of purchases. Additionally, it demonstrates that trust mediates the influence of social interaction (Rauyruen and Miller, 2007).

### 2.8 E-Communities

Within an e-community, a website is considered a requisite feature in creating a balance between connectivity, immersion and interactivity. In the fashion industry, immersion is more critical, while in the financial industry, interactivity has been seen to be more significant. Other factors which balance connectivity, immersion and interactivity are related to customer content demands, convenience, customisation and e-community participation (Bhatt, 2004). This incorporated e-community features enable customers to establish their own online profile that indicate their preference on services and products which will then support e-tourism to provide better and customised service. It is always noted that in order to enhance the possibilities of introducing suitable products, an understanding on how market segmentation appreciate these different tourism products and services is crucial. Website system, information and service quality are important contributing factors influencing both e-satisfaction and behavioural intention of the e-community members (Lin and Lee, 2006). These two factors are also the determinants of members’ loyalty as this social behaviour seems to dominate the trust building process (Rauyruen and Mike, 2007).

These e-communities are increasingly influential as customer emphasises greater trust in their peers rather than just e-mail messages. The most cited e-community definition was firstly put forward by Rheingold (1993, pp. 58) as a web users group who may or sometimes may not know one another face-to-face but exchanged ideas and words via the mediation of web based bulletin boards and networks. In this case, web users will be able to maintain connections easily, obtain information, develop relationships, and finally make purchase decisions (Stepchenkova and Morrison, 2006). This sort of e-communities are in fact a social aggregations of web users who interact, are involved in discussions, and exchange information with sufficient human feeling on common interest topics in forming personal relationships. These types of e-communities are
rapidly becoming popular on the web, some are initiated, organised, and controlled, others are organised and initiated by service providers or by intermediaries between loyal members and marketers or advertisers. Stepchenkova et. al. (2007) explored the e-communities role as intermediaries in these relationships between these participating members or other interest parties.

Preece and Maloney-Krichmar (2002) on the basis of various characteristics and commonalities various communities defined by a multi-disciplined academic group in 1996 that an e-community is a community that shall display the following characteristics:

- A shared goal, interest or need;
- Repeated and active participation by members with strong interaction and emotional ties;
- Accessibility of shared resources and policies governing the access;
- Reciprocity of information, support and services; and
- A shared context of social conventions, language and protocols

Hence business model in the B2B platform shall then be re-engineered and contain at least the following purposes:

- Bringing people together with common needs and interests;
- Integrating published content with discussion forums;
- Recognising the value in discussion forums;
- Supporting aggregation of competing vendors and publishers to maximise the selection available to ensure best value for members in transactions relevant to their area of interest; and
- Recognise the commercial motivation for the site and plan revenue return on resources expended through enough customers.

B2B platforms e-tourism service providers to provide features to online communities to foster customer relationships, reinforce brand recognition, and encourage customer feedback to develop more effective products and services. The business model used can be powerful tool for Customer Relationship Management (CRM), using computer interface among customers with common interests and experiences. This social community will be formed when enough members are involved in online discussions
for a sufficiently long period enough and with sufficient human feeling for personal relationships. Four basic factors have been suggested to become an effective community; which include unity, identification, relatedness and involvement (Preece and Maloney-Krichmar, 2002). This sense of belonging of community (membership) with trustable structure influences others members and reinforces their needs. This structure will also raise awareness that mutual benefit arises from shared experiences and sets of values, and from being imbued with a spirit. As the online virtual community membership period increased, the membership level also increased and it also increased fulfilment and integration of needs. This community membership that resulted was perceived as the most prominent factor affecting member’s e-loyalty (Blanchard and Matkus, 2004). Integration and fulfilment of customers’ needs also appeared to be the other important factor affecting the members’ loyalty. To create trust and sense of belonging, reliable and accurate travel information shall always be provided by e-community to increase the frequency of visits and purchases (Stepchenkova and Morrison, 2006). This field of relationship management (e-CRM) will increase satisfaction and retention.

In this study, club member satisfaction is another significant factor of relationship satisfaction, however, it is also deemed necessary to relate the importance of service quality in determining satisfaction and customer retention relationship. Stauss, et al. (2001) analysed and pointed out that the satisfaction derived from the transaction of e-customer club significantly influences satisfaction and customer retention relationship.
CHAPTER 3 Hypotheses Formulation and Conceptual Framework

3.1 Basic Conceptual Study

The preceding chapter 2 has discussed in detail about the vital role of websites in delivering e-service quality to e-customer. Most described empirical studies suggest that e-service provider should emphasise more on excellent delivery of e-service quality by addressing e-customer needs in e-business context. It is thus proposed that e-service providers should design websites that include e-service quality with additional added value and meet the needs of e-customers. This discussion also emphasises on implementing e-service quality factors within a specific industrial service context like e-tourism industry.

There have been many measurement tools to assess e-SQ such as e-SERVQUAL, WEBQUAL and e-TailQ, but all these were developed in general e-retailing industry context. Moreover, there are limitations when the website e-SQ scales are performed in other contexts. Most of the studies have been conducted in the context of e-retailing and there have been less on e-SQ and e-customer behaviour in e-tourism context.

3.1.1 Conceptualisation of e-Tourism Services

The e-service providers make decisions of deploying pure e-commerce, not only for a substantial cost reduction, but for a great potential advantage by automating the entire process. In this way, value-added and interactive services are delivered to e-customers, either in real time or in a shared user’s community and become important for sustainable competitive edge as it strengthens relationships with key contributors (Ruyter et. al., 2001). Tourism organisations are increasingly looking forward to deliver e-service and meet e-customer demand (Forrest and Mizerski, 1996; Turban et. al., 2002). E-tourism service being centred on rich interactive content is a web-based customer service which integrates the organisational customer support system using the web technologies to strengthen the customer relationship (Ruyter et. al., 2001, p.185). Due to rapid advancement and proliferation of advantages of e-service in this era, it is
necessary to identify its associated factors influencing attitudinal commitment and repeat purchase behaviours towards this B2B e-tourism website.

The emphasis on more focused services within flexible network configurations would lead to further integration of all customer stakeholders and that will lead to a smart marketplace. This is made possible by pervasive IT scenario and enforcing this deployment, indicates that tourism is interesting field of research and application. Finally, it is proposed that the semantic mental models of travel information searcher and space will determine the level of satisfaction within this process. If these contain what the searchers need and these conceptual interrelationships are similar, this will then be more efficient and satisfactory. Generally, there are five major features for effective e-tourism websites:

1) **Informational**: These websites provide information about sellers, buyers and their products, and in fact most of the intermediaries had successfully explored this feature, and made it totally explicit. Cybermediaries which play solely this role of information provision are also termed ‘informediaries’ who fully exploit the power of information in their business model (Hagel and Rayport, 1997). Typical example is Google Scholar search engine.

2) **Transactional**: Most cybemediary provide and facilitate payment transaction directly between seller and buyer. Typical example is an auction website, eBay, where credit card and Internet payment gateways are used for this purpose.

3) **Assurance**: This feature provides quality assurance of the products and services within the purchasing process legitimacy of intermediaries as they carry risks both for the sellers and buyers. Buyers will be assured the expected quality of their goods and services, where as sellers will be assured that payment is being received. This is accomplished primarily in two ways, one via reputation and other by a third party assured payment gateways, example, VeriSign.

4) **Logistical**: This involves the delivery of purchased products or services to the end customer. The online products and services do not generally pose problems for the
cybermediary but they need to use their own internal physical resources through a third party.

5) **Customisation:** This process is about customising or tailor made services and products to meet e-customers’ needs, like, offering their preferred holiday types that cater for personal interests and alert e-mails service for most of their personalised products and services.

### 3.1.2 Conceptualisation of e-Service quality.

To be consistent with the prior research of service quality, customers’ perceptions of quality have been modelled as variable and found to be an important factor for customers’ overall satisfaction in service organisational financial performance (Parasuraman and Grewal 2000b; Parasuraman *et. al.*, 1994; Zeithaml 1988; Zeithaml *et. al.*, 2002). Most of these earlier studies have established service quality as multi-dimensional constructs. These dimensions have been found to be significant for customer satisfaction in an empirical study on travel websites (Morrison, 2004). The present research has adapted the seven dimensions of e-service quality which are discussed in the later part of this chapter.

### 3.1.3 Conceptualisation of e-Satisfaction.

Some studies had contributed to the field of e-satisfaction and e-retention by examining the drivers of e-satisfaction and behavioural outcomes of e-satisfaction, and the relationships between them. These studies have extended the knowledge in the study field of e-satisfaction and e-retention (Parasuraman and Grewal, 2000a, b; Zeithaml *et. al.*, 2002). The model (Figure 3.1) shows that overall resultant satisfaction of the e-tourism website is directly influenced by its perceived e-SQ which will capture the accumulative process experiences that create satisfaction, retention and loyalty (Fornell, 1992; Garvin, 1988; Bolton, 1998). In this case, customer satisfaction is measured the difference between pre-consumption expectations and actual experienced performance on a particular dimension. In other words, this satisfaction is considered as the resultant comparison on disconfirmation and it is the outcomes of expectations along these variables defined (Oliver 1980).
However, this study adopts process or experience-based customer satisfaction and its associated variables measurement rather than the gaps between expectations and performance. Many researchers believed that expectation would not give a more accurate measurement of satisfaction compared to experience-based one. The most often used e-SQ dimensions driving e-satisfaction are: responsiveness, competence; ease of use, service reliability and portfolio, courtesy, and continuous upgrading and improvement. Except the variable of ease of use, all other drivers are quite similar to that applied to traditional services. This also means that traditional service quality dimensions are still significant in influencing customer satisfaction and shows consistency with the TAM model. Some of factors are also found significant to customers’ online adoption and satisfaction with the services (e-satisfaction).

3.1.4 Conceptualisation of e-Loyalty.

SERVLOYAL (service loyalty) is conceptualised as one which interacts with both attitude and behaviour and is determined by relationship significance of relative attitude and repeat purchases. Hence the e-loyalty dimensions need to include cognitive behavioural and attitudinal processes. Accepting and agreeing with the fact that knowing the contribution of loyalty, how a sense of loyalty develops is still the most crucial marketing management issues (Dick and Basu, 1994; Pritchard et al., 1999).

Customer loyalty includes a broader theory which makes us understand further the conceptual framework of loyalty by a customer’s repeat purchase intentions and behaviours. Hence, loyalty is determined by a favourable or positive attitude which is compared to that of potential alternatives. Furthermore, true loyalty will only happen when the customer possess both attitudinal loyalty and behavioural loyalty. This concept of e-loyalty is consistent and acceptable by the most academics (Amine.1998; Sharp and Sharp, 1997; Wong et al., 2001), and adopted as the basis of the customer e-loyalty definition in this study.

3.1.5 Conceptualisation of e-Retention

Conceptually, e-retention differs from loyalty in a way that it is normally thought of a pure cognitive terms that describe e-customers attitudinal attachment to an e-service provider (Pritchard et al.1999). This attitudinal referred to a long term e-customer retention (Amine, 1998 and Moorman et al.,1992). This sense of belonging has been
found to be influenced by e-customer perceived differences among competing alternatives. They also hold a strong belief that the associated service provider will continue to be the best alternatives. Therefore, within the competitive e-tourism market place, it is necessary to measure e-customers’ relative attitudes as a degree to which the e-customers’ attitudes toward an e-service provider dominates that toward other comparable alternatives (Olsen, 2007).

The above mentioned, valued long term relationship refers to customer’s perception of this relationship benefits and interests in maintaining such a relationship, which is more as an indicative of future intention. This positive attitude to a website is linked to behaviours that are supportive to this website, like, repurchase intention and word of mouth recommendation. However, this is not necessarily indicative of their willingness or intention to develop a long term continuous repurchase relationship with the e-service providers.

3.1.6 Main Considerations after Literature Review

The literature review on e-SQ indicates that there are many important and neglected issues which need further research in this area. Firstly, earlier researches could not commonly agree on what are the important e-services web features. There is also no agreement on what will be the type of relationship between the website e-service features and their functionality to meet e-customer needs, and how e-SQ should be designed and applied to a chosen industrial context. Further, there is the need for an e-SQ instrument within the specific framework of considerations. The main factors concerning e-tourism website e-SQ can be summarised to at least include:

· Understanding and fulfilment of e-customer needs;

· E-service profile of tourism website; and

· Accurate assessment of its e-SQ and its impact on e-satisfaction.

E-services can improve or upgrade a website’s e-SQ profile and subsequently increase e-customer satisfaction. This is directly influencing customer loyalty and retention in both the physical and virtual marketplaces (Khalifa and Liu, 2002, 2003; Khalifa et. al., 2002; Khalifa and Shen, 2005; Wolfinbarger and Gilly, 2003). E-customer satisfaction
is basically defined as when customer is contented with the service or product after perceiving that its value is more than the costs of purchasing. For e-services, this similar principle of value-minus-costs, imply, the benefits of the e-services are compared to the perceived costs of using the website, and if the outcome is a positive value, it indicates that the customer is satisfied. (Piccoli et al., 2004). This means that e-customers are satisfied when their needs are fulfilled while visiting a website. It is in such a case that e-services are significant factors in providing satisfaction for e-customers with an e-tourism website.

The above discussion suggests that the efficient services design is important for the customer’s perceived quality and necessary to be exhibited in the form of design quality. This quality needs to be built into the e-services construction (Edvardsson et al., 1996). This construction profile is very essential to assure the website e-SQ from the customer’s perspective. Grönroos et al., (2000) suggest that this design shall reflect the core service and offer quality interface, supporting and facilitating services, participation and communication services. It further suggests that tourism websites can be benefited by adding value to e-customer shopping operations via the e-shopping process. These should include important functionality features, like information, transaction, and reservation and payment of e-services to e-customers (Nysveen and Lexhagen, 2001; Chu, 2001; Pedersen and Nysveen, 2005; Panagiotarakis et al., 2005; Law and Hsu, 2005).

The table (Table 3.1) includes nineteen features of e-tourism e-SQ profile which have been identified from the literature on e-services.

<table>
<thead>
<tr>
<th></th>
<th>Company Information.</th>
<th>Detailed company information and its activities.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Product Information.</td>
<td>Provide in-depth information about tourism products/services.</td>
</tr>
<tr>
<td>3</td>
<td>Chat/Customer Forum</td>
<td>Communication channels to learn about previous customer experiences.</td>
</tr>
<tr>
<td>4</td>
<td>Tourism Information.</td>
<td>Provide other related travel information on the website, e.g. visa rules.</td>
</tr>
<tr>
<td>5</td>
<td>Direct Links.</td>
<td>Direct links to other website for more tourism information.</td>
</tr>
<tr>
<td>6</td>
<td>Online Order Tracking</td>
<td>Functional feature for customers to monitor their order status.</td>
</tr>
</tbody>
</table>
The above website e-SQ profile further manifests the importance of meeting customer needs as is evaluated by customers on how well the website can fulfil their needs via a positive web experience (Zeithaml et. al., 2002; Loiacono et. al., 2002; 2003; Parasuraman, 2004; Piccoli et. al., 2004, Parasuraman and Zinkhan, 2002). The table (Table 3.1) gives a summary of their matched needs by e-services and the positive customer web experience on B2B platform. Website e-SQ has been defined as how it facilitates efficient and effective process of purchasing and delivery of services and products (Ziethaml et. al., 2002, p. 363). This definition had taken consideration of a full web experience process of customer throughout the purchasing stages (Khalifa and Liu 2003) and includes the stages of pre-purchase, on- and post-purchase service. The focus of most studies were based on e-service of a tourism e-customer required to fulfil the needs amenable to them (Zeithaml et. al., 2002; Zeithaml, 2002; Loiacono et. al., 2002; Wolfinbarger and Gilly, 2003). The reviewed e-SQ scales (WEBQUAL, e-SERVQUAL and eTailQ) apparently have included the needs of e-customers but there is no refined method for valid measurement of e-SQ in the e-tourism services context. This study also adopts nineteen e-services profiles from Table 3.1 which have added
value as perceived by the customers, and, therefore, can be considered of importance to a tourism website.

3.1.6.1 e-Service Quality, e-Satisfaction and e-Loyalty.

Considerable literature attention has been given to the service quality and customer satisfaction relationship (Bolton and Drew, 1991, 1994). However, most of the articles that have attempted to study this interrelationship are of a non-empirical nature. It is further concluded that if quality improvement efforts cannot meet their needs, they will not improve customer satisfaction. Most of the studies are conducted using the model and ground theory of expectation/disconfirmation (Chon, 1989; Francken and Van Raaij, 1981; Oliver, 1980), equity (Fisk & Young, 1985), norm (Cadotte, et. al., 1987 cited in Robledo, 2001), and perceived overall performance (Tse & Wilton, 1988 cited Singy. et. al., 2006). According to this Oliver’s (1980) expectation-disconfirmation model, customers develop expectations about a product before purchasing and compare actual performance with those expectations. If the actual performance is more than these expectations, this is considered as a positive disconfirmation which the customer is highly satisfied and more willing to re-purchase the product. Otherwise, this shall be a negative disconfirmation and the customer is unsatisfied and will look for other alternative products during the next purchase. This concept and the different level of loyalty is critical for measurement for the marketing strategy success (Flavian et. al., 2001), while applying to e-tourism context, these are the products/services that customers may revisit or recommend the travel destinations to other potential tourists or friends and relatives.

Features such as site design, convenience, and financial security affect e-satisfaction (Szymanski and Hise 2000). Of the many other features discussed (Ernst and Young, 1999 cited in Tersziovski and Samson, 1999), three groups of factors are seen as key factors in influencing e-satisfaction. These are technology, shopping, and individual product. The technology factors refer to the website functionality and quality that enable the customer to access the site, and use it for purchases. Shopping factors refer to the customer feeling of on- and after-shopping experience. Product factors pertain to the qualities of the product or service for sale.
Szymanski and Hise (2000) predict that customers will initially be loyal in the cognitive sense, then in an affective sense, and still later in a cognitive, action, or behavioural manner. A conceptual framework, based on expectancy-value theory (Eagly and Chaiken 1993), include several factors, which may affect the attitude-behaviour relationship (Dick and Basu 1994). Further empirical research support this assumption and stress the importance of the measurement of quality, satisfaction, and loyalty from a customer’s perspective. The main prerequisite for a good quality measurement instrument development is to ensure that the scale items are of a good internal consistency (reliability) and are accurate (Moore and Benbasat, 1991; Sweeney and Soutar, 2001; Wolfinbarger and Gilly, 2003; Hardesty and Bearden, 2004; Huang, 2006; Yang et. al., 2005).

3.2 Conceptual Framework and Hypotheses Development

B2B website is viewed as electronic interface platform between an e-service provider and its prospect customers. It is different from B2C websites as here the prospect customers are other businesses. The aim of this study is to understand how a prospect customers’ perception about the different services of website affects its quality without forgetting the perception of a B2B customers. This study focuses more on wider perceptual dimensions such as organisation and personalisation rather than the specific website design features, for example, exact colour combinations and font size. Consequently, this literature review put less attention on academic and popular press literature that has focused on general website design features. The seven construct; accessibility, navigation, web page design, reliability, assurance, responsiveness and customisation, have been identified by prior researchers and are adopted in this study (Figure 3.1).

