FOREIGN TOURISTS' LOYALTY ON NATURE-BASED TOURISM IN BALI

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Introduction

- Tourism has become a driving force of the world economic development and has been convinced to improve community welfare.
- Bali has been known as one of the most popular tourist destinations in the world due to its cultural activities and natural scenery.
- Beside the positive impact of tourism, also it brings about negative impacts.
- The concept of sustainable tourism is really important to be implemented.
- Sustainable tourism provides a quality experience for the visitor, while improving the quality of life of the host communities and protecting the quality of the environment.

Research Objectives

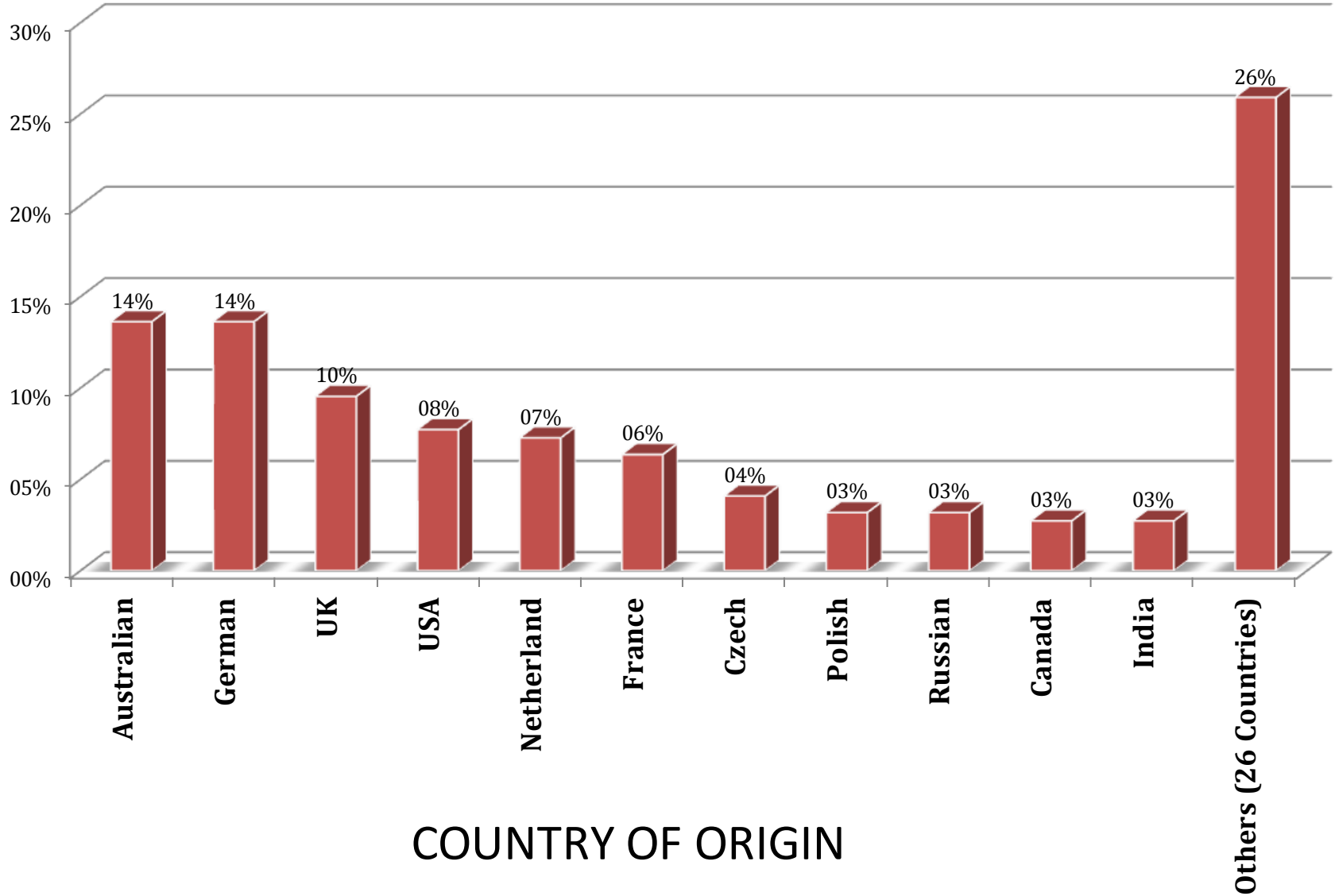
1. To identify tourists' satisfaction and loyalty to visit nature-based tourism in Bali.
2. To identify factors influence tourists' satisfaction and loyalty to visit nature-based tourism in Bali.
3. To analyze which indicators of tourists' motivation have relationship with tourists' satisfaction, trust and loyalty to visit nature-based tourism in Bali.
4. To develop structural model of relationship between tourists' motivation, satisfaction, trust and loyalty to visit nature-based tourism in Bali.

Research Methods

- Research was undertaken around Bali, namely: Bedugul, Kintamani, Sangeh, Monkey Forest (Ubud), Jatiluwih (Tabanan), Balangan and Nusa Dua Beach (Badung).
- Accidental sampling technique was used to select the samples of foreign tourists who were visiting nature-based tourism attractions in those areas with the number of respondents was 220 foreign tourists.
- Assessment was undertaken by using a five-point Likert rating scale.
- The loyalty of foreign tourists visiting nature-based tourism attractions in Bali was analysed by Structural Equation Modelling (SEM).

