

INVESTIGATING THE EFFECTIVE FACTORS IN PEOPLES' TENDENCY FOR USING CASH DEPOSIT SYSTEM IN SHAHRNET

Samira Sabz Ghabaei

Manager of R&D in Shahr-Net and Autobank project of Bank Shahr

Shahid Beheshti University, Tehran, Iran

Email: samira1364.s@gmail.com

ABSTRACT

This study is aimed to investigate the effective factors in peoples' tendency for using Cash deposit system. In this study, we measured the efficiencies of two different types of Cash deposit systems. The population of study is 850 clients who used this machine for doing their bank affairs, especially paying money; information has been obtained through interviews with machines' users and investigating machines' transactions in bank machine. We examined elements include: Security indicators of returning money if paying be unsuccessful, having instruction and brochure for how using from machine, media advertisings, machine appearance, operating bank's credit, and the possibility of using in non-official hours in associated with machines and some features such as literacy, income rate, age and risk taking rate and experience of using other banks machines related to user.

Keywords: Bank, ATM, Cash deposit system, Tendency

INTRODUCTION

Research Statement

Amazing development of information technology and its expansion into global monetary and banking markets, besides facilitating affairs for banks customers, have changed and transformed current banking methods. By increasingly growth in e-commerce trades in the worlds and commerce's need to bank presence in respect to transferring financial resources, e-banking is known as an inseparable part and has a basic role in its implementation. Bank Shahr with slogan of "innovation in services" focuses greatly on e-services as round the clock and is exploiting from a machine that serves all services of a branch electronically and in Shahr-Net counters. In this line, we investigate Cash deposit system which one year has passed from its using till by examining effective factors in welcoming and accepting this machine by people can implement bank's long-term program in e-banking area and serve totally bank services outside of branch and as round the clock. Investigating effective factors on exploiting from Cash deposit systems can be effective in decide-making in macro-level and improving services in program of increasing Shahr-Net counters and along-side the number of Cash deposit systems existing across the country to 250 counters till end of the year 2015.

Subject Importance

Existing information machines for managers in managerial and organizational discussions has been always one of the most important purposes of organization. Considering to managers informing in organizations and relation to organization survive causes senior and top managers to try to realize this affair. Also, strategic, tactical and operational planning are among the tasks of senior, medium and top managers which how to take it is based on manager cognition from organization information in respect to take the best decision. If this information be separable, organized and without any redundancy, the manager spends less time to collect necessary information for appropriate decide-making. So, having an appropriate machine is essential for correct performance in collecting, classifying and organizing organization information.

In summary, appropriate informational machine should create a strong linkage between line and staff forces in bank and its purpose should be providing complete support of managers in solving types of problems. Considering to importance and sensitivity of subject some requirements should be considered in selecting banking machines which are used in machines' acceptance and optimal exploitation.

Research Purposes

This research is aimed to improve machines and create encouragement for using from Cash deposit systems and also make decide in embedding these machines in different urban places.

- 1- Obtaining customers satisfaction using an efficient machine
- 2- Achieving to purposes and realizing mission of bank
- 3- Creating change in performance of units covered by bank (staffing and supporting Shahr-Net counters' machines) than to previous machines.
- 4- Raising managers' knowledge and information in relation to machines and importance of selecting machine in peoples' tendency to use from machines
- 5- Reducing waiting time of customers in offering bank services
- 6- Reducing financial and time cost of customers for receiving bank services
- 7- Creating relief and calmness and security for customers as receiving bank services
- 8- Reducing losing opportunity cost of customers for receiving bank services
- 9- Receiving information for decide-making in providing other e-services machines of bank

Research Hypotheses

Special Hypotheses

- 1- Personal and demographic characteristics have a relationship with tendency for using Cash deposit system.
 - 1-1- A person's Literacy has a direct relationship with tendency for using these machines.
 - 1-2- A person's income rate has a direct relationship with tendency for using these machines.
 - 1-3- A person's age has a direct relationship with tendency for using these machines.
 - 1-4- A person's risk taking rate has a direct relationship with tendency for using these machines.
- 2- Validity and availability to the machine has a relationship with tendency for using cash acceptor machine.
 - 2-1- A person's experience of using other banks machines has a direct relationship with tendency for using these machines.

- 2-2- Operating bank credits has a direct relationship with tendency for using these machines.
- 2-3- Having a leader has a direct relationship with tendency for using these machines.
- 3- Advertising has a relationship with tendency for using Cash deposit system.
 - 3-1- Machine appearance has a direct relationship with tendency for using these machines.
 - 3-2- The possibility of using in non-official hours has a direct relationship with tendency for using these machines.
 - 3-3- Media advertising has a direct relationship with tendency for using these machines.
 - 3-4- Having instruction and brochure for how using from machine has a direct relationship with tendency for using these machines.

METHODOLOGY

This research was done using the descriptive-analytical method. So, it has been tried to study and investigate existing situation and it must be improved to satisfy customers. In this research, we have used field and descriptive study in correlation type in which the relationship between research variables has been investigated. In collecting research data, statistical questionnaire has been used in addition to library and documents studies that have been used for providing subjective literature; and the collected data have been analyzed and examined via questionnaire in correlation and factor analysis method; and it is approved the relationship between research variable. Studied population of this research composed of the customers of Shahr-Net counters who have used from Cash deposit systems for paying money as the main services of this machine and taking the balance account and transferring money as side-services.

Since it is not possible to investigate statistics and information of existing population (total customers in more than 72 counters) in terms of time and cost; so, by using from random cluster and stratified multistage model, we selected 40 counters from 21 provinces and analyzed as statistical sample to test research model.

Data collecting methods

Statistics and information required for research have been collected as follows:

- 1- Collecting statistics and information relevant to banking
- 2- Investigating functions of Cash deposit systems
- 3- Library study
- 4- Interviewing with leaders of Shahr-Net counters
- 5- Referring to Shahr-Net counters and observing the subject
- 6- Questionnaire
- 7- Classifying and analyzing resulted information

Research Reliability and validity

Considering to the importance of reliability and validity of questionnaire, first, by referring to libraries and books, essays, conducted studies in researches many studied have been done; then the hypotheses have been considered. To make sure from reliability, the questionnaire is designed by cooperation and instructions of ten theorists in the relevant field based on research hypotheses after solving the problems. In order to make sure

from validity of questionnaire and examining its correctness, questionnaire were distributed between 40 users. Cronbach's Alpha Coefficient has been used for determining reliability of questionnaire, and the amount of Cronbach's Alpha according to table 3-3 is calculated 0.768 which is representative of questionnaire's reliability.

Table 1. Cronbach's alpha coefficient related to questionnaire's reliability

Number of item	Cronbach's alpha
11	0.868

Independent variables dimensions	Independent variables components	Dependent variable dimensions	Relevant hypotheses
Personal and demographic characteristics	Age Education Income rate Person's taking risk rate	Tendency for using Cash deposit system	7-8-9-11
Validity and availability	experience of previous using bank credit having leader possibility of using hours	Tendency for using the machine	6-2-2-10
Advertising	Appearance Possibility of using brochures	Tendency for using the machine	1-3-5

Data analyzing method and Used Statistical Tests

In this research, for analyzing data, first the information of questionnaire transfers to computer by SPSS Software and data analyzing has been conducted in two parts of descriptive and inferential statistics.

Descriptive statistics

In this research, main demographic components such as age, literacy (education level), and income rate have been presented in frame of descriptive statistics including mean, frequency and frequency percentage.

Inferential statistics

In this section, regression has been used for examining research model. Also, correlation coefficient has been used for recognizing type and rate of relationship existing between tendency for using as a dependent variable and Chi-square correlation coefficient has been used for independent variables.

Analyzing the correlation of Hypotheses rejection or confirmation

- 1- Machine appearance has a relationship with tendency for using Cash deposit system.
- 2- The Operating bank validity has a direct relationship with tendency for using the machines.

- 3- The possibility of using in non-official hours has a direct relationship with tendency for using the machines.
- 4- Media advertising has a direct relationship with tendency for using the machines.
- 5- Having instruction and brochure for how using from machine has a direct relationship with tendency for using the machines.
- 6- Having a leader has a direct relationship with tendency for using the machines.
- 7- A person's Literacy has a direct relationship with tendency for using the machines.
- 8- A person's income rate has a direct relationship with tendency for using the machines.
- 9- A person's age has a direct relationship with tendency for using the machines.
- 10- A person's experience of using other banks machines has a direct relationship with tendency for using the machines.
- 11- A person's risk taking rate has a direct relationship with tendency for using the machines.

Investigating research questions

Pearson correlation coefficient is one of high usage methods for determining the rate relationship between two variables and represented with r sign. This coefficient is used for investigating the relationship between two distance and relative variables and its amount always is swing between 1- and +1. If the resulted amount be positive, it means that changes in both variables happen in same direction. In other words, with any increment in the amount of a variable, the amount of other variable will be also increased and vice versa. But if the rate of r be negative, it means that two variables are moving in adverse direction. In that, by increasing one variable, the amount of other variable will be reduce and vice versa. If the resulted amount for correlation coefficient be zero, it means that there is any relationship between two variables. If the rate of r be equal to exactly +1, it represents complete positive correlation and if be equal to -1 it represents complete negative correlation between two variables.

Table 2: Correlation relationship between validity and availability to machine and using from it

Pearson Correlation	1	0.891**
Dig. (2. Tailed)		0.000
N	984	984
Pearson Correlation	0.891**	1
Dig. (2. Tailed)	0.000	
N	984	984

** . Correlation is significant at the 0.01 level (2-tailed).

Table2: Correlation relationship between advertising and using from machine

Pearson Correlation	1	0.816**
Dig. (2. Tailed)		0.000
N	984	984
Pearson Correlation	0.816**	1
Dig. (2. Tailed)	0.000	

N	984	984
---	-----	-----

** . Correlation is significant at the 0.01 level (2-tailed).

Table4: Correlation relationship between personal and demographic characteristics and using from machine

Pearson Correlation	1	0.778**
Dig. (2. Tailed)		0.000
N	984	984
Pearson Correlation	0.778**	1
Dig. (2. Tailed)	0.000	
N	984	984

** . Correlation is significant at the 0.01 level (2-tailed).

DISCUSSION AND CONCLUSION

Table5: Hypothesis Test

Hypothesis	Correlation Coefficient	Hypothesis Status
Appearance and tendency for using Cash deposit system	0.86	Confirmed
Operating bank's validity	0.79	Confirmed
possibility of using machines in non-official hours	0.80	Confirmed
Media advertising	0.72	Confirmed
Having brochure and instruction for using machine	0.58	Confirmed
Having leader	0.91	Confirmed
Person's literacy rate	0.74	Confirmed
Person's income rate	0.65	Confirmed
Person's age	0.73	Confirmed
experience of using other banking machines	0.66	Confirmed
Person's taking risk rate	0.72	Confirmed

Research Limitations

- Inaccessibility to performing companies of electronic systems
- Non-observance of localization culture means hardware and software benchmarking and any planning should be in a way that to be in conflict whit region culture
- Non-existence of appropriate telecommunication structure in country
- Non- existence of trustee machines for training public people in relation to increase public culture level, for using from electronic banking
- Non-use of expert and profession counselors in hall of banks' transactions

- Non-allocation of sufficient budget to research designs in this relation
- Non-existence of appropriate relationship between operational and researches organs so that institutions can use from researches results in line with their purposes

Recommendation to Researches

- 1- In another research can be studied the reasons for progressing e-banking in postindustrial countries and effective factors on the trends of improvements, and compared their results with e-banking in Iran and, finally, recognize abilities and strength points of domestic banks and solve all weakness points.
- 2- The time for passing from traditional banking to electronic banking in developed countries and comparison it with our country also is another subject that can be followed by researchers.
- 3- The coordination rate between financial and monetary institutions (bank network) in developed countries and using from academics and professions is also another subject to be considered by researchers.
- 4- Another subject for research can be the investment rate and governments and subordinate organizations support to help e-banking in developed countries and comparison it with our countries.

REFERENCE

Aflaki., Shahrukh Customer satisfaction is the key to organizational survival in a competitive business magazine Citizen

Arabs and David M. Izadi, Management, strategy and operations. Information Technology, James A., and M Nagy, Edward Simmons, published First, Tehran, Neil edition, p. 53, 2011

Bani Asadi, M., banking relationship, internal journal message Persians, No. 4, first, page 34 and 35 of the August of 2005

Chalak., R., property services, banking, bank's internal publication, the first year ago No. 8, August 0.2005
Shirazi Heidari, A., marketing, internal publication of Bank Mellat, year First, the No. 2, pp. 16, December 2004

Tayyeban, M., macroeconomics, Ministry of Planning and Budget, Tehran, 1986

Zamnjany Adineh, J., Effect of sales to customers, Shahid Beheshti University Press, 2000

ZARABI, S., evaluate and assess the quality of services at the bank of the relationship With customer satisfaction, Tehran, Shahid Beheshti University, March 2004

Abdolvand, MA, relationship marketing, Journal of Marketing, No. 7, 2001

Fegghhi, N., plan marketing strategies for customer satisfaction, Journal of Number 37

Mohammadi, K., Research for the packaging industry, standard publication, 1382 No. 135

Najafi, A., Capital Gazette No. 351, 2006

Nmtyan, HR, gaps in the quality of banking services, monthly management, organization Industrial Management, No. 142 fourteenth year, Persian date Esfand 2003

Venus referee, M. Safaeian, practical methods of marketing banking services Iranian banks, Third Edition, published by students at Tehran, 2010

Harlan, Smith, origins of money and banking, translated by N. dignity, Institute of Science Iranian banking, Fourth Edition, 2010Bottom of Form

USE OF COTTON AS A CARBON SOURCE FOR DENITRIFICATION IN BIOFILTERS FOR GROUNDWAATER REMEDIATION

Amir Aloni and Asher Brenner

*Unit of Environmental Engineering, Faculty of Engineering Sciences,
Ben-Gurion University of the Negev, Be'er-Sheva, 8410501 Israel
(brenner@bgu.ac.il)*

ABSTRACT

Water Sensitive Cities is an innovative concept incorporating among others, harvesting, treatment, and reuse of storm-water. This approach is much more sustainable in regard to energy consumption and to the effect on micro-climatic conditions, and has a potential to recover significant amounts of water that are lost in the sea. Moreover, it incorporates added values such as: prevention of soil and structures degradation, reduction of nutrients loads on receiving streams, and creation of aesthetic green landscapes. Use of engineered biofiltration systems for harvesting and treatment of storm-water has been tested and applied in various countries such as Australia. However the application of this attitude in Israel is much more complicated due to the prolonged dry climate period in Israel (with no drop of rain) during 7-8 months of the year. If a biological filter concept is to be applied to remove predominantly nitrogen compounds (by plant assimilation and by bacterial nitrification and denitrification), continuous wetting of the system should be done to enable biomass (both plant and bacteria) survival. Therefore, a modified version of the biofilter (originally planned for continuous harvesting and treatment of low level concentrations of nutrients during the whole year – as practiced in Australia) should be used. The approach suggested herein is to use the same system for both storm-water harvesting/polishing (during winter) and for groundwater remediation, mainly, reduction of high nitrate levels typical to many locations in the coastal aquifer of Israel (during summer). This research focuses on the summer design (anoxic) configuration. The first aim of this research was to find an efficient solid carbon source for the denitrification process, which allows a sufficient nitrate removal and emits very low concentrations of undesired substances such as nitrite and soluble organic materials. It was found that crude cotton can serve as an effective carbon source, since the soluble organic substance which serves for denitrification is derived from the cotton hydrolysis to mono or di- saccharides. In the second stage of the research study, two columns were designed and operated as biofilters for the treatment of synthetic mixtures simulating nitrate-contaminated groundwater. The columns were filled with crude cotton wool and small tuff stones or polyethylene beads which prevented the effect of cotton compression. The performance of the biofilters was judged by analyses of nitrate, nitrite, TOC, ammonia, sulfate, and dissolved oxygen concentrations along the columns. Other parameters were assessed too, including pH, turbidity, temperature, hydraulic load, porosity, and head loss gradient. It was found that the biofilter composed of cotton and polyethylene beads could remove nitrate to the desired concentration value of 50 mg/L, while at the same time very low concentrations of TOC and nitrite were emitted. Because the solid carbon was uniformly distributed along the columns, the TOC concentrations remained low and constant along the columns. It was also found that a biofilter based on solid carbon source, requires judicious design in order to prevent potential formation of nitrite and sulfide. The nitrite might be formed since it is an intermediate of the denitrification process. However, its concentration depends on the C/N ratio which should not be too low. Complete removal of the NO_x might lead to sulfide formation due to the transformation from anoxic to anaerobic conditions. Therefore a careful planning of the biofilter is essential in order to prevent TOC, nitrite, ammonia, and sulfide leaching.

Key words: Biofilter, Column, Cotton, Denitrification, Groundwater, Hydrolysis, Nitrate, Nitrite, Solid carbon source, Sulfide, TOC, Water Sensitive Cities.

THE HUMANITIES AND SOCIAL SCIENCE IN AFRICAN UNIVERSITIES AND INSTITUTES

Kimbugwe Yusuf,

*Humanitarian/Researcher Kyambogo University Salalah Oman¹,
¹ Ministry of Higher Education and Training in Uganda / Nkumba University,
E-mail: kimbugwey@hotmail.com*

Namubiru Shakira

*Researcher Makerere University Kampala Uganda²
² Ministry of Higher Education and Training in South-Africa,*

³Sukhadeo Thorat

President of the Institute for Social Science Research.

ABSTRACT

It is my conviction that Humanities and social science disciplines have a crucial role to play in the development of our countries by informing social policies, framing the systems of thought that shape our perceptions of the world, discovering and interpreting our past and our present, stimulating creativity and making widespread the tools necessary for informed debate about ourselves and our society.

Keywords:

- Vision for the humanities and social sciences,
- Contextual factors driving the revitalisation of the humanities and social sciences, Proposed strategy,
- Emerging issues, Sustainability.

Background:

The research on Higher Education and Training in the African are actively seeking to revitalise higher education by strengthening the humanities and social sciences (HSS) in African universities and Institutes. Over a period of two years a wide-ranging consultative process undertaken by the, Ministers of Higher Education and Training Task Team.

Their views were that the great challenges facing humanity today call for debates on finding the position and role of social science. The struggle against poverty and destitution, the context of the environmental crisis and values priorities make an understanding of the meaning of policies, interpretations and alternatives paramount.

Aims:

The vision in the Humanities and Social Sciences.