It is believed that an e-tourism website is favourably strengthened by these seven website characteristics. In addition, the relationship between the website characteristics and attitude toward the website affects e-satisfaction and e-loyalty. The e-SQ criteria were chosen specifically because they are quite the same to the five identified SERVQUAL dimensions which were already being used to assess the service quality in traditional businesses. The first SERVQUAL dimension of “tangibles” is reflected in the categories of “accessibility,” “navigation” and “Web page design” In e-business,
the website design and service quality should be considered rather than taking into account the physical facilities and personnel appearance. In order to deliver the committed service, the “reliability” dimension which is the “content” of the site in terms of the sites’ promised services is examined. The “content” section is mostly the operational functionality of the website. The “responsiveness” dimension bears the same name as the e-SQ scale although in this case e-mail responses will be tested. The “background” category of the e-SQ instrument includes elements borrowed from the “assurance” section of the SERVQUAL scale. The e-business should have knowledgeable contact employees and provide a sense of security to their customers. This personal attention is equivalent to the “empathy” dimension which is reflected here as “personalisation and customisation” incorporated in the website.

As from the preceding discussed literature, there is still not sufficient evidence to formulate a better e-SQ conceptual model specifically in the e-tourism industry context. Empirical study is required to investigate in detail the determinants of e-service quality and its influence on the customer’s perceptions of e-tourism service quality (Janda et al., 2002; Yang and Jun, 2002; Santos, 2003). This study proposes that e-service quality dimensions include web page design, accessibility, navigation, reliability, assurance, responsiveness, and customisation. It has also proposed a research model for understanding the customers’ perceptions of e-service quality dimensions of e-tourism websites, and the effect of service quality dimensions-customer satisfaction, and in turn influence of customer’s satisfaction on customer behavioural intentions (see Figure 3.1).

Previous literature review supports a strong direct link between e-service quality and satisfaction but not yet any claim of e-retention to satisfaction. There is possible link between e-satisfaction and e-loyalty, same case to e-retention. Therefore, this study intends to explore whether the relationship between service quality and satisfaction positively influence e-retention. Early stage research by Van Riel et al., (2001) uncovered eight dimensions of e-service quality which are similar to those found in their previous research on service quality in the pre-Internet age but these are more refined. It is assumed that customer e-satisfaction is a direct link to the customer’s web experience in the e-tourism website. These factors are of a multi-dimensional construct related to travel website e-services and are mainly the perceived quality of the services and products offered, and the perceived value by the customer (Susskind et al., 2003). A model proposed by Van Riel et al., (2004), which focuses on e-tourism SQ factors
that affect satisfaction that re-purchase and re-visitation, was selected and refined for the framework of this study.

Based on the above discussion, the following three broad hypotheses are suggested and Figure 3.1 shows the development of the model which investigate the predictors of e-satisfaction and its associated relationships. As for customer retention, a concept of operationisation was applied. It includes emotional-cognitive retention constructs such as liking, identification, commitment, and trust, as well as behavioural intentions in the form of willingness to recommend and repurchase intention.
3.3.1 An Integrated Conceptual Framework of e-Service Quality, e-Satisfaction and e-Loyalty

Fig 3.1 B2B2C Web Quality Research Model
From the conceptual model (Fig. 3.1), it is clear that this study is using the seven dimensions which are also in accordance with e-tourism SQ profile that meet the needs of e-customers. The arrows linking the opal shaped blocks in the model represent the relationship of the seven factors of e-Service Quality and e-satisfaction. For example, the arrows between Accessibility, Navigation, Design, Reliability, Assurance, Responsiveness and Customisation and e-satisfaction means that these e-service quality factors directly affect satisfaction with e-tourism website. Further, the arrow pointing from “e-satisfaction” to “e-retention” and “e-loyalty” means that e-satisfaction has direct impact on retention and loyalty of e-customers with the e-tourism web site. This conceptual model has included two aspects of customer loyalty: behavioural loyalty (purchase intentions) and attitudinal loyalty. It has also taken into account overall satisfaction and overall perceived e-service quality. This research addresses the following fundamental question:

Which are the factors that play a role in customer evaluation of B2B2C website service quality?

Subsequently the following three sub-questions can be formulated:

1. How do customers perceive the online travel service?
2. To what extent can traditional measures be used for online travel service quality?
3. Which quality dimension do customers of online travel service consider important?

A travel website contains substantial information such as information search and selection on airlines schedules, accommodation bookings, package holidays, car rentals and travel destinations. Hence the interface quality shall play a major role especially in the case of e-community and the following approach was used in formulating the proposition related to overall e-service quality perceptions.

3.3 Objectives of the Study

The following objectives have been identified for the present study:

1. To investigate the e-service quality of an e-tourism website within the B2B2C strategic alliance network in Malaysia.
2. To examine the impact of e-service quality of e-tourism website on e-satisfaction.
3. To examine the impact of e-satisfaction on e-loyalty.
(4) To examine the impact of e-satisfaction on e-retention.

The following section describes the e-service quality dimensions and proposed hypotheses for the relationship of these dimensions with customer’s e-satisfaction.

**ACCESSIBILITY**

It refers to how easy is to access the website, to the service provider staff and the different services and products offered on the web page.

H1  *In the case of e-tourism website, the offered services and staff will be positively related to customer’s satisfaction.*

**NAVIGATION**

This navigation quality implies that the website is well organised and has structured online catalogues and proper placement and naming of associated hyperlinks which facilitate customer’s search. A good search engine allows customers to manoeuvre through the web pages easily, logically and quickly.

H2  *In the case of e-tourism website, the perceived quality of navigation between pages will be positively related to customer’s satisfaction.*

**WEB PAGE DESIGN**

Design quality includes web page layout, numbers, relevance and quality of pictures, font size and style as these designed features will affect the way customers respond to the service.

H3  *In the case of e-tourism website, the perceived quality of web page design and presentation of information will be positively related to customer’s satisfaction.*

**RELIABILITY**

Customers expect a reliable payment gateway and search engine to be presented on a website. Further, it should include accurate online transaction, records, correct performance and order fulfilment. For example, the ability to reserve and offer the correct number of airplane seats and hotel rooms and in offering the holiday packages at the advertised prices.
H4  *In the case of e-tourism website, the perceived reliability of the e-service will be positively related to customer’s satisfaction.*

**ASSURANCE**

This refers to how much the customers believe that the website is safe in terms of intrusion and how secured is the personal information being protected. Anderson and Srinivasan (2003) suggest that the perceived trust and value towards a website give similar effects to satisfaction and loyalty link. In contrast, Grewal *et. al.*, (2004) refer this value and trust as perceived convenience benefits and perceived risk. This importance of trust is further explored by Grabner-Kraeuter (2002) who suggest that by generating purchase trust, retailers add value for customers by reducing the complexity and also diminishing the uncertainty linked to the online transactions (Ratnasingham, 1998).

H5  *In the case of e-tourism website, the perceived assurance of the online service will be positively related to customer’s satisfaction.*

**RESPONSIVENESS**

This refers to the speed and accuracy in answering customers’ question and providing solutions.

H6  *In the case of e-tourism website, a positive relationship will exist between perceived responsiveness and the customer’s satisfaction.*

**CUSTOMISATION**

In this context, this refers to the strategy that treat each customer as an individual, recognising them when they revisit the website and provide personalised information based on his/her explicit or implicit preferences (Peppers *et. al.*, 1999). In other words, this feature will screen out tedious effort so that it is not necessary to provide personal information or preferences, thus improving accuracy of searches, and speeds up the completion of transactions. This in fact come with idea that customisation will treat a customer not as a faceless statistic but rather as an individual by recognising when a user returns to this website. This is often done by greeting a person by his/her chosen name with the use of a registration tool such as user ID and a password in conjunction with cookie technology. The second idea is the customising of web content where
customer can have a greater control over the type of information exposed to when he/she re-visit this website. It has also been suggested that they will be more satisfied when they can personalise their attribute preferences while making a selection of products and services (Huffman and Kahn, 1998). Finally, this method of customisation either implicitly or explicitly and sometimes both, the fundamental goal is to increase the quality of experience for customers at a website, which in turn increases the website’s effectiveness. This dimension is strongly associated to the empathy dimension of SERVQUAL and in this case means that customers expect e-service to respond to a personalised need such as by incorporating an adaptive feature for customers.

H7 In the case of e-tourism website, a positive relationship will exist between perceived customisation and the customer’s satisfaction.

E-SATISFACTION

The associated literature for this is firmly grounded in the ‘disconfirmation paradigm’ (Oliver, 1997) and Szymanski and Hise (2000) further significantly provide advanced understanding of satisfaction, call for more study on the drivers of e-satisfaction and particularly the trust-satisfaction link. Indeed, such comments appear pertinent in the case of both business-to-business (Bauer et. al., 2002) and customer relational qualities (Sirdeshmukh et. al., 2002).

E-LOYALTY

Oliver (1997) presented a detailed framework of loyalty where loyalty has been considered to appear in four phases: cognitive, affective, and behavioural action. From web experiences, customers believe that a particular brand is preferred to others after comparison. They will then have a favourable attitude for the products or services. A further and deeper level of commitment to this brand leads to behavioural intentions. These behaviours will then be converted to purchase action and willingness to stick to the products and/or services of these service providers.

For the relationship between e-satisfaction with e-loyalty and e-retention, the study hypothesizes:
H8  The e-satisfaction with e-tourism website will positively influence e-loyalty of customers.

H9  The e-satisfaction with e-tourism website will positively influence e-retention of customers.
CHAPTER 4 Research Methodologies

Research planning is important and offers a better understanding of a phenomenon in a timely, cost effective and credible manner (Marshall and Rossman, 1999). It provides a systematic and planned approach to the research, thus ensuring all aspects co-ordinate with each other (Aaker et. al., 2001). The research questions which stem from the literature review in service quality, and e-SQ, and tourism industry have been identified in the earlier chapter. A summary of research questions and hypotheses are given below.

What are the factors that play a role in customer evaluation of B2B2C website service quality?

Subsequently the following three sub-questions were formulated:

(1) How do customers perceive the online travel service?

(2) To what extent can traditional measures be used for online travel service quality?

(3) Which quality dimension do customers of online travel service consider important?

H1: In the case of e-tourism website, the offered services and staff will be positively related to customer’s satisfaction.

H2: In the case of e-tourism website, the perceived quality of navigation between pages will be positively related to customer’s satisfaction.

H3: In the case of e-tourism website, the perceived quality of web page design and presentation of information will be positively related to customer’s satisfaction.

H4: In the case of e-tourism website, the perceived reliability of the e-service will be positively related to customer’s satisfaction.

H5: In the case of e-tourism website, the perceived assurance of the online service will be positively related to customer’s satisfaction.
H6: In the case of e-tourism website, a positive relationship will exist between perceived responsiveness and customer’s satisfaction.

H7: In the case of e-tourism website, a positive relationship will exist between perceived customisation and customer’s satisfaction.

H8: The e-satisfaction with e-tourism website will positively influence e-loyalty of customers.

H9: The e-satisfaction with e-tourism website will positively influence e-retention of customers.

4.1 Scientific Research
Scientific research is the systematic, controlled, empirical and critical investigation of hypothetical propositions about the presumed relations among natural phenomena. It relies on the application of sequential and rigorous method for investigation of research which allows other researchers and organisation to apply the proposed solutions confidently in the similarly encountered problems. There are eight major characteristics of the scientific research suggested by Cavana et. al., (2001).

• **Purposiveness**
  The research shall always come with a well defined objective or purpose.

• **Rigour**
  A strong ground theory and well thought and rigour methodology is used to work on the purpose. The research would be considered as lacking of rigour, if, (a) incorrect conclusions are drawn or these are based on the thoughts of a few respondents whose opinions may not represent those of the entity; (2) biased or incorrectness in the response; (3) there might be many other important influences on organisation that this small number of respondents could not verbalise during the interviews or survey and the researchers have failed to include them.

• **Testability**
  In scientific research, hypotheses are proposed to explain phenomena. The developed hypotheses are tested using the appropriate methodology. An experimental
study may be designed or data are collected through field survey to test the accuracy of prediction.

• **Replicability**

  Research has more credence if same method of data collection and analysis give the similar result to other organisation. Their results can also be repeatedly supported by the same type of research in other similar environment. That is, the results are replicable and repeatable.

• **Accuracy**

  It is impossible to obtain error free measurement. However researcher has a research design to that study is free from measurement errors.

• **Objective**

  The entire process must be objective and based on actual data derivation and not be biased toward the interpretation of the results.

• **Generalisability**

  The findings of the study should be applicable to the other organisations with the attitude that wider applicability is always more useful to the research. For wider generalisability, it is important that the sampling design should be logically developed for the decision making on the data collection method.

• **Parsimony**

  This refers to the simplicity in explaining the phenomena that occurs, and in generating solutions for the research problems. Parsimony is thus being understood as the findings relating to the problem and the influential factors. Therefore it is necessary to have a well designed conceptual theoretical model which can be studied via unstructured or structured interviews with the selected respondents, together with the comprehensive literature reviewing of the previous similar field related research work.

### 4.2 The Research Design

Research design is a logical plan starting from raw data and moving on to interpretation of results and some set of conclusion. According to Churchill (1996) ‘A research design is simply the framework or plan for a study, used as a guide in collecting and analysing data…, it ensures that the study will be relevant to the problem, will use economical procedures. It is considered to be master plan of research, dealing with various issues
such as location of population of interest, the precise methods of collecting data and a preliminary discussion of strategies for analysis of data. Figure 4.0 shows the overview of the important sequential tasks relating to research design (Cavana, et. al., 2001).

**Figure 4.0 Business research process: the research design**

Research is conducted to investigate problem and to obtain more in depth knowledge in a particular area. At the research design phase, the most important step is the selection of research method (Asker et. al., 2001) Studies can be exploratory, descriptive and casual.
4.2.1 Exploratory Research Design

Exploratory study is conducted to acquire additional knowledge of a situation when much information is not available. The main purpose of the exploratory research design is to uncover ideas and insights to define the problem and suggested hypotheses (Churchill, 1996). To achieve the researchers’ objectives, extensive interview, focus groups or both are conducted. This type of exploratory study is important to obtain a concept of the interested phenomena which can be used for advancing a theory and knowledge building and hypothesis testing. The major objective of exploratory design research is to generate information that the research can use to enhance the understanding of the research problem, to define or redefine the original research problem or to identify the information required to examine the research question.

4.2.2 The Descriptive Research Design Study

The descriptive research design is used when substantial amount of information on the research question is already available. The descriptive design focuses on determining the frequency with which something occurs or the relationship between the variables (Chuchill and Jacobucci, 2002). The aim of descriptive study is to learn and investigate the variables of interested phenomena, like, the characteristics of a group of employees in an organisation. This involves the variables of interest like: age, education level, job types and the length of service of the employees. Introductory descriptive narratives of some researcher reports are generally drawn from governmental statistical publications and used for appropriate presentations. It is therefore right to say that this sort of study can offer a profile or relevant description of the interested phenomena from an individual, organisational, industry oriented or other perspective.

Descriptive studies if presented in a well designed form will help us to:
- understand a certain group characteristics in a given situation;
- think systematically about aspects in a given situation;
- offer ideas for further research; and,
- understand the numbers and demographic profile of frequent users of online tourism portals.
4.2.3 The Casual Research Design

This research design attempts to demonstrate whether one variable causes or determine the value of other variables (Aaker and Drolet, 2002). It gets the answer to question “why” and is used when the research aims to understand if change in one variable causes a change in another variable(s). If the research is able to identify the causes of changes in a variable of interest, the researcher’s ability to predict and control the future events is enhanced.

4.2.4 Review of Elements of Research Design

These research designs are not contradictory; there is relationship between the three types of research designs. The selection of research design depends on the specific aims of research or research problem (Zikmund, 1997; Aaker et al., 2001, Churchill and Jacubucci, 2002). The descriptive research design is most appropriate for the present research as this objective is to examine the customer’s satisfaction and loyalty with website in the e-tourism.

4.3 Types of Research Methods

Different researchers claim allegiance to one or another form of the research paradigm or approaches, and so claim to be positivist, interpretivist or critical researcher. This researcher’s preference is based on his/her personality, past experience and training. However, the research objective and topic determines the type of paradigm or approach to be applied. There are two main themes of research paradigm, namely, qualitative and quantitative and the research methods used are interpretivist paradigm and positivist paradigm respectively. The other type of research design is combination of the two, which is known as triangulation.

4.3.1 Qualitative Research

Human beings are believed to have complex and predictable nature and idiosyncratic personal needs. The role of qualitative research is very useful to understand human behaviour. This type of research paradigm is believed to offer a deeper understanding of a certain phenomena. This approach is to reveal and understand individual belief system, mind maps, interpretative scheme, and personal values or the rule of living. This will not only concern too much on representative samples but also emphasises is on detailed description of social practises. This will understand the deeper participant’s experience
An Exploration of e-satisfaction in B2B2C Website in the e-tourism Strategic Alliance Network
Student Names: Liew Mook Lam    Student No: 3040243

and discover their own world (Jackson, 1995). Qualitative methods normally include observation, focus groups and interviews to investigate and understand the complex and rich nature of human behavioural phenomena. In these methodology, the researchers act as ‘human-as-an instrument’ for both data collection and results analysis.

4.3.2 Quantitative Research

Quantitative research emphasises on more precise quantitative data for rigorous measurement. This type of research paradigm has been viewed as concentrating more on statistical analysis and precise measurement. These methods use statistics to measure the phenomena and to analyse the collected data. In business research, quantitative methods normally collect data via survey questionnaires, field and laboratory experiments and also process secondary data available with organisations.

4.3.3 Triangulation

Triangulation in social sciences is using more than two methods in a study which is considered to be very powerful technique with a view to double checking the results (Cohen and Marion, 1987). This strategy allows a researcher to address broader range of attitudinal, behavioural and historical issues. The most important advantage of triangulation is the development of converging lines of inquiry. Thus, some researchers believe that any finding or conclusion using this methodology is likely much more convincing and accurate because of the several different sources of information.

This type of study method using multiple evidences were rated higher in overall quality, than those that used only single sources of evidence (Yin, 2003). However, the use of multiple evidences does impose a greater burden on researcher because the collection of data is more expensive than from a single source. More importantly, researcher needs to know how to carry out the full variety of data collection techniques.

4.3.4 Choice of Appropriate Research Method

Recap from the above sections, there are two broad paradigm, qualitative or quantitative. The former collects data in the form of narratives, descriptions, diagrams or words while the latter uses counts and numbers to measure things. The choice of either qualitative or quantitative approaches depends on the research problem, research field and what lies in the researcher’s mind (Sullivan and Walstrom, 2001). Qualitative
approach is normally used in new research fields with limited theoretical understanding of the phenomenon as in case of exploratory study. The main disadvantage of the qualitative method lies in the difficulties in addressing the validity and reliability due to the subjectivity and narrative nature of an argument. Sometimes, for optimising the strong points of both methods and to compensate limitations, the deployment of mixed methodology is suggested. The area of e-SQ for online travel industry is considered relatively new. The study is based on the established theories and in-depth research in the field of information systems, internet marketing and service marketing. The present research is quantitative in approach as this aims to examine the e-SQ dimensions affecting e-satisfaction in Malaysia e-tourism contexts.

4.4 Research Model

Figure 4.1 shows the research steps that are adopted for this study.

![Figure 4.1 Methodology Schematic](image)

The above schematic representation shows the adopted sequence of work flow involved in research purpose, approach and strategy which is referred to as research design Cavana et. al.,(2001). All the approaches such as sample selection, collection of data and the data analysis are methodologically necessary to achieve a result of rigorous, validity and reliability (Appleton, 1995; Seale and Silverman, 1997).

