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Identify Possible Critical Provider Gap(s) in the Package Tours Sold by Travel Agencies in Singapore

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Identify Possible Critical Provider Gap(s) in the Package Tours Sold by Travel
Agencies in Singapore

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A professional paper submitted in partial fulfilment
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ABSTRACT

Identify Possible Critical Provider Gap(s) in the Package Tours Sold by Travel Agencies in Singapore

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Package tours are beginning to wane in its popularity and relevancy in today's sophisticated travel market. This is beginning to show in Singapore as well. The needs and wants of customers are not as well met as compared to the past. If a travel agent wishes to stay profitable in this market segment, it is necessary for the operator to take a good thorough look at its tour packaging value chain. From the nature of the product itself to the end execution of the product, the travel agent needs to review its relevancy and ability to meet customers' needs. The provider gap analysis would be a power tool to provide a systematic look at this value chain and provide possible insights to the areas that require major attention and revamp.

The purpose of this study is to scientifically discover these possible provider gaps in services using past and present academia research. The research will shed light on the customers' needs and wants while the provider gap model puts all this research results into proper perspective and categories.

It is also the hope that this paper may be utilised by the travel trade as a resource and blueprint to fine tune their package tour programmes.

TABLE OF CONTENTS

ABSTRACT	2
TABLE OF CONTENTS	4
LIST OF FIGURES.....	5
LIST OF TABLE.....	6
ACKNOWLEDGEMENTS	7
PART ONE	8
Introduction.....	8
Purpose.....	10
Statement of Problem.....	10
Statement of Objective	10
Justification.....	11
Constraints	11
Glossary.....	13
PART TWO	14
Introduction.....	14
Provider Gaps.....	15
Service and design gap areas.....	17
Service performance gap	19
Listening gap areas.....	21
Conclusion.....	21

PART THREE	23
Introduction.....	23
Case Study.....	24
Service design and standards gap	25
Service performance gap	29
Listening gap.....	30
Communications gap	31
Conclusion.....	36
Recommendations	37
REFERENCES	40

LIST OF FIGURES

<i>Figure 1. Service Provider Gap 1: The Listening Gap. Adapted from by Zeithaml, Bitner, and Gremler (2009).</i>	15
<i>Figure 2. Service Provider Gap 2: The Service Designs and Standards Gap. Adapted from by Zeithaml, Bitner, and Gremler (2009).</i>	16
<i>Figure 3. Service Provider Gap 3: The Service Performance Gap. Adapted from by Zeithaml, Bitner, and Gremler (2009).</i>	16
<i>Figure 4. Service Provider Gap 4: The Communications Gaps. Adapted from by Zeithaml, Bitner, and Gremler (2009).</i>	17

LIST OF TABLE

Table 1: Provider Gap Matrix	33
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PART ONE

Introduction

The first appearance of organised package tour could be attributed to Thomas Cook in 1841 in United Kingdom (Buch, 2007). He created group transportation for temperance supporters and subsequently to the Great Exhibition of 1851. The terminology of the “organised mass tourists” coined by Cohen (1972) completely described the type of tourists who would delegate the entire arrangement of the tourism experience to the travel agent. The customers would literally sit back and enjoy. Thus, the simple task of transportation logistics with frill less service was over. It had evolved into today’s complex tour arrangements including air-ticketing, provision of accommodation, inclusion of tour guiding services, entrances to various attractions, meals arrangement, and ultimately creating wow moments throughout the itinerary in the quest of delighting the travelling customers. The term wow moments are probably an extension of an old vaudeville term called wow climax (Jenkins, 2006). Tour packages today are multi-billion dollar businesses that provide a multitude of not only jobs but careers for those who seek a specialised calling in the tourism and hospitality industry.

Hence it would be reasonable to postulate that the changes throughout the hundred and sixty years were the solutions to the discovery of various provider service gaps, or direct responses to the needs of the customers. The travel customers matured with more needs while the sophistication of the suppliers increased in tandem. Basic and simple travel products evolved into comprehensive packages to provide complete solutions to these customers’ travel needs.

The western concept of travel agencies eventually reached Asia and the idea of tour packages were readily adopted by Asians. Tour packages suited the Asian market perfectly. Generally, Asians are also suited to group travelling as they are more collectivistic in nature (Meng, 2010). They are also more ethnocentric and travel in the same group allows the comfort zone more palatable to their inborn nature.

On the practical aspects, many Asians are unfamiliar to language other than their own and to travel to a foreign land with a foreign language would pose great difficulty in sightseeing. Therefore, once again travelling in a group makes perfect sense. Moreover, with all the travel elements predetermined, there are many benefits and advantages. For example, savings made by the travel agents can be passed on to customer through the economies of scale with their collective buying. There is greater safety by travelling in numbers with a tour leader or manager included. People with the similar interests and culture can travel together. The above are general reasons why consumers prefer package tour groups. It can be even suggested that group travelling is genetically imprinted in the Asian Mindset.

It should be noted that as society matures, the development of travel would progress towards independent travelling, characterised by the terminology, "Free Independent Travellers (FIT)". Customers who want customisation, to be unbounded by group rules and routines, seek to travel by themselves with minimum arrangement made by the travel agents. This has taken place strongly in western countries, as travellers become more adventurous and prefer their own prerogatives when travelling.