The Charter is one characterised by deepened and endogenous scholarship through which Africa surfaces, documents and explores a diversity of perspectives, reflects a thirst for culture and develops the humanities and social sciences as repositories of heritage, history, memory and meaning in the country's quest for peace, prosperity, security and socio-economic well-being. It aims to produce "a generation of teachers who can introduce dexterity in the schooling system". It seeks to foster an "Africa-wide system of student mobility in which the colonial divides of francophone, lusophone and anglophone Africa ... melt away". It strives for "the disenfranchised majority to construct an African modernity, proud of its past and mindful of its historic entanglements" and to produce scholarship that "overcome(s) the classifications of race and

ethnicity, and their deep historical and oppressive roots”. The Charter locates the revitalisation of the humanities and social sciences in African and international context, and envisages that the Africa academic community takes its place as an equal partner with the means to make a unique and significant contribution: “We have excited the world’s moral imagination our work has produced self-understanding for issues relating to social justice, anti-racism and reconciliation everywhere” and “our serious academics share with many of our colleagues on this continent the search to reevaluate the integrity of the historical past, the normative prowess and the dilemmas it involved, and to define a dignified, post-imperial and post-colonial relationship to the world of knowledge”

Contextual factors driving the revitalisation of the humanities and social sciences:

The Charter for the Humanities and Social Sciences notes a range of contextual factors that need to be taken into account in repositioning the humanities and social sciences in the higher education system. These include the increasing demographic and political importance of urban clusters relative to agrarian territories, severe strains in the relationship between societies, multiple hazards and epidemics and “severe pressure on the bureaucratic forms of control and regulation that have defined modernity”. Along with the rapid dissemination and integration of technologies, there will be severe pressures for equity across society particularly in the face of persistent inequalities of wealth and gender, and for cross-border interaction, which in turn will produce a stronger need for intercultural competence. It also notes that Africa will continue to be biased towards mining, manufacturing and services with a strong agrarian/rural imperative and a prevalence of new economy/ technology-type small firms. Similarly, the public sector will continue being an epicentre of developmental priorities.

It is argued that these and other factors are likely to affect the university system, its role and function, and demands a new model for the way in which it “goes about enhancing society’s creative and productive powers”.

The Charter acknowledges that while many tertiary institutions have been in financial crisis, expenditure on higher education in Africa has increased at an average rate of 9.1 per cent per annum since 1996. And higher than the inflation rate which has been at 4.7 per cent per annum during the same period.

Methods:

The strategy for strengthening and revitalising the humanities and social science centres on the establishment of African Institutes for the Humanities and Social Sciences, supported by a number of other focused initiatives.

The rebuild of the Humanities and Social Sciences programmes that have collapsed, using emeritus professors as well as visiting professors from the African diaspora and countries in the global South. It would support universities to increase the output of PhD graduates (African countries) in the humanities and social sciences, increase opportunities for publication in accredited journals and books, strengthen recognition of practice in fields such as community development, social work and nursing, engage with the quality of international collaborative programmes, raise the profile of digitality and distance education, establish an innovation forum, make Humanities and Social Sciences research and other data more accessible, and review the mandates and responsibilities of existing quality control bodies.

Society changes constantly, and that requires ongoing research on society, economy, cultural, Social sciences help us understand reality in much more scientific way, so there is a need for research on a continual basis. Developments in economics, sociology and other disciplines help us understand reality and influences policy for stable economic and development strategy. We thus need to stabilise social sciences on a continues basis

Emerging issues:

The emerging Issues that need to be taken into account in shaping the institutional framework for the humanities and social sciences. The issues are categorised as follows and are outlined in more detail below:

- Relationships between the Humanities and Social Sciences Institute, other research institutions and the universities.
- The education pipeline.
- Language.
- Cooperation between universities.
- Graduateness.
- Sustainability.
- University corporatisation and commercialization.
- Humanities and Social Sciences in relation to Science, Technology, Engineering and Management.
- Endogenous knowledge production / Capacity building.

Results:

Sustainability:

The Department of Higher Education and Training wants to mainstream the humanities and social sciences in the budget in terms of funding and governance. It views this project as a medium- to long-term venture and will plan for it accordingly. However, it is stressed that producing results would be the key to sustainability: “Most important is what you do with this initiative in terms of its survival – if it does good work, it is unlikely to be unseated.”

Conclusion:

The challenges rose for the revitalisation of Humanities and Social Sciences in Africa have to do with the need to recognise history, the current institutional context, the wider social science context (both national and international) and society. Because the project seeks to challenge the status quo about Humanities and Social Sciences thinking, publishing and resourcing, “many of the fears have been around the project itself that we want to change the status quo while many of us want to keep it as it is owing to vested interests,” she said. “That fear comes from within us and from elsewhere: There is a genuine fears that what we are proposing seeks to change the status quo.” Potential challenges raised by the research include the following:

- Our history and the current context of our universities: the idea of collaboration is difficult in the context of intense competition within universities (between departments), between universities that compete for students, full-time equivalents, funding. These factors undermine the essence of collaboration and the Institute needs to be aware of these challenges. Building on the existing collaboration and taking it further depends on a huge transformative project.
- In a proposal of this nature there is a real danger of empowering already-empowered and well-resourced universities.
- The sustainability of this entity: It is clear that the Institute has a champion in the Department of Higher Education and Training, but this is not sufficient since in politics, life can be very short. The legality of the Institute is thus important.
- Linked to this is the issue of funding: who will fund this? For how long? Or will we fall into the same trap where the proposed Institutes for the Humanities and Social Sciences have to become self-sufficient and are unable to fulfill its mission?
- The scholarship trap: the role of the Institutes for the Humanities and Social Sciences is to foster new theories and create conditions for challenging old theories that do not understand us. For this new methodologies are required. So the Institute needs to move beyond theory – that is what will set it apart from other initiatives.
- Implementation and monitoring: the Institute for the Humanities and Social Sciences is broader than monitoring numbers (e.g. how many PhDs are being produced) – it has a bigger transformative agenda. We need to think about how we are publishing and shape the landscape into something different going forward – this requires monitoring a great deal more than numbers.

Relevance: the Institute has a huge challenge in regard to relevance. Why do we want to be relevant and for whom? For the market? For capital? What is the purpose of education? What is Humanities and Social

Sciences producing? Can we make our research questions sufficiently relevant to respond to the questions of poverty, language etc.?

We acknowledge and hear all these challenges – they are real. But we also need to recognise that there are some challenges and fears that will not take us forward because they have a vested interest in the status quo. It notes with appreciation that “CODESRIA would like to see this process evolving into a Pan-African Charter for the Humanities and Social Sciences”.

Reference:

Prof. Emir Sader, Executive Secretary of CLASCO at the University of Sao Paulo in Brazil, supported this perspective when he said: “The greatest theoretical hurdle in the battle for the world is to understand a more just society. Otherwise we will be dominated by fatalism.”

His view was that the great challenges facing humanity today call for debates on finding the position and role of social science. The struggle against poverty and destitution, the context of the environmental crisis and values priorities make an understanding of the meaning of policies, interpretations and alternatives paramount.

Wikipedia and from the documents “Social Sciences at Northwestern” and “Humanities at Northwestern”

Dr Sarah Sali, Senior Lecturer at the College of Humanities, Makerere University, Uganda.

RIDING ON THE CLOUDS: AN INNOVATIVE AND KNOWLEDGE-BASED BUSINESS MODEL FOR CLOUD SERVICES

Hsin-Hui Lin

*Department of Distribution Management
National Taichung University of Science and Technology, Taiwan*

Yi-Fang Chung

*Department of Distribution Management
National Taichung University of Science and Technology, Taiwan*

Yi-Shun Wang

*Department of Information Management
National Changhua University of Education, Taiwan*

ABSTRACT

This study presents an innovative business model for cloud services developed based on the six components of business model—target market, competitive strategy, value proposition, value chain, value network, and revenue mechanism—as well as the three elements of innovative space—service offering innovation, process innovation, and position innovation. A multi-case research design was used to gather data from three international information services providers and two systems integrators via in-depth interview. Content analysis was applied to analyze the themes, categories, and reliability of the data. By developing theoretical propositions for an innovative business model for cloud services, this study attempts to offer a reference framework for researchers and managerial implications for practitioners.

Keywords: cloud service, business model, service innovation space

1. Introduction

With the development of Internet technology, public policies in nearly all nations have been directed toward supporting the telecommunication industry in developing broadband and optical fiber networks. The prevalent and spider-web like networks have facilitated the application of cloud computing, ushering in an era of software and service-based competition. In this era, cloud services are the best choices for businesses. The benefits of cloud services include energy-saving, integration with government or corporate information systems, effective reduction of system development time, and effective reduction of system risks. Domestic information services providers can take advantage of low hardware cost to provide high value-added systems integration and software services. For service industries, cloud services can help accelerate their adoption of new technologies and enhance their market competitiveness, allowing them to have an opportunity to enter the global market of hardware/software integration for medical, transportation, food, police administration, education, and cultural innovation industries (Chung, Kao & Yang, 2010). Besides, applications of cloud services have been extended from the corporate level to the individual level. It has been estimated that by 2014, the global revenue from cloud services will reach US\$42 billion, with that from personal cloud services approximating US\$10.9 billion (Taiwan Electrical and Electronic Manufacturers' Association, 2010). By 2020, cloud services can generate a US\$366 billion revenue for the information and communication industry in Taiwan (Ministry of Economic Affairs, 2010). The development of cloud services really has an enormous impact on the nation, society, and industries in Taiwan.

In fact, cloud computing is not a new technology but a concept. To managers, cloud computing is more like a business model than a technology. Cloud computing uses shared resources for computing, thereby allowing businesses to acquire needed services of high quality without a huge investment in hardware facilities. Charged for only the services acquired, they can use their capital in a more flexible way (Sultan, 2011; Mohammad & Mcheick, 2011). The ultimate goal of cloud computing is not simply cost reduction. It is to transform the way businesses perform their tasks from independent operation to co-creation of value through sharing of resources and collaboration.

Cloud services are offered in three fundamental models, including Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS) which is built on the preceding platform. Common business applications of SaaS include client relationship management, enterprise resource planning,

and business intelligence. Salesforce and NetSuite are services of this kind. SaaS is a primary category of services needed by businesses. The long-term development of IaaS and PaaS depends on the effectiveness of SaaS that are built on them. Businesses need SaaS to enhance corporate management, reduce cost of data storage, and operating and service efficiency. Through knowledge process outsourcing, cloud services enable businesses to concentrate more on development of core operations (Babcock, 2011). Moreover, they will reshape the value chain of information industry and usher in an era of software and services-based competition. Cloud services influence the way businesses operate and the way people work and live, so new business models will emerge (Kachaner, Lindgardt & Michael, 2011).

The focus of this study is placed on SaaS which is still at the fledgling stage of development in Taiwan. Based on data collected from case companies, we will first collect data about the innovative business models for SaaS and then use the analytic structure of business model to develop propositions for each component of the model. This study is expected to offer a theoretical foundation for design and improvement of business models for cloud services.

2. Literature Review

2.1 Cloud computing

Definition and characteristics of cloud computing

Cloud computing is a compilation of existing techniques and technologies, packaged within a new infrastructure paradigm that offers improved scalability, elasticity, business agility, faster startup time, reduced management costs, and just-in-time availability of resources (Kim, 2009). Cloud computing can be viewed as an IT infrastructure for sharing massive amounts of data. It integrates the computing resources of numerous systems to provide IT services. The spirit of cloud computing is to offer services tailored to customers' needs, that is to make applications, computer and network resources as accessible to users as water and power, and charge them by frequency, amount or duration of time of usage (Chung et al., 2010).

Cloud services have the following characteristics: (1) Virtualization and resource utilization: All kinds of software and hardware are resources and, after combined, can be used to provide customized services. Amazon's Elastic Compute Cloud (EC2) is a cloud system whose computing capacity is packaged and provided as a resource to customers. (2) Elastic and automated self-provisioning of resources: Service resources can be dynamically expanded and provided on user demand. (3) Ubiquity (i.e. device and location independence): Service resources, no matter located at a single location or across multiple locations, are integrated and collectively provided for user access at any location (i.e. ubiquitous network access). (4) Operational expense model: Services are provided on user demand and charged by frequency, amount, and duration of time of usage (Marston et al., 2011).

Types and deployment of cloud services

Cloud services are usually divided into three categories: (1) Infrastructure as a Service (IaaS) includes Data Center services, service hosting, data storage, and information security and privacy protection services; (2) Platform as a Service (PaaS) refers to services that are deployed on the cloud infrastructure, and multiple users are allowed to utilize these services to develop customized applications without a huge investment in hardware and software; (3) Software as a Service (SaaS) refers to applications that are built on the platform and allow users to access via the Internet without installation of any client-end program.

In terms of deployment method, cloud services can be divided into four categories, including public cloud, private cloud, hybrid cloud, and community cloud. (1) Public cloud: A public cloud is a cloud environment where numerous users share the capacity, resources, and cost of cloud computing. Generally, public clouds are cheaper, but security issue is a concern of most users. (2) Private cloud: A private cloud offers a better integrated environment for cloud computing compared to public clouds and is available for use by members of a single company or organization. It offers a higher level of security and control. (3) Hybrid cloud: A hybrid cloud is a composition of a private cloud and a public cloud. Users of this cloud will place non-business related data in the public cloud and process key business data in the private cloud; (4) Community cloud: A community cloud is a cloud controlled and used by a group of organizations with common interests and concerns (e.g. common goals and security requirements).

2.2 Business Model for Service Innovation

Components of a business model

Chesbrough and Rosenbloom (2002) proposed six elements of an innovation-oriented business model. These elements include (1) market segment: the users to whom the product or service is targeted, (2) competitive strategy, such as lower cost or product differentiation, by which the firm can gain and hold an advantage over rivals, (3) value proposition: the value that the product or service offering can create for users, (4) structure of the value chain which encompasses internal resources, processes, and supplier activities, (5) value network: the external network through which the product or service is offered, and (6)

profit model: the value, or the revenue flow, that the firm can create in the market. Chesbrough (2007) further pointed out that in order to create value and profits, businesses should integrate technologies and internal resources to develop an ability to transform internal resources into commercial goods or services for target customers. The focus of a business model should be placed on facility innovation, technology development, and economic value creation. Hence, businesses should understand what methods and technologies are essential for running a specific business model. Using an inappropriate method or technology will only constrain their business operation.

Service innovation space and the business model

Bessant and Davies (2007) proposed a conceptual framework of service innovation. They introduced four elements of the “service innovation space”, including (1) service offering innovation: innovating the offering or value proposition, (2) process innovation: innovating the service delivery process, (3) position innovation: changing the background environment of the service, and (4) model innovation: making changes to the psychological aspect of service providers. These four elements comprise the service innovation space. According to Kindström (2010), a more comprehensive business model can be established if the concept of service innovation space (Bessant & Davies, 2007) is integrated into the model. Businesses can use this model as a basis for developing toward being service-based or service-oriented. In this study, we attempt to use the general business model as a framework and integrate the concept of service innovation space to build an innovation-based business model. This model will consist of six elements, with the service innovation space covering three aspects.

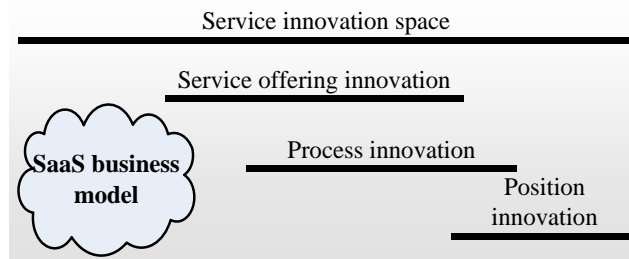


Figure 1. Conceptual framework

For a fledgling SaaS, a new business model is essential. Some providers of SaaS came from the manufacturing industry. They have transformed their business to provide highly service-based offerings in pursuit of continuous operation and expansion of their market (Matthyssens & Vandenbempt, 2008; Reinartz & Ulaga, 2008). This process is termed “servitization” (Vandermerwe & Rada, 1989). It suggests that increasing product or service offerings is not enough. Product or service is not the only focus of businesses. Businesses are required to have differentiated services or value propositions that meet customer needs. In this study, we focus on SaaS providers, whose development is viewed as an indicator of the cloud market, and use the proposed two-dimension framework to investigate the business models in this sector. The conceptual framework is illustrated in Figure 1.

3. Method

The multiple case study method is adopted. Compared to the single case study method, this method can bring out more complete results (Eisenhardt & Graebner, 2007; Yin, 1994, 2003). Case study relies on multiple sources of evidence or an ongoing event, and these sources include direct observation, in-depth interview, government or private archives. In this study, we attempt to use case study method to investigate the innovative business model of case firms. Yin (2003) suggested replication logic be followed in the study of multiple cases. Therefore, we choose five dominant SaaS providers in the market and probe into the business models respectively. Each firm’s business model and its components are the subjects to analyze.

4. Development of propositions for the innovative business model

A business model consists of six elements, including target market, competitive strategy, value proposition, value chain, value network, and profit model. In this study, we identified categories of themes and further developed propositions for each category. Our principle for developing propositions is as follows: if any two of the five participants provided themes that could be classified into the same category, we would develop propositions for the category. The following are our proposed propositions based on the results of

case studies.

Proposition 1.1: Reduction of startup risks and capital expenditure is the main appeal of public clouds. Public clouds are suited for B2B applications by small organizations.

Proposition 1.2: Capacity to process huge amounts of data and high efficiency are the main appeals of private clouds. Private clouds are more suited for B2B applications by medium and large organizations.

Proposition 1.3: Both local and transnational organizations are the target market of cloud services

Proposition 2.1: Cloud services providers offer services to improve their corporate image.

Proposition 2.3: Cloud services providers (e.g. international information services provider) acquire new cloud technologies through merger.

Proposition 2.3: For cloud services providers, earlier entrance into the public cloud market will create higher profits.

Proposition 2.4: Cloud services providers (e.g. international information services provider) usually sell private cloud services through multiple channels.

Proposition 2.5: Cloud services providers use product/service positioning as a strategy.

Proposition 2.6: Driving product and service growth is the business goal of cloud services providers.

Proposition 2.7: Cloud services providers offer public cloud services at lower prices.

Proposition 2.8: Private cloud services are highly customized.

Proposition 2.9: Cloud services providers use differentiation as a competitive strategy.

Proposition 2.10: Cloud services providers are customer-oriented.

Proposition 3.1: Cloud services providers stress that their public clouds offer one-stop services.