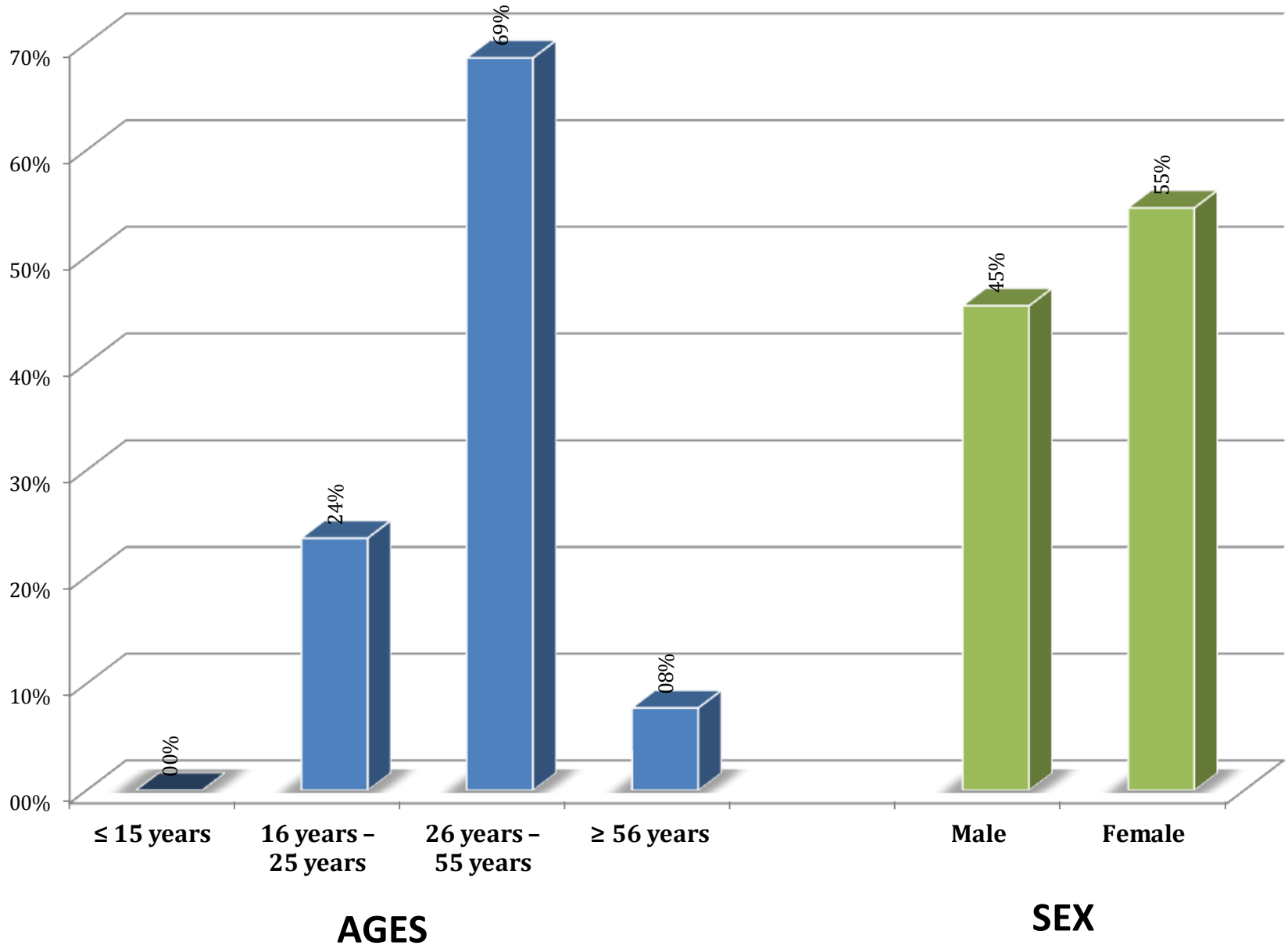
RESEARCH RESULTS

CHARACTERISTICS OF RESPONDENTS

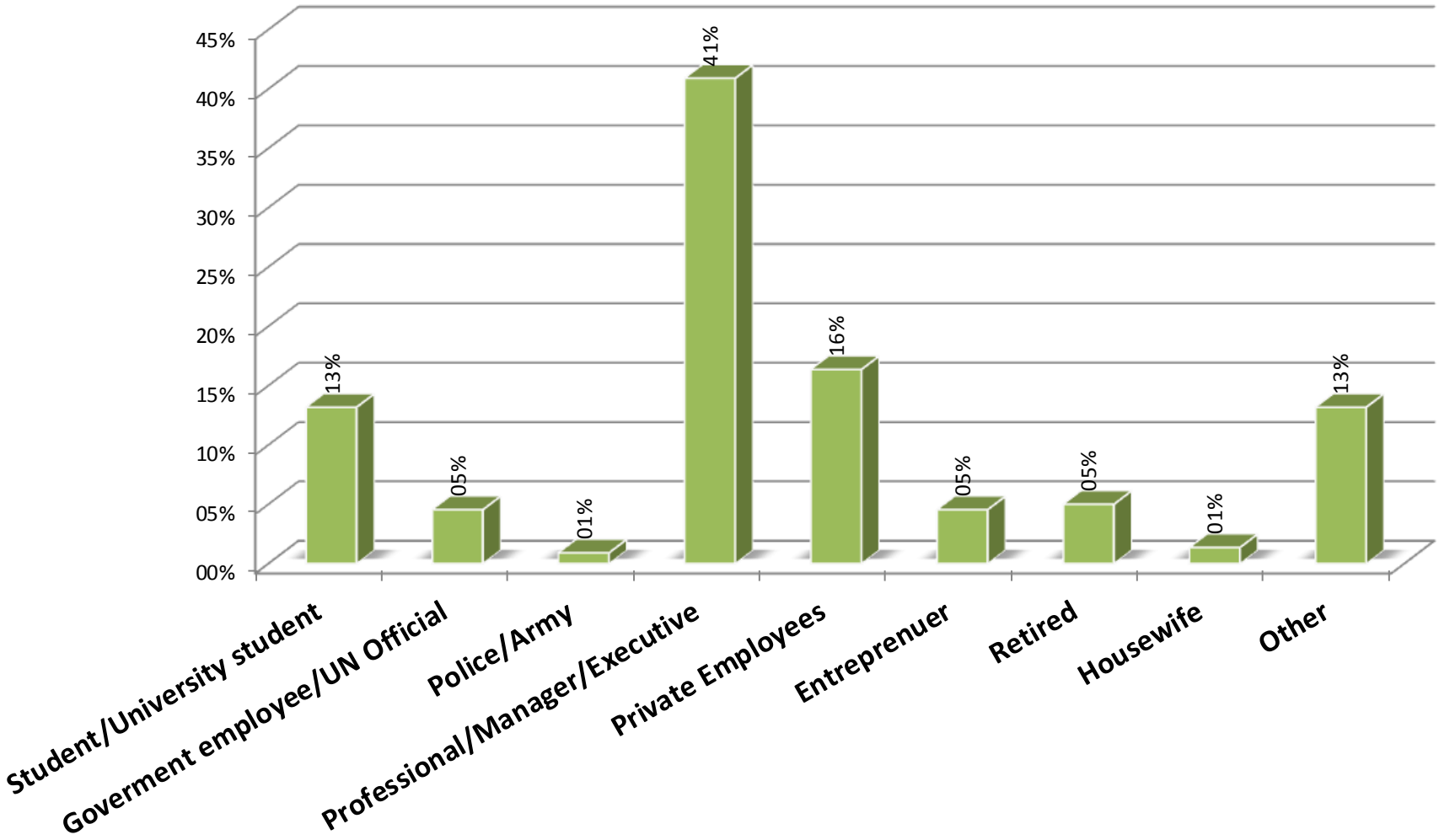


COUNTRY OF ORIGIN

CHARACTERISTICS OF RESPONDENTS

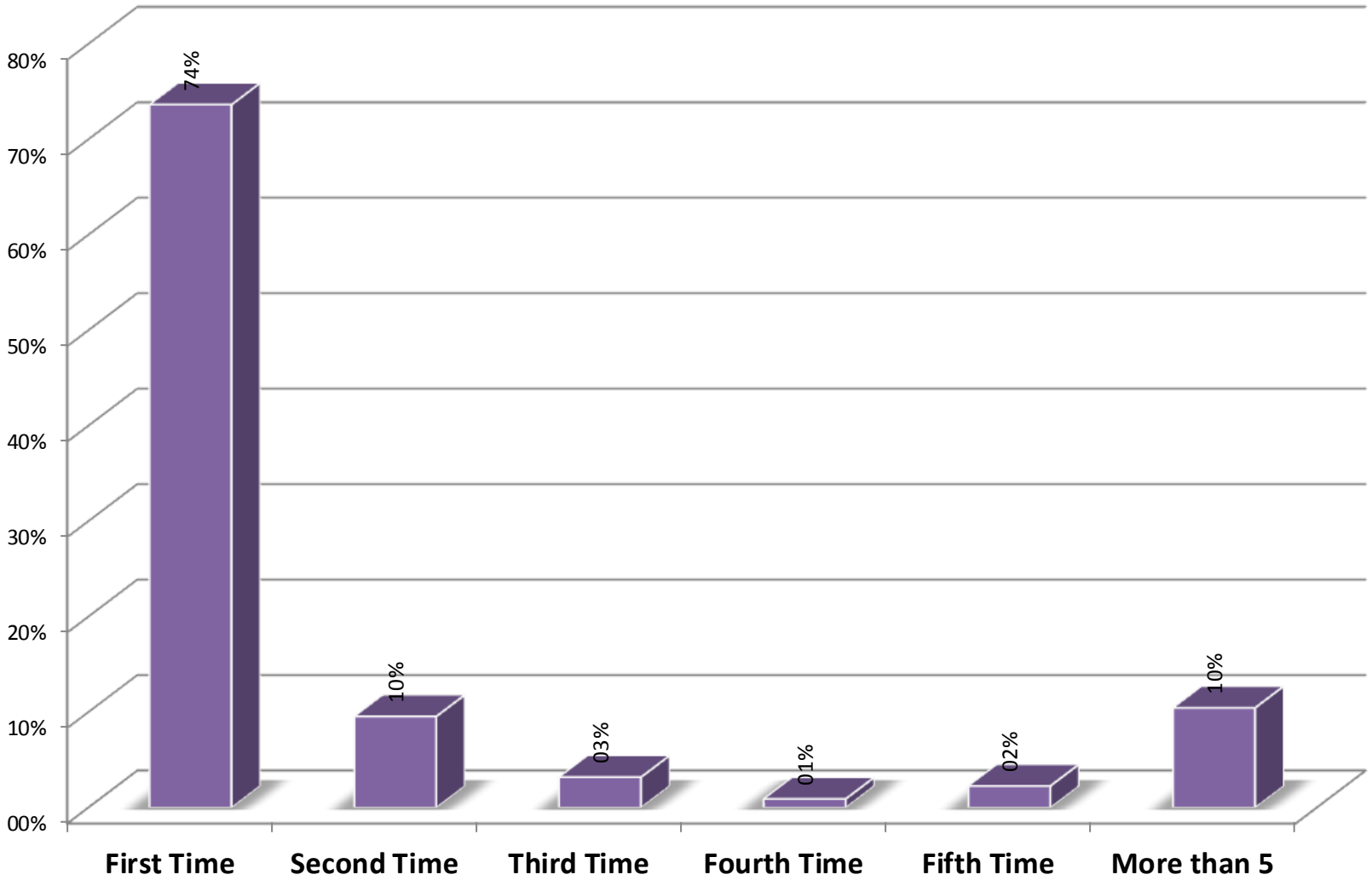


CHARACTERISTICS OF RESPONDENTS



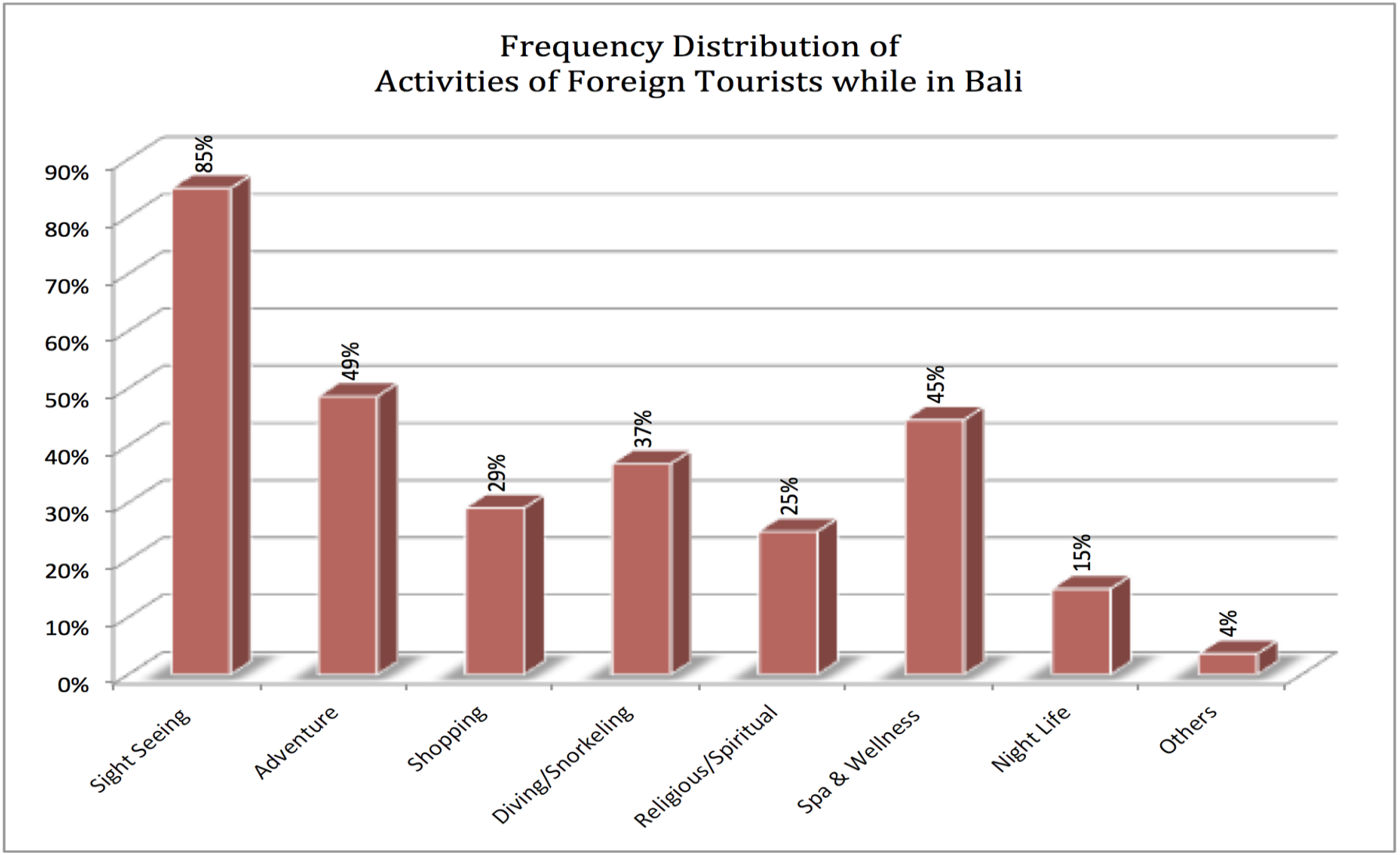
OCCUPATION

CHARACTERISTICS OF RESPONDENTS



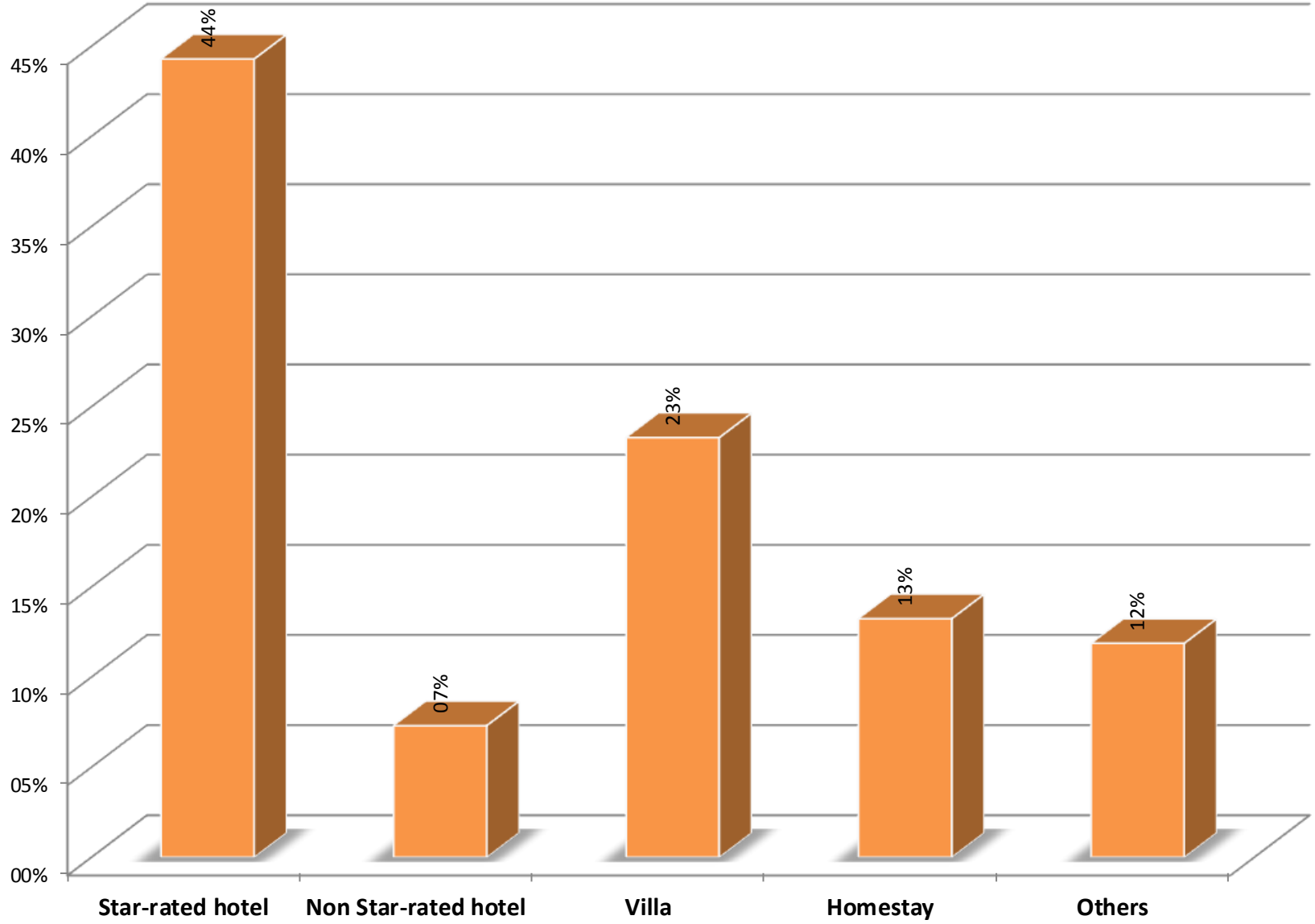
