

**Perceived Quality, Satisfaction, and Loyalty at the Destination Level of Cox's Bazar,
Bangladesh**

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ABSTRACT

This study was conducted for exploring the relationship among perceived quality, satisfaction, and loyalty at the destination level of Cox's Bazar in Bangladesh. A conceptual model was developed and tested by a field study. Then Partial Least Square (PLS) based Structural Equation Modelling (SEM) approach was used to test eight hypotheses on a sample of 602 visitors. Six hypotheses were supported at different significant levels. It is expected that the results of this study will help the destination operators in tourism planning and implementing effective marketing strategies. Theoretically, this study contributes in enhancing the causal relationships among cues of quality which have not been studied yet in the literature. Limitations and future research direction are also discussed.

Keywords: Quality Cues, Quality, satisfaction, loyalty, formative construct

INTRODUCTION

The effects of service quality on visitors satisfaction and loyalty have received considerable attention in the literature (Oppermann 2000; Chi and Qu 2008; Zabkar et al 2010). These concepts are used as evaluative factors which lead to profitability and the successful achievement of organizational objectives (Lee et al 2007). Different loyalty models were proposed and empirically tested in a wide range of industries including tourism (Lee et al. 2007; Campo & Yauge 2008; Zabkar et al. 2010). It is generally believed that, high service quality lead to satisfaction. The satisfaction is used as the main antecedent of loyalty. Besides, in nature-based tourism, service quality is an important issue because overall satisfaction depends on high quality service that leads to destination loyalty which is the ultimate goal of business operators (Mackay and Crompton 1988). It is found that a 5% increase in consumers' retention can generate a profit growth of 25–95% (Chi and Qu 2008). In addition, loyal consumers are more likely to act as free words-of mouth advertising agents that informally bring networks of friends, relatives and other potential consumers which account for up to 60% of sales to new consumers (Reichheld and Sasser 1990). Therefore, destination loyalty mechanism becomes an important strategic issue for tourism business operators including practitioners and academics (Chi and Qu 2008). Therefore, it is also important for destination managers to understand factors contribute to overall quality perception and how they are linked to visitor satisfaction and post behaviour.

It is evident from the literature that measurement practices in business research are conventionally based on reflective constructs (factors) wherein the direction of causality runs from the latent variable to its measures (Diamantopoulos 2008). In recent years, researchers have recognized that for some constructs it makes more sense to reverse the causality, implying that a construct is a combination of its measures (Zabkar et al 2010). This kind of situation represents a formative construct. . The formative measurement construct indicates that the indicators jointly represent all the relevant dimensions of the latent variable (Henseler et al 2009). As measures of perceived intrinsic cue at the destination level is related to natural and man-made, we consider it as a formative construct. Thus the fundamental objective of this study is to find out structural relationships among quality, satisfaction, and loyalty at the destination level of Cox's Bazar in Bangladesh considering both formative and reflective constructs. The second objective is to find out the role of cues on perceived quality and their structural relationships with other constructs which is yet to explore in travel and tourism literature.

This paper is organized firstly, by providing a theoretical background to the proposed cues-quality–satisfaction–loyalty model, drawing on marketing and tourism literature and developing relevant hypotheses. Then we discussed the field study for making the model context specific. In addition, we presented the conceptual model using formative and reflective constructs (figure 1) that was validated empirically. Presentation of the empirical results was followed by a discussion on the theoretical and managerial implications of this research study. In the final section, we considered research limitations and offered further researches directions.

QUALITY PERCEPTIONS AT THE DESTINATION LEVEL

In the recreation and tourism field, perceived quality has been viewed as the quality of the opportunity that consists of the attributes of a product or a service or both (Lee et al 2007). It is quite natural that high quality products or services would certainly be preferred by consumers over low quality products or services. However, the question becomes important when one product is preferred over another while both of them contain the same attributes (Chowdhury and Islam 2003). In this regard, Ericksion et al (1984), Mackenzie and Spreng (1992) argued that the quality of a product is not only inherently related to the attributes of the product but also to the psychological perceptions that consumers have for that certain product. Therefore, consumers' perceptions of quality are generally formed on the

basis of a large and impressive series of cues (Chowdhury and Islam 2003). Cues provide clear ideas about a product or services' powers to satisfy consumers' requirements; but determining the influence of quality cues (intrinsic and extrinsic) is still unexplored at the tourism destination level.

