

Impact of Destination Image and Satisfaction on Word of Mouth Communication of Tourists in Sri Lanka

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Abstract

Word of mouth communication, country image and destination satisfaction have been identified as significant aspects in tourist industry today more than any other time as tourists make reviews on internet based on such reviews influence the prospective tourists' behaviour. Although scholars have scrutinized in this area they are mainly limited to developed countries reflecting a gap in the literature to explore the insights in the developing countries context. Addressing such gap in the literature, this study aims to examine the impact of country image and destination satisfaction of tourists on their word of mouth communication in Sri Lanka. A survey is carried out with 354 tourists in Sri Lanka. The result uncovers that the destination satisfaction fully mediates the relationship between country image and word of mouth communication of tourists in Sri Lanka. Finally, the paper makes important implications and suggestions for practitioners as well as for academics in the field of tourism.

Keywords: country image, destination satisfaction and word of mouth communication, tourism industry

Introduction

One of the world's largest industries is travel and tourism industry. This contributes to the global economy of almost 7.6 trillion U.S. dollars (10.2% of global GDP) and 292 millions of jobs in 2016. The sector accounted for 6.6 % of the total global exports and almost 30% of total global service exports (WTTC 2017). Today tourism can be considered as an unstoppable force of global economy by 1.1 billion or more tourists travel intentionally every year and this number has been remarkably increased by 7% in 2017 (UNWTO 2017). This growth of tourism always is an effective solution for many global challenges. Tourism is a key factor of contributing to a job creation, poverty reduction, environmental protection and promoting peace and harmony of nations. It is projected that there will be a 1.8 billion international tourists in year 2030 and in 2012 China became the world's largest spender in tourism according to the statistics of UNWTO 2014.

As one of the developing countries, during past three decades, Sri Lanka has experienced civil war, recession, political changes and also natural disasters like tsunami, flood etc. which had a direct impact on Sri Lankan tourism industry. Since in last few years Sri Lanka was able to overcome most of these challenges and thereby able to increase tourist arrivals significantly.

According to the Annual Statistical report (2017) of Sri Lanka tourism authority it is reflected that the tourist arrival has being increased continuously. A milestone increase was reported from year 2013 to 2014 which is 20% increase between two years. This figure indicates that, during post war period, there is a significant growth in tourists' arrivals to the country. This industry has contributed USD 9.7 billion to the total contribution to GDP (11.4% of GDP) in 2016 with 895,000 direct employment and it is expected to increase the total contribution up to USD 18.6 billion

(13.5% of GDP) with 1201,000 direct employments in 2027. In order to achieve such an increase in the coming years, tourists need to promote Sri Lanka as a good tourist destination among others who wish to visit Sri Lanka as a mean of word of mouth communication.

In this context, positive word of mouth communication is much helpful for attracting tourists into the country. In particular, tourists need to say the good side of their visit to others who wish to visit the same in order to attract their attention and willingness. Park et al. (2011) argued that the strength of word of mouth is greater than that of predictable advertising in terms of its ability to create negative or positive attitudes of consumers.

For a tourist to recommend a particular country by way of word of mouth, satisfaction he/she derived from the particular destination and the image about such country are very essential. People travel to fulfill initial needs satisfactorily. This process of action or destination satisfaction is of importance to understand, especially for the tourism industry striving to enhance businesses economy by attracting customers in the future (Prebensen 2004).

There are only seldom studies available on image perception on Sri Lanka as a tourist destination, its influence on destination satisfaction and even to the word of mouth communication, despite their importance in the context of Sri Lankan tourist industry especially after war. Addressing such gap in the knowledge the current study aims *to examine the influence of destination image and satisfaction on the word of mouth communication of tourists in the Sri Lanka.*

Literature Review

Word of Mouth Communication (WOM)

WOM is also a type of information most often searched by people who have an affinity for traveling. Recommendations are considered as a source of the most reliable information for potential tourists (Chi and Qu, 2008)

Tourism word of mouth is a non-commercial communication made by actual travelers to potential travelers about their experiences on the activities they have done in their travel and praise for a product, service, tourist destination, or organization. Tourism WOM is an alternative strategy of marketing because word of mouth is a powerful tool to market the product at no charge or very small cost.

