# THE MINISTRY OF FINANCE UNIVERSITY OF FINANCE – MARKETING

 $\Diamond \Diamond \Diamond \Diamond \Diamond \Diamond \Diamond$ 

## TRUONG QUOC DUNG

## SUMMARY OF DOCTORAL THESIS

## RELATIONSHIP QUALITY AFFECTS ON THE LOYALTY OF TRAVEL AGENT TO TOUR OPERATOR

Scientific instructor 1: Assoc.Pro.Dr. Dao Duy Huan Scientific instructor 2: Assoc.Pro.Dr. Nguyen Cong Hoan

## TABLE OF CONTENTS

CHAPTER 1: RESEARCH OVERVIEW	1
1.1. The necessity of research	1
1.1.1. About the practical background	1
1.1.2. About the theoretical background	1
1.2. Objectives and research questions	2
1.2.1 Research objectives	2
1.2.2. Research questions	3
1.3. Research object and survey object	3
1.3.1. Research object	3
1.3.2. Survey object	3
1.3.3. Research scope	3
1.4. Research Methods	4
1.5. Meaning of the study	4
1.6. Research layout	5
CHAPTER 2: THEORETICAL BASIS AND RESEARCH MODEL	5
2.1. Behavioral theory overview	5
2.1.1. Theory of Relationship marketing	5
2.1.2. Theory of Relationship quality	5
2.2. Concepts	6
2.2.1. Tourism	6
2.2.2. Travel service business	6
2.2.3. Travel firm	6
2.2.3.1. Domestic travel firm	6
2.2.3.2. International trvael firms	6
2.2.4. Outgoing travel firm	6
2.2.5. Incomming travel firm	6
2.2.6. General travel firm	7

2.2.7. Tou	rism products	7
2.2.8. Tra	vel agent	7
2.2.9. Tra	vel firm product channels	7
2.2.10.	Loyalty of travel agents	7
2.2.11.	Saticfaction of travel agents	7
2.2.12.	Trust of travel agents	7
2.2.13.	Commitment of travel agents	7
2.2.14.	Service quality	8
2.2.15.	Custommer value	8
2.3. Some	empirical studies	8
2.3.1. Abr	oad studies	8
2.3.2. Stud	lies in Vietnam	9
2.4.	Relationship between research concepts	9
CHAPTE	R 3: MOTHOD OF STUDY1	0
3.1. Resea	rch Process	0
3.2. Resea	rch scale	1
3.3. Quali	tative research	1
3.4. Pilot o	quantitative research	2
3.4.1. Pilo	t quantitative study design1	2
3.4.2. Pilo	t quantitative research result1	2
3.5. Main	quantitative research	2
CHAPTE	R 4: RESEARCH RESULTS	2
	iption of the study sample	
	ation of the measurement model	
	ation of structural model	
	ple contructural analysis1	
	ssion of research results	
	vice quality affects satisfaction1	
4.5.2. Cus	tomer value affects satisfaction1	8

4.5.3. Service quality affects customer value	18
4.5.4. Satisfaction affects commitment	18
4.5.5. Satisfaction affects trust	18
4.5.6. Satisfaction affects loyalty	18
4.5.7. Trust affects commitment	18
4.5.8. Commitment affects loyalty	18
4.5.9. Trust affects loyalty	18
4.5.10. Indirect relationships	18
4.5.11. Test the difference according to the role of the survey object	18
CHAPTER 5: CONCLUSION AND IMPLICATIONS	19
5.1. Conclusion.	19
5.2. Scientific significance	19
5.3. Implications	20
5.3.1. Implications for enhancing customer satisfaction	20
5.3.2. Implications for building the trust of travel agents to tour operators	20
5.3.3. Implications for service quality	20
5.3.4. Implications for strengthening commitment of travel agents and tour of to increase loyalty of travel agents	
5.3.5. Implications for enhancing customer value of travel agents	20
5.3.6. Implications for the difference between business characteristics of send domestic tourists, sending outbound tourists and sending abroad tourists to V	ietnam'
5.4. LIMITATIONS AND FURTHER RESEARCH	21

#### CHAPTER 1: RESEARCH OVERVIEW

## 1.1. The necessity of research

## 1.1.1. About the practical background

Vietnam has identified tourism as a key economic sector and has taken many measures to promote tourism development and attract tourists. Over the past years, Vietnam's tourism industry has achieved good results, but it has not been able to quickly exploit the tourism potential of the country and especially the number of international tourists who have returned to Vietnam in very modest quantities. Travel service plays an extremely important role in the tourism industry, travel firms not only promote and consume tourism products but also helps tourism product suppliers to perfect their products, reduce risks in the tourism services. Travel firm in Vietnam are constantly growing in terms of both the number of firm and the size of the firm. From an firm in the early stages of the establishment of the tourism industry in 1960, to June 2023, according to the national tourism database of the Vietnam National Administration of Tourism, Vietnam had 3,866 firms licensed for international travel service and thousands of domestic tour operators.

Besides the direct tourist exploring, travel firms also exploit tourists through other travel firms called agents. For profit purposes, or for regulations; There are many travel firms that choose to send guests to other travel firms to do operation. The Vietnamese international outgoing travel firms has to send guests to foreign incomming travel firms to do operation (outbound). In contrast, foreign travel firms has to send guests to Vietnamese international incomming travel firms to do operation (inbound). For domestic, travel firms directly exploit and do opration of "tourist groups"; For "retail customers", they are exploited directly and exploit through other travel firms.

Customer loyalty is always a special concern of all the firms because of its importance in bringing business efficiency. Low cost of serving loyal customers; loyal customers are less sensitive to price changes; Loyal customers spend more time with suppliers; Loyal customers give positive recommendations based on their experience. Therefore, loyal customers of B2B channel are extremely important for the maintenance and development of travel firms.

#### 1.1.2. About the theoretical background

Research on loyalty in the B2B environment, the authors use many different theories such as organizational theory, commitment-trust, internet marketing, etc. However, the most popular theories are the following: (1) social exchange; (2) relationship marketing and (3) relationship quality. Relationship quality theory is based on relationship marketing theory and relationship marketing theory is based on social exchange theory. Research on the results of relationship quality is most proven by the criterion that shows the trend of the relationship, which is customer loyalty. Athanasopoulou (2009) synthesizes studies on relationship quality from 1997 to 2007, the main components of the relationsh include 3 factors: satisfaction, trust and commitment. Ivan Ka Wai Lai and Jose Weng Chou Wong (2021) stated that: "For tourism and hospitality research, researchers have confirmed commitment as the third factor of relationship quality (besides trust and satisfaction)". Many studies on the factors affecting relationship quality, the most are service quality and customer value.

