St MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

SERVICE QUALITY AND TOURISTS SATISFACTION

THE CASE OF SEVEN TRAVEL AGENTS IN ADDIS ABABA

BY

BETELHEM GADISSA

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APPROVED BY BOARD OF EXAMINERS

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of **Asst. Prof Zemenu Aynadis**. All sources of material used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institutions for the purpose of earning any degree.

BETELHEM GADISSA   _____

    Name   Signature

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ACKNOWLEDGEMENT

ACCRONYMS AND ABBREVIATIONS

MOCT: Ministry of culture and tourism

SERVQUAL: Service Quality

SPSS: Statistical Package for Social Scientists

UNWTO: United Nations World Tourism Organization

WEF: World Economic forum

PRS:Poverty Reduction Strategies

GDP:Gross Domestic Product

NCT: national tour council

CTTI: Catering and tourism trainng institute

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ABSTRACT

This paper evaluates service quality and tourists satisfaction in Ethiopian tourism, specifically about seven travel agents found in Addis Ababa. The importance of this topic resides in the fact that tourists" positive experiences of service, products, and other resources provided by travel agents can produce customer retention as well as positive word-of-mouth, re-visitation, and economic contribution at national level. Indeed, satisfaction with travel experiences contributes to destination loyalty. The degree of tourists" loyalty is reflected in their intentions to revisit the destination and in their recommendations to others this all outcome determine mainly by the travel agents quality service offerings and the overall country"s attraction appeal altogether. Thus, tourist satisfaction in the service is important to tourism stakeholders in order to achieve a competitive advantage. These studies assess service quality and tourist satisfaction by applying SERVQUAL model: comprising five dimensions tangibility, reliability, responsiveness, assurance and empathy. The sample consists of 116 respondents selected based on convenience sampling, use quantitative research design and both primary and secondary data. The collected data was analysed with the help of SPSS version 20. The gap score between perception and expectation of tourists showed that there is a negative gap score in all service quality dimensions meaning those tourists expectations exceeds their perception. Correlation analyses were used to investigate the relationship between dependent and independent variables. The findings suggested that the studied travel agents need to improve all the dimensions of service quality

Keywords: *Tourist Satisfaction, Travel agents, service quality, SERVQUAL.*

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Tourism is one of the largest and rapidly growing industry. Demand for international tourism was become increase world wide like destinations in Asia,Africa and Europe. It is the world's broad and fast growing industry in terms of employment, sale and foreign earnings (UNWTO,2014). Tourism as one of the economic sector came into being in Ethiopia very recently. It was around 1960, that the potential of tourism drew the attention of the imperial government authorities. Thefirst tourism office was established in 1962. But, a setback in internationaltourism demand had been se10en during the military regime (MOCT, 2011).

Successive Ethiopian governments havepromoted tourism during their tenures. The monarchy that mediated politics, economics, culture, environment and technology for most of the 20th century initiated the promotion, marketing and development of tourism as an integral part of the overall dynamics of national development. Ethiopia's existence as an independent country for thousands of years and the diversity of its ecology and culture were images that captivated foreigners for a long time (Yimerali, 2017). However, World Bank (2006) reported that from 1974 for two decades the industry was suffering from various adverse effects such as prolonged civil war, recurrent drought and restrictions on entry and free movement of tourists.

Sustainable tourism is taking full responsibility for the current and future generations to have a well maintained tourism development. It is protecting the country's social, economic and environmental impacts, understanding the needs of the tourists and establishing a common goal for the tourism industry and the tourists by maintaining a long term income benefit for the host communities.(Ritchie & Crouch,2005).

 Nowadays, the tourism sector has a lot of competition in the entire world. The competitiveness comes from different sides of the activity, and it is closely linked to its sustainability, as the satisfaction or dissatisfaction of tourists in their destinations is strongly influenced by their cultural, natural environment and their integration into the local community (Robinson & Picard, 2006). Keeping the balance between sustainability in economic, cultural and environmental terms will lead to a long and sufficient sustainable tourism in a country.

Customers' satisfaction or dissatisfaction is a function of the confirmation arising from a discrepancy between prior expectation and actual performance (Bolton & Drew, 1991). Many studies show that a higher level of satisfaction leads to greater customer loyalty, which in turn results in better company performance (Kotler & Armstrong, 2011). At the same time, if customers perceive quality as unsatisfactory, they have no hard rule to go for other companies to get what they need (Lovelock & Wright, 1999).In tourism context, currently as well as in the future, tourist attractions can be affected with the quality of the tourism and its natural wellbeing, relative to its competitors. But producing and delivering the right service with its all important quality dimensions as perceived by customers is not an easy task. It demands to assess determinant variables exhaustively and to address them properly.

According to Parasuraman et al. (1988), service quality is a form of attitude, related but not equivalent to satisfaction, which results from customers comparing expectations with their perceptions of performance. We can understand from this, that customers determine the service quality after a computation between the two variablesof expectation and perception. Customers' expectation is a pre- purchase experience, while perception usually is an experience of customers while and after actually consuming what the supplier of the service delivers. In the same way tourists will analyze the situations that they come across in every place they go in terms of their expectation and perception of the tourism service they have got.

Among the service industries, the travel and tourism sector is appearing to be the most important one for the economic growth of a country. The sector is appearing to be the most important one for the economic growth of one countryand it already contributed around 120 million direct jobs and about 125 million indirect jobs to the (WEF,2013). It also gives an annual turnover of US$6 trillion, which makes it 9 percent of the GDP. The report also uncovered that the tourism sector plays a great role and catalyzes the economy for a country by creating a sustainable development and work opportunity, and works of any country by attracting the tourists.

However, in Ethiopian context this is not the case.The return from the sector, when compared with the country's huge tourist potential, is so insignificant. The current travel and tourism competitiveness position of the country is 120th in the world and 17th among sub-Saharan African countries.(WEF,2013)

Ethiopia is one of the poorly performing country in terms of tourist arrival and the quality of service of operators is poor and unsatisfactory to tourists. (AbuduKedir, 2013) According to the research done in this sector by different scholars they suggest that due to this and other related problems the country is found to be less competitive and related the service quality problem with poor preservation of tourist attraction, hassling tourists in the streets and shops, the inconsistent pricing in the value

chain system, policy implementation problem, backward public transport, network, inadequate information, lack of trained personnel and infrastructures are among them.

These study then attemptsapply the service quality measurement instrument (SERVQUAL) in determining the existence of travel service quality gaps and show the relationship of these gaps in determining the overall tourist's satisfaction in tourism

1.2 Statement of the Problem

The number of tourists visiting Ethiopia is increasing in line with the country's tourism potential but all other African countries also try to attract visitors, this creates an intense competition among them.

It is very well addressed that Ethiopia, with its distinct and tremendous wealth of cultural and historical tourism resources has a huge potential of earning a great deal of benefits out of its tourism development activities but, the country has to deal with a number of key challenges to strategically and sustainably develop the tourism sector. Mean while perception about service quality which is the main competitive tool, seem to have been largely ignored by the sector's operators (Abdu, 2013).The assessment of service quality provides an important feed back for agents, government and local people to evaluate and improve the service to the tourists.Any service improvement programs that do not take tourists' attitude on the quality of service the country offered and delivered into consideration will not achieve its objectives.

The achievement of tourism means thinking about the future while satisfying the current needs of the tourists (Lam, 2000).To remain competitive the tour and travel agencies, the government and all the

stakeholders should assess the quality of service they are currently delivering. This is not only a matter of interest. The business situation in which they areoperating demands it and the income generated from this service support country's foreign currency highly (Abdu,2013).

According to World Bank (2006) assessing and measuring Tourist satisfaction is veryimportant since it is significantly related to customer loyalty, repeatvisitation, and positive social communication. However, there has been noqualitative data gathered from tourists to assess their expectation levels in Ethiopia.

Walle (2010) states that the sector is exhibiting intense competition among and between emerging new operators and well established ones. The older ones try to avoid and to control the large business to themselves and they try to get rid of the newcomers to this sectors. It was rather being very nice to welcome the new ones and to get new looking dimensions to grow the sector and maximize their market share; it also helps the tourists because they can choose from many tour agents.

.

