ISSN: 2667-6125

JOMAES

JOURNAL OF MANAGEMENT AND ECONOMIC STUDIES

Volume 2
Issue 2
Year 2020

www.jomaes.org

JOMAES JOURNAL OF MANAGEMENT AND ECONOMIC STUDIES

2020, Vol.2, Issue.2

Editor in Chief

Board of Referees

SEGUMPAN Reynaldo Gacho (Ph.D.), segumpan@gmail.com
Department of International Business Administration, College of Applied Sciences – Rustaq Ministry of Higher Education, Rustaq, Sultanate of Oman

SINGH V.K. (Ph.D.), **drvksingh1969@gmail.com**, **drvksingh@gkv.ac.in**
Faculty Of Management Studıes [Fms], Gurukula Kangrı Vıshwavıdyalaya Harıdwar, Uttarakhand, India

YÜCEL Recai M. (Ph.D.), recaiyucel@mac.com
Albany New York University / USA,

YÜKSEL Sedat (Ph.D.), sedatyuksel@gmail.com
Department of International Business Administration, College of Applied Sciences – Rustaq Ministry of Higher Education, Rustaq, Sultanate of Oman

Indexing

DRJI | Directory of Research Journals Indexing
ReseachBib – Academic Resource Index
ISI | International Scientific Indexing
RI-ROOTINDEXING
ESJI | Eurasian Scientific Journal Index
ICI Index Copernicus
General Impact Factor

JOMAES JOURNAL OF MANAGEMENT AND ECONOMIC STUDIES

Contents

2020, Vol.2, Issue.2

Journal of Management and Economic Studies
2020, 2(2): 79-88 DOI: 10.26677/TR1010.2020.603
Journal Homepage: https://www.jomaes.org

The Impact of Game-Specific Factors on Brand Recall and Brand Attitude

Devika Vashisht
Assistant Professor, Department of Marketing, ICFAI Business School, India
dev2007.d@gmail.com

Abstract

Purpose: This experimental study provides empirical evidence of the effect of brand prominence in advergames on gamers' brand recall and brand attitude under varied game-involvement conditions from attention and elaboration perspectives.

Design/methodology/approach: A 2 (brand prominence: prominent or subtle) x 2 (game-involvement: high or low) between-subject measures design is used. 229 student gamers participated in the study. A between-subject measures MANOVA is used to test the hypotheses.

Findings: The results reveal that for an advergame with prominent brand placement, low game-involvement results in greater brand recall than high game-involvement. However, for an advergame with prominent brand placement, high game-involvement results in more favorable brand attitude than low game-involvement.

Discussion: These experimental findings suggest to marketers and game designers to cogitate for a right mix of game-specific factors while creating effective advergames to have stoutest positive advergaming effect on players' brand recall and brand attitude.

Keywords: Advergames, Brand prominence, Game-involvement, Brand placements

Introduction

Marketers always look for innovative ways to effectually promote their brands. With the progress of emergent promoting strategy known as branded entertainment, now advertising sites such as advergames have delivered advertising practitioners a new way to influence their customers' minds. In advertising literature, an advergame is labelled as a new marketing style that uses "branded products or images within an interactive video game and offers a unique hybrid of brand messaging" (Cicchirillo & Lin, 2011: 1). It is also described as an interactive online game designed to promote a brand(s) from a specific advertiser (Vashisht and Mohan, 2018). Advertising literature shows that advergames are highly mesmeric in nature, highly interactive, easy modifiable, cost-effective, provide infinite entertainment, have viral marketing ability (Chen, Shen, & Ma, 2012) and enhance the commercial time (Ipe, 2008) as compared to traditional advertising tools. Thus, these physiognomies of advergames show that, conceptually, advergames are very different from traditional advertising formats (Vashisht, 2015). Since, advergames are conceptually different from traditional advertising channels; it is likely the

advergames vary in the extents of cognitive resources that are needed to play.

With the increase in the popularity that the advergames has aroused, the advertising finances have started to move away from traditional advertising formats to more advance and non-traditional advertising channels to effectively endorse their brands (Lee, Choi, Quilliam, & Cole, 2009; Livemint, 2015). These large investments have begun to pay off. A report by eMarketer (2015) shows that in the year 2014 the worldwide digital advertising expenditure increased to US $145 billion and would further increase to US $171 billion in the year 2015. According to Dentsu Aegis Network News Report (2015), Carat - the leading global media network has predicted that digital advertising expenditure would be more than 25% of total advertising expenditure in the year 2016, driven by a rise in online advertising expenditure in the year 2015. Likewise, a report by Statista (2015) shows that India's digital ad-spending increased to US $0.45 billion in the year 2012 and would reach US $0.97 billion in the year 2015 and US $1.78 billion by the year 2018. Along with great earning potential, advergames have increased the ad-exposure time as well (Vashisht, 2015). It is found that the time spent by a consumer on an advergame is from 7-30 minutes per day which is higher as compared to an advertisement shown in television (Ipe, 2008). According to Business Wire (2008) report, advergames have boomed the market because of their ability to charm the young consumers who increasingly choose online and interactive media over traditional media tools when looking for amusement channels. Hence, specific focus on examining the advergaming effects on these young consumers is essential due to the population of young and tech-savvy adults that remain demographic which promoters and marketers incessantly strive to reach.

As the advertising finances are now being reorganized to embrace online gaming channels, it trails that online advertising has turned out to be one of the fastest emergent areas of research (Faber, Lee, & Nan, 2004). In fact, a lot of research on advergames has been conducted in the past few years, however, most of these studies are content analyses (see Alvy & Calvert, 2008; Dias and Agante, 2011; Folkvord, 2012; Folkvord, Anschutz, Wiers, & Buijzen, 2015; Ghirvu, 2013; Hofmeister-Tóth & Nagy, 2011; Moore, 2006; Nairn & Hang, 2012; Paek, Quillium, Kim, Weatherspoon, Rifon, & Lee, 2014; Youn & Lee, 2012) and a few are experimental studies (see Cauberghe & De Pelsmacker, 2010; Haung & Yang, 2012; Lee & Faber, 2007; van Reijmersdal, Rozendaal, E., & Buijzen 2012). Still, in terms of what is known in the area of advergames, there remains a research gap of examining the advergaming effects of game specific features such as brand prominence and individual trait factors such as game-involvement on desired advertising outcomes. The recent studies addressing the effect of advergames on gamers' memory shows that due to the variation in positioning the brands in the games and advergames' high-involving nature, gamers' recall rates do get affected (e.g., Cauberghe and De Pelsmacker, 2010; Haung & Yang, 2012; Lee & Faber, 2007). Thus, in this context it is deduced that an understanding about the possible effects of brand prominence (location of brand placements in advergames – prominent/central or subtle/peripheral) and gamers' game-involvement is very important in order to capture the impact of advergames on consumers' brand recall. Although extant literature has acknowledged the importance of the above mentioned advergame-factors – i.e., brand prominence and game-involvement as important attention and elaboration elements required understanding the advertising effects on consumers' brand outcomes; still studies considering them are very scant in the context of an emerging economy. As evident from the previous literature that consumer's attention capacity left to process in-game brand placements gets affected by and is conditional upon elaboration components (e.g., Krugman, 1983; McClung, Park, & Sauer, 1985), it becomes very important to understand these three aspects from a theoretical as well as a practical point of view. Therefore, it would be interesting and beneficial for scholars, advertisers and policy makers to know and understand the roles of all these two

factors - i.e., brand prominence (prominently placed brand or subtly placed brand) and game-involvement (high or low) in determining the persuasion effects from attention and elaboration perspectives.

Hence, considering this research gap, this paper seeks to establish whether there is a difference in brand recall and attitude towards brand embedded in the game because of the differences in brand prominence and game-involvement. We address this question through an experimental study highlighting the interaction effect of brand prominence and game- involvement on gamers' brand recall by taking the insights from Limited-Capacity Model of Attention (LCM: Kahneman, 1973; Lang, 2000) and Elaboration Likelihood Model (ELM: Petty & Cacioppo, 1986). The study uses these two theoretic viewpoints as LCM describes how cognitive resources are apportioned when individuals process the brand- as well as the game-content while playing an advergame and ELM expounds when and how these cognitive resources get utilized for cognitive elaboration.

The remainder of this study is organized as follows. In the next section, theoretical development and hypotheses development are provided. Then we describe the research methodology followed by the results of hypothesis testing. Later, we present a discussion on results followed by the implications of our study findings. Finally, we conclude with limitations and directions for future research.

Literature Review and Hypotheses Development

Brand Prominence and Game-Involvement

In advertising literature brand prominence is defined as "*the extent to which the appearance of the brand possesses characteristics designed to make it the central focus of audience attention*" (Gupta & Lord, 1998: 48). The brand placement is called as a prominent placement when "*the product or other brand identifier is made highly visible by virtue of size and/or position on the screen or its centrality to the action in the scene*" (Gupta & Lord, 1998: 49). A brand placement is called as a subtle brand placement "*when it is peripherally placed on game screen or in the background or when the brand size is very small*" (Gupta & Lord, 1998: 49). Extant literature on advergames reveals that prominent brand placements result in high brand recall because in a prominent placement the displayed brand name size at central position of the game screen is big enough to catch gamers' attention. As a result of high noticeability of prominent brand placements, brands are more likely to be retrieved from brand memory than subtle brand placements (e.g., Cauberghe & De Pelsmacker, 2010; van Reijmersdal, 2009; Yang & Roskos-Ewoldsen, 2007), though it is not the same story in all situations. As evident from the previous program-involvement studies that when it is a high involvement of a customer or viewer with a program/game, the activity of watching the program or playing the game becomes the primary focus for the viewer/gamer and attention on ad reduces because the attentional capacity required to process in-game brand placement becomes less (Krugman, 1983; McClung et al., 1985). Thus, gamers' program involvement is conceptualized as a boundary condition in the current paper as it is abstracted as a motivational aspect of viewers' involvement in past literature (Tavassoli, Shultz, & Fitzsimons, 1995). Viewers' program involvement is described as a motivational state and a state of arousal or interest towards a program or an event that is induced by particular motives (Rothschild, 1984). In the recent literature, players' game involvement is also demarcated as the active interest in, engagement with and commitment to a game or an event (Laverie & Arnett, 2000).

LCM (Kahneman, 1973; Lynch & Srull, 1982) is employed in the present study to expound the impact of game involvement on players' brand memory and attitudes. It is based on an assumption that at a particular point of time one's attentional capacity is limited; henceforth if

one does more number of tasks at a time, his/her total perceptual capacity gets fragmented into two portions: one gets used to perform the main activity and the rest gets used up for the secondary activity. According to Grigorovici & Constantin (2004), in the context of advergames, for players, game-playing is the main activity and comprehending in-game advertising is the secondary activity. Consequently, when it is a case of high-involvement with the game, more perceptual resources get used in the game-playing activity (main activity) and less perceptual capacity relics to comprehend in-game brand placements. However, in case of low game-involvement, less perceptual capacity gets used in the game-playing activity and more perceptual capacity (spare capacity) remains to comprehend in-game advertising messages (Krugman, 1983; McClung et al., 1985). Consequently, low game-involvement leads to higher brand recall than high game-involvement situation (Krugman, 1983; McClung et al., 1985).

Based on the above mentioned rationales and insights drawn from LCM and Grigorovici & Constantin (2004) work, it is anticipated that for an individual playing an advergame with prominent brand placement, the low game-involvement condition will result in higher brand recall than high game involvement condition. This possibility is based on a rationale that very less perceptual capacity will be used to process prominent brand placement (centrally placed brands) as the brand is highly noticeable and the gamer doesn't have to search much where exactly the brand while processing in-game advertising. Thus, a gamer playing a prominent placement advergame under a low game-involvement condition will use less of his/her perceptual resources for game-playing activity and hence will remain with more attentional capacity for in-game brand placements processing. As a result this condition will result in high brand recall. Also, since the player's game-involvement is less and has more spare capacity, he/she will elaborate more to find out the reasons behind placing a brand prominently in the game which will become the base for him/her to evaluate the embedded brand and form an attitude towards it. Consequently, an advergame with prominent brand placement under low game-involvement condition will result in less favorable brand attitude.

On the other hand, when game-involvement is high, more attentional capacity for gaming activity will be used and less spare capacity will remain which may not be high enough to process in-game placements. As a result, this situation will result in less brand recall but more favorable brand attitude as the gamer's capacity to analyze and process in-game advertising will be very less to capture and identify the reasons behind placing the brands in a game. Thus, based on these rationales, following hypotheses are offered:

H1. An advergame with prominent brand placement under low game-involvement condition will result in higher brand recall than high game-involvement condition.

H2. An advergame with prominent brand placement under high game-involvement condition will result in more favorable brand attitude than low game-involvement condition.

Research Methodology

Development of Stimulus Materials

We performed two pretests to select stimulus materials for the final experiment. The objective of conducting pretest 1 was to select stimuli for the treatment variable, brand prominence (prominent versus subtle), which was manipulated during the study. It was conducted in two stages. In stage 1, we conducted a focus group interview with 10 student players to select a few advergames. In stage 2, another 40 students were randomly selected and were called to a computer laboratory to play and rate the prominence of the games on a seven point bipolar scale (1 = "not at all prominently placed" to 7 = "very prominently placed"). Based on the mean ratings,

prominent brand placement advergames (above 3.5) and subtle brand placement advergames (below 3.5) were selected for the study.

After pretest 1, pretest 2 was performed to select manipulated scenarios to induce gamers' involvement with the selected game by conducting a focus group interview with same 10 student players. The study decided to use scenarios to induce game-involvement as recommended by Bitner (1990). He stated that scenarios are role playing experiments that allow expensive or difficult manipulations to be more easily operationalized, provide control over other unmanageable variables, and enable compression of time by crisping events that might otherwise take more number of days or weeks. Scenario based method permits investigators to manipulate the independent variables of interest into several levels which is not possible in case of retrospective methods. Also, this method lessens the difficulties related with recall-based designs such as memory biases and consistency issues (Smith, Bolton, R.N., & Wagner, 1999). Game-involvement scenarios were created through expert interviews with three professors working in the area of marketing from a large Indian University. These professors created six game-involvement scenarios (3 scenarios for high game-involvement and 3 scenarios for low game-involvement). Then, 30 student respondents were randomly selected to give their realism responses to these six scenarios by using a five point bipolar scale (1 = "very unreal scenario" to 5 = "very real scenario". Based on the realism scores (> 4), two scenarios were selected for the final study. In the selected high game-involvement scenario, subjects were instructed that their views on online games were very important as the game developers and game designers need their valuable suggestions on online games to improve game's quality before its launch in the market. Also, they were told that if the game developers find their suggestions really worth, they would be awarded a cash prize of Rs. 5000 with a commendation certificate from the company which would help them even in their job placements too. Also, they were communicated that if they would score high in the given game then they would have a favorable chance to win Rs.10000 cash in a lottery. In low game-involvement scenario no such statement about their views' importance or a chance to win Rs. 5000 or placement offer or any chance to win lottery was made in the low involvement condition.

Participants, Method and Design

As part of the final study, we asked 400 under-graduate management students from a large Indian University for their willingness to participate in a game playing experiment. 248 student gamers informed their willingness to participate in the experiment. Literature shows that 90% of teens are gamers (*mediaedge:cia*, 2005), which validates the use of student sample for the present study. These players were between the ages 17 and 22 years. All these 248 players were invited to a common computer laboratory for a game playing experiment. Then, these gamers were randomly allocated to any of the four experimental conditions. After the allocation of gamers to experimental conditions, they were asked to play the advergames on individual consoles for given time frames. After the completion of game play, participants in all the four conditions were presented a questionnaire depicting the manipulated scenarios, the manipulation check measures, measures for non-manipulated independent variable (game-involvement) and dependent measures. Half the gamers played prominent-placed advergames and the rest played subtle-placed games. Similarly, half the gamers read about high game-involvement inducing scenario, and rest read about a low game-involvement inducing scenario. 19 participants did not finish the game playing task on time, thus, all reported results refer to 229 student gamers.

Independent Variables and Dependent Measures

Brand prominence and game-involvement are the two independent manipulated variables and brand recall and brand attitude are the dependent variables used in the study. After the exposure

to the advergames the respondents were asked to recall the brand names appeared in the game and write down the respective names. During the data coding process the individual recall score was calculated based on the number of brands each individual was able to recall out of the total exposed brands in the respective advergames. For example, if a participant listed only one advertised brand correctly out of 5 exposed ads during game play, it was coded as a correct response and was given a numerical value equal to 1, as the numbers of correct responses ranged from 0-5. Brand attitude was measured by using a semantic differential scale with the bipolar adjective items (good/bad, like/dislike, favorable/unfavorable, and positive/negative), adapted from Muehling & Laczniak (1988).

Findings

Manipulation checks

During the study, to examine the manipulation of brand prominence, respondents were asked to rate the brand prominence by using the same measure used in Pretest 1. The results of one-way ANOVA showed a significant difference (F (1, 228) = 61.754, $p < 0.05$) between prominent brand placement advergames (M = 4.124) and subtle brand placement advergames (M = 2.952). The results of one-way ANOVA showed a significant difference (F (1, 228) = 27.348, $p < 0.05$) between high game-involvement (M = 5.989) and low game-involvement (M = 2.34) conditions. Further the examination of realism measures showed that all the gamers perceived that these scenarios were realistic (M = 5.22, $p < 0.001$). These findings supported the fact that the manipulation of game-involvement through scenarios was successful.

Hypothesis testing. A 2 (brand placement: prominent or subtle) x 2 (game-involvement: high or low) between-subject measures Multivariate Analysis of Variance (MANOVA) was performed with brand recall and brand attitude as the dependent measures. Results revealed a significant two-way interaction for brand prominence × game involvement on brand recall ($Wilks\ \Lambda = 0.786$, F (2, 228) = 196.34, $p < 0.05$). A detailed examination through pre-planned contrast tests showed that prominent brand placement (versus subtle brand placement) in low game-involvement condition was significant and resulted in high brand recall ($Wilks\ \Lambda = 0.521$, F (2, 228) = 69.41, $p <$ 0.05, $M_{Recall\ (Prominent\ Placement/High\ Involvement\ =\ 2.12)}$, $M_{Recall\ (Prominent\ Placement\ /Low\ Involvement\ =\ 4.13)}$). Furthermore, results showed that prominent brand placement (versus subtle brand placement) in high game-involvement condition was significant and resulted in more favorable brand attitude ($Wilks\ \Lambda = 0.436$, F (2, 228) = 78.32, $p < 0.05$, $M_{Attitude\ (Prominent\ Placement/High\ Involvement\ =\ 3.98)}$, $M_{Attitude\ (Prominent\ Placement\ /Low\ Involvement\ =\ 2.23)}$). Thus, hypotheses 1 and 2 are supported.

Conclusion and Discussion

Advertisers using brand placements in a number of media channels target consumers with a purpose that the advertised brands must get noticed by more number of customers eliciting their positive responses towards the in-game placed brands (Karrh, Brittain McKee, & Pardun 2003). Here in this study we examined a research question that do brand prominence and game-involvement influence consumers' recall and attitude towards the brand embedded in the game, if it influences, then what are the conditions under which, this effect could be more effective, are explored in this study. Using LCM (Kahneman, 1973) and ELM (Cacioppo & Petty, 1979), this study hypothesized the simultaneous effect of brand prominence and game involvement on gamers' memory and attitude. As projected by the proposed set of hypotheses, the results showed that advergames with prominent brand placements under low game involvement result in high recall but less favorable brand attitude than those with prominent brand placements under high game involvement condition. These findings supported the integrative theoretical perspective of LCM and ELM, that in case of prominent placed games, more spare capacity remains to process

in-game brand information and when a gamer plays such a game under a low game involvement condition, it results in high recall but less favorable brand attitude than under high-involvement condition. The findings highlights that while inspecting gamers' recall and brand attitude, it is must to take into account the attention and elaboration aspects simultaneously, because here in this study we found that consumers' processing of advertised brand information is chiefly caused by attention element (brand prominence) and its further conditioned by elaboration element (game-involvement).