From the analysis and comments on previous studies presented above, the author finds that up to now, there exist research gaps, including:

Loyalty studies in B2B environments have not focused on travel or are travelintensive.

Studies on loyalty in tourism only focus on B2C environment, not in-depth research on B2B environment.

Or if there is research on organizational customers in tourism, it is also a general study on tourism product suppliers, but not specifically on the relationship between travel firms (B2B).

The scale of factors affecting loyalty is a scale with few items, only considering either the emotional aspect or the economic calculation aspect, but not both aspects at the same time.

Previous studies on loyalty in the travel industry mainly studied behavioral loyalty; or if studying loyalty in both behavior and attitude, it is in the B2C environment.

The research on customer loyalty for travel industry is largely based on the chain of Quality - Value - Satisfaction - Loyalty, but mainly studies on tourist loyalty (B2C) but has not studied B2B environmental loyalty fully.

The latest study on loyalty in B2B environmental travel industry by Granados et al (2021) is based on the Quality-Value-Satisfaction-Loyalty chain, a postulate established from studies Tourism B2C, adding Trust and Commitment as mediating variables between Satisfaction and Loyalty to tailor this series to the B2B context. However, in this study, the satisfaction scale has not shown process-oriented satisfaction and result-oriented satisfaction; commitment scale has not clearly shown emotional commitment and calculated commitment; have not studied the direct relationship between service quality and satisfaction, satisfaction and loyalty.

To date, there have been very few studies on loyalty in the B2B environmental travel industry in Vietnam and around the world. According to Granados et al (2021): "Although most travel firms also provide their services to corporate customers, i.e. to other travel firms, to our knowledge, there are no studies that analyze the relationship between travel firms with this type of customer in the B2B context".

Stemming from the theory and practice mentioned above, the author finds that the research on loyalty and relationship quality in the tourism industry in general and in the travel industry in particular and especially loyalty of travel agents to tour operator is necessary in the current period. That is the reason why the author chooses the topic of doctoral thesis research: "Relationship quality affects the loyalty of travel agent to tour operator".

## 1.2. Objectives and research questions

#### 1.2.1 Research objectives

The overall objective of the study is to build and test the relationship between the factors affecting the components of the relationship quality and the relationship quality affecting the loyalty of the travel agent to tour operator, thereby proposing some managerial implications to enhance the loyalty of the travel agents to tour operator.

Detail objective

*Firstly*, building a model of the relationship among the factors affecting the relationship quality and the relationship quality on the loyalty of the travel agent to tour operator; test the relationships in the research model.

Secondly, to test the difference in the relationship among the factors in the research model according to the type of business based on the survey object, including: (1) travel firms sending domestic guests, (2) travel firms sending tourists abroad and (3) travel firms sending foreign tourists into Vietnam.

*Thirdly*, some managerial implications are proposed to enhance the loyalty of the travel agents to tour operators.

#### 1.2.2. Research questions

Question 1: Which factors in relationship quality affect on loyalty and which factors affect on the relationship quality of the travel agents to tour operators?

Question 2: Are there any differences among the relationships in the model on the factors affecting the relationship quality and loyalty of the travel agent to tour operator according to the type of business: (1) travel firms sending domestic tourists, (2) travel firms sending tourists abroad and (3) travel firms sending foreign tourist into Vietnam?

Question 3: What are the managerial implications to help the tour operator to increase the loyalty of the travel agents?

## 1.3. Research object and survey object

## 1.3.1. Research object

The research object is the relationship among the factors affecting the loyalty of the travel agents to tour operator (including the relationship among the factors affecting the relationship quality, relationship quality affects on the loyalty of the travel agent to tour operator).

## 1.3.2. Survey object

*Survey objects in qualitative research*: Managers of travel agents, some scientists are lecturers teaching modules on travel.

Survey objects in quantitative research: Managers of travel agents include sending domestic tourists, sending tourists abroad, and foreign travel agents sending tourists into Vietnam.

## 1.3.3. Research scope

 $Theoretical\ approach\ to\ research:$ 

In terms of content, including relationship marketing theory, relationship quality theory, loyalty-related studies in B2B; travel business practices through agency channels.

Area research:

Research carried out in Vietnam for travel agents sending domestic tourists and outbound tourists, are concentrated in the city area of Ho Chi Minh City, Hanoi, Da Nang and other countries that send tourists to Vietnam.

Research time:

Qualitative research has been carried out since the beginning of 2021 through face-to-face interviews with travel agent managers who are considered experts with extensive experience, seniority in the industry, and understanding of the research topic;

Some scientists are currently lecturers teaching modules on travel, focus group discussions with managers of some travel agents.

Pilot quantitative research has been carried out since mid-2021 by face-to-face and online interviews with the interviewees, through detailed questionnaires.

Main quantitative research was carried out from mid-2021 to near the end of 2022 by face-to-face survey, or by phone or online survey of interviewees through detailed questionnaires.

#### 1.4. Research Methods

#### (1) Research methods:

The study applied mixed method of qualitative and quantity. Qualitative research was conducted through one-on-one interviews, focus group discussions to adjust the scale and in-depth discussion after quantitative research. Quantitative research was conducted to test the model and multi-group analysis.

#### (2) Research tools:

Smart-PLS software is used. This study applies Smart-PLS because Smart-PLS is suitable for exploratory research and complex modeling. The measurement model is a reflective model. The scales are evaluated according to the following criteria: (1) internal consistency reliability; (2) convergence value; (3) discriminant value (Hair et al., 2017). Scales that satisfy the criteria for evaluating the measurement model will be used to test the model and research hypotheses through structural model evaluation.

#### (3) Research process:

The research was carried out in three steps: qualitative research, pilot quantitative research and main quantitative research. Besides, the qualitative research aims to discuss in depth the results after the main quantitative research. Qualitative research was conducted through: face-to-face interviews, focus group discussions to adjust the scale to suit the research context. In the pilot quantitative research step, the author surveyed 200 travel agents to evaluate the scale. The official study conducted a survey of 650 travel agents. Then the next steps are evaluation of the scale, testing of hypotheses and multigroup analysis.

