

**FACTORS BEHIND DESTINATION LOYALTY - A STUDY ON TOURISM
DESTINATION**

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ABSTRACT

Tourism provides significant socioeconomic opportunities for the people in any country. This study examines the factors associated with tourist satisfaction in Bangladesh. It includes a total of 202 randomly selected tourists in Bandarban, a common tourist spot in Bangladesh. From the results of bi-variate analysis of the data, it appears that tourist satisfaction in general may depend on transportation, accommodation, level of expenditure, foods and security in the area. However, multivariate analysis reveals that transport and accommodation facilities are significantly associated with tourist satisfaction. This suggest that the improvement of transport and accommodation facilities are imperative for the sustainable development of tourism industry in Bangladesh.

Key words: *Tourist, Satisfaction, Destination, Repeat visit, and Bandarban.*

JEL Classification: *L83, M31*

I. INTRODUCTION

Tourism is considered as one of the largest, most dynamic and fast-growing economic sectors in the world (Nikolaou and Mas, 2008). It provides significant volume of job opportunities for the countrymen and offers different portfolio of investment in its different rooms (Zaharatos, 1989). Tourism is the main source of national income and balance of payments of many countries namely in Morisus, Indonesia and Thailand (Kamenidou, Mamalis et al., 2009). For the acceleration of economic growth and its sustainability, tourism sector is given top priority by all concerned actors in many countries. However, sustainable tourism development requires proper knowledge and understandings about tourist behavior. This includes how a tourist selects the destination to be visited and the factors they take into account to select the places. A destination can be attractive for many reasons such as natural beauty, cost effectiveness for visit, available facilities, and availability of relevant services. Thus competitiveness of a destination makes marketers' choice to offer better tourism products and services. In fact, tourists' selection of the places depends on the availability of facilities and services of the places and when a destination offers required services for the tourists, it is perceived to be attractive (Chen, Chen et al, 2011; Kamedidou et al. 2009).

Tourist satisfaction about a destination has also been playing important role in the planning of products and services (Yoon and Uysal, 2005). The presence of tourist-friendly atmosphere in a destination not only ensures tourist satisfaction but also increases the number of tourists. On the other hand, presence of negative factors, such as terrorism, hijacking, and fraud cut down tourist flow in the place. Destination loyalty is another desired outcome of tourist satisfaction (Dimanche and Havitz, 1994; Flavian, Martinez et al., 2001; Yoon and Uysal, 2005). Tourist behavior related to selecting a destination for repeated visit is a complex mechanism of their desired services and ability to pay for, which refers to the classical demand-supply proposition in a particular socio-ecological context. Thus, an understanding of destination factors and tourist satisfaction is important in the decision making process of the tourist industry and its development in context. This study is an attempt to examine the factors associated with tourist satisfaction in Bangladesh society.

II. BANGLADESH CONTEXT AND STUDY SITE

Bangladesh is a poor and small country located in the South Asia. However, there are many attractive tourist destinations in Bangladesh such as Cox's Bazar, Sandarbans, Syhlet, Rangamati, Khagrasoni, Bandarban and Saint Martin Islands. I

have chosen Bandarban as a field area of this study purposively because of its attractiveness among tourists in Bangladesh. There are many beautiful tourist spots with charming natural settings in the hills of Bandarban. Millions of domestic and international tourists visit the places every year. However, most of the tourists are domestic and they usually come from other parts of the country. The visit to Bandarban is cost effective and time saving because tourists can enjoy many spots in a single visit. Despite of having famous tourist spots, Bangladesh is failed to attract significant number of foreign tourists. This may be related to, the lack of proper facilities and services leading to tourist non-satisfaction. This paper attempts to examine these factors associated with tourist satisfaction. Specifically the study includes five variables namely level of expenditure, accommodation, transport system, foods, and security to examine the associated factors of tourist satisfaction in Bangladesh. The study makes significant contribution to the existing literature, as it will try to uncover the underlying factors that are associated with tourist satisfaction and destination loyalty. Though the study takes Bangladesh as a case, this is expected that, the findings are applicable to similar settings in other countries.