4.4.1 Research Purpose

The research purpose is to find out what is happening by assessing phenomena by observations, asking questions in interviews, and exploring new insights into specific information on selected topic (Yin, 2003). The present study is aimed at examining the e-satisfaction dimensions in Malaysian e-tourism contexts. It is exploratory in nature to explore better understanding of the variables which affect e-satisfaction of e-tourism
websites. As Malaysians are from a multi-racial community, hence web page aspect of the multi-lingual description has been considered as design requirement. This is one of the factors possibly not been investigated thorough enough by any researcher before and this does demands more attention (Li and Law, 2007).

4.4.2 Research Approach.
This study adopts the quantitative research approach to explore the relationships highlighted in the proposed conceptual framework. This approach is being adopted to study e-satisfaction which is considered relatively new and the first conceptual study was undertaken by Zeithaml et. al., (2002). Taking into account the speed of ICT advancement where new brand is developing now and then, this time frame is appropriate for investigating new knowledge and forming theories.

4.4.3 Research Strategy.
Research strategy can be considered as a master plan designed to answer research questions. It consists of mainly five common types in social sciences research, namely, surveys, archival analysis, experiment, case and historical study (Yin, 2003). The use of any specific strategy depends on the three pre-requisites:

· Form of research questions

· Control of behavioural events

· Focus on contemporary events

This study adopts the web-based survey research strategy to address the hypotheses. After considering the time and resource constraints it is considered to be the most appropriate data collection techniques. This collects data from ongoing web users of e-tourism website. Despite the numerous advantages and disadvantages of web based survey as compared to postal survey methods, it is still much less costly per respondent and need less completion time (McDonald and Adam, 2003). This is also one of the main reasons that academicians and business researchers popularly use this methodology. Furthermore, the unique feature of web based survey is anonymity and it becomes the distinct advantage especially for sensitive questions. However, this may become a drawback if follow-up study is required.
4.4.3.1 Questionnaire Development

The investigation of e-SQ for e-tourism involved a modification and adoption of the previously developed hands-on scale. However, doubts do arise whether these are effective and sufficient in capturing the targeted variables for e-tourism services (Loiacono et al., 2002; Yoo and Donthu, 2001). In the previous decade, Carman (1990, 2000) cautioned for using SERVQUAL as there are unique dimensions for each service industry. Therefore, besides adopting the scale, it is necessary to further develop service specific attributes of this service and a suitable quality dimensions for e-tourism websites. Hence, Ho and Lee (2007) further made a more comprehensive effort to investigate further the dimensions of tourism e-SQ and the associated interrelationships by developing and validating an assessment instrument. This research concentrates on those features which the customers perceived as the necessary e-SQ towards e-satisfaction achievement. Table 4.1 summarizes the quality and satisfaction dimensions of e-services identified by different researchers.

Table 4.1 Quality and Satisfaction dimensions of e-services identified by researchers

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<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cox and Dale (2001)</td>
<td>Web service</td>
<td>Service quality</td>
<td>Accessibility, communication, credibility, security, understanding, colour, appearance, availability, functionality, integrity, resources, relationship services</td>
</tr>
<tr>
<td>Cronin and Taylor(1992)</td>
<td>Offline service quality</td>
<td>Service quality</td>
<td>Health care service quality and patients satisfaction</td>
</tr>
<tr>
<td>Dabholkar et al., (1996)</td>
<td>Offline service quality</td>
<td>Service quality</td>
<td>Effects of different waiting time service quality</td>
</tr>
<tr>
<td>Authors</td>
<td>Type</td>
<td>Component</td>
<td>Service Quality</td>
</tr>
<tr>
<td>-------------------------</td>
<td>---------------------</td>
<td>--------------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Janda <em>et. al.</em>, (2002)</td>
<td>Internet Retail</td>
<td>Service quality</td>
<td>Performance, access, security, sensation, information</td>
</tr>
<tr>
<td>Kaynama and Black (2000)</td>
<td>On-line travel agencies</td>
<td>Service quality</td>
<td>Content and purpose; accessibility; navigation; design and presentation; responsiveness; background information, personalization and customization</td>
</tr>
<tr>
<td>Kim and Lee (2002)</td>
<td>On-line travel agencies and suppliers</td>
<td>Service quality</td>
<td>Information content; reputation and security; structure and ease of use; usefulness</td>
</tr>
<tr>
<td>Li, <em>et. al.</em>, (2002)</td>
<td>Web-based service</td>
<td>Service quality</td>
<td>Tangibles; reliability; responsiveness; assurance; empathy; quality of information; integration of communication</td>
</tr>
<tr>
<td>Loiacono <em>et. al.</em>, (2002)</td>
<td>Website</td>
<td>Website quality</td>
<td>Ease of understanding intuitive operation; information quality; interactivity; trust; response time; visual appeal; innovativeness; flow</td>
</tr>
<tr>
<td>Madu and Madu (2002)</td>
<td>On-line services</td>
<td>Service quality</td>
<td>Performance; feature; structure; aesthetics; reliability; storage capability; serviceability; security and system integrity; responsiveness; product/service</td>
</tr>
<tr>
<td>Perdue (2000)</td>
<td>Resort website</td>
<td>Overall quality of the site</td>
<td>Overall resort quality as presented by the site; Site accessibility; navigation; visual attractiveness; information content</td>
</tr>
<tr>
<td>--------------</td>
<td>----------------</td>
<td>-----------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Joseph et. al., (1999)</td>
<td>Online banking service</td>
<td>Online service quality Customisation</td>
<td>Convenience, feedback management, efficiency, queue management, accessibility and customization</td>
</tr>
<tr>
<td>Waite and Harrison, (2002)</td>
<td>Online banking service</td>
<td>Online customer satisfaction</td>
<td>Transaction technicalities, design making convenience, interactive interrogation, specialty information, search efficiency, physical back-up, technology thrill</td>
</tr>
<tr>
<td>Santos, (2003)</td>
<td>Web service quality</td>
<td>Online service quality and customer retention</td>
<td>Reliability, efficiency, support, communication, security and incentive</td>
</tr>
<tr>
<td>Gefen and Straub (2003)</td>
<td>Web service quality</td>
<td>Online service quality and customer repurchase intention</td>
<td>Perceived ease of use, perceived usefulness</td>
</tr>
<tr>
<td>Voss, (2003)</td>
<td>Web service quality</td>
<td>Online service quality</td>
<td>Trust, information, configuration, customization</td>
</tr>
<tr>
<td>Srinivasan et. al., (2002)</td>
<td>Online retailer</td>
<td>Customer loyalty Customization</td>
<td>Contact interactivity; care; community; cultivation; choice;</td>
</tr>
<tr>
<td>Study</td>
<td>Website/Service Quality</td>
<td>Quality Dimension</td>
<td></td>
</tr>
<tr>
<td>--------------------------------------</td>
<td>-------------------------</td>
<td>--------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reliability; responsiveness; access; flexibility; ease of navigation; efficiency; assurance/trust; security; site aesthetics; customization/personalization; quality of information</td>
<td></td>
</tr>
<tr>
<td>Van Riel et al., (2001)</td>
<td>Portal site Service quality</td>
<td>E-loyalty</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Convenience; site design; ease of use; financial security; assurance; enjoyment</td>
<td></td>
</tr>
<tr>
<td>Wan (2002)</td>
<td>Hotel website</td>
<td>Performance User interface</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>variety of information; on-line reservation</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Website design; fulfilment/reliability; privacy/security; customer service</td>
<td></td>
</tr>
<tr>
<td>Yoo and Donthu (2001)</td>
<td>Internet shopping site</td>
<td>Overall site quality</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>attitude toward site; on-line purchase intention; site loyalty; site equity; Ease of use; design; speed; security</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Efficiency; reliability; fulfilment; privacy; customer service (responsiveness; compensation; contact)</td>
<td></td>
</tr>
<tr>
<td>Millian and Esteban (2004)</td>
<td>Online travel services</td>
<td>E-satisfaction</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Service encounters, empathy, reliability, service environment, efficiency of advice, additional attributes</td>
<td></td>
</tr>
<tr>
<td>Mills and Morrison (2003)</td>
<td>Online travel website</td>
<td>E-satisfaction</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Web interface, functionality and perceived quality</td>
<td></td>
</tr>
</tbody>
</table>
Seven quality dimensions are selected as specific attributes for the present study and their detailed descriptions are as follows:

**ACCESSIBILITY**
This encompasses case of website accessibility; maintain contact with company, access to all different products and services on the website. The efforts expending navigating a website, the existence of well-guided/structured and simple steps to product/service catalogues, and the ease of online transaction completion are factors that are also included.

**NAVIGATION**
Essential and accurate on screen information of products/services on the website is always considered at top priority function for e-customers. The well organised and structured online catalogues and proper placement and naming of associated hyperlinks facilitate customers’ search quick and easy. In the context of web-based markets, this feature is crucial in attracting both the new and experienced e-customers. Rice and D’Ambra (2001) have suggested that for e-shopping and to penetrate the mass market, the website should be substantially designed to make navigation and search easy for right information or content.

**WEB PAGE DESIGN**
A web page should include colour, font size and style, numbers, layout and the picture quality which influence the customers’ response to the products. It should also include the interactive messages which facilitate towards the flow of sequence till final transaction, which is also critical to ensure customer satisfaction who is navigating the site. High density and advertising graphics significantly slow down navigation; hence there is a need for balance between web page download and the intended web multimedia features.

**RELIABILITY**
Customers expect a reliable payment gateway and search engine to be presented on a website. Further, it should include accurate online transaction, records, correct performance and order fulfilment.
ASSURANCE
This refers to the degree to which a customer believes that this website is protected from intrusion of personal information. It encompasses low risk involved in online transactions where personal information is being provided. This security is more concerned with the trustworthiness of the e-service providers and this perceived lack of security has constituted a stumbling block in creating e-satisfaction (Balfour, et. al, 1998). The personal information includes credit card numbers that shall be coded and decoded by encryption algorithms. Hence e-customers expected e-service providers to provide evidence of secured services by an independent security certificates.

RESPONSIVENESS
It involves provisions of after sales support and responding to customers’ queries and offer solutions in a speedy and accurate manner. This refers to the organisational staffs which are prompt in responding to customers’ needs and provide immediate service.

CUSTOMISATION
Customisation is strongly related to the “empathy” dimension of SERVQUAL; where customers expect online service to respond to their personalised needs, and hence the need for incorporating an adaptive feature. Customisation is sometimes also called the “product portfolio” factor, and covers online service functions, useful free services, a wide range of product and service packages, and other diverse features.

These seven dimensions were postulated specifically for e-tourism services were measured by adopting and modifying scale items by Van Riel, et. al. (2004). E-satisfaction for e-tourism services was measured using the dimensions identified in an empirical study by Millan and Esteban (2004). These dimensions were operationalised by interviewing travel agents and by a comprehensive group discussion with marketing professionals. McMulan (2005) developed a multi-item scale measurement for customer loyalty; identify the results in Table 4.2. The table 4.3 gives a summary of different scales which have been developed to measure service loyalty.
Table 4.2 Scales Items Measuring Customer Satisfaction and Loyalty

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction.</td>
<td>If I had to do it over again, I would make the most recent on-line purchase on this website.</td>
</tr>
<tr>
<td></td>
<td>It was the right thing to make the most recent on-line purchase on this website.</td>
</tr>
<tr>
<td></td>
<td>Truly enjoyed purchasing from this website.</td>
</tr>
<tr>
<td></td>
<td>The choice to purchase from this website was a wise one.</td>
</tr>
<tr>
<td></td>
<td>Satisfied with the most recent decision to purchase from this website.</td>
</tr>
<tr>
<td></td>
<td>Happy with the most recent online purchase on this website.</td>
</tr>
<tr>
<td>Loyalty intentions.</td>
<td>Encourage friends and relatives to do business with this website.</td>
</tr>
<tr>
<td></td>
<td>Say positive things about the website to other people.</td>
</tr>
<tr>
<td></td>
<td>Do more business with the website in the near future.</td>
</tr>
<tr>
<td></td>
<td>Recommend the website to those who seek the advice.</td>
</tr>
<tr>
<td></td>
<td>Consider this website as the first choice for buying the travel product that I most recently purchased on-line.</td>
</tr>
</tbody>
</table>

Table 4.3 Service Retention and Loyalty Literature Summary

<table>
<thead>
<tr>
<th>Author(s) (Year)</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jacoby and Kyner (1973)</td>
<td>3-fold classification for characterising approaches to measure brand loyalty: behaviour, psychological commitment, composite indices.</td>
</tr>
<tr>
<td>Dick and Basu (1994)</td>
<td>Study concentrated on the relative attitude and potential moderators of the relative attitude to repeat-patronage based on social norms and situational factors Relative attitude is the degree to which the consumer’s evaluation of one alternative brand dominates another. True loyalty only exists when repeat patronage coexists with high relative attitude Classification includes spurious, latent and sustainable categories of loyalty.</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Description</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Baldinger and Rubison (1997)</td>
<td>A composite approach which investigated the predictive ability of behavioural and attitudinal data towards customer loyalty across five sectors.</td>
</tr>
<tr>
<td>Raju (1980)</td>
<td>Developed scale to measure loyalty within the Exploratory Tendencies in Consumer Behaviour Scales (ETCBS).</td>
</tr>
<tr>
<td>Beatty, <em>et. al.</em>, (1998)</td>
<td>Developed scale to measure commitment, based on the assumption that commitment is similar to loyalty. This scale included items which reflected ego involvement, purchase involvement and brand commitment.</td>
</tr>
<tr>
<td>Gremler and Brown (1996)</td>
<td>Extended the concept of customer loyalty to intangible goods in their definition of service loyalty. They recommended a 12-item measure; a seven-point scale ranging from strongly agrees to strongly disagree.</td>
</tr>
<tr>
<td>Oliver (1999)</td>
<td>With greater emphasis on the notion of situational influences, they developed a four-phase model of customer loyalty development building on previous studies but uniquely adding the fourth action phase.</td>
</tr>
<tr>
<td>Jones, <em>et. al.</em>, (2000)</td>
<td>Explored a further aspect of customer loyalty identified as “cognitive loyalty”, which is seen as a higher order dimension involving the consumer’s conscious</td>
</tr>
</tbody>
</table>
decision-making process in the evaluation of alternative brands before making a purchase. One aspect of cognitive loyalty is switching/repurchase intentions, which moved the discussions beyond satisfaction and towards behavioural analysis for segmentation and prediction purposes.

Knox and Walker (2001) Developed a measure of customer loyalty with an empirical study on grocery brands. Found that brand commitment and brand support were necessary and sufficient conditions for customer loyalty to exist. Classified customers into the following: loyal, habitual, variety seekers and switchers. Provide guidance for mature rather than new or emerging brands.

La, K.V. et al., (2004) Explored the nature and dimensionality of customer loyalty within an online retailing context. The analysis indicates that the e-retention itself is multidimensional and can be considered as a function of customers’ present and future predispositions towards a retailer.

In the present study, customer loyalty is defined operationally into six characteristics. Firstly, being the purchase deterministic philosophy and not as a random event and these preferred purchases are biased towards a certain brand or organisation over the other competitors. Secondly, it is the purchase behaviour which is a necessity for positive purchase behavioural attitude in a marketing context. The third one is, longer periodic purchase behaviours rather than only once or few, this expression of more purchase intention show the longer term customer loyalty towards that service provider. The fourth characteristic is that the research will focus on individual customer’s decision-making as a unit to measure the customer’s loyalty development. The fifth characteristic is that the customer’s loyalty is the sequential development through the
above mentioned four characteristics. The sixth characteristic is the customer purchase decision after evaluating psychological decision process to purchase services or products.

On the basis of conceptualisation and extensive literature review, a total of 112 scale items related e-tourism dimensions were developed for the present study (e-SQ-78 scale items, e-satisfaction-8 items, e-retention-5 items and e-loyalty-12 items) (Appendix 4.1) All of these items are positively phrased. Respondents will be asked to rate these items on a five-point scale (1-“strongly disagree”, 5-“strongly agree”) with respect to their perceptions on e-tourism e-SQ. Nine items was used to capture customers’ usage patterns and demography before answering questionnaire for this web based survey.

The scales are further examined for validity and reliability. By avoiding duplication of items, clarity was optimised. This multi-item scale consisted of 103 items and was targeted to online customers who have required characteristics for this survey (Appendix 4.1). This is the result of refinement by creating new and additional items and/or selecting the appropriate items from existing or developed scales, which appeared to fit the variables defined. By following other survey researchers guidelines (Fink, 2003; Patton and Funk, 2001), this pool of items was developed and finalised for eventual inclusion into the scale items. The items content validity was assessed to isolate duplicate items and potential ambiguity.

A multiple items scale is used rather than single item scale as it facilitate to capture conceptual complexity (De Vaus, 1996). Single item or observation may be misleading and inadequate for accuracy in measuring the behaviours. However, cautions has been highlighted that wording and interpretation of the items shall not affect the scale validity (Oskamp and Schultz, 1991). The importance of using valid and reliable measures is widely recognized by marketing academicians who strongly cautioned against using single-item measures. For assessing reliability of measurement, researchers use multiple-item measures, the reliability of which is typically assessed by computing a reliability index (for example, a coefficient alpha).

4.4.5 Data Collection
Almost all the e-customers use the web facilities for commercial transactions, updating
their account information, keeping track of their purchased services or products, and even for the basic searching of travel or holiday information. This study aims to identify key e-SQ dimensions involving the product/service purchasing, it has collected data from e-customers who have preferred online transactions. In order to improve the generalisation of the results further, this study has included the various categories of e-customers. The sample includes the e-customers whose personal e-mail addresses were obtained from the membership database of website: www.myclub.net.my. The sequential steps involved in the data collection are presented in the flow chart is presented in Appendix 4.3. The data are collected from a national sample of 400 e-customers. This web-based survey is administered using a designed web page that will hopefully provide a representative of the current Malaysian e-customers sample population.

One of the steps taken to improve the web based survey response rate is by offering an incentive in the form of a free gift worth about USD 1.00 to all participants. There are numerous proven reasons towards the decision to use of incentives as many studies of postal survey had identified as one of the effective steps to increase response rates in public opinion surveys (Paxson, et. al., 1995). Other factors include incentives to compensate the participants for their time-cost (Dillman, 1978) whilst acknowledging the norm of reciprocity (Gouldner, 1960; Romans, et. al., 2003). Study by Brennan et. al., (1993) also shows that an incentive of $1 and a reminder give rise to the same response rate compared to two reminders without any incentive. Another similar result was obtained when the study was replicated within the UK with a 20 pence incentive (Jobber and O’Reilly, 1998) and again without reminders. Incentives are also employed where a large number of responses are targeted so as to meet the minimum requirement for statistical tests such as factor analysis (Turley, 1999).

In this study, respondents were randomly selected from the data base of e-customers and invitation e-mails were sent to these registered users. From these invitations, the respondents go access to the questionnaires by clicking a HTML web page link that is also posted on the website. Website promotions on the newspapers were also generated during this survey period to recruit new customers and to create more awareness towards the website and survey.
Dillman and Bowker (2000) suggests that social exchange is the underlying principle that drives people’s willingness to answer a mail survey. Individuals’ behaviours are guided by three vital elements, naming, rewards (what one expects to gain from a particular activity), costs (what one gives up or spends to obtain the rewards), and trust (the expectation that, in the long run, the rewards of doing something will outweigh the costs). All these three elements were incorporated in the survey design and implementation was done by increasing the perceived rewards for responding such as by offering incentives, decreasing the perceived costs by making the task appear brief, or including postage-paid envelopes, and promoting trust in the beneficial outcomes of the survey by identifying with a well-known organisation.

