

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY
(INSTITUTE OF DISTANCE LEARNING)

**THE EFFECTS OF THE INTERNET APPLICATION ON THE PERFORMANCE OF
TRAVEL AND TOUR FIRMS IN GHANA.**

(A CASE STUDY OF FJ TRAVEL AND TOUR COMPANY)

By
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DECLARATION

I, Frank Amoh-Agyare, do hereby declare that this dissertation is the result of my own research work carried out under the supervision of Mr. Stephen Kyeremateng, a lecturer at KNUST School of Business, Kwame Nkrumah University of Science & Technology, Ghana. I therefore, accept all errors and omissions as my own.

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ABSTRACT

The objective of this research is to find out the effect of Internet application on the performance of Travel and tour firms in Ghana, with FJ Travel and Tour Ghana Limited as a case study. Interviews and questionnaire were used to gather data for this research. Three sets of questionnaires were used to gather data. These questionnaires were designed for staff and customers of FJ Travel and Tour. Respondents were asked to indicate how the use or otherwise of the internet by FJ Travel and Tour Ghana Limited has impacted on their businesses. Data was also gathered from interviews. The interview was designed in a manner in which the questions were such that it allowed the respondents to come out with their own views and experiences. The findings showed that firms in Ghana are not performing well in using the Internet in reaching their target market, with regards to website availability, customers' knowledge about the websites, in cases where they exist, ease-of use, reliability, quality and convenience of their internet services. It has been established that e-commerce is a very important line, service firms in Ghana must take on, if only they want to stay ahead, this is because consumers are becoming more sophisticated, as they demand a much easier and faster access to products and services. The researcher recommended that firms in Ghana should focus their marketing communications on convincing consumers by using the internet, because it is cheaper doing business on-line. They should also start scanning the internet to monitor customer-buying patterns and competitive activities etc. as well as using video conferencing and application software in their management.

DEDICATION

I dedicate this work to my lovely and only wife Mrs. Juliet Amoh-Agyare, and children, Warren and Kristin through whose understanding, support, love and affection have made my educational venture a reality and worthwhile.

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To the Almighty, who has guided me throughout my life? To all my relatives, well-wishers and lecturers who have helped to make my course at the Kwame Nkrumah University of Science & Technology, Ghana a reality and worthwhile venture, I say “Thank you; and May God Bless you”.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The rapid growth of the travel industry requires sophisticated information technologies (Its) for managing the increasing volume and quality of tourism traffic. Prior studies have indicated that modern travelers demand more high quality travel services, products, information, and value for their money (Christian, 2001; Lubetkin, 199; Samenfink, 1999). The emergency of new tourism services and products, coupled with a rapid increase in tourism demand, has driven the wide-scale adoption of Its in general, and in particular the Internet as an electronic intermediary. In other words, the Internet serves as a new communication and distribution channel for e-travelers and suppliers of travel services and products. This new channel also enables tourism businesses to improve their competitiveness and performance. Tourism researchers have emphasized the importance of the Internet on travel and tourism. For tourism suppliers, the Internet provides a way for them to sell their products globally to potential travelers at any time. These suppliers can remotely control their servers to display information on services/products at an electronic speed (Inkpen, 1998; Law, 2000). The successful factors for a travel web site, from a supplier's perspective, are lower distribution costs, higher revenues, and a larger market share. For travelers, the Internet allows them to communicate directly with tourism suppliers to request information, and to purchase products/services at any time and any place (Olmeda and Sheldon, 2001). To the extent that Internet enables e-travelers to easily arrange and purchase their own services/products, the future of travel agencies, the traditional intermediary, becomes uncertain.

The use of information technology especially internet in the delivery of travel and tour services is becoming increasingly prevalent as it is being employed to reduce costs and eliminate uncertainties (Joseph et al, 1999). In Sub-Saharan Africa, developments in information and communication technology are radically changing the way business is done. These developments in technology have resulted in new delivery channels for airline services such as booking, reservation, payments, flights schedules, monitoring. The study will focus on impact of internet applications on the performance of travel and tour services with emphasis on FJ Travel and tour services.

1.1.1 The Development of the Internet

The origin of the Internet was an American military project called Arpanet (Advanced Research Project Agency Network) which was developed in the late nineteen sixties (1960s). The aim of the project was to connect some of the military contractor computer networks with each other in an independent network that would be able to function even if parts of the network were disabled.

There are three different parts that can be referred to when talking about the Internet. First is the Internet, which is often defined as a network of networks. It is the Second largest network in the world after the global phone system that is limited to access by users within the organization or enterprise based on the same technology as the Internet. Third and last is the World Wide Web, a network of servers that uses links to find and access files (Gezelius, 1997). One where the Internet will have strong impact is doing business electronically, known as e-commerce. (B.L. Boyle & L.F. Alwitt, 1999)

1.1.2 Doing Business Electronically

The use of the Internet is continuing to grow rapidly and new applications are constantly being developed. One area where the Internet will have strong impact is doing business electronically, known as the e-commerce. E-commerce can be defined as “Any activity that utilizes some forms of electronic communication in the inventory, exchange, advertisement, distribution and payment of goods and services. All forms of communication transactions of services in an electronic format” (Margherio 1999). E-commerce on the Internet is a new phenomenon, but a prior solution of e-commerce is EDI (Electronic Data Exchange). EDI solutions were developed to automate business-to-business transactions. EDI provides a predetermined format for the computer exchange in the form of business document, including purchasing orders, invoices and shipping notices. But the Internet had come to take the advantages of the EDI and avoid its disadvantages especially in the area of cost and time. (B.L. Boyle & L.F. Alwitt, 1999)

1.2 Statement of the Problem

The environment in which marketers now operate is substantially different from twenty (20) years ago. There is now enormous variety of marketing communicating tools available – press, radio, television, telephone, direct mail and the Internet.

Firms communicate with their customers and consumers through various media. Traditional media including both mass media (e.g. television, radio, newspaper, magazine, direct mail) and personal communication (e.g. word of mouth), traditionally, these media follow a passive one to many communication model whereby the firm reaches many current and potential customers, segment or not, through marketing efforts that allow only limited forms of feedback from the customers.

For several years, a revolution has been developing that is dramatically altering this traditional view of advertising and communication media. This revolution is the Internet, which is a new marketing medium, has the potential to radically change the way travel and tour firms do business with their customers and consumers.

According to Kotler (1997), the interaction or relationship that an organisation had between its customers and consumers comprises of information, products, and capital flows. In each situation the needs must be satisfied for a purchase to be successful. The firm uses different tools to get the needs fulfilling and the Internet can be one of them.

The Ghanaian consumer is changing day-in and day-out. The influence of western culture and other factors like working class, women or role conflict makes the Ghanaian travelers have lesser time to be attentive. Most of these consumers are glued to their computers most of the time at their workplaces and on the internet at their spare time against the general fact that internet or e-commerce in Ghana is in its early development stage; it is not certain how Ghanaian firms could meet the needs of their customers through the use of the internet.

The statement of the problem is that lack of internet usage by the travel and tourism firms in Ghana has affected their performance in terms of low market share, profitability and image. Therefore, against the background of all these facts mentioned above, it is the opinion of this researcher that Ghanaian travel and tour firms can explore the opportunity of using the internet to reach their consumers and its effect on their performance. This leads to the purpose of this project work.

1.3 Objectives of the Study

This study has as its purpose the following:

1. To find out the extent to which travel and tour firms in Ghana, especially, FJ Travel and Tour use the internet in their business operations.
2. To identify the various issues that militates against the use of the internet by FJ Travel and Tour.
3. To assess the impact of internet usage on the performance on the operations of travel and tour firm
4. To find out measures that can be taken to improve upon the usage of the internet by travel and tour firms in Ghana to grow their businesses.

1.4 Research Questions

The previous discussion led to the general problem to be examined. To be able to provide solution for the purpose, the following research questions will be investigated.

1. How are Ghanaian travel and tour firms using the internet to reach their target markets and hence the performance of their businesses?
2. What are the various issues militating against the use of the internet by travel and tour firms in Ghana?
3. What are some of the measures that can be taken to improve the usage of the internet by travel and tour firms in Ghana to grow their businesses?

1.5 Brief Methodology

Questions relating to the objectives of the study were in four parts. The first three parts, which were in the form of a structured questionnaire, were targeted at some selected customers of FJ

Travel and Tour, some customer service staff, and the head of marketing. Respondents were asked to indicate how the use or otherwise of the internet by FJ Travel and Tour Company Limited has impacted on the performance of their business.

The second part was a structured interview targeted at some of the consumers and the general public. The respondents were asked to indicate if they know about FJ Travel and Tour and her website, and also how this website will help them in their business operations. They were also to indicate how beneficial the use of the internet has been to the company. The interview was designed in a manner in which the questions were such that it allowed the respondents to come out with their own views and experiences.

The collection of data was partly through a designed questionnaire and partly through recorded interviews using a tape recorder.

