Examining the Trip Experience on Competitive Advantage Creation in Tourism

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Abstract:

Purpose: This study aims to examine the trip experience on competitive advantage creation in Indonesia tourism. Trip experience includes transportation, accommodation, tour guide, and tourism activities.

Design/Methodology/Approach: The research population consists of all international tourists who visited Indonesia through Soekarno Hatta International Airport (Jakarta) and Ngurah Rai International Airport (Bali). The questionnaire was constructed in English and translated into Arabic and Mandarin. Convenience sampling techniques were used to collect data. Out of 500 questionnaires distributed, only 415 were valid and used for analysis. Partial Least Square by SMART-PLS 3.0 software was used for data analysis.

Findings: Result shows that transportation, accommodation and tourist activities are positively significant factors on tourist loyalty and mediated by tourist satisfaction. Whereas, tour guides have positively but not significant influence on tourist loyalty and mediated by tourist satisfaction.

Practical implications: The study provides a practical implication which requires a close relationship of state governments and tourism companies in order to have good cooperative and coordination to competitive advantage creation.

Originality/Value: As this study is based on recent studies on tourism destination in competitive advantage creation it brings a new insight of analyzing the two cities of highest tourists visits in order to understand the condition of overall Indonesian tourism.

Keywords: Trip experience, competitive advantage, tourist satisfaction, tourist loyalty.

JEL Codes: G39, K22, L22, M10, 038.

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1. Introduction

Tourism industry is quantified as one of the world's rapidly rising economic sectors worldwide (Deloitte, 2018). The contribution is vital by driving growth, reducing poverty, fostering development and tolerance, as well as creating employment opportunities (Christian, *et al.,* 2011; Kotler, *et al.,* 2017; World Economic Forum, 2017). Further, for many countries, tourism contributes as their revenue generated from foreign earnings generated (Mcewen and Bennett, 2010; UNWTO, 2016; Bremner, 2017) that ranks behind the mining industry with a contribution to export revenue up to US$1.4 trillion globally (UNWTO, 2017). World Travel and Tourism Council (WTTC) in 2017 reported that the strongest growth in 2016 was in Southeast Asia (8.3%) (Scowsill, 2017). At the country level, the fastest growing travel and tourism countries are expected to be China, India, Thailand, and Indonesia.

Tourism in Indonesia, particularly, is considered as the cheapest and easy to earn contribution to the Gross Domestic Product (GDP), foreign earnings, and employment opportunities (Alamsjah, 2016). Contribution of tourism sector for GDP Indonesia leads to create better environment for the economy, in terms of more utilization for tourism location, better quality of socio culture creation, and also better quality of life (Ministry of Tourism Indonesia, 2018). A contribution of tourism to the country has a direct impact on the community (Pitara, 2016) which can stimulate economic growth (Nasution and Mavondo, 2005). The Ministry of Tourism Indonesia has a target to market tourist destinations to bring in 20 million foreign tourists in 2019. One of the significant ways to achieve the goal is by providing a visa-free policy (Priyambodo, 2017; Yahya, 2017). In 2015, the Government of Indonesia issued a visa-free policy to 169 countries whose citizens do not require a visa to visit and stay in Indonesia (for a maximum period of 30 days), and Indonesia ranked as the 2nd strongest visa-free policy (World Economic Forum, 2017).

Despite the fact that the number of foreign tourists visiting Indonesia keeps on increasing every year (Ministry of Tourism Indonesia, 2018), Indonesian tourism could not be able to achieve the target of foreign tourist visitors. In terms of ranking, Indonesia's rank was far behind its neighbouring countries—Malaysia, Singapore, and Thailand (WTTC, 2017). Even though Indonesia has a variety of interesting tourist attractions from natural tourism until manmade tourism, yet, data reported that there are problems faced by Indonesian tourism. There are some major concerns which positioned Indonesian tourism to lag behind the neighbouring countries (World Economic Forum, 2017). One of the evidences of Indonesian tourism in terms of infrastructure of transportation is the lack of international airport availability, which could be one of the reasons for the unachieved target of foreign tourists visiting Indonesia (Deny, 2016; Yahya, 2017). Further, the problems related to accommodation are the low supply of hotel rooms, the high cost of logistics, less attractive investment, and unsmooth travel for tourism (Scowsill, 2017).

In terms of the quality of tour guides, the tour guides able to speak well in English are limited, which creates barriers for them to explain tourism products to foreign tourists (Purwaningsih, 2013). Lastly, product quality on Indonesian tourism activities seems to be incompetent, less qualified, and also less diversified (Basiya and Rozak, 2012; Cholik, 2017; Hermawan, 2017), which makes it difficult to compete with other countries.

Competitive advantage in the tourism destination is the ability to effectively utilize the resource (Meng, 2006). To reach a competitive position of tourism destination, it takes both comparative advantage and competitive advantage. Hence, comparative advantage may not be easily improved or changed (example: natural resources). Therefore, it needs to focus on the competitive advantage. Thus, efforts in examining trip experience aimed for competitive advantage creation is crucial for Indonesian tourism. Competitive advantage, hence, measured through tourist satisfaction and tourist loyalty.