III. CONCEPTUALISING TOURIST SATISFACTION

Literature on tourist satisfaction and destination loyalty provides good understanding to develop conceptual model and hypotheses for this study. Marketing literature reveals that satisfaction is the outcome of expectation about and performance of the offerings. As it is found from the expectation-disconfirmation model of Oliver (1980), consumers develop expectation about a product before purchasing. Studies reveal that when a product performs more than expectation, it creates positive disconfirmation; customers become satisfied and also delighted and they buy again (Yoon and Uysal, 2005; Hoffman and Bateson, 2002). On the other hand, when performance does not match the expectation, it leads to negative disconfirmation, and customers become dissatisfied (Yoon and Uysal, 2005; Hoffman and Bateson, 2002). This concept can be used in understanding tourist satisfaction in relation to their repeated visit in a destination.

Literature suggests that tourist satisfaction/dissatisfaction may have multiple factors associated thereto. Different tourists may have different degrees of satisfaction or dissatisfaction. Chadee and Mattsson (1996) study four variables of tourism satisfaction – eating out, accommodation, sightseeing and renting a car. This study finds significant differences between different cultures of tourists in regard to satisfaction.

Coghlan and Pearce (2010) examines the links between travel motivations, activities, emotions

and satisfaction levels of tourists. They argue that satisfaction level does not follow the pattern of emotional variability, it is also related to expectations and motivation of tourists to the destination. Okello and Yerian (2009) reveals that tourist satisfaction of a destination is dependent on its tourist attractions, accommodation facilities, and tour services. They argue that most tourists hold clear expectation about a destination before their tour. The level of expectation of tourists further defines their degree of satisfaction. Studies reveal that tourists satisfaction is the composite of physical factors of a destination as well as psychological aspects of tourists (Huang, Scott et al, 2012). This argument can be more stronger if additional factors such as foods, security and level of expenditure are considered for investigation.

Destination loyalty is another important phenomenon that directs the level of tourist satisfaction. Destination loyalty is the outcome of tourist satisfaction with the place visited. Repeat visits, recommendations and positive word-of-mouth are most referred to consumer loyalty (Hoffman and Bateson, 2002; Yoon and Uysal, 2005). The concept of loyalty is most desirable for all successful marketers. When tourists become satisfied with a destination, they become loyal and recommend the destination to their friends, family or relatives, or even they can visit the destination again. The study of tourist satisfaction is often required for a clear understanding about destination loyalty. Therefore this paper also studies tourist satisfaction in related to destination loyalty.

IV. VARIABLES AND HYPOTHESES

Transport system

The transport system of a destination is highly important. It is the means to reaching places for enjoying its all charms. Transport system includes roads, mode of transport, its availability and costs. A good transport system encourages tourists to a place.

H₁: Good transport system of a tourist destination increases tourist satisfaction.

Accommodation

Tourists who visits places far away from home need accommodation facility. It does not mean only an arrangement of an overnight staying; it rather requires how well tourists stay in a tour place. Good accommodation facility increases the number of tourists.

H₂: Good accommodation increases the degree of satisfaction toward the destination.

Level of expenditure

The level of expenditure and budget provisions may influence tourist satisfaction. The

overall cost structure of the tourist services influences the choice of a destination.

H3: Minimum the costs maximize the satisfaction and increases number of tourists.

Foods

People visit different places with varied cultures. Destination attractiveness may depend on the availability of foods of different cultures or even availability of common foods.

H4: The availability of desired foods increases satisfaction and tendency of repeat visits.

Security system

People visit places for recreation and enjoyment. Hence, they always expect secured visit. Thus security in a tourist spot may increase people’s confidence and satisfaction.

H5: Secured destination attracts more tourists and makes them satisfied.

Tourist Satisfaction

Tourist satisfaction and destination loyalty are unidirectional. Tourist satisfaction depends on the expectation about tourism services. The overall satisfaction about a tourist place makes them loyal. A loyal tourist recommends the place to others. This study measured tourist satisfaction as to whether tourists recommend the place to others.

Based on the above discussion, the following conceptual framework has been derived.

