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Factors Impacting Satisfaction and Loyalty with Thai Spa Products of Chinese Consumers in Chengdu, China

Jianan Li*

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Abstract

Purpose: The development of Thai tourism makes Thai spa products popular among more Chinese consumers. This study investigates the factors impacting satisfaction and loyalty with Thai spa products of Chinese consumers in Chengdu, China. The conceptual model consists of emotional value, perceived quality, perceived value, social value, functional value, satisfaction, and loyalty. **Research design, data, and methodology:** A quantitative method was applied by distributing a questionnaire to 500 tourists who bought Thai spa products from CYTS stores in Jinjiang District and Wuhou District. Content validity and reliability underwent evaluation through Item-Objective Congruence and a pilot test of Cronbach's Alpha before disseminating the questionnaire. The researcher employed judgmental, quota, and convenience sampling methods, while data analysis involved Confirmatory Factor Analysis and Structural Equation Modeling. **Results:** The findings showed that all hypotheses were supported. Emotional value, perceived quality, perceived value, social value, and functional value significantly impact satisfaction. Furthermore, satisfaction has a positive and significant effect on loyalty. **Conclusions:** This paper comprehensively analyzes the consumers' motivations behind satisfaction and loyalty to Thai spa products. It provides ideas and promotes the development of new tourism product that aligns with the destination industry and culture in the future.

Keywords : Perceived Quality, Satisfaction, Loyalty, Spa Products, Consumers Behavior

JEL Classification Code: E44, F31, F37, G15

1. Introduction

Asian spas are considered reputable and exemplary. Thailand is currently known for various elements, including decoration, as an excellent spa location. Personnel training and Thai massage therapy are techniques that assist with a unique holistic health treatment (Holistic healing) to finding the balance point of the body to relax body and mind with care, to keep people in good health, and to relieve stress. In Thailand, various herbs are available to produce herbal spa products for the spa business; indigenous knowledge about Thai medicine is applied to the treatment and the kind mind of Thai people. Coupled with international spa models, spas in Thailand are identified as one of the purposes to use spa

services when traveling to Thailand, and Chinese tourists are among them (Ngamsirijit, 2016).

The spa product has greater market potential; the pilot projects in Chengdu and Deyang City in Sichuan have achieved good customer satisfaction and loyalty. With Chengdu as the center, it will radiate outward to the southwest region of China. With the purpose of comprehensive expansion and promotion of the Southwest region in China, it is simultaneously achieving the best satisfaction of Chinese tourists. Thailand is an important hub of China's connectivity to Southeast Asia. In 2018, the Thai-China "Belt and Road" Cooperation Research Center was established, a major achievement in the Belt and Road development process. This product takes spa culture as the

*Jianan Li, Sichuan College of Architectural Technology, China.
Email: 77483925@qq.com

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fulcrum to drive in-depth exchanges and cooperation between the two countries (Siam Commercial Bank PCL, 2017)

China Youth Travel Service (CYTS) is the first travel agency the Party Central Committee approved in 1980. CYTS has several branches in China, including Chengdu and Deyang in Sichuan, China. In the stage of rapid development of China's healthcare industry, Thai spa product is seen as an innovative project and pilot while inspiring new ideas for tourism products. By studying the preference of the satisfaction and loyalty factors of tourists from Chengdu with Thai spa products, exploring marketing strategies to promote this product, and further expanding the target tourists who choose spa products from Thailand. It aims to impress tourists by offering a good quality of such products. In addition, the survey results can lead to the problems encountered in the Thai spa service and identify some alternatives to meet the needs of consumers.

This study has the potential to provide valuable insights that can improve the educational quality and competitiveness of independent institutions in Chengdu, ultimately benefiting both students and the institutions themselves. Understanding the factors that drive consumers' satisfaction and loyalty is critical in adapting to the region's changing landscape of higher education. Therefore, this study aims to investigate the factors impacting satisfaction and loyalty with Thai spa products of Chinese consumers in Chengdu, China, to provide ideas and promote the development of new tourism products that align with the destination industry and culture in the future.