## 1.5. Meaning of the study

## Scientific significance

Firstly, most of the researchs on loyalty in the tourism industry was previously limited to the B2C environment and very little research on the travel industry. Therefore, this study makes an important theoretical contribution to the study of loyalty in the B2B environmental travel industry and is the study of loyalty in terms of both behavioral loyalty and attitudinal loyalty. This is the basis for further studies on loyalty in B2B environmental travel industry.

Secondly, this study inherits the model of service quality - customer value - satisfaction - loyalty with additional factors of trust and commitment to clarify business relationships in B2B environmental travel industry. Furthermore, this study sheds light on the service quality affects on the satisfaction of travel agents in the B2B environmental; satisfaction includes process-oriented satisfaction and result-oriented satisfaction; Commitment includes emotional commitment and calculated commitment.

Thirdly, this study has a comparison between business characteristics of travel agents in order to clarify the different affects between business characteristics of Vietnamese travel agents sending domestic tourists, sending outbound tourists and foreign travel agents sending tourists into Vietnam.

#### Practical significance

Firstly, the tour operators are well aware of the importance of customers as travel agents, as well as the factors to retain customers of this channel.

Secondly, depending on the business characteristic that the travel agents has different interests in maintaining the relationship with the tour operator. Thereby helping tour operator to invest in the most effective areas of their business in order to increase the loyalty of travel agents.

## 1.6. Research layout

The thesis layout includes:

Chapter 1: Research overview

Chapter 2: Theoretical basis and research model

Chapter 3: Research Design

Chapter 4: Research results

Chapter 5: Conclusion and some managerial implications

#### CHAPTER 2: THEORETICAL BASIS AND RESEARCH MODEL

#### 2.1. Behavioral theory overview

## 2.1.1. Theory of Relationship marketing

A travel agent is a customer of a tour operator. Tour operators not only try to find customers, but also need to make efforts to keep customers, create and maintain relationships with customers. Tour operators always provide high quality of services, create value for customers to make customers as travel agents trust, satisfaction and continue to be loyal to them. The relationship marketing theory used in the thesis to test the loyalty in the relationship of travel agents to tour operator is the buying and selling relationship. The factors of service quality, customer value, satisfaction, trust, commitment will be used to re-test the loyalty in the partnership relationship between travel agents and tour operator.

## 2.1.2. Theory of Relationship quality

In the field of travel business activities, travel agents are the seller, tour operator is the buyer. The quality of the relationship between the seller and the buyer determines the loyalty of the buyer to the seller. The relationship between travel agent (seller) and tour operator (buyer) is assessed by relationship quality or factors: satisfaction, trust, and commitment. This is the basis for studying the loyalty of travel agent (buyers) and tour operator (sellers). The relationship quality theory used in the thesis to test the loyalty in the relationship between the travel agent and tour operator is the buying and selling relationship. Satisfaction, trust, and commitment factors will be used to re-test

the loyalty in the partnership between travel agent and tour operator in the tourism product provider chains.

#### 2.2. Concepts

#### 2.2.1. Tourism

Article 3, Law on Tourism of Vietnam (2017) stipulates that "Tourism is activities related to a person's trip outside his/her regular place of residence for a period of no more than 1 consecutive year to meet the tourism demand. sightseeing, relaxation, entertainment, research, discovery of tourism resources or for other lawful purposes".

#### 2.2.2. Travel service business

According to the Law on Tourism of Vietnam (2017), "Travel service business is the construction, sale and implementation of a part or the whole of a tour program for tourists".

Based on the nature of activities aimed at creating products, travel service business is classified as: travel agency business, tour program business, general travel business.

Based on the mode and scope of activities: there are travel agent, tour oprator and general travel firm (Ha Nam Khanh Giao & Associates, 2014).

## 2.2.3. Travel firm

The concept of a travel firm can be given as follows: "A travel firm is an economic organization with its own name, assets, stable headquarters, and business registration in accordance with law in order to profit purpose through the organization of construction, sale and implementation of tour programs for tourists".

## 2.2.3.1. Domestic travel firm

According to Article 37 of the Law on Tourism of Vietnam (2017), domestic travel firm have the right to build, advertise, sell and organize the implementation of tour programs for domestic tourists. Domestic travel firms are only allowed to do business within the territory of Vietnam and can serve foreigners currently living and working in Vietnam to travel within the Vietnam territory according to regulations. Domestic travel firms do not have the right to do international travel business.

## 2.2.3.2. International trvael firms

Article 37 of the Law on Tourism of Vietnam (2017) also stipulates that an international travel firm is a firm responsible for developing and selling package or partial tour programs at the request of guests to directly attract tourists to Vietnam and bring Vietnamese citizens and foreigners residing in Vietnam to travel abroad.

## 2.2.4. Outgoing travel firm

According to Ha Nam Khanh Giao et al (2014), "A outgoing travel firm (travel agent) is a firm established in places with a large source of tourist in order to directly attract tourists and bring them to places with attractive tourism destinations".

## 2.2.5. Incomming travel firm

Also according to Ha Nam Khanh Giao et al (2014), "A incomming travel firm (tour operator) is a travel firm established near areas with attractive tourism resources, receiving and serving tourists sending by the travel agents".

#### 2.2.6. General travel firm

According to Ha Nam Khanh Giao et al (2014), "A general travel firm conducts business combining both sending and receiving tourists".

## 2.2.7. Tourism products

According to the Law on Tourism of Vietnam (2017), "Tourism products are a collection of services on the basis of exploiting the value of tourism resources to satisfy the needs of tourists".

## 2.2.8. Travel agent

According to Article 40 of the Law on Tourism of Vietnam, 2017: "Travel agent is an organization or individual that accepts to sell tour programs of a travel firm to tourists for commission. Organizations and individuals doing as travel agent are not allowed to organize the implementation of tour programs. However, in reality, travel firm not only trade in tour programs built by them directly, but they also sell tour programs of other travel firm for a commission. In this case, the travel firm that sells the tour program of another travel firm is also called an agent.

## 2.2.9. Travel firm product channels

According to Ha Nam Khanh Giao et al (2014), travel firms distribute their products through two main channels: directly and through a system of agents.