The popularity of virtual interactions among tourists has led some researchers to highlight the importance of online WOM in acquiring and retaining tourists in the era of e-commerce (Vanessa and Alexandra, 2009). A study done by Compete (2007) revealed that around one-third of consumers are communicating with message boards, online communities, or forums before making online travel purchases because they believe that online reviews help them make their purchase decisions. According to Reza and Neda (2012) online WOM communications have a significant impact on attitudes toward visiting Isfahan, subjective norms, perceived behavioral control, and intention to travel.

Destination Satisfaction (DS)

A tourist destination is an amalgam of tourist products, services and public goods consumed under the same brand name, thus offering the consumer an integrated experience (Buhalis, 2000; Leiper,

1995). Rather than describing it in terms of a well-defined geographical area such as a country, island or town (Davison and Maitland, 1997; Hall, 2000), contemporary definitions view a destination as a blend of consumers' space and tourism products providing a holistic experience which is subjectively interpreted according to the consumer's travel itinerary, cultural background, purpose of visit, past experience, etc. (Fuchs and Weiermair, 2003).

Satisfaction were measured by efficiency, service quality, social value, play, aesthetics, perceived monetary cost, perceived risk, time and effort spent and perceived value (Galarza et al., 2006). Satisfaction attributes were analyzed by cognitive image of natural resources, cognitive image of service quality, cognitive image entertainment and affective image (Luo and Hsieh 2013). Satisfactions of tourist measured by general satisfaction attribute satisfaction (i.e. attractions, accommodation, accessibility, amenities and activities) and met expectations. The satisfaction attributes included attractions, lodging, dining, shopping, accessibility, activities and events and environment (Chi and Qu, 2008).

Country Image (CI)

The image of a place is considered a key factor in the traveller's investment and decision-making process (MacKay and Fesenmaier, 1997; Tasci and Gartner, 2007). In their study examining image differences between prospective, first-time and repeat visitors to the Lower Rio Grande Valley. Fakeye and Crompton (1991) found significant differences between the three visitor segments, which had important implications for marketers devising destination promotional strategies, a view confirmed by Assaker et al (2011).

Kevin and James (2010) also carried out several research findings to develop the scale of destination image (SDI) to assess destination image affecting the consumption associated with tourism. Empirical evidences support the notion that destination image is an important factor that likely exerts significant impact on the decision-making process of tourists. Nonetheless, various limitations and weaknesses have been identified in previous studies; to a great extent, issues were primarily related to measures developed or adopted in these studies.

Kevin and James (2010) have further illustrated and expanded the ideas and types of images discussed by Nicola and Heather (2009). In accordance with previous literature, Kevin and James (2010) identified three types of images that individuals hold of a particular destination: organic image, induced image, and complex image. These three types of images are based on individuals' experience with a particular destination. An organic image arises from non-tourism information such as geography books, television reports, or magazine articles. An induced image can arise from tourism-specific information such as a destination brochure or vacation web site, which is a product of destination marketing efforts.

Mediating Role of Destination Satisfaction on the Relationship Between Country Image and Word of Mouth Communication

Arguments and empirical evidence that can explain the relationship between the quality of tourism services, destination image, tourist experience, and tourist satisfaction toward destination preference can be explained as follows.

First, the relationship between service quality and destination preference is described by Gronross in Bateson (1992), which explains the pattern of the relationship between service quality and

purchase propensity that “if the firm fail to render an acceptable service offering, the perceived service quality may not be good enough and the customer does not return”.

Empirically, the argument by Gronross has been strengthened by the research of Chaipakdee and Wetprasit (2011) on tourists doing sea-kayaking in Phuket-Thailand, the quality of services and value the tourists received has a significant effect on tourist satisfaction that leads to the interest of tourists in promoting the place by way of word of mouth communication.

