

Relationship among Word-of-Mouth, Customer Value and Repurchase Intention for Online Travel Products: Evidence from Taiwan

Der-Jiunn Deng¹ Wan-Yu Liu^{2,*}

¹ Department of Computer Science and Information Engineering, National Changhua University of Education

Changhua 500, Taiwan

² Department of Tourism Information, Aletheia University

New Taipei City 251, Taiwan

nellyliu@gmail.com

Received 22 August 2012; Revised 6 October 2012 ; Accepted 18 October 2012

Abstract. This study mainly investigates the relationships among customer value, customer satisfaction, word-of-mouth, and repurchase intention. Online Travel products (Ezfly) was selected as the object of this study. 450 questionnaires were provided and 400 valid replies were received. This study uses the structural equation model to empirically explore the relationships among customer value, customer satisfaction, word-of-mouth, and repurchase intention. The results indicate customer satisfaction has an effect on word-of-mouth and repurchase intention through customer value, and customer value has a partial mediating effect.

Keywords: customer value, customer satisfaction, word-of-mouth, repurchase intention, structural equation modeling, online travel product

References

- [1] E.W. Anderson and M.W. Sullivan, "The Antecedents and Consequences of Customer Satisfaction for Firms," *Marketing Science*, Vol. 12, pp. 125-143, 1993.
- [2] B.J. Babin, Y.K. Lee, E.J. Kim, M. Griffin, "Modeling Consumer Satisfaction and Word-of-mouth: Restaurant Patronage in Korea," *Journal of Services Marketing*, Vol. 19, No. 3, pp. 133-139, 2005.
- [3] L.J. Cronbach, "Coefficient Alpha and the Internal Structure of Tests," *Psychometrika*, Vol. 16, No. 3, pp. 279-334, 1951.
- [4] J.J.J. Cronin and S.A. Taylor, "Measuring Service Quality: A Reexamination and Extension," *Journal of Marketing*, Vol. 56, pp. 55-68, 1992.
- [5] D. Dubrovski, "The Role of Customer Satisfaction in Achieving Business Excellence," *Total Quality Management*, Vol. 12, No. 7, pp. 920-925, 2001.
- [6] A. Eggert and S. Helm, "Exploring the Impact of Relationship Transparency on Business Relationships: A Cross-Sectional Study Among Purchasing Managers in Germany," *Industrial Marketing Management*, Vol. 32, pp. 101-108, 2003.
- [7] J.F. Engel, R.D. Blackwell, P.W. Miniard, *Consumer Behavior*, 9th ed., New York, 2001.
- [8] C. Fornell, "A National Customer Satisfaction Barometer: The Swedish Experience," *Journal of Marketing*, Vol. 56, No. 1, pp. 6-21, 1992.
- [9] J. Frenzen and K. Nakamoto, "Structure, Cooperation, and the Flow of Market Information," *Journal of Consumer Research*, Vol. 20, pp. 360-376, 1993.

* Corresponding author.

- [10] J.B. Gotlieb, D. Grewal, S.W. Brown, "Consumer Satisfaction and Perceived Quality: Complementary or Divergent Constructs?" *Journal of Applied Psychology*, Vol. 79, pp. 875-885, 1994.
- [11] T.W. Gruen, T. Osmonbekov, A.J. Czaplewski, "eWOM: The Impact of Customer-to-customer Online Know-how Exchange on Customer Value and Loyalty," *Journal of Business Research*, Vol. 59, No. 4, pp. 449-456, 2006.
- [12] J.L. Heskett, W.E. Sasser, C.W.L. Hart, *Service Breakthroughs: Changing the Rules of the Game*, NY: The Free Press, New York, 1990.
- [13] M. Hume, "Understanding Core and Peripheral Service Quality in Customer Repurchase of the Performing Arts," *Managing Service Quality*, Vol. 18, No. 4, pp. 349-369, 2008.
- [14] M. Hume and G.S. Mort, "Satisfaction in Performing Arts: the Role of Value?" *European Journal of Marketing*, Vol. 42, No. 3-4, pp. 311-326, 2008.
- [15] W.N. Janes and P.L. Sasser, "Involvement, Attribution, and Consumer Responses to Rebates," *Journal Business and Psychology*, Vol. 9, No. 3, pp. 279-297, 1995.
- [16] J. Klein, R. Ettenson, M. Morris, "The Animosity Model of Foreign Product Purchase: an Empirical Test in the People's Republic of China," *Journal of Marketing*, Vol. 62, No. 1, pp. 89-100, 1998.
- [17] P. Kotler, *Marketing Management. 9th Ed.*, NJ: Prentice Hall, Englewood Cliffs, 1997.
- [18] A.H. Liu, "Examining the Role of Customer Value, Customer Satisfaction, and Perceived Switching Costs: A Model of Repurchase Intention for Business-to-business Services," UMI No. 9835214, Dissertation Abstracts International, Ann Arbor, MI, 1998.
- [19] C. Mathwick, N. Malhotra, E. Rigdon, "Experiential Value: Conceptualization, Measurement and Application in The Catalog and Internet Shopping Environment," *Journal of Retailing*, Vol. 77, No. 1, pp. 39-56, 2001.
- [20] L.K. Molinari, R. Abratt, P. Dion, "Satisfaction, Quality and Value and Effects on Repurchase and Positive Word-of-Mouth Behavioral Intentions in a B2B Services Context," *Journal of Services Marketing*, Vol. 22, No. 5, pp. 363-373, 2008.
- [21] W. Muller, "Gaining Competitive Advantage through Customer Satisfaction," *European Management Journal*, Vol. 9, No. 2, pp. 201-211, 1991.
- [22] H. Nadiri, K. Hussain, E.H. Ekiz, S. Erdogan, "An Investigation on The Factors Influencing Passengers' Loyalty in the North Cyprus National Airline," *The TQM Journal*, Vol. 20, No. 3, pp. 265-280, 2008.
- [23] D. Ogden, J. Ogden, H. Schau, "Exploring the Impact of Culture and Acculturation on Consumer Purchase Decision: Towards a Microcultural Perspective," *Academy of Marketing Science Review*, Vol. 3, pp. 1-22, 2004.
- [24] R.L. Oliver, "A Cognitive Model of the Antecedent and Consequences of Satisfaction Decisions," *Journal of Marketing Research*, Vol. 17, pp. 460-469, 1980.
- [25] R.L. Oliver, R.T. Rust, S. Varki, "Customer Delight: Foundations, Findings, and Managerial Insight," *Journal of Retailing*, Vol. 73, No. 3, pp. 311-336, 1997.
- [26] P.G. Patterson, L.W. Johnson, R.A. Spreng, "Modeling the Determinants of Customer Satisfaction for Business-to-Business Professional Services," *Journal of the Academy of Marketing Science*, Vol. 25, pp.4-17, 1997.
- [27] J. Podoshen, "Word of Mouth, Brand Loyalty, Acculturation and the American Jewish Consumer," *Journal of Consumer Marketing*, Vol. 23, No. 5, pp. 266-282, 2006.
- [28] J.S. Podoshen, "The African American Consumer Revisited: Brand Loyalty, Word-of-Mouth and the Effects of the Black Experience," *Journal of Consumer Marketing*, Vol. 25, No. 4, pp. 211-222, 2008.

