Measuring the satisfaction of domestic tourists on travel agencies' marketing mix: a pilot study from Jordan

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Abstract

This pilot study aimed at measuring the satisfaction of Jordanian domestic tourists about some selected components of the marketing mix offered by domestic travel agents. Both descriptive and regression analyses were conducted with focusing on the 7 P's of marketing mix that relate to trips, also their influence on the willingness to depend on travel agencies in planning domestic trips. Generally, low levels of satisfaction were reported by the respondents, moreover, none of the independent variables representing the marketing mix had any significant influence on the dependent variable. The results are briefly discussed, and the implications of the findings are suggested so as to strive to improve the contribution of travel agencies to domestic tourism.

Keywords: Domestic tourism; marketing mix, planning trips, travel agents, satisfaction, Jordan

Introduction

Despite the fact that many countries tend to focus on international tourism since revenue earned by them is higher through exports; domestic tourism is still considered as a leading form of tourism that formed 73% of the total global tourism spending in 2017. Governments benefit from domestic tourism in reducing local poverty, generating job opportunities and economic growth, upgrading infrastructure and reducing the problems of overcrowding and seasonality within regions by encouraging visitation to less visited rural areas (WTTC [World Council of Travel & Tourism], 2018). Domestic tourism also contributes to increasing investments, development of natural areas as parks since they form a suitable recreation place for families, and enhancing social bonds through VFR (Abu Rumman & al-Rawi, 2009). Domestic and regional tourists are important clients for self-employed sellers and owners of small establishments (Shah et. al., 2002).

Despite such a significant role of domestic tourism in the economy, few studies discussed issues that relate to such a market. For example, urban residents' domestic tourism preferences and related themes (Song, 2010; Jackson, 1986), the effect of national economy growth on domestic tourism (Wen, 1997), the determinants of domestic tourism demand (Massidda & Etzo, 2010; Athanasopoulos & Hyndman, 2008; Yap & Allen, 2010), the benefits of participation in domestic tourism as majority-minority relationships (Moufakker, 2010), and as a factor in the regional development (Seckelmann, 2002). Such underestimation of the contribution of domestic tourism to the economy is due to many factors; in some cases it is less profit-generating to the national economy if compared to inbound tourism since it actually redistributes domestic currency spatially

within boundaries of a country, it does not generate foreign currency, and not all domestic tourists use hotels and other forms commercial accommodation (McKercher, 2000). The volumes of domestic tourists are less than international ones in some countries due to the high relative value of local currency against hard currencies, which then discourages locals to travel abroad. Other factors include the growth in low cost airlines flying to destinations overseas, the limited offered package holidays in the country of domestic tourists, and lack of awareness by locals about good quality visitor destinations in their home country; all of these are obstacles facing domestic tourism worldwide (Tourism Industry Association of New Zealand, 2006).

Jordan is one of the countries where domestic tourism is below its full potential; the figures of domestic tourism for this country are available only for 2008 and 2012, where, in these years National Domestic Tourism surveys were conducted. The National Survey of Domestic Tourism for the year 2008 stated that the total number of households in Jordan was 1,045,000, of which only 21.4% conducted tourism trips within the country; in 2012 the total number of households became 1,179,000, of which only %17.6 had such trips. The figures of domestic tourists spending were 57,177,000 JD in 2008 and 77,107,000 JD in 2012, while the total expenditure of tourists in Jordan was 710.3 million JD, and 811.9 million respectively. Moreover, the number of Jordanian outbound tourists was 1,971,544 in 2008, and 1,779,910 in 2012; this means that tourism destinations abroad are more favorable to some Jordanian tourists. According to the statistics of MOTA [Ministry of Tourism & Antiquities] (2018); the number of Jordanian outbound tourists reached 1,501,000; simply stated, Jordan is losing a market of a great potential.

The main factor behind such leakage is the high cost of domestic tourism activities and services if compared to other competing destinations such as Turkey and Egypt, where Jordanians depend heavily on outbound travel agencies and tour operators in planning their trips, these establishments are active in terms of promoting a wide variety of packages with different price levels. Though, the role of travel agencies in promoting and planning domestic tourism packages in Jordan was not discussed in literature; this pilot study aimed at evaluating the satisfaction of a sample of domestic tourists regarding particular marketing mix elements that relate to planning domestic trips by travel agents. This would help in coming up with recommendations to enhance the levels of domestic Jordanian tourism by tour operators and travel agencies. Hopefully this pilot study will be expanded in the future in terms of theoretical framework and targeted population to give more insights on such topic.

Marketing Mix and Travel Agencies

The Marketing Mix was defined as the "*set of marketing tools that the firm uses to pursue its marketing objectives in the target market*" (Kotler, 2000: 9). The traditional marketing mix consist of price, product, place, and promotion; this mix forms the decision-making variables that are available to marketing managers (Needham, 1996). Considering that tourism sector is a service-based industry; the design of marketing programs would be influenced by its characteristics of intangibility, inseparability, perishability, and variability; an expanded marketing mix for all services with 7 P's was offered in literature to include (the original 4 plus physical evidence, participants/people, and process) (Bojanic, 2008). According to Burke and Resnik (2000), the traditional 4 P's are briefly explained as follows:

- ✓ Product: what is offered for sale to satisfy the customer, where buying decisions are based on tangible and intangible aspects as well as the appeal of the product.
- ✓ Place: the process of delivering the product and channels of distribution
- ✓ Price: the amount of money charged for receiving the product or service by customers, it is to be decided based on actual costs, profit margins and competing prices.

