ASSESSING CONSUMERS’ PERCEIVED QUALITY USING FORMATIVE AND REFLECTIVE MEASURES AT THE DESTINATION LEVEL

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ABSTRACT
This study was conducted exploring the relationship between intrinsic and extrinsic cues, and perceived quality using formative and reflective measures at the destination level. A conceptual quality model was developed and tested by a field study for making the model context specific. Then Partial Least Square (PLS) based Structural Equation Modeling (SEM) approach was used to test four hypotheses of proposed model on a sample of 602 visitors. Three hypotheses were supported at different significant levels. It is expected that the outcomes of this study will help the policymakers in tourism planning and implementing effective marketing strategies. Theoretically, this study will contribute in enhancing the causal relationships among formative and reflective constructs which have not been extensively studied yet in the tourism literature.

KEYWORDS: Perceived Quality Cues, Formative and Reflective Measures

INTRODUCTION
Scholars of different disciplines tend to view quality from different vantage points (Parasuraman, Zeithaml, and Berry 1994; Agarwal and Teas 2001). For instance, psychology and philosophy researchers have focused on definitional issues of the innate excellence of an entity (Peterson and Jolibert 1976); economics on profit maximization (Heinkel 1981); management accounting on management control (Choi and Liker 1995); and marketing on buying behavior and consumer satisfaction (Zeithaml 1988). In the recreation and tourism field, perceived quality has been viewed as the quality of the opportunity that consists of the attributes of a product and service (Lee, Graefe, and Burns 2007).

It is quite natural that high quality products or services would certainly be preferred by consumers over low quality products or services. However, the question becomes important when one product is preferred over another although; they contain the same attributes (Chowdhury and Islam 2003). In this regard, Erickson et al (1984), Mackenzie and Spreng (1992) argued that the quality of a product is not only inherently related to the attributes of the product but also to the psychological perceptions for which consumers have for the product. Consumer’s perceptions of quality are generally formed on the basis of a large and impressive series of quality cues (Chowdhury and Islam 2003). The quality cues provide a clear idea about a product or services’ powers to satisfy consumers’ requirements. Determining which quality cue plays the most important role is still unexplored at the destination level.
In addition, measurement practices in business research are conventionally based on reflection where the direction of causality runs from the latent variable to its measures (Diamantopoulos 2008), although the distinction between formative and reflective measures dates back to more than 20 years (Fornell and Bookstein 1982). Literatures discuss formative measures and attempt to provide guidelines to researchers are relatively new in the tourism literature. Researchers have recognized that constructs become more sensible if the causality direction is reversed, implying that a construct is a combination of its measures (Zabkar, et al., 2010). In this situation a formative measurement model is deemed adequate for defining the combination of its indicators (Henseler et al, 2009). In the literature a significant contributions on the formative measure made by Diamantopoulos and Winklhofer (2001), who provide some certain guidelines in this regard, Chin and Gopal (1995) present as molar and molecular and discuss on the basis of empirically output using PLS software. Jarvis, MacKenzie, and Podsakoff (2003), examine the difference between formative and reflective constructs and provide different rules for distinguishing between both. Rai, Patnayakuni, and Seth (2006) present formation of formative and reflective constructs with the defining the items under the constructs level. Despite these efforts, it has been remarked that there is a need for further clarification in formation of constructs (Diamantopoulos et al., 2008) in different contexts.

It is logical for practical reasons that formative constructs are widely used in information system research (Murphy and Hofacker 2009). Recently some scholars used concepts of formative construct along with other reflective construct in the tourism (Murphy and Hofacker, 2009; Alvarez 2009; Zabkar et al, 2010). Murphy and Hofacker (2009) draws the attention of tourism researchers to the distinction between formative and reflective measurement models, and emphasizes the importance of developing research designs that provide better guidelines for the development and validation of formative constructs. In fact, tourism literature is very limited in this regard.

Therefore, this research tries to fill these gaps to achieve the two fold objectives: a) The exact role of cues on quality, and b) the role of perceived intrinsic cues (PIC) and perceived price (PP) as formative constructs along with other reflective constructs; Perceived Destination Brand Image (PDBI), Perceived Warranty (PW), and Perceived quality (PQ) at the destination level of Cox’s Bazar in Bangladesh.