1.6 Significance of the Study

The World Bank and some top economists in Ghana such as Dr. Nii Moi-Thompson have identified the Ghanaian economy in recent time as it is indeed propelled by an ever changing, dynamic, knowledgeable, and busy consumers whose lives with the Internet is continuously shaping.

This research will be a beneficial to the Management of travel and tour firms, policymakers, academia/researchers and customers as follows:

Management of Travel and Tour Firms

Management of travel and tour firms can use this research as a reference material as internet application in their operations.

Policymakers

This research can serve as a guide to Policymakers especially Ghana Tourist Board in the formulation of policies to guide the operations of the travel and tour firms in Ghana especially in the areas of IT application.

Academia/Researchers

This research would add up to knowledge where those interested would use it as a source of reference in their research.

Customers

The research would expose the use of internet in booking travelling itinerary for clients.

This study, at the end will give us an insight into how well firms in Ghana are using the Internet to reach these consumers. It will give an insight into how well they are using the Internet in managing and growing their various firms.

1.7 Scope of the Study

For the purpose of this research, this writer thought it worthwhile to use a case study, FJ Travel and Tour, Accra. The research focused on the usage of the internet and business growth. Therefore, all other information technology (IT) activities engaged in by the firm, apart from the above-mentioned are outside the scope of this study.

1.8 Limitations of the Study

The following would serve as a constraint to the research especially resource time and resource constraints.

Time Constraint

There is not enough time on the researcher's side; this is because the research is being conducted while the academic session is also in progress and at the same time. The researcher is in full-time employment. So at times either the researcher would have to forfeit lectures, miss appointments or put some official duties on hold.

Resource Constraint

Again the up and down movements would also drain the coffers of the researcher which at times would make it impossible for him to follow up appointments. Typing the questionnaires alone would be at a huge cost.

1.9 Organization of the Study

This project report is divided into five chapters. The first chapter captures the introduction to the research it includes the background to the study, followed by a research problem, a stated research objectives, followed by a hypothesis and its justification, and finally the outline of the project works. In the second chapter, current literature related to the topic is reviewed. The third chapter presents the methodology used in this research. Chapter four deals with the data received

during the data collection, with analyses and discussion on the findings. Finally in chapter five, presents the summary of conclusions and recommendations of the study.

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CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews the current literature related to the Internet application. The purpose of the chapter is to review the current related literatures that support this research problem and the research questions. For an orderly presentation of materials, it looks at the background of the internet electronic market place, World Wide Web, information technology etc.

2.1 Internet, Intranet, and Extranet

According to Stralser, 2004, businesses and professional practices implement the use of technology and management information systems, it becomes important to link these tools together and provide a means for the machines, the information they produce, and those who use and benefit from the system to communicate with each other.

Thus, computers in an organisation and computers in different organisations form networks to facilitate the exchange. You may have heard someone refer to an “extranet” before and thought the individual actually meant “Internet” because we all know that, that’s what most people use to find and share information; but there are three major types of networks that allow people to access and share information.

The Internet is what a company uses to connect to the World Wide Web and communicate with clients and the broader outside world. This communication happens through e-mail, web sites, and researching, or accessing, public information.

The company intranet, on the other hand, doesn’t connect the company to the outside world, but rather to an internal network. This wide area network (WAN) connects all of the company’s computers to allow them to access the same hard drive and therefore be able to share files and information from a central, internal location.

An extranet occurs when the business or practice is networked to a variety of stakeholders such as suppliers, dealers, manufacturers, or distributors. This is a network that is shared among a select set of businesses that work together closely and need to share information quickly to efficiently plan and execute their business. These larger networks define where information is shared and who can access it; the importance of other computer networks is that they define how the information is shared. (Stralser, 2004).

Computing systems consist of hardware and software and also networks. A local area network (LAN) has the capacity to connect computers to the network from one physical site in the company’s offices and within different buildings. At the designated site, people can share both the hardware and software of the system set up in that location. LANs are changing, though, as

they move toward a wireless application (WLAN) that provides the benefits of networking equipment without the use of cables and being hardwired. Before you decide which is best for your business, you should consider the number of wireless access points, the type of information/data that will be transmitted, the speed with which you will need the data transmitted, the bandwidth that applications require, mobility coverage for roaming, and whether the system you purchase will be easily upgradable as the technology advances. You should also consider that the WLAN's speed as it appears when you buy it might not necessarily be the product's real-world speed, because the WLAN is a shared medium and divides available throughput rather than providing dedicated speeds to the connected devices such as a dial-up connection. This limitation makes it a little more challenging to figure out how much speed you will need in the end.

Stralser, 2004, therefore, stated that it is critical to try to purchase a model that is upgradable. Because wireless networks utilize technology that is a form of broadcasting data through the air, instead of a tailored system of wires, they present a concern over the security of such systems. When choosing a wireless system, internal security measures must be included to make sure the wireless data cannot be "hijacked" or hacked into by a cyber thief or pirate. Throughput is a major consideration for your wireless deployment. Consider what types of traffic—e-mail, Web traffic, speed-hungry enterprise resource planning (ERP) or computer-aided design (CAD) applications—will ride across your WLAN most often. Network speeds diminish significantly as users wander farther from their access points, so install enough access points to support not only all your users but the speeds at which they need to connect. A virtual office might be everyone's reality in the not too distant future. Another type of network that is used is the broadband wide area networks. These are more powerful networks that have the ability to connect computers in

different places by microwave, satellite, or telephone and can link together a large geographical area. These types of networks are growing, especially in the restaurant business. Restaurants are deploying these networks to have a virtual private network for managing supply chain integration with Web-based food-ordering and back-office functions. Some restaurants even use them for “front of-the-house” applications such as credit card authorization. Restaurants that are using this high level of technology include Au Bon Pain, Chevy’s, McDonald’s, and Arby’s. These restaurants have also shown a preference for satellite technology for transmitting their data, and this seems to have been a growing trend in 2003 according to Spacenet, a WAN service provider. It is not surprising as satellites’ speed and reliability continue to improve. But the limits of WANs have yet to be reached. Optimisation offerings are hitting the market promising to accelerate applications with high-end units. They are more scalable and more compressible, boosting the performance of even the e-commerce sites that carry the heaviest traffic volumes. This higher-powered technology comes at a price, though. These systems represent significant costs depending on the scale of compression, acceleration, and speed you need for your business. (Stralser, 2004)

2.2 Electronic Marketplace

In a survey report presented by the Economist in June of 1999, The Economist pointed out three acknowledged facts about the Internet’s most important characteristics. First, it shifts power from sellers to buyers by reducing the cost of switching suppliers and freely distributing a large amount of products and information. Buyers want information they know to be accurate and advise to trust. Sellers are in no position to offer distributed advice. This function is taken up by a third party; an electronic market place. The second fact is that, the Internet reduces

transactions cost and search costs. Reduced costs are more accessible to big enterprising because of bargaining power and quantity of transaction. Electronic marketplace, by linking buyers and sellers together in networks on the Internet, can achieve similar savings in markets where they might otherwise miss out.

Lastly, it is the speed, range accessibility of information on the internet and now the low cost of distribution and captioning. It creates new commercial possibilities, Electronic market place, sitting in the middle between buyers and sellers are uniquely placed to collect information, add value and distribute it to those who find it most useful (The Economist, 1999).

When the overall presentation of possibilities of the Internet is described more specific description of topics concerning the Internet will be presented. First focus will be put on the key features of the web. (Berthon, Lane, Pitt, & Watson, 1996)

2.2.0 World Wide Web

According to Hoffman, D.L, & Novak, T.P.1996, the following are the features of opportunities the internet creates for e-commerce:

2.2.1 Global Access

Understanding the internet's capability for global communication offers companies important opportunities to bring their message to a worldwide audience and to maximize the benefits of their investment in the way.

2.2.2 Immediate real-time Access

Today, the web is accessible 24 hours a day 7 days a week. Such immediacy is created in real time because, unlike conventional media, users themselves control when they send and receive

their near-instantaneous information transfers. Likewise, information placed on the Net can be changed and updated in real time, as well, such as produce catalogues, pricing, and sell sheets.

2.2.3 Virtually Infinite Space

Once a company has a business web page up, space in which to publish information resources is virtually once.

2.2.4 Multimedia

Multimedia can be defined as communication and technology that integrates a variety of distinct media.

2.2.5 Interactivity

Perhaps the single most important and arguably the least well understood, capability of the web is interactivity of communications on the web are two-way communications during which users both provide and receive information.

2.2.6 Database Driven Information

The web offers marketers the opportunity to use powerful database-driven networking capabilities to enable enhance existing business information system.

2.2.7 Data Mining and user Tracking

With the rapidly declining cost and increasing power of information processing, companies are able to remember every detail of each relationship with each customer. This they are able to offer tailored communications, personalised services and mass-customized providers. The following looks at criteria for putting up a website for business transactions.