Several studies have been done on service quality and tourists satisfaction in tourism industry, for instance (Biniyam, 2011) conducted research on assessing tourists satisfaction in Ethiopia. (Addis woldesenbet, 2015) research about Tourist perceived service quality and satisfaction of sustainable tourism in Ethiopia are among them. However, there has been very few attempts made to study based on the data gathered from touriststoassess their expectation levels (World Bank, 2006). The researcher believes that there is a huge gap of data that can be used as measure or indicator of the travel agents and tourism sector's performance from the perspective of the tourist.This research partly intends to play this role. It is when everything goes smoothly and well maintained that the tourism benefits can be passed from one generation to another, in addition to becoming a source of income for the country (Filiz,Z. 2009).

1.3 Research Question

The research answered the following basic questions

- How do tourists perceive the tourism service quality?
- To what extent does tourist's service perception match with their expectations?
- What is the effect of SERVQUAL on customer satisfaction?
- Does tourism service provider perform in line with SERVQUAL dimension?
- Are the travel agents achieving quality tourism services?

1.4 Objectives of the Study

The study attempted to achieve the following objectives.

1.4.1 General Objective

The general objective of this study is to asses and evaluates service quality andtourist's satisfaction in the Ethiopian tourism sector mainly focuses on travel agents in Addis Ababa.

1.4.2 Specific Objectives

- To assess the service quality expectations of tourists.
- To assess the service quality perception of tourists
- To study the relationship SERVQUAL dimensions withcustomer satisfaction.

- To study whether travel agents in Addis Ababa perform inline with the SERVQUAL dimensions.

1.5 Significance of the Study

This study concentrated on the determinants of tourist satisfaction through examining seven travel agents service from Addis Ababa .therefore the output of this study will benefit for all travel service providers to evaluate their performance then to modify or to formulate new strategies. It also benefits those tourism stalk holders to understand their customers in better way and try to satisfy their needs from the service. Finally the researchers believe the study also helps as initial point for further investigation on this area.

1.6Scope of the Study

The research is concern on service quality and customer satisfaction in Ethiopian tourism in the case of seven travel agentsfrom Addis Ababa. Even though there are about 306 tour and travel agents in Addis Ababa the researcher consider only the seven travel agents duehomogeneous nature of the tour and travel agent services andtime constraint.

Due to the unstably of tourists (respondent's) at the same place which is most of the time tourist come to vacation purpose (the researchers target population) are arrange their visitation stay (tour program) in to south, north, and combining the two and in to more attraction places in Ethiopia ,but the stay in the capital city is in average of one or two days because of this the researcher become limited to decrease the sample size in order to distribute and collect the questionnaire effectively on time.

This study isalsogeographicallylimitedto Addis Ababa therefore; further research needs to be conducted in order to expand the result of the other place. In addition the study only uses the five variables of SEVERQUAL model which are tangibility, reliability, responsiveness, assurance and empathy.

1.7 Organization of the Study

This study contains five chapters each chapter organized to begin with a brief introduction to guide the reader into the main contents.

The first chapter includes Introduction and background of the study, the problem stated clearly defined also objectives of the study well formulated and stated as well as the research questions, scope and limitation, significance of the study briefly and clearly articulated.

The second chapter mainly contains review of related literature, Definition of terms that used to complete the study discussed,understanding about service quality and tourist satisfaction and opportunities and challenges of the sector in Ethiopia briefly defined.

The third chapter is about methodologies (research approach, design, source of data's, and analysis methods) the researcher uses to complete the study discussed

The fourth chapter is all about analysis of the collected data's of the study using major research data analysis method briefly discussed

Finally in the fifth chapter mainly comprise of summary, conclusions, and researcher's recommendation discussed. For better understanding for the reader the researcher tries to end all chapters with clear outline of the structure of the document.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This chapter talks about the detailed theoretical concepts that the researchers believe they provide a good back ground to carry out the research work. Concepts like service, customer satisfaction, service quality measurements are the main focuses.

2.1Theoretical review

2.1.1 Conceptual Definition of Terms

Tourism: Tourism is deemed to include any activity concerned with the temporary short term movement of people to destinations outside the places where they normally live and work, and their activities during the stay at these destinations (The Tourism Society, 1979)

Service: Is a process consisting of a series of more or less intangible activities that normally, but not necessarily always, take place in interactions between the customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solutions to customer problems. (Gronroos, 2000)

Service Quality: is the degree of difference between the customers' expectations for service and their actual perceptions of performance. (Parasuraman et al, 1985).

Customer Satisfaction: Customer satisfaction is often defined in the marketing literature as a customer's overall evaluation of his or her purchase and consumption experience of a good or service (Hui et al., 2007).

Travel agents: is a private retailer or public service that provides travel and tourism related services to the public on behalf of suppliers such as activities, airlines, car rentals, cruise lines, hotels, railways, travel insurance and package tours**.** (UNWTO,2010).Moreover Tour agency means an organization that coordinates or organize travel, transports for tour, and operates tour, for domestic or

foreign tourists, being supported by professionals who are acquainted with touring (Yehualashet, 2013).

2.1.2 Service Quality and Customer Satisfaction Concept

2.1.2.1 Importance of Customer Satisfaction

Customer satisfaction measures how well a company's products or services meet or exceed customer expectations. These expectations often reflect many aspects of the company's business activities including the actual product, service, company, and how the company operates in the global environment. Customer satisfaction measures are an overall psychological evaluation that is based on the customer's lifetime of product and service experience (*Smith, 2007*)

Effective marketing focuses on two activities: retaining existing customers and adding new customers. Customer satisfaction measures are critical to any product or service company because customer satisfaction is a strong predictor of customer retention, customer loyalty and product repurchase.

2.1.2.2 Measuring Service quality and tourists satisfaction

Measuring consumer satisfaction is difficult and it is even more challenging in tourism because of the type of product and services and the different perceptions of individuals. However, it is one of the most frequently examined topics in the hospitality and tourism field because of the important role it plays in survival and future of any tourism products and services (Neal &Gursoy, 2008).

According to Johnson et al (1995) there are two conceptualization of measuring satisfaction Transaction specific satisfaction and cumulative satisfaction.. Transaction specific satisfaction is concerned with "satisfaction as an individual, transaction-specific measure or evaluation of a particular product or service experience". Cumulative satisfaction, on the other hand, is "a cumulative, abstract construct that describes customer's total consumption experience with a product or service" (Johnson et al, 1995).

Neal and Gursoy, (2008) demonstrate that most satisfaction studies in tourism and other aspects of leisure are conducted after the service experience and focus on the overall opinions expressed by guests regarding the general tourism experience. Regarding the customer's overall evaluation of the purchase or consumption experience (Traveler's dis/satisfaction), cumulative satisfaction is the most relevant conceptualization when the focus is on the tourist's evaluation of their overall experience at a destination (Johnson, Anderson et al., 1995).

2.2 Modelsfor Measuring Service Quality

2.2.1 SERVQUAL

Is an instrument developed by Parasuraman, Zeithaml and Berry (1985), which focuses on the notion of perceived quality. It is based on the difference between consumers' expectations and perceptions of service.

SERVQUAL instrument is used to assess consumer perceptions and expectations regarding the quality of a service (Asubonteng et al, 1996).

In SERVQUA instrument the original service dimensions (5 dimensions of SERVQUAL) used by consumers to judge the quality of a service are:-

1. **Reliability** The ability of a service provider to deliver the promised services honestly and consistently (Blery et al., 2009).

2. **Assurance** Customers pursue approaches to assure quality in service delivery in order to maximize their satisfaction about the service experience and recuperate from service disappointments (Youngdahl& Kellogg, 1997).

3. **Tangibility**Tangible elements play a more significant role in overall customer satisfaction than the intangible elements, as adaption and renewal of tangibles is considerably more simple and straightforward. (Albayrak et al. (2010).

4. **Empathy** The empathetic attitude towards the customer incites a sense of importance in the customer and hence, leads to retention behavior and also customers to recommend the business to others(Wieseke et al., 2012).

5. **Responsivness:** Responsiveness' is the enthusiasm of the staff to assist customers and provide prompt service to the them (Parasuraman et al, 1985).

As such, this study evaluated service quality and tourists satisfaction. The questions being raised in this study are: what influence do the five service quality dimensions have on customer satisfaction? What is the customers" level of satisfaction with the service quality dimensions?