## 2.2.10. Loyalty of travel agents

Loyalty is the result of relationship quality. "Loyalty is the degree to which a customer shows repeat purchasing behavior from a service provider, has a positive attitude towards a service provider, and only considers this supplier when there is a need for the service" (Gremler & Brown, 1996).

## 2.2.11. Satisfaction of travel agents

Satisfaction is the first component of relationship quality. Process-oriented satisfaction reflects the traditional view of satisfaction and assumes that satisfaction is the result of a comparison between expectations and perceived reality. Results-oriented satisfaction indicates that results indicate a high level of satisfaction in cases where expectations are not met, this view focuses on viewing satisfaction as an outcome and provides ending states such as: satisfaction is pleasure, satisfaction is relief from anxiety, satisfaction is a new experience, satisfaction is surprise.

## 2.2.12. Trust of travel agents

The second component of relationship quality is trust. Trust can be defined as "trust in the reliability and integrity of an exchange counterparty". Trust in another party is associated with positive outcomes in business relationships and belief that unexpected actions, which can cause negative effects, will not be taken.

## 2.2.13. Commitment of travel agents

Commitment is the third component of relationship quality. "Commitment between partners is a necessary condition for each party to achieve goals and maintain the relationship."

There are two types of commitment: Emotional commitment is "a long-term desire to maintain a valuable relationship". In contrast, a calculated commitment is based on the economic aspects and appropriateness of the relationship between the customer

and the supplier; it is the result of calculating costs and benefits, which are detached from the emotional side of the relationship.

## 2.2.14. Service quality

According to Farn & Huang (2008), Service quality is defined as the cumulative subjective assessment of a service based on the firm's perception of how good the service provided by the service provider is; it can meet or not customer requirements, wants, goals.

#### 2.2.15. Custommer value

Customer value is a proven key factor affecting relationship quality. Customer value is what customers get (benefits, quality, value, utility) from buying and using a product compared to what they pay (price, cost, sacrifice); lead to an attitude toward an emotional relationship with the product. Customer value is the value for the customer: the perceived value of the customer or the value received by the customer.

## 2.3. Some empirical studies

#### 2.3.1. Abroad studies

Research by Ruben Chumpitaz Caceres and Nicholas G. Paparoidamis (2005) on loyalty in B2B environment is based on relationship marketing theory. Research by Tsaur, Sheng-Hshiung et al. (2006) on the relationship between wholesale travel firm (receiving guests) and retail travel firm (sending guests), studying the quality of the relationship affecting to the loyalty of the retail travel firm (sending guests) to the wholesale travel firm (receiving guests). Research by Papassapa Rauyruen and Kenneth Miller (2007) relationship quality is a prerequisite for loyalty in the B2B environment. The study of Li Yang et al. (2009) on the relationship between the travel agents and tour operator only stopped at the study of the trust between businesses that affects the loyalty between travel agents and tour operator. Research by Gil-Saura et al., (2009), is a study on industrial customers (B2B), relationship value factors, trust, commitment, satisfaction impact on loyalty intention. Research by Ying Huang et al. (2009) on the influencing factors and outcomes of relationship quality, studying the Chinese travel industry. The relationship quality components include trust, commitment and satisfaction; The outcome of relationship quality is the loyalty of tourists and the reputation of the tour operator. Research by Gil-Saura et al (2011) in the B2B environment of the travel industry, the research results are obtained, there is an impact from the relationship quality on customer loyalty. Research by Dolors Seto'-Pamies (2012) on customer loyalty to tour operators based on chain: service quality satisfaction - additional loyalty turns trust impact on loyalty. Research by Shaimaa S. B. Ahmed Doma (2013), on loyalty in relationship quality chain in B2B service environment, using relationship marketing theory. Research by Gallarza et al (2013) on customer loyalty to travel firm based on customer surveys of travel firm who are students who buy package tours and travel in groups, based on the chain: Quality service - Value - Satisfaction - Loyalty. Research by Ivan Ka Wai Lai (2014), research on the role of service quality, perceived value and relationship quality on customer loyalty with travel firm. Loyalty is the result of relationship quality. Research by Alfonso et al (2019) measures the relationship between satisfaction and loyalty in a B2B environment. Research by Gallarzaa et al (2019) on tourism customer value in chain: value - satisfaction - loyalty. Research by Gil-Saura et al (2019) on loyalty and satisfaction in B2B environmental freight forwarding services based on service quality - value - satisfaction - loyalty model. Research by Bidyut Jyoti Gogoi (2020) on customer loyalty to travel firm, focusing on finding out the factors that affect customer satisfaction and loyalty. The study contributes to confirming the chain of service quality - satisfaction - loyalty relationships in the travel industry. Research by Granados et al (2021), based on the Quality-Value-Satisfaction-Loyalty chain, adds Trust and Commitment as mediating variables between Satisfaction and Loyalty to adapt this series to the context of B2B in the travel industry.

#### 2.3.2. Studies in Vietnam

Research by Mai Ngoc Khuong et al (2016) on service quality of tour operators in Ho Chi Minh City on the word-of-mouth impact of MICE tourists based on the chain Service Quality - Customer Value – Satisfaction – Loyalty. Research by Tran Thi Huyen Trang (2017) studies the relationship between suppliers in the supply chain of tourism products, including the relationship between travel firm.

2.4. Relationship between research concepts

Hypothesis	Descriptions
H1	Service quality has a positive influence on the satisfaction of travel
	agents to tour operators.
H2	Customer value has a positive effect on the satisfaction of travel
	agents to tour operators.
H3	Service quality of tour operator has a positive effect on customer
	value for travel agents.
H4	Satisfaction of travel agent has a positive effect on the commitment
	of travel agents to tour operators.
H5	Satisfaction of travel agents has a positive effect on the trust of travel
	agents to tour operators.
H6	Satisfaction of travel agents has a positive effect on the loyalty of
	travel agents to tour operators.
H7	Trust of travel agents has a positive effect on the commitment of
	travel agents to tour operators.
H8	Commitment of travel agents has a positive effect on the loyalty of
	travel agents to tour operators.
H9	Trust of travel agents has a positive effect on the loyalty of travel
	agents to tour operators.
Expected	There are differences in the relationship among the factors in the
	model according to some business characteristics of travel agents:
	Vietnamese travel agents sending domestic tourists, sending
	outbound tourists and foreign travel agents sending tourists into
	Vietnam.

