

Marketing Innovation's Reality in Tourism Agencies from both Perspectives: Agency and Customers -- “*ELWAFIDINE TOURS* Agency Case Study”.

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Abstract:

This study investigated the reality of marketing innovation in the tourist agencies from both perspectives: agency and customers, focusing on “*ELWAFIDINE TOURS*” agency as a case study, by using qualitative and quantitative approaches, and depending on a deep interview and a questionnaire as study tools. The study used open and half closed questions in the frame of deep interview embodiment, and a questionnaire targeting customers of the agency. The study results indicated that the agency adopts innovation in its varied marketing mixture strategies, what is considered one of the main reasons of its competitive superiority.

Keywords: Innovation, Marketing Innovation, Tourist Agencies, “*ELWAFIDINE TOURS*”, Marketing Mixture Strategies.

Jel Classification Codes: M30, M31.

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1. INTRODUCTION

Nowadays, tourist agencies act in a competitive environment, and marketing innovation is challenging, because of the complexities of the business environment, the changing needs of customers and markets, the effects of competition, and the difficulties associated with understanding the present and forecasting the future. Advances in science, technology, transportation and communication have been the main driving forces that necessitated to, through innovation, introduce new production techniques and new commodities, improve on existing ones, open up new markets, explore new sources of raw materials and design new techniques of management, in order to maintain and reinforce the competitive position. In order to cover the subject a problematic statement may be raised:

What is the reality of marketing innovation' in “*ELWAFIDINE TOURS*” agency, as a case study, from both perspectives: Agency and Customers?

2. Literature Review:

A. Innovation and Marketing Innovation :

An innovation is a creative new solution to the prevailing conditions and trends, and fulfills the expressed and latent needs and wants of customers. Innovation management is imperative for improving product portfolios, enhancing and developing new products, and achieving customer and stakeholder satisfaction in the fast-paced world of globalization, technological change, and pressures from the business environment (Rainey, 2005, P01).

Concerning marketing, a social and a managerial definition for marketing may be distinguished: According to a social definition, marketing is "a societal process by which individuals and groups obtain what they need and want through creating, offering, and exchanging products and services of value freely with others". As a managerial definition, marketing has often been described as "the art of selling products." But Peter Drucker, a leading management theorist, says that "the aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself. Ideally, marketing should result in a customer who is ready to buy." (Kotler, 2000, P04) And *the American Marketing Association (AMA)* says that it is: "the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives (Whalley, 2010, P09)."

Nowadays, Connection between marketing and innovation is inevitable. According to Hrázdilová Bočková "Innovative marketing is perceived as introducing new methods supporting product sales, improvement in the areas of packaging, advertisement and promotion of products (Gottlivhova and Soukalova, 2015, P337)". Marketing innovation is also considered an innovation that satisfies customer needs and develops a competitive advantage through differentiation along one or more of the following: Desired Product Features and Design, Size, Usability, Quality, Time, Price, Cost savings/ Incremental Revenues...etc. In other words, it is the implementation of new marketing method involving significant changes in product design or packaging, product placement, product promotion or pricing (Cherroun, 2014, P141). To discern the differences between innovation in services and innovation in physical products, thinkers as Booms and Bitner suggested the extension of the 4Ps framework to include three additional factors: People, Physical evidence and Process as marketing mix variables for services innovation marketing (www.continuumlearning.com).

B. Marketing Innovation Mixture:

Whenever we talk over the marketing innovation of the product, four fundamental elements of marketing are mentioned: product, price, distribution and promotion which are known as 4Ps. But the rate of customer participation and time are also important in service delivery. So, considering service marketing, other elements in marketing decision management in the service organization are called "service marketing mix" or 7Ps as mentioned below:

➤ Service Innovation :

Service innovation can be said to be an amalgamation of product innovation, that is, "the introduction of a new product, or a significant qualitative change in an existing product," and process innovation, that is, "the introduction of a new process for making or delivering goods and services". Innovation in services is different from innovation in manufacturing essentially because services are characterized by intangibility, heterogeneity, perishability, increased customer interactivity, and simultaneity between production and consumption (Randhawa and Scerri, 2015, P29).