Proposition 3.2: Cloud services providers need to address the information security issue in cloud computing.

Proposition 3.3: Public clouds enable small and medium-sized enterprises to save the cost of cloud construction and maintenance.

Proposition 3.4: Creation of economic benefits is the value of private clouds.

Proposition 3.5: Public clouds enable customers to access data in a more efficient manner.

Proposition 3.6: Public clouds help reduce the risks of starting up a business.

Proposition 3.7: Private clouds help reduce the impact of cloud service interruption.

Proposition 3.8: Public clouds can offer services on user demand.

Proposition 3.9: Mobile services offered by cloud services providers can accelerate the development of clouds.

Proposition 3.10: Cloud services providers offer diversified services to satisfy customer needs.

Proposition 3.11: Cloud services providers (e.g. system integrators and international information services providers) offer value-added cloud services.

Proposition 4.1: Innovation capability-fast deployment is an essential element of the value chain of cloud services providers

Proposition 4.2: Innovation capability-R&D is an essential element of the value chain of cloud services providers

Proposition 4.3: Cloud services providers need to have the ability to integrate resources within an organization.

Proposition 4.4: Cloud services providers have to strengthen their financial structure so as to offer better cloud services.

Proposition 5.1: Cloud services providers build a cloud services supply chain to quickly react to partners' needs.

Proposition 5.2: Cloud services providers collaborate in introduction of services to create the value of cloud services.

Proposition 5.3: Cloud services providers (e.g. system integrator) integrate systems effectively.

Proposition 5.4: Government support is essential for cloud services providers when building a public cloud.

Proposition 6.1: Public clouds are charged by "Pay as you go".

Proposition 6.2: Private clouds are charged according to the cost structure.

Proposition 6.3: Private clouds are also charged according to project size.

Proposition 7.1: The value position and value chain of cloud services providers are more associated with "service offering innovation".

Proposition 7.2: The target market and competitive strategy of cloud services providers are based on "process innovation" or "position innovation".

Proposition 7.3: The value network and revenue mechanism of cloud services providers cover three types of innovation.

5. Limitations and Conclusions

While this study was conducted with methodological rigors, there are some limitations in this study.

First, in this study, we interviewed with managers from three international information services providers and two transnational system integrators. Our interview questions involved innovative development and business operations. However, details on related investments were not easily accessible. Second, our research is focused mainly on large information services providers and system integrators. Other software companies and telecommunication companies, such as China Telecom, were not included in the sample for comparison. Hence, there is little analysis about the information industry in Taiwan in this paper.

In this study, we adopted a qualitative approach to collect opinions about service innovation and business models via interview with managers from five large transnational enterprises of a sufficient size in the cloud services market. Based on the duo-dimension framework consisting of the six components of business models and the three aspects of innovation space, we identified six key elements of business models for SaaS providers. These elements include target market, core competitiveness, value proposition, supply chain network, the internal value chain, and revenue mechanism. Also, we obtained new directions of service innovation for SaaS providers. In this study, we developed a theoretical framework for developing the business model of cloud services providers. This framework can be used as a foundation for validating hypotheses or models about cloud services.

References

- Afuah, A., & Tucci, C.L. (2001). *Internet business model and strategies: Text and cases*. Boston: McGraw-Hill.
- Andrews, K. (1971). The concept of corporate strategy. *Homewood, IL: Richard D. Irwin*.
- Ansoff, I. (1965). *Corporate Strategy*. New York, NY: McGraw-Hill.
- Babcock, C. (2011). Clouds Vs. outsourcing: The next battleground. *InformationWeek*. Retrieved October 20, 2011, from <http://www.informationweek.com/news/cloud-computing/infrastructure/231901246>
- Bessant, J. & A. Davies (2007). Managing service innovation. DTI Occasional Paper 9: Innovation in services. London: Department of Trade and Industry.
- Chandler, A.D. (1962). *Strategy and structure*. Cambridge, MA: MIT Press.
- Chandler, A.D. (1990). Scale and scope: The dynamics of industrial capitalism. *Cambridge, MA: The Belknap Press of Harvard University Press*.
- Chao R. (2012). Industrial Issue: Taiwanese system/solution integrators fight for cloud application and business opportunities. *Business Next*. Retrieved January 01, 2012, from <http://www.bnext.com.tw/magazine/view/cid/147/id/21494>
- Chesbrough, H. (2007). Business model innovation: It's not just about technology anymore. *Strategy & Leadership*, 35(6), 12-17.
- Christensen, C.M., & Rosenbloom, R.S. (1995). Explaining the attacker's advantage: Technological paradigms, organizational dynamics, and the value network. *Research Policy*, 24(2), 233-257.
- Chung, C.D., Kao, T.C., & Yang, C.H. (2010). Cloud computing and development of this industry. *Research, Development, Evaluation Bimonthly*, 34(4), 20-31.
- Eisenhardt, K.M., & Graebner, M.E. (2007). Theory building from cases: Opportunities and challenges. *Academy of Management Journal*, 50(1), 25-32.
- Gordijn, J., & Akkermans, H. (2001). Designing and evaluating e-business models. *IEEE Intelligent Systems*, 16(4), 11-17.
- Hamel, G. (2000). *Leading the revolution*. Boston, MA: Harvard Business School Press.
- Hill, W.L., & Jones, G.R. (1997). *Strategic management theory. An integrated approach (4th ed.)*. New York, NY: Houghton Mifflin Company.
- Huang, Y.Y. (2010). *The effect of public subsidies on private innovation performance-comparison of Taiwan manufacturing and service industry*. Unpublished master's thesis, Department of Economics, National Taiwan University, Taipei.
- Jick, T.D. (1979). Mixing qualitative and quantitative methods: Triangulation in action. *Administrative Science Quarterly*, 24(4), 602-611.
- Kachaner, N., Lindgardt, Z., & Michael, D. (2011). Innovating low-cost business models. *Strategy & Leadership*, 39(2), 43-48.
- Kassarjian, H.H. (1977). Content analysis in consumer research. *Journal of Consumer Research*, 4(1), 8-18.
- Kim, W. (2009). Cloud computing: Today and tomorrow. *Journal of Object Technology*, 8(1), 65-72.
- Kindström, D. (2010). Towards a service-based business model—Key aspects for future competitive advantage. *European Management Journal*, 28(6), 479-490.
- Liu, C.Y. (2004). *Creating profits—designing a business model for new businesses*. Taipei: Financial Information.
- Magretta, J. (1998). The power of virtual integration: An interview with Dell Computer's Michael Dell. *Harvard Business Review*, 76(2), 72-85.

- Magretta, J. (2002). Why business models matter. *Harvard Business Review*, 80(5), 86–92.
- Markides, C.C. (1999). A dynamic view of strategy. *Sloan Management Review*, 40(3), 55-63.
- Marston, S., Li, Z., Bandyopadhyay, S., Zhang, J., & Ghalsasi, A. (2011). Cloud computing-the business perspective. *Decision Support Systems*, 51(1), 176-189.
- Matthyssens, P., & Vandenbempt, K. (2008). Moving from basic offerings to value-added solutions: Strategies, barriers and alignment. *Industrial Marketing Management*, 37(3), 316-328.
- Ministry of Economic Affairs (2010). Cloud computing industry development program. Taipei: Ministry of Economic Affairs.
- Mohammad, A.F., & Mcheick, H. (2011). Cloud services testing: An understanding. *Procedia Computer Science*, 5, 513-520.
- Popp, K.M. (2011). Software industry business models. *IEEE Software*, 28(4), 26-30.
- Rayport, J.F., & Jaworski, B.J. (2001). *E-commerce*. New York, NY: McGraw-Hill/Irwin.
- Reinartz, W., & Ulaga, W. (2008). How to sell services more profitably. *Harvard Business Review*, 86(5), 90-96.
- Situ, D.X. (2005). *Strategic management: A new perspective for analysis*. Taipei: Best-wise.
- Sultan, N.A. (2011). Reaching for the “cloud”: How SMEs can manage. *International Journal of Information Management*, 31(3), 272-278.
- Taiwan Electrical and Electronic Manufacturers’ Association (2010). The growth rate increased further-understanding cloud trend to business. Retrieved May 13, 2011, from <http://www.teema.org.tw/exhibition-detail.aspx?inford=4277>
- Tikkanen, H., Lamberg, J., Parvinen, P., & Kallunki, J. (2005). Managerial cognition, action and the business model of the firm. *Management Decision*, 43(6), 789-809.
- Timmers, P. (1998). Business models for electronic markets. *Electronic Markets*, 8(2), 3-8.
- Turban, E., King, D. R., Lang, J. & Lai, L. (2009). *Introduction to electronic commerce* (2nd ed.). Upper Saddle River, NJ: Prentice Hall.
- Vandermerwe, S., & Rada, J. (1989). Servitization of business: Adding value by adding services. *European Management Journal*, 6(4), 314-324.
- Viscio, A., & Pasternack, B.A. (1996). Toward a new business model. *Strategy & Business*, 20(2), 125-134.
- Weill, P., Malone, T.W., D’Urso, V.T., Herman, G., & Woerner, S. (2005). Do some business models perform better than others? A study of the 1000 largest US firms. *MIT Center for coordination science working paper*, 226.
- Wen, C.I., Li, Y.Y., Wu, T.S., & Yang, K.S. (1987). *Research Methods in Social and Behavioral Sciences*. Taipei: Tung Hua.
- Yin, R.K. (2003). *Case study research: Design and methods*. (3rd ed.). CA: Sage.

ASIAN EFL TEACHERS' WEB-BASED INSTRUCTION AND NATIONAL EDUCATIONAL TECHNOLOGY STANDARDS FOR TEACHERS

Sima Sayadian^{1&*}, Azadeh Ashrafzadeh²

Sima.sayadian@iauyazd.ac.ir

Azadeh.ashrafzadeh@gmail.com

1&2 English Department, Yazd Branch, Islamic Azad University, Yazd, Iran

ABSTRACT

The current paper investigated the relationship between secondary school teachers' Web-based instruction (WBI) and National Educational Technology Standards for Teachers (NETS•T), as well as the role of their demographic variables in WBI adoption and integration by TESL secondary school teachers. Data were collected from 450 secondary school English language teachers in Malacca, Malaysia. A questionnaire comprising of two separate sections (demographic variables and National Educational Technology Standards for Teachers) was selected as the instrument of the study. Analysis of data showed a positive correlation between NETS•T and WBI integration. Similarly, the results revealed the role of gender in WBI application. Male teachers outperformed their female counterparts in WBI integration. In conclusion, this study suggests the need for more professional development programs and training sessions for Asian English language teachers to be more informed on the standards of educational technology introduced by International Society for Technology in Education (ISTE).

Keywords: Web- based Instruction (WBI) , National Educational Technology Standards for Teachers (NETS•T), Demographic variables, EFL teachers.

* Tel: +98 913 352 4644

**CHILD LABOR AND TOURISM: IMPACTS OF SELF-IMPOSED
LABORING TO THE WELFARE OF YOUNG TOUR
GUIDES IN MINALUNGAO NATIONAL PARK,
GENERAL TINIO, NUEVA ECIJA**

**Alfon, Alexis V., Ceñido, Aaron Israel S.J., David, Dan Zena E., Estella,
Joanna Erika T., Maputi, Joshua G., AND Ponce, Mary Josyl R.**

University of Santo Tomas
maputi_joshua@yahoo.com/ +63 9173153634

ABSTRACT

The core factor that leads the children to participate in self-imposed laboring is poverty. However, child laboring, in form of tour guiding, offered opportunities for the children to obtain benefits from tourism. This study provided an overview about the existing child laboring in Minalungao National Park and determined if pro-poor tourism exists in the tourist destination. Moreover, this study gave insight on the impacts of self-imposed tour guiding to the welfare of the children participating in the tourism industry of General Tinio, Nueva Ecija. Also, it presented the motivators that lead the children to participate to tour guiding and the government's actions to ensure the protection of the children's welfare. Qualitative research was utilized to understand how self-imposed laboring affects the welfare of the children. In relation, interpretive study using semi-structured interview and observation were used to draw conclusions to the existence of pro-poor tourism in the research setting. This study aimed to raise awareness to the public regarding the participation of children in self-imposed laboring and its effects to their welfare and to suggest training programs and assistance to ensure that the welfare of the children is not exploited by the opportunity offered by the tourism industry.

A STUDY OF TOURIST BEHAVIOR OF CAPSULE HOTELS

Wong, Soke Wen* & Chen, Huei-Ju**

**Wong, Soke Wen, Graduate Student, Master Program in Transportation and Leisure Service Management,
National Kaohsiung University of Hospitality and Tourism, Kaohsiung, Taiwan,*

E-Mail: chez0621@gmail.com

***Chen, Huei-Ju, Associate Professor, Department of Leisure and Recreation Management, National
Kaohsiung University of Hospitality and Tourism, Kaohsiung, Taiwan,*

E-Mail: hjuchen@mail.nkuht.edu.tw

ABSTRACT

Capsule hotel is a special type of accommodation in Japan, it became popular among locals and international tourists because of its irresistible price and convenient location. In the past, most studies focused on the structure or architecture design of capsule hotel, there is a shortage of relevant hotel customer behavior studies. In order to bridge the gap, this research paper aims to examine the optimum stimulation level (OSL) of Taiwanese travelers who stayed at capsule hotels in Japan from perceived risk perspective. This research paper adopted the short version of Change Seeker Index (CSI) profile by Steenkamp & Baumgartner (1995) to collect 223 valid samples by questionnaire survey. The survey consisted of three parts: (a) travelers' demographics, (b) optimum stimulation level, and (c) perceived risk. The study assumptions are that there is significant difference of optimum stimulation level on perceived risk from different gender. Results of this research have shown that: (1) Nearly 90% of capsule hotels staying respondents collected accommodation information from internet. (2) The statistically significant difference existed on physio-psychological risk with high and low OSL tourists. (3) There were statistically significant differences happened on performance risk, financial risk and physio-psychological risk with male and female tourists.

Keywords: Capsule Hotel, Optimum Stimulation Level, Perceived Risk, Taiwan

RELATIONAL BASED CUSTOMER RELATIONSHIP MANAGEMENT IN THE CRUISE LINE VACATIONS SECTOR

Stephen W. Wang

National Taiwan Ocean University

Department of Shipping and Transportation Management

2 Pei-Ning Road, Keelung, Taiwan 20224, R.O.C.

Tel: +886.2.2462.2192 Ext. 3430, Fax: +886.2.2463.1903

ABSTRACT

Building on the theory of customer relationship management, the authors contribute a model for cruise line vacations providers and scholars to explain relational outcomes customer relationship management. The empirical context is the cruise line vacations sector with a non-student sample of cruise line vacations consumers (n=226). Based on data collected at Keelung Harbour in Taiwan, the results of structural equations analyses show that cruise line vacations consumers' perception of relationship investment brings a lift in satisfaction, and in turn customer loyalty towards an cruise line vacations brand. The new contribution is the finding that when customer relationship investment was degenerated into a second order dimensions structure, value added activities trumps interaction and customer profiling. The findings provide an implication on cruise line vacations strategies for cruise line vacations service providers to propose a more competitive and profitable strategy.

Keywords: Cruise line vacations, Customer Relationship Management, Satisfaction, Loyalty, Structural Equation Model

1. Introduction

In any industry, the ability to attract new customers continuously is crucial to its growth. But to sustain that growth, the industry must also know how to maintain the existing customers. Given that over 60% of cruise industry's customers are repeat customers (Picolli, 2012), Customer Relationship Management (CRM) is an irreplaceable element contributing to its success. CRM strives to attract, maintain, and enhance customer relations with service providers (Harrison, 2000). Based on Chablo (2001), acquiring new customers costs four to ten times more than maintaining existing ones. Meanwhile, maintaining customer loyalty further increases corporate profits by 25-85%. To do so, CRM focuses on identifying customers with the greatest contribution and maintaining a long term reciprocal relationship with those customers. Given the intense competition of the cruise industry, to maintain competitive edge, cruise companies must realize the importance of acquiring, strengthening the relationships with, and retaining the customers (Kalakota and Robinson, 1999).

Due to the success of the cruise industry in the past few decades, researchers start to explore several aspects of the industry, including experience (Blas and Carvajal-Trujillo, 2014; Chua, Lee, Goh, and Han, 2015); terminal selection (Bagis and Dooms, 2014; Lau, Tam, Ng, and Pallis, 2014; Wang, Jung, Yeo, Chou, 2014); branding (Hwang and Han, 2014); value (Duman and Mattila, 2005); and motivation (Hung and Petrick, 2014). However, given the importance of maintaining good relationships with existing customers today, research on how cruise companies manage their relationship with customers is still limited. Our main objectives of this present study are to understand more about the impacts of effective CRM strategies on the success of cruise industry. Specifically, we empirically verify the effects of relationship customer relationship investments on customers' satisfaction and customers' loyalty in cruise industry. To that end, we propose a comprehensive framework to examine those relationships. This is one major area this present study tries to contribute. Another objective is to summarize existing evidences of behavioral consequences of managing customer relationship at individual level.

This study first defines three kinds of relationship effort and empirically validates their impacts on customer perceived relationship investment, customer satisfaction, and behavioral loyalty of cruise lines vacation consumers (Figure 1). Finally, we explain how our customer relationship management framework can be applied to study the direct effects of tailor-made marketing campaigns on marketing performance cruise line vacations. We also offer directions for future research on customer relationship management in particular and service evaluation in general.

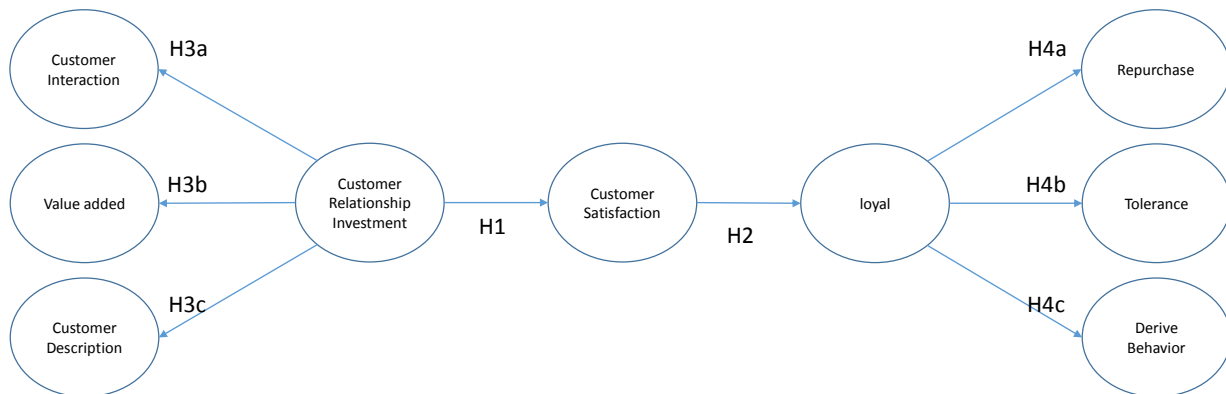


Figure 1 Conceptual Framework

2. Conceptual framework and hypotheses development

According to Korner and Zimmerman (2000), there are several building blocks that ties the relationship between suppliers and customers. They are customer interaction, customer profiling, added value for customers, trust and virtual communities. As trust and virtual communities are crucial topics within Electronic Commerce which differential largely with cruise lines vacation, this study adopted the three building blocks of customer relationship management, they are customer interaction, customer profiling, and added value for customers. The different possibilities are described in more detail in the following sections.

