# Service Quality and Consumer Purchasing Intention Toward Online Ticketing: An Empirical Study in Iran

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**Abstract.** This study gives a reports on e-service quality and consumer purchase intention toward online ticketing, in this research we tried to find out why some group of people have stick to traditional channel for their purchase and some other group prefer to use online channel as a tool of shopping. The outcome of this study demonstrated a comprehensively integrated framework that can utilize by the policy makers and business enterprises to understand significant relationships among dimensions of e-service quality, perceive of usability, perceived risk and internet knowledge. Also this research considered how price perception and online trust can be utilized to understand the consumer purchase intention toward online ticketing. In addition the other factor which has made our study sophisticated is e-service quality which has significant effect on consumer purchase intention behavior to have online purchase. However further research is needed to examine these factors in Iran with the additional samples before generalization can be made. Upon of that, it is also necessary to review consumer purchasing behavior in making decision to use internet as mean of purchasing online rather than the traditional way.

**Keywords:** service quality, online trust, price perception, perceived of usability, perceived of risk and internet knowledge.

#### 1. Introduction

The increased globalization of the world economies has created many opportunities for marketers at the same time; this has also intensified competition among businesses so that many companies are looking towards unconventional forms of marketing. Marketing through the internet is one such unconventional form of marketing which many companies have resorted to (Nikhashemi et al., 2011). The internet is consulted globally by people on a daily basis. The use of this facility is embarked upon by many people for different purposes as it supports the day to day activities in different sectors of everyday life. It is used specifically by people in getting information on items they wish to have. Its use as a significant tool of communication is growing daily at an exponential rate largely due to the a good bit of benefits it also offers in saving time as well as cost (Blanca Hernandez and Louisa Anderu, 2010). For instance, purchasing an online travel ticket can reduce the processing time and other expenses that might be incurred if the ticket were to be purchased manually or in person. Internet is widely used to support marketing activities in most part of the word where there are well developed internet infrastructures (Forrester Research, 2004) Many companies and people think that service quality is just a process of after sale service but these days when we are talking about service quality its going beyond this statement because service quality actually can be an agent which can satisfy customers and by satisfying our customer we can create customer loyalty. Feng Kuo at al., (2009).

#### 2. Literature review

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Service quality has been defined as global judgment about the superiority of service which is provided by company. When we are talking about service quality we should consider two type of service quality one of them is based on company interaction with their consumer's (non-internet) and the second one is based on online service which is rely more on internet and ecommerce. Parasuraman et al., (1988) Many of companies which are involve in e-commerce realized that the key determinant to be success or failure is the quality of the electronic service which is deliver to consumer's and not only website presence or low price and any other factor. Yang, 2001; Zeithemal et al., (2002) Service quality is determined by the difference between expected service and perceived service from companies. Zeithaml at al., (2002) three utmost important factors which we can consider it as core of service quality namely are personalization, website design and security of website. A service is a time-perishable, intangible experience performed for a customer acting in the role of co-producer. It is an interactive process for the co-creation of value (Fitzsimmons and Fitzsimmons, 2008). Trust has got many different of definition. Trust has been define as significant dimension of business relationship which both parties can rely on their promises. (Kolsaker & Payne, 2002) in other view we can claim that trust can depreciate uncertainty and vulnerability and increase integrity among parties especially in a case of online commerce which trust can build up strong image. Nikhashemi et al., (2011). In context of e-commerce, trust refers to the online consumers' beliefs and expectations about trust- related characteristics of the online sellers (Tzy-Wen Tang, et al., 2005) If we take close consideration we will find out Plenty of studies have already shown that price perception is a touchy, complicated and critical issue which can stimulate the customers either negatively or positively (Erickson and Johanson, 1985). When people want to purchase product or services through the internet or from any other websites, they are not able to physically see or handle the product. Therefore, they are not sure that what is presented on the website is consistent with what would be delivered, in such a way, price perception coming to the picture and plays significant role in determining both satisfaction and post-purchase and intention to return (Jarvenpaa and Todd, 1997). While back, the specialized marketing literature has analyzed the implication and influence of consumers' perceptions as well as intention of establishments, and their image regarding actual purchasing attitudes and behavior; Ghosh at al., (1995 and Park at al., 1998). Perceived usefulness has derived from ease of use and ease of use has a positive effect on consumer buying behavior to make a decision. Nikhashemi at al., (2011). By emerging new technologies like internet and ecommerce many of companies have been transform their physical unit business to website based. While at the beginning the website might seem unattractive because of scarcity of human warmth but actually, it offers new and interesting possibilities. Because of these possibilities and the relative scarcity of literature on the issues involved, there are more and more research projects that are centered on analysis of the consumer's perceptions on virtual establishments. It is a known fact that risk can be real and as long as it is real it will affect consumers' purchasing behavior, Nikhashemi et al., (2011). Perceive risk is the uncertainty that consumer encounter while they are not able to predict what will happen when they are doing their shopping through virtual environment. (Suresh and Shashikala, 2011). Perceived risk refers to uncertainties which are associated with possibility of negative consequences of using e-ticketing. Giving information and transaction of money through the website can bring up uncertainty for all those who are using the online channel as tool to purchase their ticket (Mohd Fazli Mohd Sam, and Md Nor Hayati Tahir, 2009). Base on different results of empirical study which have already done knowledge has positive relationship with the trust and in online shopping and transaction as well as that it lead to motivate those who intend to have online shopping. (Wang, Chen and Jiang 2009) This means that consumers' knowledge may determine their level of trust in online retailers and their intention to purchase online. If consumer more knows in regarding internet they will be more confidence toward online shopping. Knowing and deep understanding of internet, how to use and also by knowledge of possible threat and risk will make customer use online shopping method often. Actually by having knowledge about internet the consumer can protect themselves from any threat which might be accrued while they are involve in online activity (Novak et al., 2000).