2. Literature Review

2.1 Emotional Value

Emotion value refers to a series of emotions experienced by customers in the process of consumption of products and services. People's emotions are ever-changing, and they are expressed in a variety of forms (Rasoolimanesh et al., 2020). Psychologists classify people emotionally from different angles and propose many different classification methods. However, most scholars believe that people's emotions can be divided into positive emotions (such as happiness, joy, joy, etc.) and negative emotions (such as sadness, worry, anger, etc.). Customers may experience one or more emotional values during service consumption. In empirical research, many European and American scholars measure customer emotion from two aspects: positive emotion and its opposite, respectively (Lee et al., 2011).

Emotional value is thought to impact satisfaction and loyalty through the ability of employees to display empathy or engage in individual interactions, leaving a favorable

perception with passengers (Roig et al., 2009). The research (Sánchez et al., 2006) shows that emotional value can produce customer satisfaction and lead to positive word-of-mouth. Customer emotional value will mainly lead to the formation of customer satisfaction. Customer satisfaction synthesizes customers' purchase perception and emotional responsiveness (Song et al., 2015). The greatest impact on customer satisfaction is not the gap between expectation and reality but customer emotional value. Hence, this study hypothesizes that:

H1: Emotional value has a significant impact on satisfaction

2.2 Perceived Quality

Zeithaml (1988) described perceived quality as a verdict on how a product is superior or better than others. Perceived quality was referred to customers based on how they use products and demand, comprehensive market analysis through access to relevant information, formally or informally. This summarizes the subjective evaluation of a product or service (Parasuraman et al., 1988).

Corstjens and Lal (2000) perceived that quality could enhance brand awareness and customer satisfaction. Lasting satisfaction will turn into customer loyalty. On the contrary, the higher the customer satisfaction. The faster the service quality will be improved. Rodoula (2015) investigated customers in the purchase of products, and the research results proved that perceived quality is positively correlated with satisfaction; the higher the perceived quality, the higher the customer satisfaction. Perceived quality and satisfaction are related and interdependent concepts (Costabile, 2001). Hence, a hypothesis is proposed:

H2: Perceived quality has a significant impact on satisfaction.

2.3 Perceived Value

According to Zeithaml (1988), consumers weigh perceived costs and perceived benefits according to their overall evaluation of the utility of products or services. When we consider the emotional aspects of consumer psychology, it is composed of the renewal of perceived values and subjective ideas (Eid, 2015).

Cronin et al. (2000) studied the previous literature, concluded that among the important factors determining customer satisfaction, a customer's perceived value is a determining factor. They further stated that a customer's perceived value significantly impacts customer satisfaction. Howat and Assaker (2013) conducted a related study on sports and leisure. The results of their study showed that perceived value impacts customer satisfaction. Thus, a hypothesis is suggested:

H3: Perceived value has a significant impact on satisfaction.

2.4 Social Value

Social values include integrating with others, social interaction, and improving impressions Chen et al. (2019). Social value indicates the extent to which a product enhances the utility of a person's perceived sense of social self-representation (Sweeney & Soutar, 2001). In the theory of the value of the client, the social value conveys the measurement of the inner desire for the product between each person and the community (Karababa & Kjeldgaard, 2013).

Kim et al. (2019) found that the primary factor driving the market value of high-end brands is social value, which is highly correlated with hedonic value. Rhee and Ryu (2010) pointed out that consumers buy this product because of its social value. Therefore, social value affects retention and related satisfaction and repurchase intentions. In terms of interactive behavior and consumer social value, Wang and Wan (2012) found that interactions between service suppliers and clients help clients experience the feeling of family enthusiasm and comfort. Accordingly, this study concludes a hypothesis:

H4: Social value has a significant impact on satisfaction.