Relationship Investment

In this present study we follow Palmatier et al. (2006) and De Wulf et al. (2001) and define relationship investment as customer's perception of salesperson's devotion to maintain or enhance relationships that do not have outside value and cannot be recovered if these relationships are terminated. The goal of relationship investment is to create favorable customers' impression, which in turn enables the salesperson to form psychological bonds to retain valuable customers (Hart & Johnson, 1999; Smith & Barclay, 1997). Research shows that the level of satisfaction among customers increases as they acknowledge the extra efforts made by the salespersons (Baker et al, 1999). Research also suggests a positive relationship between perceived relationship investment and customers' trust (Ganesan, 1994). In another study, customers' perceptions of a seller's relationship building efforts were found to result in the customers' being strongly committed to the company (Bennett, 1996). Thus, it is hypothesized that:

H1 higher perceived level of relationship investment leads to higher level of customer satisfaction.

H2: higher level of customer satisfaction leads to higher level of behavioral loyalty.

Customer Interaction.

Based on Ramani and Kumar (2008), customers expect firms to increasingly customize their products and services to meet their demands. Firms still need to produce superior products, sell smarter, and understand the markets as a whole, but the ability of firms to orient themselves to interact successfully with their individual customers will differentiate them in the future. An interaction orientation reflects a firm's ability to interact with its individual customers and to take advantage of information obtained from them through successive interactions to achieve profitable customer relationships (Ramani and Kumar, 2008). Interactions help firms refine their knowledge about customer tastes and preferences (Srinivasan, Anderson, and Ponnayolu 2002). The effective and efficient management of interactions and the interfaces at which these interactions occur are increasingly being recognized as sources of lasting competitive advantage (Rayport and Jaworski 2005). Because gaining more customers' information through increased customer interaction enables companies to serve the customers better, which in turn leads to a higher level of customer satisfaction, it is hypothesized that:

H3a Customer's perceived relationship investment is positively influenced by perceived level of customer interaction.

Added value for the customer

According to Firat and Shultz (1997) and Foley (1997), the creation of the products/services is described and the measures for the implementation of an attractive price-performance-ratio are provided could build a value added to customer. In the case of customer relationship management of cruise line vacations, the offered products or services must meet the expectations and desires of the customer to have a positive effect on the satisfaction of the customer. Concepts such as 'mass customization' or different strategies for individualization are also substantial elements of the CRM concept (Pine, 1993). These new concepts must match the customers' demand for individualization. The quality of the product or service cruise line vacations offers has a major impact on the customer relationship. In order to convince the customer to stay with the cruise line vacations for a long time, it is absolutely essential that the customer finds a solution for his problem and one that fits his needs. The new trends in the behavior of the customers must be considered as well.

In addition to the above mentioned measure blocks, economic incentives is mostly the other value added blocks for customer, which should help to arrange successfully the relationship with the customer. Its major goal is to offer a convincing price-performance-ratio. The bundling of different products/services could increase the attractiveness of cruise line vacations due to the fact that the customer is getting a solution from that. Companies that follow this concept may have better chances of retaining the customer. Likewise, discount systems also offer a good possibility to increase customer linkages since a repeated use for a product or service reduces the price for the good. 'Frequent Flyer Programs' are an example. Therefore, it is hypothesized that:

H3b Customer's perceived relationship investment is positively influenced by perceived level of added values for

customers.

Customer Profiling.

Customer profiling, one of the major areas of application of knowledge-based marketing (Shaw et al., 2001) that provides a basis for marketers to communicate with existing customers in order to offer them better services and retaining them (Jansen, 2007). This is done by assembling collected information on the customer demographic details as well as the characteristics of the purchase transactions of the customer (Shaw et al., 2001). Customer profiling is also used to prospect new customers using external sources, such as demographic data purchased from various sources. This data is used to find a relation with the customer segmentations that were constructed before, i.e. the usage behavior (Amat, 2002; Giha et al., 2003; Virvou et al., 2007).

Therefore, the goal of these measures is to contact the right customer at the right time with the right arguments. The relevant steps towards reaching that goal includes the collection of the customer data in both passively and actively ways, the analysis of the data in order to create customer profiles, and derive appropriate activities in order to offer the customer services that fit him best (Korner and Zimmerman, 2000). The more transactions are carried out, the better the customer profile is going to be, which echoed with "Customer Learning Relationship" by Peppers and Rogers (1999). Finally, the service that fits the customer's demands best is another step towards an increased customer linkage and therefore increasing profit in the era of digital economy.

H3c Customer's perceived relationship investment is positively influenced by perceived level of customer profiling.

Sub-dimensions of behavioral loyalty

Investing time, effort, and other irrecoverable resources into a relationship generally create psychological tie that encourage customers to stay in and expect reciprocity from that relationship (Smith and Barclay, 1997). When a supplier invests in a relationship on the behalf of a customer, this customer should be impressed. Besides, De Wulf et al. (2001) assume that relationship marketing tactics indirectly affect relationship quality based on the perceived level of relationship investment.

Therefore, this study posits that customer relationship investments applied by cruise line vacations are antecedents of relationship quality (i.e. customer satisfaction), which ultimately influences behavioral loyalty (i.e. repurchase behavior, price tolerance, and derive behavior). A positive correlation between relationship investment and relationship quality implies that consumers reciprocate an cruise line vacations's initiatives.

H4: Behavioral loyalty consists of three underlying dimensions: (H4a) repurchase willingness; (H4b) price tolerance; and (H4c) derivative behavior.

3. Methodology

The framework embraces information on customer relationship investment (customer interaction, six items; value added, 7 items; and customer profiling, 7 items), satisfaction (eight items), and loyalty (repurchase, two items; price tolerance, two items; and derivative behavior, three items). All measures by using a five-point Likert-type scale. To measure customer relationship management, twenty items were adopted from the study by Korner and Zimmerman (2000). To measure satisfaction, eight items were adopted from the study by Fornell (1992), Churchill and Surprenant (1982), and Lee, Graefe and Burns (2004). To measure loyalty, seven items were adopted and modified from the studies by Gronholdt, Martensen and Kristensen (2000).

A self-administered questionnaire was used to collect data from passengers of Star Cruise. The questions were based on a review of the literature and specific cruise service contexts, and the questionnaire was pre-tested and revised. The questionnaires were distributed based on a “convenience” sampling method and collected at Keelung Harbour in Taiwan during the month of August to October, 2013. Three hundred questionnaires were distributed. Two hundred and twenty six complete questionnaires were included in the analysis, yielding a 75.33% response rate from those who agree to participate. Sample characteristics are described as Table 1.

Notably, this study examined whether the data conformed to the multinormality requirement because SEM model testing was based on the validity of this assumption (McDonald and Ho, 2002). To test the hypothesized model, an exploratory factor analysis (EFA) was first employed to check whether there was any notable deviation from the structure of the adapted constructs. The EFA test of building blocks of customer relationship management provided by cruise line vacations revealed three factors in the end. Based on Korner and Zimmerman (2000), the three factors were named as customer interaction, 6 items; added values for customers, 7 items; and customer profiling, 7 items. Second, the EFA test of building blocks of customer relationship management provided by cruise line vacations revealed three factors in the end. Based on Gronholdt, Martensen and Kristensen (2000), the three factors were named as repurchase, 2 items; price tolerance, 2 items; and derivative behavior, 3 items.

The proposed measurement model was estimated using LISREL 8.80 (Joreskog and Sorborn, 1989). The goodness of fit indices were summarized in Table 2. The Chi-square statistics were significant at the .05 level, not an unusual finding with a relatively large sample (Doney and Cannon, 1997). The values for comparative fit index (CFI), non-normed fit index (NNFI), root mean square error of approximation (RMSEA), and standardized root mean residual (SRMR) were considered acceptable for proposed model, based on the criteria suggested by Hu and Bentler (1995, 1999): .95 for CFI and NNFI, .06 for RMSEA, and .08 for SRMR. Given that a battery of overall goodness-of-fit indices was deemed acceptable and that the proposed model is developed on a theoretical base, no effort is made to modify the model specifications.

Table 1 Sample Characteristics

Characteristics	Category	times	%
Gender	Male	107	47.3
	Female	119	52.7
Age	Under 20 Years	10	4.4
	21-30 Years	27	11.9
	31-40 Years	99	43.8
	41-50 Years	64	28.3

	51-60 Years	20	8.9
	More than 60 Years	6	2.7
Residence	North Taiwan	204	90.2
	Middle Taiwan	14	6.2
	Southern Taiwan	6	2.7
	East Taiwan	2	0.9
Occupation	Government related	65	28.8
	Agriculture	7	3.1
	Industrial, commercial, service	102	45.1
	Student	17	7.5
	Others	35	15.5
Yearly Income	Less than \$300000 NTD	33	14.6
	\$300000-\$900000 NTD	158	69.9
	\$900000-\$1500000 NTD	26	11.5
	\$1500000-\$2100000 NTD	5	2.2
	More than \$2100000 NTD	4	1.8
Times for participating cruise line vacations	Less than 1 times	136	60.2
	2 times	54	23.9
	3 times	17	7.5
	4 times	12	5.3
	More than 5 times	7	3.1
Yearly abroad times	Less than 1 times	121	53.5
	2 times	65	28.8
	3 times	20	8.9
	4 times	3	1.3
	More than 5 times	17	7.5
Type of abroad	Group traveling	175	77.4
	DIY tour	35	15.5
	Semi DIY tour	16	7.1
Expense per abroad	Less than \$20000 NTD	46	20.4
	\$20001~\$50000 NTD	144	63.7
	\$50001~\$80000 NTD	27	11.9
	\$80001~\$100000 NTD	5	2.2
	More than \$100001 NTD	4	1.8

Table 2 The Survey Instruments

Items	Item-Construct Loading		Cronbach's Alpha	Average Variance Extracted
	Standardized	t-statistic		
CRM1—Customer Interaction			0.838	0.789
1.	Cruise line vacations actively provide cruise events to members.	0.764	14.467	
2.	The customer service of cruise line vacations actively communicate with me and keep a good relationship.	0.719	13.261	
3.	Whenever members have problems or complaints, cruise line vacations are always solve it immediately.	0.756	11.822	
4.	Cruise line vacations provide latest promotions and most updated service information through e-mail, Facebook, or regular mails.	0.772	12.360	
5.	The online information system not only provides inquiry of cruise line itineraries, introduction of ships facility and service, but also updates the newly facility on board and port of call information.	0.792	12.622	
6.	Cruise line vacations actively inquiry customers' need and preference.	0.802	-	
CRM2—Value Added			0.884	0.776
7.	Cruise line vacations offer price discounts to members whenever there are new itineraries or services.	0.738	-	
8.	Members will receive cards or gifts sent by cruise line vacations on specific festivals.	0.805	12.127	
9.	Cruise line vacations offer seasonal promotion programs. (Ex. Buy two and get one free in specific cabins)	0.731	10.979	
10.	Through diversified alliances, the members of cruise line vacations can acquire various services. (Ex. Travel agent can provide cruises information and some extra service or discount to members.)	0.759	11.351	
11.	Cruise line vacations pay close attention customer relationship and actively hold some activities to interact with members.	0.768	14.799	
12.	Cruise line vacations improve members' relationship through various service (ex. entity /virtual) methods.	0.769	11.513	
13.	Cruise line vacations actively pay attention to the members' feedback of cruises experience.	0.743	11.098	
CRM3—Customer Profiling			0.931	0.737
14.	Cruise line vacations often release cruises vacation package according to members' needs or market conditions.	0.686	-	
15.	Cruise line vacations plan various cruises itineraries based on trip need (Ex. Student trips, family trips)	0.745	12.574	
16.	Service personnel of cruise line vacations actively give pre-purchasing recommendations to its members, according to their previous purchasing records.	0.726	9.747	
17.	Cruise line vacationns sell and promote cruises itineraries at tourism expo according to different target customers.	0.731	9.693	
18.	Cruise line vacations build up members' database based on their personal information and cruise itineraries records and also update regularly.	0.733	9.724	
19.	Cruise line vacations provide customized service and various vacation packages for members. (Ex. Various days and cruises line packages)	0.816	11.084	
20.	Cruise line vacations conduct satisfactions survey to realize customers' needs and preference.	0.690	9.234	
Satisfaction			0.94	0.816
1.	I am satisfied with the cruises cuisine and entertainment provided by cruise line vacations.	0.753	-	
2.	I feel the actual cost spent in cruise line vacations is valuable.	0.776	11.826	

Items	Item-Construct Loading		Cronbach's Alpha	Average Variance Extracted
	Standardized	t-statistic		
3. I recognize the cruises package and service provided by cruise line vacations is trustworthy.	0.789	11.757		
4. I am satisfied with the Chinese crew members provided by cruise line vacation in Asia cruise lines to reduce the communication gap.	0.818	12.327		
5. It is pleasure to attend the Star cruises base on my previous cruise line vacations travel experience.	0.838	12.583		
6. I am very happy to choose cruise line vacations to fulfill my leisure trip needs.	0.775	13.438		
7. Cruise line vacations can fulfill my need and value in travel experience while comparing to the itineraries provided by other cruises companies	0.751	12.522		
8. I am satisfied with the service quality while comparing to the itineraries provided by other cruises companies.	0.764	12.921		
Loyal1—repurchase willingness			0.96	0.78
1. I have the intension to repurchase cruise line vacations.	0.818	-		
2. I will only purchase cruise line vacations as my only cruises trips.	0.700	10.810		
Loyal2—price tolerance			0.96	0.808
3. I keep purchasing cruise line vacations services regardless of competitor's discount.	0.710	-		
4. I keep purchasing cruise line vacations services regardless of competitor's various promotions.	0.843	11.412		
Loyal3—derivative behavior			0.96	0.937
5. I would like to recommend the product and service of cruise line vacations to relatives.	0.848	-		
6. I would like to share the experience of cruise line vacations with relatives.	0.862	16.455		
7. I would like to purchase other itineraries provided by cruise line vacations.	0.865	15.469		

4. Results

The sample size (N=226) is considered sufficiently large for model specification and further analysis. The overall fit of the model is reasonable. Simultaneous maximum-likelihood-estimation procedures are used to examine relationships among customer relationship management, satisfaction, and loyalty (Table 3).

Table 3 Results of the Proposed Model

Causal Path	Hypothesis	Expected Sign	Path Coefficient	t-value	Assessment (p < .05)
CRM → Satisfaction	H1	+	0.624	7.775	significant
Satisfaction → Loyalty	H2	+	0.848	7.895	significant
CRM → Customer Interaction	H3a	+	0.873	11.948	significant
CRM → Value Added	H3b	+	0.982	12.199	significant
CRM → Customer Profiling	H3c	+	0.890	10.271	significant
Loyalty → Repurchase Willingness	H4a	+	0.956	9.738	significant
Loyalty → Price Tolerance	H4b	+	0.968	8.741	significant
Loyalty → Derivative Behavior	H4c	+	0.802	9.834	significant

Note: $\chi^2/df=840.166/541=1.553$, $p=0.00$, $RMSEA=0.050$; $GFI=0.831$, $AGFI=0.803$; $CFI=0.945$; $NNFI=0.95$

The results revealed that all significant relationships between latent constructs matched the hypothesized directions. In our proposed models, customer relationship management had significant positive effect on satisfaction, supporting H1. Satisfaction had significant positive effect on loyalty, supporting H2. As to the relationship between second order constructs and first order ones, customer relationship management significant positive linked with customer interaction, value added, and customer description, supporting H3a, H3b, and H3c. Loyalty significant positive affects repurchase intention, price tolerance, and derive behavior, supporting H5a, H5b, and H5c.

References

References available upon request

INVESTIGATION AND MEASUREMENT OF SERVICE QUALITY IN CITY BANK AND ITS RELATIONSHIP WITH CUSTOMER SATISFACTION

Seyed Yaser Bazregari

University of Applied sciences and Technology, Iran

ABSTRACT

According to the principles of modern marketing, new banks have to make big paces in meeting the needs and expectations of their customers; otherwise they will not have a convenient position in the financial market in near future despite their experience and expertise. In recent years, much attention has been paid to customer needs and service quality levels, and presenting customers with high level services as an instrument for achieving competitive advantage in the market. The more customers are aware of banking presentable services and service-related standards, the more sensitive they expect for receiving qualified services. Regarding this sensitiveness, City Bank undertook a research to increase their awareness of customer needs and expectations so that they plan their future activities using reliable and more scientific references. The research has been undertaken in all branches of City Bank in Tehran. According to the simple random selection ,sample population of bank customers has been 385 people. Research tool is researcher made questionnaire including 29 questions that has been used for data collection with credibility of 0.903 after calculation of Cronbach's Alpha. Several dimensions such as reliability, credibility, tangible factors, empathy, accountability, and satisfaction have been measured in this questionnaire. The relationship between the variables has been measured by Pierson correlation coefficient; and according to the research, there has been a meaningful relationship between customer satisfaction and investigated variables. Meaningfulness level being lower than 0.01, results could be explained with reliability of 99 percent. The most powerful correlation coefficient is between customer satisfaction and bank staff response to customer needs. According to the results, all the hypotheses of the research have been approved. It means that City Bank possesses an up level of customer satisfaction.