2.2.2The Gap Model

A gap is occur when the perceptions of the delivered service is not as per the expectations of the customer. This gap is addressed by identifying and implementing strategies that affect perceptions, or expectations, or bothZeithaml(1990). Parasuraman et al (1985) stated that SERVQUAL had been designed to be applicable across a broad spectrum of services and the format could be adapted to fit specific needs and that it would be most valuable when used to track service quality trends periodically. They proposed that the SERVQUAL model could be extended to measure gaps in quality and could therefore, be used as a diagnostic tool to enable management to identify service quality shortfalls. The gap score is calculated by the perception statements being deducted from the expectation statements. If any gap scores turn out to be positive then this implies that expectations are actually being exceeded. This allows service managers to review whether they need to re-deploy resources to areas of underperformance. The SERVQUAL instrument ascertains the level of service quality based on the five key dimensions and also identifies where gaps in service exist and to what extent are:-

GAP1: (the positioning gap) managers' perceptions of consumers' expectations and the relative importance consumers attach to the quality dimensions

GAP2: (the specification gap) the difference between what management believes the consumer wants and what the consumers expect the business to provide

GAP 3: (Not delivering to service standards) This refers to the difference between the service provided by the employee of the business and the specifications set by management,

GAP 4: (the communication gap) the promises communicated by the business to the consumer do not match the consumers' expectations of those external promises,

GAP 5 (the perception gap): difference between consumer's perception and expectation of the services.
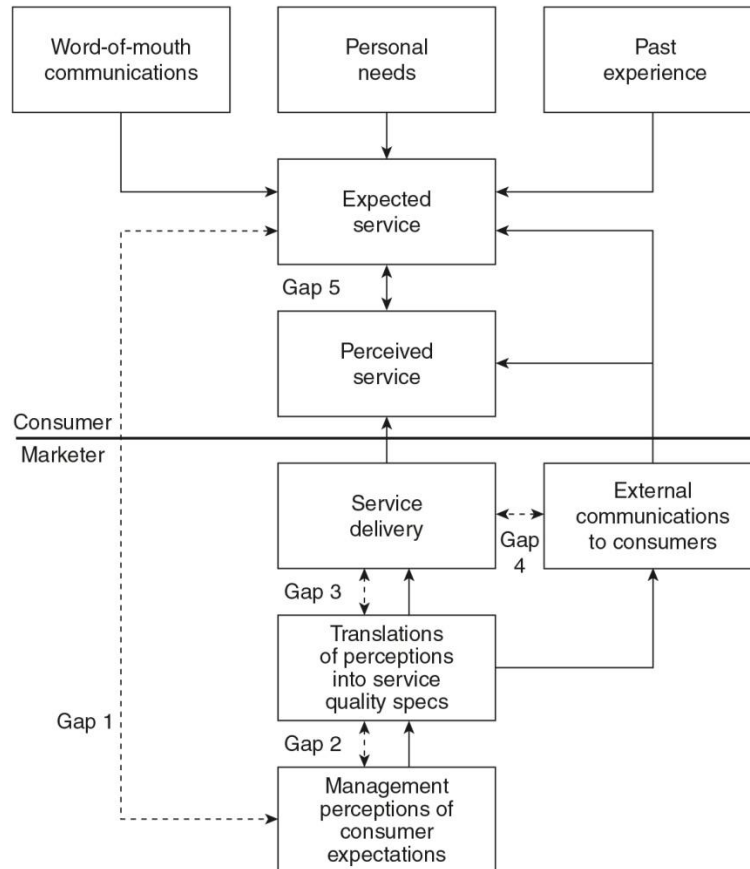
Figuer 1: GAP model

Source: Parasuraman *et al.* **(1985)**

2.3 Empirical Review

This paper is aimed mainly on tourists and with the comparison that get from there expectation and reality, It's good to focus also on other wide ranges of factors which have an impact on achieving quality tourism. Therefore, the factors that affect tourists satisfaction can easily identifies by analysing the opportunities and challenges of the tourism sector in Ethiopia. The researcher reads related literatures as much as possible and the findings from those literatures summarized as follows:

2.3.1 Opportunities and Challenges of tourism sector in Ethiopia

Ethiopia has much to offer international tourists. It is a land of natural contrasts, ranging from the peaks of the rugged Simien Mountains to the depths of the Danakil Depression, which at more than 400 feet below sea level is one of the lowest points on earth. Ethiopia's natural beauty includes a varied abundance of landscapes, including Afro-Alpine highlands that soar to more than 14,000 feet, moors, mountains, deep gorges, the largest cave in Africa (SofOmar), the Great Rift Valley, tropical forests, white water rivers, savannahs, giant waterfalls and volcanic hot springs. (Embassy of Ethiopia, 2008).

In world history kingdom of Axum is the one among four great empires alongside of China, Persia and Rome .Likewise obelisk of Axum are the biggest single pieces of stone erected any where in the world. And this is one of the seventh UNESCO registered attractions from Ethiopia as world heritage sites.(World Bank, 2006).

Table1: List of UNESCO world heritage sites of Ethiopia

	ETHIOPIA'S UNESCO WORLD HERITAGE SITES
1	Rock hewn churches of lalibella
2	Obelisk's of Axum
3	GONDAR CASTEL
4	SEMINE MOUNTAIN NP
5	HADAR (A PLACE WHERE THE SKELETON OF LUCY WAS DISCOVERED
6	TIYA STEALE
7	OMO VALLEY

Most recently the Konso Cultural Landscape, MeskelDemera Festivities and Fiche-Chambelala, (the Sidama people's New Year celebrations), being added to the list as intangible heritages from the country.(MOCT ,2011)

In addition, while Ethiopia sits near the equator, its climate is tempered by altitude, creating an idyllic spring-like climate throughout the year for most of its regions. In its vast area of 436,000 square miles, Ethiopia Possesses tourist attractions that appeal to a wide range of interests. The combination of attractions is rare in a single country and includes a wealth of historical, cultural, archaeological and anthropologicalsites, as well as numerous areas rich in wildlife. (Embassy of Ethiopia, 2008).

Ayalewsisay (1995)describe the potentials of Ethiopia for tourism can be shown in cultural, historical and archaeological heritages which are considered to be the most significant assets for tourism development. Those heritages that reflect the culture and history of the country include music, dance, literature, handicrafts, museums, paintings, churches, mosques and any other places of worship.Later in 1998, he strengthen this idea even better and show the potential of the country as Ethiopia is the one of the few countries in Africa that have endowed with various and immense attractions. The country possesses what most economically developed and major tourist generating nations do not have. Located in the tropics, Ethiopia has a variety of Climates ranging from semi deserts to the alpine climates, and it is a country sometimes referred to as "Thirteen Months of sun shine".Ethiopia is also a land of wide variety of flora and fauna species some of which are not found anywhere else in the world. Because of its mountain ranges and the relationship of these to the sources of great rivers, the names "Roof of Africa" and "Water Tower of Africa" have both been attributed to Ethiopia.

Ethiopia's various attractions and mix of people and cultures give it great potential for anthropological and educational tourism, photo and hunting safaris, bird watching, water sports, desert trekking, mountain hiking, camping and general ecotourism.

In other side Addis Ababa the nation's capital, contribute to the attraction as it is a major destination it is a residence for the African Union and the Economic Commission for Africa. The potential of Addis Ababa can also described as:-

- world class national carrier (which is a member of star alliance)
- Cheap, abundant and trainable man power
- Huge potential for conference tourism

(the presence of UNECA, AU and other regional and International organizations).

(Sisaygetachew, 2013)

In spite of a long history, that Ethiopia is rich with exceptional natural beauty and cultural prosperity and identified have considerable potential for tourism development. The performance of the tourism industry in Ethiopia is still far behind the neighbouring tourist receiving African countrieslike Kenya and Tanzania which possess less natural and cultural heritages as compared to Ethiopia. (Smith, 1998).

Now a days, the sector in Ethiopia suffer that ranging from the unreasonable interference in most tourist destination areas by the local hotels, tour guides and the like, up to not preserve the historic sites from natural decay and the national parks from degradation by the communities that live inside them(World bank, 2006; Yimer Ali,2017).