The above suggests a downward trend in package tour demand and eventually may lose relevance to the needs of the market. Travel agencies specialising in this form of tour may eventually face its demise if no steps are taken to relook, reinvent, and rejuvenate interests in this form of tour.

Purpose

The purpose of this paper is to identify possible service gaps in the package tours sold by travel agencies in Singapore.

Statement of Problem

Tour packages may become irrelevant and do not realise the evolving needs of customers who have today become increasingly sophisticated and more demanding. The contents and services they seek are not satisfactorily provided by the present travel agents. For example, the traditional herd style of group travel may become inappropriate as customers seek greater independence in travel. Common and generic tour activities may prove inadequate in satisfying their specific needs. Customers may also seek higher level of service provision in terms of attentiveness and care and concern. Travel agents who specialises in group package travels may find soon find their market size shrink as customers shift their preferences or if they are unable to improve their level of service.

Statement of Objective

The gaps identified can serve as a framework from which the travel industry may be used to understand their own customers and to design tours that meet their needs more closely. This helps to maintain customers that will continue to use

package tours and maintain their dedication to them. If truly useful enough, this may help to even persuade FIT travellers to join package tours.

Justification

The gaps identified therefore may improve pre-tour service design, actual tour design, tour execution, and post tour fulfilment. It would be a comprehensive and structured way of looking at designing the entire value of chain of package tour provision.

The development of FIT travellers or exodus from organised package tour may in fact be caused by the dissatisfaction from the service gaps found in package tours. Thus, if package tour operators may in some way address these issues, it may be possible to stem the growth of FIT travellers. Even if not, minimising present service gaps will slow the conversion of group travellers to independent travellers. Thus it would be useful to discover the present weaknesses in the travel agencies that specialise in group tours. With this understanding, better service and quality tours can emerge.

Asian travellers may be the last frontier in this evolution. If travel agents are able to rectify the service gaps, perhaps they may still be able to continue to carve a niche in the lucrative travel market that can continue to be a sustainable lifeline to its existence as package tour travel agents.

Constraints

China, Hong Kong, and Taiwan have many excellent academic institutions that made studies into the characteristics and buying behaviour of their travellers in their own countries. Hence they are well researched and documented and provided

insights into what they are looking for in a package tour. There are quantitative studies that mapped the dimensions of the Hong Kongers and Taiwanese by their countries' researchers.

In comparison, Singapore does not have a strong tourism research base and little studies are made. Other than bargains or economic savings in tour packages, what Singaporeans look for when buying tours are not truly clear. Their needs have not been properly researched. However, as Singapore has a similar cultural background to Hong Kong and Taiwan, it may be possible to draw some parallels between these peoples in terms of their characteristics and buying behaviour in package tours. It may even be possible to use the same research methodologies if the studies are replicated in Singapore. This is because Taiwan and Hong Kong, like Singapore, are dominated by Southern Chinese that consists mainly Cantonese, Hokkien, Hakka and Teochew people. Besides ethnicity, the economic development is highly similar among them. All three rose to become economic giants in Asia termed the "Four Tigers of Asia" in the 1980s. Their economic successes outpaced the rest of Asia and became the model of economic miracle.

It is noteworthy that ultimately the other Asian travellers may not fully represent the psychographics of the Singapore travellers. Singapore travellers may have certain unique needs and requirements that are distinct and would have to be attended differently in the course of package development and execution.

Nonetheless, this study of package tour travellers may be used as a starting point to perhaps start a more meaningful quantitative study in future in Singapore. It will be useful to replicate Hong Kong and Taiwan's studies into a local context.

Glossary

Free Independent Travellers

Inclusive tour is a North American term for an independent inclusive tour (an IIT in the UK). However, the acronym is decoded in other ways in other texts, as: foreign independent tour; foreign independent travel; foreign individual travel; fully independent traveller [sic]; and frequent individual traveller [sic]. In New Zealand and Australia the acronym is decoded as free independent traveller (Beaver, 2005)

Wow climax

The moment of peak spectacle and maximum emotional impact in vaudeville act (Jenkins, 2006). Hence wow moments, likely an extension term, generically in tourism and hospitality, an opportunity to delight a customer in the most expected or unexpected manner to create a strong positive impression.

PART TWO

Introduction

Singaporeans are voracious travellers as they made many overseas trips in a year, with as many as three to four trips during good economic conditions and one to two trips in not so good years (Loh, 2008) according to a Channel News Asia report. The Straits Times reported that the latest NATAS Fair in February 2012 fetched SGD\$100m sales, surpassing last year's SGD\$90m by ten per cent. Tour package prices are lower at this fair signalling more people are travelling despite the uncertain economic outlook (Pang, 2012).

The last survey organised by National Association of Travel Agents Singapore (NATAS) in February 2011, 60% respondents indicated they travel two-three times a year while 12% indicated they travel four times a year (Tan, 2011). This concurred with the earlier study in 2008. There is consistency in the interest of travelling in Singaporeans. In the NATAS travel fair in August 2011, despite the poor economic outlook and extremely unpredictable global conditions, it has shattered all previous sales record with more than SGD\$100m in sales (Kumar, 2011).