# 3. Research Methodology and Research Framework of the Study

The primary data were collected through structured questioners to answer to the research questions as well as research objectives. Total of 550-sample sizes are found to be sufficient enough for this research

paper. Only 491 responses were considered complete and valid for data analysis. Figure 1 shows the theoretical framework of this study. It can be seen that the dependent variable is the consumers' perception on e-ticketing, whereas, the independent variables could be divided to Perceived risk, online trust, usability, internet knowledge, pricing and service quality.

### **3.1.** Hypothesis of the study

A hypothesis is a logically conjectured relationship between two or more variables expressed in a form of a testable statement. The hypotheses for their research are as follows: **H1**: Usability has significant relationship on service quality and consumers' purchasing intention towards online-ticketing. **H2**: Perceive risk has significant relationship on service quality and consumer purchasing intention on online ticketing. **H3**: Trust has significant relationship on service quality and consumer purchasing intention on online ticketing. **H4** Price perception has significant relationship on service quality and consumer purchasing intention on online ticketing. **H5**: Internet knowledge has significant relationship on service quality and consumer purchasing intention on online ticketing. **H6**: service quality has significant relationship on service quality and consumer purchasing intention on online ticketing.

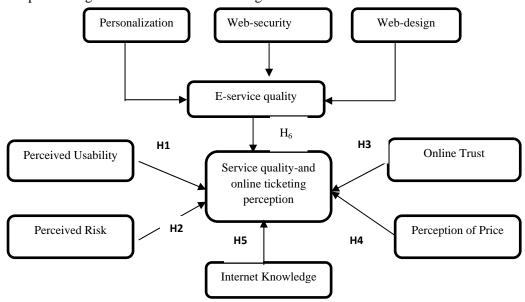


Fig. 1: Research framework

#### 4. Result and discussion

#### 4.1. Reliability Test.

Cronbach's Alpha has been used to test the reliability of questioner's which has set by researcher. Reliability test has conducted on 6 dimensions which respectively are: perceived usability, perceive risk, online trust, price perception, and internet knowledge and e-service quality. As you can see our entire 6 dimension alpha is above 0.7 which means reliability of our test exists in this study. The Cronbach's Alpha shown in Table 1.in following page.