Context of the Study
Cox’s Bazar, the world’s longest (120 km) unbroken sandy beach, is a tourist capital of Bangladesh sloping down to the blue waters of the Bay of Bengal against the picturesque background of a chain of hills that is covered with deep forests. It is an accumulation of miles of golden sands, surfing waves, rare conch shells, colorful pagodas, Buddhist Temples, tribes and delightful sea-foods. The shark-free beach is good for bathing, running, basking and swimming. The breath-taking beauty of the setting sun behind the waves of the sea is very attractive. Other attractions for visitors are the conch shell market, tribal handicrafts, and salt and prawn cultivation facilities. It is pertinent that when the winter climate of many western countries becomes intolerable, this destination offers a soothing winter climate. Timing and climate will lead tourists from many western countries to visit this destination along with the local visitors. There are 117 residential hotels, 62 guest houses, 125 cottages where can accumulate 70, 000
accommodations per night (not enough). Millions of national and local visitors visit this destination every year. At present more than 5 million foreign visitors visits this destination which is expected 13 million in 2020, and also expected contribution to GDP would be 4-5%. Despite having this tourism potential no research has been done yet to measure the role of intrinsic and extrinsic cues as perceived quality for this destination.

Theoretical Framework and Hypotheses

In general, cues are related to product or service performance. These cues can be further divided into product intrinsic (product or service related) and extrinsic (non-product or service related) cues (Olson & Jacoby, 1972). Intrinsic cues are connected to the products’ physical characteristics or a core expectation from a service and vary by product or service category. As an example, a lively or natural picture with a clear sound effect is a product-related cue of a color television, whereas the natural and the built environment are core cues for a destination. Extrinsic (non-product related) cues are defined as external aspects, which relate to a product’s purchase or consumption (Kaili et al., 2007). It’s a ‘Sony’ is a phrase that suggests that this a Japanese product where quality is the first preference based on a perception of a brand that has zero defects. Extrinsic cues convey different types of information such as price, country of origin, brand image, and warranty for products, whereas the word ‘Niagara’ suggests the country Canada and a natural waterfall of the destination. Taj Mahal,' equates to a message that the destination has been built by highly skilled craftsmen. Apparently extrinsic cues have little impact on a product’s function, but may serve as important clues to help create further associations especially when intrinsic cues are unknown to prospective consumers. For example, consumers often associate price with quality. It is likely that, in their minds, they may group products in a category by price. Say for example, packaging usually does not affect product function, but serves as a cue to product quality. A price per day of $500 for a hotel room itself suggests a quality that is higher than a hotel room for which the cost is $100 per night. Past research suggests that consumer perceptions of product quality are generally formed on the basis of an array of cues, including extrinsic cues (Berkowitz & Walter 1980). Price, brand, and warranties can thus be considered to be extrinsic cues that also lead to the perception of the quality. In fact, both cues play important roles for product or service selection. Surprisingly, no evidence has been found from the literature separating the impact of intrinsic and extrinsic cues on quality at the tourism destination level. Entertaining these cues as individual dimension and their influence on quality might provide an excellent addition to the literature and to practice.

Relationship between Perceived Intrinsic Cues (PIC) and Perceived Quality (PQ)

There are five intrinsic marketing cues in the literature that have received significant research attention for consumers’ perception of quality of products or services. These are suitability, pride, appearance, reliability, and workmanship. The products that are perceived to have fine workmanship as compared to others are perceived to have high quality (Shahid, 1997). In the case of tourism, the cue might be the inclusion of special events, physiography and climate, culture and history, a mix of activities, entertainment, and superstructure (Crouch, 2007) and its natural attraction. Destination’s core resources and attractions are often the fundamental reasons why prospective visitors choose one destination over another for the long time. In case of tourism core attractions might be a) Special Events b) Physiography & Climate c) Culture & History d) Mix of Activities e) Entertainment f) Superstructure (Crouch, 2007). Hence, the intrinsic attributes will be considered in this study as the core attraction of the tourism
destination for which visitors usually visit to the destination like; unbroken 120 km sandy beach, rhythmic sound of the water, sun setting in the blue water, world amazing crunch products etc. for Cox’s Bazar. Therefore, hypothesis (H1): There is a positive relationship between Perceived Intrinsic Cue and Perceived Quality at the destination level.