Second, the relationship between destination image and destination satisfaction is explained by a model of consumer behavior developed by Moscardo et al. in Cooper et al. (1998), suggested that the selection of a tourist destination which is well known as destination choice is influenced by the variable of destination image that includes an assessment of the level of recommending the same by way of word of mouth.

However, it is worth noting that above literature implied that country image, destination satisfaction influence the word of mouth communication. However, it highlights that such relationships have not been investigated comprehensively altogether. Also, despite the fact that Sri Lanka currently wants to develop the country as a tourist destination, there is an indeed need to explore knowledge based upon such destination as current literature has not yet addressed such requirement. Thus, addressing this gap in the literature the *objective of the current study is to examine the influence of country image and destination satisfaction on word of mouth communication in the Sri Lankan Tourist Industry*. Supporting the above discussed literature the following hypothesis is derived

H1: Destination satisfaction mediates the influence of country image on world of mouth communication of tourists in Sri Lanka

The conceptual framework of the current study is given in Figure 1

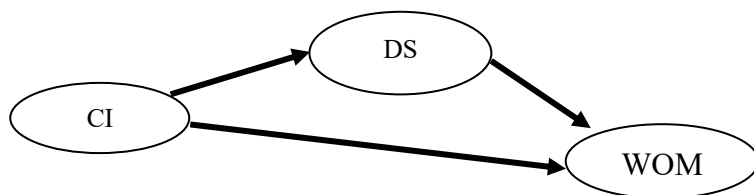


Figure 1. Conceptual framework

Methodology

This is an explanatory study. Population of the study is tourists who visited Sri Lanka. 354 tourists who departure from the International Airport of Sri Lanka are selected, reflecting judgmental sampling techniques. Tourists representing Europe and East Asia are in the sample. Data is collected from the Tourists who departed in Dec 2017 from the airport using structured self-administrated questionnaires.

Scales of Ahmad et al., (2012), Andriotis et al (2008), Isabelle G. et al., (2010), Meysamet al., (2012) are used for country image, destination satisfaction, revisit intension and positive word of mouth respectively. The proposed hypotheses were tested using Structural Equation Modeling (SEM). The data was analyzed using AMOS version 23 and maximum likelihood estimation. First examine common method bias, followed by measurement model and structural model analyses. In

fact, the psychometric properties of the constructs were examined in the measurement model analysis. Then, the structural model analysis was proceeded to test the hypotheses.

Measurement Model Analysis

Confirmatory Factor Analysis (CFA) was assessed for CI, DS, RI, and WOM in order to ensure the unidimensionality. Then, validity and reliability of the scales were ensured. The results of the CFA are summarized in Table 1, together with information on reliability and validity.

Table 1. Summary of the Measurement Model Statistics

Construct	Statement	FL
Country Image (CI) AVE (0.76), CR (0.77), $\alpha = 0.72$	Sri Lanka is a remarkable destination	0.748
	People in the country are very Friendly	0.810
Destination Satisfaction (DS) AVE (0.58), CR (0.81), $\alpha = 0.71$	There is enough space available in beaches	0.827
	Sea and the beaches are clean	0.714
	Natural environment is attractive	0.730
Positive Word of Mouth (PWOM) AVE (0.72), CR (0.88), $\alpha = 0.72$	I recommended Sri Lanka to many people	0.881
	I speak of Sri Lanka's good sides.	0.862
	I am proud to say to others that I have visited Sri Lanka.	0.809

Notes: Fit indices $X^2(485) = 465.37$, ($p < 0.01$), $CFI = 0.96$, $GFI = 0.92$, $NFI = 0.91$, $TLI = 0.98$, $RMSEA = 0.031$, $SRMR = 0.04$; FL, factor loading; AVE, average variance extracted; CR, composite reliability; α , Cronbach's Alpha; X^2 , Chi-square; CFI, comparative fit index; GFI, goodness-of-fit index; NFI, normed fit index; TLI, Tucker-Lewis index; RMSEA, root mean square error of approximation; SRMR, standardized root mean residual.