Limitations and Scope for Future Research

This study used only two levels of brand prominence and two levels of game-involvement. Effect of moderate levels of brand prominence and game-involvement on gamers' brand outcomes can be further investigated. Second limitation is that this study was conducted on Indian gamers, thus, these findings can be further confirmed on gamers from other countries, where the usage rate of online games is different from that in India. Another limitation of the study is that it tested the moderating effects of game involvement on gamers' memory and brand attitude, however, moderating effect of various other factors, such as game-product congruity and product involvement can be examined in future research.

Managerial Implications

Despite of a big hype about interactive media such as online games and the internet, very less empirical research has been conducted to investigate how advergame playing may influence brand placement effectiveness. This research is done to explore this issue in detail. This piece of work is the first attempt to show an integrative perspective of ELM and LCM in the context of online advergames. The examination of potential effects of brand prominence and game-involvement provides new insights into how these advergames may affect consumers' brand responses. Also, these results give vital insights for advertisers and game developers in terms of the design and evaluation of advergames. If advertisers want to develop advergames which can result in high recall then they must consider games embedded with prominent brand placements and low-involving in game-nature. However, to develop more favorable brand attitude, advergames with prominent brand placements and high involving in nature can be developed. Therefore, the advertising practitioners can design more effective advergames by taking into account some very important game-specific factors i.e. the brand prominence and the game-involvement.

References

Alvy, L. M., & Calvert, S. L. (2008). Food marketing on popular children's web sites: A content analysis. *Journal of the American Dietetic Association*, 108(4): 710-713.

Bitner, M. J. (1990). Evaluating service encounters: The effects of physical surroundings and employee responses. *Journal of Marketing*, 54(2): 69-82.

Business Wire. (2008. *Exclusive PQ Media Research: Branded Entertainment Market Defies Slowing Economy, Expands 14.7% to $22.3 Bil. in 2007*. Available at: http://www.businesswire.com/news/home/20080212005817/en/Exclusive-PQ-Media-Research-Branded-Entertainment-Market#.VZzO0_mqqko (accessed March 13 2020).

Cacioppo, J. T., & Petty, R. E. (1979). Effects of message repetition and position on cognitive response, recall and persuasion. *Journal of Personality and Social Psychology*, 37(1): 97-109.

Cauberghe, V., & De Pelsmacker, P. (2010). Advergames: The impact of brand prominence and game repetition on brand responses. *Journal of Advertising*, 39(1): 5-18.

Chen, K. H., Shen, K. S., & Ma, M. Y. (2012). The functional and usable appeal of Facebook SNS games. *Internet Research*, 22(4): 467-481.

Cicchirillo, V., & Lin, J. (2011). Stop playing with your food. *Journal of Advertising Research*, 51(3): 484-498.

Dentsu Aegis Network. (2014). *Carat predicts digital spend to reach more than 25% of total advertising spend in 2016, fuelled by upsurge in mobile advertising spending in 2015.* Available at: http://www.dentsuaegisnetwork.com/media/dentsu-aegis-network-news/2015/2015-03-24 (accessed April 29 2020).

Dias, M., & Agante, L. (2011). Can advergames boost children's healthier eating habits? A comparison between healthy and non-healthy food. *Journal of Consumer Behaviour*, 10(3): 152-160.

Emarketer. (2014). *Mobile continues steal share of US adults daily time spent with media.* Available at: http://www.emarketer.com/Article/Mobile-Continues-Steal-Share-of-US-Adults-Daily-Time-Spent-with-Media/1010782 (accessed June 19 2020).

Faber, R. J., Lee, M., & Nan, X. (2004). Advertising and the consumer information environment online. *American Behavioral Scientist*, 48(4): 447-466.

Folkvord, F. (2012). The effect of playing advergames promoting healthy or unhealthy foods on actual food intake among children. *Appetite,* 59(2): 625.

Folkvord, F., Anschutz, D. J., Wiers, R.W., & Buijzen, M. (2015). The role of attentional bias in the effect of food advertising on actual food intake among children. *Appetite*, 84(1): 251-258.

Ghirvu, A. I. (2013). The aida model for advergames. *The USV Annals of Economics and Public Administration*, 13(1): 90-98.

Grigorovici, D. M., & Constantin, C. D. (2004). Experiencing interactive advertising beyond rich media: impacts of ad type and presence on brand effectiveness in 3D gaming immersive virtual environments. *Journal of Interactive Advertising,* 5(1): 31-53.

Gupta, P. B., & Lord, K. R. (1998). Product placement in movies: The effect of prominence and mode on audience recall. *Journal of Current Issues & Research in Advertising*, 20(1): 47-59.

Hofmeister-Tóth, Á., & Nagy, P. (2011). The content analysis of advergames in Hungary. *Qualitative Market Research: An International Journal*, 14(3): 289-303.

Huang, J. H., & Yang, T. K. (2012). The effectiveness of in-game advertising: The impacts of ad type and game/ad relevance. *International Journal of Electronic Business Management*, 10(1): 61-72.

Ipe, M. (2008). *Advergaming and ingame advertising*. Hyderabad: Icfai University Press.

Kahneman, D. (1973). *Attention and effort*. Englewood Cliffs: Prentice Hall, New Jersey, NJ.

Karrh, J. A., Brittain McKee, K. and Pardun, C. J. (2003). Practitioners' evolving views on product placement effectiveness. *Journal of Advertising Research,* 43(2): 138-149.

Krugman, H.E. (1983). Television program interest and commercial interruption: Are commercials on interesting programs less effective? *Journal of Advertising Research,* 23(1): 21-23.

Lang, A. (2000). The limited capacity model of mediated message processing. *Journal of Communication*, 50(1): 46-70.

Laverie, D. A., & Arnett, D. B. (2000). Factors affecting fan attendance: The influence of identity salience and satisfaction. *Journal of Leisure Research*. *32*(2): 25-46.

Lee, M., & Faber, R. J. (2007). Effects of product placement in on-line games on brand memory: A perspective of the limited-capacity model of attention. *Journal of Advertising*, 36(4): 75-90.

Lee, M., Choi, Y., Quilliam, E. T., & Cole, R. T. (2009). Playing with food: Content analysis of food advergames. *Journal of Consumer Affairs*, 43(1): 129-154.

Livemint. (2015). *GroupM says ad spends to grow by 12.6% in 2015*. Available at: http://www.livemint.com/Consumer/nAhthSk6371gEVIQiZ929J/Indian-advertising-expenditure-to-touch-Rs49000-crore-in-20.html (accessed February 15 2020).

Lynch, J. G., & Srull, T. K. (1982). Memory and attentional factors in consumer choice: Concepts and research methods. *Journal of Consumer Research,* 9(1): 18-37.

McClung, G. W., Park, W. W., & Sauer, W. J. (1985). Viewer processing of commercial messages: context and involvement. *Advances in Consumer Research*, 12(1): 351-355.

Mediaedge:cia. (2005). *Playing with brands. A*vailable at: http://www.meeglobal. com/output/Page1463.asp (accessed October 15 2019).

Moore, E. S. (2006). *It's child's play: Advergaming and the online marketing of food to children*. Menlo Park: Kaiser Family Foundation, CA.

Muehling, D. D., & Laczniak, R. N. (1988). Advertising's immediate and delayed influence on brand attitudes: Considerations across message-involvement levels. *Journal of Advertising*, 17(4): 23-34.

Nairn, A., & Hang, H. (2012). *Advergames: It's not child's play. A review of research*. Family and Parenting Institute.

Paek, H. J., Quillium, E. T., Kim, S., Weatherspoon, L. J., Rifon, N. J., & Lee, M. (2014). Characteristics of food advergames that reach children and the nutrient quality of the foods they advertise. *Internet Research,* 24(1): 63-81.

Petty, R. E., & Cacioppo, J. T. (1986). The elaboration likelihood model of persuasion. *Advances in Experimental Social Psychology*, 19: 123-205.

Rothschild, M. L. (1984). Perspectives on involvement: Current problems and future directions. *Advances in consumer research*, 11(1):216-217.

Smith, A.K. Bolton, R.N., & Wagner, J. (1999). A model of customer satisfaction with service encounters involving failure and recovery. *Journal of Marketing Research*, 36(3):356–372.

Statista (2015). *Digital advertising spending in India from 2012 to 2018 (in billion U.S. dollars).* Available at: http://www.statista.com/statistics/237962/online-advertising-spending-in-india/ (accessed June 25 2020).

Tavassoli, N. T., Shultz, C.J, & Fitzsimons, G. J. (1995). Program involvement: Are moderate levels best for ad memory and attitude toward the ad? *Journal of Advertising Research*, 35(5): 61-72.

Van Reijmersdal, E. (2009). Brand placement prominence: good for memory! Bad for attitudes? *Journal of Advertising Research.* 49(2): 151-153.

Van Reijmersdal, E. A., Rozendaal, E., & Buijzen, M. (2012). Effects of prominence, involvement, and persuasion knowledge on children's cognitive and affective responses to advergames. *Journal of Interactive Marketing*, 26(1): 33-42.

Vashisht, D. (2015), "Effect of advergames on customers' brand memory, persuasive intent and brand attitude: an empirical study in Indian context", available at: http://ir.inflibnet.ac.in:8080/jspui/handle/10603/73725 (accessed on August 7 2020).

Vashisht, D. & Mohan, S. (2018). Game-speed influence and brand attitude: mediating role of thought favorability in in-game advertising. *Arts and the Market*, 8(1): 99-112.

Yang, M., & Roskos-Ewoldsen, D. R. (2007.) The effectiveness of brand placements in the movies: Levels of placements, explicit and implicit memory, and brand-choice behavior. *Journal of Communication*, 57(3): 469-489.

Youn, S., & Lee, M. (2012). In-game advertising and advergames: A review of the past decade's research. *Advertising Theory*, 388-401.

Journal of Management and Economic Studies
2020, 2(2): 89-98 DOI: 10.26677/TR1010.2020.604
Journal Homepage: https://www.jomaes.org

Factors Influencing Health Wearables Adoption and Usage in Saudi Arabia

Mohammed Hokroh
School of Management, University of Bolton, United Kingdom

Gill Green
Director of Academic Operations for the Centre for Islamic Finance, University of Bolton, United Kingdom

Mochamad Soleton
Department of Management, Faculty of Economics and Business, Universitas Mercu Buana, Indonesia

Abstract

Adoption of technology is one of the most fascinating areas of Management Information Systems (MIS) research. Because it deals with the human kind, adoption of different technologies requires specific case study. Accordingly, the objective of this research study is to explore the factors that influence the adoption and use of wearable health technology in the Kingdom of Saudi Arabia utilizing an extended version of the Technology Acceptance Model (TAM). A total of 104 users were surveyed to test the research hypothesis. Structural Equation Modelling (SEM) was applied to model the research hypotheses and estimate the regressing weights. The research looked at Heart Health (HH), Weight Management (WM), and Sleep Improvement (SI) as antecedents for Perceived Usefulness (PU). Also, Wearable Design (WD), Graphical User Interface (GUI) and Health Information Support (HIS) as antecedents for Perceived Ease of Use (PEU). Findings, limitations and implications are discussed.

Keywords: Health Wearables, Management Information Systems (MIS), Saudi Arabia

INTRODUCTION

According to the World Health Organization (2020) health technology is defined as the application of technology (in the form of devices and systems) to treat health problems and improve the quality of people lives. The increased demand for health-related technology is driven by customers' awareness of health matters. Health motivation is becoming more integrated into people daily routines. Therefore, customers who adopt a "wellness-oriented" lifestyle are more likely to follow more prone health behaviors like regular exercise, diet and use of health technologies. Moreover, wearable technology is paving the ground for the next wave of

Information and Communications Technology (ICT) revolution. This ICT revolution encouraged manufactures to produce fitness wearables, smartwatches and devices that foster faster and safer health care prevention. Moreover, this ICT revolution helped improve medical practices and accesses to various health information systems at relatively lower cost. The term "healthtology" is becoming more popular referring to the integration of information technology in healthcare to provide innovative solutions to improve overall health awareness and prevention (Dehghani (2018). Accordingly, the objective of this research study is to explore the factors that influence the adoption of wearable health devices in the Kingdom of Saudi Arabia utilizing an extended version of the Technology Acceptance Model (TAM). As pointed out by Chen et al. (2015) wearable health technology aids the development of healthcare sector, enhances the quality of medical service informationization and enables remote medical services utilization. As are result, this research focuses on Heart Health (HH), Weight Management (WM) and Sleep Improvement (SI) as antecedents that promote the usage of health wearables. Moreover, this research looks at Wearable Design (WD), Graphical User Interface (GUI) and Health Information Support (HS) as antecedents that influence the ease of use for health wearables devices. Accordingly, the objective of this research study is to explore the factors that influence the adoption and use of wearable health technology in the Kingdom of Saudi Arabia utilizing an extended version of the Technology Acceptance Model (TAM).

LITERATURE REVIEW:

The Technology Acceptance Model (TAM):

Developed by Davis (1986), the Technology Acceptance Model or TAM is considered a predominant theory in the field of technology acceptance. The aims of the theory is to enhance the understanding of user acceptance through in-depth analysis of the design and implementation of an information system. Moreover, to establish a theoretical framework that helps designers and implementers evaluate new systems prior to implementation. The TAM has two main constructs namely Perceived Usefulness (PU) and Perceived Ease of Use (PEU). PU is the degree to which a user believes that using a particular system would enhance his or her job performance while PEU refers to the degree to which a person believes that using a system would be free of effort. Additional external variables can be added to the model and assumed to either influence PEU or PU. Eventfully all variables are assumed to influence the Attitude Toward Use (ATU) which in return influence the Behavioral Intention (BI) and Actual Use (AU) of the system. The simplicity and ease of utilization makes the TAM a popular framework for technology adoption research. TAM has been used in Saudi Arabia to explore system adoption in various fields. For example, Hokroh and Green (2019) investigated the factors that influence video games technology adoption in Saudi Arabia. They surveyed a total of 106 gamers using an extended form of the TAM and found that both PEU and PU are of significant influence to the attitude toward use. Al-Harbi (2011) surveyed 531students to examine the factors that affect e-learning in Saudi Arabia by combining both the TAM and the Theory of Planned Behavior (TPB) and found that self-efficacy and internet experience both significantly influence the PEU. Al-Gahtani (2011) examined electronic web transaction acceptance using an extended form of the TAM and surveyed 128 Saudi users and found that PU had a positive effect on the intention of using on-line transactions. Likewise, PEU of a website had positively influenced on-line transactions. Al-Somali et al. (2009) studied the factors that encouraged customer to adopt online banking in Saudi Arabia. They surveyed a sample of 202 Saudis and found that the quality of the internet connection and self-efficacy both had positive impact on customer PEU of online banking. Social influence and awareness of the services had positive effect on PU. Resistance to change, trust and education level had significant effect on ATU of online banking services. By using the TAM, Al-Gahtani (2008) investigated the factors that influences computer usage in Saudi Arabia. He

surveyed a total of 722 voluntary computer end users in 56 private and public organizations in Saudi Arabia. He concluded that behavioural intention positively influences computer usage. ATU and PU positively affect BI to use computers. Also PU and PEU influence ATU. PEU has positive effect on PU.

Health Wearables:

Davlyatov et al. (2019) examined the correlation between age and the use of Health Information Technology (HIT) in the United States. They studied a national sample of 982 Federally Qualified Health Centers (FQHCS) from 2011 to 2016 and found that as age increased, 4 percent increase in both process and outcome measures of clinical performance are observed annually. More specifically, there is 7 percent higher clinical performance on hypertension control annually in FQHCs which have fully adopted HIT. Through the application of netnography, Dehghani (2018) found that "healthtology" is one of the main factors that influenced users' intentions to adopt smartwatches technology. Zhang et al. (2017) studied the factors that influence healthcare wearable devices in China using the TAM. They randomly surveyed a total of 436 people and found that the adoption intention of healthcare wearable technology is influenced by health, technical and consumer attributes. According to Zhang et al. (2017), health attributes are identified as key factors influencing consumers' adoption of wearable technology and are driven by Health Belief Model (HBM). The HBM is developed by US social psychologists in the Public Health Service to understand why people do not take part in prevention and early disease detection programs. The HBM is also used to predict acute or chronic patients' behavior at the start of treatment program. The HBM has four main constructs which are perceived susceptibility (patients' perception of having a medical condition or contracting a disease), perceived severity (how serious is the health problem is perceived to be), perceived benefits (the personal judgment of the benefits of alternative treatments available that could address the perceived susceptibility and perceived severity) and perceived barriers (negative consequence of a health action that an individual considers taking). Kim and Shin (2015) investigated the psychological determinants of smartwatch adoption in South Korea using an extended version of the TAM. Kim and Shin (2015) surveyed 363 smartwatch users and found that affective quality and relative advantage of smartwatches are associated with PU, while the sense of mobility and availability of smartwatches are associated with PEU. Moreover, the devices' subcultural appeal and cost are found to be antecedents of user attitude and intention of use. Chuah et al. (2016) combined the TAM with psychology to investigate smartwatches adoption in Malaysia. They surveyed 226 users and found that PU and visibility are important factors that drive the intention for use. Hsiaoa and Chenb (2018) explored the factors that influence users' intention to purchase Apple smartwatches in Taiwan through a survey of 260 users. They found that smartwatches design aesthetics, attitude toward and purchase and use are among the most important elements that influence purchasing and using smart Apple watches. Kalantari (2017) conducted a comprehensive synthesis of the literature of wearable technologies consumers' adoption. She found that PU, PEU, price value, perceived enjoyment, visibility, compatibility and design aesthetics are major factors that influence wearable devices adoption. Kalantari and Rauschnabel (2018) conducted a study to explore the factors that influence the adoption of Augmented Reality Smart Glasses (ARSG) by surveying 160 USA students using the TAM. They found that PU, PEU, descriptive norms and image are significantly correlated with the adoption intention.

The Research Theoretical Framework:

ul Amin et al. (2015) pointed out that the wearable technology started to be used heavily in the medical field since the year 2014. At the beginning it aimed to provide assistance to the medical staff in the operation rooms through providing real-time access to patients' electronic records. The use of these wearable devices has been extended to cover a wide variety of areas including

personnel health tracking such as blood pressure, pulse and heart rhythm, body posture, walking activity, running and other applications. These applications are become parts of consumer attributes toward using these health wearable technologies (Zhang et al. (2017)). Using an extended version of the TAM, this research aims to unveil the influence of Heart Health (HH), Weight Management (WM), Sleep Improvement (SI), Wearable Design (WD), Graphical User Interface (GUI) and Health Information Support (HIS) on the adoption of health wearable technologies. The findings revealed that HH, WM and SI are of a significant importance for the PU of health wearable. Also, WD, GUI and HIS were found to be significant factors influencing the PEU. PU is impacted slightly by PEU and the latter had higher impact on ATU compared to PU. Also, BI is influenced more by ATU compared to PU due to the impact of PEU weight on ATU.