#### 2.3. Proposed research model

Along with the synthesis of hypotheses in Section 2.4, the author proposes a research model as shown in Figure 2.2.

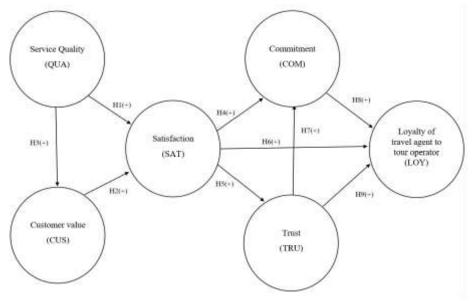


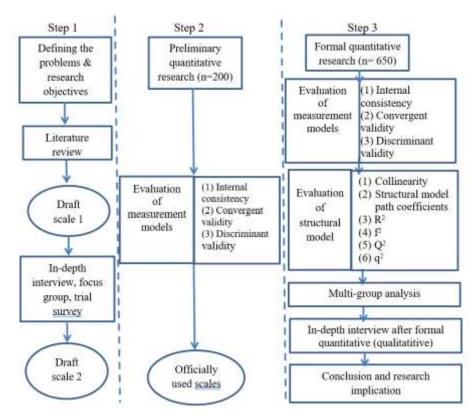
Figure 2.1. Proposed research model

Source: author

#### **CHAPTER 3: MOTHOD OF STUDY**

#### 3.1. Research Process

The research process is conducted through 3 steps described in Figure 3.1 below, including: (1) Qualitative research to discover and additionally adjust the scale, (2) Pilot quantitative research to evaluate the scale by directly interviewing representatives of travel agents; Criteria to evaluate the scales include: internal consistency reliability, convergent value, discriminant value and (3) Main quantitative research conducted by face-to-face survey, or by phone or online survey for representatives of travel agents sending domestic tourists, sending outbound tourists and foreign travel agents sending tourists into Vietnam through the official questionnaire. Apply PLS-SEM through Smart-PLS software to evaluate measurement models and structural models.



Firgure 3.1. research process

Source: Author

#### 3.2. Research scale

Service quality scale is inherited from the scale of Granados et al (2021) used in the study of B2B travel industry including 4 observed variables.

Customer value scale is inherited from the scale of Granados et al (2021) used in the study of B2B travel industry including 3 observed variables.

Satisfaction scales are process-oriented and result-oriented i.e. observing both customer expectations and perceptions. The inheritance scale of Shaimaa (2013) includes 5 observed variables.

Trust scale is inherited from the scale of Granados et al (2021) used in the study of B2B travel industry including 3 observed variables.

Commitment scale inherits the scale of Gil-Saura et al. (2009) including 4 observed variables.

Loyalty scale inherits the scale of Granados et al (2021) including 5 observed variables.

## 3.3. Qualitative research

Qualitative research is conducted in 2 stages: (1) at step 1 in the research process when forming a draft scale 1 after a review of previous studies and (2) at the end of step 3 after the results are available, test models and hypotheses. This section presents qualitative research in step 1. After having draft scale 1, conduct one-on-one interviews with 5 representatives of travel agents, 4 scientists; focus group discussion with representatives of 5 travel agents.

As a result, most of the opinions agree with the relationship between the factors in the model. Some variables are adjusted for clarity and understanding of words.

*Trial survey*: 10 travel agents in Ho Chi Minh City and 10 abroad travel agents were tested. As a result of this step, the survey inetrviewees fully understood the questions. At this point, the questionnaire has been defined for the pilot quantitative research step.

#### 3.4. Pilot quantitative research

## 3.4.1. Pilot quantitative study design

*Objective*, To evaluate the internal consistency reliability, convergent validity and discriminant validity of the scales.

*Survey interviewees*, Representatives of travel agents are business managers including the company's board of directors, or heads/deputies of departments.

The number of survey samples is 200 travel agents as sample size in this step. Analysis method PLS-SEM

#### 3.4.2. Pilot quantitative research result

After removing SAT 5 and COM 4, the scales all achieved reliability and convergent value, discriminant value. The 21 observed variables used in the main quantitative step include: QUA including 4 variables; CUS consists of 3 variables; SAT consists of 4 variables; COM consists of 3 variables; TRU consists of 3 variables; LOY consists of 4 variables.

## 3.5. Main quantitative research

Objective: To test the hypotheses and the appropriateness of the research model.

Survey interviewees: Representatives of travel agents are business managers including the company's board of directors, or heads/deputies of departments.

The number of survey samples is 650 travel agents exceeded the sample size requirement of Bolen (1989), Barclay et al (1995).

*Organizational method*: the main quantitative research was conducted in the country mainly in the cities with a large number of travel agents such as Hanoi, Da Nang, Hue, Nha Trang, and Ho Chi Minh City and foreign travel agents send tourists to Vietnam through face-to-face meetings, email or online surveys.

#### **CHAPTER 4: RESEARCH RESULTS**

#### 4.1. Description of the study sample

The characteristics of the research sample include 650 samples, including 263 samples sending domestic tourists, 196 samples sending outbound tourists and 191 foreign samples sending tourists into Vietnam. Number of years of operation: below 5

years is 15, from 5 to 10 years is 296, from 11 to 20 years is 260 and over 20 years is 79. Firm size: under 10 staffs is 103, from 10 to 30 staffs is 282, from 31 to 50 staffs is 162, over 50 staffs is 103.

