

The Effect of Destination Perceived Quality, Perceived Value on Tourist Words of Mouth with Satisfaction as an Intervening Variable

A Study in Mifan Waterpark and Resort, Padang Panjang City

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Abstract

This Research aims to analyze the effect of destination perceived quality, perceived value on tourist's words of mouth with satisfaction as an intervening variable. The population of this study is tourists who had come to Mifan Waterpark and Resort whether stay overnight or one day trip. The sampling technique uses purposive sampling which amount 180 tourists. Data collection is done by filling out questionnaires and data analysis technique uses SEM (Structural equation modelling).

Keywords: destination perceived quality, perceived value, words of mouth, satisfaction

Introduction

Tourism sector is able to give significant contribution to the economic development in a country. Tourism sectors will be predicted can increase Indonesia's foreign exchange in 2019. In addition, Tourism has an important role to develop cultural diversity, protecting cultural heritage and in building social relationship. Mifan waterpark and resort is one of many popular tourism objects in west sumatera province. At the first, many tourist interested visit Mifan but in 2018, mifan faced problem that the number of visitors were decreased, 162.810 tourists visited mifan, this is the lowest number of visitors throughout the past five years. Researcher have interviewed 20 visitors and they answered did not revisit mifan because of the distance, wasting time, money and energy. These problem connected with customer's perceived value where it is customer's evaluation of all benefits and all the costs an offering. If the costs are not proportional to the benefits received, consequently the tourist cannot receive the value from a product.

Quality of product and service are important to be concerned by marketer in managing tourism sector. Accesibility, good ammenities, cultural attraction, transportation service can increase tourist's satisfaction and visit intention. If they feel satisfied, they will tell to their friends, colleague and many people about their possitive experience while at the destination. In short, Satisfied tourist can make positive word of mouth. Most of visitors get information about mifan from their friends, family and other referal group, but not all information were positive. Most of Mifan's visitors complained about many facilities in "drypark" area which does not work, less shuttle car and there is no phone in the room, consequently tourists were difficult to contact with the officer. In conclusion it will create tourist's dissatisfaction which leads to negative WOM and also these are will be parameter to measure customer's perceived quality.

Word Of Mouth

The definition of word of mouth according to Silverman (2011) is the exchange of information about a product of service among people who are independent of the producer and presumed to be more relevant, more complete, more trustworthy and thus more accurate than commercial information.

Positive WOM influence tourist's visit intention. People tend to follow their family, friends and colleagues' recommendation. They more believe their friends and family than information or promotion are provided by marketer; because it is more subjective. In addition WOM certainly helps increase the number of tourists, increase profits and reduce marketing cost.

The indicators WOM are :

1. Tie strange, people who involve in WOM has relationship each other (their friends, family or colleagues).
2. Sender's Expertise, people who perceived as being expert in the area in which the WOM information being sought.
3. Receiver's Expertise, the more expert people about information that they will receive the more capable they are to filter best information from the sender.
4. Perceived Risk, the greater the risk in buying a product or service the greater the desire of tourists to find information about the product or service thru their group reference.

Destination Perceived Quality

According to Aaker (1991) "Perceived quality is defined as the customer's perceptions of the overall quality or superiority of a product or service with respect to its intended purpose". Perceived quality cannot be objectively determined as it is a perception and thus subjective judgment of what is significant for the customer involved.

In the destination levels, there are some components to measure quality of tourism product and service. Buhalis (2000) develop destination attributes "six A's" (attraction, accessibility, amenities, available packages, activities and ancillary service) :

1. Attraction
Refers to everything that can created by human or naturally create.
2. Accessibility, Availability transportation routes, terminal and vehicles.
3. Amenities, easily finding food, accommodation, retailing and other tourists's services
4. Available packages
5. Activities, there are many activities which can fill tourist activities during a vacation.
6. Ancillary Service, in the tourism object area, it is should have provide services that can be used by tourist, such as bank, telecommunication, hospitals, news agents, post office and many other services that can used by tourist.