Heart Health (HH):

Heart rate monitoring on a regular basis is stated to have a significant positive impact on the health of patients, Phan et al. (2015). Driven by prior literature of Zhang et al. (2017), heart health monitoring is identified as a key factor that influenced consumers' adoption of wearable technology. Wearable heart health features can help users monitor their heart rate as well as their heart rhythm. These features help health aware consumers in detecting and monitoring their heart health regularly. As pointed out by Isakadze and Martin (2019), "*incorporating this feature in everyday life of consumers may help raise awareness for AF and facilitate health promotion and preventative efforts*". Therefore, the hypothesis this that:

H1: Heart Health (HH) monitoring features positively influence the PU of health wearables.

Weight Management (WM):

Weight tracking and management is very important to avoid obesity which is a major cause of disease and mortality worldwide. One innovative way to track and manage weight is through the utilization of wearable devices such as smartwatches and fitness bands. According to a study conducted by Fawcett et al. (2020), wearable devices such as smartwatches and fitness bands can improve the long-term weight loss outcomes by tracking physical activity. As a result, the hypothesis this that:

H2: Weight Management (WM) features positively influence the PU of health wearables.

Sleep Improvement (SI):

As pointed out by Shelgikar et al. (2016) the growing consumption of sleep tracking technologies including wearable bands has created new opportunities for collaboration among medical researchers to improve people's health outcomes. For example, smartwatches enabled Rosenberger et al. (2016), to study patients' 24-hour activity cycle of sleep, sedentary, light intensity physical activity in correlation to vigorous physical activities. Sleep self-tracking encourages personal empowerment and customization of application that can lead to sleep improvement and thus overall health enhancement. Users may engage in sleep tracking when there is a perceived personal lifestyle benefits. Moreover, users may feel more encouraged to use wearable technologies if they perceive a positive outcome that could aid their treatment such as improving sleep period or habits. As such it is hypothesized that:

H3: Sleep Improvement (SI) features positively influence the perceived ease of use of health wearables.

Wearable Design (WD):

The design of health wearables plays a major role in their adoption and use. Kim and Shin (2015) found that wearables appeal is found to be one of the antecedents of user attitude and intention for use. Chuah et al. (2016) found that smartwatches perceived visibility is a factor that derived their use. The term "visibility" is given to define people believes of the extent to which their wearable technology is noticed by others. According to Chuah et al. (2016) warbles such as smartwatches are viewed as a combination of fashion and technology "fashnology". Hsiaoa and Chenb (2018) found that smartwatches design is among the most important elements that influence their purchase and use. According to Kim and Shin (2015) smartwatches are perceived as "aesthetic items" that reflect individual values and characters. The more user friendly the wearable design is the more it is likely to influence adoption. Therefore, the hypothesis is that:

H4: Wearable Design (WD) positively influences the PEU of health wearables.

Graphical User Interface (GUI):

The literature points out to the criticality of the Graphical User Interface (GUI) as an important antecedent of applications' adoption and use. According to Agarwal and Prasad (1999) GUI provides capabilities to the users to navigate through an application easily and exchange information between other applications. Al-Mamary et al. (2013) linked GUI to the overall system quality and quality of information. Therefore, information systems that have a user-friendly interface enables users to easily comprehend them and use the systems information more effectively. Therefore, it is assumed that:

H5: Graphical User Interface (GUI) positively influences the PEU of health wearables.

Health Information Support (HIS):

The use of health wearable devices can benefit the medical field by capture of patients' information. They can enable doctors to advance both the assessment and counseling in clinical settings and support clinical intervention. For example, in cardiovascular disease prevention, wearable technologies have shown promising results in risk prevention (Lobelo et al. (2016)). However, there is lack of research in how wearables information support influences its adoption and use. In information systems research, user support is found to be of great importance to the adoption process. Hokroh and Green (2018) found that user support had a significant positive role in influencing the adoption and use of information systems. As such the hypothesis is that:

H6: Health Information Support (HIS) positively influences the PEU of health wearables.

METHODOLOGY

The sample of this study was health wearable users (e.g. smartwatches and fitness bands) in the Eastern Province of Saudi Arabia. The data was collected through an online survey questionnaire. Due to the COVID-19 pandemic, participants were randomly recruited via the social communication application (whatsapp). Whatsapp is an application that allows users to share information which may include documents, audios, videos or hyperlinks. The survey hyperlink allowed participants to enter a web page which has the survey questionnaire that requires an average of 10 minutes or less to complete. Before completing the survey, participants can view the objective of survey to get their consent before they take part of the survey.

After removing incomplete and duplicates responses, a total of 104 valid surveys were obtained and analyzed. The study constructs were measured using validated multi-item scales adapted from a previous study of Hokroh and Green (2019). The survey instrument of the questionnaire was modified for the purposes of this research study. A five-point Likert scale was used for all items ranging from "strongly disagree" (1) to "strongly agree" (5). Table-1 shows the demographics of respondents:

TABLE-1: STUDY DEMOGRAPHICS

		High School	Undergraduate	Postgraduate	Total
Females		**14**	**23**	**5**	**42**
Age Group	18-25	11	4		15
	26-35		15	3	18
	36-45		3	2	5
	46-55	3	1		4
Males		**10**	**48**	**4**	**62**
Age Group	18-25	1	6		7
	26-35	1	25		26
	36-45	2	12	4	18
	46-55	2	5		7
	Above 55	4			4
Total		**24**	**71**	**9**	**104**

DATA ANALYSIS:

The reliability analysis outcome is a Cronbach's α value of 0.740 which compatible with earlier studies in the literature (Hokroh and Green (2018) and Sarli and Baharun (2016)). The correlation analysis (Table-2) revealed a significant relationship between Age and Hearth Health (HH) as well as Age and Weight Management (WM). Thus, as people aged the importance of HH and WM as antecedents for health wearable devices adoption increased. This indicates that participants' awareness of the importance of WM for HH is very high and these two features are very critical in determining the PU of health wearables. These findings are compatible with Davlyatov et al. (2019) who found strong correlation between age and the use of Health Information Technology (HIT) in the United States. On the other hand there is a significant negative correlation between Age and Wearable Design (WD). Thus, the WD as antecedent for adoption becomes less important for older users. Although linked to the PEU, the data analysis indicates that younger users may put more importance to the WD compared to older uses. This confirms previous findings on the link between "fashnology" and user (Chuah et al. (2016)). HH is also associated with SI as antecedent for PU. Medical studies associate HH with getting enough sleep (Rosenberger et al. (2016)). The correlation data indicates that users may be aware of this association and importance. Both WM and SI are associated with WD, GUI and HIS. Thus, as WD, GUI and HIS applications become easier to use, the more importance they become as antecedents for wearables adoption and use. The WD, GUI and HIS are important factors for users PEU of health wearables and they enhance users' adoption of wearables as their application and design become more user-friendly. Gender has no significant correlation with any adoption antecedents.

TABLE-2: CORRELATIONS

	Gender	Age	Education	HH	WM	SI	WD	GUI	HIS
Gender	1								
Age	-.303**	1							
Education	-.106	-.016	1						
HH	-.037	.257**	-.014	1					
WM	.085	.209*	.045	.428**	1				

SI	.123	.068	.085	.393**	.612**	1			
WD	.176	-.228*	.167	.053	.241*	.364**	1		
GUI	.124	-.056	-.091	.016	.338**	.218*	.546**	1	
HIS	.069	.117	.009	.010	.345**	.293**	.611**	.487**	1

***Correlation is significant at the 0.01 level (2-tailed).*

**Correlation is significant at the 0.05 level (2-tailed).*

N=104

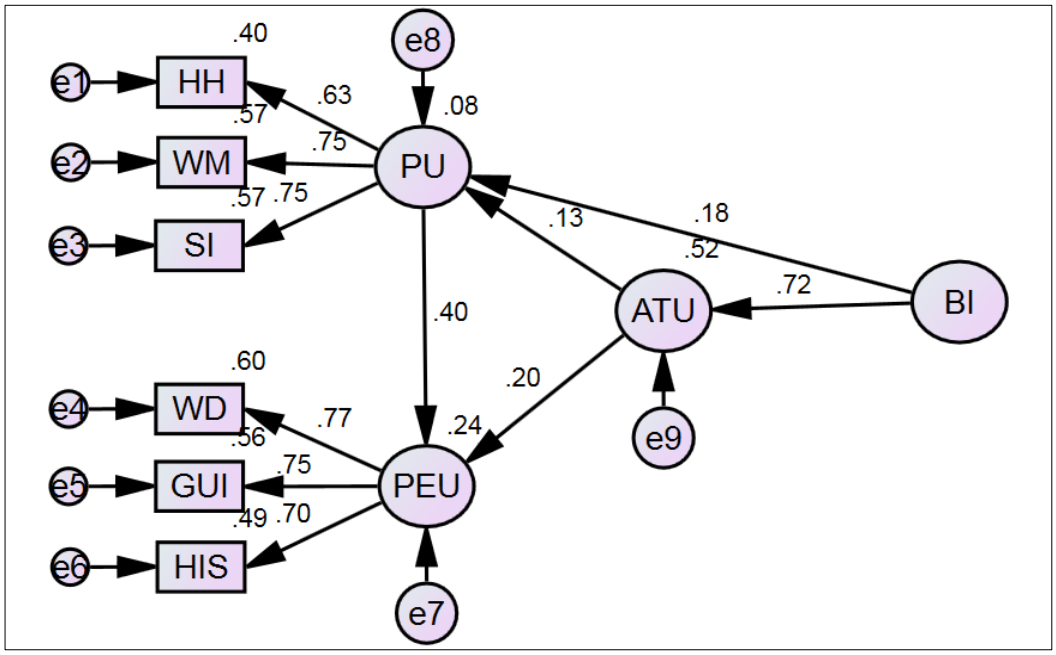

FIGURE 1: PATH ANALYSIS

Structural Equation Modelling (SEM) using AMOS-23 was applied to develop to model the research hypotheses and estimate the regressing weights through confirmatory factor analysis. The path model revealed that HH, WM and SI are of a significant importance for the PU of health wearable devices supporting H1, H2 and H3. However, WM and SI had high regression weights compared to HH (0.75 vs. 0.63) indicating that participants associate more importance to these factors to PU. This may be the result of the association between HH and WM and SI. Thus, if a wearable can help users manage their weight and improve sleep, then they might have better HH. Therefore, WM and SI become more critical in determining health wearables PU. On the other hand, the path model also revealed a strong association between WD, GUI and HIS as factors influencing the PEU with regression weights of 0.77, 0.75 and 0.70 respectively supporting H4, H5 and H6. WD had the strongest association with the PEU followed by GUI. Users associate a user-friendly design and application with the ease of use of the health wearables. Also, having a user-friendly HIS is of critical importance to users as they getting a feedback on their health status. PU is impacted slightly by PEU and the latter had higher impact on ATU compared to PU. This means that users put more importance on fashionable and user friendly wearable for adoption compared to its functions. Also, BI is influenced more by ATU compared to PU due to the impact of PEU weight on ATU.

DISCUSSION AND LIMITATIONS:

The study is aimed at exploring the factors that influence the adoption of wearable health devices in the Kingdom of Saudi Arabia. The findings revealed a strong association between HH, WM and SI and the PU of health wearable. Also, WD, GUI and HIS were found to be significant factors influencing the PEU. There is an association between PU and PEU and the latter had higher impact on ATU compared to PU. BI is influenced more by ATU compared to PU. However, this study had limitations and implications. The study sample was taken randomly from the Eastern Province community of Saudi Arabia. Thus, future studies may assess this research finding by looking at larger sample or conducting a longitudinal study to confirm findings. On the other hand, a critical importance has to be given to the issue of information privacy especially with HIS. Silva et al. (2020) highlighted the criticality of information privacy in relation to mobile health application. With the recent developing of mobile devices, wearables and applications, a new perspective on health care applications is growing. Therefore, ensuring patients' information privacy becomes challenging in order to strike a balance between devices adoption and information protection. Future research may look and address these challenges.

CONCLUSION

The objective of this research study is to explore the factors that influence the adoption of wearable health devices in the Kingdom of Saudi Arabia utilizing an extended version of the Technology Acceptance Model (TAM). A total of 104 users were surveyed to test the research hypothesis. Structural Equation Modelling (SEM) was applied to model the research hypotheses and estimate the regressing weights. The findings revealed that HH, WM and SI are of a significant importance for the PU of health wearable. Also, WD, GUI and HIS were found to be significant factors influencing the PEU. PU is impacted slightly by PEU and the latter had higher impact on ATU compared to PU. Also, BI is influenced more by ATU compared to PU due to the impact of PEU weight on ATU.

REFERENCES

Agarwal, R. and Prasad, J. (1999) 'Are individual differences germane to the acceptance of new information technologies?' *Decision sciences*, 30(2), 361-391.

Al-Gahtani, S. (2008) 'Testing for the Applicability of the TAM Model in the Arabic Context: Exploring an Extended TAM with Three Moderating Factors' *Information Resource Management* 21, 1-26.

Al-Gahtani, S. S. (2011) 'Modelling the Electronic Transaction Acceptance Using an Extended Technology Acceptance Model' *Applied Computing and Informatics* 9, 47–77.

Al-Harbi, K. (2011) 'E-learning in the Saudi Tertiary Education: Potential and Challenges' *Applied Computing and Informatics* 9, 31-46.

Al-Mamary, Y. H., Shamsuddin, A., Hamid, A., & Aziati, N. (2013) 'the impact of management information systems adoption in managerial decision making: A review' *Management Information Systems*, 8(4), 010-017.

Al-Somali, S. A., Gholami, R. and Clegg, B. (2009) 'An Investigation into the Acceptance of Online Banking in Saudi Arabia' *Technovation* 29, 130–141.

Chen, M., Zhang, Y., Li, Y., Hassan, M. M., and Alamri, A. (2015) 'AIWAC: Affective interaction through wearable computing and cloud technology' *IEEE Wireless Communications*, 22(1), 20-27.

Chuah, S. H. W., Rauschnabel, P. A., Krey, N., Nguyen, B., Ramayah, T. and Lade, S. (2016) 'Wearable technologies: The role of usefulness and visibility in smartwatch adoption' *Computers in Human Behavior* 65, 276-284.

Davis, F. D. (1986) 'A Technology Acceptance Model for Empirically Testing New End-User Information Systems: Theory and Results' Doctoral Dissertation, Salon School of Management Cambridge, MA.

Davlyatov, G., Borkowski, N., Feldman, S., Qu, H., Burke, D., Bronstein, J. and Brickman, A. (2019) 'Health Information Technology Adoption and Clinical Performance in Federally Qualified Health Centers' *Journal for healthcare quality*: official publication of the National Association for Healthcare Quality.

Dawi, N. M. and Jalil, N. A. (2019, November) Integrated model for smartwatch adoption. In Proceedings of the International Conference on Advanced Information Science and System (pp. 1-7).

Dehghani, M. (2018) 'Exploring the motivational factors on continuous usage intention of smartwatches among actual users' *Behaviour & Information Technology*, 37(2), 145-158.

Fawcett, E., Van Velthoven, M. H and Meinert, E (2020) 'Long-Term Weight Management Using Wearable Technology in Overweight and Obese Adults: Systematic Review' *JMIR mHealth and uHealth*, 8(3), e13461.

Hokroh, M., & Green, G. (2018) 'System adoption: socio-technical integration' *International Journal of Business Management and Technology*, 2(5), 95-107.

Hokroh, M., and Green, G. (2019) 'Online Video Games Adoption: Toward an Online Game Adoption Model', *International Journal of Research in Business and Social Science* 8(4) 163-171.

Hsiao, K. L. and Chen, C. C. (2016) 'What drives in-app purchase intention for mobile games? An examination of perceived values and loyalty' *Electronic Commerce Research and Applications*, 16, 18-29.

Isakadze, N. and Martin, S. S. (2019) 'How useful is the smartwatch ECG?' *Trends in cardiovascular medicine*.

Kalantari, M. and Rauschnabel, P. (2018) 'Exploring the Early Adopters of Augmented Reality Smart Glasses: The Case of Microsoft HoloLens' *Augmented Reality and Virtual Reality*, 229–245. Cham: Springer

Kalantari, M. (2017) 'Consumers' adoption of wearable technologies: literature review, synthesis, and future research agenda' *International Journal of Technology Marketing*, 12(3), 274-307.

Kim, K. J. and Shin, D. H. (2015) '*An acceptance model for smart watches' Internet Research* 25(4) 527-541.

Lobelo, F., Kelli, H. M., Tejedor, S. C., Pratt, M., McConnell, M. V., Martin, S. S., & Welk, G. J. (2016) 'The wild wild west: a framework to integrate mHealth software applications and wearables to support physical activity assessment, counseling and interventions for cardiovascular disease risk reduction' *Progress in cardiovascular diseases*, 58(6), 584-594.

Phan, D., Siong, L. Y., Pathirana, P. N., & Seneviratne, A. (2015) 'Smartwatch: Performance evaluation for long-term heart rate monitoring' *In 2015 International symposium on bioelectronics and bioinformatics* (ISBB) (pp. 144-147). IEEE.

Rosenberger, M. E., Buman, M. P., Haskell, W. L., McConnell, M. V., & Carstensen, L. L. (2016) '24 hours of sleep, sedentary behavior, and physical activity with nine wearable devices' *Medicine and science in sports and exercise*, 48(3), 457.

Sarli, A. and Baharun, R. (2016) Modelling and Statistical Concepts in Business Research: AMOS and SPSS, Lexington, KY: USA.

Shelgikar, A. V., Anderson, P. F., & Stephens, M. R. (2016) 'Sleep tracking, wearable technology, and opportunities for research and clinical care' *Chest*, 150(3), 732-743.

Silva, W., Sacramento, C., Silva, E., Garcia, A.C. and Leal Ferreira, S.B. (2020, January) Health Information, Human Factors and Privacy Issues in Mobile Health Applications. *In Proceedings of the 53rd Hawaii International Conference on System Sciences*

ul Amin, R., Inayat, I., & Shazad, B. (2015, April) 'Wearable learning technology: A smart way to teach elementary school students', 2015 *12th Learning and Technology Conference* (pp. 1-5).

World Health Organization (2020) *Health technology assessment* [online] Available at: https://www.who.int/health-technology-assessment/about/healthtechnology/en/ [Accessed 14 June 2020].

Zhang, M., M. Luo, R. Nie, and Y. Zhang (2017) "Technical Attributes, Health Attribute, Consumer Attributes and Their Roles in Adoption Intention of Healthcare Wearable Technology." *International Journal of Medical Informatics* 108: 97–109.

Journal of Management and Economic Studies
2020, 2(2): 99-111 DOI: 10.26677/TR1010.2020.605
Journal Homepage: https://www.jomaes.org

China's Special Economic Zones, Hainan Province New Free Trade Zone: Review of Policies that Minimize the Regional Gap

Khalid Usman
School of Management, Foshan Polytechnic, Foshan City, P.R.China isakhelve@yahoo.com

Abstract

This research article begins with the illustration of China's special economic zone and regional inequity. We concluded that the decision to make Hainan free trade zone is one of the concrete step for the country to strengthen international trade and investment. However, shorten the negative list of foreign investment, can help to facilitate and attract the overseas investment. Until the attempt of special regional policies, the catching up and transformation did succeed in achieving the purpose of increase the development of the special economic zones, for this reason the coastal area advantages disproportionately. The Western Development policy that made better prosperous environment for foreign capitals in the western provinces did not show substantial absolute impact on encourages the growth and development in this region so far. The solution to this growing problem is to increase more special economic zones in China with regard to captivate foreign direct investment and stimulate the economy.

Keywords: -Free Trade Zones, Hainan Province, Special economic zones (SEZs), China, Regional disparity, FTZ Negative List, Regional economic policy.