PERIODICITY OF VISIT

CHARACTERISTICS OF RESPONDENTS



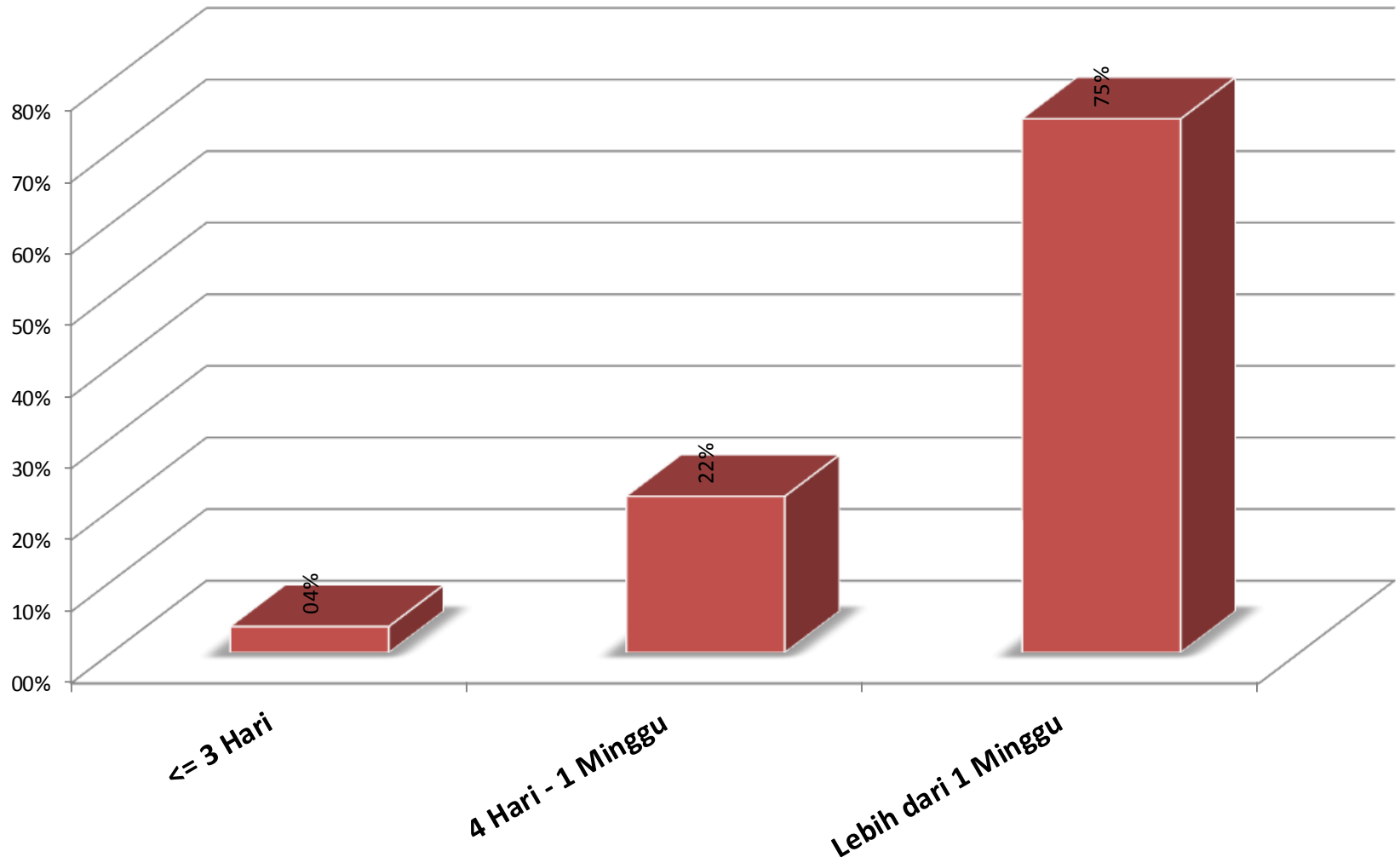
ACTIVITIES OF FOREIGN TOURISTS IN BALI

CHARACTERISTICS OF RESPONDENTS



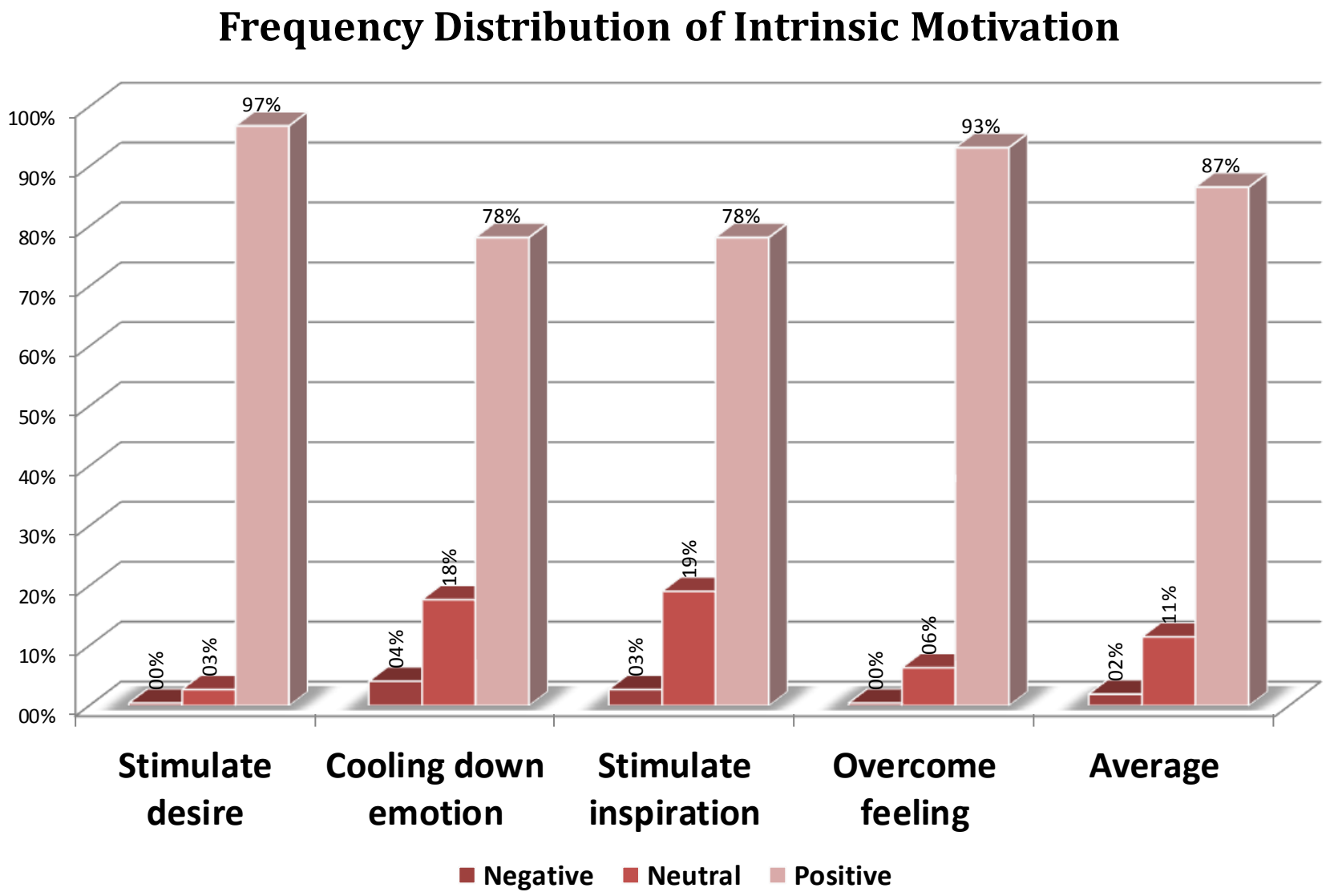
ACCOMMODATIONS IN BALI

CHARACTERISTICS OF RESPONDENTS



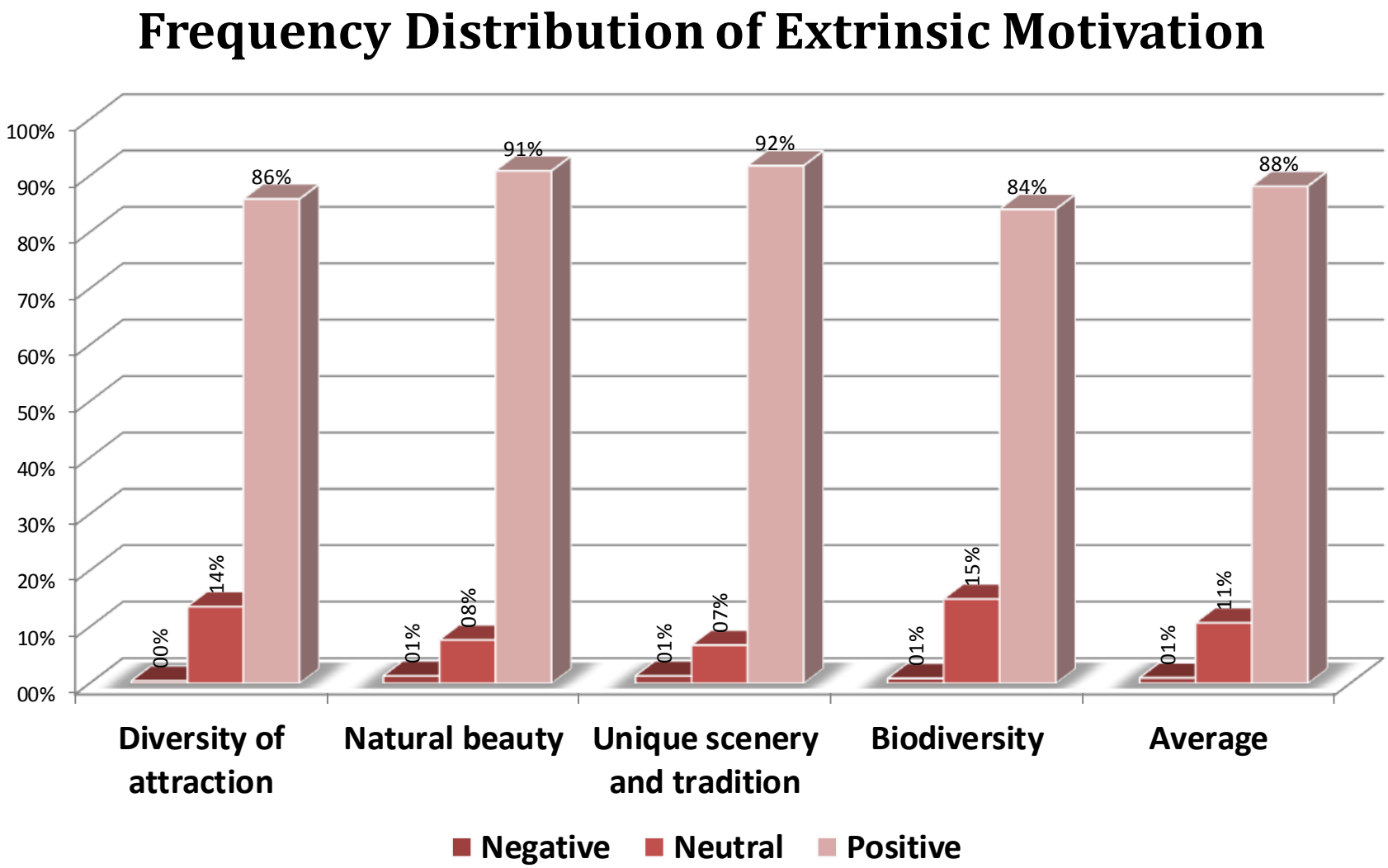
LENGTH OF STAY IN BALI

MOTIVATION



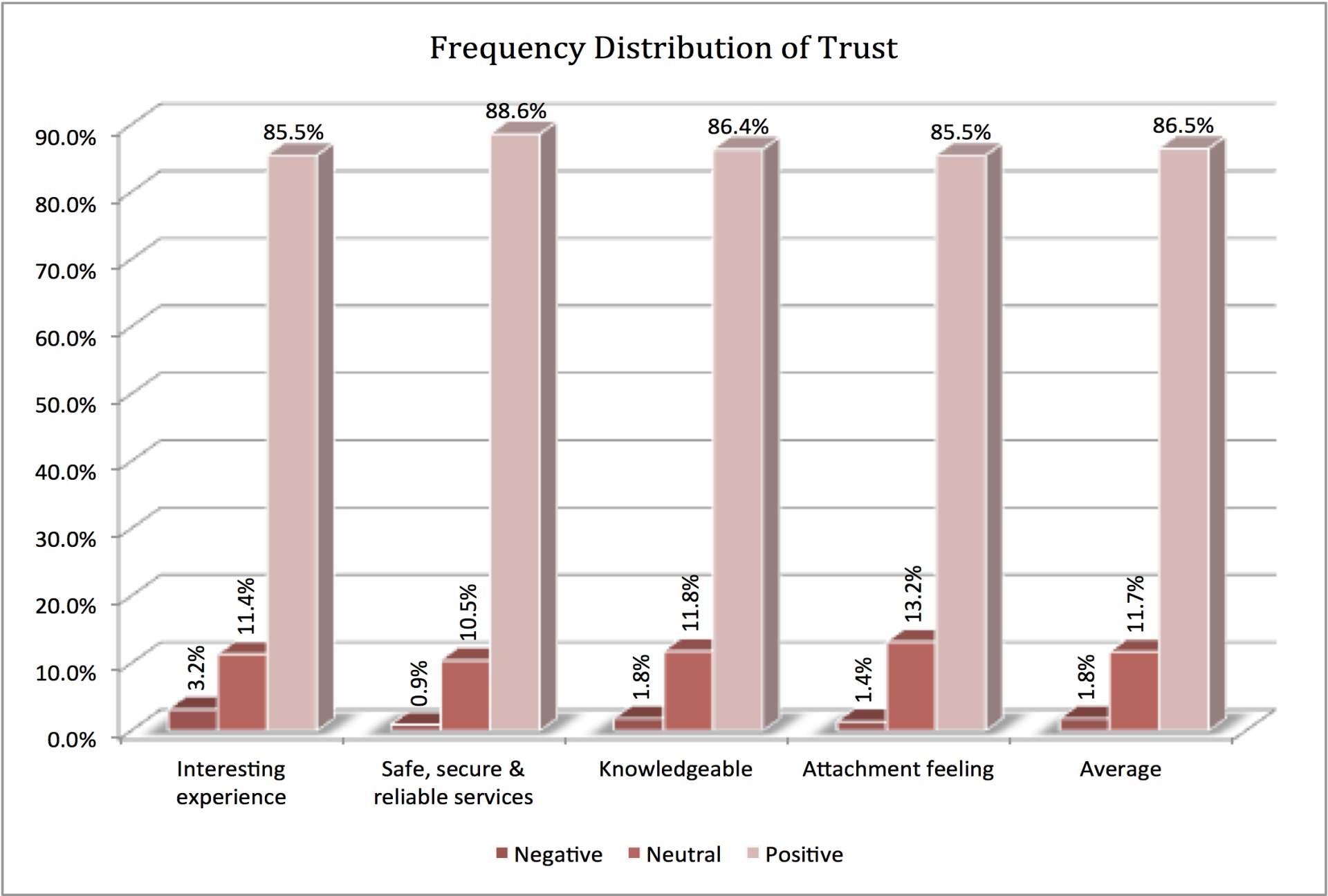
INTRINSIC MOTIVATION

