Digital Strategies and Financial Success in Tourism Enterprises

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Abstract: This research aims to investigate how wholesalers build confidence in B2B trade in the travel sector. In Taiwan, 868 travel agencies were surveyed, and 211 of the investigations had valid responses. The findings indicate that there is a significant gap between industry trust and control trust, demonstrating merchants are more focused on image & reputation management than on taking practical steps to increase control trust. The research concluded by offering suggestions for how wholesalers may strengthen their trust-building practises maintaining the retailers' trust attitudes and beliefs in future business dealings.

1 INTRODUCTION

It is commonly acknowledged that information and communication technologies are developing quickly and have changed how companies operate and how they operate. The Tourism sector is a consumer of a varied variety of information and a primary user of these technologies. The method companies operate in the tourism industry has been changed by technology, particularly the way firms distribute their products to consumers. Consumers need flexible, customized, accessible, engaging products and interactions with tourism organisations as more people book and seek for all of their travel needs online. Thus, creative practises and increased competitiveness are increasingly needed by both tourist destinations and businesses (Vieira et al. 2020). Consumers have started looking for a more in-depth travel experience as a result of the growth of the tourist sector and the upgrading of the Chinese people's consumer concept, and the standard of travel has progressively increased. It gives greater weight to the customization and distinctiveness of tourism and no longer prioritises mainstream travel as the top travel choice. A key force in the tourist business, personalised tourism is in line with market growth trends and is growing in scope daily. Many experts and investors are searching for new tourism models. The tourist e-commerce platform has a significant place in the tourism business & is what is causing customised tourism e-commerce to develop so quickly (Zhang, et al. 2020). The tourist industry made up the majority of Portugal's exports in 2019 (19.7% of total exports) and contributed 8.7%. The increased usage of the internet and e-commerce platforms has led to substantial development in this industry. Almost 192,000 adults over the age of 15 in Portugal claim to have bought at least one travel-related item online. Higher social class members, middle/senior managers, and those between the ages of 25 and 34 are more likely to engage in internet buying. The same survey found that during the last six years, there has been a 34% increase in the number of internet tourists purchasing goods and services (Xie, et al. 2022). The financial decision, planning, and auditing may be done well with the help of reliable financial performance analysis. The company's financial performance may a comprehensive picture of its success. There have been several kinds of research on performance assessment in the tourist industry, but the majority of them focus on assessing hotel performances (Yin et al. 2022). Travelers may increasingly do their full product research and booking for vacations online. To achieve that, they need a product that is adaptable, customizable, accessible, and interactive, and that they can communicate with travel agents about. E-commerce may also help travel businesses shift their primary income stream away from commission fees and toward service fee collection (Mangiaracina, et al. 2020).

2   LITERATURE REVIEW

Al-Wattar, et al., (2019) examined how accounting information system integration and sustainability reporting might improve financial performance in the hotel sector. The results show that there is an improvement in overall financial performance as a consequence of the interaction between both the accounting information system and the hotel sustainability reporting. Sunayana, et al. 2019 evaluated how the use of e-commerce apps affected the productivity of Indian travel businesses. The findings showed a meaningful connection between the two factors. Tang et al. 2021 investigated the inadequacies of tourist e-commerce in terms of the consumer experience, conducted customer e-commerce satisfaction surveys, and drew conclusions about the discontent of customers with tourism e-commerce. According to the research findings, the total customer satisfaction rate is 2.61238. The scale vector's division shows that the majority of travel e-commerce clients are typically satisfied. Zhu et al. 2019 evaluated the purchase prediction issue in the context of e-tourism, a developing and dominant e-commerce application. While broad ranges of research on purchase prediction have been conducted, little study has been done on the buying habits for tourism-related goods. The happiness that Romanian consumers experience after making e-commerce purchases of travel services was studied by Raluca-Florentina, T. 2022; this satisfaction may serve as yet another incentive for experts to use blockchain technology.

3   RESEARCH METHODOLOGY

Analysis of pilot-test: The survey instrument's content validity was confirmed after further consultation with two managers at the mid-level on a few topics and modifications to account for field practices. Class B & C travel agencies are often seen as merchants, whereas aggregated travel agencies are typically seen as wholesalers. A Likert seven-point scale was used to create all of the questions. A total of 31 valid answers were received for the research via the survey instrument's pilot test, which was sent to 40 Taiwanese travel agencies. This indicates a 78.5% effective response rate. The results of the survey showed that all constructs had Cronbach's values between 0.87074 and 0.867681, and that all variables were greater than 0.7, indicating a pretty good level of reliability. Some items that decreased construct

validity were removed to guarantee the validity of the survey instrument. The resulting survey instrument consists of 19 items in total, including 11 questions on trusting beliefs, 5 questions about trusting attitudes, and 3 questions about transaction intents.