1. Introduction

1.1 Special Economic Zones (SEZ's)

"Special economic zones (SEZs)" have undergone great changes. The word "SEZ" signify a huge variety of areas/zones, for instance, free trade zones (FTZ), the export-processing zones (EPZ), the industrial parks (IP), the economic and technology development zones (ETDZ), the high technology zones (HTZ), science and technology innovation parks ,etc. The basic ideology of special economic zones considers various particular features: (i) it's a geologically finite region, generally physically protected; (ii) it is the only administration or organization; (iii) within the zone, it presents a few points of interest for financiers physically; (iv) it has a distinct traditional region and efficient process (FIAS 2008).

Furthermore, a special economic zone usually functions under popularly in the country under the liberal economic laws. Generally, SEZs represent two primary sorts of benefits, which are partially entitled to SEZs reputation: "static" financial benefits which includes talent generation and talent upgrading, export development, overseas exchange income; and additional "vibrant"

financial advantages along with upgrading expertise, transformation and improvement in technology, development of local firm's production (Zeng, 2010). The purpose of special economic zones are normally to accomplishing subsequent four strategic goals (Madani, 1999; Cling et al., 2001; FIAS, 2008; Zeng, 2010; Farole & Akinci, 2011; Fuller & Romer, 2012): (1) to attract overseas investment; (2) massively reduce un-employment; (3) supporting comprehensive strategy of economic reforms; and (4) building new experimental labs to implement fresh policies and procedures. Experts consider that special economic zones will be able to accomplish trade development in a more powerful and efficient way. Specifically, investment in special economic zones will : (i) offer bundle of public services in a geologically focused region; (ii) develop the restricted government financing potency or improve the government budget for infrastructure; (iii) assist the development of specific industry cluster; and (iv) motivate urban development facilitating contributory living standards for staff and for other science and technology workers., Hence, the special economic zones will be contributing of jobs designing and generation of income, moreover possibly, environment protection and economy environmentally-friendly cities and green growth deployment (Lin and Wang, 2014).

The scientific research illustrates that a lot of special economic zones have been able to exports promotion, FDI, jobs creating, and express the effect of cost-benefit positively (Warr, 1989; Chen, 1993; Jayantha kumaran, 2003; Gonzalez Monge, et al. 2005; Zeng, 2010; Romer & Fuller, 2012). Nevertheless, numerous researchers see these zones as the 2nd or may be 3rd top alternative for growth, whose accomplishment is restricted to particular situation in a constrained time prospect Hamada 1974; Madani, 1999), and several other interests that may additionally emerge as "territory" (Kaplinsky, 1993).

Initially, the new industrial zone was entrenched in Shannon town, Republic of Ireland in 1959. Following 1970s, the SEZ- initially started in the region of Latin America and East Asia, generally with the kind of export processing zones (EPZs), build to appeal overseas finance and to promote exports (Farole, 2011). The export processing zones are usually in factory, with strict controls of custom and the products (usually more than 80%) made within these zones should be exported to other foreign countries. This model of export processing zones was eminent in several states, including the Korea; Mauritius, Dominican Republic; Taiwan, Vietnam; China; and Bangladesh. In accordance to the International Labour Organization (ILO), few new trade zones have been established since and by 1986, there have been one hundred seventy six zones in forty seven states; and by 2015 it has been approximate that there have been more than four thousand three hundred zones more than one hundred thirty countries (The Economist, 2015). The SEZs play a vital role in new technologies transforming to China and the implementation of contemporary managerial practices (Zeng,2010).

1.2 An Outline of Chinese Special Economic Zone Programs

After the decade's central planned economy, in 1978, the Chinese government approved the open-up policy and it determined that opening up in Guangdong province and Fujian provinces in the outside world and utilizes special policies and measures in July, 1979. However, Zhuhai, Shantou, Guangdong and Shenzhen were determined as special economic zones in August 1980 and after that, Fujian province and Xiamen were declared the special economic zones of China in October, 1980. Four special economic zones were rather similar because all zones covered huge area and can achieve the broad base purposes such as economic growth, FDI and global trade privileges.

The huge growth rate was measured in China because of an aggregation of favourable policy, strategies and the correct choices for the production factors in the special economic zones. From 1980 to 1984, the national annual average growth rate of GDP was (10%), the annual rate of Shenzhen grew (58%), however the other special economic zones such as Shantou (9%), Zhuhai

(32%), and Xiamen (13%). Moreover, in 1986, Shenzhen was already been developed in factors of production (Yeung, et al., 2009). Fourteen economic trade development zones (ETDZ) were already been build in different coastal areas from 1984 to 1988, however, within the next years more zones were established by Chinese government in other cities such as Min Delta in Fujian, Yangtze River Delta, and also the Pearl River Delta. Meanwhile, in 1988, Hainan was nominated as a 5th complete special economic zone, accompanied by Shanghai Pudong new area and Tianjin Binhai new zone in 1989 and 2006. However, in addition to the SEZ pointed out above, there are numerous other varieties of special economic zones namely high-technology industrial development zones (HIDZs), free trade zones (FTZs), and export-processing zones (EPZs).

2. Hainan Province Free Trade

By October 2017, approximately 18,000 companies have already been enrolled in the special free trade zone, doubling the figure in the four earlier zones when they combined in September 2013. International trade in these rose 16.2% during the first three quarter of 2017, and gradually rose year by year to 150 billion US dollars. The special free trade zone was started to pursue smooth business enrollment. Enterprises can enroll and start their business in these zones within three working days (Xinhua, 2018). According to Ren, (2014), more three free trade zones were started in Guangdong province, Tianjin city, and Fujian Provinces in 2014. However, in August 2016, seven more branches of third bath went operational. As structural reforms have developed innovation-driven growth, these free trade zones attract the investors to contribute innovation policy, startup in manufacturing, investment and other business related sectors. However, in January 2017, the Chinese government took further step to captivate international financing through trouble-free access and a greater business atmosphere. Overseas enterprises have already been facing limited restrictions in the field if services sector, mining and manufacturing sectors. The free trade zones trials build a model for economic transformation and opening up nationwide" (Xinhua, 2018).“The efforts to establish an international free trade zone in the South China Island have been resolved the strengthen globalization and to defend multilateralism.”

A top expert and a former vice-minister of commerce of the China, Mr.Wei Jianguo said, Hainan free trade zone is a concrete step to promote international investment as well international trade, and more hard work is needed to make this success. However, other experts illustrate that this project includes a new phase of Chinese economy reform and opening up because the island is likely to compete with other international ports such as Hong Kong and Singapore (Telegraph, 2018). Under the plans of central authorities declared on 14 April 2018, the tropical resort island of the country will transform into a free trade port and free international trade by 2025.

Wei Jianguo alleged economies are being encouraged around the world help to improve the Hainan development. Thus, Hainan can perform a greater role in global economy growth. This project offers a model for the development of South Asian countries and also promotes the development of mainland and coastal areas. This effort emphasizes China's solution to strengthen internationalization and to protect multilateralism. Hainan free trade zone competes effectively to maintain the country's growing trade protection, the speed of global trade and to make the international investment easier. "Moreover he said that in support of the development of Hainan, further policies may be implemented in the future. That consists of broader opening-up policies and wider transformation measures in areas such as law formulation of law, guidelines for investment, and systems of finance and visa policy. However, some other Experts assumed that there is much to expect from Hainan due to the fact a free-trade port represents the highest level of opening by global standards and mean that most goods and services are very low or even zero tariffs (China Daily, 2018).

According to Mr. Wei, the Hainan FTZ will work as a new way for China to strengthen regional economic integration and to further support the development of the global economy. It's a Chinese plan that is applies to international growth. Economies are being encouraged around the world to try to help improve the development of Hainan. In comparison to Hong Kong and Singapore, Hainan will use its resources to develop and a long-lasting benefit with the rapid development of China. According to an economist of the China Centre for International Economic Exchanges, Mr. Xu Hongcai, the project will promote the international status of island and convert it into an economic centre that can attract foreign investment and talent. Hainan development has strategic significance for the development of overall country, and promotes new planning policy which is necessary for the next round of reform and opening up."It's a newest version of the country's reform and setting up, and some of the measures are better than earlier policies" (China Daily, 2018; Telegraph, 2018).

A deputy director of the China Institute for Reform and Development, Mr. Xia Feng, said "The tropical islands such as Hainan, their growth and development is depend on the setting up policies as compare to inland areas. A plenty of complete procedures are required to assure the open stream of resources like capital and skills." The president of the China Institute for Reform and Development, Chi Fulin elaborate that Hainan's assets include its large area and huge local resources that cannot compete with China's other free-trade zones: "In Comparison to Hong Kong and Singapore, Hainan will use to develop its own resources. I suppose it's going to have a late-mover benefit with rapid development" (Telegraph, 2018).

According to Mr. Xie Xiangxiang, who is working in the School of Tourism of Hainan University as a associate professor said that there is a powerful starting point to transforming the entire island into a free trade zone, aimed at becoming a global tourism and consumption center. The biggest challenge facing the island is a lack of talent that the province has to enhance its education and training (Telegraph, 2018).

3. Foreign investors with shortened FTZ negative list

In the SPFTZ, a foreign investment project is not required to ratify the Government of China, unless it is enclosed in a negative list. The previous version of negative list was announced by the Shanghai municipal authorities, there were 190 items in 2013 and continuously decreased to 139 in 2014.The list has further reduced in 2015. However, the negative list will further decreased in this year, which limits overseas financing, in its free trade zones (FTZs). The spokesperson for the Ministry of Commerce (MOC) Mr Sun Jiwen, said China has decreased the restrictions in 2017 in the field of research and development, information and communication technology, mining, investment and manufacturing sectors etc. For instance, foreign financier can now design and manufacture civil helicopters with a maximum weight of three tones and above in the FTZs. Moreover, the ministry has additionally encouraged pellucidity of the negative list in helping to help overseas investment. China's free trade zones are an approach to analysis new policies, which include limited restrictions on investment, and liberalization rate or interest, in order to improve the economy in international ways. According to the 2016-2020 plan released by the State Council in January 2017, China will setup integrated and transparent market access policies and to develop the market access, the China will also promote reforms in the commercial registration system (Xinhua, 2017).

4. Regional Difference

There are regional differences in Chinese history (Kanbur & Zhang, 2005). The Chinese region consists of provinces with analogous geographical locations, which have similar economies, topography, geography and Cultural Features. The disparity between China's regions has turned into significantly division of income and, to a certain level, the living standard between major

agrarian areas and metropolitan areas (Qian & Smyth, 2008). Nearly all of these metropolitan areas lie in the coastal/seaside areas of the country, though China's central and western regions are dominated by agriculture (Zhang & Fan, 2004). If the disparity between central and coastal regions becomes too large, it may become an unstable factor in the Chinese economy (Zhao & Tong, 2000).

In the mid of 20th century, China established a centrally planned economic framework. Yet, after 1970s, it began to shift to a free market-based economy. The decentralization of government resource was the initial and crucial measure of Chinese government in this regard (Lin & Liu, 2000). Therefore, the least essential prospect of this decentralization was that it intervenes ahead of regional boundaries (Qian, 2000). As a result, the degree of decentralization in coastal areas has increased as compare to the central and western regions of the state. Due to the establishment of special economic zones (SEZs), this decentralization ultimately escort to the denationalization of resources. Special economic zones are a general term that depicts changes in traditional business districts (Zeng, 2010).

Figure 1 China's special economic zones (SEZ). Source: Yitao and Meng (2016)

There was a centrally planned economic system, through the independence of China in 1949 to 1979 that bucked up fast industrialization while maintaining a comparatively low dependence on international economic investment (Fujita & Hu, 2001). After the development of the special economic zone, China has used the market and the centrally planned economy (Ge, 1999). There are five major special economic zones, with the addition of Hainan Province in 1985 (Yitao & Meng, 2016).

The neoclassical growth models anticipate the general paradigm of economic divergence, where impoverished regions incline to approach with wealthier regions inside a state or territory (e.g., Carlino & Mills, 1993; Yang, 2002). Although this paradigm has verified effective in Western Europe and the United States region (Barro & Sala-i-Martin, 1995), but it does not more effective in China. The launching of special economic zones has enhanced the gap between regions. The top 10 provinces in 2000, with GDP per capita were mainly through the coastal areas of eastern China (Zhang & Zou, 2012).

4.1 Impact of SEZs on Regional inequity within China

SEZs were the "catalysts" undertake revolution of the China's economy, from a centrally planned economy that integrated prospect from both a centrally planned economy and a free market-based economy (Wei & Ye, 2004). The purposes of special economic zones were to create a "spill-

over effect", and the growth of economy in coastal areas will continuously stream to the central and west regions/territory (Litwack & Qian, 1998).

Moreover, to stimulating the economy of China by captivating international investment, the special economic zones also assisted transformation the economy of China by operating foreign materials, remunerative trade, joint project, joint ventures and foreign capital-based companies (Nishitateno, 1983). This consecutively has entitled to grow China's economy and utilize foreign investment to further evolve and build special economic zones.

A greater economic impact has recorded in the region with multiple SEZs as compared the region with only one SEZ. In addition, the areas where the special economic zones were established previously produced greater positive economic benefits as compare to those were established later (Goldstein, 1998). The significant economic results of the SEZs on the state's economy have been the amount of income and income volume of individuals in the area (Wang, 2012). As more and more international companies spent money with in competitive resources and human resources in the area, more resources inclined to stream to the whole country. Unluckily, yet, the "spillover effect" from one areas to another has never been entirely appeared (Gross, 1988).

There are different elements that have led to shortage of spillovers within the regional disparities of China's provinces. In the initial four special economic zones, public and international companies were subsidized with pleasant tax benefits and tax including employment versatility. These zones were very prosperous and China has turn into the biggest beneficiary of FDI in underdeveloped nations (Zhang & Zou, 2012). The inflow of these resources has led to divergent developments in infrastructure, technology and human capital in coastal provinces (Fleisher, Li, & Zhao, 2010; Démurger, 2001).

On the other hand, the most important factors in the development of regional differences are Geographic location, government-owned enterprises (SEO) and natural resources (Nee, 1992; Zhang & Zou, 2012). Large state owned enterprises (SEOs), were further accumulated in interior provinces, and they had well approach to the natural resources that promote output. In addition, China was unwilling to denationalize these enterprises and limit foreign direct investment in inland areas. In 1995, when industrial output dropped and large-scale SEO dismissals, policymakers turned to some basic public grants for some SEOs. Nevertheless, because the non-coastal provinces did not have as much right to foreign direct investment, the labor market was not as mature as the coastal areas, and many laid-off workers cannot be rehired, so the gap will only increase (Zhang & Zou, 2012).

Finally, granting for networks of infrastructure also affects regional disparity (Démurger, 2001). Since decentralization, the local government revenue has been the main source of financing for the development of infrastructure, with more capitalization in infrastructure in zones with additional resources. There were less capitalization in developing the infrastructure of the connected zones and a "trickle down" effect in non-coastal areas. Conversely, development of infrastructure in rich regions promoted the localized network growth that can well allocate resources and execute them with the economy of state (Sahoo, Dash, & Nataraj, 2010; Zhang & Zou, 2012).

4.2 Impact of Chinese policies on Regional inequity

As we discussed before, China has tried to lockup the gap between the coastal, central and western regions of the country through the implementation of policies and strategies. Yet, financial decentralization and municipality bias policies have led to regional inequality.

Nevertheless, due to the failure of the region to evolve an industrial structure appertaining to its own unique comparative strengths, decentralization and foreign trade protection both produce

local regional trade protection. Local trade protection can widen China's regional disparity (Qui, Li, & Sun, 2003). In order to bring down and get rid of local protectionism, including the establishment of a Ministry of Domestic Trade, Chinese Central Government has made several efforts, with the main intention of ensure the circulation and distribution of goods throughout the country, and the mediation of inter-regional trade conflicts (Fleisher & Yang, 2003; Young, 2000).

Of course, this has little effect on maritime areas that pursue in international trade and expand economies of scale. Moreover, decentralization is good for regions which has stronger economy, because these regions will generate more income. In addition, local budget control hinders the development of infrastructure (such as highways, telecommunications, and electricity), especially in connecting areas, as some infrastructure was more effective nationwide (Zhang & Zou, 2012). Because of these several reasons and indications, financial decentralization actually changes regional disparities. Zhou and Zhang (2008) found that there is negative link amid decentralization and provincial growth of economy.

Chinese government modifying the urban polices because of the rapidly growing population in urban areas, these are big political and economic instability threat for the country. Because provinces with highest GDP likely to be more urbanized, such policies are conducive to intensification of inequality in coastal areas and regions (Chen, 2002; Fu, 2004; Zhang & Zou, 2012).

The central government of China accepted that the regional gap has widen and invested in the domestic non-coastal economy to narrow the economically gap between regions. The Chinese government initiated to prioritize the inland areas, later the Asian financial crisis in 1997 (Ahmed & Grewal, 2011). They comprehend that the economy needs to be diversified, not just depend on foreign direct investment. Therefore, Chinese government initiated to concentrate on the betterment of industrial centers in the western region (Fan, 1997). Then it established a development center in the northeast and started to prioritize the central region at the beginning of the 21st century.

Unluckily, engagement of Chinese government has hardly renounced this problem. The Chinese government has also carried out large-scale reforms of government-owned enterprises, resulting in a wide range of joblessness, and further role playing in the Northeast and the West to help the needs of the thriving coastal areas (Zheng, 2007).

The primary factors of the Western Development Strategy include the evolution of transportation networks, infrastructure, telecommunications systems and hydropower stations; policies to provide preferential treatment for energy, environmental regulation, mining, ecological protection, tourism and agricultural processing; betterment of public sector especially for those associated to education and public security; attracting foreign direct investment and reducing tax rates. Such policies are not as important as the liberalization of SEZs (Sun, 2013), which explains the regional disparities of economic growth of China.

The Western Development Strategy aims to improve the older industrial centers that were massively used through the command of Mao Zedong. Deng Xiaoping, who thrived Mao Zedong in heading the country, Deng Xiaoping adopted a policy of trickle down, while Mao adopted a policy of counter-polar (Harding, 2010). The counter-polar policy itself helps to encourage a state-controlled economy and eventually utilizes resources in a very incompetent manner (Golley, 2007; Li & Yang, 2005; Zhang, 1999). This is because the focus of the counter-polar policy is to concentrate national resources in a few underdeveloped regions and needed the government of China to "pick winners". Mao Zedong highlighted the production and resources of production of the central and western regions. Whereas Deng Xiaoping seize to power, he refused to adopt

an counter-polar policy, but adopted a trickle down approach that would benefit geographical and economic advantages in coastal areas and the west (Chen, 1995).

The aim of the government is to totally necessitate regional disparity experienced by the West province. The western development policy has generated more prosperous circumstances for investment in the western region, but it has no obvious positive result on boosting the development of the western region. However, disparity were decreased by infrastructure investment, establishing economic relationship between the coastal regions as well as the West regions, and to increase the capacity of foreign direct investments (FDIs) amount in the West provinces (Sun, 2013; Zheng & Kuroda, 2013) .

4.3 Potential to resolve Regional inequity and expanding of Chinese special economic zones

The number of researchers using various scientific approaches to predict the "regional inequalities in China". The applications of Quantitative approaches are better to understand the problem rather than using qualitative approaches. To present a time variation of China's regional inequality, Kanbur & Zhan, (1999) and Wan, (2007), utilize the Theil-L inequality indexand generalized entropy (GE) class of inequality measures. The trends drawn from current investigation shows that there is a huge income difference between countryside and metropolitan region, and that regional inequality directly affects the size of the family, approach to government social services, and the accessibility of human resources in the manpower specific areas (Wan, 2007).