2.5 Functional Value

Functional value is categorized into performance/quality and price/value (Sweeney & Soutar, 2001). Utility value is based on the framework of utility theory. In this theory, economic and cognitive assessments weigh the relationship between effort and reward (Lee et al., 2011). Functional value can be obtained through the design of innovation points, i.e., elements related to new products and services, developing target markets through market segments, better information quality, product-related learning, and economic benefits (Foroudi et al., 2016). However, it is generally believed that this economic benefit will affect customer behavior and satisfaction. Szymanski and Henard (2001) found that functional value affects customer satisfaction. Consequently, this study put forwards a hypothesis:

H5: Functional value has a significant impact on satisfaction.

2.6 Satisfaction

Client experience applies to the service industry and is the degree to which client expectations match client experience. Mohammad et al. (2014) believes customer satisfaction is a psychological reaction to a satisfied state. Customer satisfaction refers to the intuitive evaluation of the organization and its employees' products and services and customers' feelings about the organization's culture, products, services, and employees' services (Chea, 2022).

Satisfaction, a more stable measure that directly impacts customer loyalty, can be used to assess the experience of interacting with a service provider (Homburg et al., 2005; Li & Petrick, 2010). Customer satisfaction was the prerequisite for developing customer loyalty, and customer satisfaction developed with service experience (Kasiri et al., 2017). Gronholdt et al. (2000) found that customer satisfaction strongly correlated with loyalty. Thus, a hypothesis is set:

H6: Satisfaction has a significant impact on loyalty.

2.7 Loyalty

Mohammad et al. (2014) defined loyalty as behavior in which consumers repurchase or prefer services. Yoon and Uysal (2005) pointed out that repurchase or recommendation to other potential customers is called consumer loyalty. Customer loyalty can be developed from experience quality, customer perceived value, and customer satisfaction, as evidenced in some previous studies (Roy et al., 2018). Hasan et al. (2020) believed that customer loyalty is roughly divided into customer loyalty behavior theory and customer attitude theory, in which customer behavior theory emphasizes repeat purchase behavior. Price reduction is very sensitive (Lynch & Ariely, 2000). In the customer value theory, lowering prices creates the possibility that customers will buy again. Stable prices (Knox & Denison, 2000) effectively maintain customer loyalty (Yi & La, 2004).

3. Research Methods and Materials

3.1 Research Framework

According to Figure 1, the research adopts a conceptual framework from previous literature. First, Mohammad et al. (2014) investigated the causal links among perceived value, perceived quality, satisfaction, and loyalty. Second, Research by Williams et al. (2016) supports the validity of this framework in tourism research. Third, Rasoolimanesh et al. (2020) examined functional, emotional, and social values. Next, Jiseon and Ki-Joon (2019) addressed brand experience, including functional and wellness value creation in tourism. Last, Hasan et al. (2020) pointed out the factors of tourists' loyalty.

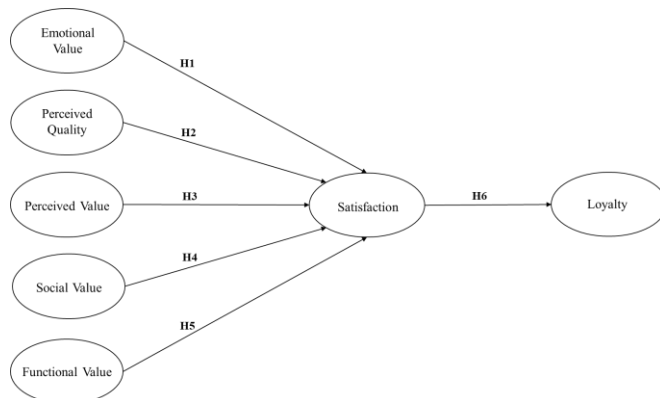


Figure 1: Conceptual Framework

H1: Emotional value has a significant impact on satisfaction.

H2: Perceived quality has a significant impact on satisfaction.

H3: Perceived value has a significant impact on satisfaction.

H4: Social value has a significant impact on satisfaction.

H5: Functional value has a significant impact on satisfaction.

H6: Satisfaction has a significant impact on loyalty.