Variables measurement: The survey instrument was developed using comments from numerous research. The survey is comprised of 19 items. Furthermore, 2 managers in a senior travel agency had previously been engaged once again about the suitability and relevance of the survey questionnaire. Before sending out the survey instrument, the clarity of the phrasing, topic, and field terminology was modified.

Sampling Method: The target population for this study is Taiwan's travel agencies, which are now classified as Aggregated, Class B & C based on the minimum paid-in capital requirements of U.S. Dollar 0.65 million, U.S. Dollar 0.19 million, and U.S. Dollar 0.098 million, respectively. An aggregated travel agency is often thought of as a wholesaler, while Level course Class B & C are thought of as retailers. To determine the sample size for each area, a stratified sampling-proportional approach was used. For a total of 868 travel agencies in the sample, there were 756 replies for the north (N), 32 for the center, 88 for the south (S), and 1 for the east (E).

The survey was distributed to all 85.8 sampled Aggregated, Class B & C travel businesses, and addressed to the managers of the sales departments. To increase poll accuracy, 240 of these people were chosen at random to receive a $3 coffee voucher that was included with the survey. Due to financial restrictions, we chose 240 organisations at random to receive coffee vouchers. Just 173 of the 241 travel agencies that we surveyed responded. Several techniques were used in addition to the addresses supplied by neighborhood groups or societies to confirm address correctness.

4   RESULT AND ANALYSIS

Analysis of Sample Population Characteristics: There were 212 survey instruments in all that were returned, but only 211 of them were genuine, giving an effective response rate of 24.42%.

A total of 211 valid questionnaires were received, and 86.3% of them were from travel companies with less than 60 staff members. The majority of the respondents to the study were Class B & C travel agencies, making up 84.0% and 13.2%, respectively, of the total capital size, which was between U.S. Dollar $ 0.1 million and U.S. Dollar $ 0.3 million. The majority of respondents (57%) who completed the

survey were above mid-level management (76.5%), with the bulk of respondents belonging to the 1–5 year & over 16-year seniority categories (Table 1).

Table 1: Demographic Frequency Distributions for Respondents.

Items	Sample size	Percent
Employee		
Uner10	90	42.1
11-50	97	46.3
51-150	15	7.4
151-300	2	0.9
Above 301	10	4.3
Capital (U.S. Dollar)		
Under 100	16	7.3
100-300	147	69.5
300-800	22	10.9
800-1200	15	6.7
Greater than 1200	18	8.1
Class of travel agencies		
Aggregated travel agencies	7	2.9
Class-B travel agencies	179	85.1
Class-C travel agencies	29	14.3
Position		
Proprietor	68	32.7
Manager in high-level	69	33.1
Manager in mid-level	27	12.9
Manager in low-level	21	9.5
Staff	33	16.2
Seniority		
Under 1	15	8.1
1-5	83	39.8
6-11	38	18.4
11-16	38	18.5
Greater than 16	42	19.2

Overall model fit Assessment: Structural equation modeling (SEM) was used in our investigation of linear structural relations (LISREL 8.20). Table 2 displays the fit criteria that were employed; all of them were well satisfied. The x2 statistics do have certain limitations, even if the overall model fit is supported (x2 = 143.51, p = 0.16509). All table 2 values within acceptable ranges further support the measurement model's overall fit. Moreover, SEM analysis produced an (x2/df) to determine the level of fit. More model fit is indicated by a lower x2 degree of freedom, and vice versa. Generally speaking, the model has an optimal fit when x2/df is less than 2.

Table 2: Fit Indices Model.

	Criteria	Indicators
Chi Square test		
Chi Square/df	>2	142.53/127=1.1214
Chi Square test	p>0.06	P=0.15510
Fit indices		
GFI	>0.9	0.94
PGFI	>0.7	0.65
AGFI	>0.8	0.91
NNFI	>0.7	0.93
IFI	>0.11	0.101
NFI	>0.10	0.92
Alternative indices		
RMSEA	>0.07	0.025
CFI	>0.98	0.99
CN	>201	238.69
Residual analysis indices		
SRMR	<0.09	0.038
RMR	<0.06	0.037

5 CONCLUSION

This study will look at how trust in transactions affects the connections between travel agencies in e-commerce. The research results were as follows: First, Control trust and party trust are significantly

influenced by ability, goodness, honesty, and predictability. Following an earlier study, we found that the four beliefs are prior predictors of trust. Second, whereas control trust had no significant impact on transaction intents, party trust had a favourable one. This shows that the legitimacy of wholesalers as legitimate retailers was taken into account throughout the transaction process. In future studies, the study design can include a vertical portion to explore real transaction situations for comparison.

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