A service innovation is a new service or such a renewal of an existing service which is put into practice and which provides benefit to the organization that has developed it; the benefit usually derives from the added value that the renewal provides to the customers. In addition, to be an innovation the renewal must be new not only to its developer, but in a broader context, and it must involve some element that can be repeated in new situations, i.e. it must show some generisable features(s). A service innovation process is the process through which the renewals described are achieved. While summarizing these statements, it becomes clear that the service innovation process is the process through which renewals are achieved. This process has a multidisciplinary nature, since different stakeholders are involved during the design of the concept, the service system and launch. The actual outcome might be a combination of various existing elements or totally new offers. The final goal is to fulfil customer needs in a valuable (both for the customer as well as the enterprise), high quality way. By combining these elements the following definition can be given (Vos, 2010, PP19-20):

“Service innovation is the multidisciplinary process of designing, realizing and marketing combinations of existing and/or new services and products with the final attempt to create valuable customer experiences”.

➤ **Price Innovation:**

In the narrowest sense, **price** is the amount of money charged for goods or services (i.e. what customers pay to get the product). More broadly, price is the sum of all the values that consumers exchange for the benefits of having or using the good or service (Kotler et al, 1999, P681) . Prices can be set to keep the loyalty and support of resellers or to avoid government intervention. Prices can be reduced temporarily to create excitement for a product or to draw more customers into a retail store. One product may be priced to help the sales of other products in the company's line. Thus pricing may play an important role in helping to accomplish the company's objectives at many levels (Kotler et al, 1999, P684). **Pricing** is the process whereby a business sets the price at which it will sell its goods and services, and may be part of its marketing plan (<https://en.wikipedia.org/wiki/Pricing>). In setting prices, the latter may include major objectives such as: survival, maximum current profit, maximum market share, maximum market skimming, and product-quality leadership. Companies select one of the six price-setting methods: markup pricing, target-return pricing, perceived-value pricing, value pricing, going-rate pricing, and auction-type pricing (Kotler and Keller, 2012, PP389-402).

➤ **Place Innovation:**

Place includes company activities that make the product available to target consumers (Kotler et al, 1999, P110). Marketing channels are sets of interdependent organizations participating in the process of making a product or service available for use or consumption. They are the set of pathways a product or service follows after production, culminating in purchase and consumption by the final end user (Kotler and Keller, 2012,P415). Innovation in marketing channels becomes a complex, multiorganizational, multidisciplinary activity that requires collaboration and interactions across various entities within the supply chain

network, with a substantial portion of the innovation process and resulting outcomes that occur at the buyer-seller interface level (Musso, 2010, PP24-25).

Innovations in distribution channels may take the form of truly new ideas, involving a complete re-examination of the potentials and objectives at hand. The underlying source of such a completely new idea may be a change in the available distribution technology. Product and production process innovations may also be the underlying source of truly new ideas in distribution channels. Another source of inspiration to innovations in distribution channels is from alternative means of operations that are used in other product or geographical markets. For example, the "*Book-of-the-Month*" idea to sell books through a "club", offering a periodic selection of new books, has been adapted to sell a number of other articles, such as records, videos and cosmetics. Similarly, American style fast-food restaurants are influencing the way restaurants are operated all over the world (Nyberg, 1998, PP75-76).

As in the industrial system in general, there are two basic driving forces behind the appearance of innovations in distribution channels, namely competition and "entrepreneurial spirit". In order to sustain their viability and competitiveness, and/or because they see entrepreneurial opportunities, enterprises experiment with new ways of doing business. Retail outlets in the same area compete by slightly differentiating their offer, a transportation enterprise offers warehousing as an additional service in order to become a more attractive partner, etc. Each structure is associated with a particular cost to the consumer (Nyberg, 1998,P47).

➤ **Promotion Innovation:**

Promotion means activities that communicate the merits of the product and persuade target customers to buy it (Kotler et al, 1999, P110). To effectively reach and influence target markets, marketers need to devise creative and innovative ways for attracting and retaining customers (Terkan, 2014, P239). Innovative Promotional strategies refer to the way marketers translate their messages into a specific communication (Keller, 2012, P484). Companies must allocate the marketing communications budget over the eight major modes of communication— advertising, sales promotion, public relations and publicity, events and experiences, direct marketing, interactive marketing, word-of-mouth marketing, and the sales force (Kotler and Keller, 2012, P490).