As can be seen in the CFA results (Table 1), all the standardized factor loadings were significant ($p < 0.001$) and ranged from 0.714 to 0.881 that were far above the required value of 0.60, and AVE values of all constructs were above 0.5, the minimum threshold value (Hair et al. 1998, Malkanthie 2018). The results of the standardized factor loadings and AVE confirmed strong convergent validity of measures (Hair & Anderson 2010). Discriminant validity was assessed using the procedure has been suggested by Fornell and Larcker (1981). Hence, the square root of the AVE (as presented in Table 2 the upper diagonal) for each construct were greater than the correlation coefficient between that construct and all other construct and therefore, supporting discriminant validity (Fornell & Larcker 1981). Further, as shown in Table 1, Cronbach's Alpha coefficients for all constructs were exceeded threshold of 0.7, indicating acceptable reliability levels (Cronbach 1951; Nunnally 1978).

Table 2. Descriptive and Bivariate Correlation Matrix for the Study Constructs

Construct	Mean	SD	1	2	3
1. CI	4.54	0.44	0.76		
2. DS	4.51	0.35	0.224**	0.58	
3. PWOM	4.49	0.34	0.197*	0.209**	0.72

Notes: ** Correlation is significant at $p < 0.01$; * Correlation is significant at $p < 0.05$; SD, standard deviation; Diagonal value in bold-face type indicates the Average Variance Extracted (AVE) of individual construct.

Table 2 reports the means, standard deviations, inter-construct correlations and AVE scores for the study constructs. The construct means range from 3.04 to 3.95 (out of 5.0) and corresponding standard deviations range from 0.58 to 0.76. Inter-construct correlations are positive and significant ($p < 0.01$; $p < 0.05$), ranging from 0.197 to 0.224.

Structural Model Analysis

Two models were tested in SEM as consistent with the approach outlined by previous study (Spry et al. 2011). Model 1 is partial mediation model. Both, Model 1 and Model 2 (Direct effect model) collective results were used to test the hypothesis. The underlying assumptions for SEM were checked and proved. Those were independence of observations, adequate normality, no extreme outliers and multicollinearity, and sampling adequacy (Hair et al. 1998).

Model 1 (Mediation Model)

In Model 1, CI, DS, and PWOM were the latent variables. As can be seen in Figure 1, the direct effect of CI on PWOM, and the indirect effect of CI on PWOM through DS were examined in Model 1.

The goodness-of-fit indices for the Model 1 were met: $X^2/df = 1.809$, GFI = 0.91, RMSEA = 0.02, NFI = 0.91, CFI = 0.96, TLI = 0.92, AGFI = 0.886, and PNFI = 0.77. Overall, the fit indices provided evidence of a reasonably good model fit.

The results of the SEM for Model 1 are displayed in Table 3. Accordingly, CI has positive but not significant impact on PWOM ($\beta = 0.18$, $p = 0.25$). CI has a significant positive impact on the DS of the tourist in Sri Lanka ($\beta = 0.21$, $p < 0.03$). DS has positive and statistically significant impact on the PWOM of the tourist in Sri Lanka ($\beta = 0.478$, $p < 0.001$).

Table 3. SEM Results for Model 1 (Full Mediation)

Hypothesized path	Standardized path estimates
CI→PWOM	0.18
CI→DS	0.21***
DS→PWOM	0.478***

Note: ** $p < 0.01$; *** $p < 0.001$

Model 2 (Direct Effect Model)

The Model 2 analyzes the direct impact of CI on PWOM, however the mediating variable DS is excluded. The Model 2 yields acceptable fit to the data: $X^2/df = 1.65$, GFI = 0.97, RMSEA = 0.041, NFI = 0.98, CFI = 0.91, TLI = 0.95, AGFI = 0.86, and PNFI = 0.67 (Bentler 1992; Gerbing & Anderson 1992; Hair et al. 1995, 2006 & 2010; MacCallum & Hong 1997; Hu & Bentler 1999; Wu 2009). CI has significant positive direct impact on PWOM ($\beta = 0.167$, $p < 0.05$).