 Major areas of tourism components that face challenges includes lack progressive and reliable development policy,shortage human resource (skilled manpower) , promotion and marketing, Infrastructure and Facilities (Accommodations, transportation) and Security. (Embassy of Ethiopia,2008)

2.3.2 POLICY

At present time a new ministry Culture and Tourism (MCT) was created in 2005 as a result of heightened Government priority for the tourism sector.The ministry has absorbed the former Ethiopian Tourism Commission and the Ministry has put into place a Provisional National Tourism Council (PNTC) to address an often-raised concern from the industry in Ethiopia about coordination and communication between the public and private sector tourism stakeholders in tackling key issues in the sector. The official establishment of a National Tourism Council (NTC) consisting of key

industry stakeholders is expected to play a critical role, not only to engage the private sector, but also to seek the necessary input for the policy formulation and future implementation of strategies and programs however still to date absence of implementing the plan and working accordingly is the challenge for the sector to bloom. (World Bank, 2006)

2.3.3 FACILITIES AND INFRASTRUCTURES

2.3.3.1 TRANSPORTATION

Transportation is one of the most important components of the tourism value chain. All other components depend on transportation as a key variable. Foreign tourists who visit Ethiopia either use overland transport or air transport throughout the tour. Of all tourists visiting these sites, approximately 50% utilize air transport alone, 30% utilize a combination or air and land transport and the remaining 20% use land transport.

2.3.3.2 LAND TRANSPORT (ROAD CONDITION)

Transport infrastructure described as poor and underdeveloped in Ethiopia. In 1995, on average in each regions there were 1589 km road network including 976 km of gravel all-weather roads and 1400 km of rural roads .This amounts to only 0.31 km of all-weather road per 1000 people, less than half the average for Africa as a whole . Much of the road network is in poor condition: 80 - 85 percent of the gravel roads are in need of intensive maintenance, and the rural roads are not safe enough for motor vehicle transport services. Thus each regions whole has slightly greater road density in terms of length of road network per 1000 people compared to the national average. (Arethun, etal, 2012).

2.3.4 Accommodation (hotels, lodges, safaris, guesthouse)

Accommodation encompasses services like comfortable bed, sanitary facilities, bath rooms with adequate water supply of different temperature. Accommodation services range from average tourist lodge to five star hotels. Without a fitting accommodation there would be no tourism since accommodation is seasonal home of the tourists. (Baron and Harris, 1995).

According to (SisayGetachew, 2013) who is an advisor to the state minister of culture and tourism, Ethiopia, Accommodationavailabilitycurrently in Ethiopia is:-

- Hotels ranging from basic to star rated are nearly 500
- International Chain Hotels 6
- Resorts 7
- Eco lodges 4

However the country suffered from having world class hotel chains in number and providingInternational service standards (Mitiku, 2015).Likewise the country also suffered attracting more private hotel owners due to different reasons and the existed hotels do not perform as well as per the international hotel standards and these clearly show that the country does not enjoy economic contribution from hospitality industry as expected.

World Bank (2006)in towards a strategy for Pro-Poor tourism development report describes the Accommodation supply of is major weakness for Ethiopia compared to its competitors. Several foreign tour operators have pulled out of Libya due to the poor standards of hotels, a situation that needs to be avoided in Ethiopia, particularly when venturing out side Addis.While the hotel stock is limited, although currently ample for current levels of demand, it is also of poor quality with few facilities. Ethiopia has a limited supply of star and tourist quality hotel rooms, especially outside of Addis Ababa. In fact, in five of the 11 regions there are five or fewer hotels considered of tourist standard.Tourists complain about inadequate hotel services with monotonous menus, untrained waiters and front desk personnel, problems with acceptance of credit cards and checks, lack of 24-hour hot water supply, lack of gym and sport facilities, hair cutting and beauty salons, sauna and steam, etc.

2.3.5 Human Resource (trained personnel)

There is a dearth of qualified and skilled labour in the entire tourism sector. This is the result of a shortage of training institutions in the country. The oldest institution serving the sector for the past four decades is the Catering and Tourism Training Institute (CTTI), which has not grown in capacity and training facilities to reflect the growing tourism interest. Annual intake for the institution is only 130 trainees at diploma (three years) and certificate (1 – 2 years) level. nothing has taken place so far due to lack of ownership and poor governance.(world bank,2006).

A number of low level training centers (not certified by the Ministry of Education) on food preparation and food and beverage services have been opened in Addis Ababa and in several other locations. Their graduates are currently serving the hotel industry. This lone reason can affect the overall service quality and image of the tourism This source of employment is key in many other countries and is an area where Ethiopia should focus.(world bank,2006).

2.3.6 Tour and Travel Agents

Different groups having their own objectives are currently involving in the tourism industry. Of these actors the travel and tour agencies are found to be key player in the field. Tour operators are a critical link in the tourism supply chain they took an intermediary place in the tourism production and distribution. (Kasimoglu, 2012).

In particular, they can classified in to an outgoing travel agency (retailers) serves as sales channel for tourist specific activities wholesalersgenerally for giving advice on tickets (inland or air)finding a suitable place to stay and offering packages from tour operators. Tour operators (wholesalers) buy individual tourist services (e.g. transport and accommodation) from their suppliers (e.g. carriers and hotels) and assemble them into holiday packages. Finally, incoming travel agencies (handling) plan tour packages on a destination level and act as intermediary between tour operator and specific tourist activities, but also sell to individual tourists that do not travel through a tour operator (Gizachew, 2013) .

The current available data from Ministry of culture and tourism (2013) shows 306 tour and travel agencies exist in Ethiopia todaymainly classified into two these are tour agencies which there business is entirely related with tourist and the travel and tour agencies which add ticketing as the other wing of their operation. In doing so the travel and tour agencies business includes local customers. Considering the vast array of attractions and sites the country has to offer, this is not a crowded marketplace. (Walle, 2010).

Most of the operators offer a very similar range of tours, including the one-day Addis tours, the one-day excursions from Addis, and a range of two-to-thirteen day tours to the historic sites and national parks. However, a number of tour operators are beginning to diversify and other unique tours that exploit the full diversity of Ethiopia (including hiking tours, bird-watching, hunting) are emerging. (Mohamed, G, 2007).

The strategy prepared presented Tour operators as critical link in the tourism supply chain. Tour operators actually create the product that ends up being sold to consumers and as such they are the innovators and originators of extra value-added at the destination level (Mohamed, G, 2007).

The link between international tour operators and the ground handlers they use (domestic tour operators) is particularly pertinent for Ethiopia because foreign investment in the sector is not permitted and so all are Ethiopian companies. (MOCT, 2013).This feature has put ownership of the tourism product very much in the hands of international tour operators because they have the resources to market effectively in source markets. Inneighbouring countries domestic tour operators are the primary distribution platform for tourism products. For example, in Kenya (approx. 220 no.), Uganda (approx. 50 no.) and Tanzania (approx. 75 no.) local tour operators provide between 30-50% of business to lodges and resorts. In Ethiopia there are 65 domestic tour operators and they provide

about 55% of the business to the main hotels around the historic route, but in turn almost 80% of their business comes from international tour operators.(Worldbank, 2006).

2.4Conceptual Framework

Conceptual framework was developed toidentify the capability to predict the customer satisfaction based on the dimensions of service quality. The conceptual frame work depicts the relationship between the independentvariables (in this study, the five dimensions of SERVQUAL) and the dependent variable(tourist/customer overall satisfaction) Similarly the framework suggests a moderating effect of the SERVQUAL dimensions to guide tourism service providers to provide quality service and reach to the final outcome which is customer satisfaction.
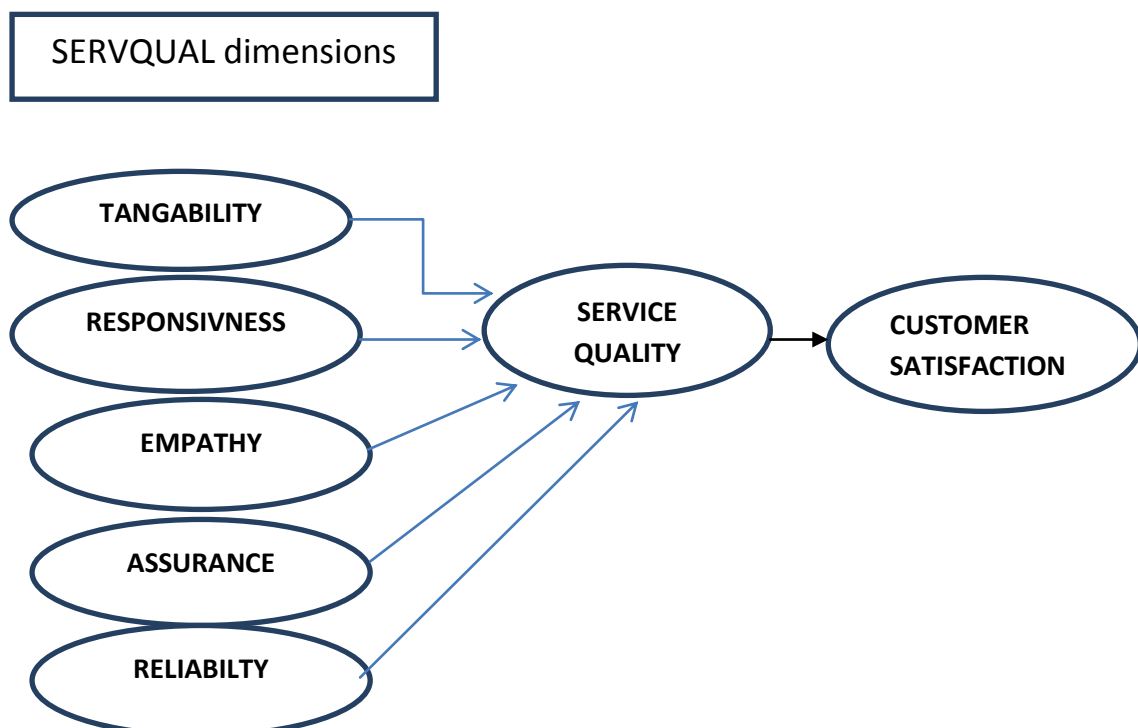
Figure 1:- Conceptual Framework