According to Shankar (2003), numerous studies elaborate that particular methods should be interpreted to decrease the regional disparities in China. However, these formation includes building a large network of social protection scheme that directly benefits to poor and lower income level employees, handling local level economics resources and develop infrastructure in less developed regions (Fan, Kanbur , & Zhang, 2011). They help to captivate foreign direct investment and foreign companies that promote the economy and help raise living standards (Sharma, 2009).

It's better to implement the SEZ in the central or western region of China that will be the best way-out to reduce the regional disparities which is exist today. China has started to further stimulate the Chinese economy by establishing more special economic zones in Africa (Bräutigam & Xiaoyang, 2011).

5. Conclusion

This paper analyses the special economic zones in China, and puts forward some solutions to solve the growing regional differences. In our this research article, international literature focused on and highlighting Hainan province free trade zone benefits, and proposing solutions to regional inequalities in China (e.g. Chen, 2010; Fleischer et al., 2010; D_Murger, 2001). However, we concluded that the plan to establish an international free zone in Hainan province will not only increase the growth of South China, but also promote the economic growth of Asia-Pacific region and all over the world. The free trade zone project has been introduced, due to the new level reforms and the opening of China economy, because the Hainan, Tropical Island has great advantage to engage with foreign port such as Hong Kong and Singapore. The decision to make Hainan free trade zone is one of the concrete step for the country to strengthen international trade and investment. However, shorten the negative list of foreign investment, can help to facilitate and attract the overseas investment. Hainan FTZ is a way to test new policies, which include rate of interest liberalization and limited restriction on investment, to better combine the economy with overseas practices.

On the other had our research shows that China's growing regional disparity is a complex issue with many suggested solutions. The disparities between different regions were discussed. The impact of special economic zones on these areas has then addressed disparities and analyzed some trends from different other studies.

Until the attempt of special regional policies, the catching up and transformation did succeed in achieving the purpose of increasing the development of the special economic zones, for this reason the coastal area advantages disproportionately. The Western Development policy that made better prosperous environment for foreign capitals in the western provinces did not show substantial absolute impact on encouraging the growth and development in this region so far.

The solution to this growing problem is to increase more special economic zones in China with regard to captivate FDI and provoke the economy, consequently all regions in China begin to assemble and closure the economical gap. The poor regions are catching up with the rich ones, in such a way the disparity in the degree of living norms between the poor and the rich is consistently increasing.

However, we recommend that the rich regions help to narrow the gap between poor regions. In addition, more work is required to promote regional integration to reduce the regional disparities. More work and efforts are needed to be done to solve this trouble.

References

Ahmed, A., & Grewal, B. (2011). Is China's western region development strategy on track? An assessment.*Journal of Contemporary China,20*, 161-181.

Barro, R. J., & Sala-i-Martin, X. (1995). *Economic growth, 1995*. New York, NY: McGraw-Hill.

Bräutigam, D., & Xiaoyang, T. (2011). African Shenzhen: China's special economic zones in Africa. *The Journal of Modern African Studies,49*(1), 27-54. Retrieved from http://www.jstor.org/stable/23018877

Carlino, G. A., & Mills, L. O. (1993). Are US regional incomes converging: A time series analysis. *Journal of Monetary Economics,32*(2), 335-346.

Chen, C. (1995). The role of foreign direct investment in China's post-1978 economic development. *World Development,23*(4), 691-703.

Chen, A. (2002). Urbanization and disparities in China: Challenges of growth and development. *China Economic Review,13*(4), 407-411.

Chen, A. (2010). Reducing China's regional disparities: Is there a growth cost? *China Economic Review,21*(1), 2-13.

Chen, M., & Zheng, Y. (2008). China's regional disparity and its policy responses. *China and World Economy,16*(4), 16-32.

Chen, J., 1993. "Social Cost-Benefit Analysis of China's Shenzhen Special Economic Zone." Development Policy Review 11(3):261-71.

China Daily., 2018.Hainan plans good news for free trade. http://www.chinadaily.com.cn/a/201804/17/WS5ad55a98a3105cdcf6518bd5.html

China Organization., 2018. Hainan boosts medical tourism as new growth driver. http://www.china.org.cn/china/NPC_CPPCC_2018/201803/07/content_50674782.htm

Cling, J.P. and G. Letilly,. 2001. "Export Processing Zones: A Threatened Instrument for Global Economy Insertion?" DIAL/Unite de Recherche CIPRE Document de Travail DT/2001/17 (November).

Demurger, S. (2001). Infrastructure development and economic growth: An explanation for regional disparities in China? *Journal of Comparative Economics,29*(1), 95-117.

Fan, C. C. (1997). Uneven development and beyond: Regional development theory in post-Mao China. *International Journal of Urban and Regional Research,21*(4),620-639. doi:10.1111/1468-2427.00105

Fan, S., Kanbur, R., & Zhang, X. (2011). China's regional disparities: Experience and policy. *Review of Development Finance,1*(1), 47-56.

Fleisher, B., & Yang, D. (2003). *China's labor market*. Mimeo: Department of Economics, Ohio State University.

Fleisher, B., Li, H., & Zhao, M. Q. (2010). Human capital, economic growth, and regional inequality in China. *Journal of Development Economics,92*(2), 215-231.

Fu, X. (2004). Limited linkages from growth engines and regional disparities in China. *Journal of Comparative Economics,32*(1), 148-164.

Fujita, M., & Hu, D. (2001). Regional disparity in China 1985-1994: The effects of globalization and economic liberalization. *The Annals of Regional Science,35*(1), 3-37.

Farole, T. and G. Akinci (eds.)., 2011. Special Economic Zones: Progress, Emerging Challenges, and Future Directions. World Bank.

Farole, T. and G. Akinci (eds.)., 2011. Special Economic Zones: Progress, Emerging Challenges, and Future Directions. World Bank.

FIAS., 2008. Special Economic Zones: Performance, Lessons Learned, and Implications for Zone Development. Washington, DC: World Bank.

Fuller, B. and P. Romer., 2012. "Success and the City: How Chartered Cities Could Transform the DevelopingWorld?"A McDonald-Laurier Institute publication(April).

Ge, W. (1999). *Special economic zones and the economic transition in China*. Danvers, MA: World Scientific.

Goldstein, M. (1998). *The Asian financial crisis: Causes, cures, and systemic implications*. Washington D.C.: Institute for International Economics

Golley, J. (2007). China's western development strategy and nature vs. nurture. *Journal of Chinese Economic and Business Studies,5*(2), 115-129.

Gross, H. (1988). China's special economic zones. *China Law Reporter,4*, 23-40.

Harding, H. (2010). *China's second revolution: Reform after Mao*. Washington, D.C: Brookings Institution Press.

Ho, C. Y., & Li, D. (2008). Rising regional inequality in China: Policy regimes and structural changes. *Papers in Regional Science,87*(2), 245-259.

Hamada, K., 1974. "An Economic Analysis of Duty-Free Zones." Journal of International Economics, Vol. 4.

International Medical Travel Journal (IMJT)., 2018. China's Hainan to boost International Medical Tourists.https://www.imtj.com/news/chinas-hainan-boost-international-medical-tourists/

Jayanthakumaran, K. 2003., "Benefit-Cost Appraisals of Export Processing Zones: A Survey of the Literature."Development Policy Review 21(1):51-65.

Kaplinsky, R., 1993. "Export Processing Zones in the Dominican Republic: Transforming Manufactures into Commodities." World Development 21(11):1851-65.

Kanbur, R., & Zhang, X. (1999). Which regional inequality? The evolution of rural-urban and inland coastal inequality in China from 1983 to 1995. *Journal of comparative economics,27*(4), 686-701.

Kanbur, R., & Zhang, X. (2005). Fifty years of regional inequality in China: A journey through central planning, reform, and openness. *Review of Development Economics,9*(1), 87-106. doi:10.1111/j.14679361.2005.00265.x

Li, W., & Yang, D. T. (2005). The great leap forward: Anatomy of a central planning disaster. *Journal of Political Economy,113*(4), 840-877.

Lin, J., & Liu, Z. (2000). Fiscal decentralization and economic growth in China. *Economic Development and Cultural Change,49*(1), 1-21.

Litwack, J., & Qian, Y. (1998). Balanced or unbalanced development: Special economic zones as catalysts for transition. *Journal of Comparative Economics,26*(1), 117-141.

Lin, Justin Yifu, and Y. Wang., 2014. "China-Africa Cooperation in Structural Transformation: Ideas, Opportunities and Finances", UNU-WIDER working paper 2014/046.

Madani, D., 1999. "A Review of the Role and Impact of Export Processing Zones." World Bank Policy Research Working Paper 2238.

Monge-Gonzalez, R., et al. 2005. "Cost-Benefit Analysis of the Free Trade Zone System: The Impact of Foreign Direct Investment in Costa Rica." *OAS Trade, Growth and Competitiveness Studies*, Organization of American States, January.

Nee, V. (1992). Organizational dynamics of market transition: Hybrid forms, property rights, and mixed economy in China. *Administrative Science Quarterly,37*(1), 1-27. doi:10.2307/2393531

Nishitateno, S. (1983). China's special economic zones: Experimental units for economic reform. *International and Comparative Law Quarterly,32*(1), 175-185. Retrieved from http://www.jstor.org/stable/759472

Qian, Y. (2000). The process of China's market transition (1978-1998): The evolutionary, historical, and comparative perspectives. *Journal of Institutional and Theoretical Economics (JITE)/Zeitschrift f¨¹r die GesamteStaatswissenschaft,156*(1), 151-171. Retrieved from http://www.jstor.org/stable/40752194

Qian, X., & Smyth, R. (2008). Measuring regional inequality of education in China: Widening coast-inland gap or widening rural¨urban gap? *Journal of International Development,20*(2), 132-144. doi:10.1002/jid.1396

Qui, L., Li, J., & Sun, Q. (2003). Interregional protection of fiscal decentralization and trade liberalization.*China Economic Review,14*, 227-245.

Sahoo, P., Dash, R. K., & Nataraj, G. (2010). Infrastructure development and economic growth in China. *Institute of Developing Economies Discussion Paper,261*.

Shankar, R. (2003). Bridging the economic divide within countries: A scorecard on the

performance on regional policies in reducing regional income disparities. *World Development,31*(8), 1421-1441.

Sharma, N. (2009). Special economic zones: Socio-economic implications. *Economic and Political Weekly,44*(20),18-21. Retrieved from http://www.jstor.org/stable/40279007

Sun, Z. (2013). *Explaining regional disparities of China's economic growth: Geography, policy and infrastructure*. Berkeley, CA: University of California.

The Economist., 2015. "Special Economic Zones: Not So Special." April 3, 2015

Telegraph., 2018.Hainan plans good news for free trade. https://www.telegraph.co.uk/news/world/china-watch/business/hainan-international-free-trade-zone/

Warr, P. 1989. "Export Processing Zones: The Economics of Enclave Manufacturing." *The World Bank ResearchObserver* 9(1):65-88.

Wan, G. (2007). Understanding regional poverty and inequality trends in China: Methodological issues and empirical findings. *Review of Income and Wealth,53*(1), 25-34. doi:10.1111/j.1475-4991.2007.00216.x

Wang, J. (2012). The economic impact of special economic zones: Evidence from Chinese municipalities. *Journal of Development Economics,101*, 133-147.

Wei, Y., & Ye, X. (2004). Regional inequality in China: A case study of Zhejiang province. *Journal of Economic and Social Geography,95*, 44-60.

Widau, G., & Mitchell, T. (2015). China income inequality among the world's worst. *Financial Times*.Retrieved from https://www.ft.com/content/3c521faa-baa6-11e5-a7 cc-280dfe875e28

Xinhua News., 2017. Foreign investors with shortened FTZ negative list.http://www.xinhuanet.com/english/2017-06/22/c_136386643.htm

Xinhua News. , 2017. Xinhua Insight: China emerges as next global medical tourism hotspot. http://www.xinhuanet.com/english/2017-04/11/c_136199359.htm

Xinhua News., 2018. China Focus: China FTZs expand opening for foreign business.http://www.xinhuanet.com/english/2018-01/14/c_136894961.htm

Xinhua News., 2018. Hainan to establish new offshore duty-free shop. http://www.xinhuanet.com/english/2018-04/18/c_137120218.htm

Yeung et al., 2008. "China's Special Economic Zones at 30." Eurasian Geography and Economics 2009 50 (2).

Yeung, Yue-man, J. Lee, and G. Kee., 2009. "China's Special Economic Zones at 30." Eurasian Geography and Economics 50 (2): 222–40.

Yang, D. T. (2002). What has caused regional inequality in China? *China Economic Review,13*(4), 331-334.

Yitao, T., & Meng, L. (2016). Annual report on the development of China's special economic zones. In Y. Tao & Y. Yuan (Eds.), *Annual Report on the Development of China's Special Economic Zones* (pp. 3-20). Singapore: Springer.(2016)

Young, A. (2000). The Razor's edge: Distortions and incremental reform in the People's Republic of China. *The Quarterly Journal of Economics,115*(4), 1091-1135.

Zeng, D. Z. (Ed.). (2010). *Building engines for growth and competitiveness in China: Experience with*

special economic zones and industrial clusters. Washington, D.C: World Bank Publication.

Zhang, W. W. (1999). *Transforming China: Economic reform and its political implications*. Hampshire: Springer.

Zhang, X., & Fan, S. (2004). Public investment and regional inequality in rural China. *Agricultural Economics,30*, 89-100. doi:10.1111/j.1574-0862.2004.tb00179

Zhang, Q., & Zou, H. F. (2012). Regional inequality in contemporary China. *Annals of Economics & Finance,13*(1). Regional Studies, Regional Science 107

Zhao, X. B. , & Tong, S. P. (2000). Unequal economic development in China: spatial disparities and regional policy reconsideration, 1985-1995. *Regional Studies,34*(6), 549-561.

Zhou, Y. A., & Zhang, Q. (2008). Marketization, fiscal decentralization and china economic growth [J]. *Journal of Renmin University of China,1*, 008.

Zheng, Y. (2007). *10. China's de facto federalism*. Federalism in Asia, 213. Hackensack, NJ: World Scientific Publishing Co.

Zheng, D., & Kuroda, T. (2013). The role of public infrastructure in China's regional inequality and growth: A simultaneous equations approach. *The Developing Economies,51*(1), 79-109.

Zeng, Douglas Zhihua., 2010. Building Engines for Growth and Competitiveness in China: Experience with Special Economic Zones & Industrial Clusters. Washington, DC: World Bank.

JOMAES

Journal of Management and Economic Studies

2020, 2(2): 112-128 DOI: 10.26677/TR1010.2020.606

Journal Homepage: https://www.jomaes.org

Expectations of Domestic Tourists Before Destination Selection and Their Post-Purchase Evaluations: Igneada Case

Aydın ÜNAL
Kırklareli University, Pınarhisar Vocational School, Kırklareli, Turkey.
aydin-unal@hotmail.com.tr

Onur CELEN
Bursa Uludag University, Harmancik Vocational School, Bursa, Turkey.
onurcelen@uludag.edu.tr

Abstract

In this study, it is intended to measure the pre-purchase expectations and post-purchase evaluations of domestic tourists who visited Igneada. For this purpose, a total of 250 questionnaires were delivered to the domestic tourists who were spending their holidays in the destination. The relevant destination was evaluated in terms of accommodation and food services, transportation services, general preservation and cleanliness, tourist activities and attractions, hospitality level and general tourist price level. As a result of the analyzes, it was determined that satisfaction evaluations were realized below the expectation levels in all the destination evaluation dimensions of the tourists visiting Igneada. In addition, it was found that the levels of overall satisfaction (48%) and intention to revisit the destination (43.6%) of the tourists were low.

Keywords: Tourism Marketing, Destination Marketing, Service Quality, Tourist Satisfaction, Igneada.

INTRODUCTION

The tourism industry is regarded as one of the strategic industries for developed and developing countries. At the basis of this view are elements such as the tourism industry providing dynamism to the economy by forming inter-sectoral connections, creating added-value, and offering employment opportunities (Martinez-Perez et al., 2019:80). For countries or regions to benefit from these positive contributions of tourism, they must possess touristic destinations that can allure prospective tourists. And for prospective tourists to evaluate the touristic destinations, factors such as the image they form in their minds, their previous experiences, and marketing efforts are determinant (Albert da Silva et al., 2018:93-94). Achieving the goals set in tourism destinations not only depends on destination planning and management, but also on how successful the implementation of marketing activities is. However, several difficulties such as learning the expectations and evaluations of tourists, measuring the general satisfaction and

service quality, diversifying and positioning the destination, image, etc. are encountered in the destination marketing activities. While the number of destinations competing in the tourism markets is constantly increasing, the main differences perceived by tourists among these destinations tend to decrease. For this reason, the focus of the destination marketing strategy ought to be on establishing differentiation towards rival destinations in the perceptions of tourists, measuring expectations and evaluations, and strategic positioning. (Eren and Kozak, 2018:247). Even though differentiation, strategic positioning, advertisement, and all other marketing efforts are targeted mostly on alluring foreign tourists to the destination, assessing the expectations and post-purchase evaluations of domestic tourists in destinations is also an extremely important topic (Kweyne and Freimund, 2016:161-162). This is because the domestic market in tourism contributes directly and promptly to the dynamism of the local economy. By creating local segmentation in terms of destination marketing, it can be ensured for local tourists to get to know the different sub-parts of the main culture, experience social norms, lifestyles, and behaviors via domestic tourism movements (Shen et al., 2018:125).

LITERATURE REVIEW

The tourism marketing differs from the other marketing activities due to the nature of the products served to the tourists being abstract, the promotional activities being carried out by the state in a macro context and by tourism enterprises in the micro context, the destinations and touristic products being composed of too many elements, the subjective opinions being prevalent on the matter of the assessment of products and the services depending on the goods and services' incapability of being stored, and the tourist and the presented product and service being a total. In tourism marketing, the fundamental aspect that tourists evaluate their travels and the products and services they preferred is their experience. In the aforementioned experiences' perspective, whether tourists' perceptions match their expectations or not directly affects their level of satisfaction with their travels (Kozak, 2008:29-31; Halis and Turkay, 2009:415-416).

The studies in the domestic and foreign literature that examine the relationship between the expectations of tourists before the destination selection, as well as their evaluation after the purchase and the concerned evaluation and general satisfaction levels of tourists and their intentions of revisiting, are summarized below.

Chon and Olsen (1991) presented a connection between the visiting tourists' satisfaction-dissatisfaction and both functional and symbolic evaluation accordance, in addition to setting forth the importance of perception-expectation levels of tourists in the destination in terms of showing their satisfaction or dissatisfaction levels via the study they conducted at Virginia, Norfolk with 382 participants. Tribe and Snaith (1998) utilized the HOLSAT scale to measure the holiday satisfaction of tourists in Cuba Varadero destination in their study with 102 participants, and they stated that tourists' satisfaction with their holiday experiences decreases should their perception about their holidays do not meet their expectations, and that positive perceptions can increase satisfaction. Kozak and Rimmington (2000), in a study they conducted with 220 British and German participants to measure the general satisfaction level of tourists visiting Mallorca during the winter season, concluded that meeting the tourists' expectations in the terms of destination components (attractions, hospitality, etc.) increased their satisfaction and in this case affected the tourists' intention to revisit the destination.