2.3 Basic E-commerce Criteria

Researchers have identified several criteria's that have to be fulfill in order to secure that customers perceives the web as a natural purchasing tool and to create successful e-commerce. Fletcher (1995) draws attention to both service and system-related prerequisites. These prerequisites are ultimately linked to the relative advantages e-commerce offers compound to conventional commerce activities and thus, customer satisfaction (Fletcher, 1995 and Cohen 1999). These include;

2.3.1 Speed of Delivery

This is essential, particularly for consumers and home-shoppers.

2.3.2 Quality

This is frequently subjective in nature and the provision of recognized brand names help create the image of quality range.

2.3.3 Up to-date Information

Customers object strongly to shops displaying inaccurate shelf pricing, special offers not being in stock, certain sizes not being available and offer price on product changes.

2.3.4 Ease of use

The lack of ease to use is often as a result of a technology focus, with little or no attention being paid to the demands of the market places.

2.3.5 Reliability

This relates to the reliability of the service and the technology.

2.3.6 Costs

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It is often considered that the cost of electronic commerce must be less than traditional methods, but this is not always the case. While marginal transactions costs are often capturing; cleaning and processing data mean that high volume is required to ensure that profits are achieved.

2.3.7 Convenience

Convenience means different things to different people. As customers become more experienced with bringing electronically, they will demand increasingly more convenience and hence sophisticated interfaces.

2.3.8 Legal environment

There are several issues and challenges that a company has to deal with when putting up a commerce web page. These include a security, payment systems, as well as copyright, taxes encryption.

2.3.9 Build Confidence and trust

The main problem today facing electronic commerce is security. Customers will not be comfortable in carrying out business transactions on the web until they are convinced of its security. (P. Berthon, N. Lane, L. Pitt, & R.T. Watson, 1996)

2.4 The Web as a Marketing Communication Tool

There has been an explosive growth in number of businesses using the Internet in recent years. (Ranchhol, 1998) the internet is an electronic medium based on broadcasting and publishing, which facilitates two-way communication. (Berthon, Pitt and Watson, 1996) it enables prospective customers to enter into a direct communication with firms' information Workers, and make a case regarding their needs and their unique problems. (Samli, Willis and Herbig, 1997), these exchanges are not physically face-to-face, not time bound. Essentially, the

communication is through computers on networks, so that individuals and organisations can communicate directly with one another regardless of where they are or when they wish to communicate, (Berthon et al., 1998) the internet enables the seller to provide information, and even selling opportunities, through an extremely expensive medium. (Boyle and Alwitt, 1999).

The internet can be used to conduct marketing research, reach new markets, serve customers better, distribute products faster, solve customer problems, and communicate more efficiently with business partners. It is also a useful tool for gathering intelligence on customers, competitors, and potential markets. (Honey, Flaherty and Benassi, 1998)

From an industrial marketing perspective, the Web has a lot in common with a trade show, for it can be thought of as a very large international exhibition hall where potential buyers can enter at will and visit exhibitors and prospective sellers. Berthon et al. (1998) state that; the Web is a new medium characterized by many factors. They list ease of entry, relatively low set-up costs, globalness, time independence, and interactivity.

2.5 The Role of the Web Site in the Marketing Communication Mix

The Web Site is something of a mix between direct selling (it can engage the visitor in a Dialogue) and advertising (it can be designed to generate awareness, explain/demonstrate the product, and provide information – without interactive involvement). It can play a cost-effective role in the communication mix, in the early stages of the buying process – need recognition, development of product specifications and supplier search, but can also be useful as the buying progresses toward evaluation and selection, particularly as there are no middle parties to disrupt the communication process involved in the final transaction. The web site is also cost-effective in providing feedback on product/service performance and might typically be viewed as

complementary to the direct selling activity by industrial marketers, and as supplementary to advertising. (Berthon et al., 1998)

Different organizations may have different marketing objectives for establishing and maintaining a Web presence. One organization might wish to use the Web as a means of introducing itself and its new product awareness, and informs the market. In this sense the Web provides business with the opportunity to expand the potential customer based at the global level, at minimal expense.

The web site can be used to move customers and prospects through successive phases of the buying process. They do this by first attracting net surfers, making contact with interested surfers (among those attracted), qualifying/ converting a portion of the interactive. Different tactical variables, both directly related to the web site, as well as to another elements of this conversion process: for example, hot links (electronic links that link a particular site to and from other relevant and related sites) may be critical in attracting surfers. Once attracted, it may be the level of interactivity on the site that will be critical to making these surfers interactive. (Berthon, Pitt and Watson, 1996)

2.6 The Website as a Communication Tool

Experts advise that the Web marketing differ from traditional marketing. This medium requires a paradigm shift because marketing over the Internet is similar to traditional person-to-person networking where the quality of the information provided and the credibility of the organization doing the offering are everything. (Heycutt et al., 1998)

Industry experts suggest that Web site must have clear and consistent information that is constantly revised and updated. The firm must differentiate the Web site so it differs from others. Like all other marketing media, customers compare the value of firm's information and its helpfulness in aiding them in decision-making. The cost of establishing a Web site varies greatly, depending upon the firm's goals and in-house expertise. The type of Internet connection is also an important initial cost factor to consider. (ibid)

The Internet provides enhanced communicative efficiencies among producers and buyers. (Boyle and Alwitt, 1999) the Internet provides various tools for improving or supporting communications with the different actors in the firm's international network including e-mail, Usenet and listserv groups, Internet relay chat, video conferencing et cetera. (Hamil and Gregory, 1997)

Firms are setting up their homepages as a means of disseminating useful company and specific product information to potential customers and encouraging customer feedback and interaction. A good website can be used for advertising, corporate visibility, brand name, recognition, public relations, press releases, corporate sponsorship, direct sales, customer support and technical assistance. (ibid).

2.7 Benefits and Potential Draw Backs of the Web as a Communication Tool Benefits

The two-way direct communication between customer and information workers offered by the Internet is more effective than the method of talking to the seller's information workers through its sales people. The web offers some major benefits according to (Samli et al, 1997) such as:

- ❖ No middle parties (intermediaries) that may disrupt the communication or provide interference or noise in the communication process are involved in the transaction.
- ❖ Visual communication in writing has long-lasting duration. The parties can work on it and get back together at their discretion.
- ❖ No physical intimidation exists to be triggered by personalities, their respective performances, or their knowledge basis.
- ❖ Flexible time and immediate response are extremely beneficial in an involved time consuming, and complicated negotiation process. The Internet never sleeps and log in all calls, allows one to work when one wishes and, vice versa, to not work when wishes. A message can be transmitted to literally hundreds if not thousands of people at the touch of a keystroke.
- ❖ Cost advantages exist in that all calls no matter to whom or where, are through a local access telephone number. In essence, using the Internet has changed communication costs from an uncertain variable cost to a forecastable fixed cost. E—mail via the Internet is much cheaper and faster than even fax
- ❖ The ability to carry on a detailed two-way communication may have a special impact on the creativity of all off the parties involved. In fact, some ideas may never surface unless such a communication setting is in place and used properly.

Potential Drawbacks

It is naïve to presume that the Internet is perfect and presents no operational problems. According to Samli et al. (1997), the potential problems that already have been identified for the Internet include:

- ❖ Response time – more than 99.9% of properly addressed first-class mail makes it to its destination and the response time is long.
- ❖ User unfriendliness – the internet may be the world's most incredible library but it is a library without a card catalogue or a librarian in sight. No maps, no signs, no lane lines. The surface can be skimmed or dived as deep into as wanted, but without proper equipment and training it can lead to that a visitor drowns in the information available.
- ❖ Junk mail – e-mail has become so popular that managers now have to worry about sorting through hundreds of messages a day to find the few nuggets of wisdom.
- ❖ Fraud or criminal access – the fraudulent use of telephone credit cards and car phones/portable phones shows how easy it is to gain access to codes and to enter the telecommunications system at someone else's expense. The internet is no different.
- ❖ Government regulation and censorship - as part of the larger telecommunications reform bill, legislation that would outlaw harassment and indecent or pornographic material that is transmitted through all telecommunications devices has been introduced. The form and severity of inevitable government regulation and interference will influence the final design and usability of the Internet.
- ❖ Limited access – to make efficient use of the technology, both parties must have access to the Internet.
- ❖ Face-to-face – since almost 90% if all information is received non-verbally (that is from facial or body language cues or how it is said, not what is said), the purely verbal content of Internet messages cannot convey all the information that actually exists.

2.8 Promoting Web Site with Other Media

The cross-fertilisation between the website and other traditional marketing media is very important to the success of the web site. The URL and the e-mail address should be placed somewhere in every print-media advertisement that is made such as experience for most users - those that might ignore the information in the traditional print ads may be intrigued with seeing you web site. The presence of Internet address on printed materials projects a modern, up-to-date image for a company, even to those who do not use the Internet. Other media that can be used to promote a web are; the business card – putting the URL on all office stationery and on business cards can stimulate interests and conversation, radio spots, and TV commercials – television advertising is starting to show URLs and e-mail addresses and should be displayed long enough for the viewer to write them down correctly. (Ellsworth & Ellsworth, 1997) web site activities must be integrated with the rest of the company's marketing program. The site must be continually promoted not just when it is first launched (Evans & King, 1999).