Key words: City Bank, banking, service quality, customer satisfaction

INTRODUCTION

Modern marketing process begins with identification and measurement of customer needs, desires, and priorities. After choosing the target market(s), strategies would be set in service marketing mix, price, place, promotion and market synergies, staff, properties, or physical features and processes with a systematic attitude to customers. Serving the customers is the main goal in modern marketing. Banks should make big paces in meeting the needs and expectations of their customers or they would not have a proper position in the financial market of their country despite their experience and background. Modern banking evolution trend signifies that banks have to get closer to the customers more and more and provide them with their expected quality. If banks do not regard their customer satisfaction as a vital factor, some of their activities will be influenced and their position will be in danger and even lost in near future. At the time, there are also some signs in some parts influencing banking activities and the downtrend of position losing would be accelerated. So as a strategic orientation, customer-based strategy could act as a savior for banking system life. (Venus, 1999: 36-59)

Question Expression

Research and marketing has been applied to goods and tangible products till recent years, but nowadays services have achieved some progressing prominent position in the market. In European Union, this part has promoted his 38 percent of market share in 1970 to 63 percent in 2003. (Heidari, 2012: 16).

Today, banks play an essential role in economical growth and development of countries. Banks are involved in a series of economical activities that create credit and facilitate payment and transfer. In recent years, much attention has been paid to customer needs and service quality levels, and presenting customers with high level services as an instrument for achieving competitive advantage in the market. The more customers are aware of banking presentable services and service-related standards, the more sensitive they expect to receive qualified services from banks and other financial institutions. In order to maintain a long-term relationship with customer satisfaction, banks should know how to present high quality services. Banks can play an important role in economical growth by achieving customer satisfaction and encouraging them to deposit money, savings mobilization, capital accumulation, and collecting small capitals and flow them in industry, service, commodities, etc. These goals would be realized by achieving more and more customer satisfaction (Safaiian, 2006: 37-40). Presenting a definition for service quality is difficult, but it can be said that services are qualified that can meet customer needs and demands, and level of presented services is along with customer expectations (Safaiian, 2006: 53).

A service is every action or operation a group can do for another; its nature is intangible, and it does not lead to ownership. It is possible for the result to depend on physical commodities or not. Services are variable since they depend on the provider, time, and place of service provision (Kotler, 2006:376). Therefore, quality includes a set of features and characteristics of a product or service that leads to customer satisfaction. In this paper, the researcher has considered quality in 5 dimensions as following:

1. **Tangible factors:** such as physical appearances, equipments, communication devices, staff, and ...
2. **Reliability:** staff and organizations' encounters, knowledge, and politeness for transferring trust and confidence
3. **Accountability:** desire and tendency to help customers and provide them with immediate services
4. **Trust:** ability to present services accurately just as promised
5. **Empathy:** individual care about customers

Each of the above-mentioned factors has different components explained in detail. It should be considered that today's close competition among banks, expectations of customers for receiving high quality services, and rapid technology changes have made banks to provide their customers with qualified services in order to keep them satisfied. Therefore, in order to identify the composing elements of presenting more desirable and qualified services, it is necessary to undertake scientific research about the subject.

Importance and reason for title selection

For those involved in marketing, the important question about customer satisfaction is whether the relationship between customer satisfaction and service quality is important in banking system. In fact, the most important reasons for detailed investigation of this subject are as following:

1- Service measurement is very important in banks for its obvious relationship with expenses, profitability, and customer satisfaction. So it is the essential key for expense reduction, convenient profitability, quality achievement, and customer satisfaction.

2- Nowadays competition has increased in all economical, industrial, and commercial activities such as banking. Quality is not regarded as a competitive advantage anymore, but it plays the role of a survival factor in the system. So it should be deeply considered for at least organizational survival.

3- Generally, people's expectation level has been gone up. That is why banks should analyze service quality and identify their weaknesses and strengths to be able to meet customers' increasing expectations, so that they can be assured of their survival; because no system exists without customers. In the time called "Service Era" where most of organizations present services, no institution would survive without having enough number of customers; customers increasingly getting knowledgeable, aware, and punctilious. Therefore, "service and quality management" and "customer relationship management" are modern approaches looking for targets such as helping in service provision to customers, customer relationship increase, distribution cost reduction, and convenient profitability so that in addition to benefit competitive advantages, lead to more income increase, more competitive potential, and at last more rapid capital return. So in order to succeed in today's competitive atmosphere, organizations should recognize customer needs, analyze competitiveness advantages, identify and choose target markets, and plan a relevant marketing mix (Bani Asadi, 2006: 35).

Since City Bank belongs to private sector, it seems really necessary to investigate this subject for pioneering in today competitive atmosphere and alongside other public and private banks.

In addition to above-mentioned items, researcher's interest in service issues made him/her to select this subject.

Research Purposes

The main purpose of this research is to help City Bank increase the quality of its services and gain more customer satisfaction. In other words, researches is to measure and investigate the components and details of service quality and its relationship with customer satisfaction from different outlooks and present some solutions for upgrading service quality level.

Some other purposes of the research are:

- 1- Identifying the most important components of service quality provided for customers.
- 2- Prioritizing service quality components from customers' point of view.
- 3- Identifying and presenting operational solutions for upgrading service quality level in City Bank in order to achieve customer satisfaction.
- 4- Determining the gaps and conflicts among the factors effective in banking service quality.

Main Research Question:

Main Questions:

- 1- What is the relationship between City Bank services and customer satisfaction?

2- Regarding priority and importance, is there any meaningful difference between service quality components in City Bank?

Secondary Questions:

1-1- What is the relationship between trust in City Bank services and customer satisfaction?

1-2- What is the meaningful relationship between City Bank reliability and customer satisfaction?

1-3- What is the relationship between tangible factors in City Bank and customer satisfaction?

1-4- what is the relationship between organizational empathy and customer satisfaction?

1-5- What is the relationship between accountability in City Bank and customer satisfaction?

Field of Research:

Spatial Domain: the place of research is city of Tehran where 20 branches of City Bank have been selected and investigated with stratified random sampling method (due to the limitation of branches in number).

Time Domain: the research has been undertaken in November and December 2014; so all the data in this research have been collected in this period.

Research Methodology

The research is applied and survey. Theoretical foundations of the research have been collected using library method and its data have been collected using field method with interview and questionnaire.

Data Collection Tools

1- Interview: Researcher has used interview method for collecting points of view of banking network managers and authorities and related experts.

2- Questionnaire: In order to gather necessary information for data analysis, a questionnaire has been planned based on customer satisfaction components and offered to the customers. Questionnaire preparation has been undertaken through communication with research questions and identification of their characteristics.

Research Variables

a) Independent variables of this research are:

1- Trust

2- Reliability

3- Tangible factors

4- Accountability

5- Empathy

b) Dependent variable of this research is "customer satisfaction".

Operational Definition of Variables

Service Quality: Service quality is a complicated subject, because it includes five dimensions explained below.

Service Quality: In recent years, much attention has been paid to customer needs for quality levels. High levels of service provision are used as a tool to achieve competitive advantages.

Customers judge and determine quality. If a service meets the customer expectations or is beyond them, it has quality. If a service does not meet customer expectations, it does not mean that it is of low quality, it just does not satisfy the customers. So services are evaluated based on customer expectations (FitzSimmons, 2003).

Reliability: Ability to execute and offer promised services in a convenient, exact, and reliable way. Reliable service offering is what customers expect. Services would be offered to the customer in the exact promised form without any mistake and at the exact promised time (FitzSimmons, 2003: 66).

Reliability is offering services by an institution properly and reliably (Michael D.Hutt, 2001:338).

Accountability: Tendency to help customers and offer immediate services (James. E. FitzSimmons, 2003: 67).

Level of interest in helping customers and offering immediate services from the Service Institution shows the level of accountability and reactivity of service quality (Michael D. Hutt, 2001: 338).

Assurance: Awareness, immediacy, and ability to make customers trust. This dimension includes service provision competence, politeness and respecting the customers, effective communication with customers, and belief in the general principle that being kind and respectful to customers is the best advantages for the service provider (James E. FitzSimmons, 2003: 67).

Knowledge and manner of Service Institution staff and their ability to transfer trust to the customers defines quality assurance dimension (Michael D. Hutt, 2001: 338).

Empathy: Paying special care and attention to the customers (James E. FitzSimmons, 2003: 66).

In other words, how much service institution cares about its customers shows the level of empathy as a quality dimension (Michael D. Hutt, 2001: 338).

Empathy includes these features: customer can get close to the individual (being friendly and good-tempered), sensitivity to customer needs and trying to understand them.

Tangible factors: tangible factors are the appearance of physical equipment and facilities, staff, and communication equipment available in service provision place.

Customers use these five dimensions to evaluate service quality so that their judgment is based on existing facts.

Statistical Population

Statistical population of this research includes customers who have used banking services offered by City Bank in Tehran during November 2014. Characteristic trait of this statistical population is using services offered by mentioned institutions that are the same for all customers.

Sampling

Among all different methods of sampling, researcher has chosen to use simple random sampling. Society units studied here (City Bank customers) have been selected and investigated according to simple random sampling method among all branches in five zones. All City Bank branches have been classified in five zones of South, East, North, West, and Center. According to the ration of branches in the zone to all branches in Tehran, some branches of every zone have been selected and investigated. Number of customers in every zone is selected based on the ratio of branches in the zone to all branches in Tehran.

For determining the sample size, this formula has been used: $n = \frac{Z_{\alpha}^2 pq}{d^2}$

Sample Size

The Sample Size

In order to determine the required sample for estimating the desired parameter, allowable error in parameter estimation should be considered. Allowable error *d* is usually expressed as the difference between the parameter and the estimation. If we want to estimate the ratio of people in the society who have specific characteristics *p*, we should use the equation in which *p* is the estimation of attribute variable ratio in previous studies and *q*=1-*p*. If the value of *p* is not available, it might be assume 0.5. In this case, variance would be reach to its maximum value which is 0.25 (Sarmad, 2004: 186-187). Since attribute variable could not be estimated in this research, we assume *p* equal to 0.5. We also assume the allowable error *d*=5%. Considering the researcher's limitation to access all City Bank branches, in order to determine the number of selected branches, all the available branches in November 2014 in Tehran have been investigated.

Convenient allocation of sample size using stratified random sampling method

Tehran Zones	Center	Zone 1	Zone 2	Zone 3	Zone 4	Total
All Branches	1	31	41	39	30	141
Selected Branches	1	6	18	10	20	55
Number of Questionnaires distributed in every branch	7	7	7	7	7	35
Number of Questionnaires distributed in every zone	14	35	126	70	140	385

Data Collection Tools

Data collection tool for this research is a questionnaire including 29 questions, 28 of which are close questions and one is open. The purpose for using close questions in this research is collecting the required data about the investigated variable. An open question is also designed to identify and investigate the comments of customers about the quality of City Bank services.

Dimensions of Variables and Their Related Questions

Dimensions of Variables	Reliability	Validity	Tangible Factors	Empathy	Accountability	Satisfaction
Questions	1,3,4,5,6	7,8,9,10,11,13	12,14,15,16,17	18,19,20,21,28	22,23,24,25,26	2,27

Measurement scale used in this questionnaire is Likert scale. It is a regular set of items gathered in a specific arrangement. These items present specific states of the measured phenomenon in form of items with equal measurement value intervals. The answerer shows his rate of agreement by selecting one of the five items presented in a graded scale. 1 shows the minimum and 5 shows the maximum value (Sarmad, 2014: 154).

General framework of questions available in this research is designed based on SERVPERF questionnaire; so it has the necessary validity. In order to get assured of the validity of this questionnaire, we used the comments of supervisors, advisors, and banking experts; and also getting help from the book titled “Customer Satisfaction Measurement”, and design and setting of the questionnaire by Bob. E. Hizz translated by Nasrin Jozani. This method is a set of unilateral questions showing after consumption-understandings. This tool requires customers that only determine the performance of a special service meeting. It eliminated the need to expectation measurement, because correct measurement of expectations could only be acquired before service meeting. A study by Boulding Group shows that service quality should only be measured by “understanding expression tool” (Adion Palamer, 2001: 228).

Reliability

For measuring the reliability of this research, Cronbach’s Alpha method has been used. For calculating Cronbach’s Alpha coefficient, first the variance of numbers in the subset of every question (subtest) and the total variance should be calculated. Then Alpha coefficient should be calculated according to the following formula. Alpha coefficient is used to eliminate inconvenient questions from the questionnaire. This is emphasized for preventing wrong questions entering the analysis of research questions. If the acquired value in this test is more than 0.70, reliability or measuring tool will be acceptable. This method has been used in the primary assessment of this research. The acquired Cronbach’s Alpha for this questionnaire is 0.908 that approves the internal consistency of questions in this questionnaire. The Alpha coefficient in this research has been calculated by SPSS application. Since it is more than 0.70, reliability of measurement tool shows a high range.

Cronbach’s Alpha	Cronbach’s Alpha based on Standardized Items	Number of Items
0.908	0.940	29

Data Analysis and Hypotheses Test

Descriptive Statistics methods have been used for data analysis and hypotheses test in this research.

Descriptive Analysis

Researchers summarize and classify demographic and proprietary data using descriptive statistics indexes in this analysis method. In other words, researcher firstly summarizes the collected data in the frequency distribution table. Then he summarizes them using other descriptive statistics indexes such as mean, percentage, standard deviation, and coefficient of variation.

Table of Comparison of Mean and Standard Deviation of Investigated Items

	Reliability	Factors	Empathy	Accountability	Customers	Validity	Your satisfaction rate from staff accountability	Your Satisfaction from the quality of services offered by bank
Number	372	368	331	363	380	345	380	382
Missing	12	16	53	21	4	39	4	2
Mean	16.19	19.67	19.81	19.95	8.16	19.60	4.04	3.96
Std Error of Mean	0.131	0.189	0.178	0.174	0.065	0.146	0.039	0.042
Median	16.00	20.00	20.00	20.00	8.00	20.00	4.00	4.00
Mode	17	20	18	20	8	19	4	4
Std. Deviation	2.532	3.627	3.238	3.318	1.271	2.703	0.755	0.819
Variance	6.410	13.155	10.482	11.006	1.616	7.304	0.571	0.670
Minimum	6	10	5	7	2	11	1	1
Maximum	23	52	25	25	10	25	5	5

a. Multiple modes exist. The smallest value is shown

Analysis Reliability in of City Bank: To measure this dimension of service quality, questions 1, 2, 3, 4, 5, and 6 have been designed. Totally, mean of answers to these questions was 16.19 at the minimum of 6 and maximum of 23. It shows that the customers show a high level of reliability to City Bank.

Analysis of Validity City Bank: To measure this dimension of service quality, questions 7, 8, 9, 10, 11, and 12 have been designed. Totally, mean of answers to these questions was 19.60 at the minimum of 11 and maximum of 25. It shows that the customer satisfaction of City Bank validity is at a high level.

Analysis of Tangible Factors in City Bank: To measure this dimension of service quality, questions 12, 14, 15, 16, and 17 have been designed. Totally, mean of answers to these questions was 19.67 at the minimum of 10 and maximum of 52. It shows that customers trust in City Bank at a high level.

Analysis of Empathy in City Bank: To measure this dimension of service quality, questions 18, 19, 20, 21, and 28 have been designed. Totally, mean of answers to these questions was 19.81 at the minimum of 5 and maximum of 25. It shows that customers trust in City Bank at a high level.

Analysis of Accountability in City Bank: To measure this dimension of service quality, questions 22, 23, 24, 25, and 26 have been designed. Totally, mean of answers to these questions was 19.95 at the minimum of 7 and maximum of 25. It shows that customers are satisfied with their needs met in City Bank at a high level.

Analysis of Customer Satisfaction with City Bank Accountability: To measure this dimension of service quality, questions 2 and 7 have been designed. Totally, mean of answers to these questions was 4.04 at the minimum of 1 and maximum of 5. It shows that customers are satisfied with City Bank services at a high level.

Analysis of Customer Satisfaction with City Bank Service Provision Quality: To measure this dimension of service quality, questions 2 and 7 have been designed. Totally, mean of answers to these questions was 3.96 at the minimum of 1 and maximum of 5. It shows that customers are satisfied with City Bank services at a high level.

Deductive Data Analysis

This research has two main hypotheses. The first one includes five particular hypotheses. In this section, Pearson Coefficient Test has been used for testing the first hypotheses and its five particular hypotheses. For the second one, the researcher has used Friedman Test.

Hypotheses Test

As mentioned before, Pearson Coefficient has been used for hypotheses test of this research. Specified with r , Pearson Correlation Coefficient is one of the most applicable methods for determining the relationship between two variables. It is used to investigate the relationship between two distance and relative variables and its value always swings between +1 and -1. If the acquired value is positive, it means that both variables have occurred at the same direction. In other words, if a variable increases, the other one increases too and vice versa. But if the acquired value is negative, it means that the variables are behaving at the opposite direction. It means that by increasing of one variable, the other decreases and vice versa. If the acquired value for correlation coefficient is zero, it means that there is no relationship between the two variables. If the value is +1, correlation is completely positive, and if it is negative, the correlation between the two variables is completely negative. The stronger the correlation is, the farer is the value from zero and the nearer to 1. In social researches, in the correlation coefficient is at least 60%, it can be treated as high. If it is between 20% and 60%, it is theoretically and practically valuable and is used for prediction. But if it is between 0 and 20%, it should be treated cautiously and has the least value in prediction (Rafiee, 2003:9).

Results achieved from Pearson Test

Correlations

		Reliability	Validity	Factors	Empathy	Accountability	Customers
Reliability	Pearson Correlation Sig. (2-tailed) N	1 . 371	0.644** 0.000 332	0.393** 0.000 358	0.644** 0.000 326	0.697** 000 355	0.705** 0.000 368
Validity	Pearson Correlation Sig. (2-tailed) N	0.644** 0.000 332	1 0 341	0.511** 0.000 332	0.596** 0.000 304	0.627** 0.000 322	0.588** 0.000 338
Factors	Pearson Correlation Sig. (2-tailed) N	0.393** 0.000 358	0.511** 0.000 332	1 . 368	0.510** 0.000 332	0.531** 0.000 352	0.490** 0.000 366
Empathy	Pearson Correlation Sig. (2-tailed) N	0.644** 0.000 326	0.596** 0.000 304	0.510** 0.000 332	1 . 331	0.764** 0.000 326	0.663** 0.000 329

Accountability	Pearson Correlation Sig. (2-tailed) N	0.697** 0.000 355	0.627** 0.000 322	0.531** 0.000 352	0.764** 0.000 326	1 0 363	0.706** 0.000 360
Customers	Pearson Correlation Sig. (2-tailed) N	0.705** 0.000 368	0.588** 0.000 338	0.490** 0.000 366	0.663** 0.000 329	0.706** 0.000 360	1 0 380

**Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Quality	Seller
Quality	Pearson Correlation	1	0.769**
	Sig. (2-tailed)		0.000
	N	275	275
Seller	Pearson Correlation	0.769**	1
	Sig. (2-tailed)	0.000	
	N	275	381

**Correlation is significant at the 0.01 level

Answering the research Questions

In order to answer the question no. 1, first of all the Pearson Test is undertaken.