Atilgan et al. (2003), in a study they conducted with 100 German and 100 Russian participants who visited Antalya destination, asserted that to meet the high level of service quality at the destination, the expectations of the tourists should be determined and met fully, and that *expectation maps* was an important tool in terms of depicting the differences in service expectation-perception of tourists. Ozturk (2004), in his study with 231 participants who visited Kizkalesi

destination, stated that meeting the tourists' expectations in terms of destination components increased their general satisfaction level and their intention to revisit the destination. Yoon and Uysal (2005), in the study they conducted with 148 participants on the effects of motivation on destination satisfaction and commitment in the Turkish Republic of Northern Cyprus, expressed that tourists were affected by repellant-alluring factors in the destination, and the destination marketers taking these factors into account would contribute to the satisfaction that the tourists perceive from destination products and services, and also to the commitment they have for the destination.

As a result of the study conducted by Secilmis (2012) with 193 participants in Sakariilica destination to determine the connection between satisfaction and revisiting intention in the primary tourism destinations, he concluded that some of the destination components (accommodation facilities, etc.) affected the satisfaction and destination revisiting intentions at a low level, while some components (neatness, service quality, etc.) affected the satisfaction and destination revisiting intentions at a high level. Moutinho et al. (2012), in their study with 1,905 participants in Side-Manavgat destination, stated that the service quality in destinations was formed as the result of the perceived value of the destination and that this was a precursor to the thoughts of tourists. They also stated that the tourists satisfied with the destination gave advice after the destination experience and tended to buy again.

Khan et al. (2013), in their study with 300 participants in Malaysia, stated that there was a relationship between Muslim tourists' perception of destination image, religious motivation, and destination service quality and their satisfaction. Marin and Teberner (2013), in their study with 2,423 participants who visited Balearic Island, tried to determine the tourists' destination attitudes, satisfaction-dissatisfaction levels and their tendency to revisit the destination. Vetitnev et al. (2013), in their study with 1,100 participants in holiday destinations of Russia, stated that there was a relationship between the satisfaction of domestic tourists and destination commitment, and that the satisfied tourists tended to revisit the holiday destination. Rajaratnam et al. (2014), in their study with 309 participants in rural tourism destinations in Malaysia, concluded that the service quality perceived by tourists positively affected their satisfaction levels, and that there was a relationship between tourists' previous experiences about the destination and their perceived service quality and satisfaction. Beqiri et al. (2014), in their study with 87 participants in Velipoja destination in Northern Albania, stated that the service quality was effective in ensuring the satisfaction of tourists and their commitment to the destination, and that there was a positive relationship between tourists' satisfaction and their commitment to the destination. In the study Hau and Omar (2014) conducted in Rantau Abany, Malaysia with 165 participants to examine the effects of destinations' service quality on tourists' satisfaction, they concluded that many factors (destination image, supporting services and security, etc.) affected the satisfaction of tourists in destinations, and that there was a positive relationship between the provided service's quality and the tourists' satisfaction. According to the study conducted by Bjork and Kaupinnen-Raisanen (2016), it was concluded that tourists took various components (local food and cuisine culture, etc.) into account for their destination selection, and that satisfied tourists tended to prefer these destinations again.

METHOD

The main purpose of this study was to determine the differences between the expectations and experiences of domestic tourists regarding the services offered to tourists visiting Igneada destination and to evaluate the differences between these services and the demographic variables of domestic tourists, if any. In determining the relevant destination as the research area, various factors were effective such as the area being regarded as one of the important natural heritages

of the world that should be protected, its being considered a unique ecosystem with its Longoz Forests (By the 13.11.2007 dated 26699 numbered No. 2001/12759 decision published in the Official Gazette, it has been declared as a National Park), its providing opportunity for a broad range of tourism diversity, especially but not limited to ecotourism, hunting tourism and cultural tourism, its proximity to populated cities such as Kirklareli (97 km), Tekirdag (145 km), Edirne (165 km) and especially Istanbul (250 km), and its annually increasing recognition and familiarity at a local and national scale (Igneada Municipality, 2019).

The number of studies examining the pre-purchase expectations and post-purchase evaluations of tourists in the tourism destinations, which constituted the purpose and the scope of the research, in terms of different and comprehensive dimensions is quite limited in the literature (Kozak and Rimmington, 2000; Kozak, 2001; Ozturk, 2004). The aforementioned studies were also utilized for creating the research model and questionnaire. The first part of the research questionnaire, which consists of two parts, includes 14 demographic questions and statements that the respondent can choose for these questions, and the second part of the questionnaire consists of a total of 48 statements ("strongly disagree" (=1) to "strongly agree" (=5) related to the dimensions in the research model. The research's demographic variables are composed of tourists' genders, marital status, age ranges, educational levels, occupations, monthly incomes, types of accommodation, the number of visits to the destination, the assessment level of their previous visits to the destination, their general acquaintance with the destination, the person or people they spend their holidays with, destination preference reasons, their general satisfaction levels with their holidays, and the intention of revisiting the destination. And as the destination service quality variables (Kozak, 2001), accommodation operations and catering services (AOCS), transportation services (TS), general cleaning and preservation (GCP), touristic activities and attractions (TAA), hospitality level (HL), and general touristic price level (GTPL) were assessed. Besides, the expectation levels and assessment levels of the tourists in terms of the destination service quality variables were also compared.

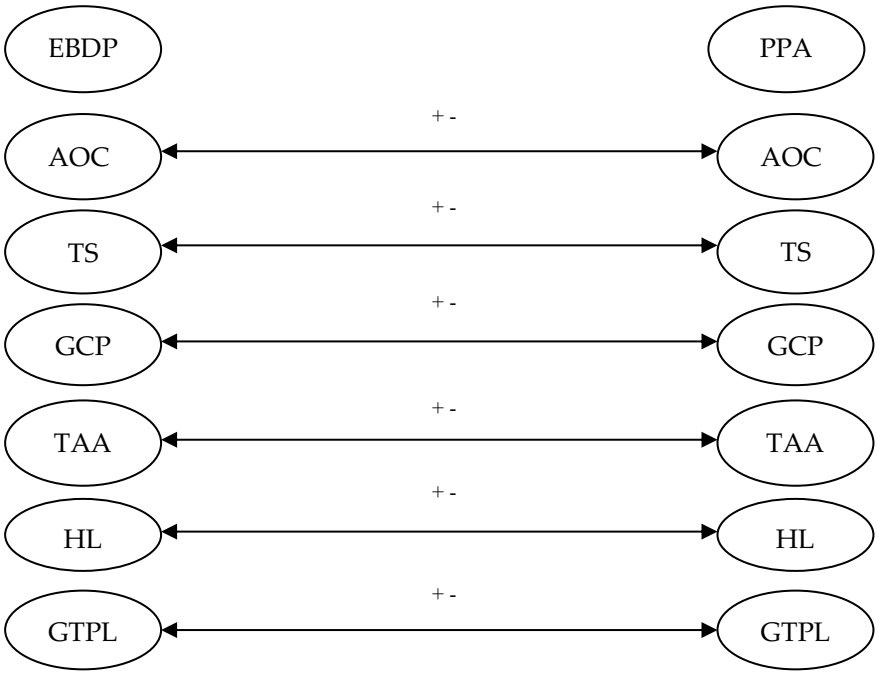

Figure 1: Domestic Tourists' Expectations Before Destination Purchase (EBDP) and Post-Purchase Assessments (PPA) Model

Based on the relevant literature and the presented research model, it is thought that testing the following research hypotheses will contribute to a better understanding of the subject:

Hypothesis 1: The expectations and evaluations regarding the accommodation and catering services offered to domestic tourists at the destination demonstrate a significant difference.

Hypothesis 2: The expectations and evaluations regarding the transportation services offered to domestic tourists at the destination demonstrate a significant difference.

Hypothesis 3: The expectations and evaluations regarding the general cleanliness and preservation offered to domestic tourists at the destination demonstrate a significant difference.

Hypothesis 4: The expectations and evaluations regarding touristic activities and attractions offered to domestic tourists at the destination demonstrate a significant difference.

Hypothesis 5: The expectations and evaluations regarding the level of hospitality offered to domestic tourists at the destination demonstrate a significant difference.

Hypothesis 6: The expectations and evaluations regarding the general touristic price level offered to domestic tourists at the destination demonstrate a significant difference.

Hypothesis 7: The demographic variables of domestic tourists and the dimensions of the research demonstrate a significant difference.

The data collection process of the research was completed between May and September 2018, and a total of 250 questionnaires administered by the respondents were conducted via face-to-face communication with domestic tourists in the destination. For the determination of the people to whom the questionnaire would be administered, due to the advantage of time and cost, ease of access and the advantages of applying it to available or volunteer individuals, one of the non-probabilistic paradigms, *convenience sampling* technique, was utilized (Erkus, 2011:106). 25 of the returned questionnaires were excluded from the assessment since more than 50% of the coding form was left blank. 225 questionnaires were included in the evaluation process of the study, and the return rate was 90%.

After the research, the data obtained from the questionnaires were recorded on the computer, and a data set was established. The relevant data set was analyzed via the Statistical Package for the Social Science (SPSS) statistical data program, which is widely utilized in social sciences studies. The data related to the demographic variables of the domestic tourists obtained from the research questionnaire were analyzed with percentage and frequency values. The reliability of variables in the Likert type scale was analyzed via the utilization of the *Alpha* model. To perform a reliability analysis, there should be at least 20 statements and 50 subjects in the study (Ural and Kilic, 2005:258). The number of statements and subjects included in this study was sufficient to perform the relevant test. The Alpha value of the reliability analysis of the questionnaire, which was performed to test the reliability, was determined as *0.717* Alpha value demonstrates the total reliability level of the questions under the factor. In cases where this value is 0.70 and above, the research scale is considered reliable (Durmus et al., 2010:89). This result indicates that the research questionnaire is a reliable data collection tool. In this study, the face validity of the questionnaire was provided in the light of factor analysis results obtained from Kozak's (2001) study. In the study, the factor dimensions obtained in the original Kozak's (2001) study were used and included in the analyses.

Accordingly, *Accommodation Operations and Catering Services (AOCS) dimension* included the statements related to the overall service quality of the accommodation facility, the cleanliness of the accommodation facility, the safety of the accommodation facility, the accessibility of the accommodation facility, the activities of the accommodation facility, the check-in/out duration of the accommodation facility, the variety of food and beverage offered by the accommodation facility, the quality of the food and beverages offered by the accommodation facility, and the

hygiene of the food and beverages provided by the accommodation facility. *Transport Services (TS) dimension* was composed of the statements related to the general ease of transportation to the destination, the ease of transportation to the historical and touristic areas in the destination, the ease of transportation to the sea and beach areas in the destination, the scope of the local transportation network at the destination, the comfort of the local transportation network at the destination, and the attitude of the officials who provide the local transportation at the destination. *General Cleaning and Preservation (GCP) dimension* consisted of the statements related to the cleanliness and appearance of the destination, the cleanliness of the sea in the destination, the cleanliness of the beaches in the destination, the cleaning and maintenance of the natural environment in the destination, the cleaning and maintenance of the historical and touristic areas in the destination, and the cleanliness and appearance of the tourism enterprises' officials in the destination. *Tourist Activities and Attractions (TAA) dimension* was composed of the statements related to the natural beauties and attractions in the destination, historical beauties and attractions in the destination, outdoor touristic activities conducted at the destination, indoor touristic activities conducted at the destination, climatic characteristics of the destination, tourism info services at the destination, local cultural characteristics of the destination, the variety of the cuisine culture in the destination, entertainment and excursion opportunities at the destination, touristic image and the recognition of the destination, nightlife opportunities at the destination, adventure and sports opportunities at the destination, shopping opportunities at the destination, variety of activities and services for children at the destination, the beauty of the landscape in the destination, and the adequacy of the health services in the destination. *Hospitality Level (HL)* dimension was composed of the statements related to the touristic atmosphere in the destination, feeling serenity at the destination, feeling safe at the destination, the attitude of the local people living in the destination towards tourists, the attitude of the touristic officials towards female tourists, and the attitude of the tradesmen in the destination towards tourists. *General Touristic Price Level (GTPL)* dimension was generally composed of the statements related to accommodation prices in the destination, prices of transportation opportunities, prices of food and beverages, prices of souvenirs, and the prices of entertainment facilities.

Besides, Independent-Samples T-Test *(independent samples difference test)* and One-Way ANOVA *(one-way analysis of variance)* were employed to measure the differences in demographic variables of domestic tourists in the context of relevant dimensions, and the *Paired Samples T-Test (dependent sample difference test)* was applied to detect differences between pre-purchase expectations and post-purchase evaluations. The t-test applied for the difference tests in the studies is utilized to determine whether or not there is a significant difference between the two groups' responses (Ural and Kilic, 2005:169). Levene test is applied before the application of the t-test to test the equality of the variances of the groups. If the Levene test, also known as the homogeneity test, is accepted, the calculated t statistic value differs from the calculated t statistic value when the Levene test is rejected.

While the t-test is utilized to compare the means of two independent groups, one-way analysis of variance for independent samples (ANOVA) is used to test whether or not the means of two or more groups with a single independent variable differ from each other. (Durmus et al., 2010:124). In this study, the t-test and the one-way analysis of variance were utilized to analyze the differences.

RESULTS

To make a general assessment of the demographic characteristics of the research participants, the frequency analysis was primarily performed and the results are given in Table 1.

Table 1. Distributions Regarding Demographic Features (n=225)

Demographic Characteristics		Number	Percentage
Gender	Female	106	47.1
	Male	119	52.9
Marital Status	Single	77	34.2
	Married	148	65.8
Age	15-24 Age Range	29	12.9
	25-60 Age Range	139	61.8
	61 Years and Older	57	25.3
Educational Level	Primary School	19	8.4
	High School	62	27.6
	Associate Degree	45	20.0
	Bachelor's Degree	74	32.9
	Postgraduate	25	11.1
Occupation	Student	29	12.9
	Owner of the Business	40	17.8
	Private Sector Employee	55	24.4
	Public Employee	53	23.6
	Retired	48	21.3
Monthly Income	2,500TL and Less	56	24.9
	Between 2.501TL-5.000TL	105	46.7
	5,001TL and Above	64	28.4
Accommodation Type	5-Star Hotel	67	29.8
	3-Star Hotel	45	20.0
	Apart Hotel	42	18.7
	Hostel	71	31.6
Number of Visits to Destination	My First Visit	156	69.3
	My Second Visit	69	30.7
Destination Assessment Level	First Time I am Visiting	156	69.3
	Very Satisfied	31	13.8
	Generally Satisfied	38	16.9
Destination Recognition Level	Very Familiar	105	46.7
	I Have a General Opinion	120	53.3
People You are Spending Your Vacation With	I am Alone	17	7.6
	With my Spouse	64	28.4
	With my Spouse and Children	55	24.4
	With my Family (Parents)	29	12.9
	With my Girlfriend-Boyfriend	23	10.2
	With My Friend Group	37	16.4
Destination Choice Reason	Close to Where I Live	72	32.0
	Affordable	57	25.3
	On Recommendation	53	23.6
	Satisfied Before	43	19.1
Overall Satisfaction Level	Yes	108	48,0
	No	117	52.0
Intention to Revisit	Yes	98	43.6
	No	127	56.4
	Total	**225**	**100**

Gender variable (t-test); except for the dimensions of AOCS expectation (.016), TS expectation (.045), TAA expectation (.044), and TS assessment (0.36), no significant difference was detected between the tourists' gender variable and the dimensions of the study. According to this, it was determined that in the dimension of AOCS expectation, female tourists ($\tilde{x}$= 39.77) compared to male tourists ($\tilde{x}$= 39.57), and again, in terms of TS expectation, female tourists ($\tilde{x}$= 26.70) compared to male tourists ($\tilde{x}$= 26.26) had higher levels of expectation. And as for TAA expectation dimension, it was determined that male tourists ($\tilde{x}$= 70.42) had higher levels of expectation compared to female tourists ($\tilde{x}$= 70.28). In TS assessment dimension, it was observed that female tourists' expectations ($\tilde{x}$= 23.30) were met at a higher level compared to male tourists' expectations ($\tilde{x}$= 22.78).

Table 2. T-Test Analysis in Terms of Gender Variable

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**t**	**P**
AOCS Exp.	Female	39,77	,495	,482	2,651	*,016*
	Male	39,57				
TS Exp.	Female	26,70	,008	,927	1,931	*,045*
	Male	26,26				
TAA Exp.	Female	70,28	3,242	,073	2,326	*,044*
	Male	70,42				
TS Ass.	Female	23,30	,319	,573	3,223	*,036*
	Male	22,78				

Marital status variable (t-test); except for GCP expectation (.044), HL assessment (.016), and GTPL assessment (.022) dimensions, no significant difference was observed between the tourists' marital status variable and the dimensions of the study. In the dimension of GCP expectation, it was determined that married tourists ($\tilde{x}$= 26.37) had higher levels of expectation compared to single tourists ($\tilde{x}$= 26.02). It was found that married tourists ($\tilde{x}$= 24.63) evaluated the HL assessment dimension more positively and at a higher level compared to single tourists ($\tilde{x}$=24.41), and similarly, married tourists ($\tilde{x}$= 16.52) evaluated the GTPL assessment dimension more positively compared to single tourists ($\tilde{x}$= 15.97).

Table 3. T-Test Analysis in Terms of Marital Status Variable

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**t**	**P**
GCP Exp.	Single	26,02	,250	,617	2,684	*,044*
	Married	26,37				
HL Exp.	Single	24,41	2,498	,115	2,821	*,016*
	Married	24,63				
GTPL Ass.	Single	15,97	1,783	,183	2,311	*,022*
	Married	16,52				

Number of visits to the destination variable (t-test); except for the dimensions of AOCS expectation (.043), GCP expectation (.008), TAA expectation (.004) and HL assessment (.045), no significant difference was observed between the tourists' number of visits to the destination variable and the dimensions of the study. It was determined that the tourists who visited the destination for the second time ($\tilde{x}$= 40.05) had higher levels of expectation compared to tourists visiting for the first time ($\tilde{x}$= 39.50) terms of AOCS expectation dimension; similarly, the tourists who visited the destination for the second time ($\tilde{x}$= 26.65) had higher levels of expectation compared to tourists visiting for the first time ($\tilde{x}$= 26.08) in terms of GCP expectation dimension; and likewise, the

tourists who visited the destination for the second time ($\tilde{x}$= 71.30) had higher levels of expectation compared to tourists visiting for the first time ($\tilde{x}$= 69.94) in terms of TAA expectation dimension. It was determined that the tourists who visited the destination for the second time ($\tilde{x}$= 24.94) evaluated the HL assessment dimension more positively and at a higher level compared to tourists visiting for the first time ($\tilde{x}$= 24.39).

Table 4. T-Test Analysis in Terms of Number of Visits to the Destination

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**t**	**P**
AOCS Exp.	My First Visit	39,50	2,095	,149	2,742	*,043*
	My Second Visit	40,05				
GCP Exp.	My First Visit	26,08	5,876	,016	2,666	*,008*
	My Second Visit	26,65				
TAA Exp.	My First Visit	69,94	3,040	,083	2,872	*,004*
	My Second Visit	71,30				
HL Ass.	My First Visit	24,39	,150	,699	2,019	*,045*
	My Second Visit	24,94				

Destination recognition level variable (t-test); except for the dimensions of AOCS assessment (.007) and TS assessment (.026), no significant difference was observed between the tourists' destination recognition variable and the dimensions of the study. It was observed that the tourists who had a general opinion about the destination (x̃= 35.45) evaluated the AOCS assessment dimension more positively and at a higher level compared to the tourists who stated that they knew the destination very well (x̃= 34.74), whereas the tourists who stated that they knew the destination very well (x̃= 23.21) evaluated the TS assessment dimension more positively an at a higher level compared to tourists who had a general opinion about the destination (x̃= 22.86).