**Relationship between Perceived Destination Brand Image (PDBI) and Perceived Quality (PQ)**

Among the extrinsic cues of products or services, brand is most salient to consumers because it plays the different roles for them. Clarke (2000) has identified six benefits from tourism destination brand image; a) brand image helps to reduce the choice, b) brand image helps reduce the impact of intangibility, c) brand image conveys consistency across multiple outlets and through time, d) brand image can reduce the risk factor attached to decision making about holidays, e) brand image facilitates precise segmentation, and f) brand image helps to provide a focus for the integration of producers’ (operators) effort, helping people to work towards the same outcome Foley (2004). Therefore, it is believed that destinations with more positive brand images will more likely to be included in the process of decision making of tourism consumers. Therefore, hypothesis (H2): Perceived Destination Brand Image is positively related to Perceived Quality at the destination level.

**Relationship between Perceived Warranty (PW) and Perceived Quality (PQ)**

In business, a warranty is a guaranty of the reliability of a product (Bearden & Shimp 1982). Warranty usually protects products/services providers from unreasonable claims of products service buyers for the certain period of time. It influences consumers by representing assurance of product or service quality and value by increasing consumers’ specific self-confidence by reducing consumers’ feelings of risk; and by increasing satisfaction through dissonance reduction (Bearden & Shimp, 1982). It is also used for marketers as a persuasive sales variable which indicates that when consumers perceive the money back guarantee or get assurance of repairing and maintenance of personal belongings, their perceptions of the quality of the products and services will positively influence (Shahid, 1997). It means that when consumers perceive the warranties associated with certain products or services as adequate, they tend to favorably judge the products' or services' performance which, in turn, affects the perceived quality of the products. Therefore, hypothesis (H3): There is positive relationship between Perceived Warranty and Perceived Quality.

**Relationship between Perceived Price (PP) and Perceived Quality (PQ)**

Perceived price is what consumers give up in order to obtain a product or service (Zeithaml, 1988). Price has a dual effect on consumer buying decision making (Monroe 1990). First, price is an extrinsic cue to perceived quality (Rao and Monroe 1988) and its strength may be reduced by non-price cues (Zeithaml, 1988). Second, price is an indicator of the amount of financial sacrifice (to be paid) needed to purchase a product or service (Parvin & Chowdhury 2006). Price influences the prospective buyers’ expectations of service levels. A too low price, for credence products in particular, may suggest inferior quality and thus high risk (Zeithaml & Bitner, 1996). Price is “a visible indicator of a service’s level and quality” (Berry & Parasuraman 1991) and thus a means of reducing perceived risk (Boshoff, 2002). Arguments behind this assumption are: a) Producing quality service or product needs sophisticated technologies that cost more and increase the price, b) service providers use high quality materials to provide quality service or
product and, c) it is unlikely that a product or service with low quality will be charged more in this competitive world. Therefore, Hypothesis 4: The relationship between Perceived Price and Perceived Quality is positive.

Proposed Structural Model of the Study
The authors used both literature and field study for developing relationship between cues and quality which were discussed in previous sections. A conceptual structure of the model (see figure 1) was developed according to the hypotheses for empirical validation using the Partial Least Square (PLS) based Structural Equation Modeling approach.

The model in this study has relied primarily on reflective constructs for the first order latent variables whereby the items are caused or driven by the construct and reflect a common theme. When different indicators of a construct represent reflections or manifestations, of a construct (Fornell & Bookstein 1982; Gefen et al., 2000) is called reflective construct. Such indicators are termed reflective because they represent reflections. Say for example, destination loyalty in the leisure and tourism is often operationalized with three reflective indicators; will recommend, like to visit again, intention to visits, (Murphy & Hofacker, 2009). Reflective indicators are to be internally consistent (Nunnally & Bernstein 1994; Roberts & Thatcher, 2009); hence, it is expected that reflective indicators to be correlated. Since they are correlated, reflective indicators are interchangeable, meaning the removal of an indicator does not change the essential nature of the construct.