3.2 Research Methodology

In this research study, a quantitative research approach was utilized to gather data. The questionnaire involves screening questions, a five-point Likert scale, and a demographic profile. Before distributing the questionnaire to the participants, several important steps were taken to ensure the quality and validity of the research instrument. Firstly, the content validity and reliability of the questionnaire were rigorously assessed. Content validity was established through Item-Objective Congruence, which evaluates how well individual questionnaire items align with the research objectives and content domain. Additionally, a pilot test of Cronbach's Alpha was conducted to assess the internal consistency and reliability of the questionnaire, ensuring that the questions reliably measure the intended constructs.

To ensure the questionnaire's reliability, an initial assessment involved 30 participants, and an evaluation was conducted using the Index of Item-Objective Congruence (IOC). Three experts assessed the IOC, and their evaluations indicated that each scale item received a rating of 0.6 or higher, signifying a satisfactory level of congruence. The pilot test also included an analysis of the Cronbach alpha coefficient for reliability, confirming strong internal consistency across all items. The calculated values equaled or exceeded 0.7, in line with Nunnally and Bernstein (1994).

After data collection, the collected information was subjected to advanced statistical analysis techniques. Specifically, Confirmatory Factor Analysis (CFA) was employed to assess the dataset's underlying structure and

relationships between variables. CFA is a powerful statistical method used to confirm or refute the hypothesized factor structure of a set of variables. Additionally, Structural Equation Modeling (SEM) was utilized to analyze the complex relationships among multiple variables in the research model, allowing for a deeper understanding of the factors in the study context.

3.3 Population and Sample Size

The study targeted a sample of tourists who purchased Thai spa products from CYTS stores in Jinjiang District and Wuhou District. According to the calculation results of Soper (n.d.), this study involved 24 questions with seven variables, and the minimum sample of the model should be 425. Therefore, the researcher will distribute 500 questionnaires to collect the data.

3.4 Sampling Technique

Regarding the sampling strategy, the researcher employed a combination of different methods. This included judgmental sampling, which involves selecting participants based on the researcher's judgment and expertise. Quota sampling ensures that specific subgroups within the sample are adequately represented, as in Table 1. Convenience sampling, which involves selecting participants who are readily accessible or easy to reach.

Table 1: Sample Units and Sample Size

| City | CYTS Sichuan Branch | Population Size | Number of Respondents |
|--------------|-------------------------|-----------------|-----------------------|
| Chengdu City | Jinjiang District Store | 1017400 | 257 |
| | Wuhou District Store | 964900 | 243 |
| Total | | 1982300 | 500 |

Source: Constructed by author

4. Results and Discussion

4.1 Demographic Information

In Table 2, 257 (51.4 percent) were female and 243 (48.6 percent) were male. Their age distribution was as follows: 18-20 years old 45 (9%), 21-40 years old 78 (25.6%), 41-55 years old 176 (35.2%), 56-70 years old 145 (29%), over 70 years old 56 (11.2%). Their academic qualifications were as follows: 316 (63.2%) had a college degree, 58 (11.6%) had a bachelor's degree, and 136 (25.2%) had a bachelor's degree or higher. Their occupations were as follows: 89 (17.8%) were self-employed, and 270 (54%) are employees. Their incomes are as follows: 55 people (11.1%) earn less than 3,000 yuan,

146 people (29.2%) earn 3,001-5,000 yuan, 167 people (33.45%) Earn 5,001-7,000 yuan, and 132 people (26.4%) earn more than 7,000 yuan.

