Relationship Between Service Quality, Perceived Value And Trust For Malaysian Festivals Among International Tourists

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Abstract:*Tourism has been one of the most contributing sector in Malaysia. To boost tourism sector, festivals are useful for the attraction of tourists from all over the World to visit Malaysia. Several vital aspects of tourism are service quality, perceived value and trust. This paper aims to examine the relationship between service quality, perceived value and trust. Data was collected from international tourists who have visited festivals organized by Tourism Malaysia. Structural Equation Modeling (SEM) was utilized and significant relationships were revealed between service quality and perceived value, service quality and trust and perceived value and trust.*

Keywords:*Malaysian Festivals, Service Quality, Perceived Value, Trust.*

I. Introduction

Comprised of several different sectors including travel, hospitality and visitor services, travel and tourism is among the most dynamic and biggest service industries globally [1]. A well-planned tourism may benefit tourism destination in terms of tourist receipt, government revenue and employment revenues [2-3]. To be more successful in developing tourism, organizations of festivals are executed in most nations. These are to attract tourists to the destinations. For cultural tourism, festivals are important features [2-3].To boost tourism through festivals, aspects of tourism are needed to be analyzed well. Several aspects that should be emphasized are service quality, perceived value and trust. This paper aims to examine the relationship between service quality, perceived value and trust of international tourists towards Malaysian festivals. Next section discusses aboutprevious related researches. The third section describes the methodology employed throughout this study. The fourth section presents the findings of the study before finally the fifth section discusses and concludes the findings.

II. Literature Review

There are several definitions for service quality. Among the most widely used definitions of service quality is to fulfill what customer needs and expects or it may defined as the difference between service quality expected by customer and received services [4]. Definition of perceived value is then the assessment on given and received services by customers based on perceptions developed[5]. Perceived value is also defined as a trade-off between perceived costs and perceived benefits [6]. Ref. [1] view service quality as a combination of monetary and non-monetary prices. This includes other factors like time, search costs and convenience.Ref. [7] define trust as "willingness to rely on an exchange partner in whom one has confidence". When a consumer understands that a service or product will accomplish its obligations, trust is said to occur.

There are studies recently addressing the aspects of service quality, perceived value and trust in tourism industry. For instance, a study was conducted by Ref. [8] in Macau to recognize the dimensions of exhibition service quality and to examine the relationships between service quality, perceived quality, emotions, satisfaction and behavioral intentions. 596 attendees at Venetian Macau Resort Hotel were selected by convenience sampling. The study found that perceived value was influenced positively by service quality. Besides, another study was conducted by ref. [9]. The study aims to analyze cognitive tourists for Penghu Ocean Firework Festival attraction. Structural Equation Modeling was utilized and the study revealed that perceived value is directly affected by service quality.

A study conducted by ref. [10] in East Java, Indonesia aims to examine the effects of service quality, customer satisfaction and loyalty on confidence of international tourists. In addition, a study was conducted by ref. [11] to investigate the effect of service quality, trust and customer perceived value on customer loyalty. The study unveiled that positive relationship exists between service quality and trust, and service quality and perceived value. The study revealed that service quality affects the international tourists' confidence to visit East

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Java. Besides that, ref. [12] conducted a study in medical tourism. The study conducted at seven medical centers in Taiwan revealed that trust is positively affected by service quality among patients.

III. Methodology

All international tourists who visited any festivals organized by Tourism Malaysia from April 2017 to June 2017 were treated as the population. In sampling the tourists, stratified random sampling technique was used. Each stratum represents a group of all international tourists visiting each festival. The list of festivals was acquired from Tourism Malaysia Official Website. Based on Tourism Malaysia record, the total number of tourists who visited Malaysia from April 2016 to June 2016 is 6366795. Sample size was then computed and a sample of 386 tourists is needed.

Questionnaires were distributed to the randomly selected tourists visited the festivals. The questionnaire consists of questions on demographic information, service quality, perceived value and trust. Seven service quality items 10-point Likert scale were adapted from ref. [13]. Five perceived value items 10-point Likert scale were adapted from ref [14]. Four service quality items 10-point Likert scale were adapted from ref. [15].