Source:-Researcher own view

CHAPTER THREE

RESEARCH METHODOLOGY

This part of the study clarifies about the methods that the researcher used in conducting this research. It covers the research design, population and sampling techniques, types of data and data collection tools and methods

3.1 Research Approach

This study has followed descriptive type of research with quantitative approach in order to investigate the objectives of the study. Quantitative research is the systematic empirical investigation of observable phenomena via statistical, mathematical or computational techniques.Because it is difficult to extract the full import of a large mass of raw data, descriptive statistics are very important in reducing the data to manageable form.

3.2 ResearchDesign

Research design is the general plan of how the research questions had been answered (Savnders et al, 2007). The research design for this study was descriptive and explanatory for detail description of the findings displayed on tables as well as to develop inferences on the relation between service quality and tourists satisfaction.Moreover descriptive design is a well known research design when the purpose of the study is to describe the characteristics of a certain group (Shukla, 2010).

3.3 Sampling Design

3.3.1 Target Population

Population is identifiable total set of elements of interest being investigated by researcher (Zikumund, 2003) .The current foreign tourists which visited Ethiopia using the services of the selected seven travel agenciesoperating in Addis Ababa were the population of the study. Only foreign tourists were selected because according to lonely planet and MOCT (2016) report the number of visitors who uses most of travel agencies were foreigners and the tourists of the selected travel agencies in this study also foreign tourists.

3.3.2 Sampling Size and Technique

Sample size is the actual total number of units which are to be selected for analysis in the research study.Based on the information from Ministry of culture, the average number of visitors per year per travel agent is 400;and in this study seven travel agents are considered. Accordingly the total population will be 2800. Hence, based on Yamane (1976) sample size determination formula, the sample size will be 97 at 10% significance level as described below.

$$n= \frac{N}{1+N(e)^2}$$

$$n = \frac{2{,}800(400 \times 7)}{1+2{,}800\ (0.10)2} = 97$$

Where: n is the sample size

N is the population size (2,800)

e is sampling error (0.10)

The sampling technique used is convenience sampling technique. That the researcher went to each travel agent and gave the questionnaire for those tourists who are available at the time, which become a total of 116 questionnaires. Since the nature of the target population is homogeneous, the sample size is appropriate.

3.3.3Sampling Procedure

The questioner was sample tested and examined by advisor about its appropriateness for the study. This is made before it is administered. Then it is distributed to the tourists from July 2017 to August 2017. The researcher administered and accessed the respondents (tourists) at their stay at travel agent offices,and also at their Addis Ababa city tour.

3.4 Type and Source of Data

3.4.1 Primary Data

Primary data has been collected by the administered questionnaires distributed to the respondents.

3.4.2 Secondary Data

The secondary data will be collected from publication including books, journals, and researches that had relevant for this study.

3.5 Data Collection Method

The importance of collecting data from the right source using the right data collection methods and instruments always determine the quality of the study made in any field. The primary data for this study were collected through close ended questionnaires with two parts: Part I being the statements to measure their Expectations and perception level Part II overall satisfaction level. A five point Likert scale that ranges from "strongly disagree", which elicits a score of 1, to "strongly agree" which elicits a score of 5 was adopted.The questionnaire mainly developed based on the five service quality dimensions of the SERVQUAL model.

3.6 Data Analysis Method

The collected data has to be changed and interpreted into meaningful information, figure and statement. So it was analyzed, processed and interpreted according to the nature of data. Statistical Package for Social Science (SPSS) software version 20 was employed to analyze and present the data through the statistical tools used for this study, namely descriptiveand correlation analysis.The reason for using descriptive analysis was because the researcher wanted to summarize the data collected in tables for better understanding for the reader to easily examine the results.

3.7 Model Specification

Correlation Analysis and spearman correlation

A correlation coefficient measured the strength of relationship between two variables. In this study, a correlation coefficient measured the strength between the satisfactions of the tourists with service quality dimensions and also the correlation among the service quality dimensions, the result was positive and was significant at the 0.01level (2-tailed). Spearman rank correlation is a non-parametric test that is used to measure the degree of association between two variables. The assumption of the spearman correlation is that data must be at least ordinal and the score on one variable must be monotonically related to the other variable. Therefore this study employs spearman correlation because the data is ordinal.

3.8 Validity and Reliability

As stated by "Hair et al., (2007) reliability indicates the extents to which some variables or set of variables is consistent in what it is intended to measure" (Cited by Siddiqi; 2011:20). Reliability analysis used to measure the consistency of a questionnaire. There are different methods of reliability test, for this study Cronbach's alpha is considered to be suitable. Cronbach's alpha is the most common measure of reliability. For this study the Alpha coefficients for expected and perceived the service quality dimensions and the overall scale calculated as a reliability indicator was presented in the following table. As described by Andy (2006) the values of Cronbach's alpha more than 0.7 is good. The alpha values in this study were far from 0.7 and had very good reliability for the

questioners.Also it is fundamental to implement reliable methods in order to achieve the validity of the researchin this case questions is formulated in easyand understandable way, in addition data was collected by quantitative method also enhance thevalidity of the study.

Table 2: Result of reliability analysis for the questionnaire

Dimension of service quality	Number of attribute	Cronbach's alpha	
		Expected	Perceived
Tangibility	4	0.796	0.815
Reliability	5	0.913	0.903
Responsiveness	4	0.920	0.889
Assurance	4	0.885	0.944
Empathy	5	0.933	0.913
Overall reliability analysis	**22**	0.942	0.974

3.9 Ethical Consideration

In the country where the importance of research was still unidentified, to conduct a research make the researcher suffered a lot. Even in most of the travel agents owners were not quite positive to understand and willing for the researcher to distribute the questionnaires for their guests. However it was research ethics to gather necessary information with patience till the researcher concluded everything that needs from 350respondents. All information gotten from the respondents was treated with confidentiality without disclosure of the respondents' identity. Moreover, no information was modified or changed, hence information gotten waspresented as collected and all the literatures collected for the purpose of this study were appreciated in the reference list.

CHAPTER FOUR

DATA PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter describes the analysis and interpretation of the collected data. Out of the 116 questionnaires distributed to foreign tourists from selected travel agents in Addis Ababa.all questionnaires were collected. The data was analyzed using SPSS version 20.

4.2 Respondents Profile

To find out general background of customers from seven travel agents, the respondents were asked their Gender, Age and repetation of visitation . The results obtained from the structured questionnaires are represented on the table below.

Table 3: Characteristic of the Respondents

Indicators	Values	Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	91	78.4	78.4	78.4
	Female	25	21.6	21.6	100.0
Age	18-30	49	42.2	42.2	95.7
	31-40	22	19.0	19.0	28.4
	41-50	29	25.0	25.0	53.4
	51-60	11	9.5	9.5	9.5
	more than 61	5	4.3	4.3	100.0
Number of visitation time	1 times	12	10.3	10.3	10.3
	2 to 3 times	35	30.2	30.2	40.5
	4 or more times	69	59.5	59.5	100.0

Source: Researcher survey findings (2017)

As shown in table 3 above from the 116 respondents (78.4%) were male and (21.6%) ofthe respondents were female. Regarding to age group 42.2 % of the respondents are between 18 to 30 years old whereas 19.0% were from 31 to 40 years old. 25.0 % were from 41 to 50 years the remaining 9.5% were above 50. Regarding repetition of visitation, 10.3 % of the respondents visit for the first time 30.2% was visit for the second and third time the remaining 59.5 % were visiting for the fourth time.