2.9 The Impact of Information Technology on Strategic Management

The most visible ways, in which I.T can and does not influence management, particularly at the strategic level include: Managerial access to information, Electronic modes of communication and Decision support.

Electronic access communication and decision support influence several managerial processes and systems including the nature and scope of managerial roles, organizational structure, strategic planning systems, budgeting, performance measurement and review, incentive compensation systems and knowledge management. Each of these three ways in which I.T can influence the strategic management of organizations is discussed below. (Camillus, 1999)

2.9.1 Managerial Access to Information

The most obvious aspect of the information explosion is the vast amount of information that is readily available to managers. There are two different dimensions to this information explosion. First, the information about the operations and performance of the organization that can now be tracked and relatively easily accessed would have been laterally inconceivable just a decade ago. Secondly, the exponential growth of the internet affords access to information outside the organization to an extent and with the ease that defies the imagination. Instead of being constrained by lack of needed information to identifying what is relevant from an overwhelming mass of available data.

Within the organization, the Integrated System offered by software such as SAP and circle allows senior managers to “drill down” to the smallest transaction. While it is potentially absurd for the CEO of a major company to go down to the detail of a trivial accounting transaction in a small and remote sales office, this access to operational information can be and is being put to effective use by top management. For instance the CEO of CNG, a major energy company head quarter in Pittsburgh, Pennsylvania, can at 7.00 am Eastern Time, access the databases of the company’s exploration and production division reads and acts on at 7.00 am Central Time.

The availability of information on the Internet now makes competitive and industry analysis very much easier and considerably more effective. While seated in the Chennai, it is possible to get a handle on the leadership wrangles at the marks and Spencer in London, and their impact on the company’s international expansion plans, the financial market problems.

2.9.2 Electronic Modes of Communication

The availability and use of electronic modes of communication has had an equally pervasive and dramatic effect on the practice of management. It is now a cliché that the airline industry has

been affected by the growth in the use of video conferencing, reducing the need for business travel. This cliché sheds light on the pervasive and often unpredictable impact of information technology. New industries are created, new products and services are fashioned, new ways of doing business are implemented, new dimensions of competition emerge, and new theories of economies are necessary. In this article, however, the focus is on the practice of management, and here too the effect of electronic communication has been great.

For instance, ABB's nuclear energy business has to link, on a real time basis, its construction activities in South Korea, its design and engineering capabilities in the US, and its business development efforts in the Peoples Republic of China. While e-mail, video conferencing, phones and faxes are the most obvious ways of supporting the needed communication between these far-flung but highly related activities, a more subtle but perhaps even more powerful integrating and communicating mechanism is employed by ABB.

The strategic plans of these units are integrated and then translated into action plans that are on-line and available on the company's internet to the relevant global managers.

2.9.3 Decision Support

The strategic enterprise management (SEM) software that is currently being developed is intended to enable managers to make better-informed strategic decisions. By the coupling decision models with the access to information provided by integrated enterprise software, strategy development can go beyond the realm of educated guesses to fact based decision-making.

Of course management service applications that support decision-making have been available for decades.

However, as the scope of the problems that are addressed by these models embraces the strategic domain, it is possible to substitute expertise and analysis for experience and judgment. Problems that previously could not be responded by senior managers are now amenable to technical solutions at the hands of middle level managers.

There are two interesting consequences of these developments. First and more obviously, formerly complex and challenging problems are now transformed into more routine and tactical problems, thus reducing the burden on senior managers who can now shift their attention and capabilities to other issues.

Second and less obviously, the strategic implications of operating information and problems are more readily visible. Up-to-the minute, near real-time sales information and forecasts facilitates speedy strategic responses to changing assumptions and unanticipated trends (Camillus, 1999, Professor of strategic management, Katz, Graduate School of Business, university of Pittsburgh).

2.9.4 E-Commerce and Uses of the World Wide Web

The Internet is the starting point for an exploration of e-commerce, and the World Wide Web is a worldwide collection of computer networks, cooperating with each other to exchange data using a common software standard. Though considered by many as a new technology, the Internet has been around for several decades.

Originally known as ARPAnet, the Internet was created in 1969 by the U.S. Department of Defense as a nationwide computer network that would continue to operate even if the majority of it were destroyed in a nuclear war or natural disaster. It was not until 1992 that commercial entities started offering Internet access to the general public, and the business world has not been the same since.

2.9.5 The Effects of the Internet on Businesses

Over the past decade, widespread Internet and e-mail access have radically changed the way companies do business and communicate with their employees, vendors, and customers. Consumers and businesses purchase products and services such as \$2,000 laptops and airline tickets by paying with credit cards via the Internet without ever speaking products shipped and when they are scheduled to arrive, again without ever speaking to a customer representative. When companies such as Amazon and Priceline emerged, their business models revolved around conducting 100 percent of their business online, eliminating the need for costly bricks-and-mortar outlets.

More and more consumers are paying their bills online as they become comfortable with online security, thus eliminating the need to pay postage and write checks for each bill using the traditional snail-mail method. Today thousands of adults are getting their undergraduate and master's degrees online without ever attending an actual class or meeting their peers or professors, who teach the classes online. There are few businesses or organizations isolated from this transformational wave of technology and innovation.

2.9.6 Internet Facts

According to www.internetworldstats.com, the total number of Internet users worldwide as of February 2004 is 719.3 million. This is approximately 11.1 percent of the total world population of 6.45 billion. IDC Research predicts that this number will exceed one billion users by the end of 2005. The United States is still the country with the highest number of Internet users at 186.5 million, 63.3 percent of the total population of the country, which stands at 295.5 million. Asia ranks the highest as the continent with the most number of Internet users, with a total of 229.82

million. North America is second at 203.38 million versus 203.28 million for Europe. Additionally, the countries with the highest percentage of the population using the Internet include Sweden (76.9 percent), Netherlands (66.0 percent), and Australia (64.2 percent).

2.9.7 Description of Typical Internet Users

According to the UCLA World Internet Project's findings based on research collected from 2002 to 2003, in general, around the world men are more likely (in some countries, such as Italy and Spain, much more who use the Internet is nearly 1:1. It is interesting to note that according to the study, the average Internet user watches less television than non-Internet user counterparts. For example, in the United States, Internet users watch 5.2 hours less television per week. Internet users are also more likely to spend time reading books and engaging in social activities. They also tend to be more educated and have higher total household income. (Camillus, 1999)

2.9.8 Summary

Harnessing the power of the Web and technology is a vital part of an organization's success and future. To remain competitive in today's business environment, companies must retain their employees, improve communications with clients and employees, improve productivity, increase efficiency, and reduce costs. Implementing an intranet and integrating the Web into a strategic plan can help achieve these goals. While web sites can be used as marketing and sales tools, they can also be used to improve internal organizational efficiency by streamlining the order, tracking, and vendor bidding processes. In today's complex, competitive world, technology can be a powerful element in attaining competitive advantage, lowering costs, increasing customer satisfaction, and achieving long-term success.

KNUST



3.0 Introduction

This chapter employs the research processes, the concepts central to the research methodology as well as the methods used in this study. The research is both exploratory and descriptive by purpose. The first stage explores how the Internet works, describes how travel and tour firms in Ghana are using it efficiently. By virtue of the problem and objectives of this study, this research assumes a more qualitative approach.

Case study was chosen as a research strategy since it will provide a deeper perspective. It is also a good method to understand and interpret observation in different phases. The choice is further motivated by the fact that the researcher has no control over behavioural event, and that the researcher is dealing with a contemporary event.

3.1 Research Design

As stated, questionnaires were designed mainly on how effective the internet is used in the operations of the firm and its impact on its performance. The researcher wanted to know how it has helped grown their business and its impact on performance especially, cost and profitability. On employees the interviews were to solicit for how beneficial and efficient the internet has had on their performance. And on the customers how efficient, cost effective and customer service level has impacted on their businesses. Questionnaire and personal contacts/interviews were the general operational tools.

To gather information on the stated topic, this researcher decided to choose FJ Travel and Tour Ghana Limited. The reason for choosing this company is that, the researcher is the chief executive of the company.

3.2 Population

This research is focused on FJ Travel and Tour Company, Accra, its staff and customers, of the company, and this is because, that is where the electronic market space is most developed relatively. The sample population is FJ Travel and Tour Ghana Limited. This sample population was chosen from the Greater Accra region based on such factors as geographical convenience, time and finance. Moreover, that is where the headquarters of FJ Travel and Tour Ghana

Limited is located. The total population is estimated at five hundred (500) made up of twenty (20) staff and four hundred and eighty (480) customers.