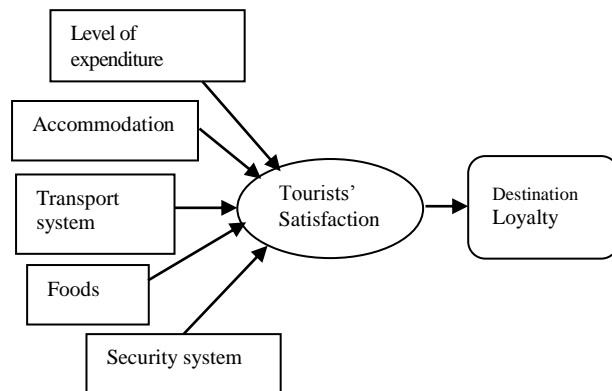


Figure1: Conceptual model of destination loyalty

V.METHODOLOGY

Research Approach

The study followed quantitative approach. Data were collected from the tourists visiting various tourist destinations in the Bandarban district, Bangladesh. Structured questionnaire was used to collect the data. Initially, a total of 250 tourists were randomly included in the survey. Questionnaires were

supplied to the respondents based on convenience of field surveyor. Respondents in the survey were selected under three tourist spots of Bandarban. However, the spot selection was based on judgment.

Data Collection

The participation of respondents was voluntary and mall intercept interview method is used to collect data (Malhotra, 2004). Questionnaire was prepared with the help of previous research and review of related literature. There were 23 items in the questionnaire under six constructs for measuring tourist satisfaction. Each of the constructs was measured based on different items related to that construct. Respondents were asked to indicate the degree of their agreement or disagreement with each item using five-point Likert-Scale where 1= strongly disagree and 5=strongly agree. Demographic factors of tourists were also included in the questionnaire.

Study Variables

All the explanatory variables were measured with some selected indicators under each construct category. The first variable— *level of expenditure* of the tour destination is composed of five items— expenses within the tourist capacity, affordable hotel, transport cost, foods and other expenses. All these items satisfactorily construct the variable with a good Alpha value— 0.85. The *accommodation* is also an influencing factor of tourist satisfaction composed of four items— easy getting and cheap, quality of hotel, internal service quality and behavior of hotel staffs. The composite score of these items is quite satisfactory (Alpha=0.81). *Transport system* explains four items— good transport system, availability, maintaining regular schedule, good road infrastructure. The composite value of all items also shows satisfactory score (Alpha=0.77). *Food* comprises three items— easy to get, quality of foods, good waiter services where Alpha value is 0.81. The variable *security* is defined by three items— sufficient and feel comforts, efficient security guards, and good instant knowledge of security guards. The composite score of all these items indicates the variable is well constructed where Alpha value is found 0.82. The variable *satisfaction* was measured by four items—recommend the beauty of the spots, recommend the well atmosphere for movement, recommend about easy to get required services, and recommend about friendly inhabitants where all items show acceptable value in the reliability test with an Alpha value of 0.67.

Statistical Analysis

Out of 250 respondents, a total of 202 successful responses are considered for analyzing the data. The remaining 48 questionnaires are dropped for non-response. Descriptive statistics like mean and standard deviation were used to know the average

value of the data in each explanatory variable. The paper examines pair wise correlation to know the relationships among variables under study. A bivariate correlation between the variables was calculated to know whether the relationship is significant or not. Multivariate regression analysis was run to identify the significant explanatory variables to the dependent variable. Both *Stata* and *SPSS* were used to analysis the data.

VI.RESULTS AND DISCUSSION

Sample Characters

Of the sample 45.5% belongs to 25 years age group, 43.1% belongs to 25-35 years, 11.4% ranges between 35 years and above age group. 80.7% respondents are male and 19.3% are female tourists. 48% of the tourists are currently married. 18.8% of the tourists are service holder in different sectors; 46.5% are students, 23.8% are business people, and 10.9% of the respondents come from other categories. The data show that most of the tourists are below 25 years old who are assumed to be students (46.5%). Data also show that male tourists possess more outing tendencies than the females.