In advertising, While it performs the communicative function of informing consumers about a company's product or service, creative advertising attracts people to the market (Terkan, 2014, P239). Techniques such as; surprise, humour and contrast, are often used to by creative people to create ads. These unexpected elements may be found in the choice of words, visuals and media or in all the three. Other techniques used could be in choice of media. Drewniany and Jewler (2008) argue that "creativity and innovation should be handled with care to avoid resulting in ads which are unlawful or out rightly offensive; advertisers should understand their consumers' sense of humour" (Terkan, 2014,PP243-244).

➤ **Physical Evidence Innovation:**

Physical evidence refers to the environment in which the service is assembled and in which the seller and customer interact, combined with tangible commodities that facilitate performance or communication of the service. The physical evidence of service includes all the tangible representations of service such as brochures, letterhead, business cards, reports, signage, internet presence and equipment. For example, in the hotel industry, the design, furnishing, lighting, layout and decoration of the hotel as well as the appearance and attitudes of its employees will influence customer perceptions of the service quality and experiences. Because of the simultaneous production and consumption of most services, the physical facility i.e. its service scape can play an important role in the service experience (www.continuumlearning.com).

➤ **Processes Innovation:**

Process innovation is the adoption of new or significantly improved production methods. These methods may involve changes in equipment or production organization or both. The methods may be intended to produce new or improved products which cannot be produced using conventional plans or production methods, or essentially to increase the production efficiency of existing products (Cherroun, 2014, P141). The concept of innovation from management perspective, begins from thought and ends with the release of new product or service businesses ; in this process, the person is authorized to release and to imagine different ways to spin the idea and then it becomes a practical, useful and appropriate concept (creativity), in following he converts applied ideas to goods, services (innovation) and at last by commercial distribution of goods and services produced, innovative process ends. Usually innovation takes place in successive steps. The innovation process successfully implemented, it would need to ensure that this process occurs in the organization process, respectively. If one of these steps is not running, there will be fail (Fadaee and Abd Alzahrh, December,2014, P03). Process innovations must be new to your enterprise, but they do not need to be new to your market. The innovation could have been originally developed by your enterprise or by other enterprises (Vos, 2010, P23).

➤ **People's Innovation :**

In Booms and Bitner's 7Ps services marketing framework, people are all people directly or indirectly involved in the service encounter, namely the enterprise's contact employees, personnel and other customers. Service enterprises depend heavily on the ability of contact employees to deliver the service. Contact employees contribute to service quality by creating a favorable image for the enterprise, and by providing better service than the competitions. Service providers (such as hair stylists, personal trainers, nurses, counselors and call centre personnel) are involved in real time production of the service. They are the "service". Much of what makes a service special derives from the fact that it is a lived-through event.

Service enterprises must find ways in which they can effectively manage the contact employees to ensure that their attitudes and behaviors are conducive to the delivery of service quality. This is especially important in services because employees tend to be

variable in their performance, which can lead to variable quality i.e. heterogeneity in the performance of services. The quality of a service can vary from service providers and customers among many other factors. This lack of homogeneity in services creates difficulties for the service enterprises. As delivery of services occurs during interaction between contact employees and customers, attitudes and behaviors of the service providers can significantly affect customers' perceptions of the service. This is important, because customers' perceptions of service quality and its value can influence customer satisfaction, and in turn, purchase intentions (www.continuumlearning.com).

C. Tourist Agencies:

A Travel Agency is "a middleman - a business or person selling the travel industry's individual parts or combination of the parts to the consumer". "Travel Agencies sell inclusive tours, holiday, transportation tickets and other related products such as accommodations, car rentals, attraction tickets and insurance to the public". In legal terms "Travel Agency is an agent of the principal – specifically, transportation companies. The agency operates as a legally appointed agent, representing the principal in certain geographic area. The agency functions as a broker for the other suppliers, such as hotels, car rentals, ground operators and tour companies" (<http://bieap.gov.in/Pdf/TTPaperIIYR2.pdf>, 2017).