MOTIVATION

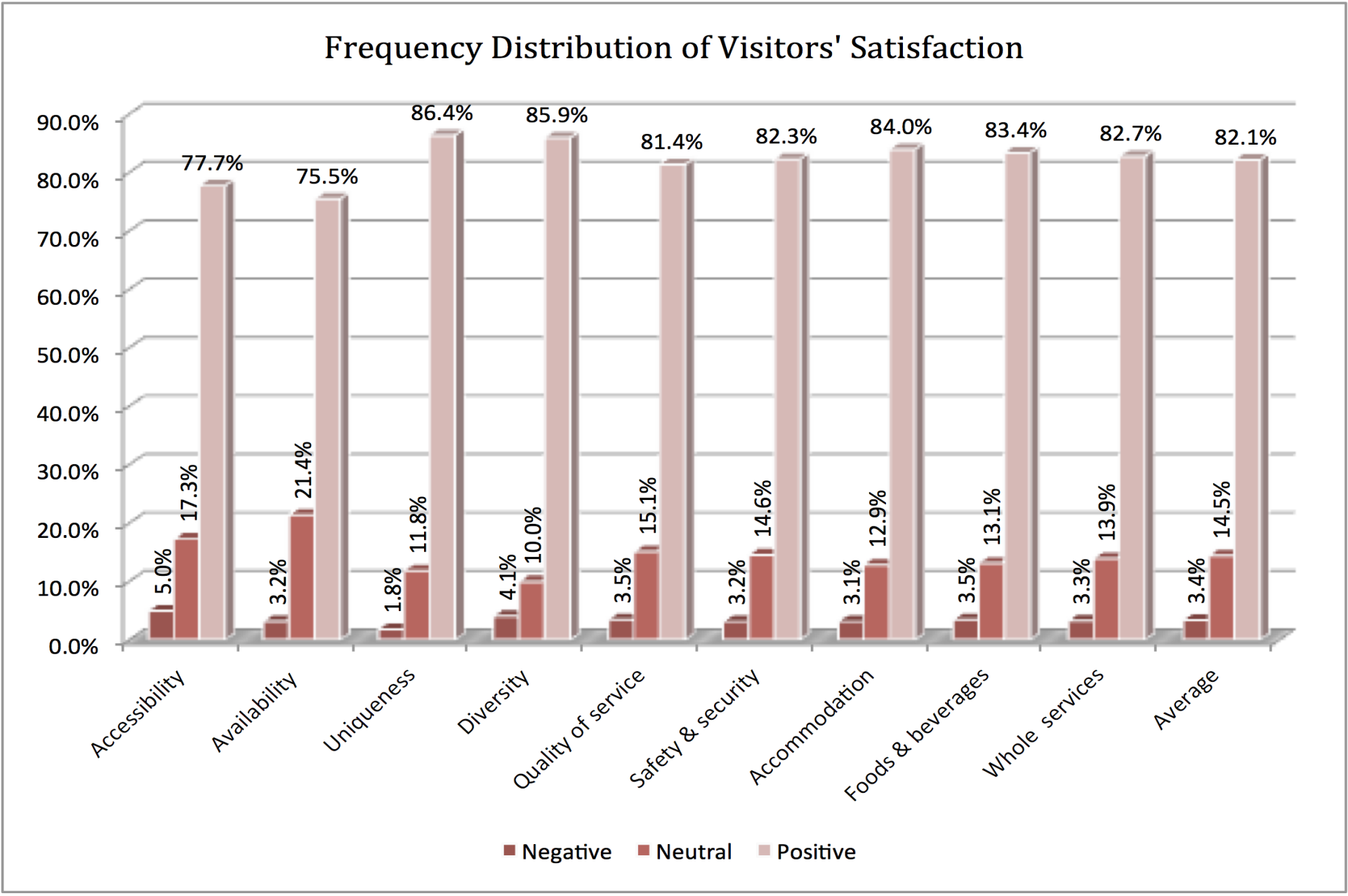


EXTRINSIC MOTIVATION

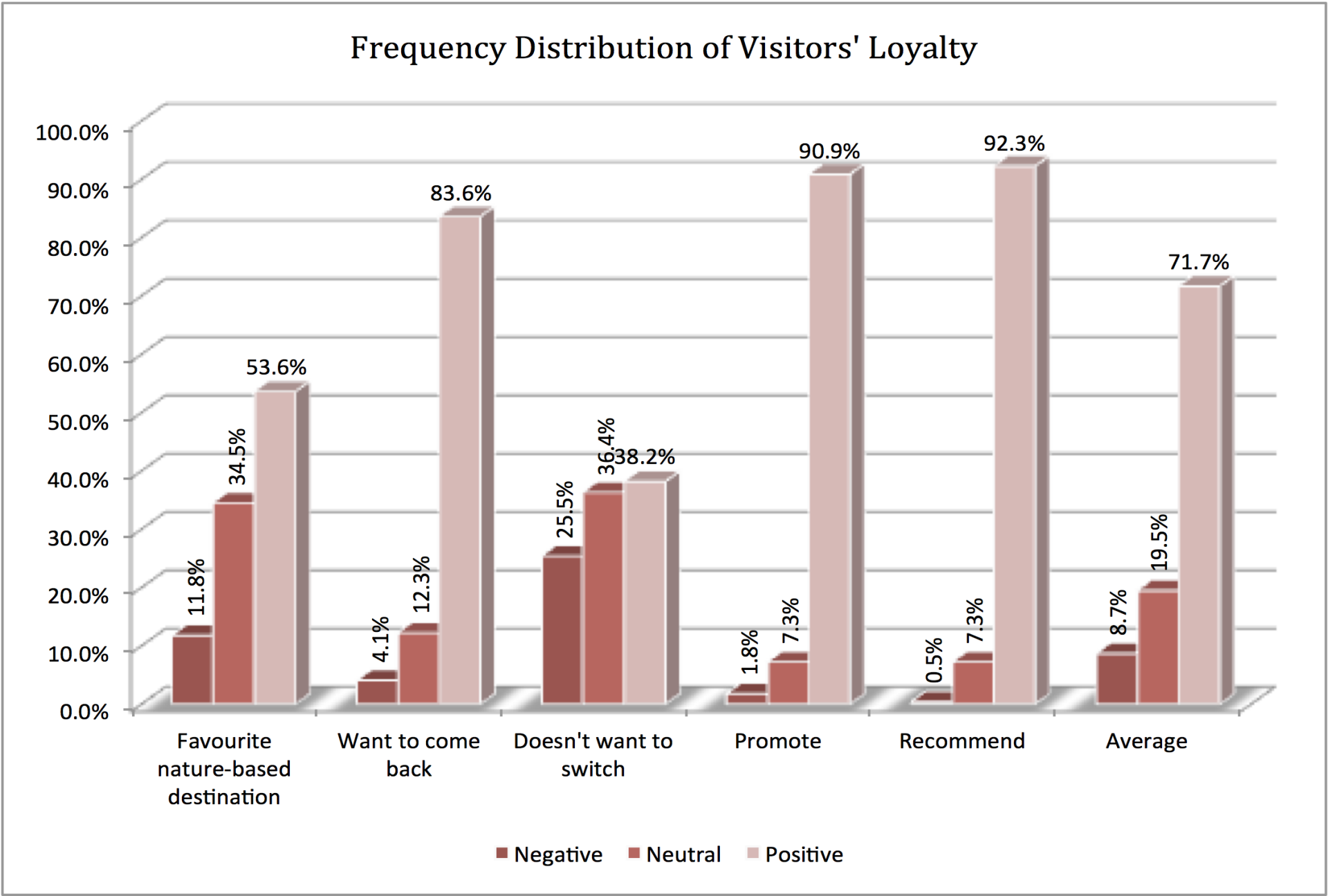
TRUST


Frequency Distribution of Trust
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
3.2%
11.4%
85.5%
0.9%
10.5%
88.6%
1.8%
11.8%
86.4%
1.4%
13.2%
85.5%
1.8%
11.7%
86.5%
Interesting experience
Safe, secure & reliable services
Knowledgeable
Attachment feeling
Average
Negative
Neutral
Positive

SATISFACTION



LOYALTY


Frequency Distribution of Visitors' Loyalty
100.0%
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
11.8%
34.5%
53.6%
4.1%
12.3%
83.6%
25.5%
36.4%
38.2%
1.8%
7.3%
90.9%
0.5%
7.3%
92.3%
8.7%
19.5%
71.7%
Favourite nature-based destination
Want to come back
Doesn't want to switch
Promote
Recommend
Average
Negative
Neutral
Positive

SEM consists of 2 sub-model:

(a) Outer or Measurement model
Depicts relationship between variable and its indicators

(b) Inner or Structural model,
depicts relationship between laten in a model (Jarvis et al., 2003; Tenenhaus et al., 2005; Henseler et al., 2009).

There are five indicators:
1. Intrinsic motivation,
2. Extrinsic motivation,
3. Trust,
4. Tourists' satisfaction,
5. Tourists' loyalty