Intrinsic Cues

Intrinsic cues are such attributes that can't be changed without changing the physical characteristics of the product (Olson and Jacoby 1972). Intrinsic cues are connected to the product's physical characteristics or a core expectation from a service and vary by product or service category. As an example, a lively or natural picture with a clear sound effect is a product-related cue of a colour television, whereas the natural and the built environment are core cues for a destination. There are five intrinsic cues i.e. pride, appearance, reliability, and workmanship in the literature that have received significant research attention for consumers' perception of quality of products or services (Shahid 1997). In the case of tourism, this cue might be the inclusion of special events, physiography and climate, culture and history, a mix of activities, entertainment, and superstructure (Crouch 2007) and its natural attraction. In the nature-based tourism destination "Cox's Bazar" in Bangladesh, it means core benefits (main attractions) for which visitors visit this particular destination. These benefits are the surface (visible) means which are used in advertisement and promotional offer to create consumers motivation that influence positive or negative attitude (Rossister et al 1991) towards the tourism products like unbroken 120 km sandy beach, rhythmic sound of the water, sun setting in the blue water, world amazing crunch products of Cox's Bazar in Bangladesh is unparalleled in the globe. During the field interview most of the respondents said that they are satisfied with core attractions of the destination as well ancillary services. They also mentioned they are more enthusiastic about the different core facilities with natural attractions for which we really visit this particular destination. Therefore, following two hypotheses related to perceived intrinsic cues are proposed

Hypothesis (H1a): *There is a Positive relationship between Perceived Intrinsic Cues (PIC) and Perceived Quality (PQ)*

Hypothesis (H1b): *There is Positive and Direct Relationship between Perceived Intrinsic Cues (PIC) and Perceived Satisfaction (PS)*

Extrinsic cues

Extrinsic (non-product related) cues are defined as external aspects, which relate to a product's purchase or consumption. These cues convey different types of information such as price, country of origin, brand image, and warranty for products (Olson and Jacoby 1972). For example, 'It's a Sony' is a phrase that suggests that this is a Japanese product where quality is the first preference. This sort of conception is based on a perception of a brand. Among the extrinsic cues of products or services, brand is most salient to consumers because it plays different roles for them. Clarke (2000) has identified six benefits from tourism destination brand image. In addition, destination image exercises a positive influence on perceived quality and satisfaction. Court and Lupton (1997) found that the image of the destination positively affects destination quality that helps visitors' intention to revisit in the same destination in future. Warranties perform important function for marketer by serving as a persuasive sales variable and by protecting sellers from unreasonable claims (Kendall and Russ 1975). This implies that when consumers perceive the repair and maintenance services provided for products to be adequate, their perceptions of the quality of the products will be positively influenced. When the consumer has few intrinsic signs of quality, as is the case with tourist services, he or she uses extrinsic signs of quality, especially price, to a greater extent (Campo and Yague 2008). Consumers often associate price with quality. It is likely that, in their minds, they may group products in a category by price. Say for example, price per day of \$500 for a hotel room itself suggests a quality that is higher than a hotel room for which the cost is \$100 per night. It is the reasonableness of price to consumers which will influence consumers' perceived quality of products (Monroe & Krishnan 1985). Past research suggests that consumer perceptions of product quality are generally formed on the basis of an array of cues, including extrinsic cues (Berkowitz & Walter 1980). Price, brand, and warranties can thus be considered to be extrinsic cues that also lead to the perception of the quality of a product. Thus the following hypotheses related to extrinsic cues of this study are proposed.