Question 1.1. What is the relationship between City Bank reliability and customer satisfaction?

H0: R = 0

H1: -1 < R < 1 R < 0

Pearson correlation coefficient at $\alpha = 0.01$ between City Bank reliability and customer satisfaction is -0.705 that shows a strong relationship between them. Acquired correlation coefficient at $\alpha = 0.01$ is meaningful. As a result, null hypothesis is rejected and supposed R is approved up to 99%. It means that it could be said 99% confidently that bank's reliability increase leads to more customer satisfaction.

Question 1.2. What is the relationship between City Bank validity and customer satisfaction?

H0: R = 0

H1: -1 < R < 1 R < 0

Questions no. 7, 8, 9, 10, 11, and 13 have been designed to investigate this question and the resulted hypothesis. As shown in table ..., Pearson correlation coefficient at $\alpha = 0.01$ between City Bank validity and customer satisfaction is +0.588 that shows a positive relationship between them. Acquired correlation coefficient at $\alpha = 0.01$ is meaningful. As a result, null hypothesis is rejected and supposed R is approved up to 99%. It means that it could be said 99% confidently that City Bank validity increase leads to more customer satisfaction.

Question 1.3. What is the relationship between tangible factors in City Bank and customer satisfaction?

Questions no. 12, 14, 15, 16, and 17 have been designed to investigate this question and the resulted hypothesis. As shown in table ..., Pearson correlation coefficient at $\alpha = 0.01$ between tangible factors in City Bank and customer satisfaction is +0.490 that shows a positive relationship between them. Acquired correlation coefficient at $\alpha = 0.01$ is meaningful. As a result, null hypothesis is rejected and supposed R is approved up to 99%. It means that it could be said 99% confidently that paying more attention to tangible factors and increasing them results in more customer satisfaction.

H0: R = 0

H1: $-1 \leq R \leq 1$ R \neq 0

Question 1.4. What is the relationship between City Bank empathy and customer satisfaction?

H0: R = 0

H1: $-1 \leq R \leq 1$ R \neq 0

Questions no. 18, 19, 20, 21, and 28 have been designed to investigate this question and the resulted hypothesis. As shown in table ..., Pearson correlation coefficient at $\alpha = 0.01$ between City Bank empathy and customer satisfaction is +0.666 that shows a strong positive relationship between them. Acquired correlation coefficient at $\alpha = 0.01$ is meaningful. As a result, null hypothesis is rejected and supposed R is approved up to 99%. It means that it could be said 99% confidently that City Bank empathy increase leads to more customer satisfaction.

Question 1.5. What is the relationship between City Bank accountability and customer satisfaction?

H0: R = 0

H1: $-1 \leq R \leq 1$ R \neq 0

Questions no. 21, 23, 24, 25, and 26 have been designed to test this hypothesis investigate accountability rate in City Bank. As shown in table ..., Pearson correlation coefficient at $\alpha = 0.01$ between City Bank accountability and customer satisfaction is +0.706 that shows a strong positive relationship between them. Acquired correlation coefficient at $\alpha = 0.01$ is meaningful. As a result, null hypothesis is rejected and supposed R is approved up to 99%. It means that it could be said 99% confidently that City Bank accountability increase leads to more customer satisfaction.

Question no. 1. Is there a meaningful relationship between City Bank service quality and customer satisfaction?

As mentioned before, Pearson correlation coefficient has been used for testing the existence of a meaningful relationship between City Bank service quality and Customer satisfaction. Considered indexes for measurement and investigation of City Bank service quality have been discussed in questions no. 1 to 26; and customer satisfaction has been discussed in questions no. 2 and 27. The value acquired in Pearson correlation test shows the relations between them together. The acquired value is 0.769 and according to interpretation method, it is obvious that there is a meaningful relationship between City Bank service quality and customer satisfaction; and it might be approved with 99% confidence.

Question no. 2.

Friedman testing model has been used for answering this question and its resulted hypotheses. Friedman test method is a non-parametrical test. Non-parametrical test are usually used when numerical and sequence data are present or in case they have unequal variance and crookedness (skewness). Non-parametrical test are also chosen depending on variables being dependent or independent. Friedman test is used in this research due to variables being correlative. This test is to know if the overall ranking of each column is different with what is expected or not. In this method, a table is designed in which every column includes information about one subject. Information in every column is ranked and then total of each column is calculated. If there is little difference between studied conditions, ranks will be more or less the same (Kalantari, 2001, 150).

There is a meaningful difference between the priorities of service quality constituent elements in City Bank. For answering this question and its resulted hypotheses, Friedman rating test has been used. Results are interpreted as following:

There is no meaningful difference between quality constituent elements in City Bank: H0

There is a meaningful difference between quality constituent elements in City Bank: H1

	Mean Rank		
Reliability	1.33	N	293
Factors	3.28	Chi-Square	455.047
Empathy	3.45	Df	4
Accountability	3.64	Asymp.Sig.	0.000
Validity	3.30	a. Friedman Test	

According to the acquired results, it is obvious that there is a meaningful difference between quality constituent elements in City Bank; so null hypothesis is rejected. As seen above, calculated Chi-Square is 455.047. So the hypothesis H1 is approved. Therefore, 99% confidently it can be said that there is a meaningful difference between quality constituent elements in City Bank.

Conclusion

Some hypotheses have been formulated to achieve the goals of this research. These hypotheses are:

There is a meaningful relationship between City Bank service quality and customer satisfaction

There is a meaningful relationship between City Bank reliability and customer satisfaction

There is a meaningful relationship between City Bank validity and customer satisfaction

There is a meaningful relationship between City Bank accountability and customer satisfaction

There is a meaningful relationship between empathy in City Bank and customer satisfaction

There is a meaningful relationship between tangible factors in City Bank and customer satisfaction

There is a meaningful relationship between priorities of service quality constituent elements in City Bank and customer satisfaction.

Suggestions

It can be said that one of the most important and effective factors in improving banking service quality that results in customer satisfaction increase is using electronic and internet banking services, ATM systems, and other banking services provision. In this research, this subject has been generally discussed in tangible factors question set. We suggest that effects of electronic automation on banking service quality be discussed in future researches.

It is obvious that total individuals in service enterprise, human resources, are one of the main factors of service marketing. Therefore, considering the close relationship between human resource quality and service quality, investigation of factors such as selection, recruitment, education, training, and motivation of human resources should be specifically noted. Since they are not investigated in this research, "Investigation of the relationship between human resource quality and banking service quality" is suggested as a research subject for students.

3. As we know, the more customers are satisfied with the enterprise, the more loyalty they show to the enterprise and its services. Therefore, "Investigation of the relationship between service quality and customer loyalty is suggested as a research subject.

Branch management of banks is another effective factor in upgrading service quality. So it is necessary to know the comments of managers about banking service quality. Therefore, the gap between customers' and managers' attitude towards service quality would be identified and necessary actions would be undertaken to remove this gap so that we can get closer to the quality expected by customers. It is suggested for a comparative research to be administered between customers' and bank managers' understanding of service quality to remove the gap.

Considering that the researcher has been discussed City Bank as one of the most important Iranian private banks in this paper, it is suggested for this research to be comparatively administered in a public bank as well. For this purpose, we suggest a comparative research to be administered to investigate service quality differences between private banks and public banks.

Since bank staff satisfaction has important effects on their work type and motivation in offering better services to the customers, the need for a comparative study for "investigation of bank staff satisfaction level from enterprises and its effects on customer satisfaction rate" to be administered.

Regarding the competition intensification and that enterprises are orienting to electronic and virtual yards, it is suggested to investigate service quality and customer satisfaction in electronic environments as well.

References:

Aflaki., Shahrukh Customer satisfaction is the key to organizational survival in a competitive business magazine Citizen

Arabs and David M. Izadi, Management, strategy and operations. Information Technology, James A., and M Nagy, Edward Simmons, published First, Tehran, Neil edition, p. 53, 2011

Bani Asadi, M., banking relationship, internal journal message Persians, No. 4, first, page 34 and 35 of the August of 2005

Parsayyan A., Philip Kotler, Principles of Marketing Management, published First, Tehran, cashmere publication year 2001

- Khosh Dahan, A., customer satisfaction, published author, Tehran, 2002
- Chalak., R., property services, banking, bank's internal publication, the first year ago No. 8, August 0.2005
- Shirazi Heidari, A., marketing, internal publication of Bank Mellat, year First, the No. 2, pp. 16, December 2004
- Tayyeban, M., macroeconomics, Ministry of Planning and Budget, Tehran, 1986
- Zamnjany Adineh, J., Effect of sales to customers, Shahid Beheshti University Press, 2000
- ZARABI, S., evaluate and assess the quality of services at the bank of the relationship With customer satisfaction, Tehran, Shahid Beheshti University, March 2004
- Abdolvand, MA, relationship marketing, Journal of Marketing, No. 7, 2001
- Fegghhi, N., plan marketing strategies for customer satisfaction, Journal of Number 37
- Mohammadi, K., Research for the packaging industry, standard publication, 1382 No. 135
- Najafi, A., Capital Gazette No. 351, 2006
- Nmtyan, HR, gaps in the quality of banking services, monthly management, organization Industrial Management, No. 142 fourteenth year, Persian date Esfand 2003
- Venus referee, M. Safaeian, practical methods of marketing banking services Iranian banks, Third Edition, published by students at Tehran, 2010
- Harlan, Smith, origins of money and banking, translated by N. dignity, Institute of Science Iranian banking, Fourth Edition, 2010

AGRITOURIST TRAVEL MOTIVATION AND BEHAVIOR: A CASE STUDY OF ASEAN+6 TOURISTS VISITING THAILAND

Ranee Esichaikul* and Rochaporn Chansawang**

**Ranee Esichaikul, Associate Professor, School of Management Science,
Sukhothai Thammathirat Open University, Nonthaburi, Thailand,
E-mail Address: ranee.esi@stou.ac.th; esichai@gmail.com*

***Rochaporn Chansawang, Assistant Professor, School of Management Science,
Sukhothai Thammathirat Open University, Nonthaburi, Thailand,
E-mail Address: rochaporn.cha@stou.ac.th; chansawangr@gmail.com*

ABSTRACT

The purposes of this research were (1) to examine agritourist travel motivation and behavior of ASEAN+6 tourists visiting Thailand; and (2) to propose development policies of agritourism of Thailand for ASEAN+6 tourists. Population were agritourists including Thai and ASEAN+6 tourists visiting Thailand. A self-administered questionnaire in three languages was collected from 433 agritourists from ASEAN+6 countries visiting Thailand. Statistical tools for descriptive and inferential analysis were employed including frequency, percentage, mean, standard deviation, and exploratory factor analysis. Research findings of travel behavior showed that the travel purpose of the majority of respondents were to visit agritourist attractions (72.75%). 32.33% of respondents had traveled for 4-5 days in Thailand and 49.88% had spent 1-3 days in agritourist attractions. 57.97% of the respondents arranged their own trips independently while 12.70% travelled with study tour. 34.87%, 21.02%, 13.86% and 12.02% traveled with friends, family, spouse, and travel alone respectively. Most of them (34.87%) preferred to stay in homestays, whereas 24% and 13.16% stayed in budget hotels and farm stays respectively. They traveled in private cars (39.03%), tour coaches (22.40%) and rental vans (21.25%). They preferred to visit flower/fruit demonstration farms and flower/fruit/herbal gardens the most. Their major reason to visit agritourism attractions was the beautiful nature and fruit/flower gardens. The results of the factor analysis showed that two dimensions of motivation among these agritourists included “agricultural experiences and skills” and “rest and relaxation”. Development policies of agritourism of Thailand for ASEAN+6 tourists include potential development of tourist services policy, and activity development for agritourist policy.

Keywords: Agritourist, Travel Motivation and Behavior, ASEAN+6 Tourists

INTRODUCTION

Tourism in Thailand has witnessed constant growth during last decade. In 2015, international tourism arrivals reached 29.9 million, representing a growth of 20.44%, and international tourism receipts reached US\$ 21.4 billion during January-June 2015 (Ministry of Tourism and Sports, 2016). Being part of ASEAN Economic Community as a single economic community in 2015, ASEAN international tourist arrivals including Thailand became 107 million, representing a growth of 7-8% (ASEAN Economic Community, 2016). This creates tremendous tourism opportunities and competitiveness for Thailand by encouraging alternative tourism for international tourists.

Agritourism has been developed in Thailand because of its beautiful nature, a variety of agricultural products and rich agricultural ways of life. Agritourism was promoted as a tool for the augmentation of farming and rural areas as it can contribute to diversification of economic activities, additional income for farmers and employment of people in the rural areas (Koutsouris et al, 2014). Besides, agritourism was claimed

to increase farm revenues and enhance the quality of farmers (McGehee & Kim, 2004; Fleischer & Tchetchik, 2005; Ollenburg & Buckley, 2007; Tew & Barbieri, 2012).

For agritourism to be successful, ongoing information about market behavior and demand is crucial. Despite the growing body of agritourism research, the literature remains limited regarding motivation and behavior of agritourists. The aim of this study is to examine agritourist travel motivation and behavior of ASEAN+6 tourists visiting Thailand; and (2) to propose development policies of agritourism of Thailand for ASEAN+6 tourists.

LITERATURE REVIEW

Agritourism is a form of sustainable tourism development and multi-activity offered by farmers and agritourism enterprises in rural areas. Labels such as agrotourism, farm-based tourism, and rural tourism are often used interchangeably with agritourism and each other (Sharpley, 2002; Sharpley & Vass, 2006; Marques, 2006; Yang et al, 2010) but some have been used explicitly to denote similar but distinct concepts (Fleischer & Tchetchik, 2005; Philip et al (2010). Comprehensive literature examination by Philip et al (2010) reveals several labels and definitions for agritourism based on a variety of characteristics. They proposed agritourism typology by identifying key characteristics of agritourism in to a working farm, contact with agricultural activity and authenticity of tourist agricultural experiences.

For the purpose of consistency, the term 'agritourism' will be used throughout this study to refer to the range of related labels, concepts, and products discussed in the literature as a whole. Agritourism is thus described in this study as a combination of agricultural tourism and products that encourages short or long-term visitors to farms or rural areas for the purpose of relaxation, enjoyment, education, and/or involvement in the activities of agricultural production and farming life.

RELATED WORK

Travel motivation relates to why people travel (Hsu and Huang 2008). Motivations for travel cover a broad range of human behavior and human experiences. There are several related studies that help understanding of travel motivations. Lundberg (1971) published one of the earliest studies on what motivates people to travel. Another earlier investigation of motivation for travel contributes to an understanding of tourism as a social and psychological phenomenon (Cohen, 1974). Crompton (1979) later identified nine motivations on the basis of in-depth interviews. Other researchers, such as Iso-Ahola (1982) investigated motivation in terms of seeking escape. Pearce and Lee (2005) concluded that a central travel motivation factors for most travelers include escape, relaxation, relationship enhancement, and self-development. However, there is generally a motivation for each travelling pattern since it guides activities of individual (Lee & Chen, 2005). For example, rural tourists in European countries tended to be attracted by a peaceful atmosphere and nostalgia for old ways of life as evidenced by studies of Kastenholz et al (1999) in Portugal and Frochot (2005) in Scotland. Korean rural tourists are more likely to be interested in the role of agriculture and its associated culture, such as the agricultural experience and rural life (Park & Yoon, 2009). In addition, agritourist motivations of Thai tourists were categorized into three groups namely 'agricultural experiences', 'quality of life, relationship, and adventure', and 'relaxations' (Srikatanyoo, 2007).

METHODOLOGY

Population were Thai and ASEAN+6 agritourists travelling in Thailand from Brunei Darussalam, Cambodia, Indonesia, Laos PDR, Malaysia, Myanmar, Philippines, Singapore, Vietnam, Australia, China, India, Japan, Korea and New Zealand. A self-administered questionnaire in three languages was used to collect data by simple random sampling method. The samples were 433 agritourists from ASEAN+6 countries travelled in Thailand. The questionnaire consisted of three parts: profiles of respondents, travel behavior and trip characteristics, and travel motivations. The questionnaires have been collected in major agritourist destinations in five regions in Thailand including Chiangmai and Chiengrai in the North Region, Rayong and Chantaburi in the East Region, Nakornsathasima in the Northeast Region, Kanchanaburi in the West Region and Krabi, Phangnga and Phuket in the South Region during December 2013 and March 2014. Statistical tools

for descriptive and inferential analysis were employed including frequency, percentage, mean, standard deviation, and exploratory factor analysis.

RESULTS

Profile of Responding Agritourists

The result showed that the demographic characteristics of more than half of the respondents (55.89%) were female. 29.79% of respondents were between 21-30 years old, 48.04% were married and 49.85% had a bachelor degree. Almost one-third (27.71%) of respondents worked as employees in the public sector while 24.25% were employees in the private sector. About one-fourth (24.25%) earned the monthly income of 9,000-18,000 baht. Most respondents were Thai (65.12%) while the rest (34.88%) were ASEAN+6 (Chinese, Myanmar, Indonesian, Vietnamese, Filipino, Australian, Laotian, Cambodian, Malaysian, Japanese, and Brunei respectively).

Agritourist Travel Behavior

Research findings of travel behavior showed that the travel purpose of the majority of respondents were to visit agritourist attractions (72.75%). One-third of the respondents (32.33%) had traveled for 4-5 days in Thailand and 49.88% had spent 1-3 days in agritourist attractions. More than half of the respondents (57.97%) arranged their own trips independently while 12.70% travelled with study tour. 34.87%, 21.02%, 13.86% and 12.02% traveled with friends, family, spouse, and travel alone respectively. More than one-third of them (34.87%) preferred to stay in homestays whereas 24% and 13.16% stayed in budget hotels and farm stays respectively. They traveled in private cars (39.03%), tour coaches (22.40%) and rental vans (21.25%). They preferred to visit flower/fruit demonstration farms and flower/fruit/herbal gardens the most, followed by picking up fruits, buying some organic products, and staying with farmers in homestays or farm stays. Their major reason to visit agritourism attractions was to experience the beautiful nature, fruit/flower gardens, local agricultural culture, agricultural products, as well as local cuisine. The major source of information motivating the respondents to travel to agritourism attractions was friends and family, followed by internet, media, travel books, travel agents and Thailand tourism offices respectively. For agritourism attractions, besides Thailand, most respondents would like to visit Vietnam, Singapore, Laos PDR, Malaysia, Indonesia, Myanmar, Cambodia, Philippines and Brunei respectively. 97.35 of the total respondents will revisit Thailand, of which 39.07 will revisit Thailand next year.

