

THESIS

**EFFECT OF THE DESTINATION'S SERVICE
QUALITY AND TOUR GUIDES' COMPETENCY ON
REVISIT INTENTION IN MYANMAR TOURISM
INDUSTRY**



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**PROGRAM STUDI MAGISTER
PENGEMBANGAN SUMBER DAYA MANUSIA
SEKOLAH PASCASARJANA
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SURABAYA
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To Qualify for a Master's Degree In Human Resource Development
Study Program at Sekolah Pascasarjana Universitas Airlangga

By

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THESIS SUPERVISOR APPROVAL SHEET

**EFFECT OF THE DESTINATION'S SERVICE QUALITY AND TOUR
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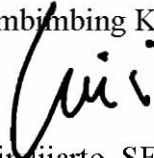
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THIS THESIS HAS BEEN APPROVED
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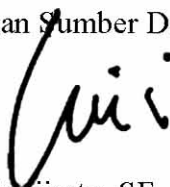


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INTENTION IN MYANMAR TOURISM INDUSTRY**

I hereby certify that, I am the author of this thesis and that no part of this thesis has been published or submitted for publication. This thesis has never been submitted to obtain an academic degree at Airlangga University or other universities. I certify that, to the best of my knowledge, my thesis does not infringe upon anyone's copyright nor violate any proprietary rights and that any ideas, techniques, quotations, or any other material from the work of other people included in my thesis, published or otherwise, are fully acknowledged in accordance with the standard referencing practices. I declare that this is a true copy of my thesis, including any final revisions, as approved by my thesis committee and the Graduate Studies office, and that this thesis has not been submitted for a higher degree to any other University or Institution.



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May Moe Pwint Phyu

SUMMARY

EFFECT OF THE DESTINATION'S SERVICE QUALITY AND TOUR GUIDES' COMPETENCY ON REVISIT INTENTION IN MYANMAR TOURISM INDUSTRY

May Moe Pwint Phyu

The primary purpose of this research is to examine the effect of service quality, customer satisfaction and competency of tour guides of revisit intention, which plays an important role in enhancing the development of tourism industry. Specific objective of the study are to determine the effect of competency of tour guides on revisit intention while customer satisfaction is used as an intervening variable, to measure the effect of service quality on revisit intention, and to measure the effect of competency on revisit intention while customer satisfaction is used as an intervening variable. Primary data is used in this research and data of the research is collected in some cities located in Myanmar. Hence, the respondents are foreigner tourists visiting Myanmar. Introduction of the study is written in Chapter 1 and it explicitly describes the purpose of the study, problem statement, research questions and also theoretical and practical benefits of the research. Chapter 2 is literature review of the research. It explains the definition and theoretical background of each of the main components of the research. Moreover, it also shows studies made by other researchers which is related to this empirical research. This chapter also reviews the previous researches and studies that have done by other researchers in order to give more insights of the study. Chapter 3 is divided into two parts: conceptual framework and forming hypotheses of the research. A conceptual framework is developed by illustrating the relationship between competency, customer satisfaction, and service quality and revisit intention. As a result of this conceptual framework, five hypotheses are formed to answer the research questions. The hypotheses of the studies are as follows.

H1= There is an effect of perceived service quality on revisit intention.

H2= There is an effect of competency of tour guide on revisit intention while customer satisfaction is used an intervening variable.

H3 = There is an effect of customer satisfaction on revisit intention.

H4 = There is an effect of competency on customer satisfaction.

H5 = There is an effect of perceived service quality on customer satisfaction.

The sampling method used in the data is convenient sampling and the sample size is determined based on calculations with Solvin's method. A self structured questionnaire is distributed to 100 respondents in order to access their level of satisfaction and revisit intention by using a 5 point likert scale. Considering the nature of research and the data collected, Partial Least Square Structural Equation Modeling (SmartPLS-3) is used to analyze data. Chapter 5 describes results of validating and testing hypotheses. Hypothesis 1 is addressed to answer the first research question. According to the result shown in chapter 5 (path coefficient-0.411/ T-value – 2.947), it is evident that there is significant effect of service quality

on revisit intention. Consequently, it can be said that hypothesis 1 is fully supported. This finding proved the fact that the better the service quality, the higher the revisit intention is. It can be said that service quality contributes enormously for development of a certain tourism industry. Hence, regular attempts to improve service quality of the destination should be done.

Both the second and third research question of this study is answered by hypothesis 2 and hypothesis 3. The result of the hypothesis testing for hypothesis 2 (path coefficient-0.088/T-value- 2.093) shows that customer satisfaction has mediating effects on the relationship between competency and revisit intention. The direct effect of the relationship between competency and revisit intention is also significant (path coefficient-0.196/T value-2.241). Hence, both hypothesis 2 and 3 are fully supported. It indicates that competency of the tour guides influences revisit intention and customer satisfaction acts as in mediator.

Hypothesis 4 is to examine whether there is significant relationship between competency of tour guides and customer satisfaction. Path coefficient – 0.949, and T-value – 3.833 proved that competency of tour guides significantly influences customer satisfaction. So, hypothesis 4 is supported.

The final hypothesis of the study is to examine the relationship between service quality and customer satisfaction. The results of the study, path coefficient 0.157 and T value 0.952, shows that the hypothesis 5 is not supported. Consequently, it can be said that there is no significant relationship between service quality and customer satisfaction. In other words, service quality does not have any influence on customer satisfaction. In this empirical research, it is surprising to find out that service quality does not have significant influence on customer satisfaction, which is different from previous studies. The data of this research is collected in Myanmar, which is known as a developing country which is still lacking in basic infrastructures such as transportation, adequate accommodation for a mature tourism industry. Hence, most of the tourists visiting Myanmar do not have high expectation in service quality of a destination, which is measured by accessibility, accommodation, and food service in this study. According to the data collected in this research, service quality is not a factor effecting customer satisfaction. This research indicates that the dimensions of customer satisfaction can vary according to some conditions like region, and background of the destination.