Hypothesis (H2): *There is a Positive relationship between Perceived Destination Brand Image (PDBI) and Perceived Quality (PQ)*

Hypothesis (H3): *There is a Positive relationship between Perceived Warranty (PW) and Perceived Quality (PQ)*

Hypothesis (H4): *There is a Positive relationship between Perceived Price (PP) and Perceived Quality (PQ)*

QUALITY AND SATISFACTION

Quality and satisfaction have been considered as an important concept in the fields of recreation and tourism as well as in marketing literature, because it may be used as indicators of profitability and the successful achievement of organizational objectives. The relationship between the quality perceived by the consumer and his or her satisfaction has been widely debated in the literature (Zeithaml, Parasuraman, and Berry 1985). In tourism, the impact of quality on satisfaction is supported in a variety of settings, for example, for a festival (Baker and Crompton 2000; Cole and Illum 2006), sports and leisure centres (Murray and Howat 2002), cultural centres (de Rojas and Camarero 2008) and attractions at tourist destinations (Chen and Tsai 2007). Research by Butcher et al. (2001) and Oh (1999) found that the effect of perceived quality on loyalty is indirect. However, author Henning et al (1997) found the existence of a direct relationship between perceived quality and loyalty. Petrick (2004a) proposed direct and positive relationship between perceived quality and loyalty, and the indirect positive relationship between perceived quality, satisfaction and loyalty. Zabkar et al (2010) proved that there is a positive relationship between perceived quality and satisfaction, and quality to behavioral intention (loyalty). However, some contradictory evidence is also found. A study by Lee et al (2007) that is conducted in a festival setting finds no significant relationship between service quality (as an antecedent) and satisfaction. It is found from the field study that more than 10 respondents out of 15 mentioned, if the qualities of tourism products (products and services) are as per their expectation level they become satisfied. They also mentioned that they would like to satisfy from the products and ancillary services from the destination first rather than making plan for future visiting. It proves that visitors quality and satisfaction relationship is direct but quality to destination loyalty is indirect. Thus, following two hypotheses are proposed

Hypothesis (H5a): *There is a Positive relationship between Perceived Quality (PQ) and Perceived Satisfaction (PS)*

Hypothesis (H5b): *There is a Positive relationship between Perceived Quality (PQ) and Perceived Destination Loyalty (PDL)*

SATISFACTION AND LOYALTY

Researchers have suggested that satisfaction is an excellent predictor of repurchase intentions (Choi and Chu 2001; Petrick 2004b) because, consumers' positive feelings on service, products, and other resources provided by tourism destination could produce recurring visits as well as positive word of mouth effects to friends and/or relatives. It can be used as the most reliable source of information for potential visitors. This is also one of the most often sought types of information for the visitors who are interested to travel to a particular destination. Given the vital role of consumers' satisfaction, a lot of researches have already been done for investigating the satisfaction as an antecedent of destination loyalty (Alegre and Juaneda 2006; Kozak 2001; Yoon & Uysal 2005; Chi and Que 2008; Zakbar et al 2010). As in the mean time in the travel and tourism literature many empirical evidences have been confirmed the relationship between satisfaction and loyalty, the following hypothesis for this study is proposed

Hypothesis (H6): *There is a positive relationship between Perceived Satisfaction (PS) and Perceived Destination Loyalty (PDL)*

Thus we use both literature and field study for developing relationship among the different constructs which are proposed in the figure 1.

RESEARCH METHOD

This study used a combination of qualitative and quantitative methods which has become increasingly popular in recent years (Bryman 2006) as mixed methods approach. The method can help to increase the quality, accuracy, validity and reliability of data (Babbie 2004). In fact, qualitative research contributes to the quantitative research works by: a) identifying salient variables to be examined in the particular context; b) facilitating the sampling design; and c) helping to explain the quantitative findings (Martin and Bosque 2008).

Since we were interested in developing an acceptable quality, satisfaction, and loyalty model in the context of Cox's Bazar, Bangladesh, we conducted 25 interviews in the field during March 2009 for contextualization (Quaddus and Xu 2005). Out of these 25 interviews, 15 most informative interviews were transcribed for further analysis. Since this field interview was more exploratory than confirmatory in nature, we chose 'content analyses in analyzing our interview transcripts (Berg 2001).