Travel agencies provide reservation and booking services, arranging and assembling tours, tour retailing and wholesaling services, transport ticket wholesaling services, and other services related to distribution of travel services. Travel agencies act as intermediaries in distributing travel services on behalf of producers of the services. In some cases, they also provide add-on services such as travel management. Travel agencies derive their revenues primarily from fees or commission paid by producers of the original services, or by charging customers fees or a mark-up amount on top of the purchase cost of the original services. Therefore, travel agency and tour arrangement activities can be regarded as a type of distributive services or margin (in selling travel services). The outputs of these activities can be measured as gross margin (Luo and Girazova, 2014, P02).

3. RESEARCH METHOD

In order to bring clarity to study, the qualitative approach, from one hand, has been adopted in the form of a deep interview with *ELWAFIDINE TOURS* Agency Responsible, to investigate the reality of marketing innovation from the point of view of the Agency. From the other hand, a quantitative approach was done in a form of a questionnaire oriented to 200 customers as a random sample to know their perspective about marketing innovation in the agency. The interview included 25 questions, while the questionnaire contained 30 questions, in which researchers could capture certain data related to the marketing 7Ps innovation at the Agency. *ELWAFIDINE TOURS* is a tourist agency that started its activity on January, 2013 in M'sila-exactly in Ouled Derraj, and It has been expanded to have a new business unit in M'sila city. The agency provides numerous genres of services like tourist hotels and apartments booking, air and sea selling tickets, travels based on customers wants and demand, in addition to tourist trips organizing as

umrah and pilgrimage trips, honeymoon trips, collective trips, seminars and congresses trips.

4. DISCUSSION

A. Analysis: data gathered analysis of both, the deep interview and the questionnaire, is as the following:

a) The Deep Interview: Questions of the interview oriented to the agency responsible may be seen in (appendix01), whereas the following is their answers' analysis:

- The agency derives its new ideas from numerous sources, from which the most important are represented in the training courses performed by local and foreign professors and the websites following up. As it uses the Benchmarking Style by trying to discover, analyse, and adopt the best ideas and practices existing in the leading tourist agencies. In addition, local and international tourist events attendance is also considered an important source of new ideas for the agency.
- The process of new ideas sieving is accomplished according to customers requirements and the varied cultural, religious, and social environmental conditions. Also, the agency does not take costs into consideration in selecting new ideas, because it seeks to acquire competitive advantages that helps to support its brand and reinforce its competitive position.
- The agency's ownership of a huge marketing share enabled it to succeed in providing an important number of innovative products, particularly, with its ability to cover the innovations' costs and having facilities from The Tourism Directorate and the other stakeholders.
- Offerings prices are generally accepted by customers, due to its dependance on the penetration price strategy 'the practice of offering a low price for new services', benefitting from the huge market share to gain profits.
- The agency displays and continuously updates its offerings prices on its particular website, since it is changeable according to seasons.
- The agency avoids the psychological pricing method and, in many cases, adopts the intelligent pricing method, by minimizing prices of the services that may be competed and increasing prices of the services inwhich it has advantage.
- The agency owns an electronic website managed by specialized employees to enable the customers to get the service anywhere (without bothering to move to the agency) and at any moment, what leads to find immediate solutions for the problems they face eventhough out of work time.
- The agency is proactive in using new promotional ways, from which the social media websites are the most important, since they allow the customers to directly interact and immediately respond. In addition, it spent much money to join and present its promotional offerings through the famous commercial website "Ouedkniss".
- The agency owns a special software designed to save the customers data, what permits to distinguish the loyal customers and offer them, by random selection, free trips.