Previous studies analyzed trip experience by detailing the tourism activities is still limited. Past studies focused only on the promotional area (Liang, 2008) and branding of destination (Nikolova, 2008). There are many studies analyzed trip experience especially in western context (Da Costa Mendes, Do Valle, Guerreiro and Silva, 2010; Gallarza, Arteaga, Del Chiappa, Gil-Saura and Holbrook, 2017; Roy, Mamun and Kuri, 2015) however the perspective from developing country like Indonesia is still scarce. These calls for study in order to exemplify trip experience that may influence the tourist loyalty through the mediating role of tourist satisfaction. Therefore, the aim of this study is to examine the trip experience on competitive advantage for Indonesian tourism.

This study attempts to explore the factors in trip experience. The trip experience is where the customers consume the tourism products such as transportation, accommodation, tour guide, and tourism activities (Christian *et al.,* 2011). Strengthen by Latiff and Ng (2015) mentioned that trip experience aims for overall satisfaction, intention to revisit, and the willingness to recommend to relatives and friends, which in turn lead to loyalty. Hence, to measure trip experience for competitive advantage, there is a need for further analysis.

2. Literature Review

2.1 Tourist Loyalty

Loyalty shows a situation where the customer has persisted to use or purchase products or services of the company. Customer loyalty is an important goal in the consumer marketing community as it is a key component for a company's long-term viability or sustainability (Chen and Chen, 2010). In tourism context, revisit purchase, sharing positive experience, and spreading positive publicity are the greatest importance for the tourism industry and a key element of many firms'

business strategies (Chiu, Zeng and Cheng, 2016; Gnanapala, 2015; Mai Ngoc Khuong and Ha, 2014; Ying, Jusoh and Khalifah, 2016).

Besides repurchase behaviour, loyal tourists create positive word of mouth publicity (WOM) and it is the most powerful influence for the purchasing decision of the potential tourists. Supported that loyalty is a significant antecedent of behavioural intention such as saying positive things about the business or called as "word-of-mouth (WOM)" (Amoah, Radder, Eyk and van Eyk, 2016; Harris and Khatami, 2017) it is the most powerful influence for the purchasing decision of the potential tourists. Thus, tourist loyalty will be shown through many ways, such as revisiting, recommendation, and positive word of mouth publicity (Gnanapala, 2015). Further, the critical indicator of loyalty is satisfaction which impacted repeat purchase and positive WOM recommendation.

2.2 Tourist Satisfaction

Satisfaction may be one of the most thoroughly researched variables in the tourism literature. Satisfaction is a measure of how products and services supplied by a destination meet or surpass the customer expectations. Also, customer satisfaction is considered as an important performance indicator of a successful business operation (Gnanapala, 2015). In the services sector, especially in hospitality and tourism, customer satisfaction has become a major issue and a challenge, since the customers' attitudes, perceptions, personality, and the tolerance of ambiguity may differ from one person to another. The consumers perceive the same service in different ways, therefore, the standardization of the services are more difficult than the tangible offerings (Chiu *et al.,* 2016).

A satisfied tourist will talk favourably about satisfaction related to a holiday destination, which will spread positive publicity. Even though some tourists are satisfied and like to behave positively, a considerable number of tourists may also feel dissatisfied and developed negative perceptions about certain areas of the destination, i.e., poor road conditions and traffic, behaviour of the local vendors, less entertainment and recreational facilities, poor communication skills of the employees, behaviour of the beach boys, price discrimination, and behaviour of the custom and airport staff—and these are all trip experiences.

The trip experience is where the customers experience the tourism products such as transportation, accommodation, e guiding from their tour guide, and tourism activities (Christian *et al.,* 2011; Liang, 2008). Thus, in order to achieve tourist satisfaction one as the important actor is trip experience consisting of transportation, accommodation, tour guide, and tourism activities. Lastly, tourist satisfaction proved to mediate trip experience on tourist loyalty (El-Adly and Eid, 2016; Lam, Shankar, Erramilli and Murthy, 2004; Liang, 2008; Naidoo, Seebaluck and Pillai, 2016).

2.3 Trip Experience

Main driver of travel is distinct experiences. Thus, destination's competitive advantage depends on its capacity to consistently and effectively facilitate a high-quality distinct trip experience (Nikolova, 2008). As the market for the tourism industry said as a high competition, hence, companies and destinations ought to consider not only about cost, tourism destination should be able to provide tourism products and services correctly suit with customers' needs in right quality and right time. In a way of strengthening its competitive position, it is important for every business to provide high quality products and services (Pulvanova, 2009).