In some cases, HTML web-designed invitation letters were sent about one week before the targeted arrival date of the survey. Phone calls were made a few days before the survey was targeted to arrive. The telephone pre-notification was a recorded message and a second attempt was made if the first did not succeed: for example, reaching a live person or leaving a voice mail. Note that the pre-notification scripts for the phone call and the postcard were identical. Approximately one week after the pre-notification postcards were mailed, the first wave of 1,000 mail questionnaires was sent. The introduction letter included with the survey had been postmarked by with a deadline of eight weeks from the first mailing. This deadline date was employed to encourage action while acting as the cut-off date for the prices to be drawn. In the fifth week, a second wave of the questionnaire was sent again to all respondents.

4.4.6 Sample Selection
The sample population of this survey is made up of customers of local tourism industry who are targeted via an e-tourism website. This website was selected because of its transactional feature and it is considered to be a tour operator within the B2B2C e-tourism strategic network. The participants were also selected on a random basis from membership database. The survey includes those participants who already know the website. Invitation by e-mail is also sent to those who missed out some questionnaires to increase the response rate. These groups are sometimes called “true volunteers” because they receive these intellectual incentives as they normally have different reasons for participation compared to traditional sampled respondents.
Respondents’ interest in participating in e-tourism web based market research could be enhanced if individuals are given access to greater amounts of dynamic information to help them address questionnaires probed in surveys. The interactive internet and its hypertext environment potentially allow a deeper, nonlinear searching which is initiated and controlled by the respondent in a survey context. Hence, survey communications on the web could become more consumer-driven than those opportunities provided by more traditional survey approaches. The ability of the web to amass and distribute comprehensive quantities of specialised information and questions to potential customers might facilitate speedier and more robust comparisons between competing items of interest (Wallace 1995). As technology develops, more complex and refined surveys will be developed. However, there is one critical factor which facilitates for this possibility. It is that the speed of internet connections is too slow for many people, and graphical content slows the downloading of images considerably. Therefore faster connections are important for the potential of web to be exploited. The web needs to download images as fast as it happens on television.

The experience gained from the survey confirms that the Internet can be used by tourism market researchers for primary survey research. However, the use of this medium is not without constraints. The major impediments to adopt e-tourism survey primarily concentrate on the following three challenges:

(1) Identify and verify if a critical mass of web users who are representative of travel and tourism customers exist,
(2) Facilitate their access to the medium, and
(3) Create innovative ways to capture the attention of potential participants, and eliciting vital information from this group.

However in this study, the above-mentioned challenges are tackled by providing selective sampling questionnaires before respondents proceed to the next stage survey. To attract more respondents’ participation, this online survey commences simultaneously with official launch of the www.myclub.net.my website.

4.5 Data Analysis
4.5.1 Exploratory Factor Analysis
The Factor Analysis (FA) summarises the variables into a resultant smaller number of grouped variables referred to as factors (Hair et. al., 1998, 2003). It also includes the deployment of a number interdependent technique by first identifying the latent relationships and then categorising the variables into a few combined factors. An exploratory factor analysis is conducted in this study with the aim to discover new factors and to confirm a proposed structure.

**Discovery of Scale Dimensions**

The collected data will be tested for a normal distribution before conducting an exploratory factor analysis. This employed factor analysis uses the SQ scores to identify the e-tourism e-SQ dimensions. Principal component factor analysis with Varimax rotation will be performed. The criteria for factor selection will be that the eigen values should be greater than one for specific factor. Two rules were used to select items that best represent each of the factors. First, all selected items had to have a factor loading greater than 0.4. Second, items had to clearly load on one factor; items with similar loadings on both factors were not included. Because all items loaded above 0.40 on their intended factor and had relatively low cross-loading, there is evidence of factorial validity for the measure used.

All steps taken are in consistent with many other leading researchers (Fabrigar, et. al., 1999; Netemeyer et. al., 2003; Nunnally and Bernstein, 1994), where multiple criteria are used to determine the optimal number of factors for the model and the items to be retained for each factor. Hence high cross-loadings (<40), items with low factor loadings (<40), and low communalities (<30) are candidates considered for elimination. It is then used to further inspect the item content for domain representation so that some items can be further deleted. The remaining items can only then are submitted for further exploratory factor analysis with the same application of criteria in item reduction. Item-to-total correlations are examined and all items that reduced the internal reliability are deleted. The resulting scales are then considered to have demonstrated good reliability after being tested with coefficient alphas of 0.70 or greater. To fulfil the goal of this study and to build and test theory, an assessment of construct validity is essential (Gerbing and Anderson, 1988). One of the common validating methods is to determine whether there exists any theoretical relationship with other constructs. The relationship between e-satisfaction and overall perceptions of service quality is to be tested using...
ANOVA and regression analysis.

### 4.5.2 Analysis of Variance

After obtaining the equal means of the population groups, (ANOVA) tests are used to test the null hypothesis with the evaluation of the F-ratio (within-groups variances and their mean squares). Table 4.5 shows the principal guidelines for choosing the correct statistical methods in quantitative research.

<table>
<thead>
<tr>
<th>First Variable</th>
<th>Second Variable</th>
<th>Bivariate Statistics</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discrete of 2 groups</td>
<td>Continuous</td>
<td>t-test</td>
<td>To test the differences between the groups</td>
</tr>
<tr>
<td>Discrete of 2 or more groups</td>
<td>Discrete of 2 or more groups</td>
<td>Chi Square test</td>
<td>To test for the association among groups</td>
</tr>
<tr>
<td>Discrete of 2 or more groups</td>
<td>Continuous</td>
<td>One-way ANOVA</td>
<td>To test differences in continuous variables by discrete groups</td>
</tr>
<tr>
<td>Continuous</td>
<td>Continuous</td>
<td>Pearson Correlation Coefficient</td>
<td>To test for the correlation between the continuous variables</td>
</tr>
<tr>
<td>Continuous as independent variable</td>
<td>Continuous dependent</td>
<td>Simple Linear Regression</td>
<td>To predict values from the linear equation</td>
</tr>
<tr>
<td>Multi-Variates</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than 2 discrete group</td>
<td>Continuous dependent</td>
<td>Two-way ANOVA</td>
<td>To test the main and inter-actional effect on the continuous variables</td>
</tr>
<tr>
<td>More than 2 independent continuous variables</td>
<td>Continuous dependent</td>
<td>Multi-Linear Regression</td>
<td>Similar to SLR but with more than one independent continuous variable</td>
</tr>
</tbody>
</table>

Statistically, ANOVA is based on the compared means on the overall observed different variance and different ANOVA tests are available for different treatment ways to be applied to different respondents’ population. The various types of ANOVA tests are as follows:
· One-way ANOVA for testing differences among three or more independent groups;

· One-way ANOVA for repeated testing on dependent groups, such that the same subjects are used for each treatment; and

· Two-way ANOVA which is mostly used for variance factorial analysis to study the effects of two or more treatment variables in experimental research.

In this study ANOVA tests will be conducted to investigate the differences in respondents’ perception with respect to their demographic profile, web experiences and internet access and usage.

4.5.3 Regression Analysis.
This is used to examine the correlation and explore the linear relationships between two or more variables. Different types of regression analysis are used depending on the type and nature of model postulated (Hair et. al., 1998, 2003):

· Single or bi-variate regression will be used on a single metric-dependent variable and a single metric independent variable;

· Logistic regression is a special type of regression that can have a non-metric dependent variable; and

· Multiple regression that has a single metric-dependent variable that is expected to link to several metric-independent variables (predictors).

In this study, Multiple Linear Regression analysis (MLR) is used to investigate the possible relationships between the e-satisfaction (dependent variable) and the e-SQ dimensions of e-tourism (independent variables). The objective is to predict the single dependent variable value expected to be affected by the several independent variable. Separate regression coefficients (numerical value of the parameter estimate directly associated with an independent variable) are evaluated to each independent variable. The statistics and interpretations of bi-variates and multiple regressions are basically the same. Additional statistical measures from this regression analysis are extracted as they are deemed to be important for validating purposes (Hair et. al., 1998; 2003):
**F-ratio:** an analysis factor resultant value from comparison on the amount of explained variance and the unexplained variance. A larger value of this reflects the more variables are accountable for explained variances in the independent variable;

- **Regression and residual sums of squares:** this sum of squares provides a useful information to understand regression;

- **Correlation coefficient (r):** This will indicate the strength of the association among the variables. The value range from -1 to +1, where the signs show the negative and positive relationship direction, while 0 show no relationship; and

- **Coefficient of determination (R²):** This indicates the variance proportion of the dependent variable about its mean explained by the independent variables. The values of the coefficient range between 0 and 1, the higher the value, the better the prediction of the dependent variable.

### 4.5.4 Analysis of Scale Characteristics.

In analysing scale characteristics, there are two important issues that must be addressed; that is, data validity and reliability. The scale reliability measure refers to how much of it is free from random error (Yang et al., 2005, p. 583). Composite reliability tests are also used to examine the scale’s internal consistency, which is defined as a measure of the internal consistency of the construct indicators, depicting the degree to which they indicate the common latent (unobserved) construct (Hair et al., 1998, pp. 583, 612). This test is hence adopted in this study for validating e-tourism e-SQ scale’s internal consistency. This validity refers to the ability to measure accuracy of the concept under study, which has been defined as the extent to which a scale or a set of measures accurately represents the concept of interest and to a great extent is determined by a researcher’s ability to match the definition of the construct or concept to the selected indicators or measures (Hair et al., 1998, p. 584). To achieve accuracy and/or validity of scale measurement, this study has taken steps and consideration of the following three validity elements: criteria of nomological validity, convergent validity and the face validity of the scales.

#### 4.5.4.1 Scale reliability

The reliability coefficient, Cronbach’s alpha, determine the internal consistency of the
scale and should be more than 0.7 to be acceptable (Hair et. al., 1998). Hence, both Cronbach’s alphas values for each of the scale’s dimensions and the entire e-SQ scale are calculated to conform to the previous study examples.

4.5.4.2 Original factor scale validity
In this case, it refers to this instrument’s ability to show the expected validity of other constructs theoretically relationship is tested (Yang et. al., 2005, p. 584). Sometimes it is also called the nomological test or construct validity (Loiacono et. al., 2002; Wolfinbarger and Gilly 2003) where the loading of scale items are factor analysed are analysed.

4.5.4.3 Inter-item scale correlations
This can be regarded as convergent validity test of the instrument, where the results from different sources shares an exact or similar construct meaning (Yang et. al., 2005, p. 583) This convergent validity is required to further establish construct validity, which is also referred as the degree of a scale measures on which it is intended to measure (Moore and Benbasat, 1991; Sweeney and Soutar, 2001; Yang et. al., 2005). Hence the scale items are then summed or grouped to reproduce the e-SQ original scale and regressed on the independent variables. The value of R2s will then be judged to show scale convergent validity.

4.5.4.4 Scale face validity
This refers to the degree on how much respondents evaluate the items of an assessment instrument as appropriate to the targeted construct and assessment objectives” (Hardesty and Bearden, 2004, p. 99). This is done via a careful items selection based on the expert evaluation and thorough literature review of the previous and first study phase.

4.6 Summary
As conclusion, this section outlines the research methodology and the research design. The research design was mainly done by hypotheses testing. The data collection technique was done by questionnaire. This study was based on the approach of a quantitative analysis. This approach was taken because it was believed to be the most
effective and objective with a fair cost and used the random sampling method. The results obtained are to be explained in more detail in the next chapter.

CHAPTER 5 Empirical Data Presentation and Analysis
This chapter represents the analysis of data collected from visitors of tourism website in Malaysia. First, the descriptive statistics of the demographic data, internet usage and online buying behaviour patterns for the sample which participated in the survey are discussed. This is followed by factor analysis, descriptive statistics and the results of reliability tests of the scales that were used to measure the variables of the present study. The next section presents the results of regression analysis and discusses how these findings support the stated hypotheses. The final section of the chapters describes the results of analysis of variance to examine the impact of demographic variables on the perception of e-SQ and e-satisfaction.

5.1 Web-Based Survey
A total 400 usable responses were received in the survey duration of four months starting from Jan 2009 till April 2009. The respondents had answered the survey questions in the context of online purchase situation, where they were asked to imagine that they were purchasing tourism-related product, such as a trip or a ticket.

5.2 Respondent Profile and Behaviour Patterns
5.2.1 Respondent Demographics
A personalised email with link of web based survey was sent to all registered users of this B2B2C website. A second email was sent about a week after the invitation letter. A total of 450 responses (76 per cent response rate) were received, of which 400 were valid, while the remaining 50 respondents did not complete the questionnaire.

Descriptive statistics was used to investigate the sample profile. Among the total respondents 56% (n=224) were female and 44% (n=176) were male. The average age of respondents was 36 years with age range from between 19 to 65. Most of the respondents were in the age group of 25-29 years, followed by age group between 35-44
years and over 45 years. With respect to the level of qualifications, 76.1 present are college/university graduate while 23.9% high school graduates. This sample has a good representation of Malaysian e-shoppers, who are relatively young females with high income and education (Malaysian Information Strategy Development Institute, 2004). Administrators, managers and professionals constitute 37 per cent with mainly administrators (36.8 per cent), executives (26 per cent), and professionals (15.5%).

These socio-demographical characteristics of the sample are very similar with our official Malaysian online population characteristic (Telekom Malaysia). It is deduced that the respondent profile is very similar to a typical Malaysian Internet users’ profile.

Table 5.1 Characteristics of Internet Users in Malaysia

<table>
<thead>
<tr>
<th>Collected Data</th>
<th>Malaysian Telecom Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>45%</td>
</tr>
<tr>
<td>Female</td>
<td>55%</td>
</tr>
<tr>
<td><strong>Age Group</strong></td>
<td></td>
</tr>
<tr>
<td>18-30</td>
<td>40%</td>
</tr>
<tr>
<td>31-50</td>
<td>60%</td>
</tr>
<tr>
<td>Above 50</td>
<td>10%</td>
</tr>
</tbody>
</table>

(Telecom Malaysia, Streamyx profile, 2009)

Table 5.2 Respondent Demographics

<table>
<thead>
<tr>
<th>Demographic data</th>
<th>Percentage of respondent</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>44%</td>
<td>176</td>
</tr>
<tr>
<td>Female</td>
<td>56%</td>
<td>224</td>
</tr>
<tr>
<td><strong>Marital Status.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>26.8%</td>
<td>107</td>
</tr>
<tr>
<td>Married</td>
<td>67.3%</td>
<td>269</td>
</tr>
<tr>
<td>Living with partner</td>
<td>3.3%</td>
<td>13</td>
</tr>
<tr>
<td>Separated/Divorced</td>
<td>2.5%</td>
<td>10</td>
</tr>
<tr>
<td>Widowed</td>
<td>0.3%</td>
<td>1</td>
</tr>
<tr>
<td><strong>Age Group.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age Group</td>
<td>Percentage</td>
<td>Count</td>
</tr>
<tr>
<td>------------</td>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td>19-24</td>
<td>9.7%</td>
<td>39</td>
</tr>
<tr>
<td>25-29</td>
<td>26.0%</td>
<td>104</td>
</tr>
<tr>
<td>30-34</td>
<td>12.8%</td>
<td>51</td>
</tr>
<tr>
<td>35-39</td>
<td>10.5%</td>
<td>42</td>
</tr>
<tr>
<td>40-44</td>
<td>14.3%</td>
<td>57</td>
</tr>
<tr>
<td>45-49</td>
<td>14.5%</td>
<td>58</td>
</tr>
<tr>
<td>50-54</td>
<td>6.2%</td>
<td>25</td>
</tr>
<tr>
<td>55-59</td>
<td>4.0%</td>
<td>16</td>
</tr>
<tr>
<td>Above 60</td>
<td>2.0%</td>
<td>8</td>
</tr>
</tbody>
</table>

**Occupation.**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>36.8%</td>
<td>147</td>
</tr>
<tr>
<td>Educator</td>
<td>12.5%</td>
<td>50</td>
</tr>
<tr>
<td>Executives</td>
<td>26.0%</td>
<td>104</td>
</tr>
<tr>
<td>Managerial</td>
<td>5.0%</td>
<td>2</td>
</tr>
<tr>
<td>Professionals</td>
<td>5.5%</td>
<td>62</td>
</tr>
<tr>
<td>Sales/Marketing</td>
<td>7.0%</td>
<td>28</td>
</tr>
<tr>
<td>Self-employed</td>
<td>0.8%</td>
<td>3</td>
</tr>
<tr>
<td>Retired</td>
<td>1.0%</td>
<td>4</td>
</tr>
</tbody>
</table>

**Education Level.**

<table>
<thead>
<tr>
<th>Level</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School</td>
<td>24.0%</td>
<td>96</td>
</tr>
<tr>
<td>College</td>
<td>12.0%</td>
<td>48</td>
</tr>
<tr>
<td>Associate Degree</td>
<td>39.8%</td>
<td>159</td>
</tr>
<tr>
<td>Bachelor Degree</td>
<td>21.5%</td>
<td>86</td>
</tr>
<tr>
<td>Postgraduate Degree</td>
<td>2.8%</td>
<td>11</td>
</tr>
</tbody>
</table>

**Mode of Internet Access.**

<table>
<thead>
<tr>
<th>Access</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dial up</td>
<td>7.0%</td>
<td>28</td>
</tr>
<tr>
<td>Broadband</td>
<td>42.5%</td>
<td>170</td>
</tr>
<tr>
<td>Wireless Broadband</td>
<td>42.5%</td>
<td>170</td>
</tr>
<tr>
<td>Networks</td>
<td>8.0%</td>
<td>32</td>
</tr>
</tbody>
</table>

**Internet Experience.**

<table>
<thead>
<tr>
<th>Experience</th>
<th>Percentage</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 6 months</td>
<td>32.6%</td>
<td>131</td>
</tr>
</tbody>
</table>
5.2.2 Respondents Usage Patterns

Majority of the respondent have internet broadband access facilities and a good online purchase experience on the internet, with 31.8% have internet experience of more than 2 years. This is as expected, considering the popularity and pervasiveness of the internet, where mostly of the respondents (about 54%) regard themselves as experienced web users. The respondents’ Internet usage patterns are presented in Table 5.3.

Table 5.3 Internet Usage Patterns of Respondents

<table>
<thead>
<tr>
<th>Mode of Internet Access</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dial up</td>
<td>7.0%</td>
</tr>
<tr>
<td>Broadband</td>
<td>42.5%</td>
</tr>
<tr>
<td>Wireless Broadband</td>
<td>42.5%</td>
</tr>
<tr>
<td>Networks</td>
<td>8.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Internet Experience</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 6 months</td>
<td>32.6%</td>
</tr>
<tr>
<td>0.5-1 year</td>
<td>21.5%</td>
</tr>
<tr>
<td>1-2 years</td>
<td>31.8%</td>
</tr>
<tr>
<td>3-5 years</td>
<td>11.0%</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Frequency of online purchase per year</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1-5 times</td>
<td>69.3%</td>
</tr>
<tr>
<td>6-9 times</td>
<td>20.0%</td>
</tr>
<tr>
<td>10-20 times</td>
<td>8.0%</td>
</tr>
<tr>
<td>More than 20 times</td>
<td>2.7%</td>
</tr>
</tbody>
</table>
5.2.3 Respondent Purchase Behaviour Patterns
The vast majority of the respondents have experience of online purchase; of these, 10.7% have purchased online more than ten times in a year. Another 89.8% of the respondents have purchased less than ten times and expressed their interest in buying tourism-related product. Table 5.3 gives an overview of the respondents’ buying behaviour patterns. About one-third of the respondents have been the online community members for about a year with more than 80% of them have been members for more than 6 months (data revealed from MyClub.net customers database).