- The agency is interested in public relations and practices relationships marketing. It tries to build good and strong relationships with the different classes of the society, and participates in a lot of charitable and benevolent events as quran memorizers honoring. Where it presents some of its promotional offers in the presence of the authorities famous personalities (opinion leaders) in the society.
 - The agency continuously spends considerable sums of money to provide modern and developed means, in order to improve the presented services quality. For instance, it assigns certain buses for pilgrimage trips and other genres of buses for long distances trips, regarding comfort, safety, and distance. Also, it utilizes a particular software for saving customers data, what helps to personnalize its services according to each customer wants.
 - The agency procedures of providing services are considered the easiest compared to the rival agencies, due to the dependency on the modern information technology, which helped to provide services characterised by simplicity and immediacy. In addition, the service system at the agency is charecterized by elasticity in which it allows customers to modify, change, and personalize the offerings according to their desires.
 - Employment at the agency is based on professionalism, creativity and the ability to bring what is new, and the agency grants great importance for its employees training in order to acquire innovative skills and features, depending on specialized professors. As it does not merely welcome the new ideas but, in fact, it motivates the creative employees. In addition, the agency employees provide Advice and orientation to Customers by giving them enough information about all the existing offerings of the agency, what helps them to choose the appropriate offering - especially the inexperienced customers. This, creates good and strong relationships.
- b) The questionnaire:** Items of the questionnaire oriented to the agency customers may be seen in (appendix02).

b1) Descriptive Statistics : to know customers tendency towards the items of the questionnaire, the descriptive statistics of each variable have been tackled and resulted in the following :

- Table (01 in appendix03) of **Descriptive statistics of Product Innovation Variable** shows customers tendency to agree on the positivity of the product innovation variable with an average of 4.0860 and a standard deviation of 0.68840. It indicates also that the most important item was the first one (**the agency introduces services that differ from previous traditional ones**) with an average of **4.30**, what demonstrates the agency's ability to have all what is new and distinctive, due to an effective research and development system it has. while the **weakest** item was the fourth (**The agency grants customers the possibility to participate in services quality determination through its website**) with an average of **3.80**, which means that inspite of the great opportunities granted by the website, the agency does not take full advantage to benefit from customers participation in their services quality determination.

- Table (02 in appendix03) of **Descriptive statistics of Price Innovation Variable** shows customers tendency to agree on the positivity of the price innovation variable with an average of 3.7260 and a standard deviation of 0.5780. It indicates also that the most important item was the eighth (**services prices differ at peak times like : pilgrimage, seasons of tourism,.. than other times**) with an average of **4.22**, what refers to the ability of the agency to change its services prices according to demand changes in the most important occasions (prices elasticity). while the **weakest** item was the fifth (**the agency introduces new pricing methods that differ from rivals methods**) with an average of **3.09**, which means that inspite of the features the agency excels by in pricing methods, the study sample indicated that this is not enough to be different from competitors.
- Table (03 in appendix03) of **Descriptive Statistics of Place Innovation Variable** shows customers tendency to agree on the positivity of the place innovation variable with an average of 3.9020 and a standard deviation of 0.74250. It indicates also that the most important item was the tenth (**the agency depends on direct distribution for customers through its website**) with an average of **4.36**, which means that it benefits from the developments in information and communication technologies, especially internet. while the **weakest** item was the twelfth (**the agency's website contributes to simplifying the process of getting the service introduced**) with an average of **3.71**, what indicates that the process of introducing services still depends on traditional ways (i.e. the operation of booking for instance may be done through website, yet finishing the whole process needs some papers and personal access to the agency).
- Table (04 in appendix03) of **Descriptive statistics of Promotion Innovation Variable** shows the customers tendency to agree on the positivity of the promotion innovation variable with an average of 4.0144 and a standard deviation of 0.64467. It indicates also that the most important item was the sixteenth (**the agency donates to charities and institutions that act in the social field**) with an average of **4.34**, which means that the agency is interested in its society and ethical side in its promotional process what leaves a positive impact on a wide range of customers. Whereas, the **weakest** item was the seventeenth (**the agency takes into consideration the different ideas introduced by customers in its promotional campaigns**) with an average of **3.74**, what denotes that the agency is not interested enough in and does not exploit the ideas of its customers in its promotional messages.
- Table (05 in appendix03) of **Descriptive statistics of Physical Evidence Innovation Variable** shows the customers tendency to agree on the positivity of the physical evidence innovation variable with an average of 3.7460 and a standard deviation of 0.60657. It indicates also that the most important item was the twentieth (**shape and attractiveness of the agency's building stimulates customers attention**) with an average of **4.00**, which means that the agency could benefit from its building's attractive shape in drawing customers attention and being more distinctive from its competitors. Whereas, the **weakest** item was the nineteenth (**the agency is interested in the**

continuity of the technological updates) with an average of **3.53**; this denotes that the agency does not adequately take into consideration the continuation of the technological updates, despite its proprietorship and use of the modern technologies.