The above shows that the travel industry in Singapore continues to show tremendous opportunities and growth in both package tour sector and travel in general for travel agencies. Singapore travellers will continue to yield impressive results if the gaps are properly identified and tours continue to serve the needs of the travellers. It is crucial to maintain the hold of this group of travellers for sustained profitability and longer term survival.

Provider Gaps

According to Zeithaml, Bitner, and Gremler (2009), in a perfect world, a customer's expectation and perception would be identical. However, in reality they are usually separated by some distance. Hence it is of paramount importance for an organisation to narrow these distances. That can be achieved by narrowing the provider gaps. There are four provider gaps, the listening gap; the service design and standards gap; the service performance gap; and the communications gap. The understanding of these gaps and subsequently closing them are crucial to meeting customers' expectations.

Below are the figures that show the key factors leading to each provider gap.

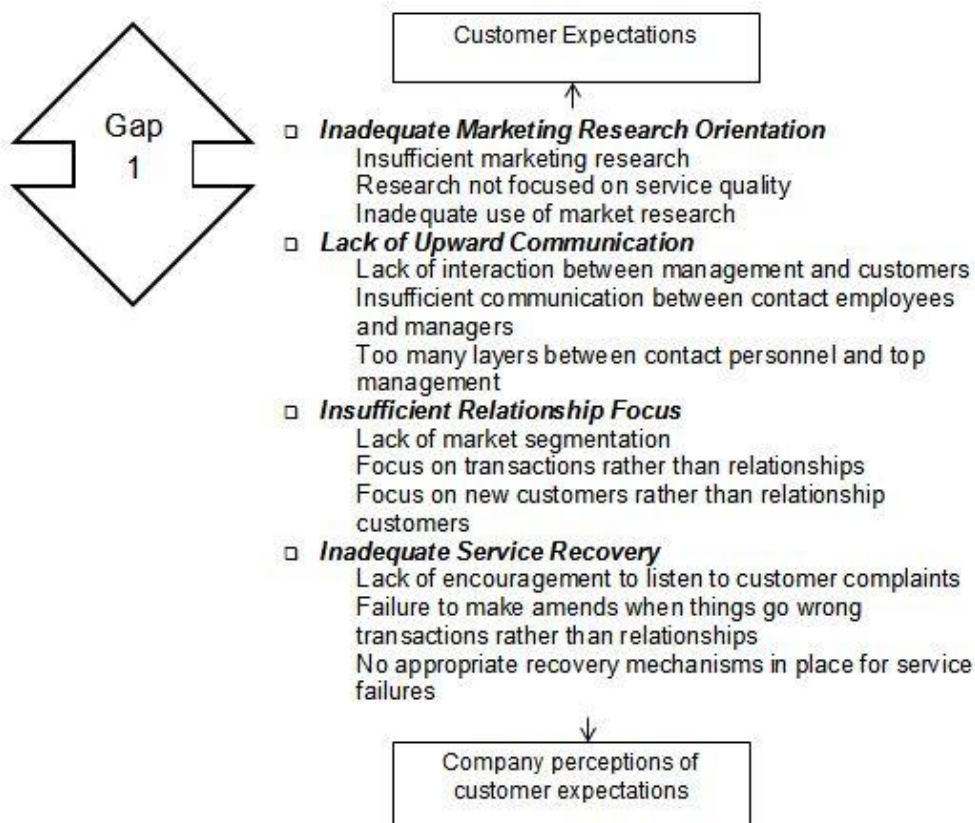


Figure 1. Service Provider Gap 1: The Listening Gap. Adapted from by Zeithaml, Bitner, and Gremler (2009).

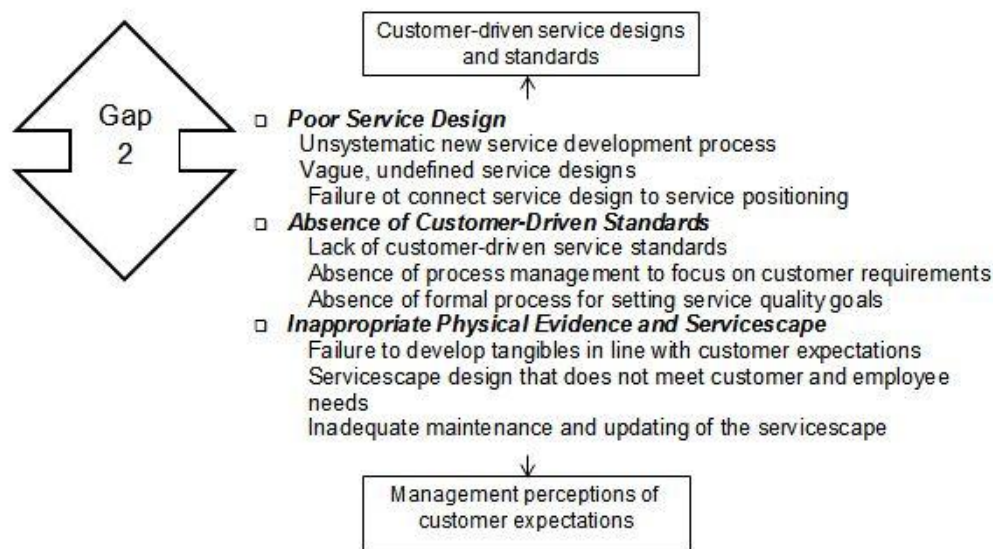


Figure 2. Service Provider Gap 2: The Service Designs and Standards Gap. Adapted from by Zeithaml, Bitner, and Gremler (2009).