#### 4.2. Evaluation of the measurement model

## Evaluation of reliability and convergence value

After removing SAT 4 and LOY 4, the scales all reached reliability and converged value. The results are shown in the following table:

Table 4.1. Reliability and convergence value of the scales in the research model (main quantification - second run)

Scales		Reliability		Converge	nce value
		Cronbach's	Aggregate	Loading	AVE
		alpha	confidence	factor	
			coefficient		
QUA	QUA 1	0,706	0,817	0,744	0,529
	QUA 2			0,641	
	QUA 3			0,811	
	QUA 4			0,703	
CUS	CUS 1	0,629	0,8	0,757	0,572
	CUS 2			0,775	
	CUS 3			0,737	
SAT	SAT 1	0,598	0,785	0,812	0,55
	SAT 2			0,733	
	SAT 3			0,674	
COM	COM 1	0,601	0,775	0,781	0,535
	COM 2			0,693	
	COM 3			0,718	
TRU	TRU 1	0,6	0,766	0,789	
	TRU 2			0,714	
	TRU 3			0,66	
LOY	LOY 1	0,605	0,794	0,774	0,568
	LOY 2			0,874	
	LOY 3			0,586	

Source: Processing results from the author's survey data

## Distinguishing Value Assessment

After removing SAT 4 and LOY 4 to reach the convergent value, the discriminant value of the scales according to the following table:

Table 4.2. Discriminant value - (Fornell - Larcker coefficient) the scales in the research model (main quantification - second run)

	COM	CUS	LOY	QUA	SAT	TRU
COM	0,732					
CUS	0,464	0,756				
LOY	0,335	0,382	0,754			
QUA	0,502	0,562	0,306	0,727		
SAT	0,47	0,489	0,413	0,514	0,742	
TRU	0,375	0,482	0,46	0,458	0,505	0,723

Source: Processing results from the author's survey data

After evaluating the measurement model of the research model, the satisfactory variables that will be used to evaluate the structural model are 19 observed variables: QUA includes 4 variables, CUS includes 3 variables, SAT includes 3 variables, variables, COM includes 3 variables, TRU includes 3 variables, LOY includes 3 variables.

#### 4.3. Evaluation of structural model

According to Hair et al. (2017), there are six steps that need to be evaluated in the structural model: (1) multicollinearity; (2) the level of significance and relevance of the relationships in the model; (3) R2 level; (4) impact factor f2; (5) the relevance of the Q2 forecast; (6) impact factor q2.

## (1) Evaluation of multicollinearity problems of structural models

The VIFs of all concepts are less than 5, concluding that the estimated structural model does not suffer from multicollinearity.

## (2) Evaluate the significance and relevance of relationships in the structural model

Table 4.7. Structural model estimation results

Hypothesis	Relationship Estimated Bootstrap P- Resu				
		coefficient		value	
H1 (+)	QUA->SAT	0,349***	[0,264; 0,436]	0,000	Accepted
H2 (+)	CUS->SAT	0,293***	[0,2; 0,387]	0,000	Accepted
H3 (+)	QUA->CUS	0,562***	[0,494; 0,63]	0,000	Accepted
H4 (+)	SAT->COM	0,375***	[0,259; 0,485]	0,000	Accepted
H5 (+)	SAT->TRU	0,505***	[0,436; 0,573]	0,000	Accepted
H6 (+)	SAT->LOY	0,196***	[0,101; 0,305]	0,000	Accepted
H7 (+)	TRU->COM	0,185***	[0,086; 0,293]	0,000	Accepted
H8 (+)	COM->LOY	0,125**	[0,026; 0,22]	0,011	Accepted
H9 (+)	TRU->LOY	0,314***	[0,216; 0,406]	0,000	Accepted

Note: \*\*\* corresponds to 1% significance level, \*\* corresponds to 5% significance level

Source: Processing results from the author's survey data Results Table 4.7 shows that all 9 hypotheses are accepted.

Indirect effects

Table 4.8. Indirect relationship results

Relationship	Estimated coefficient	Bootstrap	P- value
Specific indirect relationship through each factor			
		[0,066;	
CUS -> SAT -> COM	0,11	0,016]	0
OUA > CUS > SAT > COM	0.062	[0,037; 0,091]	0
QUA -> CUS -> SAT -> COM	0,062	[0,081;	U
QUA -> SAT -> COM	0,131	0,186]	0
QUITY BITTY COM	0,131	[0,012;	- U
CUS -> SAT -> TRU -> COM	0,027	0,0491	0,003
	.,	[0,007;	,
QUA -> CUS -> SAT -> TRU -> COM	0,015	0,029]	0,005
		[0,041;	
SAT -> TRU -> COM	0,094	0,148]	0,001
		[0,013;	
QUA -> SAT -> TRU -> COM	0,033	0,057]	0,003
		[0,004;	
CUS -> SAT -> COM -> LOY	0,014	0,028]	0,017
		[0,002;	
QUA -> CUS -> SAT -> COM -> LOY	0,008	0,016]	0,019
		[0,014;	
SAT -> COM -> LOY	0,047	0,086]	0,009
OVAL GATE GOAL VOVA	0.04.5	[0,005;	0.04.5
QUA -> SAT -> COM -> LOY	0,016	0,032]	0,016
CHIC - CAT - TRU - COM - LOV	0.002	[0,001;	0.001
CUS -> SAT -> TRU -> COM -> LOY  OUA -> CUS -> SAT -> TRU -> COM ->	0,003	0,009]	0,091
LOY	0,002	[0; 0,005]	0,1
LOT	0,002	[0,004;	0,1
TRU -> COM -> LOY	0,023	0,054]	0.07
TRO -> COM -> LOT	0,023	[0,002;	0.07
SAT -> TRU -> COM -> LOY	0,012	0,028]	0,073
QUA -> SAT -> TRU -> COM -> LOY	0,004	[0,001; 0,01]	0,094
	0,001	[0,028;	3,371
CUS -> SAT -> LOY	0,057	0,096]	0,001
		[0,016;	,
QUA -> CUS -> SAT -> LOY	0,032	0,056]	0,002
		[0,034;	
QUA -> SAT -> LOY	0,069	0,111]	0,001
CUS -> SAT -> TRU -> LOY	0,046	[0,028; 0,07]	0
QUA -> CUS -> SAT -> TRU -> LOY	0,026	[0,016; 0,04]	0