To increase the practical usefulness of the model a field study was conducted as a further sought to describe behavior of different indicators those are used in different constructs. Out of 5 constructs two constructs i.e. perceived intrinsic cues (PIC) and perceived price (PP) were identified as formative constructs as per the direction of the indicators of these constructs. It is found at the construct level, there are two second order multidimensional latent constructs named as ‘perceived intrinsic cues (PIC) and perceived price (PP)’ have two more first order latent variables or sub-constructs. A second order construct was modeled as a higher level formative constructs (Rai, et al., 2006). Formative constructs are formed by several indicators representing different independent phenomena (Chin, 1998). Conceptually, formative indicators are assumed to be uncorrelated (Barclay, Higgins, and Thompson 1995). In fact, removing a formative indicator implies removing a theoretically meaningful part of the construct (Bollen & Lennox, 1991). For example, price of this study is found as a monetary price and nonmonetary price, its real meaning may vary with changes in any one of its direction. In addition, at the perceived intrinsic level, attributes may be conceptually defined in terms natural and man-made in the tourism and travel context. It is found from the field study that visitors do not visits to see only natural environment of a destination, they also like to see build environment. Hence, indicators of perceived intrinsic cues such as natural attractions, good location of accommodation form the latent variable PIC embeddedness (Roberts & Thatcher, 2009). In fact, the decision was made about the two constructs (PIC, PP) and included in the final proposed conceptual model as formative construct based on following four major conceptual criteria
Causal Direction of Indicators
The first decision rule assesses the theoretical causal direction from construct to indicators. If the direction of causality is from the construct to the indicators, the construct is reflective. If causality is directed from the indicators to the construct, the construct is formative. For example, if one or more indicators of price increase in quality, such as the ability to provide more utility without changing feature of the products then price also increase in quality. Likewise, if an indicator such as keeping up with the does not add any utility, then price also decreases in quality. On the other hand, if the sacrifice tendency of consumers’ increase, the construct increases in satisfaction, all of its indicators will also increase in satisfaction (Roberts & Thatcher, 2009).

Interchangeability of Indicators
The second decision rule to determine if a construct is formative or reflective is to examine the interchangeability of the indicators. Indicators that are interchangeable and have a common theme are often reflective. On the other hand, formative indicators may not be interchangeable and will often employ different themes (Roberts & Thatcher, 2009). We can see from the table that (see table 1) that PP is formed from distinct themes. For instance, the construct perceived price is formed based two specific dimensions that perceived monetary price (PMP) and perceived non monetary price (PNMP). Considering price issues without any of these in the tourism research is not optimum for measuring price. Removing one of these first order latent variable changes not only how the researcher understands and interprets construct of price, it also changes the nature of the construct (Petter et al., 2007). In contrast, for construct monetary price (PMP) and non monetary price (PNMP) indicators are similar and, as a result, interchangeable and does affect much with or without any indicator which means reflective constructs. Same thing also applicable for construct perceived intrinsic cues where conceptually included man-made and natural measures (see table 1).

Whether or not the Indicators Covary?
Reflective indicators are required to covary with one another; formative indicators are not like this. Indicators for perceived monetary price and perceived nonmonetary price may covary, but they would not necessarily need to covary (Roberts and Thatcher 2009) for formative construct. For instance, it is possible that an individual responding to the instrument may be much mental effort is necessary for travelling, but not with keeping up with in consideration of physical labor that is included non monetary price. It is also highly applicable for perceived intrinsic cues because for the product based management may only be able to consider physical features of the product but tourism as industry destination operators must consider both physical products like accommodation, transportation etc. and non physical product like natural beauties of the destination.

Antecedents and Consequences
The fourth decision rule determines whether or not the indicators have the same antecedents and consequences. Since reflective indicators are interchangeable (Little, Lindenberger, and Nesselroade 1999) they have the same antecedents and consequences because indicators are manifestations of the construct. However, formative constructs are composites made up of indicators that may be very different; therefore, it is not necessary for the indicators to have the
same antecedents and consequences (Roberts & Thatcher, 2009). In this respect, in this study, it is found that the indicator of PIC is fully independent, while PP is closely related. In the table 1 presents the indicator for the antecedent of these construct is related which indicates these constructs are reflective but each construct like PIC formed with five indicators whereas for PP two antecedent i.e. PMP and PNM.