5.3 Results of Factor Analysis
All the scales used in the study were subjected to varimax rotated factor analysis. Before subjecting to factor analysis, all items were evaluated on psychometric criteria and a sample adequacy test was computed using the Kaiser-Meyer-Olkin (KMO) statistics. Factor analysis was performed by following the recommended methodological steps and rules by Hair et. al.,(2010); pp. 103, pp.109, and pp. 111 (Rules of thumb 3-3). After computing factor analysis, factor and items for each factor were selected on two criteria. First, all selected items had to have a factor loading greater than 0.50, the point at which loadings are considered to be practically significant (Hair et. al., 2003). Second, items had to clearly load on factor; items with similar loadings on both factors were not included. Table 5.4 shows the general cross factor loadings of less than 0.30 for all scale items, while those with loading of 0.50 and above had been taken and grouped as a combined factor. Hence there is no strong collinearity which involve strong relations among the predictors side (independent variables) of the investigated equation. Sometimes the term multicollinearity had been used but it is considered inherently reductant because the definition of collinearity involves a strong relation between two or more variables (Belsley et. al., 1985). Because all items loaded above 0.50 on their intended factor and had relatively low cross-loading (collinearity), there is evidence of factorial validity for the measure used.

5.3.1 E-Service Quality Measure
The objective of the study was to develop multidimensional scales of e-SQ for e-
tourism website. The conceptual framework of this study was developed on the basis of ground theories by Van Riel et al., (2004). On the basis of conceptualisation of seven e-SQ dimensions proposed by Van Riel et al., (2004), 78 items were developed to measure the e-SQ of tourism websites. After testing the items for psychometric properties, 76 items out of 78 were subjected to factor analysis. All the items were found to have KMO value higher than .60. The KMO statistics for the sample data was .88 and Bartlett test showed that nonzero correlation existed at the 0.000 significance level. Six factors emerged with eigen values greater than 1.0 and these factors explained 44.82% of variance (Table 5.4). The first factor was named as “easy use” which includes ‘accessibility’ and ‘navigation’ dimensions conceptualised by Van Riel et al., (2004). Other five factors were the same as per the original conceptualization by Van Riel et al., (2004) and these includes ‘design’, ‘reliability’, ‘assurance’, ‘responsiveness’, and ‘customisation’. The high reliability coefficients (Cronbach’s Coefficient Alpha) of the scales ranging between .92 to .70, indicate that each scale has very impressive reliability.
Table 5.4 Factor Loading Obtained for e-SQ Measures (Varimax Rotated Principal Components)

<table>
<thead>
<tr>
<th>Rotated Component Matrixa</th>
<th>Factor Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Items</td>
</tr>
<tr>
<td>Acc1</td>
<td>Access to this website is straight forward with simple and easy to remember domain name.</td>
</tr>
<tr>
<td>Acc2</td>
<td>The website makes it easy to get in touch with the service provider agency.</td>
</tr>
<tr>
<td>Acc3</td>
<td>Service provider can be contacted with various modes i.e telephone, fax, e-mail and live chat support.</td>
</tr>
<tr>
<td>Acc4</td>
<td>Live chat support is always answered in short time.</td>
</tr>
<tr>
<td>Acc5</td>
<td>Fast and simple process in product searching until final purchase</td>
</tr>
<tr>
<td>Acc6</td>
<td>The website contains clear information on how to make a purchase</td>
</tr>
<tr>
<td>Acc7</td>
<td>Registration process is convenient and easy.</td>
</tr>
<tr>
<td>Acc8</td>
<td>It’s easy to correct or update registration information.</td>
</tr>
<tr>
<td>Acc9</td>
<td>Website can be accessed by different types of browser platform.</td>
</tr>
<tr>
<td>Nav1</td>
<td>Searching tool on the web is helpful to find categories of different products and services.</td>
</tr>
<tr>
<td>Nav2</td>
<td>Information is found with a minimum of clicks.</td>
</tr>
<tr>
<td>Nav3</td>
<td>The structure of the website is logical.</td>
</tr>
<tr>
<td>Nav4</td>
<td>There are well structured search options</td>
</tr>
<tr>
<td>Variable</td>
<td>Description</td>
</tr>
<tr>
<td>----------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Nav5</td>
<td>The number and type of links are meaningful</td>
</tr>
<tr>
<td>Nav6</td>
<td>Clear instructions are instantaneously available online.</td>
</tr>
<tr>
<td>Nav7</td>
<td>The purpose of the icon is clear.</td>
</tr>
<tr>
<td>Nav8</td>
<td>Opening of new screens is kept to a minimum.</td>
</tr>
<tr>
<td>Nav9</td>
<td>Scrolling through pages and text is kept to a minimum.</td>
</tr>
<tr>
<td>Nav10</td>
<td>Complete graphics and orientation is provided.</td>
</tr>
<tr>
<td>Nav11</td>
<td>It is easy to print from the website.</td>
</tr>
<tr>
<td>Nav12</td>
<td>The information needed is presented without annoying distractions.</td>
</tr>
<tr>
<td>Des1</td>
<td>The web page is visually attractive.</td>
</tr>
<tr>
<td>Des2</td>
<td>The use of colours on the site is good.</td>
</tr>
<tr>
<td>Des3</td>
<td>The information on the website is accurate and up-to-date.</td>
</tr>
<tr>
<td>Des4</td>
<td>Good choices of products and or services are provided.</td>
</tr>
<tr>
<td>Des5</td>
<td>The tone of message is consistently courteous.</td>
</tr>
<tr>
<td>Des6</td>
<td>The information content is relevant and easy to understand.</td>
</tr>
<tr>
<td>Des7</td>
<td>Icon-based product and services selection is a simple straight forward process to meet my needs.</td>
</tr>
<tr>
<td>Des8</td>
<td>Links are provided to pages on related products and services</td>
</tr>
<tr>
<td>Des9</td>
<td>Customer platform (community portal) is provided for the exchange of ideas.</td>
</tr>
<tr>
<td>Des10</td>
<td>A standard navigation bar, home button and back and forward button are available on every page</td>
</tr>
<tr>
<td>Des11</td>
<td>The user can customise their holiday preferences and this information is retained</td>
</tr>
<tr>
<td>------</td>
<td>--------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Rel2</td>
<td>Tax and other charges are clearly explained and given.</td>
</tr>
<tr>
<td>Rel3</td>
<td>Different payment options are stated clearly before final purchase decision</td>
</tr>
<tr>
<td>Rel4</td>
<td>Terms and conditions of sales are accessible.</td>
</tr>
<tr>
<td>Rel5</td>
<td>Order-tracking details are available until is delivery.</td>
</tr>
<tr>
<td>Rel6</td>
<td>Access to anticipated delivery times is available at all times</td>
</tr>
<tr>
<td>Rel7</td>
<td>Access to anticipated delivery times is available at all times</td>
</tr>
<tr>
<td>Rel8</td>
<td>Order cancellation and returns details are confirmed within two days</td>
</tr>
<tr>
<td>Rel9</td>
<td>Full details of product or service pricing are available</td>
</tr>
<tr>
<td>Rel10</td>
<td>The page contain icon for new and registered users</td>
</tr>
<tr>
<td>Rel11</td>
<td>The registration process is simple</td>
</tr>
<tr>
<td>Rel12</td>
<td>Registration process details are retained</td>
</tr>
<tr>
<td>Rel13</td>
<td>Full product or service characteristics are available</td>
</tr>
<tr>
<td>Rel14</td>
<td>The website offers free shipping and handling within a set of rules</td>
</tr>
<tr>
<td>Ass2</td>
<td>I trust this site in terms of confidentiality of private information.</td>
</tr>
<tr>
<td>Ass3</td>
<td>I feel safe to make online transaction</td>
</tr>
<tr>
<td>Ass4</td>
<td>Minimum website oriented distraction and interruption.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Ass5</td>
<td>Different options of payment are useful and convenient.</td>
</tr>
<tr>
<td>Ass6</td>
<td>External third party payment validation of trustworthiness is provided.</td>
</tr>
<tr>
<td>Ass7</td>
<td>The website contains company details</td>
</tr>
<tr>
<td>Ass8</td>
<td>Service provider has a reputable brand image.</td>
</tr>
<tr>
<td>Ass9</td>
<td>Site map is available on the home page.</td>
</tr>
<tr>
<td>Ass10</td>
<td>The user is invited into a loyalty or membership program</td>
</tr>
<tr>
<td>Ass11</td>
<td>I trust this site in terms of confidentiality of private information.</td>
</tr>
<tr>
<td>Res3</td>
<td>Frequently Asked Questions and Answers section is available on the website.</td>
</tr>
<tr>
<td>Res4</td>
<td>Queries or complaints are resolved within 24 hours</td>
</tr>
<tr>
<td>Res5</td>
<td>The response to e-mail is relevant and accurate.</td>
</tr>
<tr>
<td>Res6</td>
<td>In case of problem, it is easy finding help on the website.</td>
</tr>
<tr>
<td>Res7</td>
<td>Booking and ordering are provided with confirmation reference.</td>
</tr>
<tr>
<td>Res8</td>
<td>Products or services with the expected delivery date are provided.</td>
</tr>
<tr>
<td>Res9</td>
<td>Service provider can always be contacted to clarify or confirm order.</td>
</tr>
<tr>
<td>Res10</td>
<td>Staff members of the service provider are responsive to customer request</td>
</tr>
<tr>
<td>Cus2</td>
<td>This site is easy to customise by offering the possibility to search the date, destination and price.</td>
</tr>
<tr>
<td>Cus3</td>
<td>I can easily and quickly see if they offer something that suits my needs.</td>
</tr>
<tr>
<td>Cus4</td>
<td>The service provider offers free personal homepage.</td>
</tr>
<tr>
<td>Cus5</td>
<td>The service provider understands my specific needs and gives personal attention.</td>
</tr>
<tr>
<td>Cus6</td>
<td>The website has adequate features to protect customers’ Information</td>
</tr>
</tbody>
</table>
An Exploration of e-satisfaction in B2B2C Website in the e-tourism Strategic Alliance Network
Student Names: Liew Mook Lam      Student No: 3040243

<table>
<thead>
<tr>
<th>Cus7</th>
<th>I enjoy the flexibility of online purchase</th>
<th>.055</th>
<th>.099</th>
<th>.141</th>
<th>.149</th>
<th>.028</th>
<th>.435</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cus8</td>
<td>cancelling orders laid out on the site are customer-friendly</td>
<td>.027</td>
<td>.062</td>
<td>-.102</td>
<td>.177</td>
<td>-.031</td>
<td>.555</td>
</tr>
<tr>
<td>Cus9</td>
<td>Provide accurate and personalised billing information.</td>
<td>.265</td>
<td>-.253</td>
<td>.149</td>
<td>.037</td>
<td>.066</td>
<td>.521</td>
</tr>
</tbody>
</table>

| Eigen Value | 12.95 | 8.21 | 5.89 | 3.41 | 2.56 | 2.10 |
| Percentage of Variance | 10.89 | 9.88 | 8.42 | 6.37 | 4.92 | 4.31 |

| Reliability Coefficients | .92 | .89 | .92 | .89 | .82 | .70 |

Note: Factor 1 = Easy use, Factor 2 = Reliability, Factor 3 = Design, Factor 4 = Assurance, Factor 5 = Responsiveness, Factor 6 = Customisation
5.3.2 E-Satisfaction Measure
E-satisfaction was measured with 8 items. Results of factor analysis indicated that all belonged to one factor and it explained 52.1% of variance (Table 5.4). All the items met with item and factor loading criteria except the item no. 4. The scale showed the reliability coefficient of .72.

5.3.3 E-Retention Measure
E-retention was measured with 5 items. Results of factor analysis indicated that all belonged to one factor and it explained 52.36% of variance (Table 5.4). All the items met with item and factor loading criteria except the item no. 1 and 2. The scale showed the reliability coefficient of .56.

5.3.1 E-Loyalty Measure
E-loyalty was measured with 12 items. Results of factor analysis indicated that all belonged to one factor and it explained 57.24% of variance (Table 5.4). All the items met with item and factor loading criteria except the item no. 1 and 10. The scale showed the reliability coefficient of .77.
Table 5.4 Factor loadings obtained for e-satisfaction, e-retention and e-loyalty measures (Varimax Rotated Principal Components)

<table>
<thead>
<tr>
<th>Construct/measures (composite reliability/sampling adequacy)</th>
<th>Factor loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Satisfaction (α=0.722/KMO=0.751, total variance explained 52.101%)</strong></td>
<td></td>
</tr>
<tr>
<td>Sat1 I am overall satisfied with the online experience.</td>
<td>0.727</td>
</tr>
<tr>
<td>Sat2 The information provided on website meet my needs.</td>
<td>0.715</td>
</tr>
<tr>
<td>Sat3 I will certainly make use of this website to search for travel information.</td>
<td>0.683</td>
</tr>
<tr>
<td>Sat5 I feel very pleased with the delivered services.</td>
<td>0.709</td>
</tr>
<tr>
<td>Sat6 Products and services offer fair and competitive prices.</td>
<td>0.800</td>
</tr>
<tr>
<td>Sat7 From my purchase experience, this service provider is honest.</td>
<td>0.701</td>
</tr>
<tr>
<td>Sat8 This service provider cares about customers</td>
<td>0.559</td>
</tr>
<tr>
<td><strong>Retention (α=0.562/KMO=0.597, total variance explained 52.362%)</strong></td>
<td></td>
</tr>
<tr>
<td>Ret3 I have a sense of belongingness to this website.</td>
<td>0.659</td>
</tr>
<tr>
<td>Ret4 I believe that this website is better than its competitors.</td>
<td>0.786</td>
</tr>
<tr>
<td>Ret5 I prefer this website.</td>
<td>0.720</td>
</tr>
<tr>
<td><strong>Loyalty (α=0.772/KMO=0.789, total variance explained 57.242%)</strong></td>
<td></td>
</tr>
<tr>
<td>Loyl2 I intend to continue buying from this website.</td>
<td>0.604</td>
</tr>
<tr>
<td>Loyl3 I often recommend this website to other people.</td>
<td>0.726</td>
</tr>
<tr>
<td>Loyl4 I say positive things about this website to other people.</td>
<td>0.710</td>
</tr>
<tr>
<td>Loyl5 I am willing to provide this service provider with my comments and suggestions.</td>
<td>0.594</td>
</tr>
<tr>
<td>Loyl6 I am willing to provide this service provider with my testimonials.</td>
<td>0.731</td>
</tr>
<tr>
<td>Loyl7 I would continue to buy from this website even if its prices increased somewhat.</td>
<td>0.827</td>
</tr>
<tr>
<td>Loyl8 I would not shop at any other website for product and services that are available on this website.</td>
<td>0.633</td>
</tr>
<tr>
<td>Loyl9 I am willing to buy more products and services that are suggested by this website.</td>
<td>0.769</td>
</tr>
<tr>
<td>Loyl11 I am willing to give this service provider a second chance when</td>
<td>0.777</td>
</tr>
</tbody>
</table>
there is a problem that leads to my dissatisfaction.

Loyl12  I always trust this website.      0.672

5.4 Descriptive Statistics
The means and standard deviations for all variables are presented in Table 5.5. The correlation among study variables are presented in Table 5.6

Table 5.5 Descriptive Statistics

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy Use</td>
<td>4.27</td>
<td>0.417</td>
</tr>
<tr>
<td>Reliability</td>
<td>3.87</td>
<td>0.469</td>
</tr>
<tr>
<td>Design</td>
<td>3.34</td>
<td>0.784</td>
</tr>
<tr>
<td>Assurance</td>
<td>3.79</td>
<td>0.531</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>4.43</td>
<td>0.410</td>
</tr>
<tr>
<td>Customisation</td>
<td>4.46</td>
<td>0.322</td>
</tr>
<tr>
<td>e-Satisfaction</td>
<td>4.45</td>
<td>0.326</td>
</tr>
<tr>
<td>e-Retention</td>
<td>4.39</td>
<td>0.316</td>
</tr>
<tr>
<td>e-Loyalty</td>
<td>4.41</td>
<td>0.299</td>
</tr>
</tbody>
</table>

Table 5.6 Correlation among Study Variables

<table>
<thead>
<tr>
<th></th>
<th>Easy Use</th>
<th>Design</th>
<th>Reliability</th>
<th>Assurance</th>
<th>Responsiveness</th>
<th>Customisation</th>
<th>Satisfaction</th>
<th>Retention</th>
<th>Loyalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy Use</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design</td>
<td>.149**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reliability</td>
<td>.255**</td>
<td>-.130**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assurance</td>
<td>.253**</td>
<td>-.005</td>
<td>.664**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsiveness</td>
<td>.244**</td>
<td>-.250**</td>
<td>.170**</td>
<td>.203**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customisation</td>
<td>.284**</td>
<td>.141**</td>
<td>.116*</td>
<td>.156**</td>
<td>.193**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction</td>
<td>.249**</td>
<td>.004</td>
<td>.102*</td>
<td>.105*</td>
<td>.211**</td>
<td>.497**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retention</td>
<td>.174**</td>
<td>-.046</td>
<td>.203**</td>
<td>.140**</td>
<td>.207**</td>
<td>.309**</td>
<td>.377**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loyalty</td>
<td>.320**</td>
<td>.008</td>
<td>.110*</td>
<td>.137**</td>
<td>.229**</td>
<td>.312**</td>
<td>.322**</td>
<td>.345**</td>
<td></td>
</tr>
</tbody>
</table>

Note: **p <0.01, *p <0.05

5.5 Results of Regression Analysis
Multiple Regression analysis was used to test relationship between e-SQ dimensions
and e-satisfaction. The impact of e-satisfaction on e-retention and e-loyalty was also examined with hierarchical regression analysis where a hierarchy of seven e-SQ independent variables are entered into this multiple regression analysis.

### 5.5.1 E-SQ Dimensions and e-Satisfaction

The results of regression analysis for e-SQ dimensions and e-satisfaction significantly support the overall model with F value of 24.46 (p <.000) (Table 5.7). Adjusted R square (.26) indicates that the variance in e-satisfaction is substantially explained by customers’ perception of e-SQ dimensions. Among the six dimensions of e-SQ, easy use (β = .108, p <.025) and customisation (β = .459, p <.000) significantly affect e-satisfaction. Other dimensions of e-SQ were found to be unrelated to e-satisfaction.

