

TOURISTS' SATISFACTION AND ITS INTERACTION WITH LOYALTY TOWARDS A DESTINATION

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ABSTRACT

In tourism marketing, and customer behavior part of this discipline, there are still unascertained concepts which are needed to be searched out, such as customer loyalty, satisfaction, post-purchase behavior and their interactions. The aim of this study is to discuss the relationship between customer satisfaction and loyalty considering the tourists' behaviors towards a tourism destination, in the example of Antalya area in Turkey.

I. INTRODUCTION

The customer-centric applications of the companies are based on the general opinion which assumes that customers who are satisfied by a company's products or services, are expected to be loyal to the mentioned company. Thus, companies may get the advantage of keeping existent customers instead of gaining a new one which is almost five times expensive than the first. On the other hand, some research findings show that customer satisfaction does not always assure customer loyalty. Thus, the interaction between customer satisfaction and loyalty is needed to be identified properly for all industries. Especially in service industry, such as international tourism and travel sector, where customer services, human relations and loyalty play a vital role, the need of research is much more important.

II. CUSTOMER SATISFACTION-LOYALTY INTERACTION

In marketing area, customer loyalty and customer satisfaction are two main issues which companies are focusing and trying to be successful about. Loyalty is concerned with the likelihood of a customer returning, making referrals, providing strong word-of-mouth, as well as providing references and publicity (Bowen and Shoemaker, 1998, p.13). Dick and Basu (1994, p.105) identifies four loyalty categories: *loyalty* (positive relative attitude, high repeat patronage), *latent loyalty* (positive relative attitude, but low repeat patronage), *spurious loyalty* (high repeat patronage, low relative attitude) and *no loyalty* (low on both dimensions) (Salegna and Goodwin, 2005, p.52). Undoubtedly, the first kind of "real loyalty" is the most preferred type for any companies. Especially in tourism sector, having "real loyal" customers provides a great competition advantage at the international market. In the meantime, customer satisfaction is another essential concept to be measured for companies. Conducting customer satisfaction research is imperative not only because it provides critical managerial information, but also it enables communication with customers (Pizam and Ellis, 1999, p.326). Proper customer satisfaction research is likely to produce information on service attributes that are considered important by customers, the relative importance of the attributes in customer decision making and how well an organisation is currently meeting its customer needs. (Yüksel and Yüksel, 2002, p.52). Truong and Foster (2006, p.843) defines the satisfaction in tourism sector as the "conformity" between the tourist expectations and the characteristics of the host

destination. Perceived satisfaction maintains the customer loyalty which is described as "...a deeply held commitment to re-buy or repatronize a preferred product consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviours" (Pont and McQuilken, 2005, p.347). Perceived value (from a product or service) is another concept that contributes and positively effects to the customer satisfaction. Kotler (2006, p. 17) states that perceived value which is higher than expectation of a customer for a product or service provides a higher satisfaction in the eye of customer. As a result, the concept of customer loyalty plays a vital role at both customer satisfaction and their post-purchase behaviors. Although many research results pointed out that there was a positive and linear relationship between customer satisfaction and loyalty, some researchers suggest that the relationship between satisfaction and loyalty is neither linear nor simple (Jones and Sasser, 1995, p.89). Thus customer satisfaction is not a particularly reliable indicator of customers' future action (Stauss and Neuhaus, 1997, p.237). Customers who are satisfied with the service will also switch companies if they see that there is a better alternative elsewhere. Between 65 % and 85 % of customers who defect say they were satisfied or very satisfied with their former company (Reichheld, 1993, p.71). On the other hand, where there is no other choice, customers will continue purchasing from the same company even though they are dissatisfied with the service (Tam, 2004, p.903). Because, as Kotler states, there is a difference between a "satisfied customer" and a "delighted customer" from any kind of product or service. Probably, the second type of customers will show more loyalty to the company and re-purchase from there as well as tell their positive experiences and recommend it to the other people around them.

III. RESEARCH METHODOLOGY

For determining the relationship between customer satisfaction and loyalty in tourism sector, authors used the analyses results of a survey which was performed in Antalya city which is the leading tourism destination in Turkey. Although the original research survey was consisted of four sections and 51 items; in this paper just the demographics data and post-purchase dimensions (4 items) were used as they were more related with the content of this study. A research about the general destination evaluation of the customers is still in progress and this paper, with this stand, is reflecting to the first findings of the pilot research. Considering the last years' tourism data of Antalya city, questionnaires had been translated into English, German, Russian, Dutch and French. Side-Manavgat district in Antalya where survey had been conducted, has 147 accomodation complexes in hotel and holiday village categories and totally 82.813 bed capacities. The accomodation complexes that were decided to be took part in survey had been selected by random-sampling method according to their categories, districts and bed capacities. The selected complexes had been personally visited by researchers. After explaining the aim of the research, they were offered to participate in survey. Serially numbered questionnaires had been handed over at the first week of September and October 2007. These questionnaires randomly distributed to the customers staying at different types of rooms by complexes. They had been taken back at the last week of both months from the complexes. Out of distributed 13.461 questionnaires, a total of 4.493 usable surveys were returned for an aggregate response rate of 33,37 percent.