Reliability test	Cronbach's Alpha	Cronbach's Alpha based on	No item
Perceived of Usability	0.805	0.849	2
Perceived Risk	0.834	0.846	6
Online trust	0.869	0.834	6
Perception of price	0.868	0.865	6
Internet Knowledge	0.865	0.868	7
E-service quality	0.849	0.869	2

Table 1: Reliability Analysis

# 4.2. Factor Analysis

Factor analysis has been applied to explore the underlying factors associated with 28 items by using Principal Component Analysis (PCA). The value of KMO varies from 0 to 1, and KMO overall should be .60 or higher to perform factor analysis. If not then it is necessary to drop the variables with lowest anti image value until KMO overall rise above .60. Result for the Bartlett's Test of Sphericity and the KMO reveal that both were highly significant and concluded that this variable was suitable for the factor analysis (Table3). (Our KM is .891 which great Table 2)

Table 2: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure	.891	
Bartlett's Test of Sphericity	Approx. Chi-Square	10472.891
	Df	430
	Sig.	.000

Table 3: Total Variance Explained

Component	Initial Eigen values				
	Total	% of Variance	Cumulative %		
Perceived of usability	.530	8.837	93.523		
Perceived risk	.179	2.984	96.506		
Online trust	.135	2.256	98.763		
Perception of price	.050	.827	99.589		
Internet knowledge	.025	.411	100.000		
e-service quality	1.114	10.515	98.840		

The result showed in table 3. N.B: Only 15 loading factors are carried out in this table the values of following Table 4 indicate the connection of the items to a factor. Generally, the factor is the natural affinity of an item for a group. The higher loading (factor) will show the stronger relationship of an item to a specific factor. Our finding in this study demonstrate that each of the six dimensions (Perceived usability, perceive risk, online trust, price perception, internet knowledge and e-service quality) was homogeneously loaded to the different factors, Which means each of the six dimensions that loaded into four different factors all are related to consumers' need.

#### **4.3.** Hypotheses testing

Regression analysis was applied for testing the hypothesis of this research after getting extraction of six independent variables from factor analysis. Results for consumer purchase intention showed in Table 5, 6, 7. Results of this study have shown that 76.8 percent of variance of consumer purchase intention about online ticketing was explained by these six independent variables with a significant 'F' value of 63.932 being significant at p<.000 (Table 4 and 5). Therefore, there is an evident that these six f factors have significant effect on service quality and consumer perception on online ticketing. Predictors:(Constant), Perceived usability, perceived risk, online trust, price perception, internet knowledge and e-service quality Dependent Variable: The hypotheses of this study are concerned with the individual effect of six variables on the e-service quality and consumer purchase intention on online ticketing. therefore H1,2,3,4,5,6 have supported in this study. Table 6 elaborates our statements.

Table 6: Regression Coefficient

Mo	odel	unstand	unstandardized		Т	Sig.
1	(Constant)	-4.281E-16	.041		.000	1.000
	Perceived usability	.307	.043	.309	7.210	.000
	Perceive Risk	.272	.043	.272	6.358	.002
	Online trust	.343	.042	.341	7.953	.000
	Price perception	.420	.043	.421	9.824	.001
	Internet knowledge	384	039	039	9 573	000
	E-service knowledge	.413	.042	.043	8.793	.012

## 5. Conclusion

This study has shown that online ticketing can be facilitated through an influential online shopping mechanism. The regression results suggest that online ticketing can provide marketers with powerful communication tools. However, as it has shown by result, it is strongly believed that successful online buying in 21scenturies will largely depend on service quality and advertisers' ability to develop either mixed media strategies working in synergy or on an integrated communication plan. In this study, the factors that probably impact on online ticketing were examined. This factor's included perceive usability, perceived risk, online trust, price perception, and internet knowledge and e-service quality. The key finding is that different style of online ticketing is a strong determinant of a customer's purchase intention towards online ticketing, the availability of different approaches of online ticketing boost ups customers' confidence in online activities. Also, the availability of appropriate e-eservice quality like personalization, web design and web security also significantly contributes in this study.

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