Table 5. T-Test Analysis in Terms of Destination Recognition Level

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**t**	**P**
AOCS Ass.	Very Familiar	34,74	3,932	,049	2,814	*,007*
	I Have a General Opinion	35,45				
TS Ass.	Very Familiar	23,21	,113	,737	2,266	*,026*
	I Have a General Opinion	22,86				

Age variable (ANOVA); it was determined that in terms of AOCS expectation dimension (.027), the tourists between the ages of 25-60 (x̃= 39.85) had higher expectations compared to tourists aged 61 and over (x̃= 39.45), and tourists between the ages of 15-24 (x̃= 39.20). And in terms of HL expectation dimension (.030), it was determined that tourists between the ages of 15-24 (x̃= 27.24) had higher expectations compared to tourists aged 61 and over (x̃= 26.35) and tourists between the ages of 25-60 (x̃= 26.31).

Table 6. ANOVA Analysis in Terms of Age Variables

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**F**	**P**
AOCS Exp.	15-24 Age Range	39,20	,817	,443	2,381	*,027*
	25-60 Age Range	39,85				
	61 Years and Older	39,45				
HL Exp.	15-24 Age Range	27,24	,525	,592	3,573	*,030*
	25-60 Age Range	26,31				
	61 Years and Older	26,35				

Education variable (ANOVA); in terms of TS expectation dimension (.049), it was observed that tourists with high school education (x̃= 26.83) and associate degree (x̃=26.80) developed a higher level of expectation compared to tourists with postgraduate (x̃= 26.56) and undergraduate degree (x̃= 26.02). It was determined that in terms of the GTPL expectation dimension (.013), the tourists with a postgraduate degree (x̃= 22.56) developed a higher level of expectation compared to tourists with primary school education (x̃= 21.57). And for the dimensions of GCP assessment (.033) and TAA assessment (.011), the tourists with primary school education (GCP: x̃= 24.05; TAA: x̃=53.63) evaluated more positively and at a higher level compared to tourists with high school education (GCP: x̃= 23.25; TAA: x̃= 50.59), associate degree (GCP: 23.06; TAA: x̃= 50.93), and postgraduate degree (GCP: 23.76; TAA: x̃= 50.64).

Table 7. ANOVA Analysis in Terms of Education Variables

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**F**	**P**
TS Exp.	Primary School	26,15	1,197	,313	2,626	*,049*
	High School	26,83				
	Associate Degree	26,80				
	Bachelor's Degree	26,02				
	Postgraduate	26,56				
GTPL Exp.	Primary School	21,57	1,935	,106	2,492	*,013*
	High School	22,41				
	Associate Degree	22,11				
	Bachelor's Degree	22,01				
	Postgraduate	22,56				
GCP Ass.	Primary School	24,05	4,559	,101	2,310	*,033*
	High School	23,25				
	Associate Degree	23,06				
	Bachelor's Degree	23,82				
	Postgraduate	23,76				
TAA Ass.	Primary School	53,63	2,054	,088	4,341	*,011*
	High School	50,59				
	Associate Degree	50,93				
	Bachelor's Degree	52,13				
	Postgraduate	50,64				

Occupation variable (ANOVA); in terms of AOCS expectation dimension (.047), it was determined that the tourists who were self-employed (x̃= 39.95) developed a higher level of expectation compared to the tourists who were students (x̃= 39.44) and retired (x̃= 39.41), while the tourists who were public employees (x̃= 26.49) developed higher levels of expectation compared to tourists employed in the private sector (x̃= 26.29) and retired tourists (x̃= 26.16), in terms of HL expectation dimension (.040). And in terms of the GTPL expectation dimension (.010), it was determined that the tourists who were self-employed (x̃= 22.50) developed higher levels of expectation compared to tourists employed in the private sector (x̃= 21.89), and tourists employed in the public sector (x̃= 21.77).

Table 8. ANOVA Analysis in Terms of Occupation Variables

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**F**	**P**
AOCS Exp.	Student	39,44	2,449	,802	3,410	*,047*
	Owner of the Business	39,95				
	Private Sector Employee	39,72				
	Public Employee	39,75				
	Retired	39,41				
HL Exp.	Student	27,20	2,042	,120	2,854	*,040*
	Owner of the Business	26,37				
	Private Sector Employee	26,29				
	Public Employee	26,49				
	Retired	26,16				
GTPL Exp.	Student	22,51	3,408	,068	2,222	*,010*
	Owner of the Business	22,50				
	Private Sector Employee	21,89				
	Public Employee	21,77				
	Retired	22,43				

Income variable (ANOVA); it was determined that in terms of AOCS expectation dimension (.008), the tourists with a monthly income of 5,001 TL and above (x̃= 39.96) developed a higher level of expectation compared to tourists with a monthly income of 2,501 TL-5,000 TL (x̃= 39.61), and tourists with a monthly income of 2,500 TL and less (x̃= 39.42). In terms of TAA expectation (.039), it was determined that the tourists with a monthly income of 2,501 TL-5,000 TL (x̃= 70.61) developed a higher level of expectation compared to the tourists with a monthly income of 2,500 TL and less (x̃= 69.73). It was observed that in terms of AOCS assessment dimension and TAA evaluation dimension (AOCS: .003; TAA: .005), the tourists with a monthly income of 2,501 TL and less (AOCS: x̃= 36.17; TAA: x̃= 51.69) evaluated more positively compared to the tourists with a monthly income of 2,501 TL-5,000 TL (AOCS: x̃= 35.00; TAA: x̃= 51.60), and the tourists with a monthly income of 5,001 TL and above (AOCS: x̃= 34.37; TAA: x̃= 50.92).

Table 9. ANOVA Analysis in Terms of Income Variables

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**F**	**P**
AOCS Exp.	2.500TL and Less	39,42	4,960	,395	2,933	*,008*
	Between 2.501TL-5.000TL	39,61				
	5.001TL and Above	39,96				
TAA Exp.	2.500TL and Less	69,73	3,281	,259	3,360	*,039*
	Between 2.501TL-5.000TL	70,61				
	5.001TL and Above	70,48				
AOCS Ass.	2.500TL and Less	36,17	3,105	,470	6,051	*,003*
	Between 2.501TL-5.000TL	35,00				
	5.001TL and Above	34,37				
TAA Ass.	2.500TL and Less	51,69	5,463	,380	4,970	*,005*
	Between 2.501TL-5.000TL	51,60				
	5.001TL and Above	50,92				

Accommodation type variable (ANOVA); it was determined that in terms of HL expectation dimension (.039), tourists who preferred apart hotel accommodation type (x̃= 27.09) developed

higher levels of expectation compared to tourists who preferred five-star hotel (x̃= 26.32) and a three-star hotel accommodation type (x̃= 26.06). And in terms of the GTPL assessment dimension (.004), it was detected that the tourists who preferred a three-star hotel (x̃= 16.68) and five-star hotel accommodation type (x̃= 16.43) evaluated more positively compared to tourists who preferred apart hotel accommodation type (x̃= 15.94).

Table 10. ANOVA Analysis in Terms of Accommodation Type Variables

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**F**	**P**
HL Exp.	5-Star Hotel	26,32	1,425	,236	2,838	*,039*
	3-Star Hotel	26,06				
	Apart Hotel	27,09				
	Hostel	26,40				
GTPL Ass.	5-Star Hotel	16,43	1,528	,208	2,079	*,004*
	3-Star Hotel	16,68				
	Apart Hotel	16,45				
	Hostel	15,94				

Assessment levels of previous visits to the destination variable (ANOVA); it was determined that in terms of AOCS assessment dimension (.036) and TS assessment dimension (.041), the tourists who stated that they were very satisfied with their previous visit to the destination (AOCS: x̃= 35.61; TS: x̃= 23.29) evaluated more positively compared to the tourists who visited the destination for the first time (AOCS: x̃= 35.08; TS: x̃= 22.99), and tourists who stated they were overall satisfied with their previous visit to the destination (AOCS: x̃= 34.86; TS: x̃= 22.97).

Table 11. ANOVA Analysis in Terms of Assessment Level of Previous Visits to the Destination Variables

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Levene**	**p**	**F**	**P**
AOCS Ass.	First Time I am Visiting	35,08	3,383	,556	2,588	*,036*
	Very Satisfied	35,61				
	Generally Satisfied	34,86				
TS Ass.	First Time I am Visiting	22,99	3,251	,758	3,277	*,041*
	Very Satisfied	23,29				
	Generally Satisfied	22,97				

Person or people with whom they were spending their holidays at the destination variable (ANOVA); it was observed that in terms of AOCS expectation dimension (.024), the tourists who were spending their holidays at the destination with their family (parents) (x̃= 39.93), with their girlfriend/boyfriend (x̃= 39.69), with their spouse and children (x̃= 39.67), and only with their spouse (x̃= 39.64) developed a higher level of expectation compared to tourists who were spending their holidays with their friend group (x̃= 39.56) and alone (x̃= 39.52). And in terms of the GTPL expectation dimension (.048), it was determined that the tourists who were spending their holidays at the destination with their friend group (x̃= 22.59) and alone (x̃= 22.41) had higher levels of expectation compared to tourists who were spending their holidays with their spouse and children (x̃= 22.03), with their girlfriend/boyfriend (x̃= 22.00), and their families (parents) (x̃= 21.89). In terms of AOCS assessment dimension (.010), it was determined that the tourists who were spending their holidays at the destination with their spouse and children (x̃= 35.78), alone (x̃= 35.29), and with their friend group (x̃= 3524) evaluated more positively compared to tourists who were spending their holidays with their spouse (x̃= 34.84), and their girlfriend/boyfriend (x̃=

34.21). Besides, in terms of HL assessment dimension (.014), it was observed that the tourists who were spending their holidays at the destination with their friend group (x̃= 24.70), with their families (parents) (x̃= 24.68), and with their spouse and children (x̃= 24.63) evaluated more positively compared to the tourists who were spending their holidays with their spouse (x̃= 24.50), with their girlfriend/boyfriend (x̃= 24.43), and alone (x̃= 24.17).

Table 12. ANOVA Analysis in Terms of the Person or People with Whom the Tourists Were Spending Their Holidays Together at the Destination Variables

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Lev.**	**p**	**F**	**P**
AOCS Exp.	I am Alone	39,52	2,656	,990	2,110	*,024*
	With my Spouse	39,64				
	With my Spouse and Children	39,67				
	With my Family (Parents)	39,93				
	With my Girlfriend-Boyfriend	39,69				
	With My Friend Group	39,56				
GTPL Exp.	I am Alone	22,41	1,600	,527	2,833	*,048*
	With my Spouse	22,15				
	With my Spouse and Children	22,03				
	With my Family (Parents)	21,89				
	With my Girlfriend-Boyfriend	22,00				
	With My Friend Group	22,59				
AOCS Ass.	I am Alone	35,29	1,822	,328	2,163	*,010*
	With my Spouse	34,84				
	With my Spouse and Children	35,78				
	With my Family (Parents)	34,93				
	With my Girlfriend-Boyfriend	34,21				
	With My Friend Group	35,24				
HL Ass.	I am Alone	24,17	2,939	,938	3,253	*,014*
	With my Spouse	24,50				
	With my Spouse and Children	24,63				
	With my Family (Parents)	24,68				
	With my Girlfriend-Boyfriend	24,43				
	With My Friend Group	24,70				

Destination preference reasons variable (ANOVA); it was determined that in terms of AOCS expectation dimension (.044), the tourists who preferred the destination again due to their satisfaction with their previous visit (x̃= 39.81) and tourists who preferred it on recommendation (x̃= 39.79) developed higher levels of expectation compared to the tourists who preferred it because it was affordable (x̃= 39.31). In terms of TS expectation dimension (.011), it was determined that the tourists who preferred the destination again due to their satisfaction with their previous visit (x̃= 27.23) and tourists who preferred it because it was close to where they lived (x̃= 26.38) had higher levels of expectation compared to tourists who preferred it because it was affordable (x̃= 26.29) and tourists who preferred it on recommendation (x̃= 26.16). And in terms of GTPL assessment dimension (.009), it was found that the tourists who preferred the destination on recommendation (x̃= 16.84) and the tourists who preferred the destination again due to their satisfaction with their previous visit (x̃= 16.30) evaluated more positively compared to tourists who preferred the destination because it was affordable (x̃= 15.94).

Table 13. ANOVA Analysis in Terms of the Destination Preference Reasons Variables

			Equality of Variance Test			
Factor	**Groups**	**x̃**	**Lev.**	**p**	**F**	**P**
AOCS Exp.	Close to Where I Live	39,77	2,348	,585	2,648	*,044*
	Affordable	39,31				
	On Recommendation	39,79				
	Satisfied Before	39,81				
TS Exp.	Close to Where I Live	26,38	1,189	,315	3,768	*,011*
	Affordable	26,29				
	On Recommendation	26,16				
	Satisfied Before	27,23				
GTPL Asss.	Close to Where I Live	16,27	3,945	,146	2,701	*,009*
	Affordable	15,94				
	On Recommendation	16,84				
	Satisfied Before	16,30				

According to the result of the dependent sample t-test conducted to determine whether or not the dimensions related to the pre-purchase expectations of the domestic tourists included in the study and the dimensions of the post-purchase evaluation of the destination differed, it was determined that in all dimensions of the study (AOCS, TS, GCP, TAA, HL, GTPL), the assessment levels of domestic tourists were below their expectation levels.

Table 14. Gap Analysis of Tourists According to EBDP and PPA Dimensions

Factor	**Groups**	**x̃ (Mean)**	**t**	**p**	**D-B**
AOCS	Expectations (E)	39,67	19,760	*,000*	*-4,55*
	Assessment (A)	35,12			
TS	Expectations (E)	26,47	20,466	*,000*	*-3,44*
	Assessment (A)	23,03			
GCP	Expectations (E)	26,25	18,586	*,000*	*-2,73*
	Assessment (A)	23,52			
TAA	Expectations (E)	70,36	63,272	*,000*	*-18,93*
	Assessment (A)	51,43			
HL	Expectations (E)	26,44	11,295	*,000*	*-1,88*
	Assessment (A)	24,56			
GTPL	Expectations (E)	22,16	38,417	*,000*	*-5,83*
	Assessment (A)	16,33			

Domestic tourists' expectations of post destination purchase outweighed their assessments of post destination purchase in terms of accommodation and catering services (x̃= 39.67> 35.12), transportation services (x̃= 26.47> 23.03), general cleaning and preservation (x̃= 26.25> 23.52), touristic activities and attractions (x̃= 70.36> 51.43), hospitality level (x̃= 26.44> 24.56) and general touristic price level (x̃= 22.16> 16.33), thus their the pre-purchase expectations of the destination could not be met. According to this result, all research hypotheses were accepted.

The following are the statements that constituted the dimensions of the research on which domestic tourists made the lowest-level evaluations: accessibility of accommodation businesses (x̃= 3.83), check-in/out duration of accommodation facilities (x̃= 3.85), the cleanliness of the sea at the destination (x̃= 3.76), the cleaning of the beaches at the destination (x̃= 3.88), natural beauties and attractions in the destination (x̃= 3.92), climatic characteristics of the destination (x̃= 3.86), local cultural characteristics of the destination (x̃= 3.88), adequacy of health services at the

destination (x̃= 3.80), feeling serenity at the destination (x̃= 3.90) and feeling safe at the destination (x̃= 3.87). And the other research statements were evaluated close to or below the meeting of the expectations level by domestic tourists.

CONCLUSION AND DISCUSSION

The main purpose of this study was to determine the differences between the expectations and experiences of domestic tourists regarding the services offered to tourists visiting Igneada destination and to evaluate the differences between these services and the demographic variables of domestic tourists, if any. The important results obtained as a result of the analyses performed in this context are as follows:

In general, Igneada destination is visited by domestic tourists who are in the young and middle-aged group (62%), are with a monthly income of 2,501 TL and 5,000 TL (47%), are mostly private and public sector employees (48%), are traveling with their spouse (25%) or both with their spouse and children (24%), preferred the destination because it is close to where they live (32%), and preferred the destination because it is affordable (25%).

The destination for the vast majority of tourists (69%) was their first visit. 52% of these tourists were generally not satisfied with their visit and stated that they would not intend to revisit (56%). The rate of revisiting the destination was about 30% among the tourists who left very satisfied with their previous visit or were generally satisfied with their previous visit. These results are valuable in terms of showing the existence and direction of the relationship between the overall satisfaction level with the destination and the intention to repurchase the destination. Accordingly, the general satisfaction level of the tourists affects the tourists' intention to visit the destination in direct proportion. These results are consistent with the results of the studies in the literature (Chon and Olsen, 1991; Tribe and Snaith, 1998; Kozak and Rimmington, 2000; Ozturk, 2004; Atilgan et al., 2004; Moutinho et al., 2012; Vetitnev et al., 2013; Beqiri et al., 2014; Beqiri et al., 2014; Bjork and Kaupinnen-Raisanen, 2016).

Among the visitors of the destination, female tourists compared to male tourists, tourists who were visiting for the second time compared to tourists who were visiting for the first time, the tourists with higher income compared to the tourists with lower income, and the tourists between the ages of 25-60 compared to tourists from other age groups had higher levels of expectation of accommodation services.

In terms of transportation services, tourists with undergraduate and postgraduate education had higher expectations than tourists in other education groups, and so did the male tourists compared to female tourists. In terms of assessing the dimension of hospitality, it was determined that tourists who visited the destination for the second time evaluated more positively than tourists who visited the destination for the first time, and so did the married tourists compared to single tourists.

Tourists with higher education levels evaluated the general cleaning and preservation services less positively. According to the assessment levels of domestic tourists included in the research, it was concluded that their pre-purchase expectations were not met in terms of accommodation, transportation, general cleanliness and preservation, touristic activities and attractions, hospitality, and touristic price levels. The studies that could be done to reverse this condition are of intense importance in terms of improving the image of the destination and enhancing the revisiting intentions of tourists (Chon and Olsen, 1991; Danaher and Arweiler, 1996; Tribe and Snaith, 1998; Khan, 2003; Frimpong Owusu et al., 2013).

It is thought that this study conducted shall contribute to the relevant destination, literature and future studies. Yet, the research could not be applied to a larger sample size due to financial

resource impediments and time constraints. For this reason, increasing the nationality diversity of the tourists included in the study and broadening the sample size of the research in future studies would make a positive contribution in terms of the generalization of the study results. The scale applied in the research is quite comprehensive in terms of measuring the tourists' pre-purchase expectations and post-purchase assessments of the destination. On the other hand, it would enable evaluating the destinations in terms of different variables via changes in demographic variables.

REFERENCES

Albert da Silva, M., Costa, R.A. and Moreira, A.C. (2018). The Influence of Travel Agents and Tour Operators' Perspectives on a Tourism Destination: The Case of Portuguese Intermediariers on Brazil's Image, *Journal of Hospitality and Tourism Management,* 34: 93-104.

Atilgan, E., Akici, S. and Aksoy, S. (2003). Mapping Service Quality in the Tourism Industry, *Managing Service Quality: An International Journal,* 13(5): 412-422.

Bjork, P. and Kauppinen-Raisanen, H. (2016). Local Food: A Source for Destination Attraction, *International Journal of Cotemporary Hospitality Management,* 28(1): 177-194.

Beqiri, M., Borici, A., Borici, A. and Dergjini, A. (2014). An Empirical Study of Service Quality Factors Impacting Tourist Satisfaction and Loyalty: Velipoja Tourist Destination, *TMC Academic Journal,* 8(2): 36-48.