Table 2: Demographic Profile

| Demographic Data (N=500) | | Frequency | Percentage |
|----------------------------|------------------------|-----------|------------|
| Gender | Male | 257 | 51.4% |
| | Female | 243 | 48.6% |
| Age | 18 o 20 years old | 45 | 9% |
| | 21 to 40 years old | 78 | 15.6% |
| | 41 to 55 years old | 176 | 35.2% |
| | 56 to 70 years old | 145 | 29% |
| | 70 years old over | 56 | 11.2% |
| Educational qualifications | Diploma | 316 | 63.2% |
| | Bachelor's Degree | 58 | 11.6% |
| | Bachelor's Degree over | 126 | 25.2% |
| Work | Own business | 89 | 17.8% |
| | Government Official | 58 | 11.6% |
| | Employee | 270 | 54.0% |
| | Other | 83 | 16.6% |

| Demographic Data (N=500) | | Frequency | Percentage |
|--------------------------|----------------------|-----------|------------|
| Income (per month) | Less than 3,000 Yuan | 55 | 11% |
| | 3,001-5,000 Yuan | 146 | 29.2% |
| | 5,001-7,000 Yuan | 167 | 33.4% |
| | More than 7,000 Yuan | 132 | 26.4% |

Source: Constructed by author

4.2 Confirmatory Factor Analysis (CFA)

Table 3 presents the results of a confirmatory factor analysis conducted to assess the adequacy of the measurement model. Convergent validity, which focuses on exploring relationships among variables within a common construct, was a key aspect of the analysis. To assess convergent validity, Fornell and Larcker (1981) introduced three crucial measurement criteria: factor loadings above 0.5, composite reliability (CR) greater than 0.7, and average variance extraction (AVE) exceeding 0.4.

Table 3: Confirmatory Factor Analysis Result, Composite Reliability (CR) and Average Variance Extracted (AVE)

| Variables | Source of Questionnaire (Measurement Indicator) | No. of Item | Cronbach's Alpha | Factors Loading | CR | AVE |
|------------------------|---|-------------|------------------|-----------------|-------|-------|
| Emotional Value (EV) | Williams et al. (2016) | 3 | 0.775 | 0.711-0.759 | 0.776 | 0.536 |
| Perceived Quality (PQ) | Jalilvand et al. (2014) | 4 | 0.795 | 0.646-0.786 | 0.795 | 0.495 |
| Perceived Value (PV) | Monroe (1990) | 4 | 0.790 | 0.668-0.728 | 0.791 | 0.487 |
| Social Value (SV) | Chen et al. (2019) | 3 | 0.782 | 0.641-0.807 | 0.792 | 0.562 |
| Functional Value (FV) | Sweeney and Soutar (2001) | 4 | 0.773 | 0.637-0.717 | 0.777 | 0.465 |
| Satisfaction (SA) | Mohammad et al. (2014) | 3 | 0.884 | 0.821-0.881 | 0.884 | 0.717 |
| Loyalty (L) | Mohammad et al. (2014) | 3 | 0.884 | 0.822-0.875 | 0.884 | 0.718 |

The initial models all showed data that met the acceptable thresholds and were consistent with the CFA, so no modifications were required. Table 4 shows all the models for which the initial models showed acceptable thresholds, including CMIN/df = 1.633, GFI = 0.940, AGFI = 0.922, NFI = 0.935, CFI = 0.973, TLI = 0.968, and RMSEA = 0.036.

Table 4: Goodness of Fit for Measurement Model

| Fit Index | Acceptable Criteria | Statistical Values |
|---------------|-------------------------------|--------------------------------|
| CMIN/DF | ≤ 5.00 (Marsh et al., 2004) | 377.149/231 = 1.633 |
| GFI | ≥ 0.85 (Sica & Ghisi, 2007) | 0.940 |
| AGFI | ≥ 0.80 (Sica & Ghisi, 2007) | 0.922 |
| NFI | ≥ 0.80 (Wu & Wang, 2006) | 0.935 |
| CFI | ≥ 0.80 (Bentler, 1990) | 0.973 |
| TLI | ≥ 0.80 (Sharma et al., 2005) | 0.968 |
| RMSEA | ≤ 0.08 (Pedroso et al., 2016) | 0.036 |
| Model summary | | In harmony with empirical data |

Remark: CMIN/DF = The ratio of the chi-square value to degree of freedom, GFI = goodness-of-fit index, AGFI = adjusted goodness-of-fit index, NFI = normalized fit index, CFI = comparative fit index, TLI = Tucker Lewis index and RMSEA = root mean square error of approximation

Coefficients for interrelated constructs are less than the square root of AVE, indicating acceptable validity (Fornell & Larcker, 1981). On the diagonal in Table 5, the square root of the AVE for all components was larger than the interscale correlation, indicating that the discriminant validity was acceptable. Accordingly, these results validated the structural framework of this study with discriminant validity. The researcher validated the data from two sets of target population feedback. With these data, the convergent and discriminant validity were proved. Consequently, the evidence is sufficient for establishing construct validity.