SAT -> TRU -> LOY  QUA -> SAT -> TRU -> LOY  QUA -> CUS -> SAT  CUS -> SAT -> TRU	0,159 0,055 0,164 0,148	0,208] [0,037; 0,079] [0,112; 0,22] [0,096;	0 0
QUA -> CUS -> SAT	0,164	0,079] [0,112; 0,22] [0,096;	
QUA -> CUS -> SAT	0,164	[0,112; 0,22] [0,096;	
	,	[0,096;	0
CUS -> SAT -> TRU	0,148		
CUS -> SAT -> TRU	0,148	0.2021	
		0,202]	0
		[0,054;	
QUA -> CUS -> SAT -> TRU	0,083	0,117]	0
		[0,127;	
QUA -> SAT -> TRU	0,176	0,231]	0
Total indirect relationship			
		[0,089;	
CUS -> COM	0,137	0,187]	0
		[0,079;	0
CUS -> LOY	0,121	0,168]	
		[0,096;	0
CUS -> TRU	0,148	0,202]	
		[0,185;	0
QUA -> COM	0,241	0,296]	
		[0,164;	0
QUA -> LOY	0,213	0,261]	
QUA -> SAT	0,164	[0,112; 0,22]	0
		[0,203;	0
QUA -> TRU	0,259	0,311]	
		[0,041;	
SAT -> COM	0,094	0,148]	0,001
		[0,164;	
SAT -> LOY	0,217	0,269]	0
		[0,004;	
TRU -> LOY	0,023	0,054]	0,067

Source: Processing results from the author's survey data Table 4.8. shows that most of the indirect relationships exist between the factors, except for the following 5 indirect relationships that do not exist:

- (1)  $CUS \rightarrow SAT \rightarrow TRU \rightarrow COM \rightarrow LOY$
- (2) QUA -> CUS -> SAT -> TRU -> COM -> LOY
- (3) TRU -> COM -> LOY
- (4) SAT  $\rightarrow$  TRU  $\rightarrow$  COM  $\rightarrow$  LOY
- (5) QUA -> SAT -> TRU -> COM -> LOY

The results are in Table 4.8. It also shows that there is a total indirect relationship between the factors.

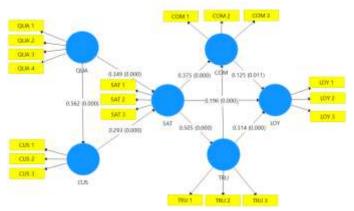


Figure 4.1. Structural model

Source: Processing results from the author's survey data

#### $R^2$ and $R^2$ adi

The explanation level of QUA to CUS is 31.6%; CUS to SAT is 32.3%; SAT, TRU to COM is 24.6%; SAT to TRU is 25.5%. Belongs to weak explanatory level.  $f^2$ 

SAT->COM: 0.139 -> medium impact; TRU->COM: 0.0314 -> minor impact QUA-> CUS: 0.462 -> big impact; COM->LOY: 0.016 -> small impact SAT->LOY: 0.034 -> small impact; TRU->LOY: 0.097 -> medium impact

CUS->SAT: 0.086 -> medium impact;

QUA-> SAT: 0.123 -> medium impact; SAT-> TRU: 0.342 -> big impact

 $Q^2$ 

The Q2 index of COM, CUS, SAT, and TRU are all greater than 0 indicating the predictive relevance of the path model for the concept of LOY dependency.  $q^2$ 

The coefficients q2 of:

QUA->SAT: 0.05 -> predictive relevance of QUA->SAT is close to moderate.

CUS->SAT: 0.037 -> the predictive relevance of CUS->SAT is close to moderate.

TRU->LOY: 0.044 -> the predictive relevance of TRU->LOY is close to moderate.

COM->LOY: 0.0058 -> the predictive relevance of COM->LOY is small.

## 4.4. Multiple contructural analysis

Service quality affects customer value: The difference between the estimated coefficients between the interviewees: sending tourists to Vietnam (0.214) and sending domestic tourist (0.515) is -0.3.

Service quality affects satisfaction: The estimated difference between the survey interviewees: sending customers to Vietnam (0.018) and sending domestic customers (0.525) is -0.507

*Trust affects commitment*: The estimated difference between the survey interviewees: sending tourists to Vietnam (-0.314) and sending domestic tourists (0.284) is -0.599

Satisfaction affects commitment: The difference in the estimated coefficient between the survey interviewees: sending outbound tourists (0.19) and sending domestic tourists (0.489) is -0.297

*Trust affects commitment*: The difference between the estimated coefficients between the survey interviewees: sending outbound tourists (0.491) and sending tourists into Vietnam (-0.314) is 0.805

#### 4.5. Discussion of research results

## 4.5.1. Service quality affects satisfaction

Service quality affects satisfaction, consistent with the study of Ruben Chumpitaz (2005) in the study of B2B environmen.

## 4.5.2. Customer value affects satisfaction

The results show that customer value has an impact on satisfaction, consistent with the research results of Granados et al (2021).

## 4.5.3. Service quality affects customer value

The results show that service quality has a great impact on customer value, consistent with the research results of Granados et al (2021).

## 4.5.4. Satisfaction affects commitment

The results show that satisfaction affects commitment, consistent with the research results of Granados et al (2021), Ruben Chumpitaz (2005).

## 4.5.5. Satisfaction affects trust

The research results show that satisfaction affects trust, consistent with the research results of Granados et al (2021), Ruben Chumpitaz (2005).

## 4.5.6. Satisfaction affects loyalty

The results show that satisfaction affects loyalty, consistent with the research results of Shaimaa (2013), Ruben Chumpitaz (2005).

## 4.5.7. Trust affects commitment

The results show that trust affects commitment, consistent with the results of Granados et al (2021), Gil-Saura (2011) and Ruben Chumpitaz (2005).

## 4.5.8. Commitment affects loyalty

The results show that commitment affects loyalty, consistent with the results of Granados et al. (2021), Gil Saura (2011), Shaimaa (2013), Ruben Chumpitaz (2005).

## 4.5.9. Trust affects loyalty

The results show that trust affects loyalty, consistent with the results of Granados et al. (2021), Shaimaa (2013), Ruben Chumpitaz (2005).

## 4.5.10. Indirect relationships

In the indirect relationships, there is an indirect relationship between service quality (QUA) to loyalty (LOY) through customer value (CUS) and satisfaction (SAT); and the indirect relationship between service quality (QUA) to loyalty (LOY) through customer value (CUS), satisfaction (SAT), trust (TRU), commitment (CAM) in accordance with the study of Granados et al (2021) in the B2B environment on the chain of service quality - customer value - satisfaction - trust/commitment - loyalty.

## 4.5.11. Test the difference according to the role of the survey object.

The research results show that there is a difference in the impacts of the type of business sending domestic tourists, sending outbound tourists and sending tourists

from abroad to Vietnam. This test explains the question number 2 of this thesis that has not been studied in previous documents.