IV. RESEARCH FINDINGS

Of the 4493 respondents 52.3 % were female. The majoroty (34.2 %) of the participants were 51 or above years old. Their occupational status were found as 66.3

% salarieds, 20 % retirees and 5.7 % students. 63.2 % of the visitors were from Germany and 13.8 % from the Russian Federation. Majority of the respondents (48.2 %) were couples travelling without children. The most preferred length of stay was between 11-14 days, followed by 1-5 days (20.5 %) and 8-10 days (19.3 %). Considerable amount of respondents (78.6 %) were found to be arranged their travel arrangements or reservations via travel agencies. Purchasing on internet was at the second place among the most preferred type of purchases (15.8 %).

TABLE I. DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

		f	%
Gender	Male	2025	47.7
	Female	2215	52.3
	Total	4240	
Age	30 and less	1068	23.8
	31-40	948	21.1
	41-50	940	20.9
	51 and above	1537	34.2
	Total	4493	
Nationality	German	2610	63.2
	Russian	568	13.8
	Dutch	213	5.2
	English	115	2.8
	Swiss	134	3.2
	Belgian	138	3.3
	French	62	1.5
	Other	288	7.0
	Total	4128	

For examining the relationship between satisfaction and loyalty, firstly it should be noticed that companies need to maintain “delighted” customers instead of some kind of satisfied customers. Afterwards, the difference between the “definitely satisfied” (delighted) customers who are also want to “definitely re-visit”/“definitely recommend” to the destination others, and the customers who are “satisfied”/want to “definitely re-visit”/“definitely recommend” (Figure 1). It can be seen that there are significant gaps among these two kind of customers according to their recommendation and re-purchase intentions.

TABLE II. COMPARASION OF “SATISFIED” AND “DELIGHTED” CUSTOMERS

	I definitely recommend	I definitely re-visit
Definitely satisfied with	81,35%	78,97%
Satisfied with	12,16%	14,79%
Hesitant	2,15%	4,92%
Definitely good value of buy	87,48%	82,59%
Good value of buy	12,58%	16,73%
Hesitant	5,21%	7,48%

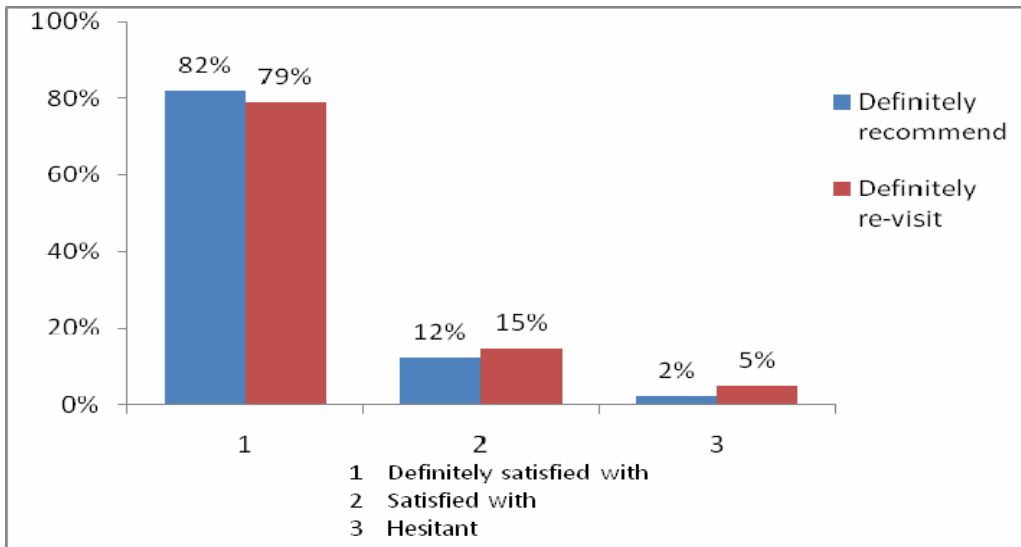


FIGURE I. “SATISFIED” AND “DELIGHTED” CUSTOMERS’ RECOMMENDATIONS AND RE-VISIT INTENTIONS

Moreover, a similar type of analysis had been conducted for clarifying the differences among these customers according to their destination experiences as a “good value of buy or not”. The results showed that there were significant diversities among these customers for this criteria as well (Figure 2).

