The Impact of Service Quality of Travel Agencies on Customer Satisfaction: the Case of Outbound Travelers in Sri Lanka

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ABSTRACT

Travel Agency sector, as an intermediary, is at paramount in tourism industry in any country. The services render by travel agencies highly predict the satisfaction of tourists during their entire tour. Hence, customer satisfaction is a significant measure of service quality in travel agents. Conversely, in Sri Lankan context, the outbound tourism sector is continuously growing in parallel with the inbound tourism sector. Therefore, the main objective of this study was to examine the impact of the service quality of Travel Agencies on customer satisfaction of outbound travelers in Sri Lanka based on the SERVQUAL Model. To achieve the specified objective, the quantitative research method was adopted and the data was collected from a sample of 384 outbound travelers using convenient sampling method through online questionnaires. The study critically examined the five dimensions of the SERVQUAL Model: tangibility, responsibility, reliability, assurance, and empathy. The correlation analysis confirmed a strong relationship between the service quality dimensions and the customer satisfaction. However, the result of regression analysis indicated that the customer satisfaction is highly influenced by tangibility, reliability, responsiveness, and empathy. Since reliability was the most influential service quality dimension which had the strongest predicting power on customer satisfaction, it's recommended the travel agencies to ensure the completion of the services provided to the customers with accuracy, and the assurance of meeting the tour schedules on time. The findings of the study further suggested that ensuring the visual appealing of the tangibles, physical environment and the virtual environment of the travel agency, and assurance of quick responses trough a strong information system and convenient communication modes are vital for increasing customer satisfaction.

Key Words: customer satisfaction, outbound travelers, SERVQUAL Model, travel agencies