Types of significancies on SEM

1. **Validity**
2. **Reliability**
3. **Fit test**

Validity → shows ability of indicators in representing a variable

1. Estimates/loading factors (≥ 0.5)
2. Critical Ratio (CR) = (>2.00), Muller (1996)

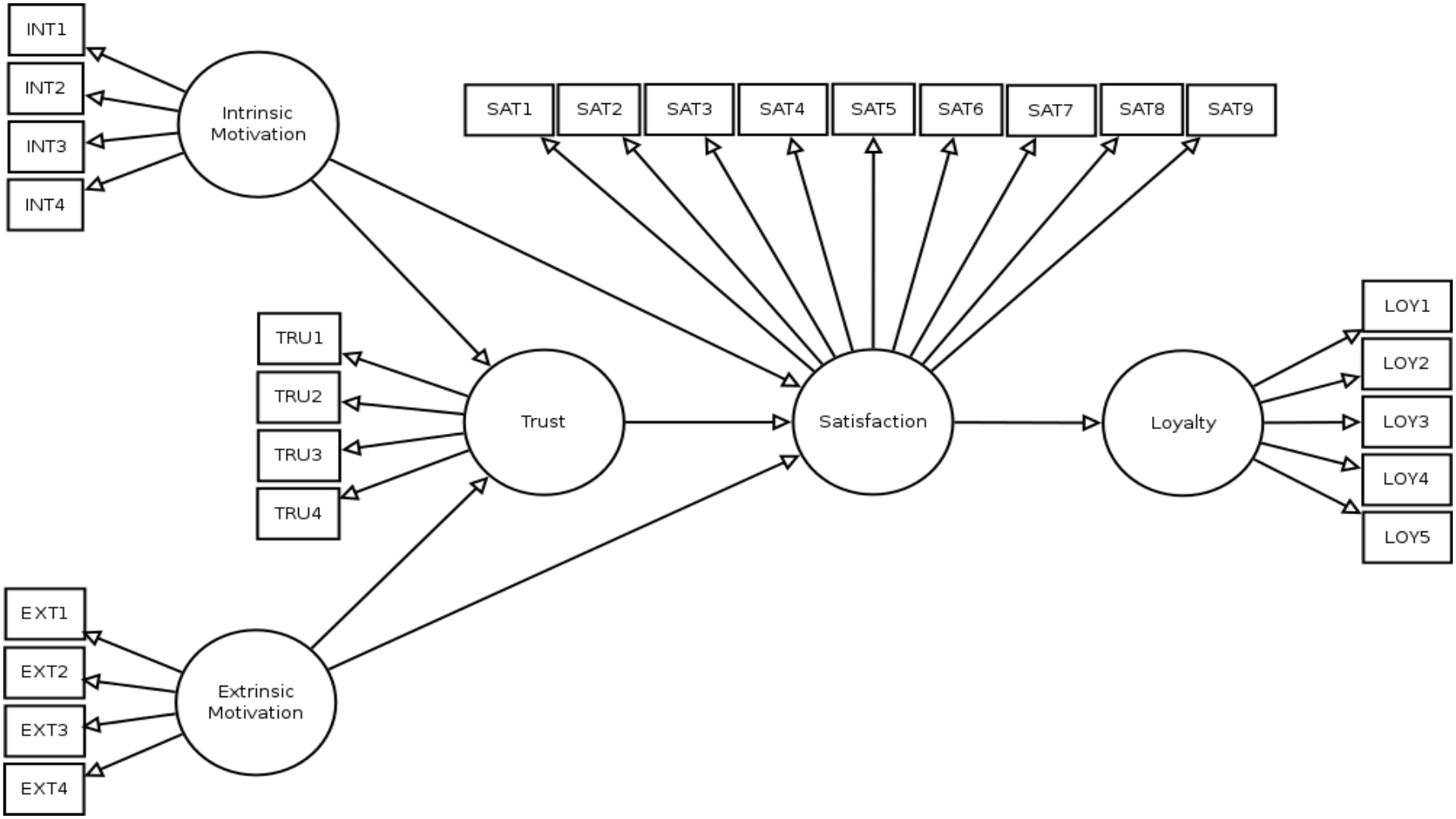
Reliability → shows:

1. Questionnaires' concistency in collecting data and information.
2. Dependable reliability of variable in assessing all indicators (alpha Cronbach coefficient ≥ 0.60), (Muller, 1996)

Summary of the validity and reliability

Variable	Number of Indicators			Final Alpha Cronbach Coefficients
	Before	Invalid	Used	
Intrinsic Motivation	4	0	4	0.665
Extrinsic Motivation	4	0	4	0.617
Trust	4	0	4	0.753
Satisfaction	9	0	9	0.839
Loyalty	5	0	5	0.842

Structural Equation Modeling



SEM was analyzed by using SmartPLS versi 3.2.3 Ringle et al. (2005).
intrinsic motivation and extrinsic motivation → laten eksogenous variables
trust, tourists' satisfaction, dan loyalty → laten endogenus variables

Results of Outer or Measurement model

Tabel
Loading value of Indicators of Intrinsic Motivation

ITEM STATEMENT		*Original Sample*	*Standard Error*	T *Statistic*
INT_1	Stimulate desire to visit Bali	0.792	0.044	18.147 **
INT_2	Cooling down emotion	0.780	0.072	10.837 **
INT_3	Stimulate inspiration	0.741	0.080	9.260 **
INT_4	Overcome feeling	0.526	0.120	4.365 **

- All loading factors as reflection of intrinsic motivation to its indicators are significant.
- The highest reflection of Intrinsic Motivation lays on the statement INT_1 that "Stimulate desire to visit Bali" (loading value is 0.792).
- The lowest reflection found on the statement INT_4 that "Overcome feeling" (loading value is 0.622).

Tabel
Loading Values of Indicators Extrinsic Motivation

ITEM STATEMENT		*Original Sample*	*Standard Error*	T *Statistic*
EXT_1	Diversity of attraction	0.437	0.150	2.916 **
EXT_2	Natural beauty	0.546	0.122	4.478 **
EXT_3	Unique scenery and tradition	0.792	0.085	9.305 **
EXT_4	Biodiversity	0.864	0.058	14.857 **

- All loading factors as reflection of EXTRINSIC MOTIVATION to its indicators are significant.
- The highest reflection of Entrinsic Motivation lays on the statement EXT_4 that "**Biodiversity**" (loading value is 0.864).
- The lowest reflection found on the statement EXT_1 that "**Diversity of attraction**" (loading value is 0.437).

Tabel
Loading Values of Indicators Trust

ITEM STATEMENT		*Original Sample*	*Standard Error*	T *Statistic*
TRU_1	Offers interesting experience	0.729	0.065	11.137 **
TRU_2	Offers safety, secure, and reliable services	0.774	0.056	13.893 **
TRU_3	Knowledgeable	0.799	0.043	18.588 **
TRU_4	Attachment feeling	0.816	0.038	21.319 **

- All loading factors as reflection of TRUST to its indicators are significant.
- The highest reflection of trust lays on the statement TR4 that "Attachment feeling" (loading value is 0.816).
- The lowest reflection found on the statement TR_1 that 'Offers interesting experience" (loading value is 0.729).

Tabel
Loading Values of Indicators Tourists' Satisfaction

ITEM	Pernyataan	*Original Sample*	*Standard Error*	T *Statistic*
SAT_1	Accessibility	0.745	0.060	12.427 **
SAT_2	Availability	0.457	0.125	3.646 **
SAT_3	Uniqueness	0.674	0.077	8.712 **
SAT_4	Diversity	0.691	0.080	8.638 **
SAT_5	Quality of service	0.705	0.079	8.875 **
SAT_6	Safety and security	0.655	0.098	6.712 **
SAT_7	Accomodation	0.716	0.064	11.252 **
SAT_8	Food and beverages	0.762	0.058	13.134 **
SAT_9	Whole services	0.669	0.065	10.329

- **All loading factors as reflection of Tourists' Satisfactionto its indicators are significant.**
- **The highest reflection of Tourists' Satisfaction lays on the statement SAT9 that "Food and beverages" (loading value is 0.762).**
- **The lowest reflection found on the statement SAT_2 that Satisfaction regarding "the Availabiity of nature-based attraction" (loading value is 0.457).**

Tabel
Loading Values of Indicators Loyalty

ITEM STATEMENT		*Original Sample*	*Standard Error*	T *Statistic*
LOY_1	Favourite nature-based destination	0.829	0.035	23.605 **
LOY_2	Want to come back	0.846	0.032	26.525 **
LOY_3	Doesn't want to switch on other activities	0.750	0.046	16.363 **
LOY_4	Will promote	0.880	0.024	36.217 **
LOY_5	Will recommend friends and relatives	0.835	0.038	22.260 **

- **All loading factors as reflection of LOYALTY to its indicators are significant.**
- **The highest reflection of loyalty lays on the statement "LOY_4" that "will promote the nature-based tourism" (loading value is 0.880).**
- **The lowest reflection found on the statement LOY_3 that "Doesn't want to switch on other activities" (loading value is 0.750).**

Inner (Structural Model) depicts relationship between variables/latens in a model

Values of path coefficients can be seen in the Figure below. These values show direct effects of each exogeneous to the variable/laten endogenus