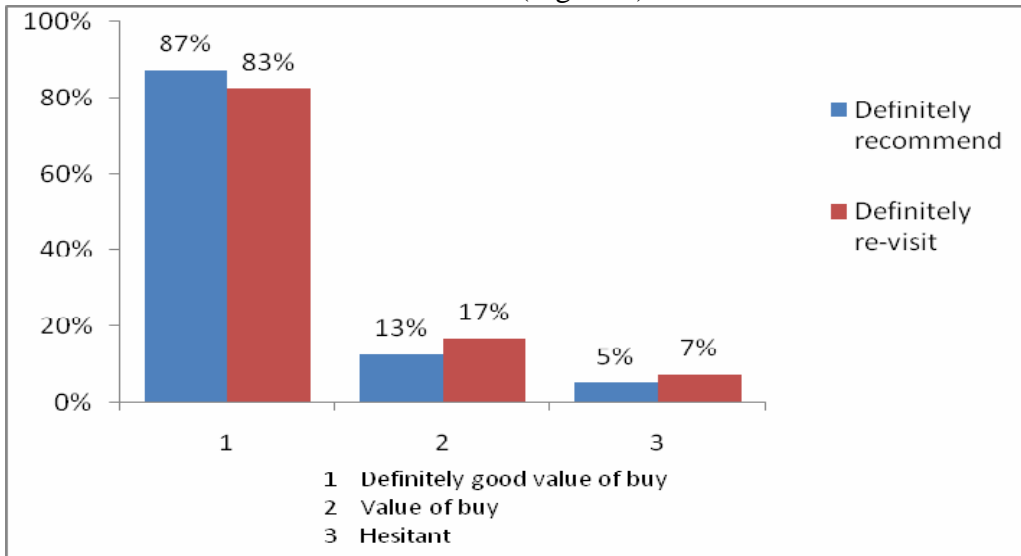


FIGURE II. “RECOMMENDER” AND “RE-VISITOR” CUSTOMERS’ PERCEPTIONS ABOUT “GOOD VALUE OF BUY”

For a better understanding of the relationships between customer satisfaction and loyalty, authors have also compared the means of two items which were measured to customers’ satisfaction and loyalty. With the help of these means, customers had been separated into three clusters by hierarchical clustering analysis. Clusters are named as “Highly Satisfied Real Loyals”, “Satisfied Latent Loyals” and “Not Satisfied No Loyals”, respectively. In Table III, means for each items can be observed which are clearly reflected that customers with high satisfaction levels, namely “Highly Satisfied Real Loyals” customers, had higher loyalty as well. The results of the clustering analysis have sustained the above mentioned findings. Both of the analyses indicated

that satisfying the customers in a common style is not enough anymore, the task to achieve is creating “delighted” customers instead.

TABLE III. CLUSTER ANALYSIS RESULTS

		“I am satisfied with”	“It was a good value of buy”	“I recommend”	“I want to re-visit”
	mean	4.88	4.85	4.90	4.86
“Highly Satisfied Real Loyals”	N	1701	1701	1701	1701
	std.dev.	.32	.35	.30	.38
	mean	4.00	3.87	3.90	3.75
“Satisfied Latent Loyals”	N	2004	2004	2004	2004
	std.dev.	.42	.50	.44	.65
	mean	2.16	1.83	1.83	1.76
“Not Satisfied No Loyals”	N	256	256	256	256
	std.dev.	1.10	.87	.89	.88
	F	4443	5058	6382	3962
	P	.000*	.000*	.000*	.000*

* Sig. in 0.01

As a result, satisfying customers is not just necessary to obtain loyal customers, it is also needed to maintain customer recommendations at the same time. Because, recommendation is one of the most reliable information resource, particularly in service sector.

V. CONCLUSION

For searching about customer satisfaction and loyalty in tourism sector, the categories of satisfied and delighted customers should be examined seperately. In this study, at the second category customers have been found more satisfied and loyal than the customers at the first category, similiary with Kotlers’ opinion. Therefore, this pilot research had been supported to the conjectures about satisfaction-loyalty interactions. Some researchers affirm that tourists/visitors would not prefer to return a destination even they were satisfied with their previous experiences in a particular destination. They would prefer to visit more and different destinations instead of visiting to the same location again, because of the fact that there are numerous alternatives in the world. On the other hand, ex-visitors may be accepted as the contributors to a destination when they recommend it with word-of-mouth. For service industry, word-of-mouth or recommendations are unique resources of information for potential customers. Further research in tourism sector would contribute to clarify these dimensions and their inter-relationships.

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