Table 5: Discriminant Validity

| | SA | EV | PQ | PV | SV | FV | L |
|----|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| SA | 0.847 | | | | | | |
| EV | 0.539 | 0.732 | | | | | |
| PQ | 0.279 | 0.288 | 0.703 | | | | |
| PV | 0.663 | 0.503 | 0.222 | 0.698 | | | |
| SV | 0.538 | 0.464 | 0.205 | 0.560 | 0.749 | | |
| FV | 0.584 | 0.629 | 0.274 | 0.616 | 0.648 | 0.682 | |
| L | 0.756 | 0.539 | 0.263 | 0.604 | 0.495 | 0.650 | 0.848 |

Note: The diagonally listed value is the AVE square roots of the variables

Source: Created by the author.

4.3 Structural Equation Model (SEM)

The researcher used AMOS statistical software to assess the fitness of the structural model. The fit index assessed the structural model's model fit. The results are per follows; the chi-square statistical data of the goodness-of-fit coefficient (CMIN/df) = 3.660, the goodness-of-fit index (GFI) = 0.850, the adjusted goodness-of-fit index (AGFI) = 0.817, the standardized fitting index (NFI) = 0.844, the comparative fitting index (CFI) = 0.881, the Tucker-Lewis index (TLI) = 0.867 and the approximate root mean square error (RMSEA) = 0.073.

Table 6: Goodness of Fit for Structural Model

| Index | Acceptable | Statistical Values |
|---------------|-------------------------------|--------------------------------|
| CMIN/DF | ≤ 5.00 (Marsh et al., 2004) | 900.447/246 = 3.660 |
| GFI | ≥ 0.85 (Sica & Ghisi, 2007) | 0.850 |
| AGFI | ≥ 0.80 (Sica & Ghisi, 2007) | 0.817 |
| NFI | ≥ 0.80 (Wu & Wang, 2006) | 0.844 |
| CFI | ≥ 0.80 (Bentler, 1990) | 0.881 |
| TLI | ≥ 0.80 (Sharma et al., 2005) | 0.867 |
| RMSEA | ≤ 0.08 (Pedroso et al., 2016) | 0.073 |
| Model Summary | | In harmony with Empirical data |

Remark: CMIN/DF = The ratio of the chi-square value to degree of freedom, GFI = goodness-of-fit index, AGFI = adjusted goodness-of-fit index, NFI = normalized fit index, CFI = comparative fit index, TLI = Tucker Lewis index and RMSEA = root mean square error of approximation

4.4 Research Hypothesis Testing Result

The standard coefficient path and its corresponding t-value can be employed to compute the correlation between the independent and dependent variables as postulated in the hypothesis. Statistical significance is indicated when the p-value is less than 0.05.

Table 7: Hypothesis Results of the Structural Equation Modeling

| Hypothesis | (β) | t-Value | Result |
|---|-------|---------|-----------|
| H1: Emotional value has a significant impact on satisfaction. | 0.208 | 4.431* | Supported |
| H2: Perceived quality has a significant impact on satisfaction. | 0.104 | 2.312* | Supported |
| H3: Perceived value has a significant impact on satisfaction. | 0.430 | 8.212* | Supported |

| Hypothesis | (β) | t-Value | Result |
|--|-------|---------|-----------|
| H4: Social value has a significant impact on satisfaction. | 0.148 | 3.261* | Supported |
| H5: Functional value has a significant impact on satisfaction. | 0.421 | 8.084* | Supported |
| H6: Satisfaction has a significant impact on loyalty. | 0.826 | 16.037* | Supported |

Note: * p<0.05

Source: Created by the author

H1 proposed that emotional value has a significant impact on satisfaction. The analysis supports this hypothesis with a β (Beta) value of 0.208 and a t-value of 4.431* (p<0.05). This suggests that emotional value plays a crucial role in enhancing customer satisfaction. When customers perceive emotional value in a product or service, it positively influences their overall satisfaction.