Before it was distributed to targeted respondents, the questionnaire was tested for reliability. Pilot test employed a metric which is Cronbach's Alpha. Table 1 exhibits Cronbach's Alpha for pilot test and overall study.

Table 1 : Cronbach's alpha for pilot test and overall study

Cronbach's Alpha of Pilot Test	Cronbach's Alpha of Overall Study
0.964	0.985

For achieving the aims of the study, Structural Equation Modeling (SEM) was used. SEM consists of several phases mainly measurement model testing (Confirmatory Factor Analysis, CFA) and structural model testing. To test the measurement model, the study employed pooled measurement model assessment using CFA. This analysis examined the model in terms of unidimensionality, validity, reliability and model fitness. All the items for the three different constructs were analyzed simultaneously.Next, the model was then displayed in path diagram visualizing the related theories. Since the study addresses the relationships between the three constructs, structural model testing employed the same diagram used for pooled CFA before.

IV. Findings and discussion

Profile of Respondents

The respondents involved were 385 international tourists. 56.6% of them are females and the rest is male. They were mostly aged between 20 to 29 years old representing 42.6% of total respondents followed those aged between 30 to 39 years old, 40 to 49 years old, 50 to 59 years old and 60 to 69 years old. The respondents comprised of different nationalities. Most of them were Singaporeans that represents 42.6% of total respondents followed by respondents from Thailand, Indonesia, China, Nigeria, Uzbekistan, Yemen and others.

The respondents have visited Malaysia for two times before at average (mean = 2.34, standard deviation = 1.696). 315 of the respondents were sure that they have attended any festivals in Malaysia while the rest was not sure of that.

Data Analysis

The analysis began with pooled CFA. Figure 1 displays the measurement model. Unidimensionality of the model was firstly examined using factor loadings of all items. Table 2 tabulates factor loading for each item.

Table 2 : Factor loadings for scale items

Construct and scale item	Factor loadings
Service quality	
The signage at the festival sites was informative.	0.94
Services of the staff and volunteers were good.	0.94
There was a variety of events to enjoy besides the main event.	0.95
The facilities at the festival were excellent.	0.94
The main event was well-organized.	0.94
It was easy to access to the festival area.	0.95
It was easy to move around the festival venues.	0.94
Perceived Value	
The festival gave me new knowledge and experiences.	0.95
The festival gave me a good opportunity to make new friends.	0.94

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Money spent at this festival was worth it.	0.94
I am sure this film festival will be beneficial to both foreigners and locals.	0.95
Attending the film festival at this destination exceeded my expectations.	0.94
Trust	
Malaysia gained my confidence as a country for this kind of festival.	0.82
Holding the festival improved the image of Malaysia as a tourism destination.	0.79
Holding the festival strengthen up my belief in Malaysia as a tourism destination.	0.82
Holding the festival met my expectations of Malaysia as a tourism destination.	0.83
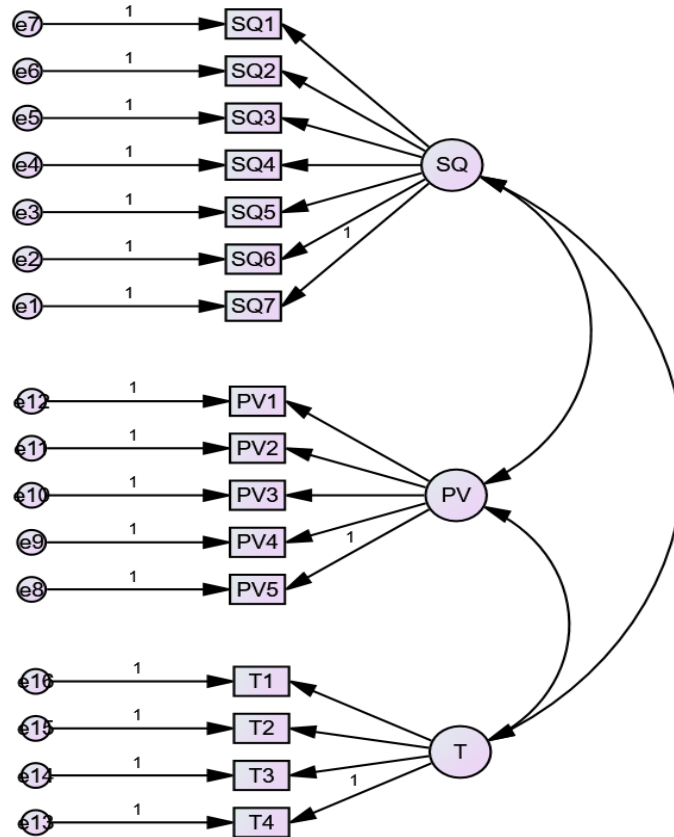
Figure 1 : CFA for measurement model assessment