4.3. Analysis of the data based on the five Service qualities

Dimensions

In this section, frequency distribution and the percentage of foreign customer responses to their questionnaire based on their expectations and perceptions are being estimated in accordance with five dimensions of SERVQUAL model.

Table 4: Analysis of the Tangibility dimension of service quality

Service Quality Dimensions	Indicators	Expectation		Perceived		GAP P-E
		Mean	St. Dev	Mean	St. Dev	
Tangability	The travel agents have modern tour equipment	4.46	0.75	3.53	1.03	-0.93
	The physical facilities are visually attractive	4.29	0.76	3.63	0.99	-0.66
	Employees are neat in their appearance	4.55	0.71	3.96	1.02	-0.59
	Materials associated with the service (pamphlets, maps,statements) are visually appealing at office.	4.26	0.91	3.35	1.07	-0.91
Over all mean score		**4.39**		**3.62**		**-0.77**

Source: Researcher survey findings (2017)

As stated in literature part, tangible aspect of service dimension will be reflected in the physical evidence such as shown in the above table 4 among the service quality dimensions in the tangibility section overall expectations of tourists show at mean is 4.46, 4.29, 4.55 and 4.26 respectively, at the same time their perception at mean 3.53, 3.63, 3.96 and 3.35 respectively and the gap score between the expectation and perception result shows that -0.93, -0.66, -0.59, and -0.91. Among the attributes the "Materials associated with the service (such as pamphlets or statements) are visually appealing at travel office " has comparatively high gap score of -0.91 which shows that the majority of the customers perceive less attracted with the materials associated the service that attracts their visions (Table 4)

Table 5: Analysis ofthe Reliability dimension of service quality

Service Quality	Indicators	Expectation		Perceived		GAP P-E
		Mean	St. Dev	Mean	St. Dev	

Dimensions						
Reliability	Travel agents are loyal to their promise to provide the service on time.	4.46	0.75	3.53	1.03	-0.93
	When problem happen, the staffs show a sincere interest in solving it.	4.29	0.76	3.63	0.99	-0.66
	Travel agents perform the service right the first time	4.55	0.71	3.96	1.02	-0.59
	Materials associated with the service (pamphlets, maps, statements) are visually appealing at office.	4.26	0.91	3.35	1.07	-0.91
	Travel agents staffs provide the service as they promised.	4.17	0.87	3.52	1.03	-0.65
	Travel agents insist on error free records.	4.24	0.71	3.57	0.95	-0.67
Over all mean score		**4.32**		**3.59**		**-0.73**

Source: Researcher survey findings (2017)

Tourists evaluate the reliability by considering their loyalty, interest to solving problems, performing the service on time and as promised, and insisting error free records of the travel agents. The result in this dimension at mean is 4.24, 4.33, 3.98, 4.17 and 4.24 respectively and perceived result of 3.50, 3.68, 3.29, 3.52 and 3.57 respectively and the gap result is -0.74, -0.65, -0.69, -0.65, -0.67 and -0.65 respectively the highest gap -0.93 score is found in the attribute 'Travel agents are loyal to their promise to provide the service on time' shows that expectations of tourists do not match with perceptions and they do not satisfies in the items oftravel agents .

Table 6: Analysis of the Responsiveness dimension of service quality

Service Quality Dimensions	Indicators	Expectation		Perceived		GAP
		Mean	St. Dev	Mean	St. Dev	P-E
Resp	Employees are willing to tell customers exactly when the services will be	4.28	0.82	3.85	0.87	-0.43

Service Quality Dimensions	Indicators	Expectation		Perceived		GAP P-E
		Mean	St. Dev	Mean	St. Dev	
	performed.					
	Employees give prompt service to customers.	4.28	0.78	3.66	1.02	-0.62
	Employees are always being willing to help customers.	4.38	0.74	3.72	1.08	-0.66
	Employees are never too busy to respond to customers' requests	4.27	0.76	3.60	1.16	-0.67
Over all mean score		**4.30**		**3.70**		**-0.59**

Source: Researcher survey findings (2017)

The result of responsiveness dimension of the expectation result is 4.28, 4.28, 4.38 and 4.27respectively, Like wise, the perceived result at is 3.85, 3.66, 3.72 and 3.60 respectively and the gap score between expectation and perception is -0.43, -0.62, -0.66 and -0.67 respectively,in this dimension the highest gap score -0.67 occurs in the attribute 'Employees are never too busy to respond to customers' requests' at like the other dimensions this also clearly implies that tourists do not perceived what they expect on the responsiveness dimensions like advance announcing of the exact serving time, willingness to help, and eagerness to respond their request at any time.

Table 7: Analysis of the Assurance dimension of service quality

Service Quality Dimensions	Indicators	Expectation		Perceived		GAP P-E
		Mean	St. Dev	Mean	St. Dev	
Assu	The behaviour of employees instil confidence in customers	4.32	0.74	3.79	0.97	-0.53

		Expectation		Perceived		GAP P-E
	Customers of the travel agents feel safe in transactions.	4.37	0.67	3.75	1.02	-0.62
	Employees are consistently courteous with customers.	4.32	0.82	3.80	1.11	-0.52
	Employeeshaveknowledge to answer customers' questions.	4.25	0.80	3.66	1.13	-0.59
Over all mean score		**4.31**		**3.75**		**-0.56**

Source: Researcher survey findings (2017)

In the Assurance dimension of service quality in which the mean expectation result is 4.32, 4.37, 4.32, and 4.25 respectively and perceived at mean is 3.79, 3.75, 3.80, and 3.66, the and the gap result which is -0.53, -0.62, -0.52 and -0.59 the result implies that the items in listed in this dimensions those : the situation to instilling there confidence on employees, whether employees are consistentlycourteous with them and employees knowledge to answer their questions on those items the result is negative and the tourists perception is less than expectation.

Table 8: Analysis of the Assurance dimension of service quality

Service Quality Dimensions	Indicators	Expectation		Perceived		GAP P-E
		Mean	St. Dev	Mean	St. Dev	
Empathy	The travel agents give individual attentionforeachcustomer.	4.07	0.86	3.51	1.02	-0.56
	Travel agents operating hour is convenient to all their customers.					

		4.23	0.77	3.84	0.90	-0.39
	Travel agents have employees who give customers personal service.	4.11	0.88	3.68	1.10	-0.43
	Having their customers' best interest at heart	4.20	0.76	3.63	1.08	-0.57
	The employees understand the specific needs of their customers.	3.98	0.96	3.65	1.04	-0.33
Over all mean score		**4.30**	4.11	3.66		-0.32

Source: Researcher survey findings (2017)

Finally ,in the Empathy dimension of service qualitythe expectation mean is 4.07, 4.23, 4.11, 4.20, and 3.98, the same time perceived mean is 3.51, 3.84, 3.68, 3.63 and 3.65 and the difference is -0.56, -0.39, -0.43, -0.57 and -0.33 respectively and these also shows the items like the tour operators willingness to give individual attention for customer, suitability of operating hours to their customer, keeping the customers best interest at heart and the ability to understand the specific needs of their customers. The result shows that tourist do not found the perceived result as similar as they expect it.

4. 4 Services Quality and Existing Gaps of the Studied travel agents

Table 9: Gap of service quality in studiedtravel agents based on the five dimensions:

Five dimensions	Expected	Perceived	Gap (P-E)
Tangibility	4.39	3.62	-0.77
Reliability	4.19	3.51	-0.68
Responsiveness	4.30	3.70	-0.60

Assurance	4.31	3.75	-0.58
Empathy	4.11	3.60	-0.32

Source: researchers survey findings(2017)

It clearly stated in the above table that the service quality dimensions Tangibility Gap score were -0.77, reliability gap scores of expectations and perceived were -0.68, gap score of responsiveness were -0.60, assurance gap score were -0.58, and finally the gap score of empathy were -0.32. The highest gap score was on Tangibility -0.77 and the least gap score were 0.32 on Empathy. Generally, there were gap score in all service quality dimensions (Tangibility, reliability, responsiveness, assurance and empathy).