3.3 Sample and Sampling Techniques

Two separate samples were selected based on staff and valued customers of the organization. The sampling techniques used in this study were purposive, quota and simple random sampling. The purposive sampling was adopted because the intention was to gain an insight into the internet usage and customer perception phenomenon, hence the need to choose personnel who were well versed in the industry. Purposive sampling was also used to select the staff of the organization for the study. Simple random sampling was important in selecting the customers for the study, since the study was intended to ensure some randomness and representativeness of the customer groups are selected in the sample. The selection of the customers for the study was guided by sampling procedure: the process involving sampling frame identification and the determination of relevant sample size. With the staff, all the twenty (20) were personnel chosen in Accra for the study. This therefore ensured that all staffs in the various categories are included. In all a sample size of 100 was taken; made up of staff (20) and customers (80).

Also the customers were chosen from all the classified customer groups: for example corporate clients, business group, tourists, as well as individuals. The researcher personally administered the questionnaire to customers.

Table 3.1 Guide: sample size and technique for selecting respondents

Target Group	Sample Method Required		
	Estimated Number	Sample Selected	Technique used

Staff			
Clerical	15	15	Questionnaire
Supervisory	5	5	Interview
Customers			
Individual Customer	300	50	Questionnaire
Corporate Customers	100	20	
Tourists/holiday makers	80	10	
Total	500	100	

Source: Field Data, June 2012

Quota Sampling was adopted in the selection of the sample size for the customers of the company. This method ensured that representative samples of all the known elements of the population occur in the sample. The firm's customers were chosen because they are in the best position to evaluate as to whether they are reached efficiently through the Internet by FJ Travel and Tour Ghana Limited.

3.4 Research Instruments

The survey was conducted based on both primary and secondary data.

3.4.1 Primary Data

Two different types of questionnaires consisting of both open and close ended items were developed purposely for gathering of primary data, one of which was a semi-structured interview questionnaire. Primary data were the main sources of information for this research. This is

because the researcher is dealing with a contemporary issue. This was gathered using questionnaires and interviews

3.4.2 Secondary Data

Materials meant for secondary data are the various publications and reports regarding the airline, tourism and travel and tour industries both in Ghana and abroad, texts and articles on information and technology a internet application etc form part of the secondary data. Secondary data was however used particularly with the review of literature. It was gathered through journals, books and the Internet.

3.5 Method of Data Collection

Two separate structured questionnaires were designed for the employees and their customers, supplemented by interviewed.

With the customers, any ten (10) were chosen at random based on the categories of the staff. The researcher assured them of the confidentiality of any information they were going to provide. Thirteen (13) questions were set covering all the areas of the topic under review based on the objectives of the research for staff and the customers. And with the consumers, part of their questions were structured and the rest unstructured. The questionnaires were sent through personal visits so as to ensure safe delivery and this even promoted a healthy understanding, cooperation and cordial relations.

With the personal interviews with the consumers, a tape recorder was used to record any little information. This helped this researcher to get every detail of the required information.

3.6 Problems of Data Collection

The study required designing questionnaires and also interviewing all the workers for information. The researcher did a lot of running up and down before getting the various categories of employees in the organization selected. This involved substantial financial expenditure, which was quite a drain on the meager resources, earmarked for this research. As a result this researcher could not interview many consumers as he would have wished to.

Also some of the respondents could not fulfill their appointments the first, or even in some cases the second and third times. Thus researcher had to go to them at later dates, which further increased the financial outlays of the writer.

Besides, some of the customers thought that the researcher would have really wished to interview other clients either refused to be interviewed on the subject, or were too busy or not available to be interviewed. Also some of the respondents (in fact, most of them), after the interview, would request the researcher to play back the tape for them to hear. This took a lot of the researcher's time as well as financial resources because batteries were being used for the tape recorder.

Then also some of the respondents booked their appointments during working hours that is during the week days which was quite inconvenient to the researcher considering the opportunity cost in terms of lectures and official duties sacrificed.

3.7 Research Instrument

Two instruments were used to collect data for this research. They include interview, and questionnaire.

Interview was used to gather data from the consumers because this would allow them to tell exactly what they experience.

3.8 Administration of the Instrument

Two different questionnaires were designed by the researcher to be responded by both staff, and customers of the firm. It was a close-ended, multiple choice, and agreement questions in the questionnaire.

The questionnaires were personally distributed by the researcher with the help of the sales supervisors of FJ Travel and Tour to their customers. The questionnaires were distributed in a sealed envelope. It was meant to ensure that their anonymity is assured. It took me three (3) days to distribute the questionnaire and another six (6) days to collect all the questionnaires.

Forty (40) interviews were conducted for the consumers on a face-to-face basis, and followed up when needed, with phone interviews. An interview guide was developed that allowed for open-ended answers and intended to let the interviewee talk as much as possible without interferences. It took two (2) weeks to complete the whole interview. Each interview lasted for an average of fifteen (15) minutes.

3.9 Methods of Data Analysis

Data collected were both quantitative and qualitative .Microsoft Excel software was used to do the analysis. Descriptive statistics was used to summarize the information in the form of frequency and percentage tables and charts were used.

The qualitative and quantitative data gathered from interviews and questionnaires were linked with information from related literature and conclusions drawn accordingly.

In processing and analyzing the data, this researcher first took the questions one after the other and recorded all the answers given by the various people under the corresponding questions.

The same thing was done with the personal interviews. On each topic that the researcher talked about with the respondents, the answers were also recorded under the various topics. After that all answers given on each question were critically analyzed and its implication recorded on a paper which helped in the findings which is the chapter five.

3.10 Travel and Tour Industry

3.10.1 Introduction

A **travel agency** is a private retailer or public service that provides tourism related services to the public on behalf of suppliers such as airlines, car rentals, cruise lines, hotels, railways, and package tours . In addition to dealing with ordinary tourists most travel agencies have a separate department devoted to making travel arrangements for business travelers and some travel agencies specialize in commercial and business travel only. There are also travel agencies that serve as general sales agents for foreign travel companies, allowing them to have offices in countries other than where their headquarters are located. As the name implies, a travel agency's main function is to act as an agent, that is to say, selling travel products and services on behalf of a supplier

Travel agencies became more commonplace with the development of commercial aviation, starting in the 1920s. Originally, travel agencies largely catered to middle and upper class customers, but the post-war boom in mass-market package holidays resulted in travel agencies on the main streets of most British towns, catering to a working-class clientele, looking for a convenient way to book overseas beach holidays

The holiday or ticket is supplied to them at a discount. The profit is therefore the difference between the advertised price which the customer pays and the discounted price at which it is supplied to the agent. This is known as the commission. In many countries, all individuals or companies that sell tickets are required to be licensed as a travel agent. In some countries, airlines have stopped giving commission to travel agencies. Therefore, travel agencies are now forced to charge a percentage premium or a standard flat fee, per sale. However, some companies still give them a set percentage for selling their product. Major tour companies can afford to do this; because if they were to sell a thousand trips at a cheaper rate, they still come out better than if they sell a hundred trips at a higher rate. This process benefits both parties.

3.10.2 The Profile of F J Travel and Tour Limited

FJ travel and tour established on 18th October, 2011, is to promote both local and international travel in a simply way using internet creating a travel village where everybody can have access to destination and airlines at a go.

Vision: to create a world class travel agency with local content and finally rising to become an airline that Africa and the world will be proud of.

Mission: to aid and promote good airline practises by collaborating with principles in the airlines industry.