- [29] K.E. Reynolds and M.J. Arnold, "Customer Loyalty to the Salesperson and the Store: Experiencing Relationship Customers in an Upscale Retail Context," *Journal of Personal Selling & Sales Management*, Vol. 20, pp. 89-98, 2000.
- [30] R.T. Rust, A.J. Zahorik, T.L. Keiningham, "Return on Quality (ROQ): Making Service Quality Financially Accountable," *Journal of Marketing*, Vol. 59, No. 2, pp. 58-70, 1995.
- [31] B. Schneider and D.E. Bowen, *Winning the Service Game*. Boston, MA: Harvard Business School Press, 1995.
- [32] A. Shoham, M. Davidow, J. Klein, A. Ruvio, "Animosity on the Home Front: the Intifada in Israel and Its Home Impact on Consumer Behavior," *Journal of International Marketing*, Vol. 14, No. 3, pp. 92-114, 2006.
- [33] J. Singh, "Understanding the Structure of Consumer Satisfaction Evaluation of Service Delivery," *Journal of Academy of Marketing Science*, Vol. 19, No. 3, pp. 223-244, 1991.
- [34] E. Sivadas and B.P. Jamie, "An Examination of the Relationship between Service Quality, Customer Satisfaction, and Store Loyalty," *International Journal of Retail & Distribution Management*, Vol. 28, No. 2, pp. 73-82, 2000.
- [35] J. Sweeney, J. Swait, "The Effects of Brand Credibility on Customer Loyalty," *Journal of Retailing and Consumer Services*, Vol. 15, No. 3, pp. 179-193, 2008.
- [36] J.C. Sweeney and G.N. Soutar, "Consumer Perceived Value: the Development of a Multiple Item Scale," *Journal of Retailing*, Vol. 77, pp. 203-220, 2001.
- [37] S.A. Taylor and T.L. Baker, "An Assessment of Relationship Between Service Quality and Customer Satisfaction in the Formation of Consumer's Purchase Intention," *Journal of Retailing*, Vol. 70, pp. 163-178, 1994.
- [38] H.T. Tsai and H.C. Huang, "Determinants of E-repurchase Intentions: An Integrative Model of Quadruple Retention Drivers," *Information & Management*, Vol. 44, No. 3, pp. 231-239, 2007.
- [39] Y. Wang, H.P. Lo, R. Chi, Y. Yang, "An Integrated Framework for Customer Value and Customer-Relationship Management Performance: A Customer-Based Perspective from China," *Managing Service Quality*, Vol. 14, pp. 169-182, 2004.
- [40] R.B. Woodruff, "Customer Value: The Next Source for Competitive Edge," *Journal of the Academy of Marketing Science*, Vol. 25, No. 2, pp. 139-153, 1997.
- [41] A.G. Woodside, L.L. Frey, R.T. Daly, "Linking Service Quality, Customer Satisfaction, and Behavioral Intention," *Journal of Care Marketing*, Vol. 9, No. 4, pp. 5-17, 1989.
- [42] V.L. Zeithaml, "Service Quality, Profitability, and the Economic Worth of Customers: What We Know and What We Need to Learn," *Journal of the Academy of Marketing Science*, Vol. 28, pp. 67-85, 2000.