

SOCIAL CAUSES AND CONSEQUENCES OF CLIENTS' SATISFACTION WITH HOTELS

Beatriz Moliner Velázquez

Martina G. Gallarza

Irene Gil Saura

Universidad de Valencia

María Fuentes Blasco

Universidad Pablo de Olavide. Sevilla

The relationships between value, satisfaction and loyalty are a classical topic in the consumer behaviour literature where various conceptual and methodological issues have been debated. Some authors simultaneously consider quality, value and satisfaction as direct antecedents of loyalty, whereas others provide evidence for indirect relations of those variables in the loyalty process. This present work seeks to join this second stream, proposing a causal model where value and satisfaction become central constructs with two main antecedents, service quality and social value and two consequences in the form of loyalty behaviour intentions: global word-of-mouth, that is, through any medium (hereinafter word-of-mouth) and electronic word-of-mouth.

The original contribution of this work lies mainly in the consideration of two different types of antecedents of value (service quality and social value) and two forms of loyalty (word-of-mouth and electronic word-of-mouth), one of them in the form of recommendation by electronic means. This type of virtual word-of-mouth is particularly important in modern markets because electronic feedback from consumers is essential for firms to improve and correct their performance. This work seeks to demonstrate the interest in the social dimension of consumption, in the initial variables (the antecedents of value) and in the final ones (the consequences of satisfaction).

With this approach, our aim is to analyse the relationship chain: service quality and social value → perceived value → satisfaction → positive electronic word-of-mouth intention and positive word-of-mouth intention. This work presents, firstly the conceptual framework for these variables and their relationships to support our proposed hypotheses. Then we describe the methodology and present the results. Finally, we discuss the conclusions, business implications and future lines of study.

The literature review shows that quality, value, satisfaction and loyalty form a highly interesting methodological and conceptual framework for tourism services researchers.

Thus according to our research objectives, we have structured this conceptual framework in three parts: the antecedents of perceived value, the relationship between value and satisfaction and the relationship between satisfaction and word-of-mouth.

It is essential to study perceived value in order to improve competitive advantages, especially in the context of tourism firms. Value for the consumer involves a perceptive evaluation of an exchange between what is achieved (results and desired benefits) and what has been invested (money, time and effort). Service quality, however, has a technical and a functional dimension which are associated respectively with the result (“what” the consumer is receiving) and the process (“how” the service is being received). Numerous studies confirm that the main antecedent of perceived value is service quality, therefore we posit H₁: *Service quality is directly and positively related to perceived value.*

After service quality, the next most common perceived value dimension in the literature is probably social value. It is a symbolic value derived from the feeling of group identity, whether is be the family, friends, colleagues, society, nature or the world. In this work we choose the social values that M.B. Holbrook determines as status and esteem. Whereas status is an active value because it involves actions by the subject (consumer) over the product(s), esteem is a reactive value because it involves the consumer’s reaction during consumption. Assuming that the dimensions of value can be considered the antecedents of perceived value, we posit H₂: *Social value is directly and positively related to perceived value.*

The relationship between value and satisfaction has been an area of great interest and in tourism, it is key to understanding tourist behaviour after their experiences. There is some debate over the direction of the relationship between value and satisfaction although the most common proposal is that perceived value is an antecedent of satisfaction. Following this stream, we posit H₃: *Perceived value is directly and positively related to satisfaction.*

As for the relationship between satisfaction and word-of-mouth, the vast literature on loyalty contains different approaches to its conceptualisation. Loyalty is recognised as a multidimensional variable, that is, it refers to repeat purchase behaviours and/or recommendations and also to intentions, preferences and favourable attitudes. Regardless of the approach, recommendations or word-of-mouth is one of the most significant and recognised dimensions in the loyalty literature. It is direct, personal communication between consumers about a product, service or firm, where the emitter is an individual with no connections to the firm. The growth in technologies has given rise to word-of-mouth in a virtual environment, of increasing interest for academics and business. As Internet is the communication channel for electronic word-of-mouth, individuals can share information one-to-one (mail or instant messaging), one-to-many (e.g. web sites) and many-to-many (e.g. blogs, virtual communities and forums).

Although works on word-of-mouth in the tourism context are still scanty, various studies show that customer satisfaction favours intention to recommend the service. Therefore we posit H₄: *Satisfaction is directly and positively related to positive electronic word-of-mouth intention*, and H₅: *Satisfaction is directly and positively related to positive word-of-mouth intention*. Finally, given that electronic word-of-mouth is a specific form of word-of-mouth behaviour, we assume the existence of a possible relationship between online recommendations and recommendations in general. Therefore we posit H₆: *Positive electronic word-of-mouth intention is directly and positively related to positive word-of-mouth intention.*

To confirm these relations, we designed an empirical study based on three information sources: focus groups with different tourist profiles, in-depth interviews with industry professionals and literature review. With this method, we designed an *ad-hoc* questionnaire containing rigorously selected scales tailored to our context, to measure the constructs service quality, social value, perceived value, satisfaction, positive word-of-mouth intention and positive electronic word-of-mouth intention.