CHAPTER FOUR

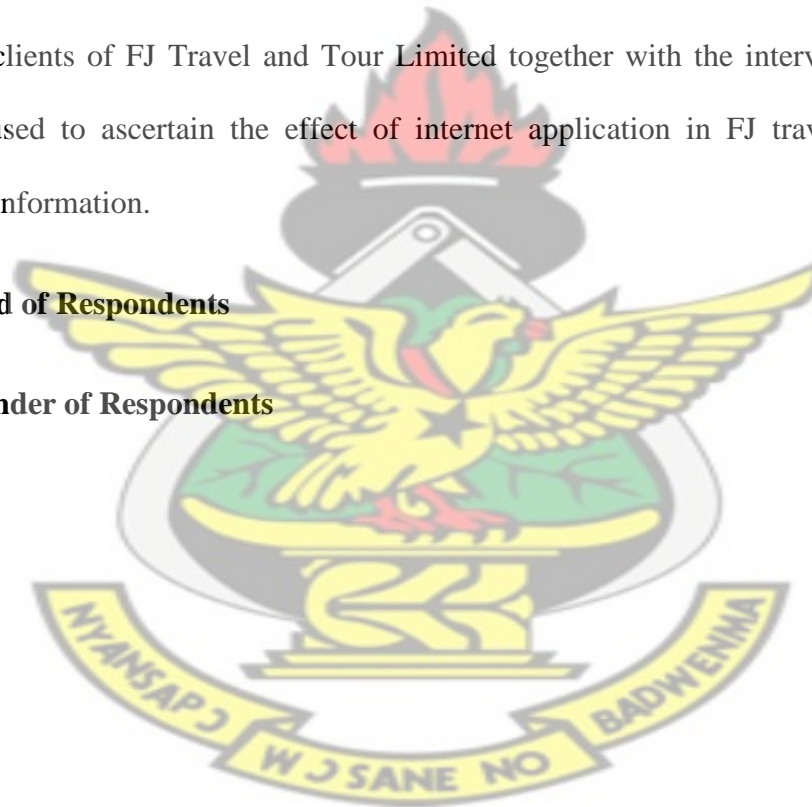
DATA ANALYSIS, PRESENTATION AND DISCUSSION OF RESULT

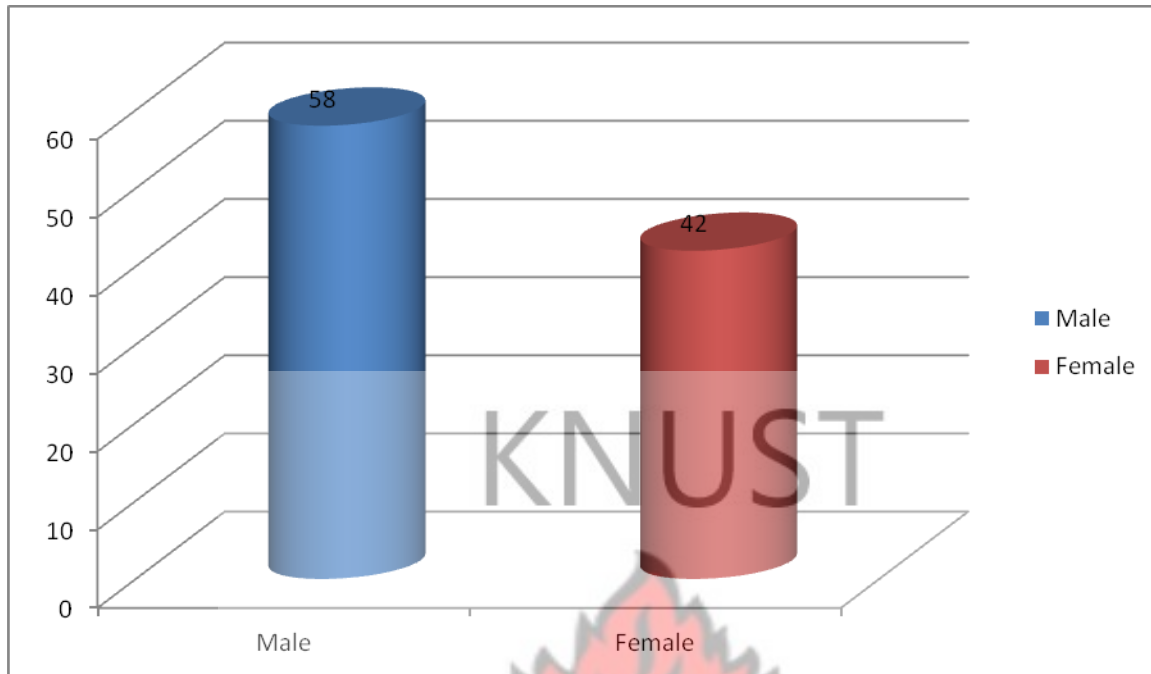
4.0 Introduction

This chapter presents the data analysis gathered from the administration of the questionnaire to both staff and clients of FJ Travel and Tour Limited together with the interviews. Descriptive statistics was used to ascertain the effect of internet application in FJ travel and Tour and summarize the information.

4.1 Background of Respondents

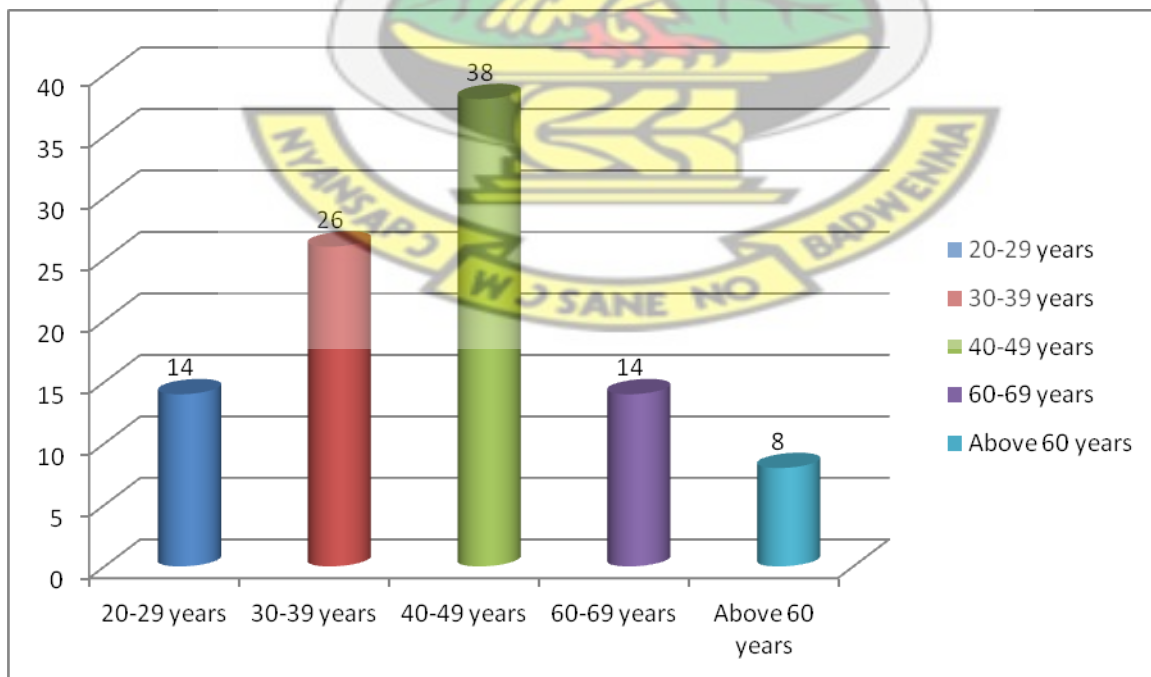
Figure 4.1: Gender of Respondents





The study is composed of fifty eight (58%) respondents being male and forty two (42%) respondents being female. This outcome indicates a combination of both male and female for the study which comprises a fair representation of both males and females.

Figure 4.2: Age Group of Respondents

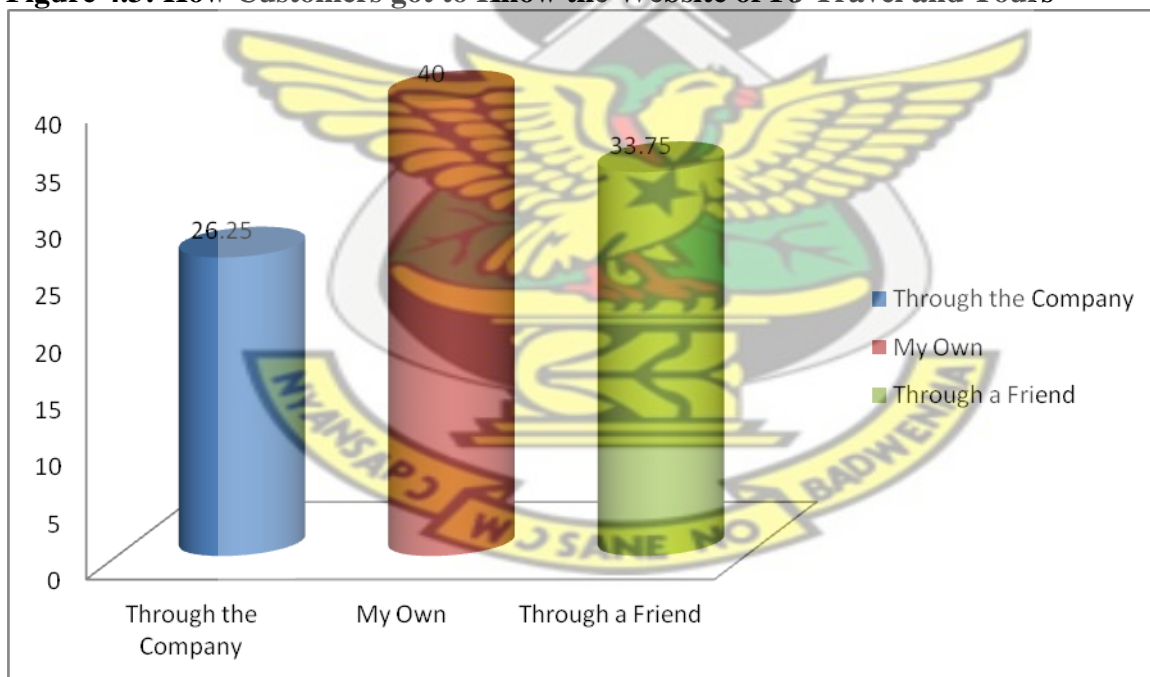


The age group of respondents shows a combine comprehensive fair representation of all age group for the study, majority of the respondents were within 40-49 years where as the least are those above 60 years as shown on Figure 4.2.