#### **CHAPTER 5: CONCLUSION AND IMPLICATIONS**

#### 5.1. Conclusion

The first research objective, in 9 hypotheses about the relationship are accepted. That is: (1) there is a positive relationship between service quality and satisfaction; (2) there is a positive relationship between customer value and satisfaction; (3) there is a positive relationship between service quality and customer value; (4) there is a positive relationship between satisfaction and commitment; (5) there is a positive relationship between satisfaction and trust; (6) there is a positive relationship between satisfaction and loyalty; (7) there is a positive relationship between trust and commitment; (8) there is a positive relationship between trust and loyalty; (9) There is a positive relationship between trust and loyalty.

The second research objective, the results of testing the difference according to business characteristics in the survey interviewees are sending domestic tourists, sending outbound tourist and sending tourists from abroad to Vietnam, showing that there is no difference in relationship between factors to loyalty; However, there is a difference in the level of impact in the relationships: (1) Service quality affects customer value between survey interviewees sending tourists to Vietnam and survey interviewees sending domestic tourists; (2) Service quality affects satisfaction between survey interviewees sending tourists to Vietnam and survey interviewees sending domestic tourists; (3) Trust affects the commitment between survey interviewees sending tourists to Vietnam and survey interviewees sending outbound tourists the commitment between survey interviewees sending outbound tourists survey interviewees sending domestic tourists; (5) Trust affects the commitment of survey interviewees sending outbound tourists and survey interviewees sending tourists to Vietnam. The final research objective: to propose some managerial implications for tour operator presented in the next section 5.2 in this chapter.

The results of the study support the research view of loyalty in B2B environmental travel business including behavioral loyalty and attitudinal loyalty.

## **5.2.** Scientific significance

The results of this research have made new theoretical contributions as follows: Firstly, this study makes an important theoretical contribution to the study of loyalty in B2B environments and is a study of loyalty according to both behavioral loyalty and attitudinal loyalty.

Secondly, this study confirms the chain of service quality - customer value - satisfaction - loyalty in travel industry, the study has added elements of trust and commitment to clarify the relationships in B2B environment. Besides, the study confirms the relationships in B2B environmental tourism services: service quality affects the satisfaction of travel agents; satisfaction includes process-oriented

satisfaction and result-oriented satisfaction; Commitment includes emotional commitment and calculated commitment.

Thirdly, this study compares the business characteristics of travel agents in Vietnam sending domestic tourists, sending outbound tourists and travel agents sending tourist to Vietnam in order to clarify the level of impact between factors according to business characteristics.

## 5.3. Implications

## 5.3.1. Implications for enhancing customer satisfaction

Firstly, the tour operators needs to strengthen long-term relationships with the travel agent, needs to develop a process of operating the tour and dealing with arising and complaints in the process of serving tourists (Operation rules) in a transparent and fair manner.

*Secondly*, Improve the quality of human resources of the tour operators, showing itself as a professional firm at work.

## 5.3.2. Implications for building the trust of travel agents to tour operators

Firstly, the tour operators need to keep their promise to strengthen trust of travel agents.

Second, the tour operators need to increase trust from travel agents. This needs to be specified in an agency contract between travel agents and tour operators.

## 5.3.3. Implications for service quality

*Firstly*, the tour operators need to organize well all the products and services that bought by the travel agents.

*Secondly*, the tour operators need to provide services with an acceptable quality level compared to other tour operators.

Thirdly, the tour operators need to provide products with stable quality.

*Fourthly*, the tour operators always provide the service that meet the expectations of travel agents.

# 5.3.4. Implications for strengthening commitment of travel agents and tour operators to increase loyalty of travel agents

*Firstly*, travel firms need to commit to a cooperative relationship based on the following principles: caring and supporting each other, balancing interests between parties, establishing trust, sharing information, sharing mutual benefits, looking for ways for the two sides to cooperate for a long time.

Secondly, the commitment between travel agents and tour operators is one of the factors that greatly affects the quality of the relationship that the parties feel need to make maximum efforts to preserve. Relationship value makes travel firms need to make efforts to commit to maintaining long-term relationships with each other. For example, tour operators commit to supporting incentives, and in return, travel agents commit to consume the product.

## 5.3.5. Implications for enhancing customer value of travel agents

Enhance corporate brand value. To improve brand value, tour operator needs all three aspects: (1) building a difference for the corporate brand; (2) brand for the benefit of consumers; (3) brands that bring many experiences to customers

# 5.3.6. Implications for the difference between business characteristics of sending domestic tourists, sending outbound tourists and sending abroad tourists to Vietnam

*Firstly*, tour operator need to build a database for each business market: domestic, inbound and outbound.

*Secondly*, for international tour operator, it is necessary to improve foreign language skills, update knowledge about markets and destinations for employees.

## 5.4. LIMITATIONS AND FURTHER RESEARCH

#### **Limitations:**

The limitation is that the factors affecting the loyalty of travel agents to tour operator have not been fully studied and have not considered the role of tourists.

Limits on survey interviewees in qualitative research for foreign experts in order to collect more practical opinions from these experts.

#### **Further research:**

Further research need to add more factors affecting the loyalty of travel agents to tour operators.

Further research need to consider the impacts from the tourists.

#### THE AUTHOR'S PUBLICATIONS RELATED TO DISSERTATION

#### Scientific Research:

Topic: The impact of satisfaction on the loyalty of travel agents to tour operators in

Vietnam.

Leader: Truong Quoc Dung

Acceptance: 2022

Location: University of Finance - Marketing

#### Publications on Vietnamese national journals:

- 1. Truong Quoc Dung and Nguyen Pham Hanh Phuc (2022). The impact of satisfaction on the loyalty of travel agent to tour operators in Vietnam. *Journal of Marketing Finance Research*. No. 69, June 2022. ISSN 1859-3690.
- 2. Truong Quoc Dung (2023). The impact of service quality on the satisfaction of travel agents to tour operator. *Asia-Pacific Economic Research*. No. 639 July 2023. ISSN 0868-3808
- 3. Truong Quoc Dung and Tran Thi Nguyet Tu (2023). The effects of tour operator's service quality on travel agents's customer value, satisfaction and loyalty in Vietnam. *Journal of Marketing Finance Research*. No. 69, June 2022. ISSN 1859-3690.