Table 1: Sample Characteristics and Descriptive statistics

Variable	N	Mean	Std. Dev.	Min	Max
Satisfaction	202	16.48	2.5279	7	20
Level of Expenditure	202	16.37	4.3736	5	25
Accommodation	202	13.45	3.5379	4	20
Transport system	202	13.38	3.4028	4	19
Foods	202	10.10	2.9701	3	15
Security	202	8.77	2.6925	3	15
	N	%			
Age					

10-25 Yrs	92	45.5			
25-35 Yrs	87	43.1			
35+ Yrs	23	11.4			
Total	202	100			
Sex					
Male	163	80.7			
Female	39	19.3			
Total	202	100			
Marital status					
Unmarried	105	52.0			
Married	97	48.0			
Total	200	100			
Occupation					
Service holder	38	18.8			
Student	94	46.5			
Businessman	48	23.8			
Others	22	10.9			
Total	202	100			

Source: Field data

Factors associated with Tourist Satisfaction

Bivariate correlation was conducted between the variables to explore the significant factors associated with tourist satisfaction. Pair wise correlation among the explanatory variables is reported in Table 2. Results show that accommodation, level of expenditure, food, accommodation, and security are significantly and positively correlated with tourist satisfaction (see Table 2). Data also reveals significant positive correlation among all explanatory variables. This result indicates that variables of the study are correlated. Therefore, bi-variate analysis of the data justify about inclusion of all the explanatory variables in the multivariate analysis of tourist satisfaction in the study site.

Table 2: Correlation matrix

	Tourist Satisfaction	Level of expenditure	Accommodation	Transport system	Foods	Security
Tourist Satisfaction	1.00					
Level of expenditure	.339**	1.00				
Accommodation	.334**	.673**	1.00			
Transport system	.339**	.370**	.455**	1.00		
Foods	.339**	.620**	.659**	.465**	1.00	
Security	.282**	.297**	.419**	.322**	.366**	1.00

Note: **p<0.01

Source: Field data

From the correlation results, the hypothesized relationships among explanatory variables in respect of tourist satisfaction are appeared to be significant (See Table 3).

Table 3: Results of hypothesis

	Hypothesis	Correlation coefficient	Test Result
<i>H₁</i>	Good transport system of a tourist destination increases tourists' satisfaction	0.339**	Significant
<i>H₂</i>	Good accommodation increases the degree of satisfaction toward the destination	0.334**	Significant
<i>H₃</i>	Minimum the costs maximize the satisfaction and increases number of tourists	0.339**	Significant
<i>H₄</i>	The availability of desired foods increases satisfaction and tendency of repeat visits	0.339**	Significant
<i>H₅</i>	Secured destination attracts more tourists and makes them satisfied	0.282*	Significant

Note: **p<0.01

Source: Field data

Results of Multivariate Probit Regression

Probit regression model shows whether each of the explanatory variables significantly influence tourist satisfaction while controlling for other variables. Data suggests that transport facility in a tourist destination significantly and negatively contributes to tourist satisfaction (see Table 4). This implies that if transport facilities improve, the tourist satisfaction decreases in Bangladesh context. This result contradicts with the conventional views that transport facilities increases satisfaction of the tourists. This is possible in Bangladesh context because improved transport system may increase the level of expenditure of the destination. However, it requires further research to discover this fact in Bangladesh. The coefficient of correlation between accommodation and tourist satisfaction is also still significant. This indicates that the increase of accommodation facilities increases the satisfaction of tourists. Good accommodation system in fact, has positive impact on tourism destination (Chadee and Mattsson, 1996).

Table 4: Results of Multivariate Probit Regression Model

Parameter	Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Transport System	-.081	.023	-3.533	.000	-.126	-.036
Accommodation	.102	.028	3.632	.000	.047	.156
Security System	.025	.020	1.268	.205	-.014	.063
Foods	.007	.023	.316	.752	-.038	.053
Level of Expenditure	-.042	.027	-1.540	.124	-.094	.011

Note: * indicates significance at 1% level

Source: Field data

Security has a positive coefficient with tourist satisfaction; however, this relationship is not found significant in this study. Tourist security is a considering factor to destination choice in Bangladesh. This issue is still vulnerable. Tourists believe that if security is ensured in a destination, tourists become more satisfied. Food is another factor influencing satisfaction level specially where tourists usually stay longer time. Result finds that the increase of availability of desired food items increases the level of satisfaction but this relationship is not significant in regard to multivariate analysis. The result shows negative relationship between the level of expenditure and tourist satisfaction. Though, this relationship is not statistically significant, this result supports the contextual views—the increase of expenditure decreases the level of satisfaction.