4.2 Responds from Customers

The study establishes an unanimously agreement of all respondents to the fact that, FJ travel and tours Ghana Limited has a website which is operational and has enough information on the company and its operations to any customer who might be interested in using the company's website to transact business. However, it was indicated that, most of the respondents discover the whereabouts of the website through various means as shown in Figure 4.3

Figure 4.3: How Customers got to Know the Website of FJ Travel and Tours



Majority of the customers (40%) discovered the website of the company by their own, while some also discovered through their friends (33.75%) and others mainly staff and other customers (26.25%) were told by the company. Evidence on the grounds as was observed by the researcher

indicates that, some of the customers surf the internet to check if the company has the website and to know if the company has enough service products that meets their needs being describe on the website as well as if they can transact businesses with the company since internet business transaction is well used for such purposes in travel and tour operations. This lead to majority being discovered the website of the company on their own, the others who were told by friends did so after describing to their friends the products and services they might need assistance from the company and were made to check through the website the company if it has enough services to meet the needs of the clients.

This has resulted for different ways of surfing the website of the company for various reasons as shown in Table 4.1 below

Table 4.1: The Website Usage by Respondents

Detail	Yes	No	Don't Know
Have you been using the website of the company	78(97.50%)	2(2.50%)	0(0.00%)
Is it easy accessible to every body	78(97.50%)	0(0.00%)	2(2.50%)
Does the website has adequate and up-to-date information about the company and its offerings	73(91.25%)	5(6.25%)	2(2.50%)
Does the website make room for interactions between FJ Travel and Tour and its customers	70(87.50%)	0(0.00%)	10(12.50%)

The website usage by customers of the company recorded a high patronage, as shown in Table 4.1, 97.50% of the customers have been using the company's website where as 2.50% have not been using the site, even though they are aware of the operations of the company's website, Moreover, all the customers who have been using the website indicates, it is easy accessible to everybody, of which 91.25% confirm the site has adequate and up-to-date information about the company products and services including flights and its rates for both domestic and international

destinations including tourist sites and programmes available for each customer. The study established that, the website for FJ travel and tour has an interaction section for customers to interact with customer service operators of the company and submit queries and request through the section of the site without necessary walking to the offices of the company. These findings indicate that, there is an interactive platform provided by the websites for a better customer service delivery as well as to lessen the burden of respondents thus customers on requesting for information on product and services of the company.

Table 4.2: Placing of Order

Detail	Frequency	Percentage
Through the phone	63	78.75%
Through the fax	0	0.00%
I walk to company's office	17	21.25%

Table 4.2 shows how customers put their order to the company, the study indicate a high percentage being 78.75 normally place their order through phones, and 21.25% through direct order placement in the company's office. It was also found that, none of the customers placed his/her order by fax. This might be due to the less popular of the fax machine usage especially in Ghana.

Table 4.3: Making Payment for Purchase

Detail	Frequency	Percentage
Through bank's draft	12	15.00%
Through money transfer	27	33.75%
Into company's accounts	41	51.25%

Payment to the company was also found to be done mainly through paying into the company's account, this account for 51.25% of the customers being used to this method of payment, besides, 33.75% of the customers were also found to made their payment through money transfer of any

of the domestic and phone technology money transfer system. Furthermore, 15% of the respondents were found to make their payment with the use of banker's draft as shown in Table 4.3 above.

Table 4.4: Reporting of Grievances

Detail	Frequency	Percentage
Through the phone	63	78.75%
Through the fax	2	2.50%
When salesman visits	15	18.75%

Reporting grievances and other reports such as unsatisfied customer delivery were found to be done mainly through phone, as shown in Table 4. 78.75% was found to do it through this method. Moreover, 18.75% were also found to make their complaints only when salesman of the travel and tour company visits their vicinity or their offices. However, strangely it was found as opposed to the placement of order, as 2.50% of the customers report their grievances through the fax.

Customers expressed various opinion on the usage of internet in Ghana, most of the customers were in an agreement to the fact that, internet usage in Ghana is mainly for social networking and chatting through the internet with various phone application usage, they also agree that, majority of city dwellers and especially the youth have easy access to the internet and the internet is very common to come by in Ghana, however, they were of the opinion that, internet for shopping and placement of order is rarely used in the country due to poor address system for delivery.

Nevertheless, they unanimously agree that, FJ Travel and Tour should reached out to the public via the internet as this will bring in more customers to the company and to save the customers the

hell of travelling to the company's office location before transactions are made.

Table 4.5: Areas of Corporate Performance

Detail	Frequency	Percentage
Cost reduction	0	0.00%
Profitability	4	5.00%
Image	29	36.25%
Increase in sales	47	58.75%
Any other	0	0.00%

On the perspective of the customers, it was shown that, they perceived the company receives enormous positive effect through its internet on its sales, as this will lead the way for customers to transact business with the company for more easy and at the shortest time. Again, 36.25% were of the opinion that, this will increase the company's image on the market and hence profitability will also be increased.

Table 4.6: Main Challenges in Using Internet

Detail	Frequency	Percentage
Logistics	10	12.50%
Finance	45	56.25%
Human	22	27.50%
Client's usage	3	3.75%
Any other	0	0.00%

On the other hand, it was discovered that, various challenges are being faced when customers used the internet, predominant of all the challenges is finance, as more and more of the customers have to paid high for the use of internet as they do not personally own internet facilities in their homes as such have pay for the usage in internet café and other accessible areas. Again 27.50% also indicate this challenge to the human factor, whereas 12.50% also attribute the main challenge to logistics.

4.3 Responds from Staff

On the side of staff of the company, it was observed that, all of the respondents agreed that, the company has a website which is mainly used to advertised and disseminate information on the products and services to their current and potential customers and the framework of the site is easily accessible to anybody who logs onto the site on the world wide web.

Table 4.7: Perception of Website Usage of Customers by Staff

Detail	Yes	No	Do Kn
Does customers know about the website	20 (100%)	0 (0.0%)	0 ((
Does the website have adequate and up-to-date information about the company and its offerings	20 (100%)	0 (0.0%)	0 ((
Does the website make room for interaction between staff and customers	20 (100%)	0 (0.0%)	0 ((
Is it possible for your customer to transact business with you on the internet	20 (100%)	0 (0.0%)	0 ((
Does the company has any intention of exploring the possibility of using the internet to grow its business	20 (100%)	0 (0.0%)	0 ((
Do you think it will be beneficial for your company to reach out to its customers via the internet	20 (100%)	0 (0.0%)	0 ((
Does the use of internet by the company have any effects on the performance on the company	20 (100%)	0 (0.0%)	0 ((

All respondents thus staff indicates that, the customers of their company know that, the company has a website, the company send this information through various forms such as the company notification and sending SMS.

It is also believed that, some of the customers get to know the existing of the company website themselves; some may be through friends and relatives who might have recommended the services of FJ Travel and Tour to them. As shown on the table, all staff believed that, the website has adequate information on it describing their products and services rendering the general public, and again make room for interaction between customers and staff. It was noted that, the

customer service division has a dedicated personnel to monitor all chats and responds appropriately as per queries sends by customers and prospective customers alike.

Staff indicate that, due to the dedicated customer service for monitoring queries and questions, it is mainly easy to transact business on the internet with their customers such as booking, ticket reservation and others, on this it was noted that, ones customers paid their bill through any of the means channel provided by the company, business with customers are mainly done through the internet such sending emails about the completion of service, details of each transaction and updates with regards to service rendered to customers.

Furthermore, the staff established that, the company has in its medium and long term policies intention of exploring the possibility of using the internet to grow its business by contacting content providers who can search and gives emails of prospective customers so as to send them updates of the products and services as well as what customers can benefit by patronizing to their services, this will help expand their customer base and hence increase in profit. This intention is as result of the enormous benefit reaped by the company on the current use of the internet service which has curtail most of the manual work they use to do.

Besides, some of the areas which was found be affected positively by the company includes:

- Cost reduction- since some works which were supposed to be done by employees are now done by the internet and hence reduce overhead costs.
- Increase in sales and profitability- as a result of increase in customers due to the easy transaction of service and selling of products through the internet, the revenue base of the company has increase which due to the increase in sales and hence affected profitability

positively

- Image – the use of website to run the activities of the company has raise the corporate image of he company as a base of the use of technology to reduce the stress their customers go through such as traffic in order to reach the offices of the company and hence has save time for customers.

Irrespective of the benefits accrued from the use of website to run some of the operations of the company, some challenges such as logistics and finance tends to be a major impendance to the full realization of the company's mission on the use of internet.

The logo of KNUST (Kwame Nkrumah University of Science and Technology) is centered in the background. It features a yellow eagle with spread wings perched on a green shield. Above the eagle is a black mortar and pestle with a red flame. Below the eagle is a yellow banner with the text 'WJSANE NO' and 'BADWENIA' on either side. The word 'KNUST' is written in large, light grey letters across the top of the logo.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This is the final chapter on the research which sought the effects of internet application on Travel and Tour industry. The chapter records the summary of the findings, conclusions and recommendations on improving the travel and tour sector.