Perceived Value

Kotler (2012) states that Perceived Value is difference between the prospective customer's evaluation of all benefits and all the costs an offering and the perceived alternatives. The benefits can be obtained from product benefit, service benefit, personnel benefit and image benefit. In other hand, total customer costs consist of monetary cost, time cost, energy cost and physiological. Positive value can be obtained from advantages that they receive during use the product. Zeithaml (1988) defined that "consumer perceived value shows the consumer's overall assessment of the utility of product based on perception what is receive and what is given"

Sweeny and Soutar (2001) explained a set of perceived value dimensions. PERVAL is also known as a scale to conceptualize and measure value, there are four value dimension that is explained by Sweeny and Soutar :

1. Emotional Value can be defined as satisfaction and pleasure feeling are received by using or buying a product or service. (example: watching movie, recreation, swimming etc). In other hand consumers will feel angry or unhappy when they use or buy product that not suitable with their expectation.

2. Social Value (enhancement of social self – concept), the utility obtained from product's ability to enhance consumer's social self- concept. Social value has relation with consumer's self image concept.
3. Functional Value, the utility derived from due to the reduction of its perceived short term and longer term costs
4. Functional Value (Performance and quality), defined as value that obtained from quality of product which give utility to the consumer. Functional value usually focus on reliability, durability and price of product or service.

Satisfaction

to Kotler (1996):

“satisfaction is the level of one's feeling after comparing (performance or results) that is compared to his expectations. Customer can understand the levels of general satisfaction; if the performance lower than expectation, the customer will feel disappointed, but if the product or service's performance appropriate with the expectation the customer will feel satisfied and if the performance can exceed the expectation, the customer will feel very satisfied”.

In the tourism sector, tourist satisfaction plays an important role in increasing revisit intention and positive word of mouth. “The level of tourist's satisfaction is evaluated by the difference between the present and past experiences of a tourist, as well as a comparison between current travel destinations with other alternative destinations or places visited in the past” (Yooshik and Muzaffer at Wang, 2017).

There are some indicators to measure satisfaction: (1) The quality of product, (2) The quality of service, (3) Price, (4) Additional cost

Relationship Among the Variables

The Relationship Between Destination Perceived Quality and Satisfaction

Parasuraman states that there are five dimensions of perceived quality; tangibles, reliability, responsiveness, assurance and empathy and on a research finding shows that these five dimensions have relationship with satisfaction. It means that while getting high perceived quality, it will increase customer's satisfaction. Customer satisfaction is influenced by perceived quality where it is obtained from experience during traveling; it can be about product, amenities, services etc.

Finding from the study by Magi and Julander (2009), described that in the grocery store in Sweden they find relationship which perceived quality has positive effect toward customer satisfaction and customer loyalty. In addition, Zabkar et al (2010) found that “perceived quality of a destination (accommodation, friendliness of local people, and cleanliness) has a direct positive impact on tourist satisfaction”.

The Relationship between Perceived Value and Satisfaction

Szwarc (2005) explained that in the American customer satisfaction index when published in 1994; customer's expectation, perceived quality and perceived value have direct effect on customer's satisfaction. Parasuraman at Gounaris (2007) defined that the level of customer satisfaction come from customer's expected value and its suitability in actual process. In order to create the customer, it can be done by recognizing customer's needs, customer's value, experience, extrinsic cues and their specific expectation. Customer will satisfy when customer's value which delivered exceed their expectation, Formel at Gounaris (2007).

The Relationship Between Destination Perceived Quality and WOM

Due to the nature of service is intangible product, it is often difficult to customers in measuring and make the decision to use service for the first time. “Usually, customer try to search advice, recommend from others and WOM is considered as one of the most used as the best cues” (Darby and Karni at Wang, 2017). After visited a

destination, consumer usually has experience, they can measure how their destination can create benefit for their self nor give bad experience and negative judgement. Experiences can come from the ammenities during visit the place ,various local cuisine and accesibility to reach destination (these are some attributes to measure perceived quality). In short, if tourist has good experience they will satisfied and tell their experience to their friends and family.