- Table (06 in appendix03) of **Descriptive Statistics of Processes Innovation Variable** shows customers tendency to agree on the positivity of the processes innovation variable with an average of 3.8060 and a standard deviation of 0.79048. It indicates also that the most important item was the twenty fifth (**the agency's dependence on internet contributes to offers' personnalization with what suits customers desires**) with an average of **4.10**, which refers to the possibilities and opportunities may be granted by internet in introducing services that fit the needs and wants of each customer alone as a result of personal interaction. whereas the **weakest** item was the twenty fourth (**procedures used at the agency reduce time of obtaining the service**) with an average of **3.54**, which means that the agency could not reduce time enough to obtain its services, because it still depends on papers and traditional processes.
- Table (07 in appendix03) of **Descriptive statistics of People's Innovation Variable** shows customers tendency to agree on the positivity of People's Innovation variable with an average of 3.9504 and a standard deviation of 0.6680. It indicates also that the most important item was the twenty seventh (**the agency staff advises customers**) with an average of **4.38**, what denotes that the staff could build good and strong relationships with customers, this is the result of training. whereas the **weakest** item was the twenty sixth (**the staff seeks initiatives to develop innovative ways to improve service quality**) with an average of **3.54**, which means that the staff does not give enough importance to initiatives, but in fact applies orders.

b2) Hypothesis Testing : In order to test the study hypothesis, the One Sample T-test with confidence level of 95% was applied as following :

If the calculated T value comes in the acceptance area of zero hypothesis H_0 , then, zero hypothesis H_0 is accepted and the alternative hypothesis H_1 is rejected. Yet, if the calculated T value comes out of the acceptance area of H_0 (i.e in the rejection area of H_0), then, zero hypothesis H_0 is rejected and the alternative hypothesis H_1 is accepted. This is at significance level of 5%, which means that : if the significance value comes less than 5%, the difference between the averages is considered to be statistically significant. Yet, if the significance value comes more than 5%, the difference between the averages is not statistically significant.

The study hypotheses are:

- **H₀**: There is NO marketing innovation in 'ELWAFIDINE TOURS' Agency from its customers perspective.
- **H₁**: There is marketing innovation in 'ELWAFIDINE TOURS' Agency from its customers perspective.

The table (08 in appendix03) shows that one sample T-test for the seven marketing innovation variables is statistically significant at significance level of ($\alpha=0.05$), since Significance level is less than 0.05. This leads to conclude that there is marketing innovation in 'ELWAFIDINE TOURS' Agency from its customers perspective.

B. Results: The study, from both perspectives, resulted in many syntheses concerning Marketing innovation reality in *ELWAFIDINE TOURS* Agency. From the agency perspective, it showed :

- The agency is interested in novelty concerning gathering, sieving and implementing creative ideas from inside and outside its boundaries. This leads to say that it gives importance and priority to innovation in its services.
- The agency makes continuous updates on the level of its offerings prices according to tourism seasons; adopts the intelligent and avoids the psychological prices, which shows that it is interested in having innovative services prices.
- The agency specializes particular employees to manipulate and control its website, and immediately communicate with customers to guarantee service distribution at any moment, what indicates that it is interested in place innovation.
- It diversifies its promotional methods by displaying advertisements on its website and other commercial websites, and using public relations and sales promotion techniques. What refers to its interest in innovative promotion.
- It is interested in granting comfort for its customers by providing modern and safe means of transportation, what leads to say that it gives importance to the innovative physical evidence of the services.
- In introducing its services, the agency uses modern information technology that helps to introduce them in the most speediest and easiest ways comparing to rivals. This shows that it is interested in service processes innovation.
- It also gives importance to people's innovation, since it focuses on professionalism, creativity and ability to bring what is new in selecting, training and motivating its employees.