Altogether initially 9 factors and 52 variables were identified from different interviews via extensive content analyses. However, after three round revisions total 7 factors and 40 measures were identified for this study. Comprehensive list of these factors and variables were obtained from the list of individual interviews. We tried to label up the factors and variables in line with the literature and field study. Say for example, variables for perceived destination loyalty (PDL) construct are adopted from research works of Lee et al. (2007) and Nadeau et al. (2008). The construct perceived satisfaction (PS) had the measures used by Lee et al. (2007) and Millan and Esteban (2004). Measurement items and scale for constructs perceived quality (PQ) are adopted from Petrick (2004a; 2004b). For examining the constructs perceived intrinsic cues (PIC) and Perceived destination brand image (PDBI), price variables and measurement scale are adopted from research works of Petrick (2004a; 2004b) and Grouch (2007), and extensive field study. Most of the indicators of different constructs are destination specific (Table 1)

Geographical Area for Data Collection

In total 602 completed samples were collected from four spots of Cox's Bazar, Bangladesh with a set of four rounded pre-tested structured questionnaires between December 2009 and March 2010 in four phases using 6 point Likert Scale (1= Strongly Disagree and 6= Strong Agree). It is noted that Cox's Bazar, the world's longest (120 km) unbroken sandy beach, is a tourist capital of Bangladesh, sloping down to the blue waters of the Bay of Bengal against the charming background of a chain of hills that is covered with deep forests. It is an accumulation of miles of golden sands, surfing waves, rare conch shells, colorful pagodas, Buddhist Temples, tribes and delightful sea-foods. The shark-free beach is good for bathing, running, basking and swimming. The breath-taking beauty of the setting sun behind the waves of the sea is very attractive. Other attractions for visitors are the conch shell market, tribal handicrafts, and salt and prawn cultivation facilities. Geographically it is advantageously located for the tourist. It is not only in the Macro Asiatic Air Corridor but also convenient to transcontinental traffic connecting Europe, Asia and Australia. It is pertinent that when the winter climate of many western countries becomes intolerable, this destination offers a soothing winter climate. Timing and climate will lead tourists from many western countries to visit this destination along with the local visitors. The contribution of this destination to national economy of the country is significant.

MEASUREMENT MODEL ANALYSIS

As stated earlier perceived intrinsic cue was modelled as formative constructs whereas perceived quality, perceived destination brand image, perceived warranty, perceived price, perceived Quality perceived satisfaction, and perceived destination loyalty were considered as reflective constructs. Research of Jarvis et al (2003) was followed for construction the nature of constructs after evaluation of the field study based on indicators (Detail does not include for page limitation).

Partial least Squares (PLS) v.3.00 is used to analyse the data as it is most appropriate as the model incorporated both formative and reflective indicators (Chin 1998; Diamantopoulos and Winklhofer 2001; Fornell and Bookstein 1982). PLS considers all path coefficients simultaneously (thus allowing analysis of direct, indirect, and spurious relationships) and estimates multiple individual item loadings and weights (White et al. 2003). As per PLS based SEM in the measurement part item loadings less than 0.6 (Hulland 1999) were discarded from reflective constructs. But for 'formative' constructs only weights were considered (Santosa et al. 2005). In this regard multicollinearity among the seven proposed indicators for intrinsic cue as formative construct were assessed (Diamantopoulos and Winklhofer, 2001). The tolerances were found from 0.687 to 0.891 for PIC which well above the common cut-off threshold of 0.30 (Zabkar et al 2010). Variance Inflation Factors are from 1.122 to 1.181 for PIC which is far lesser than acceptable level of 10 (Hensler et al 2009). In addition, correlations of each indicator of the formative constructs with the overall perceived intrinsic extrinsic cues were positive and significant ($p < 0.01$) level (Table 2).

After discarding three measures from perceived destination brand image (PDBI4, PDBI5, PDBI6), three measures from perceived warranty (PW1, PW2, PW6), one from perceived price (PP3) and one measure from perceived quality (PQ1), item reliability (loading) ranged were from .683 to .834 for reflective constructs of PQ, PW, PDBI, PP, PS and PDL (Table 3). All the corresponding t value indicates the items were significant for the reflective constructs. The weights were considered for formative constructs; intrinsic 0.005 to 0.391. Although, the corresponding t value for items PIC5 and PIC7 were not significant, as a formative these indicators were remained in the further analysis. Internal consistency values for reflective constructs of this study exceeded the 0.70 (Table 4) as suggested by Nunnally (1978), Bagozzi and Yi, (1998). The lowest internal consistency for perceived

destination brand image was 0.715 while PDL had the highest of .793. All constructs had an internal consistency above 0.7. For convergent validity we followed the suggestions provided by Fornell and Larcker (1981). We found the range of average variance expected (AVE) from 0.512 to 0.630 (Table 5) for reflective constructs. Discriminant validity was assessed comparing the square roots of the AVE and the correlations of the constructs (Fornell and Larcker, 1981). In this study, the assessment of discriminant validity did not reveal any problems for reflective constructs because the bolded, diagonal values are greater (0.716 to 0.794) than the off-diagonal correlation values in their corresponding rows and columns (ranged from 0.121 to .597) (Table 4).