Foreign tourists are not getting the services of the tour operators as they expect before in relation with all dimensions. From all dimensions responsiveness created a maximum gap, whereas, foreign customers get better services in relation with the service dimension of Empathy.

4.4.1 Respondents' Response of their Overall Satisfactions with Service Quality

The questionnaire ended up with a five-scale question about their view of the overall satisfaction they have experienced throughout their stay. That means, in order to know the overall customers' satisfaction one question is asked concerning customers' overall satisfaction of Ethiopian tour operators.

4.4.2 Overall Customer Satisfaction Level

As explained in the literature review, customer satisfaction involves the fulfilment of customers' anticipation of the goods and services. Customers become satisfied if the performance of the good or service is equivalent to, or even surpasses, the original expectation. Accordingly identifying satisfaction level of customers is one interest of this study. The satisfaction level in this study is also categorized and it ranges from highly dissatisfied, Dissatisfied, Neutral, Satisfied and Highly Satisfied. The table below presents the overall level of customer satisfaction.

Table 10: Overall Customer satisfaction level

	Frequency	Percent	Valid Percent	Cumulative Percent
Highly dissatisfied	8	6.9	6.9	6.9
Dissatisfied	16	13.8	13.8	20.7
Neutral	23	19.8	19.8	40.5
Satisfied	54	46.6	46.6	87.1
Highly satisfied	15	12.9	12.9	100.0
Total	116	100.0	100.0	

Source: researchers survey findings(2017)

As it can be seen from the table (Table 10) 12.9percent of the respondents werehighly satisfied, 46.6 percent of the respondents were satisfied, 13.8percentwere dissatisfied, 6.9 percentwerehighly dissatisfied and remaining 19.8percenthad neutral. Therefore, even if the highest percentage of respondents are somehow satisfied by the service provided by Addis Ababa travel agents, 13.8% of the respondents were dissatisfied from these one can infer that they needs to work more to change this result.

4.5 Correlation Analysis

This study employs correlation analysis, which investigates the strength of the relationships between the studied variables. Spearman correlation analysis was used to evaluate the monotonic relationship between two continuous or ordinal variables.

Table 11: Correlations results of service quality dimensions and customer satisfaction

	Customer Satisfactions	Tangibility	Reliability	Responsiveness	Assurance	Empathy
Customer Satisfactions	1					
Tangibility	.611[**]	1				
	.000					
Reliability	.693[**]	.741[**]	1			

	.000	.000				
Responsiveness	.711**	.748**	.819**	1		
	.000	.000	.000			
Assurance	.788**	.694**	.750**	.846**	1	
	.000	.000	.000	.000		
Empathy	.802**	.655**	.777**	.816**	.840**	1
	.000	.000	.000	.000	.000	

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

Source: SPSS Correlation result output, 2017

According to the Table 11, there were significant positive relationship between the five service quality dimensions of tangibility, reliability, responsive, assurance and empathy and customer satisfaction. Moreover, Empathy had the most significant positive correlation with customer satisfaction. From table 11, the highest correlation is between assurance and responsiveness (0.846) followed by empathy and assurance (0.840), and empathy and responsiveness (0.816). The lowestcorrelation between empathy and tangibility (0.655).In general, if correlation is positive between two or more variables that is, when service quality dimensions and customer satisfaction is positively related; delivering better service quality ensures higher customer satisfaction. Accordingly, the most important service quality dimension that affects customer satisfaction is empathy, which goes to prove that empathy perceived as a dominant service quality followed by assurance; This indicates improvement in fast assurance and empathy service have significant effect on customer satisfaction.

4.6 General analysis of the SERVQUAL dimensionsresult of the study

By using SERVQAL method the researcher tries to achieve what is needed in order toachieve sustainablequality tourismservice in Ethiopia by taking in to consideration the tourist's perception and expectation about quality travel service provided by travel agencies and comparing it with scored gap. In addition the researcher added some common demographicquestions to evaluate the level of the answer given by the tourists.

The five dimensions of SERVQAL, which are reliability, responsiveness, assurance, empathy and tangible has been used to categorize the 22 questionnaires into five groups. With regard to the questionnaires' as it is about the travel agents service. Reliability dimension consistof 5questions, which examine about the travel agents loyalty, sincere interest to solve the tourists complain, and serve the tourists at right time. The researcher believes that as far as the travel agents engage to understand and provide as they expect, there good actions will affect the retention behaviour of

tourists as well as positive word of mouth, then it is reliable thattourismwill be maintained for generations. The Responsiveness dimension comprise question regard to the travel agents employees performance in terms of giving prompt service, willingness to help, give service on time and about honesty , providing service in professional way and in line with the tourists view will assure the existence of loyal customer for ahead. The Empathy dimensionused to evaluate tourist perception about caring and giving individual attention, operating hour of the travel agents so this will help understand whether the travel agents perform thoroughly or not. The Assurance dimensions, questions category is used to examine the tourists perception regarding if the employees behaviour instil confidence in them, are they consistently courteous, have adequate knowledge to answer their questions. And from this researcher thinks that as far as there is trained employees hired in order to keep the tourists satisfaction then competitive advantage will be

Gain and tourists become loyal to their company. The Tangibilitydimension is used to measure whether the travel agents have modern tour equipment, attractivefacilities, employees neat appearance and tour materials available or not. Based on the findings there is gap scored in all dimension but Tangibility scored the highest gap while Empathy dimension scored thelowest in all dimension gap.The readers have to keep in mind that the five dimensions didn't play a big role as it stands; it is the points or questions which are included under each dimension that make sense. Each reader of this thesis paper needs to go through all the 22 SERVQAL Questionnaires made, to understand about the values that are found in each tables. Then looking what is included in each category of reliability, assurance, empathy, responsiveness and tangibility.

CHAPTER FIVE

SUMMARY,CONCLUSION AND RECOMMENDATION

This chapter deals with the summary of findings, conclusions drawn from the findings and the recommendations forwarded for improvement in services delivery process of the studied seven travel agents. The recommendations covers the importance of improving on those dimensions in which the selected travel agents got inferior score and also to keep working on the superior scored dimensions. The chapter is presented under summary of findings, conclusions, and recommendations

5.1Summary of findings

The research was conducted using questionnaire consisting of 116 sample respondent(toursits) conveniently selected from seven travel agents.

The results of background information of respondents indicated that from the total respondents (78.4%) were male and (21.6%) of the respondents were female. Regarding to age group 42.2 % of the respondents are between 18 to 30 years old whereas 19.0% were from 31 to 40 years old. 25.0 % were from 41 to 50 years the remaining 9.5% were above 50.This indicates that most of the respondent were young people. Regarding repetition of visitation, 10.3 % of the respondents visit for the first time 30.2% was visit for the second and third time the remaining 59.5 % were visiting for the fourth and above time.

Concerning expectation, the Tangibility dimension of service quality has been ranked first with a mean score of 4.39 in terms of expectation. The second highest was found to be Assurance with mean value of 4.31 followed by responsiveness and Reliability with a mean value of 4.30 and 4.19. The least rated service quality dimension in terms of customers' expectation was Empathy dimension of service quality with a mean score of 4.11.

With regard to actual experiences or perceived performance, it has been obtained that responsiveness and assurance dimension was ranked first with a mean value of 4.95. This implies that majority of tourists agreed that they have perceived relatively good service quality on the attributes of responsiveness and assurance dimension. Resource and corporate image, empathy, and reliability dimensions were ranked second with a mean score of 4.55,third 4.52, and fourth 4.18 respectively. The least ranked service quality dimension was tangibility with a mean score of 4.18.

Gap analysis result indicates tourists' actual service experience was less than their expectation along all service quality dimensions. This clearly indicates the travel agents service quality level is low. The wider gap is observed in tangibility dimension with a score of -0.77. Furthermore, such a negative gap has also been observed on the remaining service quality dimensions as follows: reliability (-0.68); responsiveness (-0.60); assurance(-0.58) and empathy (-0.32).

In regard to tourists overall satisfaction level,12.9 % of the respondents werehighly satisfied, 46.6 % of the respondents were satisfied, 13.8 % were dissatisfied, 6.9 % werehighly dissatisfied and remaining 19.8percenthad neutral.