5.1 Summary of Findings

5.1.1 Usage of Internet for Travel and Tour Firms

The study established that, the company under study uses internet heavily in all of its activities and operations, this underscore the fact that due to the technology era, information dissemination is very important hence the need for the travel and tour companies to stick to the use of the service to attract customers. The study finds that, most of the customers of the company assess the products and service of the company through the internet since the internet is easily accessible for the customers. Perspective of the customers indicate that, they are able to chart with officials of the company through the internet of which their queries and reports are attend to without taking time to visit the offices of the company which saves the time and energy.

5.1.2 Challenges of the Use of Internet

Furthermore, the study indicate that, factors such as finance, logistics, human and client's usage as the main factors militating against the fullness of internet usage to access products and services. It was found that, since majority of the customers do not have personal internet in their homes, this makes them pay high for the internet usage in cafes and for those who have access through their mobile phones and routers in their houses still have to pay for higher rate for data bundles before they are able to access the internet and hence the website of companies. Logistics was also found to be factors since not all customers have the needed logistics such as routers or smart phone capable for internet usage. Human is also a factor, since the culture within Ghana is not of much more technology oriented hence some customers do not feel comfortable and relax that, their request through the internet will be delivered and hence interested in using contact personality approach in dealing with transactions.

5.1.3 Impact of Internet Usage on Performance

The study establishes that, the usage of internet has a positive impact on the performance of the cost which includes cost reduction, higher revenue and more reliable service delivery since the internet connects to the individuals and they are able to ask any form of questions which borders the customers. Again on the part of staff and management, the study found out that, the use of internet has increase their customer base and their revenue hence increase in profitability, this has call for a medium and long term plan for the usage of internet to reach their customers and to improve their image as a corporate body.

5.2 Conclusions

Internet usage among individuals and corporate bodies as become a necessity but not a luxury since almost all transactions, sales and entertainments of late channel through the internet and hence the tourism industry of no exception. Due to high demand of service and competition it has become necessary for FJ travel and tours to use the internet tor reached its customers and potential customers who might search and surf the internet to finds the products and services of travel and tour companies. The study establishes that, most customers tends to use the internet to search for product and service of the company which has also be confirm by the staff of the company by making sure that, the website of the company has the needed and up to date information for its clients. This has resulted in increasing the customer base of the company and hence increases in revenue and performance of the company. The interaction section on the website gives platform for customers to interact with customers service departments for available products and to inquire about the entire services available.

5.3 Recommendations

Based on the analysis of the study, the following recommendations are made to help improve the internet usage of the company.

5.3.1 Product/Service Information

The necessary and detail information for each service and products should be put on the website as per the details so as to give the customers the chance to choose which service they might be interested in.

5.3.2 Simplifying design interface

The company should design its interface to be simple with more creativity and attraction in order to attract viewers to explore on the products being put on the website of the company, again the company should give discounts to customers who transact their business through the internet with the company so as to encourage more customers to the usage of the website this will improve the company's image in the corporate world.

5.3.3 Government Policy

As the government of Ghana pushes for the cashless society, policies that may encourage the use of the internet for purchasing of ticket may greatly reduce the amount of many people buying ticket at the firm.

5.3.4 Security

The security of the IATA provided by the client in terms of credit should be well secured. Any

security breach may lead to mistrust and discourage potential clients from its usage.

5.4 Suggestion for further Research

The focus of the study was limited to Accra due to constraints mentioned earlier. It is expected that all travel and tour firms in the regions should be covered to make it more representative.

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APPENDIX I

QUESTIONNAIRE FOR STAFF

THE EFFECTS OF THE INTERNET APPLICATION ON THE PERFORMANCE OF TRAVEL AND TOUR FIRMS IN GHANA.

(A CASE STUDY OF FJ TRAVEL AND TOUR COMPANY)

This research is in partial fulfillment of the requirement for the award of a Commonwealth Executive Master of Business Administration (CEMBA).

You are however assured that the information collected will be used solely for the purpose for which it was collected and will be treated as confidential.

: Section “A” – Personal Details

1. Department
2. Title/Designation: -----

3. Age (current in years). Please tick (✓) where applicable.

i) Below 30 () ii) 31 – 40 () iii) 41- 50 () iv) Above 50 ()

4. Sex (Please tick) Male (M) or Female (F)

5. Marital status: Married (), Single ()

6. How Many Years Have You Been In The Insurance Industry?

(Less Than 3 Years) [] (3-5 Years,) [] (5 Years and Above) []

7. What is your educational level?

a. Postgraduate [] b. Graduate [] c. Professional []

d. Diploma [] e. Secondary [] f. Basic []

B) Please tick where appropriate

1. Does FJ TRAVEL AND TOUR Ghana Limited have a website?

☐ Yes ☐ No ☐ Don't know

2. If yes, is it easily accessible to everybody?

☐ Yes ☐ No ☐ Somehow

3. Does your customers know about the website?

☐ Yes ☐ No ☐ Don't know

4. If yes, how did your customers get to know about your website?

☐☐The Company notification ☐ found out by themselves ☐☐Don't know

5. Does the website have adequate and up-to-date information about the company and its offerings?

☐☐ Yes

☐☐No

☐☐Don't know

6. Does the website make room for interaction between FJ TRAVEL AND TOUR and its consumers?

☐☐Yes

☐☐No

☐☐Don't know

7. Is it possible for your customers/consumers to transact business with you on the internet?

☐☐ Yes

☐☐ No

☐☐ Don't know

8. What is your opinion on the usage of internet in Ghana?

9. Does FJ TRAVEL AND TOUR has any intention of exploring the possibility of using the internet to grow its business?

☐☐ Yes

☐☐No

☐☐Don't know

10. Do you think it will be beneficial for your Company to reach out to its customers via the internet?

☐☐Yes

☐☐No

☐☐don't know

11) Does the use of internet by the company have any effects on the performance on the company? ☐☐Yes ☐☐No ☐☐don't know

12) If yes, in which areas of corporate performance of the company?

a) Cost reduction b) Profitability c) Image d) Increase in sales e) Any other.....

13) What are the main challenges in using internet at FJ TRAVEL AND TOUR?

a) Logistics b) Finance c) human d) Clients usage e) Any others.....

14) In your own view, suggest how best to improve the application of internet in the operations of at FJ TRAVEL AND TOUR?

THANK YOU.

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APPENDIX II

QUESTIONNAIRE FOR CUSTOMERS

THE EFFECTS OF THE INTERNET APPLICATION ON THE PERFORMANCE OF TRAVEL AND TOUR FIRMS IN GHANA

(A CASE STUDY OF FJ TRAVEL AND TOUR COMPANY)

This research is in partial fulfillment of the requirement for the award of a Commonwealth Executive Master of Business Administration (CEMBA).

You are however assured that the information collected will be used solely for the purpose for which it was collected and will be treated as confidential.

Section “A” – Personal Details

(Please tick)

1) What is your occupation?

a) Self- employed b) Civil servant c) Public servant d) Businessman e) Any other

2) Age (current in years). Please tick (✓) where applicable.

i) Below 30 () ii) 31 – 40 () iii) 41- 50 () iv) Above 50 ()

3) Gender: Male (M) or Female (F)

4) Marital status: Married (), Single ()

5) What is your educational level?

a. Postgraduate [] b. Graduate [] c. Professional []

d. Diploma [] e. Secondary [] f. Basic []

6) How many years have you been dealing with FJ TRAVEL AND TOUR?

(Less Than 3 Years) [] (3-5 Years,) [] (5 Years and Above) []

Please tick where appropriate

1. Does FJ TRAVEL AND TOUR Ghana Limited has a website?

☐ Yes ☐ No ☐ Don't know

2. If yes, how did you know about the website?

☐ The Company informed me ☐ found out on my own ☐ through a friend

3. Have you been using the web site of the company?

Yes ☐ No ☐

4. Is it easily accessible to everybody?

☐ Yes ☐ No ☐ Somehow

5. Does the website has adequate and up-to-date information about the company and its offerings?

☐ Yes ☐ No ☐ don't know

6. Does the website make room for interaction between FJ TRAVEL AND TOUR and its customers? ☐ Yes ☐ No ☐ Don't know

7. How do you normally place your order?

☐ Through the telephone ☐ Through the fax ☐ I walk to the factory

8. How do you make payments for your purchases?

☐ Through bank draft ☐ Through money transfer ☐ Pays into company's account

9. How do you normally report your grievances?

☐ Through the telephone ☐ Through the fax ☐ When salesman visits

10. What is your opinion on the usage of internet in Ghana?

11. Do you think it will be beneficial for FJ TRAVEL AND TOUR to reach out to you via the internet? ☐ Yes ☐ No ☐ Don't know

12. Does the use of internet by the company have any effects on the performance on the company? ☐ Yes ☐ No ☐ don't know

13. If yes, in which areas of corporate performance of the company?

a) Cost reduction b) Profitability c) Image d) Increase in sales e) Any other

14. What are the main challenges in using internet at FJ TRAVEL AND TOUR?

a) Logistics b) Finance c) human d) Clients usage e) Any others

15. In your own view, suggest how best to improve the internet usage at FJ TRAVEL AND TOUR?

THANK YOU.

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