

# Destination Loyalty in Relation to Tourists' Perceived Value and Destination Trust

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## Abstract

This study analyzed the relationship between perceived value, destination trust, and destination loyalty among tourists in the ecotourism destinations in South Cotabato Province, Philippines, using a survey method. Frequency, percentage, weighted mean, and Pearson product-moment correlation were used to analyze the data. The findings showed that tourists perceived that they get a very high value from their visit to the ecotourism destinations, and expressed a very high level of trust and loyalty towards the destinations. The result further showed that perceived value and destination trust are significantly related to the tourists' loyalty to the destination. This research is primarily significant as it will serve as an addition to the limited local literature available in the area.

**Keywords:** loyalty; perceived value; trust; ecotourism; destination.

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## 1. Introduction

Ecotourism is poised to reign supreme in the Philippines' travel industry's transition to the new normal post-Covid-19 nonetheless, the Department of Tourism (DOT) highlights the tourism industry's contribution to the gross domestic product of the Philippine economy falls to 5.4% in 2020, from 12.8% in 2019 (Philippine Statistics Authority, 2021). Tourism makes for a quarter of the country's gross domestic product (GDP), compared to 20% for Thailand and 6% for Indonesia. While it has the smallest share of the top Southeast Asian destinations, the Philippines is the most reliant on tourism of all however it appears to be the most severely impacted country in Southeast Asia by the pandemic (Pear Anderson, 2021).

Aside from the pandemic, the tourism industry's poor performance can be linked to one of the most serious issues confronting tourism in the Philippines, the country's unfavorable representation by foreign media. This has harmed the country's reputation, deterring many possible tourists from ever visiting. In other words, apart from closed resorts and a restricted number of landmarks, there have been no efforts to make the country more tourist-friendly. Accordingly attempts to alter the country's image in both domestic and foreign media have been unsuccessful. Goldsmith (2018) on the other hand asserted that the Philippines is trying to strengthen its value as a brand and establish loyalty as a tourist destination and grow its economy by exploiting its wealth of natural

resources through ecotourism. Additionally, it is critical for tourist destination managers and policymakers to understand the factors that contribute to tourist loyalty to enhance a destination's value and, as a result, introduce better offerings, services, and communication strategies that exceed tourists' expectations (Albaity & Melhem, 2017).

Moreover, Jebbouri et al. (2020), stated in their study that ecotourism destinations must go above and beyond to guarantee their customers are entirely happy to generate brand loyalty. Also, Huwae et al. (2020) suggested that more investigations should be conducted with different nations or regions and incorporate other dimensions that are relevant to the culture and destination (Cosso-Silva et al., 2019). In order to provide additional local literatures and empirical researches, this study aimed to analyze the relationship of tourists' perceived value, destination trust, and loyalty at major tourism sites in South Cotabato Province in the Philippines..

## **2. Literature Review**

Destination loyalty in the tourism is the notion of the willingness to use a company's products over a long period, spread positive information to others, return to a tourist destination in the future, and advocate tourism to others (Artuger et al., 2013). Loyalty is thought to be the best predictor of what people will do in the future and a way for businesses to be more successful in the market. It has been established by Chenini and Touaiti (2018), that investing in customer loyalty can help businesses gain a real competitive advantage. Coss-Silva et al. (2019), suggested that future research on tourist destination loyalty should incorporate behavioral aspects. Perceived value and trust may have a significant role in tourist's perception of the destination.

Gutman (1982) came up with the means-end chain model, which supports the idea that values play a big role in how people buy things. This model says that people think about products and services based on how they will help them achieve their values; all actions have consequences (desired or not). The means-end theory encapsulates two critical components of persuasion: knowing the target audience's values and the emotional connections that connect those values to a particular action. Perceived value is important to the tourists' visit experience. Pujiastuti et al. (2022) stated that establishing a memorable tourist experience is critical for producing value for travelers. While perceived value is a significant factor in future tourist activity, the final effect is loyalty behavior. It further demonstrated that perceived value may be utilized to explain post-experience tourist behavior, and perceived value can be a metric used to determine a destination's performance in terms of providing customer value.

The principle of perceived value originates in consumer behavior theories and considers customers' thoughts and attitudes to comprehend their proclivity to be drawn to the purchase of specific products in a competitive setting Jamal et al. (2017). Customer perceived value holds that the success of a product or service is mainly determined by whether customers feel it can meet their goals and requirements Kokemuller (2019). Thus, perceived value considers not only the product's price but also the different psychological aspects that impact a consumer's decision to acquire a certain item. Moreover, the product or services' value is determined through the client, instead of the provider (Nyadzayo & Khajehzadeh, 2016). Tourist perceived value (TPV) has an obvious and considerable positive impact on both tourist brand satisfaction and trust in a tourism destination. According to Li (2021) the higher the tourist satisfaction and hence the higher the destination loyalty, the more effective a location's tourism image and quality of tourism offers, and services are promoted.

Trust in the destination is also a significant factor in guest behavior towards a place visited. Trust can be defined generally as the confidence that one party has in the reliability and integrity of its trade partner. But in the context of a tourism destination, trust has been defined as the ability to rely on important elements of a region; trust is regarded as one of the most important criteria in determining destination loyalty Sirdeshmukh, Singh, and Sabol

(2016). People who have a positive outlook on the incident are more likely to return to the nation or destination, and additionally, Tourists' visit intention is positively influenced by destination trust (Abubakar & Ilkan, 2016; Hassan & Soliman, 2021). If a place lacks visitor trust, regardless of how attractive the tourist experience is, it is ineffective (Artigas et al., 2017).