The correlation result shows that there was positive and significant relationship between all service quality dimensions. Empathy had the most significant positive correlation with customer satisfaction. The highest correlation is between assurance and responsiveness (0.846) followed by empathy and assurance (0.840), and empathy and responsiveness (0.816). The lowest correlation between empathy and tangibility (0.655).

5.2 Conclusion

The purpose of this study was to assess the Service quality and tourists satisfaction of Ethiopian tourism industry. The assessment of service quality and tourists satisfaction was made in view of SERVQUAL model; a model widely used to measure expectation and perceived service quality.

Quantitative method was employed to undertake this research project. Data was obtained from a questionnaire given to 116 sampled respondents from seven travel agent offices in Addis Ababa. Data collected from the survey questionnaire was analyzed using descriptive analysis & correlation by the help of Statistical Package for Social Science (SPSS v. 20.0). A gap score analysis was used to highlight the gap between the actual service quality and the tourist's satisfaction toward it.

The questionnaire organized based on the five SERQUAL dimensions in order to compare the tourist's expectation and perceptions towards the service of the studied travel agents. In addition, overall satisfaction was included on the questionnaire to further support the result .

The questionnaire was organized in easy and clear way that can slightly enough to show the significance of each attribute to the tourist's satisfaction or dissatisfaction, as well as to identify the specific area and cause of the tourists travel dis/satisfied travel experience.

The questionnaire was also helpful to show a relatively full picture of the main purpose of the study and it is believed that the obtained result almost completely answered the basic questions of the study. Hence the analysis part implies that there was gap scored in all service quality dimensions it can be an indication that the studied travel agents don't perform in line with SERVQUAL dimensions. Correspondingly in the over all satisfaction result indicate that from the 116 sample respondents 13.8 % were dissatisfied that can negatively affect the retention behaviour of the tourist.

In general it can be conclude that, even if aspect of this study cannot be enough to considered as the only factors to affect the tourists travel experience satisfaction and decision to return. It can also take as the indicators for the performance of the sample studied travel agents are not fit to satisfy the tourists.

5.3 Recommendation

Based on the findings of this study the researcher recommends the following points.

1. The study revealed that the major factors of tourist dissatisfactionwere related to, modernization, employees neat appearance, facilities, sincere interest to solve problems, and loyalty. The poorquality of thosedimensions, are thecritical concern areas where travel agents should focus onto provide a more satisfying and fulfilling tourist experience inEthiopia.

2. The fact that the majority of tourists have intended to return andrecommend Ethiopia is promising. However, it looks flattering to thecurrent quality of tourism products and services of the country whichdoes not guarantee the future customer satisfaction unless the criticaldissatisfying factors are reduced to a minimum level.

3. Despite a number of dissatisfying factors, the tourist's response to theoverall level of satisfaction in Ethiopia proved to be encouraging. Therefore, emphasisshould be given to assess the level of tourist satisfaction toconsistently to enhance the positive word of mouth communicationand gradually avert the countries' poor image in the minds of potentialtourists.

4. The ministry of culture and tourism should consistently strive toperform quality control and assurance, training, implementing new all inclusive standard policy , and maintenance, cooperate with all tour and travel agent organizations to impact the ultimate goal ofany tourism development activity which is tourist satisfaction thatguarantees a consistent and viable economic sector.

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APPENDX 1

Research Questionnaire

Service quality and Tourists satisfaction in Ethiopian tourism

The case of seven travel agents in Addis Ababa

Dear, Respondents

   I am a graduate student at St Marys University and conducting my MBA thesis about **"service quality and tourists satisfaction"** in the Ethiopian tourism sector**.** The sole purpose of this questionnaire is to gather data's and analysis for the completion of the study regarding service quality and tourists satisfaction. The data collected is confidential. Your genuine response has great contribution for the study. Therefore, I politely request you to fill the appropriate answers for the questions provided below. In addition, there is no need of writing your name. Finally, I would like to thank you very much for your cooperation and spending your valuable time for my request.

 Please contact me at any time

E-mail: bettykiyabe@gmail.com

Phone number: +251 9 39 081891

SECTION 1: DEMOGRAPHIC INFORMATION

1. **Gende**r: Male ☐   Female ☐

2. **Age**: 18 - 25 years ☐   26 -33 years ☐   34 -41 years ☐   above 42 years

3. **Education level: High school** ☐   Certificate ☐   Diploma ☐

Degree ☐

☐

Masters and above

4. **Occupation: Government employee** ☐   Private-employee ☐   Self-employed

☐

Student ☐   pensioned ☐

☐

SECTION II Assessment the degree of satisfaction of services offered by the tour companies

The following statements relate to your expectations and perceptions on the service quality of the Travel agents in Addis Ababa. Please tick **(√)** the number that you feel most appropriate number using the scale below (from 1 to 5 alternatives in the Likert scale).

1. SD- Strongly Disagree, 2. D- Disagree, 3 N- Neutral, 4. A- Agree, and 5.SA- Strongly Agree).

No	SERVICE QUALITY DIMENSIONS	YOUR EXPECTATION FOR AN EXCELLENT TOURISM MANAGEMENT					YOUR PERCEPTION ON YOUR PARTICULAR EXPERIENCE				
I.	TANGIBILITY	1	2	3	4	5	1	2	3	4	5
1	The travel agents have modern tour equipment	1	2	3	4	5	1	2	3	4	5

2	The physical facilities are visually attractive	1	2	3	4	5	1	2	3	4
3	Employees are neat in their appearance	1	2	3	4	5	1	2	3	4
4	Materials associated with the service (pamphlets, maps, statements) are visually appealing at office.	1	2	3	4	5	1	2	3	4
II.	**RELIABILITY**	1	2	3	4	5	1	2	3	4
5	Travel agents are loyal to their promise to provide the service on time.	1	2	3	4	5	1	2	3	4
6	When problem happen, the staffs show a sincere interest in solving it.	1	2	3	4	5	1	2	3	4
7	Tour operators perform the service right the first time	1	2	3	4	5	1	2	3	4
8	Tour operation staffs provide the service as they promised.	1	2	3	4	5	1	2	3	4
III.	**RESPONSIVENESS**	1	2	3	4	5	1	2	3	4
10	Employees are willing to tell customers exactly when the services will be performed.	1	2	3	4	5	1	2	3	4
11	Employees give prompt service to customers.	1	2	3	4	5	1	2	3	4

transactions.

#	Statement									
12	Employees are always being willing to help customers.	1	2	3	4	5	1	2	3	4
13	Employees are never too busy to respond to customers' requests	1	2	3	4	5	1	2	3	4
IV.	**ASSURANCE**	1	2	3	4	5	1	2	3	4
14	The behavior of employees instils confidence in customers	1	2	3	4	5	1	2	3	4
15	Customers of the travel agents feel safe in	1	2	3	4	5	1	2	3	4

		1	2	3	4	5	1	2	3	4	5
16	Employees are consistently courteous with customers.	1	2	3	4	5	1	2	3	4	5
17	Employees have knowledge to answer customers' questions.	1	2	3	4	5	1	2	3	4	5
V.	**EMPATHY**	1	2	3	4	5	1	2	3	4	5
18	The travel agents give individual attention for each customer.	1	2	3	4	5	1	2	3	4	5
19	Travel agents operating hour is convenient to all their customers.	1	2	3	4	5	1	2	3	4	5
20	Travel agents have employees who give customers personal service.	1	2	3	4	5	1	2	3	4	5
21	Having their customers' best interest at heart	1	2	3	4	5	1	2	3	4	5
VI.	**LOYALTY**	1	2	3	4	5	1	2	3	4	5
23	Most Ethiopian travel agents are always my first choice.	1	2	3	4	5	1	2	3	4	5

24	I plan to continue to be a customer of this Organization	1	2	3	4	5	1	2	3	4	5
25	I plan to tell others about the service quality of the travel agents.	1	2	3	4	5	1	2	3	4	5
26	I intended to continue to be customer of the travel agent because I am absolutely delighted with the services i got.	1 1	2 2	3 3	4 4	5 5	1 1	2 2	3 3	4 4	5 5
27	I will encourage friends and families to use this travel agent	1	2	3	4	5	1	2	3	4	5
28	I never complain about quality of the service they	1	2	3	4	5	1	2	3	4	5

Customers overall satisfaction	Very dissatisfied 1	Dissatisfied 2	Neutral 3	Satisfied 4	Very satisfied 5
Your overall satisfaction with the Ethiopian Travel Agent					

THANK YOU for your cooperation!!!