**Research Method**

This study used a combination of qualitative and quantitative methods which has become increasingly popular in recent years (Bryman, 2006). The mixed method helps to increase the quality, accuracy, validity and reliability of data (Babbie, 2004). Therefore, to improve the applicability of the initial proposed model, this study followed a mixed research method. In the qualitative face, researcher conducted 25 interviews intensively in the field, who took part voluntarily during March, 2009. Authors used ‘content analyses in analyzing our interview transcripts as suggested by Berg (2001). A combination of inductive and deductive approaches was used to categories the factors and variables (Quaddus & Xu, 2005). Altogether initially 8 service quality factors and 40 measures were identified from different interviews via extensive content analyses. However, after three rounds of revisions a final total of 29 variables were produced for a total 5 factors including dependent one (see table 1). In quantitative face researcher followed the rules of measurement and structure model suggested by Chin (1998). At the items level results from qualitative study showed that individuals differ with respect to different core attributes that offer the destination; price has two specific dimensions that indicate nature of the formative constructs. On the other hand indicators of monetary price and non monetary price provide the evidence of reflective constructs. Thus this study has operationalized PIC as an individual formative construct, perceived price as second order formative constructs and rest are reflective constructs including monetary and non monetary price.

**Measurement Model**

As stated earlier, perceived intrinsic cue and perceived price was modeled as formative construct whereas perceived destination brand image, perceived warranty perceived, and perceived quality were considered as reflective constructs including monetary price and nonmonetary price as first order latent variables of perceived price. Same procedures also followed for the construct perceived intrinsic cues. Authors considered both literature and field study for contextualization of constructs and their relevant measures. In total 602 completed samples were collected from Cox’s Bazar, Bangladesh with a set of pre-tested structured questionnaires in four phases using 6 point Likert Scale (1= Strongly Disagree and 6= Strong Agree). Partial least Squares (PLS) v.3.00 was used to analyze the data as it is most appropriate for discussion model incorporated both formative and reflective measures (Chin 1998; Diamantopoulos & Winklhofer, 2001; Fornell & Bookstein, 1982). PLS considers all path coefficients simultaneously and estimates multiple individual item loadings and weights (White, Varadarajan, & Dacin, 2003). As per PLS based SEM in the measurement part item loadings less than 0.6 were discarded from reflective constructs (Hulland, 1999) whilst for ‘formative’ constructs only weights were considered (Santosa, et al., 2005). In this regard multicollinearity proposed indicators for intrinsic cue and perceived price were assessed (Diamantopoulos & Winklhofer 2001). The tolerance levels ranged from .68 to .89 for PIC and PP. Variance Inflation Factors (VIF) were between 1.122 and 1.455 which was far less than acceptable level of 10 (Hensler et al., 2009). Besides, all items loading and corresponding t values (23.18 to 39.29) were significant for the first order reflective
constructs of perceived monetary price (PMP) and perceived nonmonetary price (PNMP) for second order formative construct of PP after discarding PM3 and PNMP5 (see table 2). After discarding two measure from perceived quality (PQ1, PQ5), three measures from perceived warranty (PW1, PW5, PW6), three from perceived destination brand image (PDBI4, PDBI5, PDBI6) item reliability (loading) ranged from .65 to .82 (table does include for page limitation) for reflective constructs of PQ, PW, PDBI, PNM and PNMP.

Discriminant validity was assessed comparing the square roots of the AVE and the correlations of the constructs (Fornell & Larcker, 1981). In this study, the assessment of discriminant validity did not reveal any problems for reflective constructs because the bolded, diagonal values are greater (.74 to .77) than the off-diagonal correlation values in their corresponding rows and columns (ranged from .12 to .59) (see table 3). Internal consistency values for reflective constructs of this study exceeded 0.70 (see table 4) as suggested by Nunnally (1978); Bagozzi and Yi, 1998). The lowest internal consistency for perceived destination brand image was 0.783 while PW had the highest of 0.81 (see table 4). It was found acceptable convergent validity since the average variance expected (AVE) ranged from 0.549 to 0.585 (see table 4) for reflective constructs (Fornell & Larcker, 1981).