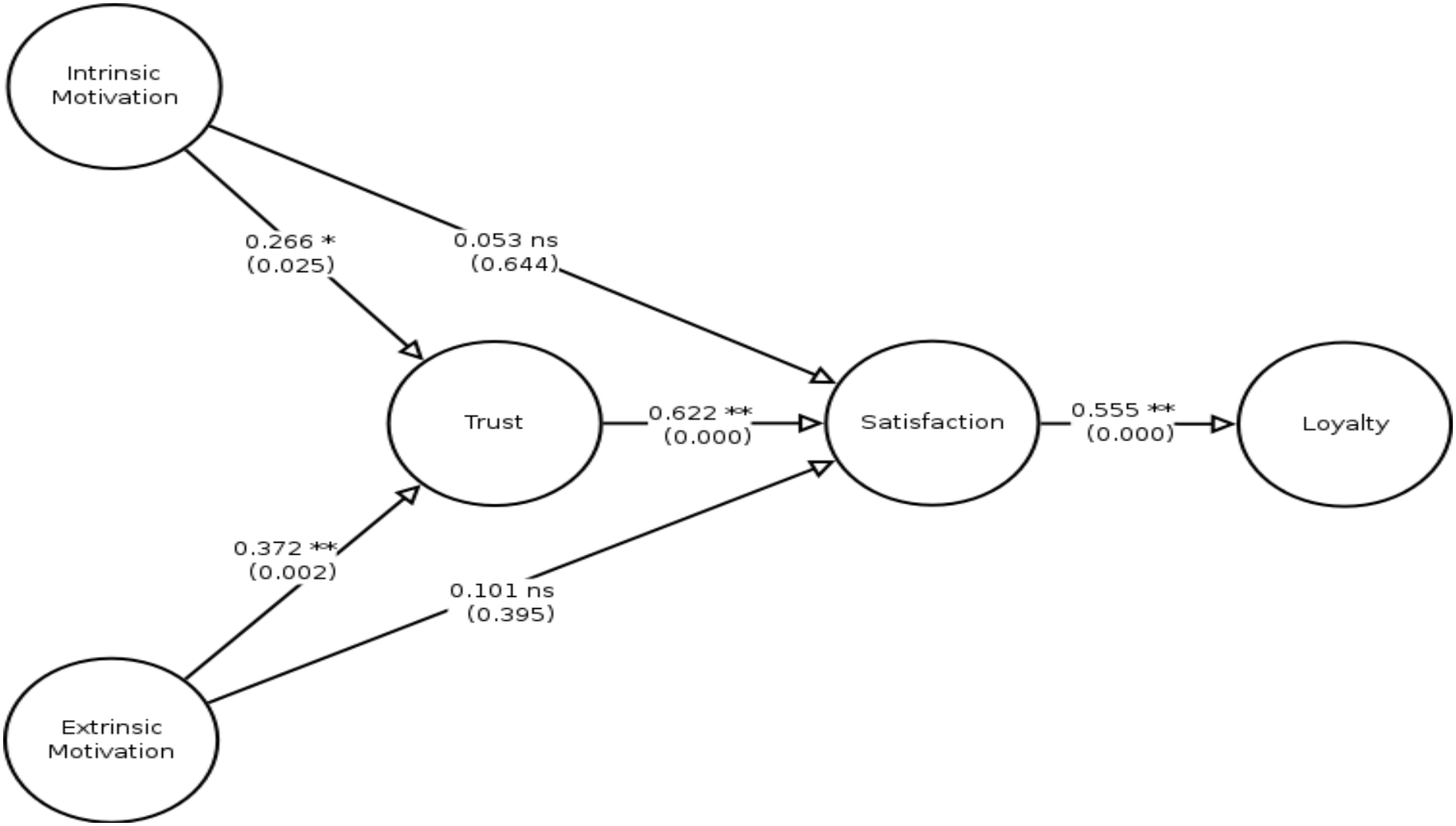


Figure Result of Structural Equaton Modeling

Tabel

Pengaruh Langsung Laten Eksogenus terhadap Laten Endogenus pada Inner Model

Latent Exogeneous	Latent Endogeneous	*Sample Mean*	*Standard Deviation*	*t Statistic*	p-*Value*	
Intrinsic Motivation	⇨ Trust	0.266	0.119	2.246	0.025	*
Intrinsic Motivation	⇨ Satisfaction	0.053	0.114	0.463	0.644	ns
Extrinsic Motivation	⇨ Trust	0.372	0.117	3.172	0.002	**
Extrinsic Motivation	⇨ Satisfaction	0.101	0.119	0.852	0.395	ns
Trust	⇨ Satisfaction	0.622	0.098	6.369	0.000	**
Satisfaction	⇨ Loyalty	0.555	0.081	6.823	0.000	**

- **Relationship between intrinsic motivation and tourists' satisfaction is not significant (direct coefficient is 0.053),**
- **Relationship between extrinsic motivation and tourists' satisfaction is not significant (direct coefficient is 0.101),**
- **Five direct relationship have significant relationship:**
  1. **Intrinsic and Trust**
  2. **Extrinsic and trust**
  3. **Trust and tourists' satisfaction**
  4. **Tourists' satisfaction and Loyalty**

Indirect Effect of Exogenous against Latent Endogenous

Tabel
Indirect Relationship of Exogenous against Latent Endogenous

Variables			*Mean*	*St. Dev*	*t Statistic*	p-*Value*	
Exogeneous	**Mediation**	**Endogeneous**					
Intrinsic Motivation	⇨Trust	⇨Satisfaction	0.165	0.076	2.184	0.029	*
Extrinsic Motivation	⇨Trust	⇨Satisfaction	0.232	0.089	2.605	0.009	**
Intrinsic Motivation	⇨Trust ⇨Satisfaction	⇨Loyalty	0.121	0.064	1.901	0.058	**ns**
Extrinsic Motivation	⇨Trust ⇨Satisfaction	⇨Loyalty	0.185	0.065	2.828	0.005	**
Trust	⇨Satisfaction	⇨Loyalty	0.345	0.067	5.125	0.000	**

- Not all of indirect relationships have signifcant relationship.
- Trust as mediator for intrinsic and extrinsic motivation, but extrinsic motivation is better mediated by Trust, in comparison to intrinsic motivation.
- Indirect relationship between intrinsic motivation towards tourists' loyalty shows insignificant relationship,
- Indirect relationship between extrinsic motivation towards tourists' loyalty shows significant relationship,
- Indirect relationship between Trust towards tourists' loyalty shows significant relationship,

Influence the total Exogeneous Variables to Endogeneous Variables

Combination between direct and indirect influence of exogeneous variables form total influence of exogeneous variable.

Laten Eksogenus	Laten Endogenus	*Sample Mean*	*Standard Deviation*	*t Statistic*	p-*Value*	
Intrinsic Motivation	⇨ Trust	0.266	0.119	2.246	0.025	*
Intrinsic Motivation	⇨ Satisfaction	0.218	0.095	2.289	0.023	*
Intrinsic Motivation	⇨ Loyalty	0.121	0.064	1.901	0.058	ns
Extrinsic Motivation	⇨ Trust	0.372	0.117	3.172	0.002	**
Extrinsic Motivation	⇨ Satisfaction	0.333	0.088	3.780	0.000	**
Extrinsic Motivation	⇨ Loyalty	0.185	0.065	2.828	0.005	**
Trust	⇨ Satisfac tion	0.622	0.098	6.369	0.000	**
Trust	⇨ Loyalty	0.345	0.067	5.125	0.000	**
Satisfaction	⇨ Loyalty	0.555	0.081	6.823	0.000	**

FIT TEST FOR APPROPRIATE MODEL

Goodness of Fit (GoF) Test was used
to test the fit model.

The results show that:

- GoF value is 0.5623 which is exceed the threshold (0.50).
- It can be concluded that **the Structural Mod**el is **fit and can be used as interpretative mode**l

CONCLUSION

(i) Four indicators of intrinsic motivation of foreign tourists visiting nature-based tourism in Bali: stimulate desire to visit Bali, cooling down emotion, stimulate inspiration, and overcome feeling;

(ii) Four indicators of extrinsic motivation of foreign tourists visiting nature-based tourism in Bali: biodiversity, unique scenery and tradition, natural beauty, and diversity of attraction;

(iii) Four highest reflections of foreign tourist's satisfaction were on food and beverages, accessibility, accommodation, and quality of services. There were other lower reflections of foreign tourist's satisfaction, namely diversity, uniqueness, whole services, safety and security, and availability of nature-based tourism;

(iv) Four indicators of foreign tourists' loyalty in visiting nature-based tourism in Bali: they will promote, they want to come back, they will recommend to friends and relatives, and Bali is favourite nature-based destination;

(v) Intrinsic and extrinsic motivation influenced satisfaction through a mediating latent variable of trust.

(vi) Only extrinsic motivation significantly influenced loyalty through a mediating latent variable of trust and satisfaction.

Thank you