Table 4. SEM Results for Model 2 (Direct Effect Model)

Hypothesized path	Standardized path estimates
CI→PWOM	0.167****

Note: **** $p < 0.05$

The collective results of Model 1 and Model 2 assist to test the hypothesis which is predicted that DS has a significant mediates the relationship between CI and PWOM of the tourist Sri Lanka.

To establish the existence of mediation effect, four conditions should be satisfied (Baron and Kenny 1986) and meet in Model 1 and 2. Firstly, CI significantly influences the PWOM (model 2). Secondly, DS statistically significantly affects the PWOM (model 1). Thirdly, CI significantly influences the DS (model 1). Fourthly, the impact of the CI on the PWOM should be weakening in strength or should be insignificant (mediation), after control for the mediator DS. The standardized beta in Model 2 (direct effect of CI on PWOM) was 0.167 ($p < 0.05$) and in Model 1, after including of DS as a mediating variable it was not significant ($\beta = 0.18$, $p = 0.25$). Thus, DS fully mediates the relationship between CI and POWM, and the hypothesis is supported at the 95% confidence level (model 1).

Discussion and Conclusion

This paper is aimed for investigating the mediating role of destination satisfaction on the relationship between country image and positive word of mouth communication of tourist in Sri Lanka. Utilizing the direct (CI on PWOM) and indirect models (CI on PWOM through DS) mediating role of the destination satisfaction has been examined. The former model reflects that country image of tourists in Sri Lanka significantly influence their positive word of mouth. This finding enriches the existing knowledge on how country image influence to have word of mouth communication in the tourism industry. For instance, Nicola and Heather (2009) claims that pleasant image on the country will not only increase the possibility of revisiting such country but also enhance the communication of such perception to the other visitors. This argument has been empirically supported by the current study by enriching such knowledge into a different context.

The study discloses that destination satisfaction fully mediate the influence made by country image on positive word of mouth of tourist in Sri Lanka. It reflects that even though tourists who visit have a good image about country the extent to which they spread positive word of mouth communication depends upon their extent of satisfaction in the country while their stay. It means that satisfaction the tourists experience while their stay in Sri Lanka is more influencing the positive word of mouth communication than their image on the country. Empirical and comprehensive investigation of mediating role of destination satisfaction on the relationship between country image and the positive word of mouth communication of the tourists is a paramount contribution to the existing knowledge.

Findings of the study imply that country image influences the positive word of mouth and then destination satisfaction influences the positive word of mouth even such two relationships have been taken separately. It further confirms the findings of Frias et al., (2007); Beerli and Martin, (2004a) that reflects the relationship between country image and destination satisfaction. Further, the current study supports Chaipakdee and Wetprasit (2011), Castro et al. (2007) studies in another developing country's context with more empirical evidence.

Such findings and the conceptual framework can be applied to examine the same theoretical association in other similar industries for instance hospitality industry as well as in similar context (other developing countries).

Findings provide valuable insights for marketers, managers and for companies at large to successfully design and maintain their competitive strategies in the tourist industry in Sri Lanka. Especially players in the tourism industry should make necessary actions to maintain the satisfaction of the tourists while they are in the country as it is more powerful in spreading the positive word of mouth, even more important than their image about the country. This can be used

as a productive strategy for developing the tourism industry of the country specially in the period of after war. Further, relevant policy makers should also facilitate this industry in all possible ways for instance, providing required infrastructure, to provide such satisfaction to the tourist while their stay in the country. Such insights might be mostly similar in other Asian countries and/or in other developing countries, explicitly finding, it is an avenue for future research though.

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