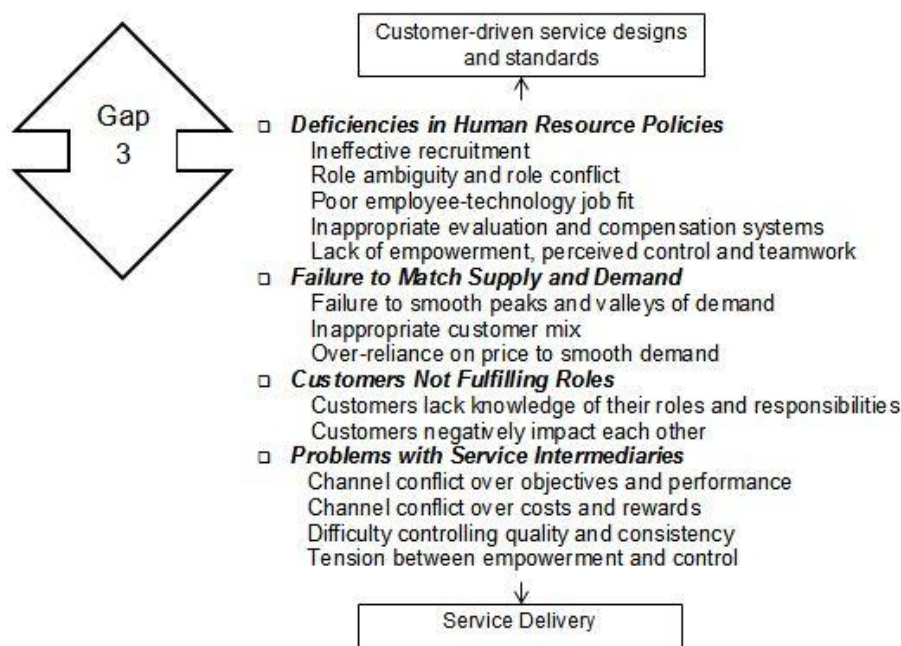


Figure 3. Service Provider Gap 3: The Service Performance Gap. Adapted from by Zeithaml, Bitner, and Gremler (2009).



Figure 4. Service Provider Gap 4: The Communications Gaps. Adapted from by Zeithaml, Bitner, and Gremler (2009).

Not all the provider gaps are examined in detail as this is primarily a preliminary study of the application of the model to the tour package value chain. Some gaps are more applicable and relevant to the investigation.

Service and design gap areas

In the general study of tourist needs in travel, Pearce (1982) indicated that tourists engaged in activities such as photo-taking, souvenir purchase, and visitation of tourist attractions. They usually stay a short period of time but seldom understand the local people despite travelling there. There is a lack of in depth interactions with the locals. In contrast, Japanese prefer to travel in groups and shop non-stop, particularly for mementos (Ahmed & Krohn, 1992).

Burke and Resnick (1999), Crouch (1994), and De Souto (1985) had generalised that tourists tend to be more concerned about safety when travelling to unfamiliar destinations. In the study of Wong and Lau (2001), Hong Kong tourists exhibited similar concerns with safety when they travel. During partaking of adventurous activities such as bungee jumping, Hong Kongers would observe safety precautions diligently. That might also explain why they prefer to travel in group. In a separate study by Loh and Lam (2004), personal safety featured prominently as a characteristic of Hong Kong tourists. Xu and Chan (2010) also discovered in the four factor model of service experience that “peace of mind and relaxation” is highly ranked (second most important factor) in creating customer satisfaction. They are concerned about their safety and comfort more than usual.

It is also not surprising that trying local cuisine ranked highly in the study by Wong and Lau (2001) since eating is often considered as a national passion in Hong Kong. They enjoyed novel and interactive activities to escape their daily routines from a small and congested island (of Hong Kong). Hong Kong tourists enjoyed traditional travel activities such as photo taking, not unlike what Peirce had studied and found out.

According to Rewtrakunphaiboon and Oppewal (2008), price is an important criterion in affecting purchase decision while provision of travel information has no significant influence. The study which is based on students suggests that the surveyed participants are very sensitive to price. This study, though not representative of the travel market, may suggest that care has to be made in terms of pricing for specific markets. Jin, He, and Song (2012) further studied the idea of option framing, in other words, the upgrading and downgrading of package tours

based on economic and luxury tour packages. They discovered that generally customers prefer to upgrade from a basic economic package and customise upwards than downgrade from a luxury package. Upgraded components are typically peripheral service or add-ons rather than core services. It suggests that customers prefer control over certain elements in their tour package. It is necessary to extend choices in the service provision process. A one size fits all package tour idea is not what customers want today. The provision of additional choices would also suggest that the tour consultants play even a bigger role in providing the right and valuable advice to the customers.