H2 posited that perceived quality significantly impacts satisfaction. The results confirm this hypothesis with a β value of 0.104 and a t-value of 2.312* (p<0.05). This indicates that higher perceived quality contributes to greater customer satisfaction, highlighting the importance of delivering high-quality products and services.

H3 focused on perceived value's impact on satisfaction. The analysis strongly supports this hypothesis, revealing a β value of 0.430 and a t-value of 8.212* (p<0.05). Customers who perceive that they are receiving a good value for their money tend to report higher levels of satisfaction.

H4 explored the influence of social value on satisfaction. The findings endorse this hypothesis, showing a β value of 0.148 and a t-value of 3.261* (p<0.05). Social interactions and connections in the context of a product or service positively affect customer satisfaction.

H5 investigated the relationship between functional value and satisfaction. The results strongly support this hypothesis, with a β value of 0.421 and a t-value of 8.084* (p<0.05). When customers find practical utility or functionality in what they receive, it significantly contributes to their satisfaction.

H6 proposed that satisfaction has a significant impact on loyalty. The analysis decisively supports this hypothesis, revealing a substantial β value of 0.826 and a t-value of 16.037* (p<0.05). This underscores the crucial role of customer satisfaction as a driver of loyalty, emphasizing that satisfied customers are more likely to remain loyal to a brand or business.

In conclusion, the results of the Structural Equation Modeling analysis provide compelling evidence of the significant impact of customer perceptions on satisfaction and subsequent loyalty. Emotional value, perceived quality, perceived value, social value, and functional value all

contribute positively to customer satisfaction. Furthermore, customer satisfaction emerges as a robust predictor of customer loyalty. These findings underscore the importance of businesses focusing on these dimensions to enhance customer experiences and build long-term relationships with their clientele. As such, understanding and acting upon these insights can prove invaluable in the quest for sustainable business success in today's competitive marketplace.

5. Conclusion and Recommendation

5.1 Conclusion and Discussion

The present study aimed to investigate the factors influencing satisfaction and loyalty among Chinese consumers in Chengdu, China, who purchased Thai spa products. The conceptual model incorporated key factors, including emotional value, perceived quality, perceived value, social value, functional value, satisfaction, and loyalty, to comprehensively examine the dynamics of consumer behavior in this context.

A robust quantitative approach was employed to gather data from a sample of 500 tourists who had acquired Thai spa products from CYTS stores situated in Jinjiang District and Wuhou District. The methodology employed several crucial steps to ensure the reliability and validity of the research instrument. Content validity and reliability were assessed through Item-Objective Congruence and a pilot test of Cronbach's Alpha, guaranteeing the questionnaire's precision and effectiveness. In terms of sampling, the researcher employed a combination of judgmental, quota, and convenience sampling techniques to ensure a diverse and representative participant group. The collected data were subsequently subjected to Confirmatory Factor Analysis and Structural Equation Modeling to comprehensively analyze the relationships between the variables in the conceptual model.

The study yielded insightful results, with all hypotheses being supported. This implies that the factors within the conceptual model have a significant impact on satisfaction and loyalty among Chinese consumers purchasing Thai spa products in Chengdu.

The study found that emotional value significantly influences customer satisfaction. When consumers perceive emotional value in the products, it enhances their overall satisfaction. Perceived quality was also identified as a key determinant of customer satisfaction. Higher perceived quality positively affects customer satisfaction. Customers who believe they are receiving good value for their money tend to report higher levels of satisfaction. Social interactions

and connections related to the products positively impact customer satisfaction. Practical utility or functionality in the products significantly contributes to customer satisfaction. The study affirmed that satisfaction has a positive and significant effect on customer loyalty. Customers who are more satisfied with their Thai spa product experiences are more likely to exhibit loyalty to the brand or store.