### **3. Methodology**

#### ***3.1 Sample and Procedure***

This study utilized a survey method and quantitative data analysis. The data gathered were tallied and analyzed using frequency counts, percentages, mean, and Pearson product-moment correlation. Four hundred (400) respondents were purposely selected for this research around major tourist destinations in South Cotabato Province, Philippines. The anonymity of the respondents was ensured throughout the study including responses was held entirely confidential. It was emphasized that the participation of the respondents was completely voluntary. Only the researchers have complete access to the data.

#### ***3.1 Sample and Procedure***

The questionnaire was divided into four parts by the researchers. The first part was used to collect the demographic data of the respondents in terms of sex, age, education, and occupation. The second part was used to assess tourists' perceived value of the ecotourism destination. The third part was used to accumulate information on the destination trust of tourists, and lastly, evaluate the destination loyalty of tourists to a particular ecotourism site.

Items for tourists' perceived value, destination trust, and destination loyalty towards ecotourism destinations were adopted from the study by Li (2021) with a 7-point scale, and responses ranging from strongly disagree (1) to strongly agree (7). The tool was validated and found to be reliable for use in a different locale. To check if the questionnaire remains valid for use in the Philippine local, a validation survey was performed. A sample of 50 respondents fitting the requirements set by the researchers was given the survey questionnaire. The results indicate an acceptable level of reliability with Cronbach's Alpha. The scales for perceived value, destination trust, and loyalty obtained alpha values of 0.67, 0.58, and 0.60 respectively.

### **4. Results and Discussions**

#### ***4.1 Demographic profile of the respondents***

The age group 15-25 represents the largest percentage of tourists at 31% followed by the age group 46-55 at 25%. Females correspond to 54% of the respondents versus 46% of males. This difference is not too large and could explain that ecotourism spots attract both men and women relatively equally. The majority of the tourists are employed corresponding to 62.5%. This is expected as those who are employed can visit ecotourism spots.

#### ***4.2 Tourists' perceived value, destination trust, and loyalty***

As shown in Table 1, the level of perceived value that respondents get from the destination visited is very high with a mean of 6.05. Tourists perceived that they get a very good value on their money, and destination products and services are very worth purchasing. This generally means that the ecotourism spots are doing well in making the tourists feel good about their visit and value for money.

On destination trust, tourist expressed a very high level of trust in the destination with a mean of 5.39. It means that they believe that the destinations can provide them very high quality of products and services independently, and can provide them trusted information and assistance during their visits.

The survey shows that tourists express an extremely high level of loyalty towards the destination with a mean of 6.52. They feel that destinations provide them memorable, valuable experiences which makes their intention to revisit and recommend the destination is extremely high. It supports the study of Rahman, et al. (2021) and Ibrahim, et al. (2021) that the image of the destination such as how it was introduced and presented makes up the experience and positively impact tourist’s intention to revisit.

**Table 1: Descriptive Results**

<b>Dimension</b>	<b>Mean</b>	<b>Descriptive Interpretation</b>
Perceived value	6.05	Perceived value on destination is very high.
Destination trust	5.39	Trust on the destination is very high.
Destination loyalty	6.52	Loyalty with the destination is extremely high.

**4.3 Relationship of perceived value and destination trust to destination loyalty**

Table 2 shows the Pearson Correlation of Perceived Value and Destination Trust to Destination Loyalty. It is seen that the correlation between perceived value and destination loyalty is 0.554 with a p-value of 0.000. This implies a significant moderate positive correlation between the two variables. As for Destination Trust and Destination Loyalty, the Pearson correlation is 0.492 with a p-value of 0.000. This also indicates a significant moderate positive correlation between the two variables. Hence, it can be concluded that improving the perceived value and destination trust of tourists will have a moderate positive impact on their destination loyalty.

**4.4 Practical Implications**

The study's findings indicate that increasing tourists' perceived value and destination trust has a marginally beneficial effect on their destination loyalty. The best course of action appears to be to maintain tourist trust in the destination. Specifically, ecotourism sites should be capable of providing high-quality products and services even when they are not supervised by any groups or agencies. It is recommended to instill pride in indigenous people's traditional cultural values and a sense of responsibility for preserving and introducing those cultural treasures to tourists through a combination of eco-tourism and community tourism in the form of sightseeing, relaxation, and cultural tourism – historical sites, and among others for these are one of the valuable and memorable aspects that attracts tourists. This particular research is an important addition to the limited literature available in the area.

**Table 2.** The Relationship of Perceived Value and Destination Trust to Destination Loyalty

**Destination Loyalty**

	<b>Pearson Correlation</b>	<b>P-Value</b>	<b>Interpretation</b>
<b>Perceived Value</b>	0.554	0.000	Significant Moderate Positive Correlation
<b>Destination Trust</b>	0.492	0.000	Significant Moderate Positive Correlation

#### **4.5 Limitations and Future Research Recommendations**

Further investigation into the indicator's research is necessary to see whether all variables have the same relative value in the indicator or whether coefficients are required to separate the significance of each facet evaluated. New indicators may be introduced in order to understand further the possible factors that have significant impact on destination loyalty. Another statistical treatment may be used to deeply analyze the relationship among variables.

#### **5. Conclusions**

This study concludes that tourism destinations in the area are doing a good job of keeping visitors satisfied with their visit and providing good value for money. These destinations maintains a reliable and consistent products and services which makes the visitors feel safe, and well-treated. Tourists become extremely attached to the destinations because of the memorable and valuable experiences they can get from it, and in return, they are more likely to revisit and recommend it. Finally, there is moderately related to tourists' perceived value and destination trust. Increasing tourists' perceived value and destination trust will have a moderate positive impact on their destination loyalty.

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