STRUCTURAL MODEL

The final structural model included the formative constructs of the perceived intrinsic cues of a destination's offerings and reflective constructs of perceived quality, perceived destination brand image, perceived warranty, perceived price, perceived satisfaction, and perceived destination loyalty. Table 5, presents the results of estimated path coefficients (significant paths indicated with an asterisk), and associated t-value of the paths. Test of significance of all paths were performed using the bootstrap re-sampling procedure. Path coefficient, interpreted like standardized beta indicated the strength of relationships between constructs. Three (6) out of 8 hypothesized paths in the proposed quality model were found to be statistically significant at different significant levels. Two hypothesis (H2, H5b) were not supported at the acceptable (0.01 or 0.05) levels. There was a significant impact of PIC on PQ with path coefficients of 0.088. Perceived warranty and perceived price had impact on perceived quality, with path coefficients of 0.394 and 0.32 (Table 5). Like these perceived quality had significant impact on perceived satisfaction, with path coefficient of 0.314. Finally significant impact of perceived satisfaction on perceived destination loyalty was found with the path coefficient of 0.613. The four (PIC, PW, PDBI and PP) antecedent determinants of perceived quality were accounted for 44.1% of variance explanation. The PQ and PIC which were direct and immediate antecedent of PS, accounted for 28% of the variance explained. Finally, PS was found to be a direct antecedent of PDL which explained 35.8% of the variance. Surprisingly, no satisfactory positive relation was found between perceived destination brand image and perceived quality but path coefficient had right direction as per generated hypotheses (H2). In case of relationship between perceived quality and

destination loyalty was found opposite outcome with path coefficient -0.036. It is necessary to mention that the impact of perceived warranty and perceived price on perceived quality were very strong in the context of Cox's Bazar, Bangladesh.

RESULTS DISCUSSION AND IMPLICATIONS

This study contributes to the understanding relationship among quality, satisfaction and loyalty at the destination level of Cox's Bazar in Bangladesh. The PLS based SEM analysis offered support for the statistically significant relationships between destination perceived intrinsic cues and perceived quality (H1a), perceived intrinsic cue and perceived satisfaction (H1b), perceived warranty and perceived quality (H3), perceived price and perceived quality (H4), perceived quality and perceived satisfaction (H5) and, perceived satisfaction and destination loyalty (H5). These outcomes are confirming the robustness of our conceptual model. In the literature, although it has been acknowledged that quality is main determinant of satisfaction, not much has been done to investigate that quality depends on perceived intrinsic and extrinsic cues, and their structural relationships with satisfaction and loyalty. This study has revealed and confirmed the existence of the critical relationships among intrinsic and extrinsic cues, quality, and satisfaction and destination loyalty. In addition, the newly proposed direct path from perceived intrinsic cues to perceived satisfaction (H1b) was shown to be significant; thus, perceived intrinsic cue was also a direct antecedent of satisfaction at the destination level. The findings confirmed that visitors' loyalty was enhanced by positive destination quality and satisfaction, consistent with the quality cues–quality-satisfaction-loyalty process that conceptually guided this study. The outcomes suggested that it would be worthwhile for destination managers to make greater investments in the tourism destination resources, in order to continue to enhance visitors' loyalty. Moreover, perceived intrinsic cue was used as formative construct in the model which increased its diagnostic usefulness (Ruiz et al, 2008) at the destination level of Cox's Bazar. The authors Yoon and Uysal (2005) conclude that 'the appropriate destination attractions and activities should be allocated and delivered to tourists in order to enhance destination competitiveness' (p 54). Using formative indicators for intrinsic quality cue enables destination operators to determine which destination core attributes are the most influential in forming visitor quality perceptions and thereby affect their satisfaction and loyalty.