Agritourist Travel Motivation

From the findings of motivation factors, most respondents travelled to agritourism attractions “to rest and relaxation” the most, followed by “to discover new places and new things”, “to learn and experience new things” respectively, as mean and standard deviation is shown in Table 1.

Table 1. Agritourist Travel Motivation (N=433)

Agritourist Travel Motivation	Mean	S.D.
1. To rest and relaxation	4.23	0.79
2. To discover new places and things	4.20	0.82
3. To learn and experience new things	4.18	0.81
4. To get away from stress	4.10	0.79
5. To be together with family	3.95	1.01
6. To improve health and well-being	3.89	0.85
7. To be in an agricultural environment	3.76	0.88
8. To experience agricultural life	3.74	0.96
9. To escape from day-by-day activities	3.65	0.84
10. To improve agricultural skills	3.63	1.01

11. To meet people with similar interest	3.52	0.95
12. To exercise physically	3.51	0.92

This study employs factor analysis. Factor analysis is used to derive the underlying construct of motivation dimensions. Twelve motivation factors were used to analyze each factor for agritourists, using the maximum likelihood method with a varimax rotation procedure to derive some of the motivation factors. The eigenvalue of each factor was greater than one and only those items where the factor loading was greater than 0.4 have been used for each factor. Cronbach's alpha was applied to test the reliability of each factor so that only factors with alphas of greater than 0.6 could be employed. Factor 1 exhibited most of the variance (38.150) with a reliability coefficient of 0.733 in the data. This factor incorporated five items of motivation (experience agricultural life, meet people with similar interest, improve agricultural skills, be in an agricultural environment, and exercise physically). The relatively large proportion of the total variance for this factor leads us to conclude that among agritourists, experiences and agricultural skills represents a central motivational theme. This factor is best described as *agricultural experiences and skills*. Factor 2 focused on escape and relaxation components of motivation. This factor accounted for 16.07% of the variance with a reliability coefficient of 0.634 in the data. This factor incorporated three items of motivation (get away from stress, rest and relaxation, and escape from day-by-day activities). This factor rather reflects an intrinsic element is best identified as *rest and relaxation*. In conclusion, the results of the factor analysis showed that two dimensions of motivation among these agritourists included "agricultural experiences and skills" "rest and relaxation" Table 2 shows factor analysis of travel motivation items of agritourists.

Table 2. Factor Analysis of Travel Motivation Items of Agritourists

Factors	Factor loading	Eigenvalue	Variance Explained (%)	Reliability Alpha
Agricultural experiences and skills		4.578	38.150	0.733
Experience agricultural life	0.835			
Meet people with similar interest	0.822			
Improve agricultural skills	0.800			
Be in an agricultural environment	0.759			
Exercise physically	0.620			
Rest and relaxation		1.929	16.074	0.634
Get away from stress	0.814			
Rest and relaxation	0.807			
Escape from day-by-day activities	0.633			

DISCUSSION AND RECOMMENDATIONS

From the findings of travel behavior, it is clear that half of the respondents (49.88%) had spent 1-3 days in agritourist attractions but one-third (32.33%) of respondents had traveled for 4-5 days in Thailand. This result shows that it is rather difficult to promote agritourism by itself. Agritourism thus should be promoted increasingly as a counterpart to leisure, or package-type of tourism in destination areas. Tour operators should attempt to combine sun-sea-sand tourist destinations with agritourism activities in order to achieve a more balanced sustainable approach to tourism development.

The result showed that travel motivations of the responding ASEAN agritourists were *agricultural experiences and skills* and *rest and relaxation*. This is similar to findings of Park & Yoon (2009) that Korean rural tourists are more likely to be interested in agricultural experiences and rural life, and those of Srikatanyoo

(2007) that agritourist motivations of Thai tourists were 'agricultural experiences, 'quality of life, relationship, and adventure', and 'relaxations'.

The results of this research indicated that it is necessary to propose certain development policies and measures of agritourism of Thailand for ASEAN+6 tourists for public and private sectors in Thailand. Development policies should consist of potential development of tourist services policy, and activity development for agritourist policy. Measures for development of tourist services policy focus on development of farmers and their services staff, development of food and beverage, development of accommodation, and development of local transport for accessibility. The policy of activity development for agritourists covers various measures such as development of DIY (Do-it-yourself) activities for agritourists, development of agricultural learning and education programs for tourists, and continued development of agritourists activities for all year round.

ACKNOWLEDGEMENT

The authors gratefully acknowledge financial support from the Thailand Research Fund (TRF) for this research project.

REFERENCES

- [1] ASEAN Economic Community. (2016), *ASEAN Statistics*, URL: <http://www.thai-aec.com>.
- [2] Cohen, E. (1974), "Who is a tourist? A conceptual clarification", *Sociological Review*, Vol. 6, Pp. 408-424.
- [3] Crompton, J.L. (1979), "Motivation for pleasure vacation", *Annals of Tourism Research*, Vol. 6, Pp. 408-424.
- [4] Fleischer, A. & Tchetchik, A. (2005), "Does rural tourism benefit from agriculture?" *Tourism Management*, 26, 493-501.
- [5] Frochot, I. (2005), "A Benefit segmentation of tourists in rural areas: a Scottish perspective", *Tourism Management*, Vol. 26, Pp. 335-346.
- [6] Hsu, C.H.C. & Huang, S. (2008), "Travel motivation: a critical review of the concept's development." In A.G. Woodside and D. Martin (eds), *Tourism Management: Analysis, Behavior, and Strategy*, Cambridge: CAB International.
- [7] Iso-Ahola, S. E. (1982), "Towards a social psychology theory of tourism motivation", *Annals of Tourism Research*, Vol. 9, Pp. 256-262.
- [8] Kastenholz, E., Davis, D., & Paul, G. (1999), "Segmenting tourism in rural areas: the case of North and Central Portugal", *Journal of Travel Research*, Vol. 37, Pp. 353-390.
- [9] Koutsouris et al (2014), "The phantom of (agri) tourism and agriculture symbiosis? A Greek case study. *Tourism Management Perspectives*, 12, 94-103.
- [10] Lee, Y. & Chen, T. (2005), "Travelling motivation and satisfaction of tourists: an empirical study of Taroka National Park in Taiwan", *The Business Review*, Cambridge, Vol. 4, No. 2, Pp. 175-182.
- [11] Marques, H. (2006), "Searching for complementarities between agriculture and tourism – the demarcated wine-producing regions of northern Portugal", *Tourism Economics*, Vol. 12, Pp. 147-155.

- [12] Lundberg, D.E. (1971), "Why tourists travel", *Cornell HRA Quarterly*, February, Pp. 75-81.
- [13] McGehee, N., & Kim, K. (2004). Motivation for agri-tourism entrepreneurship. *Journal of Travel Research*, Vol. 43, No. 2, Pp. 161-170.
- [14] Ministry of Tourism and Sports. (2016), *Thailand Tourism Statistics*, URL: <http://www.tourism.go.th>
- [15] Ollenburg, C., & Buckley, R. (2007), "Stated economic and social motivation of farm tourism operators", *Journal of Travel Research*, Vol. 45, Pp. 444-452.
- [16] Philip, S., Hunter, C., & Blackstock, K. (2010), "A typology for defining agritourism", *Tourism Management*, Vol. 31, Pp. 754-758.
- [17] Tew, C., & Barbieri, C. (2012), "The perceived benefits of agritourism: the provider's perspective", *Tourism Management*, Vol. 33, Pp. 215-224.
- [18] Sharpley, R. (2002), "Rural tourism and the challenge of tourism diversification: the case of Cyprus", *Tourism Management*, Vol. 23, Pp. 233-244.
- [19] Sharpley, R. & Vass, A. (2006), "Tourism, farming and diversification: an attitudinal study", *Tourism Management*, Vol. 27, Pp. 1040-1052.
- [20] Srikatanyoo, N. (2007), "Agritourist needs and motivations", *Research Report*, Dhurakit Pundit University, Bangkok.
- [21] Yang, Z., Cai, J. & Sliuzas, R. (2010), "Agro-tourism enterprises as a form of multi-functional urban agriculture for peri-urban development in China", *Habitat International*, Vol. 34, Pp. 374-385.

IMPLEMENTATION OF CROSS-TRAINING DURING PERILOUS STATES IN HOTELS

Islam El Bayoumi Salem*, Mohamed Kamal Abdien**

** Islam El Bayoumi Salem, Hotel Management Department,
Faculty of Tourism and Hotels, Alexandria University, Alexandria, Egypt
E-Mail 1: Islam.Salem@alexu.edu.eg
E-mail 2: islam_salim1@yahoo.com*

*** Mohamed Kamal Abdien, Hotel Management Department,
Faculty of Tourism and Hotels, Alexandria University, Alexandria, Egypt
E-Mail: mohamed_kamal260@yahoo.com*

ABSTRACT

The main purpose of this study is to; (1) scrutinize the extent of implanting cross-training in 5-star chain hotel departments, (2) identify the relevant factors that should be considered to maximize the cross training benefits, and (3) investigate its effect on the organizational performance of the hotel operations. The target population of this study involves all five-star chain hotels in Egypt. The authors prepared a list of 113 five-star chain hotels in Egypt. A survey constructed and distributed to a sample from employees in five-star hotels in Egypt. The study revealed important findings such as an effective training technique which results in motivation is cross-training, when employed horizontally, upward and downward. Hotel department heads and employees can cross-train in different departments or within the department itself.

Keywords— Cross-training, Egypt, Organizational performance

INTRODUCTION

Employee cross-training is very important in labor-intensive service organizations as service delivery must match with timing, which is always variable. (Price, 2014). Although, cross training may be away to coordinate service capacity with customer demand, implementing an employee cross training program requires careful consideration of several factors, such as cost, objectives, expectations, level of cross training (inter departmental or within specific areas), how much of the personnel to train, how to reconfigure changes in workflow, and managing employee reaction, among others. Accordingly, without carefully studying every aspect involved, the results of employee cross training may not only be far from optimal, but they may also have the opposite effect of what the program intends to achieve (Slomp and Molleman 2002, Abrams and Berge, 2010). Cross-trained employees must first be scheduled for duty (Easton and Brethen, 2014). Thus, the main purpose of this study is to investigate the effect of cross-training on the organizational performance of the hotel operations and identify the relevant factors that should be considered to maximize its benefits.

LITRATURE AND THEORY

Cross Training

Cross-training is a workforce development strategy in which each member of a team receives training on the tasks, duties and functions of other members of the team (Volpe, et al., 1996, Abrams and Berge, 2010). It was also defined as an instructional method to promote interpositional knowledge by providing team members with instruction and/or experience with the tasks, duties, and responsibilities of fellow teammates (Salas, Nichols, & Driskell, 2007). Ahmad and Schroeder (2003) and Huang and others (2010) refer to Cross-training as Employee multifunctionality which refers to the extent to which firms provide cross-training to employees so that they can perform multiple tasks or jobs. The rationale for cross-training is to enable any member of the team to assume the functions of other team members to help or to replace a team member who is not able to perform the expected functions (Starr, 2009). In addition, this approach seeks to broaden employees' skills in order to help organizations remain in business in the event of sudden internal and external changes (Abrams and Berge, 2010). Cross-training is also used to mitigate the effects of unplanned

employee absences (Slomp & Molleman, 2002; Bokhorst, Slomp & Molleman, 2004; Inman, Jordan & Blumenfeld, 2004; and Slomp & Suresh, 2005). Accordingly, Cross training is thus generally perceived to be a very cost-effective way to enable hotels to deal with the cyclical discrepancies in the demand for seasonal employees (Baum, 2006). Moreover, cross-training is considered as a motivational and problem-solving technique as it is against human nature to remain static, performing the same duties day in, day out, without expectations of change in routine or opportunities for advancement (Ojambati et al, 2012). Not only the employees, management and the organization will benefit from employee cross training, but customers and guests will also benefit (Nicolaidis, 2013).

Cannon-Bowers et al. (1998) have defined three types of cross-training: positional clarification, positional modeling, and positional (job) rotation. Positional clarification involves verbally presenting team members with information about their teammate's job. Team members receive information either through lecture or a manual, on the roles and responsibilities of their fellow members. Positional modeling involves training that discusses, models, and allows team members to practice on teammates' roles. This method encourages team members to learn by observing proper team performance as opposed to "hands-on" experience. Their behaviors are expected to emulate what they have watched expert teams doing while successfully performing a task. Positional (job) rotation allows team members to obtain hands on experience in their teammates' tasks through active participation in each role. This method involves hands-on training of each team member for a period of time on every other team members' role. Furthermore, Brusco and Johns (1998) and Slomp and Molleman (2000) suggested that each worker should not necessarily be fully cross-trained in all operations to achieve substantial benefits from cross training.

As for Egypt case nowadays, it's faced bombings and political turmoil over the past decade has left Egypt's tourism industry in confusion. About 15million guests a year were heading to the country up until the 2011 Arab Spring, but that had dropped to just 9million in 2014 (Duell, 2015). In a report conducted by World Travel and Tourism Council (2015), tourism and hospitality industry generated 1,322,500 jobs directly in 2014 which this number reduced compared to 2010 (1, 633,000). From this point, it is crucial to study cross-training during perilous states in hotels.

Cross Training and Job Performance

Davis et al. (2009) indicate that under high workload imbalances, an extensive level of cross training is required to improve the overall job performance. Continuous performance is the objective of any organization because only through performance, organizations are able to grow and progress (Gavrea et al, 2011). Ahmad and Schroeder (2003) found that cross-training have an indirect effect on job performance through its effect on organizational commitment and citizenship behaviors. In this, employee can adopt "Altruism" which is the discretionary behavior of helping a co-worker complete a job-related task (Organ, 1997; Werner, 2007). These behaviors are aimed at voluntarily helping coworkers with work related problem like finding information that is work related, assisting coworkers in completing their work and putting a new employee through with using new equipment (Chiboiwa et al., 2011). Employee also can adopt "Conscientiousness" that is another discretionary behavior by an employee that goes above and beyond the minimal requirement of the organization (Tayyab, 2005). Conscientiousness includes behaviors such as arriving at work on time, working late on a big project, using time wisely and efficiently while at work, and not wasting company resources as well as making constructive suggestions and completing tasks that will positively add to organizational effectiveness and help the organization in achieving its goals (Organ, 1988; Tayyab, 2005). Accordingly, the first hypothesis in this study is formulated as following:

H1: The adoption of cross training is positively associated with job performance.

Cross Training and Retention

Today, retention of skilled employees has been of serious concern to managers in the face of ever increasing high rate of employee turnover (Samuel and Chipunza, 2009). Employees' retention is more important than hiring, because a huge amount is spending on the orientation and training of the new indicated employees (Irshad, 2011). Employee retention is the leading problem to many organizations (Arunkumar and. Parimala, 2012). In addition, Abbasi and Hollman (2000) indicated that when an organization loses a critical employee,

there is negative impact on innovation, consistency in providing service to guests may be jeopardized, and major delays in the delivery of services to customers may occur. Thus, managers must do their efforts to adopt implement strategies to retain employees, they must rely on non-financial benefits that can help to improve the conditions of the employees (Lubna, Qazi, Syed and Faisal, 2014). Chen and Tseng (2012) found also that cross training positively influence employee retention. Moreover, employee cross training was seen as an effective motivational technique to increases employee retention. Cross training gives a chance to employee to learn more, it can prevent their feeling of stagnation, and it gives opportunities for professional development and improving understanding of different the organization as a whole (Arunkumar and. Parimala, 2012). Accordingly, the second hypothesis in this study is formulated as following:

H2: The adoption of cross training is positively associated with the employee retention.

Cross Training and Service Quality

Services quality is a winning strategy which is considered principal when it comes to define organizational success (Gunarathne, 2014). Kelliher and Riley (2002) have stressed that multi-skilled workers can improve the quality of service by reducing departmental boundaries, as there is teamwork and interdepartmental cooperation. This is because employees' job experiences are developed through the use of cross-functional training that increases employees' capacity to perform their essential tasks, duties and responsibilities. More importantly, this enables them to identify problems and adapt to dynamic situations where decision making can be made based in the best interests of the hotel (Tracy, Way, & Tews, 2008). It is believed that these experiences can enhance employees' knowledge, skills and abilities (KSAs), and thus performance of hotels as a whole (Crick & Spencer, 2011; Tracy et al., 2008). Moreover, Chen and Tseng (2012) found that multiskilled line supervisors produce higher levels of service quality than non multiskilled line supervisors. Moreover, Cross training, if implemented effectively, it will empower employees and motivate them to offer superior quality service (Nicolaidis, 2013). Accordingly, the third hypothesis in this study is formulated as following:

H3: The adoption of cross training is positively associated with the service quality.

METHODS

Sample frame

The population frame for this study is the list of all five-star chain-managed hotels in Egypt based on complete census method. Chain-managed hotels were selected in this study since they have the privilege of their chain's accumulated worldwide experience, standard operating procedures, continuous training, periodical surveying of employees' opinions, and scheduled programs for employees' satisfaction. Specifically, first line employees in the departments of front office, housekeeping, restaurants, and kitchens are selected in this study. These departments are operational, guest-contact, and the most effective departments in any hotel. Moreover, they are characterized with high intensive labor. Data were obtained via self-administrated questionnaires. The language of the questionnaire was Arabic and then translated into English. After contacting these hotels, 700 survey was distributed in May March 2016. In May 2016, 462 responses were recovered. After review, 35 incomplete responses were excluded. Therefore, 427 valid questionnaires were included in the data analysis, for a response rate of valid questionnaires of 61%.

Measures

A multiple-item method was used to construct the questionnaires (Table 1). All of the items were rated on a five-point Likert scale ranging from strongly dis-agree (1) to strongly agree (5). **Cross training** was operationalized based on many studies such as Cannon-Bowers et al. (1998) who defined three types of cross-training: positional clarification, positional modeling, and positional (job) rotation, **Job performance** was divided into three dimensions; task performance, altruism and consciousness and were measured by the scale of Podsakoff and others (1989), **Employee retention** was measured by adopting the scale of Connolly and Connolly (2005) and **service quality** was measured by adopting the scale of Hill and Alexander (2006).