Chon, K. and Olsen, D.M. (1991). Functional and Symbolic Congruity Approaches to Consumer Satisfaction/Dissatisfaction in Tourism, *Journal of the International Academy of Hospitality Research,* 3: 2-20.

Danaher, J.P. and Arweiler, N. (1996). Customer Satisfaction in the Tourist Industry A Case Study of Visitors to New Zealand, *Journal of Travel Research,* 35*:* 89-93.

Durmus, B., Yurtkoru, E.S. and Cinko, M. (2010). *Sosyal Bilimlerde SPSS'le Veri Analizi.* 3. Edition, *İstanbul:* Beta Publishing.

Eren, S. and Kozak, N. (2018). Competitive Positioning of Winter Tourism Destinations: A Comparative Analysis of Demand and Supply Sides Perspectives-Cases From Turkey, *Journal of Destination Marketing & Management,* 9: 247-257.

Erkus, A. (2011). *Davranış Bilimleri İçin Bilimsel Araştırma Süreci.* 3. Edition, *Ankara:* Seçkin Publishing.

Frimpong-Owusu, N., Nwankwo, S., Blankson, C. and Tarnanidis, T. (2013). The Effect of Service Quality and Satisfaction on Destination Attractiveness of Sub-Saharan African Countries: The Case of Ghana, *Current Issues in Tourism,* 16(7-8): 627-646.

Halis, M. and Turkay, O. (2009). Turizm İşletmelerinin Pazarlamasında Doğrulama (Confirmation), (Editor), Avcikurt C., Demirkol S. and Zengin B.: *Turizm İşletmelerinin Pazarlamasında 7P ve 7C* in (pp.399-418) İstanbul: Değişim Publishing.

Hau C.T. and Omar, K. (2014). The Impact of Service Quality on Tourist Satisfaction: The Case Study of Rantau Abang Beach as a Turtle Sanctuary Destination, *Mediterrenean Journal of Social Science,* 5(23): 1827-1832.

https://igneada.bel.tr/sayfa/tarihce/> [Available at: 20.08.2019].

Khan, M. (2003). Ecoserv: Ecotourists' Quality Expectations, *Annals of Tourism Research,* 30(1): 109-124.

Khan, H.A., Hague, A., and Rahman, S.M. (2013). What Makes Tourists Satisfied? Empirical Study on Malaysian Islamic Tourist Destination, *Middle-East Journal of Scientific Research,* 14(12): 1631-1637.

Kozak, M. and Rimmington, M. (2000). Tourist Satisfaction with Mallorca, Spain, as an Off-Season Holiday Destination, *Journal of Travel Research,* 38: 260-269.

Kozak, M. (2001). Comparative Assessment of Tourist Satisfaction with Destinations Across Two Nationalities, *Tourism Management,* 22(4): 391-401.

Kozak, N. (2008). *Turizm Pazarlaması.* 2. Edition, *Ankara:* Detay Publishing.

Kweyne, J.M. and Freimund, W. (2016). Domestic Tourists' Loyalty to a Local Natural Tourist Setting: Examining Predictors from Retional and Transactional Perspectives Using a Zambian Context, *Tourism Management Perspectives,* 20: 161-173.

Marin, A.J. and Teberner, G.J. (2013). *Satisfaction and Dissatisfaction with Destination Attributies: Influence on Overall Satisfaction and the Intention to Return.* [Online] http://www.esade.edu/cedit/pdfs/papers/pdf6.pdf> [Available at: 12.09.2019].

Martinez-Perez, A., Elche, D. and Garcia-Villaverde, P.M. (2019). From Diversity of Interorganizational Relationships to Radical Innovation in Tourism Destination: The Role of Knowledge Exploration, *Journal of Destination Marketing&Management,* 11: 80-88.

Moutinho, L., Albayrak, T. and Caber, M. (2012). How Far Does Overall Service Quality of a Destination Affect Customers' Post-Purchase Behaviours?, *International Journal of Tourism Research,* 14(4): 307-322.

Ozturk, B.A. (2004). *Kızkalesi Yöresinde Tatilini Geçiren Turistlerin Memnuniyetlerini Etkileyen Faktörler*, Unpublished Master's Thesis, Mersin University, Mersin.

Secilmis, C. (2012). Termal Turizm Destinasyonlarından Duyulan Memnuniyet Düzeyinin Tekrar Ziyaret Niyetine Etkisi: "Sakarıılıca Örneği", *Elektronik Sosyal Bilimler Dergisi,* 11(39): 231-250.

Shen, Y., Joppe, M., Choi, H.C. and Huang, S. (2018). Domestic Tourism of Chinese in Canada: Distinct Differences. *Journal of Destination Marketing&Management,* 8: 125-136.

Rajaratnam, D.S., Munikrishnan, T.U., Sharif, P.S., and Nair, V. (2014). Service Quality and Previous Experince as a Moderator in Determining Tourists' Satisfaction with Rural Tourism Destinations in Malaysia: A Partial Least Squares Approach, *Procedia: Social and Behavioral Science,* 144: 203-211.

Tribe, J. and Snaith, T. (1998). From Servqual to Holsat: Holiday Satisfaction in Varadero Cuba, *Tourism Management,* 19(1): 25-34.

Ural, A. and Kilic, İ. (2005). *Bilimsel Araştırma Süreci ve SPSS ile Veri Analizi. Ankara:* Detay Publishing.

Vetitnev, A., Romonova, G., Matushenko, N. and Kvetenadze, E. (2013). Factors Affecting Domestic Tourists' Destination Satisfaction: The Case of Russia Resorts, *World Applied Sciebce Journal,* 22(8): 1162-1173.

Yoon, Y. and Uysal, M. (2005). An Examination of the Effects of Motivation and Satisfaction on Destination Loyalty: An Structural Model, *Tourism Management,* 26(1): 45-56.

Journal of Management and Economic Studies
2020, 2(2): 129-134 DOI: 10.26677/TR1010.2020.607
Journal Homepage: https://www.jomaes.org

Human Capital Development Reforming Managerial Actions

Nasser Fegh-hi Farahmand
Department of Management, Tabriz Branch, Islamic Azad University, Tabriz, Iran
farahmand@iaut.ac.ir

Abstract

Planning daintiness strategy implementation, which is leading the content-based approach, can identified as the determination of clear-cut behavioral actions in advance that results in successful organizational outcomes in the global marketplace. This paper about human capital development reform in managerial actions describes the corporate-wide approach to human capital development reform at actions. Policy is a part of human capital development reform. Human capital development reform, referring to the internal systematic approach of the organization's human capital development reform to strive for daintiness performance excellence, and policy referring to all those measures through which one creates and strengthens confidence and trust in outsiders, especially customers, towards the organization's abilities and products. The daintiness managers are those who inspire followers to transcend their own self-interests, and who are capable of having a profound and extraordinary effect on their followers. The paper reviews the daintiness strategy implementation, strategic control, daintiness metrics, and daintiness channels.

Keywords: human capital development reform, managerial actions

1. Introduction

The reality is that traditional daintiness implementation approaches have failed. To begin with, a significant number of academic institutions, specially the universities, as also actions and medical institutions, would select this support to make an impact.

The factors those are required for building with supervisor, which are competence, communication, consistency, credibility and integrity.

Planning daintiness strategy implementation, which is leading the content-based approach, can identified as the determination of clear-cut behavioral actions in advance that results in successful organizational outcomes in the global marketplace. Whereas, daintiness strategy implementation suggests the utilization of trial and error method for capturing the highly valued advantages that emerge along with the strategies implemented.

The policy, state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another. Organizational actions selected special support to raise the standard of teaching and research.

The literature provides substantial empirical evidence regarding the positive relationship between trust in leader and human capital development reform. (Evans, et al, 2005:96-104; Fegh-hi Farahmand, 2017: 28 – 44; Fegh-hi Farahmand, 2018: 1 – 17)

Strategic daintiness science and daintiness policies development human capital development reform in managerial actions is gaining increasing importance, both because of the realization of the central role of science and technology, which requires long-term investment, in economic and social development, and the need to manage scarce empowerment for optimal results over the long time span.

2. Infrastructure for organizational technology human capital

A major initiative to modernize the infrastructure for organizational technology human capital development reform and actions in academic institutions will be undertaken.

Organizational empowerment appraisal as perhaps the most central managerial human ware empowerment and development function is required to justify a wide range of decisions such as selection, compensation, promotions and training. (Fegh-hi Farahmand, 2015: 56-69;Fegh-hi Farahmand, 2001: 21-123)

Relationship of human capital development and development exhausting to work attitudes, job performance and organizational citizenship behaviors is important.

Similarly, daintiness managers are parental figures who protect their followers, maximize the group's benefit by creating a family atmosphere in workplace, and establishing individualized relationships with their subordinates and involving in work domains. These behaviors of transformational and paternalistic leaders are likely to be consistent with daintiness managers behaviors described to build trust among followers; which are appreciating and protecting rights of followers and behaving in a way that others would benefit.

2-1. Human capital development reform

Organizational human capital development reform is advancing at a very fast pace, and obsolescence of physical infrastructure, as of skills and competence, take place rapidly.

Steps will taken to network the existing infrastructure, investments and intellectual strengths, wherever they exist, to achieve flexible and optimal utilization, and constantly upgrade them to meet changing needs.

In regards to director development issues about human capital development reform in managerial actions, two board programs examined that aim to supporting director development of human capital development reform orientation and education programs. By examining these issues, aim is contribute to the literature on governance by providing much needed empirical evidence on board functioning, particularly on information-related issues. (Valizadeh Oghani, et al, 2020: 1 – 12; Fegh-hi Farahmand, 2015: 56-68)

The defined as increased intrinsic task motivation manifested in four cognitions: meaning, competence, self- determination, and impact.

The human capital development reform refers to hierarchical relationships in which the role of the leader is to provide care, protection, and guidance in work areas of employees' lives and the role of the subordinate is to be loyal and deferent towards the leader.

The reality is that traditional daintiness implementation approaches have failed. The daintiness implementation is a critical link between formulation of daintiness strategies and the achievement of superior organizational performance. (Yousefzadeh Beiragh , et al, 2020: 1940-1949; Evans, et al, 2005:96-104; Fegh-hi Farahmand, 2001: 21-123)

This paper focuses on the daintiness strategy implementation strategies implemented in actions. It argued that globalization has resulted in rapid diffusion of high performance practices transforming daintiness strategy implementation especially those actions functioning in the international arena. The critical step in the empowerment process is to create a work environment within a broader managerial actions context that provides opportunity to exercise one's full range of authority and power and daintiness managers is one of the most significant contributors for creation of such an environment.

One of the key issues about human capital development reform in managerial actions from the perspective of employees to feel empowered is to trust in their supervisors' intentions and competency as well as the accuracy of information they gather. The focus is on human capital development reform specific processes meant to reduce information asymmetry, information human capital development reform and director development. When examining information human capital development reform issues. (Fegh-hi Farahmand, 2015: 56-69;Fegh-hi Farahmand, 2001: 21-123)

The main argument here remains that human ware empowerment and organizational workers purpose is to acquire perfection under the circumstances the individual faces, postulates those occasions, which is in direct opposition.

Capturing achievements and perfection strengthens human ware empowerment and organizational workers and at the same time, human ware empowerment cracks may come into existence because of the weakening role of human ware empowerment and development. (Evans, et al, 2005:96-104; Fegh-hi Farahmand, 2017: 28 – 44; Fegh-hi Farahmand, 2018: 1 – 17)

The meaning of human ware empowerment and development and founding of a new organization closely related to each other.

As a result, the relation between human ware empowerment and organizational workers and the environment becomes the fundamental issue of entrepreneurship through displaying characteristics of the need for achievement, which may be associated with the harmony among these constructs.

Findings generally confirmed that efforts towards improving information human capital development reform systems and board development programs resulted in increased strategy involvement.

2-2. Human capital development reform

The daintiness persons with better knowledge of human capital development reform thought to be a valuable resource in the modern labor markets.

Since the daintiness informing attempts to improve acceptance of human capital development reform, research under the daintiness model mainly focused on strategies for science communication.

Instead of taking daintiness persons ignorance granted the human capital development reform. The realization of organizational goals that are designed human capital development reform in advance and emergence of organizational goals that unintentionally occur on its own accord may both dominate strategy formation during the distinctive phases embedded in an industry.

In fact, comfort organizations influence whether or not those organizations engage in organizational knowledge management planning. In this field, the focus is on the special characteristics of benevolent superintendence such as education type and level. (Valizadeh Oghani, et al, 2020: 1 – 12; Fegh-hi Farahmand, 2015: 56-68)

The focuses about human capital development reform in managerial actions are on the relationship between organizational knowledge management policy and strategic benevolent superintendence. Although development of models appropriate for organizational knowledge management policy appeared to be of requirement, previous researches in this field have rarely considered it.

Therefore, in the current study, using an organizational knowledge management policy, but related fields of study have combined to each other, and a new model in this field proposed by employing an exploratory methodology. In organizational knowledge management strategy a substantial modification of organization and its products are required, i.e., high organizational knowledge management policy. (Evans, et al, 2005:96-104; Fegh-hi Farahmand, 2019: 40 – 44)

These modified products presented to current customers though the existing channels, thus, there is no fundamental need for the investigation of external environment and affairs, and organization should give priority to considering the internal environment.

3. Methodology

Human capital development reform in managerial actions substantial body of research studies has conducted on organizational knowledge management policy and strategy separately.

Furthermore, this study provides off the new idea of examining the relationship between organizational knowledge management policy and prioritization of internal or external environments. The knowledge management field is now giving high priority to developing knowledge management metrics. (Valizadeh Oghani, et al, 2020: 1 – 12; Fegh-hi Farahmand, 2015: 56-68)

The role of knowledge management is to implement knowledge management strategy. Effective organizational knowledge management policy is one of the important factors in comfort organizations success human capital development reform in managerial actions as Figure 1.

Figure 1.Human capital development reform in managerial actions

This strategy type emphasizes high corporate organizational knowledge management policy, as a result, suggests organizations to encourage knowledge management policy, and constantly look for new products and markets, that is, to prioritize external environment to attract new markets with novel attributes. Knowledge management policy strategy aims at exploiting the synergy

resulted from several organizations' integration for offering some distinct products cooperatively.

The algebraic sum of outcome obtained from this cooperation is more than the total outcome of those organizations' activities individually.

Homogenous Diversification strategy: diversification strategy implicates an organization's attempts for adding new but related products and services to its existing ones.

Organizational knowledge management policy as key performance factor strategy is concerned with maintenance of the status quo.

The organizational human capital development reform is an important factor in entrepreneurship and enterprise development in general and human capital development reform in particular, which enhances its importance and commitment of the profession to society. (Valizadeh Oghani, et al, 2020: 1 – 12; Fegh-hi Farahmand, 2019: 130 – 143)

Human capital development reform in managerial actions promotes a program that encourages entrepreneurial generation of ideas for creating new businesses, achievable in terms of their own managerial development goals in order to contribute to solving social, economic, political, cultural. Entrepreneurship and develop creative skills in human capital development reform from the first cycle of training through contact with employers and advisory services to small businesses.

4. Conclusions

Actions tend to make different decisions about contingency, or variability. In general, actions implement incentive compensation systems that provide rewards to employees for meeting specific goals. The human capital development reform as important managerial actions factor is highly sought. It started as an intern before finishing his career, allowing you to enter and have extensive experience in the managerial field and then organizational human capital development reform have large amounts of development within them.

Benevolent superintendence combining prioritization of internal and external environments with organizational knowledge management policy in one matrix possessed strategic options, from which organizations can choose a proposed strategy according to their organizational knowledge management policy and prioritization. Selection of a strategy with respect to a organization's situation, in addition to enabling the organization to develop, and effectively accomplish its goals, could indicate the direction towards higher situations in the matrix. (Fegh-hi Farahmand, 2016: 44 – 64; Fegh-hi Farahmand, 2018: 1 – 17)

This study about human capital development reform in managerial actions demonstrated that efforts to reduce information asymmetry through better human capital development reform and directors' development programs could translate into greater involvement in human capital development reform. The results from the analyses provided support for most hypotheses and valuable insights into these issues.

Some of the crucial attributes of these actions include well-balanced performance results; interesting goals are clearly defined, committed and focused human capital development reform, employees who are devoted to production and continuous learning, empowerment based on capabilities paving the way for competitive advantage and open communication-information human capital development reform of human capital development reform.

In order about human capital development reform in managerial actions to conceive how organization can make better use of high performance practices, top human capital development

reform teams should start by examining the institutional characteristics of the environment intact with the major sources of behavioral patterns. (Fegh-hi Farahmand, 2016: 44 – 64; Fegh-hi Farahmand, 2018: 1 – 17)

This study emphasizes high corporate organizational knowledge management policy, as a result, suggests organizations to encourage knowledge management policy, and constantly look for new products and markets, that is, to prioritize external environment to attract new markets with novel attributes.

Knowledge management policy strategy aims at exploiting the synergy resulted from several organizations' integration for offering some distinct products cooperatively.

References

Evans, P., Wolf, B. (2005). Collaboration rules. Harvard Daintiness Review. 83(7), 96-104.

Fegh-hi Farahmand, Nasser (2015), Entrepreneurial Culture Extrapolate Perception by Extrinsic Incentive Management, Journal of Research in Business, Economics and Management (JBREM), Vol 2, No 1, India, pp 56-68

Fegh-hi Farahmand, Nasser (2016), Organizational Center of Decision Making as Consideration and Initiating Structure Approach, International Journal of Advanced Scientific Research & Development (IJASRD), Vol 3, Issue 4, India, pp. 44 – 64.

Fegh-hi Farahmand, Nasser (2017), Aggressive Working Strategy for Agile Organizational Traits as Guidelines of Employee Potential, International Journal of Advanced Scientific Research & Development (IJASRD), Vol 4, Issue 4, India, pp. 28 – 44.

Fegh-hi Farahmand, Nasser (2018), Organizational New Business Venture Group Competence as Net Achievement Capability Manpower Approach, International Journal of Advanced Scientific Research & Development (IJASRD), Vol 5, Issue 12, India, pp. 1 – 17.

Fegh-hi Farahmand, Nasser (2019), Entrepreneurial Value Laden Behavior Perception by Value of Solidarity Management, International Journal of Scientific Research and Engineering Development (IJSRED), Vol 2, Issue 1, India, pp. 130 – 143.

Fegh-hi Farahmand, Nasser (2019), Organizational Innovation Promotion by Active Entrepreneur, Journal of Banking and Finance Management (JBFM), Vol 3, Issue 1, USA, pp. 40 – 44.

Fegh-hi Farahmand, Nasser; Farid, Shirin (2015), Spontaneous Behavior Relationship Management by Speed of Information Flow, International Journal of Research - GRANTHAALAYAH (IJRG), Vol 3, No 4, India, pp 56-69

FeghhiFarahmand, Nasser (2001), Executive Human capital development reform Process, Islamic Azad University, Tabriz Branch, Iran, pp 21-123.

Valizadeh Oghani, Akbar; Modarres Khiyabani, Farzin, Fegh-hi Farahmand Nasser; (2020), Data Envelopment Analysis Technique to Measure the Management Ability: Evidence from Iran Cement Industry, Cogent Business & Management, Volume 7, 2020 - Issue 1,United kingdom, pp. 1 – 12.

Yousefzadeh Beiragh, Mahdi; Fegh-hi Farahmand, Nasser; Iranzadeh, Soleiman (2020), Proposing a model for risk management of raw material supply chain under uncertainty with system dynamics approach (Case study: Refractory industries), IJDRBC International Journal Of Disaster Recovery And Business Continuity, Vol.11, No. 1 (2020), pp. 1940-1949.