The relationship between Perceived destination brand image and perceived quality (H2) was not supported statistically. Possible explanations of such a result could be, visitors thought the concerned destination was not only well-known in the home country but in the wider world. In addition, data were collected from the visitors who visited at least more than once. In such, there may not necessary to have the destination image, as in the mean time they were visited to destination. Besides, destination operators have no power to change physical existence of intrinsic cues like longest sandy beach and natural attractions. The relationship between perceived quality and perceived destination loyalty (H5b) was not supported as visitors were more conscious about satisfaction. They were more relaxed to be satisfied first, than quality to loyalty in the context of Bangladesh. In fact, this issue is still under consideration to look for its applicability for loyal visitors of third world countries. However, destination operators should try to get visitors into the habit of visiting destination by advertising the facilities available. Once they become satisfied their stay will last longer and their behaviour will become conducive leading to sustainable loyalty.

LIMITATIONS AND FUTURE RESEARCH DIRECTION

As with all research, our study had some limitations. First, on account of parsimony, our conceptual model includes constructs: destination quality, visitor satisfaction, destination loyalty in relation to intrinsic and extrinsic cues. Hence, it did not capture fully the comprehensiveness of tourism consumer behaviour, as other factors influence and interact with visitors' further behavioural intentions. Therefore additional factors should be included in future studies like risk and sacrifice, country image. Secondly, we used the data collected from only one destination particularly beach based which may not be enough for general destinations. Thirdly, perceived intrinsic cue used as formative constructs in this study may not permit generalization of the relevant indicators across different destinations. Fourthly, in our research we pooled data from four points of the destination which might provide different results if data is collected from more points. Finally, we did not consider the impact of moderating variables like gender, age and level of education etc. We believe that this may affect destination choice decisions differently. Therefore, our immediate future research plan is to test data extensively considering moderating variables (gender, age, education) on the proposed model.

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Table 1: Different Measures and Their Sources

MC	NI	FS	MC	NV	FS
PIC1	Natural scenery	L & FS	PP2	Cost of transportation	L & FS
PIC2	Accommodation	L & FS	PP3	Cost of foods and beverage	L & FS
PIC3	Sea bathing	FS	PP4	Cost for travelling nearby places	FS
PIC4	Adjacent sights	L & FS	PP5	Cost of locally made products	FS
PIC5	Locally made product	FS	PQ1	Reliable service	L & FS
PIC6	Longest sandy beach	FS	PQ2	Timely Service	L & FS
PIC7	Sound of water	FS	PQ3	Good value for money	L & FS
PDBI1	Good reputation	L & FS	PQ4	Good warranty	FS
PDBI2	Famous for beach	FS	PQ5	Good placement of hotels	FS
PDBI3	Distinct natural sights	L & FS	PQ6	Adequate security	FS
PDBI4	Natural wonder of world	FS	PS1	Thoroughly enjoy visiting	L & FS
PDBI5	Proud for Bangladesh	FS	PS2	Favorable tour	L & FS
PDBI6	Favorable weather	L & FS	PS3	Pleased with decision	L & FS
PW1	Service warranty	L & FS	PS4	Wise choice	L & FS
PW2	Length of coverage	L & FS	PS5	Exact experience	L & FS
PW3	Transportation	L & FS	PDL1	Recommend to visit	L & FS
PW4	Tourist guide	FS	PDL2	Advise everyone to visit	L & FS
PW5	Quality foods	FS	PDL3	Visit Again	L & FS
PW6	Special offer	FS	PDL4	Extended visit	L & FS
PP1	Cost of accommodation	L & FS	PDL5	Tell many experiences	FS

Notes: IC= Measures Code, NV=Name of Measure, L=Literature, FS=Field Study

Table 2: Coefficients for PIC

Model		Unstandardized		Standardized	t	Sig.	Collinearity	
		B	SE	Beta			Tolerance	VIF
1	(Constant)	-.106	.092		-1.156	.248		
	Natural Scenery	.149	.014	.162	10.484	.000	.868	1.152
	Accommodation	.139	.009	.243	15.927	.000	.891	1.122
	Sea bathing	.124	.010	.200	12.409	.000	.797	1.254
	Nearby Places	.154	.009	.267	17.056	.000	.847	1.181
	Locally Made	.157	.008	.300	19.155	.000	.849	1.178
	The Longest Sandy	.148	.013	.197	11.710	.000	.736	1.358
	The sound of water	.153	.012	.227	13.059	.000	.687	1.455