✓ Promotion: the most visible part in the marketing mix, and it stimulates the interest in products and services since it provides with information to help in making buying decisions.

As for the other 3 P's, these are explained as follows (Zeithaml et. al., 2013):

✓ People: the interactions between clients and staff.
✓ Process: activities and procedures of delivering service.
✓ Physical evidence: the environment where the previous 2 P's take place.

As for the case of travel agencies, these P's can be reflected for this study to include the following aspects of services provided to clients (see Table 2):

✓ Product: appeal of Jordanian tourism destinations, and quality of tourism facilities.
✓ Place: the numbers of domestic travel agencies.
✓ Price: the suitability of prices of trips.
✓ Promotion: the variation and appeal of advertisements.
✓ People: the professionality of staff in delivering service.
✓ Process: the time consumed in delivering the service.
✓ Physical evidence: the suitability of travel agencies settings.

The targeted location for the population of the study was the different types of travel agencies in Jordan; according to the Jordanian Legislation on travel agencies No. (11/2005), these establishments are divided into the following categories: type A (running Inbound, Outbound and Domestic Tours), B (running Inbound Tours), C (running Outbound Tours, and selling trips organized by Type (A) agencies), and D (organize domestic and pilgrimage tours). These different types agencies are responsible for: selling trips and tickets to tourists and travelers in cooperation with transportation companies, working with rent a car offices and tourism transportation companies to offer services to tourists, reservation of hotels, selling cultural events tickets, obtaining visas to travelers, finalizing procedures of travelers insurances for luggage and providing tourist and travelers with information about destinations and services. According to the statistical data provided by the Jordan Tourism and Travel Agents Society (JSTA), licensed travel agencies of all types reached 905 in 2018.

Methodology, Analysis & Results

A random sample of 55 Jordanian clients at travel agencies was targeted in June/July 2019 to fill out a questionnaire that was designed for this study. By calculating the sample size needed with a confidence level of 90% and a confidence interval of 10, it came out to be a sample of 52 (such statistical constrains are acceptable in social sciences when there is a lack of previous studies). 50 individuals responded to the questionnaire, and the data collection took place at travel agencies in the key cities of Amman and Zarqa.

The research instrument (written in Arabic) was designed to include the following 2 sections: A demographic section (age, gender, marital status and educational level). The characteristics of the sample respondents are shown in Table 1. The second section was on variables measuring the satisfaction about elements reflecting the marketing mix offered by travel agencies for planning and promoting domestic tour packages (See Table 2), these were measured on a five-point scale (1: strongly disagree; 2: disagree; 3: Neutral; 4: agree; and 5: strongly agree); Table 2 shows the descriptive analysis for these variables.

Characteristics		Frequency
Gender	Male	22
	Female	28
Age	30 or less	13
	31-40	28
	41-50	7
	51 or more	2
Education	High School	1
	Community College or BA Degree	27
	Masters or PhD	22
Marital Status	Single	24
	Married	26

Table 2.
Characteristics of the individuals in the sample

Item	Mean	Std. Deviation
Marketing Mix (Independent Variables)		
There are enough domestic travel agencies in Jordan (Place)	2.9000	1.12938
The settings of travel agencies are suitable (Physical Evidence)	2.8800	1.04276
There is enough number of staff to provide services to clients (People)	2.6800	.89077
There is a variation in the methods of promotion by travel agencies (Promotion)	2.3800	.75295
The time consumed in delivering the services to clients is acceptable (Process)	2.5200	.88617
The offers given by travel agencies are appealing to domestic tourists (Promotion)	2.0600	1.09563
The prices of domestic trips are acceptable (Price)	1.9200	.98644
Jordanian tourist attractions are appealing to domestic tourists (Product)	3.6800	1.20272
The tourism facilities at touristic sites are of a good quality (Product)	3.9400	1.28428
Dependency, trust and contribution		
You depend on travel agencies when planning a trip within Jordan (Dependent Variable)	1.8600	.98995
You trust travel agencies when planning a trip within Jordan	1.7600	.79693
Travel agencies contribute to the promotion of domestic tourism	2.0600	1.15016

Table 2. Means and standard deviations of observed variables in study

The descriptive analysis shows that most of the marketing mix variables had responses between (2: disagree) and (3: Neutral), which indicate low levels of satisfaction, the same can be said about other variables concerning dependence on travel agencies when planning domestic trips, levels of trust and contribution of travel agencies to promotion of domestic tourism, where responses were between (1: strongly disagree) and (2: disagree) (Table 2). The lowest values of satisfaction were for the variables concerning the suitability of prices (M = 1.9200, SD = .98644), and the dependence on travel agents in planning trips within Jordan (M = 1.8600, SD = .98995). The highest values were for the "Product" variables: Jordanian tourist attractions are appealing to domestic tourists (M = 3.6800, SD = 1.20272), and that tourism facilities at touristic sites are of a relatively good quality (M = 3.9400, SD = 1.28428). Moreover, respondents reported low levels of trust toward travel agencies when planning a trip within Jordan, and low satisfaction about the contribution of travel agencies to the promotion of domestic tourism.