In Huang, Song, and Zhang (2012) study of quantity and price competitions in tourism supply chain networks for package holidays, they incidentally realised that differentiation of tour packages can attract more customers and facilitate higher profits for travel agencies as that alleviates the intensity of price competition between companies. It also promotes price stabilisation and market share increase. Customers in Hong Kong are looking for differentiated products and are willing to consider purchase if options are attractive.

Service performance gap

Chang (2006) in Taiwan discovered that a tour leader/ manager, or commonly known as a tour escort in the Western context, had significant impact on the success of a package tour. A tour leader manages group cohesion and rapport in the group. He can make or break a group's enjoyment by virtue of his performance. Taiwanese, being unfamiliar with foreign languages, relied tremendously on a tour leader's expertise, experience and knowledge of tourist destinations.

On the topic of tour leader, Lin, Wang, and Chen (2008), suggested that female tour leaders featured in a tour brochure may be more effective as marketing collateral tool compared to using male ones. It seemed that travel tour package consumers favour female employees in general and this may be associated with the nature of the job role of a tour leader. A tour leader needs to be a surrogate parent, mentor, mediator, entertainer, etc that requires perhaps greater feminine charm.

In contrast to the above, the author has from his tour leading days discovered that male gay tour leaders and tour managers, who displayed overt dramatic feminine gestures seemed to have a distinct ability to satisfy and fulfil customers' needs better than sexually straight counterparts. The tour groups tend to be happier and greater entertained. Anecdotally, tour groups ran by gay tour leaders had greater satisfaction levels. These tour professionals were frequently heavily demanded for tour assignments. The author feels that they were particularly successful as they posed no physical attraction threat to the husbands with wives or wives with husbands during the trips. This neutral attraction to the tour leader reduces the potential sexual conflict in tour management. Though there is no academic literature that supports this area of study, this is worth mentioning. It should be an area of future research to determine scientifically the success of such tour professionals.

Nevertheless, the underlying message that tour leaders do play the most critical role in the execution process of the tour is unequivocal. They controlled the fulfilment part of tour packaging that provides the ultimate satisfaction at the consumption of this service.

Listening gap areas

Singapore travellers have much experience going to Bangkok or Kuala Lumpur and it is not uncommon for multiple visits of these same destinations. They also prefer nearby destinations compared to further ones. McKercher, Chan, and Lam (2008) have supported that physical distance affects the attractiveness of a destination. Nearer destinations are more attractive than further ones. It may seem common sense that nearer destinations will receive greater visitations by virtue of lower costs and ease of travel. However, this study does suggest the useful implications of forecasting the trend of Singapore travellers and their demand of tour needs.

Conclusion

The various academic articles provided crucial clues to the possible gaps that may be identified from the organisation of package tours. With the areas defined, the travel agencies need to use a comprehensive and holistic model to address the entire value chain of the tour packaging selling process to tighten up the business proposition.

The four provider gaps as shown in the figure above provide a thorough framework to understand the possible areas that require attention and remedy. The key factors leading to the provider gaps allow a mapping study to the academic body of literature.

The above literature review provided an illuminating discovery. The service design and standards gap, and service performance gap are clear examples. Many of the research articles reviewed are mapped back to these gap segments. It

suggests greater attention and major effort should be paid to these areas that are easily deficient. These two gaps may be a major key to developing a superior tour package product that will extend its life cycle and produce greater profit margin to the travel industry.

The two other gaps, namely the listening gap and communications gaps, though less literature are discovered, does not mean they are not important nor should they be ignored. Tour packaging should be holistic and other service gaps should be taken into consideration as well. It could also mean that the body of literature have not taken a more serious look into these areas. This may itself suggest greater study be focused on these two gaps.

Regardless, the main priority should be focused on the two clearly identified gaps. These two are of immediate concern and bear investigation. The task at hand would be to address the imbalance of these gaps and to make amends to improve the products.

PART THREE

Introduction

Tour packages, presently, remain popular as a means of obtaining travel by the most people when going for their overseas holidays, particularly in Asia. Hampered by language barrier, travellers seek the comfort of fully organised tours with an escort to minimise their difficulty in local arrangements. They can truly sit back and enjoy (Cohen, 1972) and leave the complex logistical issues to the travel agent. However, with travellers becoming more discerning and appreciating greater service standards, the traditional package tour offerings may slowly lose the support of the demanding travellers.

Hence it is important for the new age travel agencies to remain relevant to today's travellers. The literature review presented attempts to collate and consolidate the collective wisdom of the academia in the study of service offerings in the industry. By examining the various research papers on the travel and related issues, it is possible to bring to surface the critical concerns of travel package users in terms of their overall concerns pre, during and post tours. Through the use of gap analysis, it would thus provide a systematic framework to cross reference these discovered issues holistically. Hence, it also highlights directly and indirectly areas that requires improvement and modification. It suggests new possibilities for the industry to include in the travel packages that will provide the wow moments that will prolong its relevance in today's travel market and hence its continued existence.

The purpose of this paper therefore is to identify possible service gaps in the package tour value chain in Singapore. The analysis helps the industry to roadmap

their future planning in the package tours. Planners will have a better understanding to what customers need and pay more attention to those areas that require a finer touch. Travel agencies can therefore justify the profit levels that are needed to sustain them.