From customers perspective, it showed :

- There is a great deal of interest in novelty and newness in the agency's services and the whole marketing mixture, in order to, by avoiding routine and boredom, sustain its actual customers and attract new ones. In addition, customers are allowed to participate in services quality determination through the website, what leads to say that, according to the study sample, the agency is customer oriented.

4. CONCLUSION

In today's competitive world, innovation is critical to the survival and success of creative people and innovative companies. In order to achieve the determined objectives, companies are supposed to adopt an innovative perspective in their varied activities, particularly,

marketing activities, in which Marketing innovation reflects the tendency to enhance, appreciate and acquire new ideas, novelty, experimentation and the creative processes that may result in new products, services or technological processes that contribute to the company performance improvement and competitive position consolidation.

5. APPENDIXES

APPENDIX 1:

Deep interview questions oriented to 'ELWAFIDINE TOURS' M'sila business unit agency responsible:

- 1) In searching for New Ideas, the Agency depends on different Sources, what are the most important of them ?
- 2) On what basis does the agency select ideas from the collected ones ?
- 3) Does the agency introduce new and different services comparing to the traditional ones ?
- 4) What are the features of the services that competitors could not have ?
- 5) What is the main role of stakeholders in the Success of the Innovative Services ?
- 6) Does the agency try to introduce new pricing methods which differ from the competitors pricing methods ?
- 7) To what extent is customers acceptance of the services prices ?
- 8) How does the agency displays its services prices ?
- 9) Does the agency adopt the Intelligent, dynamic, and psychological prices ?
- 10) Does the agency try to introduce new distribution methods that differ from the competitors distributing methods ?
- 11) Do you think that the agency's procedures of providing services are easy for customers ?
- 12) Does the agency try to introduce new promotional methods that differ from the competitors promotional methods ?
- 13) Does the agency own databases where it saves its customers data ?
- 14) Does the agency contribute in the different activities of donation and benevolence ? if yes, does that happen during a party or an incident set up for such purpose ?
- 15) To what extent does the agency adopt direct distribution of services ?
- 16) Does the agency give importance to employees training, particularly the front line employees ?
- 17) does tha agency give importance to professionalism and creativity in selecting new employees ?
- 18) Are there any encouragements given to the employees who bring innovative methods that may ameliorate its service quality ?
- 19) Do employees contribute to customers advice and orientation ? How ?
- 20) To what extent does the agency spends money on the physical Support Means? do you see that it is valuable ?
- 21) To what extent does the agency spends money on softwares?
- 22) How does the agency use its transportation means ?
- 23) How does the use of information technology influence the service introduction process ?
- 24) To what extent has the use of the website made it possible to provide significant flexibility in service personalization ?
- 25) Do you see that service distribution system at the agency is effective ? to what extent ?

APPENDIX 2:**A questionnaire oriented to ‘ELWAFIDINE TOURS’M’sila business unit agency customers:**

N°	Items	Strongly agree	Agree	Neither agree nor disagree	disagree	Strongly disagree
01	The agency introduces services that differ from previous traditional ones.					
02	The agency has a numerous and diversified set of services.					
03	The agency services are characterized by features that rivals do not own.					
04	The agency grants customers the ability to participate in the design of their tourist program through its website.					
05	The agency introduces new pricing methods that differ from previous traditional ones.					
06	You feel satisfied with the innovated services prices of the agency.					
07	The agency utilizes the electronic card as a payment tool.					
08	The agency services prices differ at peak times (pilgrimage, seasons of tourism,..) than other times.					
09	The agency uses new distributional methods that differ from previous traditional ones.					
10	The agency depends on direct distribution for customers through internet.					
11	The agency depends on the system of electronic tickets, electronic booking and payment.					
12	The agency’s website contributes to simplifying the process of getting the service introduced.					
13	The agency uses new promotional methods that differ from previous traditional ones.					
14	You use social media websites to communicate with the agency staff.					
15	The agency publishes reports on the website with catalogs of all the services it introduces.					
16	The agency donates to charities and institutions that act in the social field.					
17	The agency takes into consideration the different ideas introduced by the customers in its promotional campaigns.					
18	The agency uses the best transport means comparing to rivals.					
19	The agency is interested in the continuity of the technological updates.					
20	Shape and attractiveness of the agency building stimulates customers attention.					