In conclusion, this study provides valuable insights into the factors influencing satisfaction and loyalty among Chinese consumers in Chengdu when purchasing Thai spa products. The results underscore the importance of considering emotional value, perceived quality, perceived value, social value, and functional value in enhancing customer satisfaction. Moreover, satisfaction emerged as a crucial predictor of customer loyalty, highlighting the significance of delivering exceptional customer experiences to cultivate brand loyalty. These findings hold practical implications for businesses operating in the Thai spa product industry, suggesting that efforts to improve these dimensions can lead to enhanced customer satisfaction and ultimately foster customer loyalty. As the marketplace becomes increasingly competitive, understanding and addressing these factors are imperative for business success and long-term sustainability.

5.2 Recommendation

Based on the findings of this study, several recommendations can be made to assist businesses in the Thai spa product industry in Chengdu, China, in enhancing customer satisfaction and fostering customer loyalty:

Businesses should focus on creating emotional connections with their customers. This can be achieved through personalized interactions, storytelling, and creating experiences that evoke positive emotions. Engaging and emotionally satisfying experiences can lead to higher customer satisfaction and loyalty.

To boost customer satisfaction, businesses should continuously monitor and enhance the quality of their Thai spa products. Quality assurance processes and customer feedback mechanisms should be implemented to address any quality concerns promptly.

Perceived value is a significant driver of satisfaction. To increase satisfaction, businesses should ensure that their pricing is competitive and that customers perceive the products as offering good value for their money. This may involve bundling, discounts, or loyalty programs.

Recognizing the impact of social value on satisfaction, businesses can create opportunities for social interactions among customers. This might include community events, social media engagement, or forums for customers to share their experiences and connect with each other.

Functional value plays a critical role in customer satisfaction. Businesses should clearly communicate the practical benefits and functionalities of their Thai spa products. Educating customers on how these products can address their specific needs and preferences can boost satisfaction.

Given the strong link between satisfaction and loyalty, businesses should regularly measure customer satisfaction using appropriate metrics and feedback mechanisms. This data can guide ongoing improvements and identify areas where customer satisfaction may need attention.

To foster customer loyalty, consider implementing loyalty programs that reward repeat customers. These programs can include discounts, exclusive offers, or points-based systems that incentivize customers to continue their patronage.

Invest in the training and development of staff members who interact with customers. Exceptional customer service and product knowledge can enhance customer satisfaction and leave a lasting positive impression.

Recognize that customer preferences and market dynamics can change over time. Therefore, businesses should stay attuned to customer feedback, conduct regular market research, and be adaptable in responding to evolving customer needs and expectations.

Building a strong brand reputation based on trust and reliability is crucial. Businesses should consistently deliver on promises, handle customer complaints promptly, and maintain transparent and ethical practices.

By implementing these recommendations, businesses in the Thai spa product industry in Chengdu, China, can create a positive customer experience, improve satisfaction levels, and ultimately build a loyal customer base, contributing to long-term success and competitiveness in the market.

5.3 Limitation and Further Study

There are several limitations that should be considered for future research endeavors. These limitations highlight areas where further investigation could yield a deeper understanding of the subject matter. Firstly, the study's findings are specific to the context of Chengdu, China, and may not necessarily apply to other regions or cultures. Future research could explore whether similar results are observed in different geographical areas or among diverse cultural groups. Secondly, the sample size of 500 participants, while substantial, may not fully represent the entire population of Thai spa product consumers in Chengdu. Future studies could aim for larger and more diverse samples to improve generalizability. Lastly, complementing quantitative findings with qualitative research methods such as interviews or focus groups could offer richer insights into the emotional and social aspects of customer satisfaction and loyalty.

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