Structural Model
The final structural model includes the formative constructs of the perceived intrinsic cues and perceived price of a destination’s offerings and reflective constructs of perceived quality, perceived destination brand image, perceived warranty, and perceived quality. Table 4 presents the results of estimated path coefficients (significant paths indicated with an asterisk), and associated t-value of the paths. Test of significance of all paths were performed using the bootstrap re-sampling procedure. Path coefficient, interpreted like standardized beta indicated the strength of relationships between constructs. Three (3) out of 4 hypothesized paths in the proposed quality model were found to be statistically significant at different significant levels. The hypothesis (H2) was not supported at the acceptable (0.01, 0.05) levels. There was a significant impact of PIC on PQ with path coefficients of 0.083 and associate t=2.37. Perceived warranty and perceived price had impact on perceived quality, with path coefficients of 0.406 and 0.318 (see table 4) wit associate t= 8.95 and 7.28. The four (PIC, PW, PDBI and PP) antecedent constructs were accounted for 43.4% of variance explanation. Surprisingly no satisfactory positive relation was found between perceived destination brand image and perceived quality but path coefficient had right direction as per generated hypotheses. It is necessary to mention that the impact of perceived warranty and perceived price on perceived quality were very strong in the context of Cox’s Bazar, Bangladesh.

Discussion
Practical Implication
This study focused on the role of intrinsic and extrinsic cues on perceived quality that lead the visitors towards the tour destination Cox’s Bazr Bangladesh. The managerial implications of this study are more focused on the practical implementations. The research findings would help tourism planners, developers, and policy-makers to understand what key tourism players such as visitors prefer to develop in tourism attractions/resources and to plan and implement successful competitive business strategies in the present. These results are likely to help tourism stakeholders and marketers to collect information and making short term and long term strategies appropriately in present competitive markets based on the mentioned service components, which
they prefer to develop. The selection of appropriate intrinsic attributes, the development of specific pricing policy, and offering appropriate warranty to visitors could be recommended as specific marketing plans for making destination competitive not only nationally but globally. More specific implication of this study is that tourism destination operators can play an important role as facilitators between local organizations and agencies of service providers for destination development. The establishment of effective linkages between local, national governments, and service providers is recommended in order to visitors’ retention years to come that leads a sustain destination.

**Theoretical Implication**
The perceived quality model of the study developed upon existing literatures and extensive field study postulating direct relationship between intrinsic and extrinsic cues, and perceived quality at the destination level. Very logically PIC and theoretically PP were considered as formative constructs whereas PEC (PDBI, PW) were considered reflective constructs for service industry like tourism and included in the model with reflective construct of perceived quality. The finding confirmed the argument that the strong relationship between cues and quality at the destination level. The empirical results of this study provided tenable evidence that the proposed structural equation model designed to consider destination quality was acceptable with interaction of perceived intrinsic and extrinsic cues. Important contribution of this study is the relationship between perceived intrinsic cues and extrinsic cues with perceived quality which was no proven in prior research at the destination level. Although, the literature has been acknowledged that quality is very important for tourism destination, much research has not been done to investigate its measurement, or its structural relationships (cues) with quality. This study has revealed and confirmed the existence of relationships between cues and quality in the context of Cox’s Bazar, Bangladesh. Moreover, perceived intrinsic cue and perceived price were employed as formative constructs in the model which increased its diagnostic usefulness (Ruiz et al., 2008) at the destination level. Using formative indicators for intrinsic quality cue and price as extrinsic cue, enables destination operators to determine which destination core attributes are the most influential in forming visitor quality perceptions and thereby affect their subsequent satisfaction and loyalty.

**Limitation and Further Research Direction**
As it is the part of PhD research, some limitations were identified that should be addressed to encourage more sound research in the near future. This study investigated the influential variables of intrinsic and extrinsic cues that lead perceived quality perspectives of Cox’s Bazar Bangladesh which narrow down general acceptance. The survey data were only collected from four spots of the destination. This geographically limited survey may produce different results when data would collect from other competitive spots. This study somewhat limited in its selection of observed variables even if those observed variables were selected based on the survey, other variables may exist to achieve further insights to destination selection. For example authors used perceived destination bran image, perceived price and perceived warranty as extrinsic cues. This result may be different if included more variable like country image, corporate image of service providers. In current tourism markets, any tourism destination may need to pay more attention to advanced technologies and techniques (electronic information) so that quality of products and services are delivered effectively and efficiently which was ignored.
Therefore, future studies will be conducted taking into consideration the information technology (could be formative) techniques variables.