According to Table 2, each item has a factor loading of greater than 0.60. This indicates that the model achieves unidimensionality. Aside from that, fitness indices were examined too. The measurement model was assessed in terms of absolute fit, incremental fit and parsimonious fit. Fitness indices used are shown in Table 2.

Table 2:Fitness indices for measurement model assessment

RMSEA	GFI	CFI	TLI	NFI	Chisq/df
0.000	0.972	0.985	0.991	.903	0.901

According to Table 2, with RMSEA smaller than 0.08 and GFI greater than 0.90, absolute fit is proven to be achieved. CFI and TLI are greater than 0.90 indicating that the model has incremental fit. The measurement model is proven to achieve parsimonious fit since Chisq/df is lower than 5.0.Besides, validity of the model was examined. Validity was assessed through convergent validity, construct validity and discriminant validity. Table 3 shows that the Average Variance Extracted (AVE) for each construct.

Table 3 :AVE for each construct

	Service quality	Perceived value	Trust
AVE	0.89	0.89	0.66

Table 3 shows that AVE for all constructs are greater than 0.5. This indicates that the model has convergent validity. With GFI greater than 0.90, RMSEA smaller than 0.08 and Chisq/df smaller than 5.0, the

model is proven to achieve construct validity. With Modification Indices (MI) lower than 15, the model is then proven to have discriminant validity.

After the measurement model was examined and ready, assessment on structural model was conducted. In structural model testing, the same diagram as in CFA was used. Thus, the same indices were utilized. Hypothesis testing was then conducted accordingly. The three hypotheses are:

H_1:Service quality is correlated withperceived quality
H_2:Service quality is correlated with trust
H_3:Perceived value is correlated with trust

Table 4 depicts the hypotheses, regression estimates, standard errors, critical values and p-values. According to Table 3, it can be concluded that both hypotheses are supported since the p-value is less than 0.001. This indicates that at 99% of confidence level, service quality, perceived value and trust affect destination loyalty and intention to revisit.

Table 4 :Covariance for each exogenous pair

	Estimate	S.E.	C.R.	P
Service quality and perceived value	1.912	0.147	13.026	<0.001
Service quality and trust	0.955	0.082	11.690	<0.001
Perceived value and trust	0.897	0.077	11.714	<0.001

With reference to Table 4, the covariance between the pairs of exogenous constructs reflects that all three exogenous constructs are correlated significantly with each other at 99% of confidence level since the p-values for all pairs are lower than 0.001.

V. Conclusion

Addressing the conflicting studies on the relationship between service quality, perceived value and trust, this study focuses on empirical investigations on the structural model of the aspects in the context of Malaysian festival as international tourism destination. All the constructs were measured by items identified and adapted from previous literature; service quality by seven items from ref. [13], perceived value by five items from ref. [14] and trust by four items from ref. [15]. Data was collected from international tourists who have visited festivals held in Malaysia. The study revealed thatservice quality, perceived quality and trust are significantly correlated with each other for festivals in Malaysia among international tourists. This is supported by the findings of ref. [11].

Acknowledgement

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