**Table 5.7 Results of Regression Analysis for e-Satisfaction as Dependent Variable and e-SQ Dimensions as Independent Variables**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Standardized coefficient</th>
<th>T</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy Use</td>
<td>.108</td>
<td>2.249</td>
<td>.025</td>
</tr>
<tr>
<td>Design</td>
<td>-.055</td>
<td>-1.163</td>
<td>.246</td>
</tr>
<tr>
<td>Reliability</td>
<td>.013</td>
<td>.220</td>
<td>.826</td>
</tr>
<tr>
<td>Assurance</td>
<td>-.020</td>
<td>-.334</td>
<td>.739</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>.084</td>
<td>1.752</td>
<td>.080</td>
</tr>
<tr>
<td>Customisation</td>
<td>.459</td>
<td>9.999</td>
<td>.000</td>
</tr>
</tbody>
</table>

### 5.5.2 e-Satisfaction and e-Retention

The results of regression analysis for e-satisfaction and e-retention significantly support the overall model with F value of 65.98 (p <.000) (Table 5.8) and stated hypothesis (H8). Adjusted R square (.14) indicates that the variance in e-retention is substantially explained by customers’ satisfaction with e-SQ dimensions.

**Table 5.8 Results of Regression Analysis for e-Retention as Dependent Variable and e-satisfaction as Independent Variable**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Sum of squares</th>
<th>Degrees of Freedom</th>
<th>Mean Squares</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy Use</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reliability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Responsiveness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customisation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Regression analysis was performed to explore the relationship between e-satisfaction and e-loyalty. The results of regression analysis for e-satisfaction and e-loyalty significantly support the overall model with an F value of 46.17 (p < .000) (Table 5.9) and support the stated hypothesis (H9). Adjusted R square (.10) indicates that the variance in e-loyalty is substantially explained by customers’ satisfaction with e-SQ dimensions.

### Table 5.9 Results of Regression Analysis for e-Loyalty as Dependent Variable and e-Satisfaction as Independent Variable

<table>
<thead>
<tr>
<th>Variables</th>
<th>Standardized coefficient</th>
<th>T</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>e-retention</td>
<td>.377</td>
<td>8.123</td>
<td>.000</td>
</tr>
</tbody>
</table>

Following the results of regression analysis for the relationship of e-SQ dimensions with e-satisfaction and e-satisfaction with e-loyalty and e-retention, the following equations have been found as:

\[
e-SAT = 0.108ESU + 0.459CUS + 1.748
\]
\[
e-LOY = 0.322e-SAT + 2.042
\]
\[
e-RET = 0.377eSAT + 0.735
\]

### 5.6 Results of ANOVA

ANOVA (Analysis of Variance) was used to examine the impact of demographic variables on customers’ perception of e-SQ dimensions and on e-customers’ e-
satisfaction.

5.6.1 Gender and Perception of e-SQ Dimensions

The results of ANOVA indicate that there is significant differences between male and female respondents for the perception of ‘easy use’ (F(1, 398) = 25.88, p < .000) (Appendix 5.3), and ‘responsiveness’ (F(1, 3981) = 12.29, p < .001). Mean scores indicate that male perceive more ‘easy use’ and responsiveness (M = 4.38, M = 4.51 respectively) than female customers (M = 4.18, M = 4.26 respectively) (Table 5.10).

Table 5.10 Mean values for e-SQ dimensions for male and female Subjects

<table>
<thead>
<tr>
<th>Gender</th>
<th>Easy Use</th>
<th>Design</th>
<th>Reliability</th>
<th>Assurance</th>
<th>Responsiveness</th>
<th>Customisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>Mean</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>224</td>
<td>224</td>
<td>224</td>
<td>224</td>
<td>224</td>
<td>224</td>
</tr>
<tr>
<td>N</td>
<td>.46738</td>
<td>.84923</td>
<td>.45795</td>
<td>.52547</td>
<td>.39540</td>
<td>.29329</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>Mean</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4.3864</td>
<td>3.4148</td>
<td>3.8938</td>
<td>3.8335</td>
<td>4.5114</td>
<td>4.4794</td>
</tr>
<tr>
<td></td>
<td>176</td>
<td>176</td>
<td>176</td>
<td>176</td>
<td>176</td>
<td>176</td>
</tr>
<tr>
<td>N</td>
<td>.30839</td>
<td>.68657</td>
<td>.48300</td>
<td>.53789</td>
<td>.41689</td>
<td>.35660</td>
</tr>
</tbody>
</table>

5.6.2 Experience Using the Internet and Perception of e-SQ Dimensions

The results of ANOVA indicate that there are significant differences in the perception of all e-SQ dimensions with respect to experience using the internet except ‘responsiveness’ dimension (Appendix 5.3). ‘Mean scores indicate that customers with less experience in using internet perceive more ‘easy use’ (4.37) than with more experience (3.56). Customers with more experience perceive websites high on ‘design’ dimensions (M = 3.66) than employees with internet experience with 1-2 years of experience (M = 3.18). Customers with 1-2 years of internet experience perceive websites high on reliability (M = 3.99) than customer with more than 5 years of experience (M = 3.46). With respect to ‘assurance’ and ‘customisation’ dimensions, customers with less experience rated websites higher on these dimensions (M = 3.89, M = 4.51 respectively) than customers with more experience (M = 3.39, M = 4.29 respectively) (Table 5.11).
Table 5.11 Mean values for e-SQ dimensions and Customers’ experience using the Internet

<table>
<thead>
<tr>
<th>Experience using the internet</th>
<th>Easy Use</th>
<th>Design</th>
<th>Reliability</th>
<th>Assurance</th>
<th>Responsiveness</th>
<th>Customisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6 months Mean</td>
<td>4.3152</td>
<td>3.3511</td>
<td>3.7892</td>
<td>3.7160</td>
<td>4.4408</td>
<td>4.4895</td>
</tr>
<tr>
<td>N</td>
<td>131</td>
<td>131</td>
<td>131</td>
<td>131</td>
<td>131</td>
<td>131</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>.37330</td>
<td>.83493</td>
<td>.41266</td>
<td>.47520</td>
<td>.43642</td>
<td>.30502</td>
</tr>
<tr>
<td>0.5-1 year Mean</td>
<td>4.3771</td>
<td>3.4767</td>
<td>3.8685</td>
<td>3.8953</td>
<td>4.4404</td>
<td>4.5160</td>
</tr>
<tr>
<td>N</td>
<td>86</td>
<td>86</td>
<td>86</td>
<td>86</td>
<td>86</td>
<td>86</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>.33467</td>
<td>.76582</td>
<td>.44711</td>
<td>.47027</td>
<td>.44380</td>
<td>.22913</td>
</tr>
<tr>
<td>1-2 years Mean</td>
<td>4.2910</td>
<td>3.1854</td>
<td>3.9976</td>
<td>3.8740</td>
<td>4.4370</td>
<td>4.4173</td>
</tr>
<tr>
<td>N</td>
<td>127</td>
<td>127</td>
<td>127</td>
<td>127</td>
<td>127</td>
<td>127</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>.33340</td>
<td>.75596</td>
<td>.49082</td>
<td>.57793</td>
<td>.37330</td>
<td>.38098</td>
</tr>
<tr>
<td>3-5 years Mean</td>
<td>4.0682</td>
<td>3.3574</td>
<td>3.8129</td>
<td>3.7136</td>
<td>4.4517</td>
<td>4.4205</td>
</tr>
<tr>
<td>N</td>
<td>44</td>
<td>44</td>
<td>44</td>
<td>44</td>
<td>44</td>
<td>44</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>.57423</td>
<td>.72843</td>
<td>.50302</td>
<td>.52189</td>
<td>.30763</td>
<td>.32135</td>
</tr>
<tr>
<td>More than 5 years Mean</td>
<td>3.5675</td>
<td>3.6667</td>
<td>3.4615</td>
<td>3.3917</td>
<td>4.1250</td>
<td>4.2917</td>
</tr>
<tr>
<td>N</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>.65243</td>
<td>.60592</td>
<td>.46963</td>
<td>.73911</td>
<td>.52223</td>
<td>.33850</td>
</tr>
</tbody>
</table>

5.6.3 Customers’ Age and Perception of e-SQ Dimensions

The results of ANOVA indicate that there are significant differences in the perception of all e-SQ dimensions with respect to age group of customers (Appendix 5.4). ’Mean scores indicate that customers in the age group of 25-29 years perceive websites high in ‘easy use’ (4.37), ‘design’ (M = 4.09), and ‘customisation’ (M =4.62). Tourism websites were rated high on ‘reliability’, ‘assurance’ and ‘responsiveness’ dimensions by the customers in the age group of 40-44 years (M =4.26, M =4.15, and 4.58 respectively). Customers with age above 60 years rated the websites low on ‘easy use’, ‘reliability’, ‘assurance’, ‘responsiveness’, and ‘customisation’ (M = 3.76, M= 3.26, M= 3.22, M =4.17, and M = 4.31 respectively) (Table 5.12).
Table 5.12 Mean values for e-SQ dimensions and Age group of Customers

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Easy Use</th>
<th>Design</th>
<th>Reliability</th>
<th>Assurance</th>
<th>Responsiveness</th>
<th>Customisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>39</td>
<td>39</td>
<td>39</td>
<td>39</td>
<td>39</td>
<td>39</td>
</tr>
<tr>
<td>Std. Dev</td>
<td>.4253</td>
<td>.44364</td>
<td>.37574</td>
<td>.47168</td>
<td>.50460</td>
<td>.31414</td>
</tr>
<tr>
<td>N</td>
<td>104</td>
<td>104</td>
<td>104</td>
<td>104</td>
<td>104</td>
<td>104</td>
</tr>
<tr>
<td>Std. Dev</td>
<td>.14150</td>
<td>.50513</td>
<td>.27118</td>
<td>.28710</td>
<td>.40205</td>
<td>.19354</td>
</tr>
<tr>
<td>N</td>
<td>51</td>
<td>51</td>
<td>51</td>
<td>51</td>
<td>51</td>
<td>51</td>
</tr>
<tr>
<td>Std. Dev</td>
<td>.67006</td>
<td>.60676</td>
<td>.61896</td>
<td>.69181</td>
<td>.37663</td>
<td>.29589</td>
</tr>
<tr>
<td>N</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
<td>42</td>
</tr>
<tr>
<td>Std. Dev</td>
<td>.28406</td>
<td>.75870</td>
<td>.43337</td>
<td>.56251</td>
<td>.45549</td>
<td>.37149</td>
</tr>
<tr>
<td>N</td>
<td>57</td>
<td>57</td>
<td>57</td>
<td>57</td>
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<td>57</td>
</tr>
<tr>
<td>Std. Dev</td>
<td>.38255</td>
<td>.48318</td>
<td>.43224</td>
<td>.50924</td>
<td>.36937</td>
<td>.40689</td>
</tr>
<tr>
<td>45-49</td>
<td>4.3851</td>
<td>2.7978</td>
<td>4.0332</td>
<td>3.9845</td>
<td>4.5216</td>
<td>4.5108</td>
</tr>
<tr>
<td>N</td>
<td>58</td>
<td>58</td>
<td>58</td>
<td>58</td>
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<td>58</td>
</tr>
<tr>
<td>Std. Dev</td>
<td>.21781</td>
<td>.48645</td>
<td>.43013</td>
<td>.49905</td>
<td>.27915</td>
<td>.32043</td>
</tr>
<tr>
<td>50-54</td>
<td>4.1371</td>
<td>2.4182</td>
<td>4.0462</td>
<td>3.5120</td>
<td>4.3400</td>
<td>4.3550</td>
</tr>
<tr>
<td>N</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Std. Dev</td>
<td>.25948</td>
<td>.84019</td>
<td>.25416</td>
<td>.62471</td>
<td>.48883</td>
<td>.27167</td>
</tr>
<tr>
<td>N</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Std. Dev</td>
<td>.35502</td>
<td>.31818</td>
<td>.40677</td>
<td>.27928</td>
<td>.17970</td>
<td>.17952</td>
</tr>
<tr>
<td>Above 60</td>
<td>3.7679</td>
<td>2.9432</td>
<td>3.2692</td>
<td>3.2250</td>
<td>4.1719</td>
<td>4.3125</td>
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<td>N</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Std. Dev</td>
<td>.48591</td>
<td>.40346</td>
<td>.28188</td>
<td>.43342</td>
<td>.45286</td>
<td>.39528</td>
</tr>
</tbody>
</table>

5.6.4 Demographic Variables and e-Satisfaction

The results of ANOVA indicated that there are significant differences in e-satisfactions of the respondents belonging to different marital satisfaction (F (4, 395) = 10.641, p
An Exploration of e-satisfaction in B2B2C Website in the e-tourism Strategic Alliance Network

Student Names: Liew Mook Lam
Student No: 3040243

(.000) (Appendix 5.5), different age group (F (8, 391) = 2.87, p < .004) (Appendix 5.6), and with varied internet experience (F (4, 395) = 4.287, p < .002) (Appendix 5.7). There was no significant difference between male and female customers for e-satisfaction (F (1, 398) = 2.766, p > .000) (Appendix 5.8). Separated/Divorced customers expressed least satisfaction (Mean -30.70) and widowed customers expressed highest satisfaction (M = 37.00) with e-tourism web-site (Table 5.12). Customers in the age group of 19-24 years expressed least satisfaction (M = 34.49) and in the age group of 25-29 expressed highest satisfaction (M = 36.37) (Table 5.13). Customers with more than 5 years of internet experience are least satisfied (M = 32.92) and customers with internet experience of 5 months to 12 months are most satisfied with e-tourism website (M = 36.12) (Table 5.14).

Table 5.13 Mean values for e-satisfaction and marital status of customers

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Mean</th>
<th>N</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>35.64</td>
<td>107</td>
<td>2.259</td>
</tr>
<tr>
<td>Married</td>
<td>35.84</td>
<td>269</td>
<td>2.435</td>
</tr>
<tr>
<td>Living with partner</td>
<td>34.85</td>
<td>13</td>
<td>2.230</td>
</tr>
<tr>
<td>Separated /Divorced</td>
<td>30.70</td>
<td>10</td>
<td>5.417</td>
</tr>
<tr>
<td>Widowed</td>
<td>37.00</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>35.63</td>
<td>400</td>
<td>2.610</td>
</tr>
</tbody>
</table>

Table 5.13 Mean values for e-satisfaction and age group of customers

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Mean</th>
<th>N</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>19-24</td>
<td>34.49</td>
<td>39</td>
<td>2.990</td>
</tr>
<tr>
<td>25-29</td>
<td>36.37</td>
<td>104</td>
<td>1.763</td>
</tr>
<tr>
<td>30-34</td>
<td>35.10</td>
<td>51</td>
<td>2.788</td>
</tr>
<tr>
<td>35-39</td>
<td>35.10</td>
<td>42</td>
<td>2.477</td>
</tr>
<tr>
<td>40-44</td>
<td>35.46</td>
<td>57</td>
<td>4.188</td>
</tr>
<tr>
<td>45-49</td>
<td>36.02</td>
<td>58</td>
<td>1.573</td>
</tr>
<tr>
<td>50-54</td>
<td>35.80</td>
<td>25</td>
<td>1.080</td>
</tr>
<tr>
<td>55-59</td>
<td>35.94</td>
<td>16</td>
<td>2.016</td>
</tr>
<tr>
<td>Above 60</td>
<td>34.88</td>
<td>8</td>
<td>2.800</td>
</tr>
<tr>
<td>Total</td>
<td>35.63</td>
<td>400</td>
<td>2.610</td>
</tr>
</tbody>
</table>
Table 5.14 Mean values for e-satisfaction and experience using internet

<table>
<thead>
<tr>
<th>Experience using the internet</th>
<th>Mean</th>
<th>N</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6 months</td>
<td>35.71</td>
<td>131</td>
<td>2.451</td>
</tr>
<tr>
<td>0.5-1 year</td>
<td>36.12</td>
<td>86</td>
<td>2.055</td>
</tr>
<tr>
<td>1-2 years</td>
<td>35.54</td>
<td>127</td>
<td>2.794</td>
</tr>
<tr>
<td>3-5 years</td>
<td>35.39</td>
<td>44</td>
<td>3.301</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>32.92</td>
<td>12</td>
<td>1.084</td>
</tr>
<tr>
<td>Total</td>
<td>35.63</td>
<td>400</td>
<td>2.610</td>
</tr>
</tbody>
</table>

5.7 Summary
The objective of the research was to develop and empirically test the conceptual model that will identify the determinants of e-service quality and overall satisfaction within the context of B2B2 e-tourism strategic service provider. The results suggest that e-service provider can influence its customers’ use of an e-channel and the overall satisfaction through six e-service quality factors and two sets of customer evaluations (e-retention and e-loyalty).

The findings from the study answered:

*What drives e-satisfaction in e-travel Websites?* The study support the following hypotheses:

**H1:** In the case of e-travel agencies, a positive relationship will exist between perceived easy use and the overall satisfaction perceptions.

**H7:** In the case of e-travel agencies, a positive relationship will exist between perceived customisation and positively related to overall satisfaction perceptions.

**H8:** In the case of e-travel agencies, a positive impact will exist between e-satisfaction and the overall e-loyalty of the online customers.

**H9:** In the case of e-travel agencies, a positive impact will exist between e-satisfaction and the overall retention of online customers.
The remaining hypotheses were not supported by the present study:

**H2:** In the case of e-travel agencies, perceived quality of navigation between pages will be positively related to overall satisfaction perceptions.

**H3:** In the case of e-travel agencies, perceived quality of Web page design and presentation of information will be positively related to overall satisfaction perceptions.

**H4:** In the case of e-travel agencies, perceived reliability of the online service will be positively related to overall satisfaction perceptions.

**H5:** In the case of e-travel agencies, perceived assurance of the online service will be positively related to overall satisfaction perceptions.

**H6:** In the case of e-travel agencies, a positive relationship will exist between perceived responsiveness and the overall satisfaction perceptions.

The following factors emerged for e-tourism websites in the study:

**Factor 1: Easy Use** (concerns the items that relate to the extent to which a user can access a website, the company staff and the different travel services and products on the web page, search function for the associated services of their needs without difficulties and allows customers to manoeuvre through the web page easily, logically and quickly).

**Factor 2: Design** (includes the items that relate to the design quality of colour used, layout, numbers, relevance, quality of pictures, font size and style because these will affect the way customers respond to the service).

**Factor 3: Reliability** (includes the items that relate to reliability of a search engine, payment facilities and dependable information being presented on the website).

**Factor 4: Assurance** (includes the items that relate to the degree to which the customers believe that the website is safe from intrusion, and that personal information is protected).
**Factor 5: Responsiveness** (includes the items that relate to the speed and accuracy with which customer support is provided such as answering questions and offering solutions to problems).

**Factor 6: Customisation** (includes the items that relate to the “empathy” dimension of SERVQUAL where customers expect an online service to a personalised need such as by incorporating an adaptive feature for them).

**Factor 7: e-Satisfaction** (includes the items that relate to a website’s technical features such as access to communication, storage, mailing lists, browser capability, etc.).

**Factor 8: e-Loyalty** (includes the items that relate to customer behaviours of visiting the same website to purchase services and products repeatedly and hence, having a sense of belonging).

**Factor 9: e-Retention** (includes the items that relate to customer behaviour of remaining as users, most of the time, and purchasing from the website and continuing to do so).

The proposed model is consistent with models of previous research (Ribbink et al., 2004, pp. 452), which state that e-service quality influences e-satisfaction, which in turn influences e-loyalty. The results conclude that the proposed model has been proven to be significant, where some of the relationships in the model have been confirmed to be highly significant.