A matrix/ table will be developed at the end of the discussion as a simple illustration to the areas that require attention and become a frame of reference for the academicians who may be keen to pursue this study to a greater degree. Planners may use it as a form of checklist or table in the design of new itineraries that would be customer centric and bring closer the customer's expectation and perceptions. In other words, the matrix/ table hope to shed light on the entire service value chain with a clarified path that is paved in a logical sequential format.

It is important to note that this study represents a first attempt by the author to reference the various gaps to the limited amount of academic literature explored. With the right scope, the framework can be built upon with greater exploration of issues faced by travellers through more comprehensive academic research. This may become a model such as "Itinerary Design through Gap Analysis".

Case Study

Package tour products remain important in Singapore's travel landscape as seen from the evidentiary reports, facts and figures released through official media intermediaries. At the present moment, it shows no sign of abating and has continued to grow from strength to strength in recent years. Singapore travellers' voracious appetite to travel, which stem mainly from their small geographical

confines, cajole them to flee overseas on a regular basis to de-stress, seek entertainment or new experiences that their own country can ill afford them.

While all the above are favourable to travel, it is important that travel agents remain innovative and pay attention to the customers to cater to their needs, regardless to gain or keep market share. There is also no time to be complacent as the tastes of travellers shift and morph according to their whims and fancies, or what is popular for the day. Any slightest miss-step may mean the fall from favour of the travellers and ultimately impacting margins and profits. The worse may see the company going out of business.

As the trend leans towards FIT for a developed travel market, travel agents must now provide great value, outstanding itinerary designs and 'WOW!' service fulfilment to keep them interested in package tour products. Otherwise, travel agents would not be able to value add if customers become interested in 'dry' products only such as air-fares and accommodation, which customers may procure directly, and bypass the middlemen (travel agents).

Service design and standards gap

Earlier study with Pierce (1985) indicating that there is insufficient interactions with local may represent a chance for travel agents to close the service and design gap by weaving more opportunities to mix with locals. The common farmstay/homestay option addresses this issue but better solutions may be necessary to keep the customers better engaged. With the clientele becoming more sophisticated, they may yearn greater involvement with locals.

Package tour customers continue to regard safety as an important issue in their tour experience. This is another area that looked at the service design and standards gap. Customers do enjoy activities and even adventurous ones. However, they must be safe and customers must be convinced their safety is not affected. Tour operators must ensure reliable and credible suppliers are co-opted in providing exciting activities for their travellers but giving them the assurance. With this, there will be room for exciting itineraries to be developed and there will be no need to stick to purely traditional sightseeing activities. Safety records could be emphasized and be used as a selling point.

Presently in Taiwan, the number of farmstay options has mushroomed from a handful to thousands of operators in the last two years. However many operators are not registered with Taiwanese tourism authority and have not undergone proper certification of the facility as well as getting the appropriate insurance for taking care of tourists. Farm activities in these accommodation options may be dangerous and in the event of an accident, there will not be any insurance coverage. Travel agents need to take greater precaution in engaging approved providers and show a greater duty of care and concern to the travellers. This added assurance may convince FIT customers that tour package is probably more reliable and they do not have the burden of checking the credentials of the operators themselves.

Sightseeing is probably the most important aspect of travelling and dining would probably be the next most important. Hong Kong travellers enjoyed local cuisine and Singapore travellers are likewise as they share the same passion for food. Singapore tourists are probably savvier in terms of experimenting with international cuisine because of their multi-cultural background. Incorporating good

and interesting food choices in package tours will address the service design gap in itinerary design. For example in Las Vegas, fine international cuisines may be sampled within a small geographical area. Excellent Chinese, Japanese, Italian, Brazilian and other specialty cuisines are available. On the other hand, travel agents may take special care in discovering ethnic cuisines within a region. In China, there are many gourmet cuisines associated with an area, for eg the Han & Qing Complete Feast showcases three hundred royal dishes in the city of Beijing, while Guilin in Guangxi region is famous for its different versions of rice noodles. Travel agents can package these special meals into highlights of the tour package, especially as a finale or celebration meal towards the end of the tour.

The studies of McKercher, Chan, and Lam (2008) seem to suggest that package tours for nearer destinations should be developed as they are more attractive to travellers. This would be part of the service design gap where the travel agents may look at designing a comprehensive selection of nearer destinations to satisfy this need and generate greater business for the company. In Indonesia, a neighbouring country, only few areas are marketed for tourism such as Medan, Jakarta, Bali and Surabaya. There are many other regions such as central Java where Jogjakarta, Prabanam and Borobudur are located that may be developed into new destinations. Moreover, direct flights are available and connections would not be a problem.

Rewtrakunphaiboon and Oppewal (2008) suggests that travellers are price sensitive and not to the provision of travel information. This study which is limited to students would suggest a service design gap in the provision of products for different segmented target markets. Package tours for students may be a niche area where

travel agents can fulfil a role in finding best value tour package combinations by using budget accommodations, student discounts and creating unique itinerary proposition such as including value for money bars or night clubs for evening entertainment.