As for the regression analysis, none of 7 P's in the marketing mix (independent variables) had a significant influence on the dependence on travel agencies when planning domestic trips (which already has a low mean) (Table 3), since all p-values were > 0.05. Moreover, the model was insignificant (F = 0.955, p = 0.49), the R- square value was 0.177, while the adjusted R-square was -0.008. Such results are expected with the small size of the sample. For the standardized

Beta coefficients, most of these reflect a minimal strength of negative relation with the variable of dependence on travel agencies when planning domestic trips, the highest of these though were for the appeal of Jordanian tourism attractions to domestic tourists (β = -.274, p = .076) and for the suitability of travel agencies settings (β = -.282, p = .065) (the p values are close to significance level of 0.05).

Variable	Standardized Beta Coefficients (β)	t	p
The tourism facilities at touristic sites are of a good quality (Product)	.041	.265	.792
Jordanian tourist attractions are appealing to domestic tourists (Product)	-.274	-1.820	.076
The prices of domestic trips are acceptable (Price)	.014	.090	.929
The offers given by travel agencies are appealing to domestic tourists (Promotion)	.060	.405	.688
The time consumed in delivering the services to clients is acceptable (Process)	-.045	-.286	.777
There is a variation in the methods of promotion by travel agencies (Promotion)	-.045	-.303	.763
There is enough number of staff to provide services to clients (People)	-.017	-.118	.907
The settings of travel agencies are suitable (Physical Evidence)	-.282	-1.898	.065
There are enough domestic travel agencies in Jordan (Place)	-.081	-.530	.599

Table 3. The regression estimates and the significance levels for the model: Marketing mix P's on dependence on travel agencies when planning domestic trips.

Discussion and Conclusion

Despite the insignificant measures of the regression model and the low standardized Beta coefficients; the low levels of descriptive analysis gave indications on some problems facing domestic tourism in Jordan (the small sample size though could be a limitation to this pilot study). The high prices of tour packages and services, lack of attractive offers and promotional material targeting domestic tourists (where the focus is mainly on inbound and outbound tourists), and type of trips preferred mostly by domestic tourists (one-day trips); all of these are critical issues when it comes to the potential of such a market. The National Survey of Domestic Tourism for the year (2008) stated that the total number of households in Jordan was about 1,045,000, of which only 21.4% conducted tourism trips within the country; in 2012 the total number of households grew to an estimated 1,179,000, of which only %17.6 had such trips. The total number of same day trips in 2008 was 951,000 trips (78.6% of total domestic trips), while 259,000 trips were overnight ones, and these became 819,000 (72% of total domestic trips) against 318,000 overnight tours at 28% in 2012.

The National Survey of Domestic Tourism for the year 2008 also mentioned that 38,566 households did not have tourism trips, this number became 39,938 in 2012. According to these national surveys, reasons behind such results were: not having the willingness, the unavailability of regular means of transportation to tourism attractions, the high cost of accommodations, the high cost of sites entry fees, the high cost of using services in sites and attractions, the competing offers by neighboring countries, and the generally low living standards. Moreover, the National

Survey of Domestic Tourism for the year 2012 had shown that domestic tourists depend mostly on some particular sources of information when planning trips. In the first place comes the knowledge and personal experience, then recommendations from friends, relatives, schools or workplace, while advertisements, books, magazines and films had very low rates according to this survey. This might explain the low levels of trust and dependence when dealing with travel agencies as indicated by the results of this study.

Most of Jordanian domestic tourists prefer short daily trips to park visits during the year, or tend to spend few nights at hotels during feasts or vacations (according to the 2018 statistics of Ministry of Tourism and Antiquities, the number of tourist nights from Arab tourists (including Jordan) is only 85,133 out of 2,813,104 nights with an average length of stay of 3.1). This is backed by the fact that majority of attractions in Jordan are cultural/heritage sites, which are mostly located in areas that lack recreational and nightlife activities (MENAFN, 2009).

The previous brief discussion initiates the need to offer more attractive packages in terms of activities and prices to walk-in domestic customers by travel agencies. There should also be a focus on providing more tourism information to local mass markets, and not less important is the need to be encouraging and facilitating the establishment of small and medium tourism and hospitality enterprises that would offer more affordable services to domestic tourists, thus creating packages of high appeal to locals. This should be accompanied by improving the tourist experience at sites more in terms of recreation and nightlife activities that focus on the performing arts which reflect the local cultural heritage of these sites, this would make domestic tourists prefer overnight to same-day trips.

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