These results have many implications on the e-tourism industries and also to the academicians which are discussed in Chapter 6 along with limitations and conclusion of the study.
CHAPTER 6 Discussions, Conclusions and Implications

6.1 Discussion and Conclusions

In e-tourism business model, e-providers market their intangible value of services by web communication to the e-customers, with differentiation strategies. Nowadays customers are becoming more aware of the available choices and substitutes, and the competitive pressure is increasing on globalised e-market. In this scenario e-providers need to put more efforts to e-SQ factors to gain the desired competitive advantage over others (Rayport and Sviokla, 1994, 1995; Piccoli et al., 2004; Grönroos et al., 2000; Zeithaml, 2002). Most of the e-SQ literature is on customer behaviour in the e-tailing context, the present study addressed these attributes in the e-tourism industry context. Tourism industry players have recently recognised the importance of delivering superior e-SQ to their customers (Sigala and Sakellaridis, 2004) and maximise its benefits from the use of e-marketing techniques. Nevertheless, the research area in e-SQ in tourism often repeated with the common pattern and there is dearth of in-depth study. E-tourism providers have limited understanding of contributing e-SQ factor and their relationship with e-customers’ behaviour. Besides that, there are few instruments that can be used to assess and improve e-tourism websites’ e-SQ.

Six factors for e-SQ of tourism website emerged in the study namely easy use, design, reliability, assurance, responsiveness, and customisation. Of the six e-service quality factors examined, easy use and customisation demonstrated the significant impact on e-satisfaction in B2B2C e-tourism marketplace. This is consistent with Gefen (2000) study, who found that these factors are key drivers of customer satisfaction. Wallace et al., (2004) also reported linear relationship between customisation and satisfaction (Stuart-Menteth et al., 2005), and the present study validate in the B2B service context. This study further provides empirical support for Payne and Frow (2004) that ‘seamless and consistent’ customer experience in all the different services and products improve the loyalty relationship. As such, in this community based website (myclub.net.my), a high level of service quality will give rise to a high level of member satisfaction and positive behavioural intention. It is therefore reasonable enough to believe that satisfied members with positive behavioural intention use this e-tourism system and be highly loyal towards this website.
The benefits of adding personalised response to the website include improved website visits and increased e-satisfaction. Appropriate feedback features and alternatives payment mode need to be provided to attract and retain customer at e-tourism websites (Chen and Yen, 2004). It is also found that all other four factors play similar important role in e-satisfaction and subsequent expansion in business opportunities. Hence these identified factors also contribute strongly to maintain long-term customer relationships (e-loyalty and e-retention). This is also viewed as an important contribution to the future research on service quality.

Recognition of the above six dimensions enable web designers to assess and revise their web service quality more efficiently to suit customer preferences. They should address all dimensions in the overall design of their websites so as to ensure that customers perceive e-service quality. This suggests that all design qualities are also important which include the content and transaction-related that also increase customer satisfaction. The e-tourism providers should also strengthen the customer belief in competence and benevolence such as e-customer care and motivation towards customer’s interests; and integrity of e-customer honesty and promise keeping, to overcome the negative perceptions regarding transaction uncertainty (McKnight et. al., 2002). This means that customers expect high responsiveness from the prompt delivery of services and products, but can still tolerate slower financial transactions but there must be an increased security to such transactions (Van Riel et. al., 2001).

In service industry, service quality has always been examined as a positive antecedent of repurchase intention (Bitner, 1990; Bolton and Drew, 1991; Cronin & Taylor, 1992, 1994). Cronin and Taylor (1992, 1994) empirically studied this relationship among service quality, customer satisfaction and repurchase intention. They showed that service quality positively affect satisfaction and had a subsequent significant effect on repurchase intention. The present study further supports it and reveals that e-service quality is the antecedent of customer satisfaction and has a predicting power on behavioural intentions. Thus, it is very important to ensure customer satisfaction in order to secure customers’ behavioural commitments.

There are a few important points that need to be noted by designers and/or providers when designing a website and all its associated functions. Customers are given more
choices on what prices they are willing to pay, either individually or collectively, and if the design of the websites does not facilitate this, may have the potential to undermine their customers’ loyalty (McCole, 2002). From first encounter with the web home page until purchase and delivery and beyond, the customer web experience can affect customer satisfaction with this e-service quality, which, in turn affects customer retention and loyalty. Case studies and empirical evidence suggest that to sustain one’s competitive advantage, it is difficult to do with only superior products and reasonable prices. Hence it is correct that regardless of whether an e-service provider’s core business are services or products, superior service quality can only give excellent market performance (Berry, 1999). The primary rationale is that only e-service quality is significantly more difficult to be copied by competitor effectively compared to product quality and price (Parasuraman and Grewal, 2000b).

This study encourages customer loyalty managers to design measures of customer e-satisfaction, e-retention (attitudinal commitment) and e-loyalty (behavioural commitment) into customer loyalty evaluation techniques to obtain higher retention and loyalty. These customer loyalty managers shall increase customer perceived value by improving their e-service quality. These concise loyalty-related measures being tested with this study have good reliability and validity and can be used to monitor the representative group of the identified customers. They can also use these tested scales to explore further the understanding of e-loyalty and design some corrective measures to improve them appropriately. They must also remember and consider customers’ customised needs as the success of this website depends on the ability of meeting these needs.

If e-customers of the website are not affectively committed, this relationship can be dissolved easily when problems encountered. Hence real customers’ loyalty is originated from that e-service quality that has contributed to this affective commitment. This important relationship and these concerned issues are consistent with what LaBahn and Kohli (1997) found for service relationships. Even though these results do re-confirm previous studies of a positive relationship between satisfaction and loyalty (Szymanski and Henard, 2001), the main contribution of this study is that it empirically supported a complete relation between e-SQ, e-satisfaction, e-retention and e-loyalty. Therefore, this do offer the first empirical evidence for Oliver’s (1997, 1999) assertion
that loyalty has to go different phases from affective loyalty (satisfaction) before being committed to action loyalty. This also extends the traditional knowledge of the attitude–intention–behaviour relationship in social psychological (Ajzen, 2002) and consumer psychological studies (Beaty et. al., 1998).

E-customer behaviour within this e-community (MyClub.net) which is basically quite a complex, multi-layered, iterative process involve learning, alternative evaluation, and providing feedback on different set of tourism sharing information. Moreover, within this community, tourism information is shared fluidly, and hence a widening and deepening word-of-mouth via this social networking process. It is suggested here that portal managers ought to consider the importance of the ease in which other establishments may manipulate their details. Further, portal managers need to simplify this process as much as possible.

This study also discovered that characteristics of e-customers can significantly affect their perception of the e-service quality of a e-tourism website. The results indicated significant differences in the perceptions of e-SQ dimensions with respect to customers’ demographic variables such as gender, age group, and internet experience. Male customers perceive tourism website high on ‘easy use’ and ‘responsiveness’ than female customers. Further customers in the age group of 25-29 years rated websites high on ‘easy use’, ‘design’, and ‘customisation’ and customers in the age group of 40-44 rated websites high on ‘reliability’, ‘assurance’, and ‘responsiveness’. Customers in the age group of 60 and above rated websites low on ‘easy use’, ‘reliability’, ‘assurance’, ‘responsiveness’, and ‘customisation’. Generally, these findings are consistent with the previous studies that demographics characteristics of customers affect the perceptions of the e-SQ of this type of website. Further, this study explored the impact of e-SQ factors on customers’ satisfaction, retention and loyalty. With respect to satisfaction customers in the age group of 19-24 were least satisfied and customers belonging to age group of 25-29 were highly satisfied. Customers with 5 years of experience using internet were least satisfied with tourism websites and customers with experience of 5-12 months were highly satisfied. The identification of the distinct sub-group will be useful for targeting customers to specially enhance e-satisfaction, e-retention and e-loyalty.

In summary, the result suggests that e-service quality and e-satisfaction are separate
constructs that with a combined effort to determine the customer’s e-loyalty, with ‘easy use’ and customisation exerting the strongest impacts on satisfaction. All hypothesised factors have been empirically tested to support the finding as shown in Table 6.1.

<table>
<thead>
<tr>
<th>Hypothesised factors</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 Accessibility positively impacts e-satisfaction</td>
<td>Acc1 to Acc9</td>
</tr>
<tr>
<td>H2 Navigation positively impacts e-satisfaction</td>
<td>Nav1 to Nav12</td>
</tr>
<tr>
<td>H3 Design positively impacts e-satisfaction</td>
<td>Des1 to Des11</td>
</tr>
<tr>
<td>H4 Reliability positively impacts e-satisfaction</td>
<td>Rel1 to Rel16</td>
</tr>
<tr>
<td>H5 Assurance positively impacts e-satisfaction</td>
<td>Ass1 to Ass11</td>
</tr>
<tr>
<td>H6 Responsiveness positively impacts e-satisfaction</td>
<td>Res1 to Res11</td>
</tr>
<tr>
<td>H7 Customisation positively impacts e-satisfaction</td>
<td>Cus1 to Cus9</td>
</tr>
<tr>
<td>H8 E-satisfaction positively impacts e-loyalty</td>
<td>Loyl1 to Loyl12</td>
</tr>
<tr>
<td>H9 E-satisfaction positively impacts e-retention</td>
<td>Ret1 to Ret6</td>
</tr>
</tbody>
</table>

Practically, this study shows that customer e-satisfaction ratings are both a function of cognitive evaluations and emotional states. The rapid dynamic growth of the e-tourism industry and the intense competition, to provide a unique e-customer experience is in fact already considered as a differentiating strategy. This study has taken these effects into account and to measure them in order to better understand how e-customer reacts to an e-tourism website. The findings of this should help in improving the structure and design of a website for better e-satisfaction. Previous studies have not been able to identify the common quality dimensions that will lead to e-satisfaction and subsequently on e-retention and e-loyalty. This study help in extending the present knowledge and help in identifying the quality dimensions of e-tourism websites which ultimately influence e-satisfaction.

6.2 Implications
6.2.1 Implications for Theory

With the growing important role of websites as a platform for customer contact and as a virtual e-marketplace, tourism industry players are fully utilising the strategic importance of website to address e-customers. The factors identified in the study will
help to design a good quality website and increase the bonds between the e-customer and the e-service provider. In summary, the major theoretical implications of this study can be listed as follows:

• **Insights into the factors contributing tourism website e-SQ for B2B e-tourism platform:** This shall be a contribution to the more in-depth understanding of the e-service quality;

• **Study of the e-SQ phenomenon in a specific industrial context:** In this aspect of the focussed e-SQ related to e-tourism industrial context are highlighted;

• **Tourism e-SQ scale:** A highly reliable and valid measurement tool for assessing e-tourism website e-SQ;

• **Addressing online needs of e-customers with regards to e-tourism websites:** This provide a better understanding of the customised needs and motivations of tourism customers in an e-market space; and

• **Insight into the items measuring loyalty factors:** The subsequent factors affecting e-loyalty and e-retention.

From an academic research perspective, this result has also provided one of the early conceptualisation of a set of relevant antecedents of e-satisfaction and e-loyalty which is conceptually grounded in an e-tourism B2B2C setting. This theoretical framework underpinned the relationship among perceived e-service quality (appraisal construct), satisfaction (emotional response), and behavioural intentions (e-loyalty and e-retention). There have been few studies addressing e-satisfaction relationships in a B2B services context, the present study explore this considerably under-explored topic in e-commerce context.

Service quality is of universal nature and most of them can be applied to different industrial contexts but some of them are industry-specific. As in this case e-SQ is addressed in the context of e-tourism service marketing, where there are newly developed concepts and has yet to be studied more in-depth. It can be claimed that the main theoretical contribution of this study is, to the e-tourism marketing literature, in
providing a better understanding of e-SQ and online needs and shopping behaviour of e-customers. The establishment of these e-service factors thereby gives rise to another important contribution, i.e. the integrated model of e-satisfaction based on the expectancy–disconfirmation theory by evaluating the e-service quality with emphasis on e-satisfaction in the e-tourism marketplace which in turn affects the dependent variables of e-retention and e-loyalty.

6.2.2 Implications for e-Tourism Practitioners

This study has surfaced some important implications related to practitioners while assessing the e-SQ that meet the e-customers’ needs, which fulfil the role of a virtual encounter. Good quality website shall always be in interactive communication between customers and service provider. This e-SQ has always been acknowledged as a strategic tool and facilitates the above interactive process. In short, the following major implications for practitioners are discussed hereby:

This study has developed a reliable and valid measure of e-SQ which can be implemented by tourism industry players to evaluate the e-service quality of e-tourism websites, and also to detect the aspects that need improvement.

It also suggests that all web communication should appear personal and professional, and should happen in timely manner. This could be dealt with by making sure that support staff are customer focused. The customisation and easy use dimensions have strong relationship with e-satisfaction, so these should receive a high priority status. Web designers and managers should therefore spend enough time and finance in such a way that e-customers would be intrigued and encouraged to visit them. Time should also be spent on the establishment of web page templates, layout of the search pages, enabling users to easily establish the difference between competitors’ offerings. Ribbink et al. (2004) have concluded that, if e-service providers aspired to substantially increase their e-satisfaction, they should provide an attractive e-service quality element. Just having a simple website for e-customers shall not enough, but also need to incorporate up-dated information with secure and user-friendly features. It must consider the individual customers segment by having customised functions on the website to meet different segment of customers and B2B strategic partners.

As the web technologies are becoming sophisticated and are delivering more
customised content, the demand for personalisation and privacy continues to grow (Gurau 2003, Gurau et al., 2003). Recent studies have revealed that most e-customers are much concerned about intrusion to their personal privacy (Graeff and Harmon, 2002). Service providers must then try to ensure relevant information is provided without sacrificing privacy in personalisation content. To enhance customer satisfaction and loyalty, they must develop an improved version of marketing strategies specifically to address the easy use and customisation of these services. Only then they can devote the right resources to these identified important attributes. Hence in delivering prompt services become a necessity to attract and retain e-customers, as these e-SQ factors significantly affect both the satisfaction and loyalty.

To summarise, from a managerial perspective, e-service providers can continue to constantly measure customer perceptions of e-SQ so that appropriate remedial actions can be taken when any one of these dimensions fall below an acceptable level or poorly performing dimensions. They can also use these developed scale items to benchmark their activities against competitors by identifying their competitive strengths and comparative weakness. A well designed e-tourism website shall consist of updated, accurate, informative and relevant information content for their customers’ needs. There shall always be a search function to maintain a mental map and provide a two-way communication between customers and the site, and be responsive to customers’ search and browsing needs. The provider need to protect purchasers ethically and legally in providing thoughtful and individualised information to them. Not forgetting that a superior website shall contain an emotional dimension, which is a significant factor in retaining customers.

The level of satisfaction is dynamic because what used to be a positive aspect to customers can eventually be taken for granted. It is then recommended that portal managers should constantly monitor the satisfaction and loyalty relationship while targeting customers’ satisfaction. Parity perceptions can weaken the loyalty of satisfied customers. Sometimes, customers’ loyalty if based on the lack of awareness that there are other alternative providers who would give rise to a higher chance of defection. However, these kinds of customers with high satisfaction level do not switch, until and unless the alternative providers offer something more satisfying. Hence it is important that e-tourism providers can definitely benefit from this differentiating offer from other
alternative suppliers.

Most of the e-service providers are SMEs and have constraints of limited resources and cannot allocate these resources effectively for maximising e-loyalty. This becomes one of the major challenges for most the portal managers. These portal managers can be benefitted by the identified e-SQ factors. They can then deploy their resources to improve these e-service quality factors, which influence positively customer’s satisfaction. The customisation features developed are in fact valuable assets that improve personal ties between individuals and website, are crucial in the long-term loyalty relationship. Creation of these relationships through e-service quality is more useful and important rather than just bind the e-customers by other form of contracts. So, regardless to the length of the relationship, portal managers need to continuously make sure that e-customers are affectively committed.

Generally, in designing an e-tourism website, software component shall not be the only one to be considered but also the hardware parts. The best or optimal choice on combination of hardware and software components shall be considered as a good design. E-customers are likely to redirect to other competitor homepage if he or she find the website has not been successful within a tolerable length of time. E-service providers shall also adhere to the protection mechanisms and security procedures which are conducive to supporting assured transactions. This can be implemented by mechanisms like, digital signatures, encryptions, authorisations, third party certification and best business practices (Pavlou, 2001). This will facilitate the customer’s confidence towards any transactions with regards to the uncertainty of the underlying technology infrastructure. That’s why, Clyde (2000) suggests the web pages shall be kept simple, and be insidious in its use of graphics. Therefore, besides the above, the memory size and speed of the server hardware also need to be considered; especially physical design elements like, type of information; links, layout and appearance, are all important but insufficient because eventually it is the customers’ perception that makes the difference.

In B2B environment, establishment of a convenient and secure online transaction process becomes more important for the associated B2B e-tourism strategic partners. With the benefits of internal ICT (Information Communication Technology) system,
An Exploration of e-satisfaction in B2B2C Website in the e-tourism Strategic Alliance Network
Student Names: Liew Mook Lam  Student No: 3040243

this demand a need for appropriate investment and collaboration with the external systems of strategic partners to have a more secure and trustworthy payment gateway transaction process. With the well integration of the web technology into the B2B2C platform, e-service providers can provide more customised service that further enhances personalised relationships. It is also a need to integrate both the service and social bonds externally. For example, relationship between a travel agency and tour operator through database marketing communications which is basically an integral parts of B2B2C relationship.

Since the e-community can exchange information, opinion and travel advice of their group members, it is considered as attractive and efficient way to interact with potential customers. For e-tourism providers, this e-community provide and broadened their marketing capabilities, and significantly driving sales, product and service development, information quality, distribution channels and supplier network (Wang et. al., 2002). It is also been suggested that the community coordinator should adopt provider-based revenue models in which certain amount of fees are paid to the community by external organisation to tap into this member database. Examples of possible revenue sources include content sponsorship, banner ads and sales commission (Wang et. al., 2002).

Another way to attract potential customers is by using latest automated communications, like, live chat, twitter and face-book to be incorporated in the website homepage. To ensure the e-community sustainability, portal manager shall constantly and continuously analyse the evolution of its members’ needs and preferences (Wang et. al., 2002), such as group communication and cohesion in this community to encourage closer interactions by organising meetings and provide feedback among members. This will also help to increase customer involvement towards this community’s long term survival. The level of participation in this e-community will be increased and developed to a greater emotional feelings and loyalty (Andreassen, 1999). Additionally, this will convert customers into the e-community evangelists and develop this community brand.

Finally, both perception of e-service quality and e-satisfaction play a strong roles in influencing e-retention and e-loyalty in the B2B context. B2B e-tourism strategic partners shall pay attention to the quality control on the service delivery systems and maximise effort into creating high perceptions of e-service quality and high e-satisfaction. This high perception is the most important factor in encouraging partners to
provide positive word of mouth and to appreciate the e-providers and e-mediaries relationship. In efforts to emphasise e-retention, more future focus shall be on building affective commitment rather than calculative aspects. In this study e-satisfaction is a crucial factor in maintaining purchase intentions, whereas e-service quality will enhance both attitudinal loyalty and purchase intentions.

E-tourism B2B2C strategic partners are often striving hard to pave their ways to promote e-customer retention for a long-term growth. In this associated B2B2C e-commerce transactions, providers concerned about their offerings that would strengthen the relationships between customers and the e-customer loyalty.