According to Jin, He, and Song (2012), customers want choices to upgrade. The Singapore tour package travel market is generally lower middle to lower class. It is these groups of people that yearn for economic savings by joining package tours. Yet, they have also become more discerning and sophisticated. They look forward to upgrading components or include add-ons that cater to their new found needs. Travel packages may provide modular options that allow customers to differentiate their experience. This also represents an opportunity for the travel agent to innovate their modular offerings with unique programming and therefore opening themselves to a new revenue stream. This may be accomplished, for example, offering a unique optional half day or full day tour on the itinerary's free day.

Huang, Song, and Zhang (2012) realise differentiated travel products can increase market share, promote price stabilisation and result in higher profits. Travel agents should spend serious efforts in making their products unique from their competitors. This may mean that group package must become niched instead of being generic and from becoming purely a mass market commodity. Being niched also implies more intimate relationship with the customers and greater service level. Trust and better service would usually solicit higher returns from customers as customers see greater value in premium offerings.

Service performance gap

The previously discussed optional modules or upgrade packages require knowledgeable and confident travel consultants to upsell. It is necessary to narrow this gap in terms of selling skills. Travel consultants need to understand the customers' needs to provide a suitable upsell package. They have to be properly trained in products/ destination, to listen, recommend and perform objection handling to be truly a value adding travel consultant to both the company and customers.

The service performance gap will be strongly affected by the tour leader chosen for a package tour. Chang (2006) and Lin, Wang, and Chen (2008), and numerous researchers shared a common stance that a tour leader significantly affects the customer's perception on the execution of a tour because of the close proximity and relationship shared during those short but intense period. A tour leader spends 24/7 with a customer and looks after all aspects of the welfare of the customer. As previously mentioned, a tour leader is a tour organiser, the quality gatekeeper, a local walking encyclopaedia, a surrogate parent, a mediator, an entertainer the list goes on (Mancini, 2000).

Hence the choice of a capable staff is truly crucial here. However, any insider of the trade will reveal that in Singapore, it is perpetuated with part-time or temporary employees when it comes to tour leading. It is almost an antagonistic approach of tour management where control of the most important part of the value chain is "contracted out" than given the utmost attention and care. The current human resource practice of getting any person to lead tours is in total opposition of the proper employment tenet of such a critical job. There should be a major rethink in the deployment of human resource of tour leaders.

The best resource should be put to train the best most loyal tour leaders to ensure that the best care can be given to the customers. They are the fulfilment agents of the travel company. They should be provided with autonomy in making decisions to make customers happy such as increasing meal budget, rectifying any mistakes along the trip. Of course, in reality, tour leaders are seldom given any authority to make financial commitments on behalf of the travel company.

Recently, there is a trend to engage television or radio celebrities to be tour leaders to add star power to a package tour. Of course these star tour leaders do not really tour lead but perform more 'public relations' activities. While this may be an interesting development in innovating itinerary design, it is faddish in nature and adds no true value to the travel content of the tour.

Nevertheless the service performance gap by tour leader is a critical area for review as this addresses the deliverables required to sustain the success of travel packages. Sophisticated travellers will expect greater service level, better trained and more knowledgeable on the ground tour manager who is frequently asked to perform 'miracles'.

Listening gap

The listening gap may also be addressed under the tour leader aspect as the travel business should be focused on building relationships with the travellers through them. Package tour users are excellent repeat customers if their loyalty can be secured and they are happy with the services. Customers are adverse to shifting allegiance if they are comfortable and feel safe with existing relationship. They

appreciate familiarity with a tested brand, particularly package tours that usually involve high financial commitment.

Communications gap

The listening gap reminds the need to focus on the communications gap. Tour leader not only must listen but also communicate to the customers. Proactive interaction and close rapport with the customers are important ingredients to a successful tour. The tour leader or manager needs to effectively manage customers' expectations, deliver as promised and not over sell. The person is also crucial to ensuring tour operations matches the execution of the tour. If there are problems and issues, tour leader or manager must make them invisible in the presence of the travellers or be handled with poise and efficiency. Studies by Chang (2006) and Lin, et al. (2008) once again reminded how crucial the ultimate care-giving role as provided by a tour leader. Customers demonstrate herd instincts and regression syndrome (Mancini, 2000). A tour guide becomes a surrogate parent.

Development of niche and personalised tours to gain greater profit is possible if the needs of the customers are addressed and catered to. Customers must put their trust in the company and believe that the premium provided is justifiable. Closing this gap is important to ensure that service delivered is as promised if not exceeded.

Finally, it is not sufficient to gain feedback through survey and not action on it. The feedback and survey system must be part of the eco-system in closing the gap or the loop. The feedback system is an excellent source of product refinement ideas, service delivery audit, and customer relationship building tool using data mining.

Table 1 summarised the discussion above on the possible gaps identified through this research gathered from various papers that have been studied. While the table below does not represent a full scale study of the gaps in package tour products, it does present a feasible framework to study on the gaps in travel products in general.