Spain was chosen for the study because it is one of Europe's and the world's leading countries in terms of tourism revenue. 4 and 5-star hotels were chosen in the cities of Barcelona, Madrid and Valencia from the directory Visiting Spain (<http://www.visitingSpain.es>) and from the database of economic information Iberian Balance Sheets Analysis System (SABI) using the CNAE and/or IAE code. Guests were interviewed in the reception area of the hotels and 386 valid questionnaires were obtained from 111 establishments. The sample is distributed as follows: 75.5% of the hotels are 4 star and 24.5% are 5 star; 28.2% are located in Barcelona, 42.7% in Madrid and 29.1% in Valencia; 60% of interviewees are men, two thirds are aged between 35 and 55 and a third of them said their stay at the hotel was for business, the rest were on holiday.

Exploratory factor analysis and confirmatory factor analysis were run to study scale reliability, which was found to be adequate. We also checked the convergent and discriminant validity of scale content. The global fit of the measurement model was acceptable. Then we estimated a structural equations model to contrast the relations considered in the hypothesis. The coefficients estimated between latent factors indicate that said relations are significant at the 99% level.

Service quality (0.253**) and social value (0.340**) positively and significantly affect perceived value, confirming hypotheses H₁ and H₂. Furthermore, perceived value has a direct, positive and significant influence on guest satisfaction with the hotel (0.503**), confirming hypothesis H₃. As regards the consequences of the proposed model positive electronic word-of-mouth intention and word-of-mouth intention significantly depend on guest satisfaction (0.194** and 0.618**), thereby confirming hypotheses H₄ and H₅ respectively. In addition, positive electronic word-of-mouth intention significantly influences global word-of-mouth intention (0.312**), confirming hypothesis H₆. There is therefore a direct effect of satisfaction on positive word-of-mouth intention and an indirect effect through positive electronic word-of-mouth intention. Overall, the results permit confirmation of the initial relationship chain proposal: service quality and social value → perceived value → satisfaction → word-of-mouth intention and electronic word-of-mouth intention.

The results have helped to further understanding of social interaction in customer evaluations and responses after their experiences in hotel services. Service quality and social value are two powerful antecedents of the perception of overall value, with social value being the most important cause. In turn, overall value is a key antecedent in satisfaction with the experience. Therefore customer satisfaction with the hotel depends especially on customer perception of the difference between what they invest in and obtain from the experience. In this comparison the social component becomes particularly important, that is the prestige and status symbol projected to others.

Similarly, the data indicate that satisfaction with the hotel contributes positively to word-of-mouth intentions. Therefore, when customers are satisfied with their stay, they

feel more like making recommendations to other customers. They can make these recommendations through any medium, but it is worth pointing out that satisfaction has greater influence on intention to recommend in general than on intention to recommend online. A possible explanation for this finding is the difference between recommendation behaviour and recommendation search behaviour. Although searching for others' opinions online is common practice when making purchase decisions, especially for tourism services, disseminating comments online is not as common after the experience because electronic word-of-mouth behaviour requires a certain amount of time, energy and resources which are not required for offline recommendations.

Transferring these results to business practice, hotel managers should be aware of the importance value has for increasing satisfaction among their customers and consequently encouraging recommendations to others. Marketing actions should be focused therefore, not only on improving the quality of the services but also on incorporating the tangible and intangible elements that can satisfy customers' social needs. In turn, investment is needed to develop all kinds of technologies that encourage and facilitate recommendations from satisfied customers online, after, during, and before their experience. This type of behaviour would favour positive word-of-mouth in general and consequently help to maintain or improve the hotel's image on the market and gain new customers. The hotel services provider could also consider social value as an interesting variable for segmenting consumers. This segmentation criterion could be used to design and offer products and services in keeping with that social value and influence satisfaction and subsequent word-of-mouth to improve profitability.

Some limitations of this work may inspire future studies in this field. Firstly, the study provides no information on the effects of socio-demographic variables or the type of trip. Study of these effects could throw light on differences in the links in relation to subjects (consumers) and/or products consumed. Furthermore, given that the work has focused on superior category hotels located in three geographical areas, it would be interesting to replicate the study in other tourism contexts such other categories of hotel, cruises or restaurants. And finally, it is advisable to use multidimensional scales to measure word-of-mouth because they reflect not only the classical dimensions of valency and volume of comments, but also aspects related to message content. Similarly, measurement of electronic word-of-mouth could be improved by considering the different virtual channels.