Overall, this e-service quality oriented framework alert e-service providers to realise the importance of an integrated management approach towards the customer’s relationship, where at each phase there is a distinct value associated with it. This value can be converted into loyalty and financial performance by focusing on this appropriate e-service quality factors that will enhance customer satisfaction.

These findings contributed to the growing knowledge of e-services and hospitality management which can also be replicated in other e-service sectors. It can also be concluded that a provider’s long term success is essentially determined by its expansion and maintenance capability of a sizable loyal customer base. However, it is obviously important to recognise that customer loyalty is non-permanent and time specific and requires continuous and consistent provider’s investment. Hence e-tourism providers shall constantly develop and maintain their customers’ loyalty or else there is a risk of losing it to other competitors.

6.3 Limitations

This study explored the extent to which customers, of a particular website (myclub.net.my), make their purchase decisions through this website. This study provides some exploratory insight into how e-tourism website could increase satisfaction and possible subsequent profit margins. Subsequent studies can also validate this framework if possible by analysing a larger set of B2B2C websites. Although this study has included respondents’ experience through the websites, as several previous studies have dealt with the same scenario (Shackel, 1991; Trevino and Webster, 2003; Gaines et. al., 1997; Zhang and Van Dran, 2000), still the findings
cannot be generalised to all travel web-sites. It is believed that these e-tourism web-sites can vary in terms of services and functions provided by them. Further, the large organisation normally exhibit as a leader in the adoption and use of ICT, but some smaller organisation does offer services that are innovative and customer focused in nature.

Most of the survey respondents are Malaysian who belongs to multi-racial e-community members. Generalising to other countries would not desirable as cultural difference may influence behaviour of this e-community, hence lead to limited applicability to other international markets. Tsikriktsis (2002) reported that the cultural differences factors across regions and nations do significantly affect the validity of these e-tourism service quality dimensions. It is also found that different culture do affect customer behaviours as a whole. For example, Mattila (1999) showed that Asian and Western travellers do significantly perceive differently on the service quality while doing a study of hotel check-in counter activities. This finding needs to be confirmed by further evidence from other Asian regions given the difference in value and cultures among different regions. Furthermore, the results should also be tested by evidence from other industries. Also, Chung et. al., (2004) discovered the reasons for using or not using the Internet differ in terms of resident nations.

Further, the study used convenient sampling method where all the members voluntarily participated in this survey, therefore a more sophisticated sample collection method shall be recommended to broaden the scope of findings. Four hundred respondents had participated in this study. Replication would be desirable by including larger sample size to obtain a higher ratio among the parameter estimates to the sample size and hence increased the statistical power.

The perceptions of a website service quality are normally context-dependent and thus the significant effects on e-satisfaction are related to certain specific products and services, despite the fact that there is an advantage of choosing one service area because it allows us to detect context-specific significance. Hence, more research is encouraged to test this e-SQ scale cross different services settings, by adding new items and factors if possible and applicable. It is not a bad idea to collect new data including specific products’ feature on different websites and validate these developed measures.
Continued refinement of this e-SQ scale that has been supported in this study is certainly worth to be used for further quantitative research to develop a more comprehensive models of e-loyalty. Future study can include other variables of B2B2C platform, such as organisational strategy, marketing channel types, transaction cost and incentive programmes to provide more insight about the e-SQ. Presumably there is no time lag between customers’ feeling of being satisfied and the behavioural and attitudinal consequences. Ideally, this study would have benefited from the time lag between the measurement of the independent and dependent variables so that causal relationships can be determined.

Most likely that our survey sample could have been underrepresented other segments of the population, especially the website non-active users and new users. They are not the targeted users because this study focuses more on the actual online usage. It is then an interesting research extension to explore further the motivating factors for e-customers to move from the early adoption stages, such as awareness and interest on e-tourism websites. Generally it is believed that even relative stable personal values are subjected to change over growing periods (Brangule-Vlagsma et. al., 2002). This developed scale can be used to anticipate the next customer personal value so that e-providers can response faster to these changes. This study does not examine personal factors such as variety-seeking behaviour, product involvement and or impulsiveness. Such individual differences or customer-segmentation variables should be incorporated in future studies because they may help to explain sudden switching, found even among repeat and/or loyal consumers. Finally, the instrument could have created common method variance that can inflate the relationships between variables and could be threatening if the respondents are aware of the proposed conceptual framework. However, for this study they are not told about this specific purpose and all the construct items are mixed and separated, so that respondents will not be able to detect which items are associated with which factors (Lages and Jap, 2003; Lages and Lages, 2004).

The use of web-based survey has two major important limitations namely lack of personal interaction and control of the researcher over the subjects of interest. Respondent anonymity can be an obvious disadvantage in cases where a follow-up study is necessary. Therefore, other data collection techniques can be suggested, such as focus group discussion or interviews, leaving more room for personal interaction with
respondents. Four hundred respondents in this case can be considered as an optimal sample size, for a better results generalisability, it is encouraged to have as many observations as possible. Most of previous studies on this sort of scale development are conducted via focus groups, expert discussions and literature review, to select and determine the scale items (Churchill, 1979; Zaichkowsky, 1985; Sweeney and Soutar, 2001; Zichraml et. al. 2002; Zeithaml, 2002; Yang et. al., 2005). Whereas in the present study, literature review and expert evaluations are used, therefore, it is suggested that these e-SQ scale items to be further validated with a different combination of methods that include in depth interviews and focus group with the respondents.

More in depth research about the important relationship between e-satisfaction and e-loyalty shall be a top priority for practitioners to compete and retain loyal customers and benefit increasing profit. The results of this thesis are in accord with the postulated conceptual framework; as with any study, further research is needed to replicate and extend our integrative framework with other variables, such as other performance measures and corporate reputation, as to provide practical managers more useful suggestions in acquiring new customers and retain existing customers. However this simply does not meant to rule out other alternative relationship models between e-satisfaction, e-community participation and customer behaviour. With respect to generalisability, this can be increased if replicated with other sample populations and more tourism related services categories. This replication would hopefully result in drawing firmer conclusions. Overall, despite all the above mentioned possible limitations, theoretical knowledge of all relationship of satisfaction, loyalty, and retention has been extended and some useful managerial insights into B2B2C e-tourism websites.

6.4 Avenues for Future Research

The following are the summarised recommended directions for future studies because of the limitations beyond control and the desire to investigate more about the antecedents and outcomes of e-satisfaction:

- An interesting extension of research can perform a new validation of this model with a wider sample of different nationality of e-customers besides the Malaysian participants. This is then in line with other previous studies which
found that culture plays a significant role in e-customers behaviour (Liao and Cheoung, 2007). There are evidences which indicate that the importance and possible definition of e-SQ can be different across cultures (Gefen, 2000; Tsikriktsis, 2002). Knowledge of how these cultural factors affect the e-satisfaction in the B2B e-tourism context will improve the generalisability of B2B e-commerce research. The understanding of these cultural factors will provide a better cross-cultural comparison, which in turn give rise to other possible significant effects associated with e-communities participation and possible establishment of a successful long-term relationship.

- Research in services marketing indicates that the determinant strength of e-service quality cannot be applied across all e-service settings (Carman 1990; Parasuraman et. al., 1994). Although the results show that the e-SQ affects the customer e-satisfaction in the B2B e-commerce context, there may be other factors playing a crucial role in the dynamic changes of e-customer expectations. Further research need to include these possible factors that can enhance these significant effects on the successful determinants for e-service providers.

- Development and investigation of models that can capture the potential moderating effects of the variables such as experience, reputation of organization etc, on the relationship between e-SQ and e-satisfaction. Investigation into such moderator variables shall be very fruitful for future e-satisfaction studies.

- Further exploration on the relationship links between variables concerning the customer satisfaction→ the customer attitudinal loyalty→ the customer behavioural loyalty→ the customer profitability chain. The proposed variables shall at least include both attitudinal loyalty (i.e., intent to repurchase, willingness to recommend and other probable market actions which are basically the leading loyalty indicators), and behavioural loyalty (i.e., repeat purchasing, volume or frequency of purchasing, returns, debt, complaints and interactions, customer retention and longevity, which are basically the lagging loyalty indicators). This can be very useful for a portal manager to set-up the customised marketing strategy to maintain price advantage and/or provide additional added value services. This strategy tallies with many other theoretical approaches which describes that even apparent high levels of satisfaction can not necessarily result in loyalty behaviour as these are being intervened by many
other variables during the loyalty development process (Jones and Sasser, 1995; Oliver, 1999).
Appendix 4.1
An Exploration of e-satisfaction in B2B2C Strategic e-Tourism Alliance Network WebSites

Online Survey
Please read before completing the questionnaire

Purpose of Survey
The purpose of this questionnaire is to collect information about online customer’s satisfaction on this B2B2C online travel website in Malaysia. General public above 18 years old are requested to answer all questions. The results of this survey will be available from the Newcastle University Graduate Business School on request.

How to complete this questionnaire?
This survey consists of 97 simple questions and will take not more than 30 minutes to complete. It can be completed by simply clicking on the most appropriate answers. If you have any questions regarding this survey, please contact the Research Supervisor Dr. Bindu Gupta by email at bgupta@imt.edu, or the researcher Mr. Liew Mook Lam by email at mlliew@myjaring.net.

Survey Questionnaire

<table>
<thead>
<tr>
<th>Strongly</th>
<th>Agree</th>
<th>Not Sure</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Factor 1 (Accessibility)
Acc1 Access to this website is straightforward with simple and easy to remember domain name.
Acc2 The website makes it easy to get in touch with the service provider agency.
Acc3 Service provider can be contacted with various modes—i.e., telephone, fax, e-mail and live chat support.
Acc4 Live chat support is always answered in short time.
Acc5 Fast and simple process in product searching until final purchase
Acc6 The website contains clear information on how to make a purchase
Acc7 Registration process is convenient and easy.
Acc8 It’s easy to correct or update registration information
Acc9 Website can be accessed by different types of browser platform.

Factor 2 (Navigation)
Nav1 Searching tool on the web is helpful to find categories of different products and services.
Nav2 Information is found with a minimum of clicks.
Nav3 The structure of the website is logical.
Nav4 There are well structured search options
Nav5 The number and type of links are meaningful
Nav6 Clear instructions are instantaneously available online.
Nav7 The purpose of the icon is clear
Nav8 Opening of new screens is kept to a minimum
Nav9 Scrolling through pages and text is kept to a minimum
Nav10 Complete graphics and orientation is provided.
Nav11 It is easy to print from the website.
Nav12 The information needed is presented without annoying distractions.
Factor 3 (Design)
Des1 The web page is visually attractive.
Des2 The use of colours on the site is good.
Des3 The information on the website is accurate and up-to-date.
Des4 Good choices of products and or services are provided.
Des5 The tone of message is consistently courteous
Des6 The information content is relevant and easy to understand.
Des7 Icon-based product and services selection is a simple straight forward process to meet my needs.
Des8 Links are provided to pages on related products and services
Des9 Customer platform (community portal) is provided for the exchange of ideas.
Des10 A standard navigation bar, home button and back and forward button are available on every page
Des11 The user can customise their holiday preferences and this information is retained

Factor 4 (Reliability)
Rel1 A complete overview of the order is presented before final purchase decision
Rel2 All relevant order confirmation details are sent by e-mail within 24 hours
Rel3 Tax and other charges are clearly explained and given.
Rel4 Different payment options are stated clearly before final purchase decision
Rel5 Terms and conditions of sales are accessible.
Rel6 Order-tracking details are available until is delivery
Rel7 Access to anticipated delivery times is available at all times
Rel8 Order cancellation and returns details are confirmed within two days
Rel9 Full details of product or service pricing are available
Rel10 The home page contain icon for new and registered users
Rel11 The registration process is simple
Rel12 Registration process details are retained
Rel13 Full product or service characteristics are available
Rel14 The Website offers free shipping and handling within a set of rules

Factor 5 (Assurance)
Ass1 The security statement and e-mail notification is stated.
Ass2 I trust this site in terms of confidentiality of private information.
Ass3 I feel safe to make online transaction
Ass4 Minimum website oriented distraction and interruption.
Ass5 Different options of payment are useful and convenient.
Ass6 External third party payment validation of trustworthiness is provided.
Ass7 The website contains company details
Ass8 Service provider has a reputable brand image.
Ass9 Site map is available on the home page.
Ass10 The user is invited into a loyalty or membership program
Ass11 I trust this site in terms of confidentiality of private information.
Ass12 The website looks professional.

Factor 6 (Responsiveness)
Res1 The frequently asked questions and answers link connect to the relevant page(s)
Res2 User is encouraged to forward complaints and suggestions in the community forum section.
Res3 Frequently Asked Questions and Answers section is available on the website.
Res4 Queries or complaints are resolved within 24 hours
Res5 The response to e-mail is relevant and accurate.
Res6 In case of problem, it is easy finding help on the website.
Res7 Booking and ordering are provided with confirmation reference.
Res8 Products or services with the expected delivery date are provided.
Res9 Service provider can always be contacted to clarify or confirm order.
Res10 Staff members of the service provider are responsive to customer request
Res11 The service provider provides post sales service or supports

Factor 7 (Customisation)

Cus1 This site helps me to find exactly what I want.
Cus2 This site is easy to customise by offering the possibility to search the date, destination and price.
Cus3 I can easily and quickly see if they offer something that suits my needs.
Cus4 The service provider offers free personal homepage.
Cus5 The service provider understands my specific needs and gives personal attention.
Cus6 The website has adequate features to protect customers’ information.
Cus8 The policies for cancelling orders laid out on the site are customer-friendly.
Cus9 Provide accurate and personalised billing information.

Factor 8 (e-Satisfaction)

Sat1 I am overall satisfied with the online experience.
Sat2 The information provided on website meet my needs.
Sat3 I will certainly make use of this website to search for travel information.
Sat4 In the future I will certainly make use of the website to book travel.
Sat5 I feel very pleased with the delivered services.
Sat6 Products and services offer fair and competitive prices.
Sat7 From my purchase experience, this service provider is honest.
Sat8 This service provider cares about customers.

Factor 9 (e-Retention)

Ret1 I am interested in a long term relationship with this service provider.
Ret2 This is my favourite website.
Ret3 I have a sense of belongingness to this website.
Ret4 I believe that this website is better than its competitors.
Ret5 I prefer this website.

Factor 10 (e-Loyalty)

Loyl1 I usually visit this website for planning my holiday.
Loyl2 I intend to continue buying from this website.
Loyl3 I often recommend this website to other people.
Loyl4 I say positive things about this website to other people.
Loyl5 I am willing to provide this service provider with my comments and suggestions.
Loyl6 I am willing to provide this service provider with my testimonials.
Loyl7 I would continue to buy from this website even if its prices increased somewhat.
Loyl8 I would not shop at any other website for product and services that are available on this website.
Loyl9 I am willing to buy more products and services that are suggested by this website.
Loyl10 I am willing to try new offers on this website.
Loyl11 I am willing to give this service provider a second chance when there is a problem that leads to my dissatisfaction.
Loyl12 I always trust this website.
Appendix 4.3 Data Collection Flow Chart

First stage selection of experienced online purchasers as participants of questionnaires

Second stage questionnaires for about 500 respondents.

Two selected B2B2C e-tourism websites.

Finalised questionnaires targeting 400 respondents to browse the final websites

Final selection of e-tourism B2B2C Strategic Network Websites

Quantitative Data Analysis using SPSS.

Detailed literature review on models to select items for questionnaires.

Brief content analysis on e-tourism websites especially those in the Asian Pacific region.
Appendix 5.1 Final Item Scales

**Factor 1 (Easy Use)**
- **Esu1** Access to this website is straightforward with simple and easy to remember domain name.
- **Esu2** The website makes it easy to get in touch with the service provider agency.
- **Esu3** Service provider can be contacted with various modes; i.e., telephone, fax, e-mail and live chat support.
- **Esu4** Live chat support is always answered in short time.
- **Esu5** Fast and simple process in product searching until final purchase.
- **Esu6** The website contains clear information on how to make a purchase.
- **Esu7** Registration process is convenient and easy.
- **Esu8** It’s easy to correct or update registration information.
- **Esu11** Searching tool on the web is helpful to find categories of different products and services.
- **Esu12** Information is found with a minimum of clicks.
- **Esu13** The structure of the website is logical.
- **Esu14** There are well structured search options.
- **Esu15** The number and type of links are meaningful.
- **Esu16** Clear instructions are instantaneously available online.
- **Esu17** The purpose of the icon is clear.
- **Esu18** Opening of new screens is kept to a minimum.
- **Esu19** Scrolling through pages and text is kept to a minimum.
- **Esu20** Complete graphics and orientation is provided.
- **Esu21** It is easy to print from the Website.
- **Esu22** The information needed is presented without annoying distractions.

**Factor 2 (Customisation)**
- **Cus1** This site is easy to customise by offering the possibility to search the date, destination and price.
- **Cus2** I can easily and quickly see if they offer something that suits my needs.
- **Cus3** The service provider offers free personal homepage.
- **Cus4** The service provider understands my specific needs and gives personal attention.
- **Cus5** The website has adequate features to protect customers’ information.
- **Cus6** Provide accurate and personalised billing information.

**Factor 3 (e-Satisfaction)**
- **Sat1** I am overall satisfied with the online experience.
- **Sat2** The information provided on website meet my needs.
- **Sat3** I will certainly make use of this website to search for travel information.
- **Sat4** I feel very pleased with the delivered services.
- **Sat5** Products and services offer fair and competitive prices.
- **Sat6** From my purchase experience, this service provider is honest.
- **Sat7** This service provider cares about customers.

**Factor 4 (e-Retention)**
- **Ret1** I have a sense of belongingness to this website.
- **Ret2** I believe that this website is better than its competitors.
- **Ret3** I prefer this website.

**Factor 5 (e-Loyalty)**
- **Loyl1** I intend to continue buying from this website.
- **Loyl2** I often recommend this website to other people.
- **Loyl3** I say positive things about this website to other people.
- **Loyl4** I am willing to provide this service provider with my comments and suggestions.
- **Loyl5** I am willing to provide this service provider with my testimonials.
- **Loyl6** I would continue to buy from this website even if its prices increased somewhat.
Loy17  I would not shop at any other website for product and services that are available on this web site.
Loy18  I am willing to buy more products and services that are suggested by this website.
Loy19  I always trust this website.
### Appendix 5.2

#### ANOVA Table for e-SQ Dimensions and Gender

<table>
<thead>
<tr>
<th>Dimension * Gender</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
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<td>4.169</td>
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<tr>
<td></td>
<td>Within Groups</td>
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<td>.164</td>
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<td></td>
<td>Total</td>
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<td>399</td>
<td></td>
<td></td>
</tr>
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<td>Design * gender</td>
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<td>Total</td>
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<td>Total</td>
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</table>
## Appendix 5.3

### ANOVA Table for e-SQ Dimensions and Experience Using Internet

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<tr>
<th>Factor</th>
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<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Easy use * Experience using the internet</strong></td>
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<td></td>
<td></td>
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</tr>
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<td>Between Groups (Combined)</td>
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<td>14.728</td>
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<td>Total</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Design * Experience using the internet</strong></td>
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#### ANOVA Table e-SQ Dimensions and Age group of Customers

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An Exploration of e-satisfaction in B2B2C Website in the e-tourism Strategic Alliance Network

Student Names: Liew Mook Lam
Student No: 3040243


An Exploration of e-satisfaction in B2B2C Website in the e-tourism Strategic Alliance Network

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Student Names: Liew Mook Lam Student No: 3040243