Transport system has found negative impact on tourist satisfaction in case of Bandarban as tourist

destination. The study finds almost half of the tourists (46.5%) are from student category. They are not sensitive about comfortable transport facilities. By nature, Bangladeshi young can work hard, so they can feel comfort to use any type of transport even if it is hard for them. This respondent group may think if transport system is improved, this will increase cost. So, they cannot afford this added cost. It is noteworthy to mention that variables studied in this research can explain only 22.4 % of the relationships which is found from R-square result. So, many other variables remain still unexplored in defining tourist satisfaction and destination loyalty in Bangladesh. Therefore, further study is imperative to understand the factors associated thereto.

Influence of Demographic Variables

This study also includes four demographic variables in the analysis of data. Results show that there is a significant and positive association between

marital status and satisfaction level of the tourists (see Table 5).

Table 5: Association between Tourists' Satisfaction and Demographic Variables

Tourists' satisfaction	Chi-square (X ²)	Degree of freedom (df)	Probability (p)
Age	22.17	26	0.679
Gender	15.22	13	0.294
Marital Status	30.66**	13	0.004
Occupation	49.76	39	0.116

Note: Pearson chi-square, Significant at .01% level.

Source: Field data

Satisfaction and loyalty are post-purchase behaviors measuring whether the particular purchase fulfill customer expectation or not (McDowall, 2010). The relationship between tourist satisfaction and destination loyalty can be probed with the findings of previous literatures on customer satisfaction and loyalty. Most of the studies on customer satisfaction and loyalty confirm the influence of satisfaction on loyalty. Vesel and Zabkar (2009) argue that customer satisfaction contributes to customer loyalty and satisfaction has very strong influence on loyalty. Yoon and Uysal (2005) argue that a satisfied customer purchase the product again and become loyal to the brand.

Satisfaction is measured by how well a product meets customer expectation; and loyalty toward a tourist destination is measured how often tourists are likely to return and produce positive words about the destination. McDowall (2010) suggests continuous improvement of destination to increase customer loyalty. Hernández-Lobato, Solis-Radilla, et al, (2006) finds strong relationship among destination image, tourist satisfaction and destination loyalty. This study further argue that destination loyalty in many cases might be influenced by the degree of availability

of alternative products, specialized services offered, and personal factors of the customers. A tourist, for example, may be satisfied having high rate of discount from the hotel but that does not mean this particular tourist becomes loyal. Therefore, what exactly affects destination loyalty towards Bandarban as a tourist spot needs to be examined with the help of empirical evidences.

VII. CONCLUSION

Destination draws growing attention for future tourism development. This paper explores the factors associated with tourist satisfaction in Bangladesh context. Destination choice, in fact, is one of the primary concerns of all tourists. A destination becomes attractive for various reasons. When a tourist destination offers facilities for the tourists, they are likely to visit the place even several times. All variables studied in this research have influences in the relationship. The study, however, reveals that transport system and accommodation facility are the most influential variables in case of tourist satisfaction and destination loyalty. Hence, tourists and all other stakeholders are required to have understanding about the influencing factors in a tourist destination.

Another concern to be considered by the tourism actors is demand-supply proposition. Tourists visit a place to get benefits from the products or services that they need and that are offered by the marketers with desired profit outcome. Any relationship sustains when there will be win-win situation between the parties. Therefore, government, developers and marketers need to come forward to ensure facilities available for the development of Bandarban as a tourist horizon in Bangladesh. If the site offers all the facilities desired by the tourists, it can attract more tourists from home and abroad. The knowledge and understanding of consumer choice criteria and attitudes would be of great help both for tourism researches and commercial firms.

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