Table 1. Measures of the study.

Constructs	Authors	Examples of measurement items
		I have a clear knowledge about the overall department's structure I have the chance to observe directly the duties of each employee. I know each worker's specific tasks and how those tasks interact through direct, hand-on practice.
Cross Training	Cannon-Bowers et al. (1998)	
	Podsakoff and others (1989)	I help other employees with their work when they have been absent. I exhibit punctuality arriving at work on time in the morning and after lunch breaks. I demonstrate expertise in all job-related tasks
Job Performance		
		I see myself working for this hotel three years from now. I am proud to be part of this hotel. I am committed to staying with this hotel.
Retention	Connolly and Connolly (2005)	
		I perform the service right the first time. When a customer has a problem, I always show a sincere interest in solving it',
Service Quality	Hill and Alexander (2006)	

RESULTS

IBM SPSS 23 was used for data analysis. In order to determine the relationship among study variables, the correlation coefficient was interpreted in terms of its statistical significance to p-values (probabilities of relationships). A partial least square analysis was used to test the hypotheses. The mean, standard deviation, ANOVA, and T-test also statistical tools used in this study.

Reliability and validity analysis

Cronbach's alpha was calculated to examine the reliability. For the entire questionnaire, the alpha value was 0.84. According to Sekaran (2003) and Spector (1992), an appropriate level of internal consistency reliability is greater than 0.7. Cronbach's alpha values for the individual constructs (see Table 2) were higher than 0.7. To achieve validity, a number of procedures have been followed. Such procedures, as suggested by Remenyi et al. (1998), include (a) reviewing a large body of literature to carefully identify concepts, ideas, relationships, and issues under study; (b) developing the questionnaire from existing related studies; and (c) pre-testing the questionnaire formally with executive and academic experts to evaluate whether individual items appear to be appropriate measures of their respective constructs. All suggestions and comments regarding structure, wording, and questions were considered in the final draft of the questionnaire.

Table 2. Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Total Correlation	Item-Squared Correlation	Multiple Cronbach's Alpha if Item Deleted
Retention	12.1076	4.897	.559	.343	.856
Service Quality	11.8190	5.127	.780	.793	.719
Cross Training	12.0522	6.425	.565	.423	.818
Job Performance	11.7170	5.740	.807	.814	.728

Descriptive results

Demographic data indicates that most respondents were males (86.7%). The age of majority of the respondents are between 22 and 27 years (37.2%) and those between 32 and 37 years (32.1%). The majority of respondents had graduated from college (56.4%) and the rest (43.6%) had secondary school. Many areas of the hotel were represented in this study as 37.7% of respondents work in front office, 28.3 % work in kitchen, 24.4 % work in restaurant and 9.6 % work in housekeeping.

The main objective of this study was to investigate if employees are cross trained in hotels. Thus, the first question was "Did you conduct a cross training before in other departments?" and the results showed that only 26 % of the participants answered "yes" which mean that they were cross trained while 74 % of them answered "No" which means were not cross trained. Results also showed that the employees who were Cross trained varies according to the area they had training in. as 2.8% of them had training in front office, 8.7 % had training in housekeeping, 2.3 % in restaurant, 3.5 % in kitchen, and 8.7 % trained in other areas. Table 3 presents means, standard deviations, and minimum a maximum values of the study variables.

The results in table 4 also showed that the variables of the study varied according to the demographic data for example, males were seen to do more cross training, service quality and job performance than females. In relation to retention, females were seen to show more retention than males.

Table 3. Descriptive Statistics of the study variables

	N	Minimum	Maximum	Mean	Std. Deviation
Positional Modeling	427	1.50	5.00	3.7892	.88284
Positional Rotation	427	1.25	5.00	3.8162	.94796
Altruism	427	1.20	5.00	4.1649	.79221
Conscientiousness	427	1.00	5.00	4.0998	.80764
Task Performance	427	1.00	5.00	4.2801	.89979
Retention	427	1.00	5.00	3.7910	1.20302
Service Quality	427	1.00	5.00	4.0796	.93780
Cross Training	427	2.00	5.00	3.8464	.79195
Job Performance	427	1.27	5.00	4.1816	.77189
	427	1.75	5.00	3.9338	.85022
Valid N	427				

Table 4. Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Mean
Cross Training	male	370	3.8840	.82174	.04272
	female	57	3.6023	.50174	.06646
Retention	male	370	3.7520	1.27016	.06603
	female	57	4.0439	.55122	.07301
Service Quality)	male	370	4.1135	.96849	.05035
	female	57	3.8596	.67291	.08913
Job Performance	male	370	4.2130	.81487	.04236
	female	57	3.9778	.32910	.04359

Testing Hypothesis results

In order to test the study hypotheses, several statistical tools were utilized. The correlation coefficient was interpreted in terms of its statistical significance to p-values (probabilities of relationships). When the p-value is (< 0.01), a significance correlation exists; if the p-value gets close to 0, the significance becomes stronger, but when the p-value is (> 0.01) this means that no significance exists (Gall et al., 2003). Each hypothesis may be supported or not supported according to the overall significance of the variable in general. Table 5. Correlations

		Altruism.	Conscientiousness	Task Performance	Job performance	Retention	Service quality
Positional clarification	Pearson Correlation	.608**	.590**	.587**	.642**	.501**	.570**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	427	427	427	427	427	427
Positional Modeling	Pearson Correlation	.584**	.378**	.445**	.504**	.319**	.409**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
	N	427	427	427	427	427	427
Positional Rotation	Pearson Correlation	.683**	.392**	.443**	.542**	.226**	.379**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000
Cross Training	Pearson Correlation	.707**	.508**	.552**	.633**	.388**	.507**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000

The statistical test revealed a significant and positive correlation between cross training and **job performance** in five-star hotels. It recorded positive correlation (.633) with high significant ($P < 0.01$). Therefore, hypothesis H1 is supported in this study. Moreover, It was noted that Positional clarification correlate more than Positional Modeling and Positional Rotation with job performance. In relation to **Retention**, the statistical test revealed a significant and positive correlation between cross training and retention in five-star hotels. It recorded positive correlation (.388) with high significant ($P < 0.01$). Therefore, hypothesis H2 is supported in this study. Moreover, it was noted that Positional clarification correlate more than Positional Modeling and Positional Rotation with retention. Moreover, as for **Service quality**, the statistical test revealed a significant and positive correlation between cross training and service quality in five-star hotels. It recorded positive correlation (.507) with high significant ($P < 0.01$). Therefore, hypothesis H3 is supported in this study. Moreover, it was noted that Positional clarification correlate more than Positional Modeling and Positional Rotation with service quality.

Discussion

Based on the literatures, this study concluded the importance of considering many factors before pushing cross training such as the training cost, the expected benefits, level of cross training (inter departmental or within specific areas), how much of the personnel to train, how to reconfigure changes in workflow, and managing employee reaction. Without carefully studying every aspect involved, the results of employee cross training may not only be far from optimal, but they may also have the opposite effect of what the program intends to achieve (Slomp and Molleman 2000, Abrams and Berge, 2010). In addition, this study emphasized three types of cross-training that should be well considered in hotels namely; positional clarification, positional modeling, and positional (job) rotation (Cannon-Bowers et al. 1998, Cooke et al., 2003). Positional clarification involves verbally presenting team members with information about their teammate's job. In this, employees have a clear knowledge about the overall department's structure, they have a clear knowledge about the general responsibilities of each worker's respective role and management care about providing discussion, lecture, and demonstration about the other members' roles. Positional modeling involves training that discusses, models, and allows team members to practice on teammates' roles. In this employees have the chance to observe directly the duties of each employee, they are provided with detailed information involving the general dynamics of the department, knowledge about each worker's duties, they are trained on how to perform the others members' duties. Positional (job) rotation allows team members to obtain hands on experience in their teammates' tasks through active participation in each role. This method involves

hands-on training of each team member for a period of time on every other team members' role. In this, employees know each coworkers' specific tasks and how those tasks interact through direct, hand-on practice, they are trained in those tasks that demand cooperation and high interdependencies among departments, and the hotel does allow employees to apply for a career change between departments.

This study indicated that the policy of implementing cross training is not totally adopted for all employees as only 26 % of participants were cross trained. Thus, the study has emphasized the importance of well considering the cross training in Egyptian hotels as adopting a policy that motivates and adopts cross trained employees may be beneficial during Perilous states in Hotels. In contrast, Brusco and Johns (1998) and Suresh and Gaalman (2000) and Slomp and Molleman (2000) suggested that each worker should not necessarily be fully cross-trained in all operations to achieve substantial benefits from cross training as it is crucial to implement cross-training in the most efficient way and especially, due to the training time required, in a way that is strong to system changes (Jordan and others, 2004).

Moreover, the study findings have also identified some practical implications to the hotel industry in Egypt, namely that cross training can deliver a high level of job performance. It was found that cross trained employees have more altruism practices such as they can help other employees with their work when they have been absent, they can volunteer to do things not formally required by the job, and they can help others when their work load increases. Cross trained employees were seen to have Conscientiousness practices such as they exhibit attendance at work beyond the norm, for example, takes fewer days off than most individuals or fewer than allowed, they do not take unnecessary time off work, they do not take extra breaks. Cross trained employees were seen to have Task Performance practices such as they demonstrate expertise in all job-related tasks, they could manage more responsibility than typically assigned and they perform well in the overall job by carrying out tasks as expected.

Also, cross training can be related to staff retention (Arunkumar and. Parimala, 2012, Chen and Tseng, 2012). In this employees are proud to be part of their hotel, they are committed to staying with this hotel and they believe they will stay in the hotel because of interesting tasks. Furthermore, cross training was seen to help to increase customers' service quality (Chen and Tseng, 2012). Cross trained employees can improve the quality of service by reducing departmental boundaries, and increases employees' capacity to perform their essential tasks, duties and responsibilities which enables them to identify problems and adapt to dynamic situations where decision making can be made based in the best interests of the hotel (Crick & Spencer, 2011; Tracy et al., 2008, Kelliher, Riley and Jones, 2000). In this, employees can perform the service right the first time, when a customer has a problem, they always show a sincere interest in solving it, they have knowledge to answer most customers' questions, and they are effective in producing high-quality work.

Limitations and Implications

Because of the chosen research approach, the research results may lack generalisability. Therefore, researchers are encouraged to compare the results with different hotel category (independent vs. chain hotels). The study includes implications for the development of hotel management as cross-training can be applied optimally as a problem solving technique during low season, crises times, employees' reduction, and others. In Egypt's case, cross-training can be implied in different hotel departments to mitigate risk which may involve developing team's capacity so hotels have the flexibility to respond to fluctuating workflows. It can also embrace training for diverse skill sets in the event that a key employee leaves or crisis and seasonality. Otherwise, cross-training can be extremely beneficial to hotel as a whole. It is crucial to think of cross-training as insurance against the inevitable. Although cross-training may effect in some short-term loss in output, it's a minor price to pay for long-term risk mitigation and improved productivity.

References

- Abbasi, S., & Hollman, K. (2000). Turnover: The Real Bottom-line. *Public Personnel Management*, 29(3), 333-342.
- Abrams, C. and Berge, Z. (2010). Professional practice workforce cross training: a re-emerging trend in tough times. *Journal of Workplace Learning*, 22 (8), 522-529.
- Ahmad, S., and Schroeder, R. G. (2003). The impact of human resource management practices on operational

- performance. *Journal of Operational Management*, 21(1), 19-43.
- Arun Kumar, A. and Parimala, A. (2012). Effectiveness of employee cross training on retention life. *Science Journal*, 9(4), 649-652.
- Baum, T. (2006). *Human resource management for tourism, hospitality and leisure*. Sydney: Thomson.
- Bokhurst, J., Slomp, J. and Molleman, E. (2004). Development and evaluation of cross-training policies for manufacturing teams. *IIE Transactions*, 36(10): 969-984.
- Brusco, M. J., and Johns, T. R. (1998). Staffing a multi-skilled workforce with varying levels of productivity: An analysis of cross-training policies. *Decision Sciences*, 29(2), 499-515.
- Cannon-Bowers, J. A., Salas, E., Blickensderfer, E. & Bowers, C.A. (1998). The Impact of cross-training and workload on team functioning: A Replication and Extension of Initial Findings. *Human Factors*, 40 (1), 92-101.
- Chen, L. and Tseng, C. (2012). Benefits of Cross-Functional Training: Three departments of hotel line supervisors in Taiwan. *Journal of Hospitality and Tourism Management*, 19(11), 1-8.
- Chen, L. and Wallace, M. (2011). Multiskilling of frontline managers in the five star hotel industry in Taiwan. *Research and Practice in Human Resource Management*, 19(1), 25-37.
- Chiboiwa, M. Chipunza, C. and Samuel, M. (2011). Evaluation of job satisfaction and organizational citizenship behavior: case study of selected organizations in Zimbabwe. *African Journal of Business Management*, 5(7), 2910-2918.
- Connolly, P.M., & Connolly, K.G. (2005). *Employee Opinion Questionnaire*. San Francisco, CA: John Wiley & Sons.
- Crick, A.P., & Spencer, A. (2011). Hospitality quality: New directions and new challenges. *International Journal of Contemporary Hospitality Management*, 23(4), 463-478.
- Davis, D.D., Kher, H.V, Wagner. B.J. (2009). Influence of workload imbalances on the need for worker exibility. *Computers and Industrial Engineering*, 57(1), 319-329.
- Duell, M. (2015). turmoil and a plane crash have left Egypt's tourist hotspots deserted with abandoned hotels and empty beaches a reminder of what they have lost. <http://www.dailymail.co.uk/news/article-3338674/How-bombings-political-turmoil-plane-crash-left-Egypt-s-tourism-industry-crisis-millions-stop-visiting-country-s-resorts.html#ixzz4C7j2RDgm>
- Easton, F. F. and Brethen, R. H. (2014): service completion estimates for cross-trained workforce schedules under uncertain attendance and demand, *Production and Operations Management* 23(4), 660-675.
- Gavrea, C. Ilieş, L. and Stegorean, R. (2011). Determents of organizational performance: the case of Romania. *Management & Marketing*, 6(2), 285-300.
- Gunarathne, U. (2014). Relationship between service quality and customer satisfaction in Sri Lankan hotel industry. *International Journal of Scientific and Research Publications*, Volume 4, Issue 11, November 2014 | ISSN 2250-3153
- Huang, X., Kristal, M. M. and Schroeder, R. G. (2010). The impact of organizational structure on mass customization capability: A contingency view. *Production and Operations Management* 19(5), 515-530.
- Karuppan, C. M. (2006). Labor Flexibility: Too Much of a Good Thing? *Industrial Management*, 48(5), 13-18.
- Kelliher, C., and Riley, M. (2002). Making functional flexibility stick: An assessment of the outcomes for stakeholders. *International Journal of Contemporary Hospitality Management*, 14(5), 237-242.
- Inman, R. R., Jordan, W. C. and Blumenfeld, D. E. (2004). Chained cross-training of assembly line workers. *International Journal of Production Research*, 42(10), 1899 - 1910.

- Irshad M. (2011). Factors affecting employee retention: evidence from literature review, *Abasyn Journal of Social Sciences*, 4(1), 84-102.
- Hill, N., & Alexander, J. (2006). *Handbook of customer satisfaction and loyalty measurement* (3rd Ed.). Aldershot, England: Gower.
- Lubna, A. Qazi, B. , Syed, S. and Faisal, J. (2014). Employees' Retention Problem in Pakistani Business Environment: with special reference to Construction Field. *International Research Journal of Environment Sciences*, 3(11), 71-77.
- Nicolaidis, A. (2013). The use of multiskilling in the southern African hospitality environment. *Asian Journal of Business and Management Sciences*, 3(4), 64-83.
- Ojambati, T. S, Akinbile B. F, and Abiola-Falemu, J. O. (2012). Personnel training and development: A vital tool for construction workers performance. *Journal of Emerging Trends in Engineering and Applied Sciences*, 3(6): 996-1004.
- Organ, D. (1988). *Organizational Citizenship Behavior—the Good Soldier Syndrome*. (1st ed.). Lexington: Lexington Books.
- Organ, D. (1997), Organizational citizenship behavior: its construct cleanup time. *Human Performance*, 10(2), 85-97.
- Remenyi D, Williams B, Money A, et al. (1998) *Doing Research in Business and Management*. London: SAGE.
- Salas, E., Nichols, D. R., and Driskell, J. E. (2007). Testing three team training strategies in intact teams: A meta-analysis. *Small Group Research*, 38, 471-488.
- Samuel, M. and Chipunza, C. (2009). Employee retention and turnover: Using motivational variables as a panacea. *African Journal of Business Management*, 3 (8), 410-415,
- Sekaran, U. (2003). *Research Methods for Managers: A Skill-Building Approach*, 5th ed. New York: John Wiley & Sons Inc.
- Slomp, J. and Molleman, E. (2002). Cross-training policies and team performance. *International Journal of Production Research*, 40(5), 1193-1219.
- Slomp, J. and Suresh, N. C. (2005). The shift team formation problem in multi-shift manufacturing operations. *European Journal of Operational Research*, 165(3), 708-728.
- Spector PE (1992). Summated Rating Scale Construction: An Introduction. Sage University Paper Series on Quantitative Applications in the Social Sciences, 07-082. SAGE: Newbury Park.
- Starr, p. (2009). *Stress and Burnout Among Cross-Trained Public Safety Personnel*. The Degree Doctor of Philosophy. Indiana University of Pennsylvania .
- Tayyab, S. (2005). Organizational citizenship behavior: validating factorial structure and invariance among employees. *Journal of the Indian Academy of Applied Psychology*, 31(1-2), 49-64.
- Tracy, J. B., Way, S. A., and Tews, M. (2008). HR in the hospitality industry: Strategic frameworks and priorities. In D. V. Tesone (Ed.), *Handbook of hospitality human resources management* (3-22). Oxford: Butterworth-Heinemann.
- Volpe, C. E., Cannon-Bowers, J. A., Salas, E. and Spector, P. E. (1996). The impact of cross-training on team functioning: An empirical investigation. *Human Factors*. 38 (1), 87 -100.
- Werner, A. (2007). *Organizational Behavior: a Contemporary South African Perspective*. Pretoria: Van Schaik Publishers.
- World Travel and Tourism Council (2015). *Travel and Tourism economic impact, Egypt*. <http://www.wttc.org/-/media/files/reports/economic%20impact%20research/countries%202015/egypt2015.pdf>