(a Dependent Variable: Overall Evaluation of PIC. *Tolerance of variable, a value of near one indicates independence. VIF reflects the absence of multicollinearity)

Table 3: Assessment of Items Reliability and Internal Consistency

Items	W/L	t-V	Items	W/L	t-V
PIC1	0.3593	3.5578	PP2	0.8248	15.9837
PIC2	0.3404	3.7236	PP3	-----	-----
PIC3	0.3909	4.5259	PP4	0.7773	14.9150
PIC4	0.2021	2.0605	PP5	0.6737	12.3380
PIC5	0.0441	0.4673	PQ1	----	-----
PIC6	0.3059	2.8919	PQ2	0.7262	16.4505
PIC7	0.0005	0.0050	PQ3	0.6883	12.2253
PDBI1	0.8284	6.9984	PQ4	0.7752	21.7315
PDBI2	0.6732	3.8685	PQ5	0.6035	11.5471
PDBI3	0.6296	4.0111	PQ6	0.7678	17.1400
PDBI4	-----	----	PS1	0.7202	14.7965
PDBI5	-----	-----	PS2	0.7181	13.4165
PDBI6	-----	-----	PS3	0.7724	23.5963
PW1	-----	-----	PS4	0.7134	15.0687
PW2	-----	-----	PS5	0.7130	15.8227
PW3	0.7674	17.2620	PDL1	0.8098	16.2558
PW5	0.8123	17.8587	PDL2	0.8038	23.8218
PW5	0.7920	19.7709	PDL3	0.8340	18.6776
PW6	-----	-----	PDL4	0.7398	14.2360
PPI	0.7065	14.6683	PDL5	0.7783	17.3947

(Notes: W=Weight for formative items, L= Loading for Reflective items, PIC=Perceived Intrinsic Cues, PDBI=Perceived Destination Brand Image, PW= Perceived Warranty, PP= Perceived Price, PQ= Perceived Quality)

Table 4: Correlation among Constructs and AVE

	PW	PDBI	PW	PMP	PQ	PS	PDL
PIA	-----						
PDBI	0.479	0.716					
PW	0.327	0.260	0.791				
PMP	0.199	0.127	0.492	0.748			
PQ	0.301	0.228	0.591	0.537	0.715		
PS	0.417	0.350	0.348	0.309	0.435	0.728	
PDL	0.377	0.362	0.206	0.151	0.231	0.597	0.794

(PIC=Perceived Intrinsic Cues, PDBI=Perceived Destination Brand Image, PW= Perceived Warranty, PP= Perceived Price, PQ= Perceived Quality, Bolded diagonal elements are the square root of AVE)

Table 5: Result of Hypotheses

HY	PR	PC	t-V	CO	CR	AVE	R ²
H1a	PIC-PQ (+)	0.088	1.9909*	PIC	-	-	-
H1b	PIC-PS (+)	0.315	6.8172**	PDBI	0.7155	0.512	
H2	PDBI-PQ (+)	0.042	1.3175	PW	0.7905	0.625	
H3	PW-PQ (+)	0.394	10.1701**	PP	0.7476	0.559	
H4	PP-PQ (+)	0.320	8.6561**	PQ	0.7148	0.511	0.441
H5a	PQ-PS	0.314	8.5783**	PS	0.7280	0.530	0.280
H5b	PQ-PDL	-0.036	1.0152	PDL	0.7937	0.630	0.358
H6	PS-PDL	0.613	14.7753**				

(HY=Hypotheses, PR= Path Relation, PC=Path Coefficient, t-V= t -Statistics, CO=Constructs, CR=Composite Reliability, AVE= Average Variance Extracted, *Significant at P< .05) **Significant at P< .01)

Fig 1: Proposed Conceptual Quality, Satisfaction, and Loyalty Model of Cox’s Baza, Bangladesh