REFERENCES


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Table 1: Summarizes the Latent Constructs with Measurement Items used in the Study

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<th>Con</th>
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<td>PIC</td>
<td>FC</td>
<td>FC</td>
<td>Natural scenery</td>
<td>PDBI</td>
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<td>Nearby places</td>
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<td>Locally Made Product</td>
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<td>Longest sandy beach</td>
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<td>PP</td>
<td>FC</td>
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<td>Cost of accommodation</td>
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<td>Cost of foods and beverage</td>
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<td>Special offer students</td>
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<td>PNMP</td>
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<td>Much time</td>
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<td>Physical fitness</td>
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<td>Opportunity cost</td>
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<td>Nice hotel placement</td>
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<td>Adequate security</td>
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Con=Constructs, T=Type, SC=Sub Constructs, MI=Measurement Items, FC=Formative Construct, RC=Reflective Construct
Table 2: Assessment of Items Reliability for First Order Reflective Constructs

<table>
<thead>
<tr>
<th>Items</th>
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<th>Items</th>
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<td>PMP1</td>
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<td>29.8986</td>
<td>PNMP1</td>
<td>0.6602</td>
<td>24.1822</td>
</tr>
<tr>
<td>PMP2</td>
<td>0.8154</td>
<td>33.1024</td>
<td>PNMP2</td>
<td>0.7813</td>
<td>35.3449</td>
</tr>
<tr>
<td>PMP3</td>
<td>--------</td>
<td>------</td>
<td>PNMP3</td>
<td>0.8166</td>
<td>39.2976</td>
</tr>
<tr>
<td>PMP4</td>
<td>0.7936</td>
<td>31.5854</td>
<td>PNMP4</td>
<td>0.6986</td>
<td>23.1881</td>
</tr>
<tr>
<td>PMP5</td>
<td>0.6810</td>
<td>27.2882</td>
<td>PNMP5</td>
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</tbody>
</table>

PMP=Perceived Monetary Price, PNMP=Perceived non Monetary Price

Table 3: Correlation among Constructs and AVE

<table>
<thead>
<tr>
<th></th>
<th>PIC</th>
<th>PD</th>
<th>PW</th>
<th>PP</th>
<th>PQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>PIC</td>
<td>------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PDBI</td>
<td>0.235</td>
<td>0.741</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PW</td>
<td>0.418</td>
<td>0.256</td>
<td>0.758</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PP</td>
<td>0.279</td>
<td>0.130</td>
<td>0.503</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>PQ</td>
<td>0.332</td>
<td>0.122</td>
<td>0.590</td>
<td>0.540</td>
<td>0.765</td>
</tr>
</tbody>
</table>

(PIC=Perceived Intrinsic Cues, PDBI=Perceived Destination Brand Image, PW= Perceived Warranty, PP= Perceived Price, PQ= Perceived Quality, Bolded diagonal elements are the square root of AVE)

Table 4: Result of Hypotheses

<table>
<thead>
<tr>
<th>HY</th>
<th>PR</th>
<th>PC</th>
<th>t-V</th>
<th>CO</th>
<th>CR</th>
<th>AVE</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>PIC-PQ (+)</td>
<td>0.083</td>
<td>2.3697 **</td>
<td>PIC</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>H2</td>
<td>PDBI-PQ (+)</td>
<td>0.043</td>
<td>1.397</td>
<td>PDBI</td>
<td>0.783</td>
<td>0.549</td>
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</tr>
<tr>
<td>H3</td>
<td>PW-PQ (+)</td>
<td>0.406</td>
<td>8.953**</td>
<td>PW</td>
<td>0.871</td>
<td>0.575</td>
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</tr>
<tr>
<td>H4</td>
<td>PP-PQ (+)</td>
<td>0.318</td>
<td>7.2776**</td>
<td>PP</td>
<td>---</td>
<td>-----</td>
<td>-</td>
</tr>
</tbody>
</table>

(HY=Hypotheses, PR= Path Relation, PC=Path Coefficient, t-V= t -Statistics, CO=Constructs, CR=Composite Reliability, AVE= Average Variance Extracted, **Significant at P< .01)
Figure 1: Proposed Conceptual Quality Model

PIC = Perceived Intrinsic Cue, PDBI = Perceived Destination Brand Image, PW = Perceived Warranty, PP = Perceived Price, PQ = Perceived Quality