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21	The agency owns modern devices and equipments for tourism industry.					
22	Service introduction system at the agency depends on modern methods.					
23	Customer needed procedures and operations to get the agency service is the easiest comparing to rivals.					
24	Procedures used at the agency reduce time of obtaining the service.					
25	The agency dependence on internet contributes to offers personalization with what suits customers desires.					
26	The agency staff seeks initiatives to develop innovative ways to improve service quality.					
27	The agency staff advises customers.					
28	The agency staff is professional in providing services to customers.					
29	The agency staff gives personal attention to customers.					
30	The agency staff is clean and elegant.					

**Appendix03:Descriptive Statistics and T-test results of each variable.
Depending on SPSS.V22 Outputs**

Table01: Descriptive statistics of Product Innovation Variable.

Items	Average	Standard deviation	Answers Tendency	Rank
01	4.30	0.833	Strongly agree	1
02	4.06	1.065	Agree	3
03	4.19	0.849	Agree	2
04	3.80	1.198	Agree	4
Product Innovation	4.0860	0.68840	Agree	/

Table02: Descriptive statistics of Price Innovation Variable.

Items	Average	Standard deviation	Answers Tendency	rank
05	3.09	0.475	Neither agree Nor disagree	4
06	3.18	1.310	Neither agree Nor disagree	3
07	4.41	0.610	Strongly agree	2
08	4.22	0.923	Strongly agree	1
Price Innovation	3.7260	0.57801	Agree	/

Table03: Descriptive statistics of Place Innovation Variable.

Items	Average	Standard deviation	Answers Tendency	Rank
09	3.78	1.229	Agree	2
10	4.36	0.756	Strongly agree	1
11	3.75	1.083	Agree	3
12	3.71	1.054	Agree	4
Place Innovation	3.9020	0.74250	Agree	

Table04: Descriptive statistics of Promotion Innovation Variable.

Items	Average	Standard deviation	Answers Tendency	rank
13	4.08	0.885	Agree	3
14	3.81	1.029	Agree	4
15	4.10	0.837	Agree	2
16	4.34	0.881	Strongly agree	1
17	3.74	1.023	Agree	5
Promotion Innovation	4.0144	0.64467	Agree	/

Table05: Descriptive statistics of Physical Evidence Innovation Variable.

Items	Average	Standard deviation	Answers Tendency	rank
18	3.60	1.171	Agree	3
19	3.53	1.133	Agree	4
20	4.00	0.950	Agree	1
21	3.86	0.859	Agree	2
Physical Evidence Innovation	3.7460	0.60657	Agree	/

Table06: Descriptive statistics of Processes Innovation Variable.

Items	Average	Standard deviation	Answers Tendency	rank
22	3.78	0.966	Agree	3
23	3.81	1.119	Agree	2
24	3.54	1.104	Agree	4
25	4.10	1.066	Agree	1
Processes Innovation	3.8060	0.79048	Agree	/

Items	Average	Standard deviation	Answers Tendency	rank
26	3.54	1.104	Agree	5
27	4.38	0.618	Strongly agree	1
28	3.68	1.147	Agree	4
29	4.036	1.145	Agree	3
30	4.10	1.066	Agree	2
People's Innovation	3.9504	0.6680	Agree	/

Table07: Descriptive statistics of People's Innovation Variable.

Table 08: One-Sample Test

	Test Value = 3					
	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Product inn	17,638	124	,000	1,08600	,9641	1,2079
Price inno	14,043	124	,000	,72600	,6237	,8283
Place Inno	13,582	124	,000	,90200	,7706	1,0334
Promotion Inno	17,593	124	,000	1,01440	,9003	1,1285
Physical evidence Inno	13,750	124	,000	,74600	,6386	,8534
People's Inno	11,400	124	,000	,80600	,6661	,9459
Processes Inno	15,907	124	,000	,95040	,8321	1,0687

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