Table 1

Provider Gap Matrix

	Listening Gap	Service Design and Standards Gap	Service Performance Gap	Communications Gap
Pre-Tour	<ol style="list-style-type: none"> 1. Understand what customers want, specified to the company's market segment 	<ol style="list-style-type: none"> 1. Innovating itineraries: <ul style="list-style-type: none"> - Deeper cultural experience (eg. interaction with locals) - Include more adventure activities - More local cuisines 2. Safety Assurance <ul style="list-style-type: none"> - Esp with adventure activities - Credentials of operators 3. Comprehensive selection of itineraries for nearer destinations 	<ol style="list-style-type: none"> 1. Tour consultants must be truly knowledgeable, well verse in selling skills to upsell package. 	<ol style="list-style-type: none"> 1. Build trust and friendship. Greater level of service to customers (supporting niche product development)

Listening Gap	Service Design and Standards Gap	Service Performance Gap	Communications Gap	
During Tour	2. *Tour leader focus on relationship management/ building	4. Different programmes/ itineraries/ pricing for different segmentation 5. Modular options to upgrade tour package 6. Differentiate product offerings from competitors – means higher profit margins. Niche product development.	2. *Tour leader tour leading performance (see main section for elaboration)	2. *Tour leader focus on relationship management/ building

	Listening Gap	Service Design and Standards Gap	Service Performance Gap	Communications Gap
Post-Tour	3. Data mining	7. Redesign/ improve programme where needed 8. Service level audit		3. Feedback/ survey 4. Customer Relationship Management (CRM)

*Note.** this is the most critical provider gap. This table is designed by the author but the gap model is adapted from by Zeithaml, Bitner, and Gremler (2009).

Conclusion

This research paper has capitalised on the studies of various academicians to identify the critical provider gaps in the package tours sold by travel agencies in Singapore. While this is not a direct study, the parallels drawn from neighbouring research in Hong Kong and Taiwan are relevant to Singapore since we share much similarity culturally as well as economically.

From the literature covered, it is quite definitive that the tour leader aspect is the single most critical gap that a travel provider should examine. It relates closely to the service performance gap. The tour leader, being instrumental in the delivery of the final product to the customers, controls the key to creating customer satisfaction. In fact, any 'WOW!' factor would be attributed to the capability of the tour leader to facilitate the execution. Hence the control of this key player is critical for a travel agency for its sustained competitiveness and survival in the travel industry.

The second most critical gap would be the service design and standards gap where travel packages would be required to be innovatively designed and addressed the needs of the customers. The studies indicated the need to look at the activities surrounding cultural interaction, safe adventure and sampling local cuisines.

The other gaps are therefore more tertiary in relations to the above discussed. They are not as critical in the value chain of tour package. Nonetheless they should not be ignored and be paid attention if resources permit. They do complement the overall success of the package tour.

It is necessary to reiterate that this paper serves as a preliminary study of tour packages through using the gap analysis by Zeithaml, Bitner, and Gremler (2009),

and by no means a definitive conclusion to the topic. Nonetheless, it hopes to stimulate further exploration of the topic by other academicians in a similar vein.

Recommendations

This study performs the preliminary attempt in mapping the tour package deficiencies using the provider gap model. This systematic outlook should provide academicians and industry practitioners a better understanding in the package tour design process.

Industry should use this model to assist them to take a deep look at their present tour packaging value chain and improve their service offerings. They will be able to determine what customers are looking for and feel what are important in a package tour. They would be able to read their needs better, incorporate right elements in service design and standards process, and take note of what constitutes outstanding service delivery in the service performance area. Ultimately, producing a package tour that answers these needs will translate to a profitable proposition for the company.

Each provider gap warrants greater scrutiny particularly the tour manager component as that is the most important part in fulfilling the tour and delighting the customers. The fulfilment process is what drives the final satisfaction level of the customer. Companies should pay the highest attention in closing this gap and ensure that this highly volatile process be controllable and be utilised as a chance to demonstrate exceptional capabilities in tour creation.

The paper scratched only the surface of the model with its limited scope as a professional paper. It is literally a starting point for a fuller scale study that greater

investigation may be made to comprehensively map more academic studies into the provider gap model. The paper presently accounts mainly an Asian viewpoint since research was focused on an Asian context. Other geographical inclusions should provide additional insights and perhaps create contrasting knowledge as well. For example, would customers in the United States or Europe share similar traits with the Asians? The answer would likely be no but how different might that be? This question needs to be answered in the follow up studies on this model. Further studies should be made to enhance the present attempt to give even deeper insights into what the provider gap may unearth.

It is important to note much of the academic studies on review centred on regional research from Hong Kong, Taiwan, and China. Though Singapore is culturally similar to these countries, the comparison may not be hundred per cent transplantable and there are certainly differences. For example, Singapore's first language and medium of instruction is English whereas the countries aforementioned are not. Singapore travellers may find package tours less appealing as they have few communication problems travelling by themselves. This reduces the incentive to join package tours. Of course language barrier is only one of the reasons why people join group package tours. Hence, it is also pertinent that future studies attempt to collate local information to validate the study further. However, the dearth of local research materials may render the above effort meaningless. This also suggest more local quantitative research should be performed in Singapore to learn more about Singapore travellers' needs, service requirements, and expectations. The China, Hong Kong, and Taiwan's studies discussed in the literature review should be replicated into a local context.

In other words, Singapore begs to be academically studied!

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