The Relationship Between Perceived Value and WOM

Heartline and Jones (1996) state that the perceived value of the customer will have an influence on the customer's words of mouth. If customers feel they receive a high value, then the customer tends to commit to an organization or company and try to recommend the product or service to the reference group in order to choose and be loyal to the same organization.

The Relationship Between Satisfaction and WOM

Tjiptono (2008) states that customer’s satisfaction can produce some benefits for company, because it can create word of mouth and reduce advertising cost. Tourist’s satisfaction to the destination can create effort to revisit and tell about their experiences to their friends. in the form of WOM, Alegre and Juaneda; Kozak and Rimmington; Yoon and Uysal at Wang (2017). In contrast, if they are not satisfy, they may neither return to the same destination nor recommend it to others. Dissatisfied tourists may share negative comments about a destination and so damage to its company’s reputation, because many people more believe information from WOM than advertising from company.

Conceptual Framework

There are four variables in this research which are Perceived quality and Perceived value as exogenous variable; variables that are considered to have influence on other variables, but are not influenced by other variables. In addition, Words Of Mouth as an Endogenous variable; the variable which is influenced by other variables. Satisfaction as an intervening variable; variable which is located among exogenous and endogenous variable and the relationship of those variables are influenced by intervening variable.

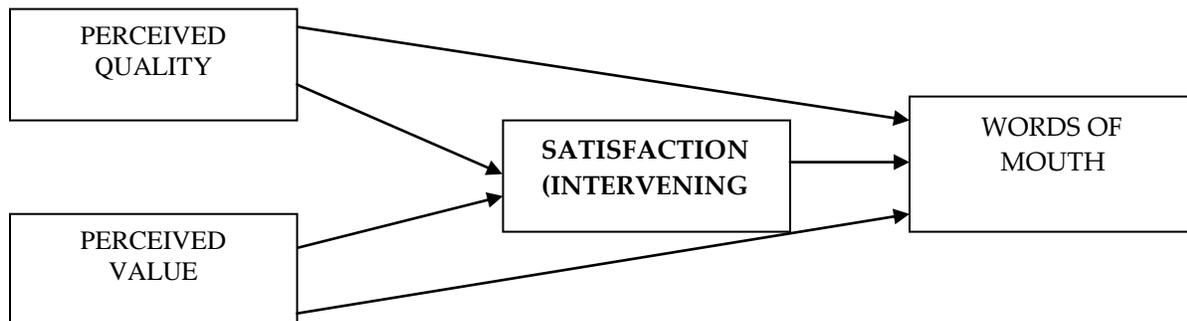


Figure 1 Conceptual Framework

Hypothesis

Some hypothesis are going to be tested in this research, there are:

H1: Destination Perceived quality has a direct positive effect on satisfaction

H2: Perceived Value has a direct positive effect on satisfaction

H3: Destination perceived quality has a direct positive effect on WOM H4: Perceived value has a direct positive effect on WOM

H5: Destination perceived quality has a direct positive effect on WOM through satisfaction as an intervening variable

H6: Perceived Value has a direct positive effect on WOM through satisfaction as an intervening variable.

Methods

This research is apply quantitative approach to examine the effects between variables. Target population is all tourist who had visited Mifan and tourists who had visited mifan based on their age, sex and origin as the sampling group. Sampling is done by purposive sampling technique. The instrument of this research is questionnaire, and will be given to 180 tourists. This research will be held on November 2019. In measuring the variables, the researcher use Five- scale Likert statement with gradation from “strongly agree = 5” to “strongly disagree =

1”. For data analysis, first; Descriptive analysis, researcher will check the all questionnaire whether all the answer in questionnaires have been filled in and count the answer score. Second; quantitative analysis is analyzed by using SEM (structural equation model), SEM is defined to test causal relationships by integrating factor and path analysis. The researcher also examines the reliability to check the consistency of a measure by using the cronbach’s Alpha reliability coefficient. The validity of this research will be measured by using convergent and discriminant validity. The data collection still ongoing thus reason why research finding is still not discussed yet.

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