Ying *et al.* (2016) stated that the concept of satisfaction can be explained by experience, the higher the value derived from trip experience and the level of satisfaction subsequently. The trip experience defines as customers experience the tourism products such as inbound and outbound transportation, accommodation, experience the guiding from their tour guide, and experience the tourism activities (Christian *et al.,* 2011; Liang, 2008). Mutanga *et al.* (2017) proved that tourists' satisfaction with trip experiences had a significant influence on their overall satisfaction with the entire holiday/trip experience. Lastly, it is proved that trip experience mediates by tourist satisfaction influence tourist loyalty (Naidoo *et al.,* 2016). The following are discussed further on the tourism product of trip experience consisting of transportation, accommodation, tour guide, and tourism activities.

2.4 Transportation

The availability of transportation facilities is measured from several aspects such as easy access to transportation facilities, timely use of transportation facilities, and service quality of transportation personnel (Soebiyantoro, 2010). Transportation system includes roads, modes of transportation, availability, and costs. A good transportation system encourages tourists to go somewhere (Ali, Alamgir and Nedelea, 2017). The development of tourism in a region is very dependent on the development of a transportation system, therefore transportation is very important to attract tourists to visit a number of tourist destinations (Virkar, 2018). The dimensions of transportation are transportation facilities such as information needed by tourists regarding the available transportation, transportation modes used, for example, separate domestic and international trips, and quality of transportation services such as employee behaviour, information, and safety (Virkar, 2018). The purpose of the transportation system is to increase the competitiveness of a destination, and the quality of transportation has an influence on the experience and satisfaction of tourists (Virkar, 2018), and also the loyalty of tourists (Ali *et al.,* 2017). Hence, the following hypothesis is formulated:

H1a: Transportation positively influences tourist satisfaction in Indonesian tourism.
H1b: Tourist satisfaction mediates the positive influence of transportation on tourist loyalty in Indonesian tourism.

2.5 Accommodation

Accommodation strives to meet tourist needs, by becoming a home that provides physiological basis for all tourist activities while traveling (Baniya and Thapa, 2017). Comfort of accommodation or accommodation facilities, and service quality are important factors in attracting tourists to a tourist destination. In addition, there are several indicators on the accommodations that make tourists feel satisfied and return to the destination such as information on hotel customers, various lodging options, the strategic location, the ease of check in and check out, the ability of employees who understand the needs of travellers, and employee courtesy. Accommodation represents the image of a tourist destination, because accommodation is a condition for tourists when traveling (Poudel, 2013).

According to Baniya and Thapa (2017) and Isdarmanto (2017), there are similar indicators on accommodation that make tourists feel satisfied and revisit, such as information about hotel reservation, various lodging options, strategic location and convenience when checking in and checking out, and the ability of employees to understand the needs of tourists, and employee politeness. Backed by the study by Ali *et al.* (2017), the increase of accommodation facilities increases the satisfaction of tourists. If tourists enjoy the same accommodation and comfort facilities as when they are at home or even better than their homes, tourists will be satisfied and there is a possibility of returning to these tourist destinations. On the other hand if tourists experience discomfort in tourist accommodation facilities, feel dissatisfied, and if tourists are not satisfied then they will not return or even will not recommend the destination to others (Poudel, 2013; Sukmadi, Riyadi, Danurdara and Masatip, 2014). Therefore, the following hypothesis is postulated:

H2a: Accommodation positively influences tourist satisfaction in Indonesian tourism.
H2b: Tourist satisfaction mediates the positive influence of accommodation on tourist loyalty in Indonesian tourism.

2.6 Tour Guide

The tour guide is the ambassador of the nation, or at least an ambassador for their area. Everything that is expressed by the tour guide is considered by tourists as a reflection of the character of the local community and anything delivered by a tour guide will be trusted by tourists as the knowledge that will always be remembered as they return home (Isdarmanto, 2017). A tour guide must also have good communication skills in terms of conveying information to tourists (Purwaningsih, 2013). There are two dimensions of tour guides including professional competence and interpersonal skills and organization (Huang *et al.,* 2010). Professional competence means having the knowledge of tourist attractions, culture, tourist destinations, and the lifestyle of the local people. This factor also requires that a tour guide has a good sense of humour, has a high awareness of tourist needs, and has

good communication skills. Next, interpersonal skills and organization are defined as the ability to overcome problems such as complaints from tourists, having good attitude and appearance, and ability to work together in a team, and also having the ability to manage time.

A tour guide must have an advantage or privilege in the service, so the tourists feel satisfied (Purwaningsih, 2013). The availability of tour guides is needed to improve service quality, one of which is to convey information about tourism products (Isdarmanto, 2017). Given the important role that tour guides play in enhancing customer satisfaction and favourable behavioural intentions, tour opera- tors should consider offering better compensation packages and training to their tour guides (Chan, Hsu and Baum, 2015). The service quality of tour guides has an important role because it can influence tourists to visit a tourist attraction, so later it can affect tourists to revisit. Given the discussion above, the following hypothesis formulated:

H3a: Tour guide positively influences tourist satisfaction in Indonesian tourism.
H3b: Tourist satisfaction mediates the positive influence of tour guides on tourist loyalty in Indonesian tourism.

2.7 Tourism Activities

Tourism activities are a combination of various components such as the attractions of a region or tourist destination, available facilities, accessibility to and from tourist destinations (Setiyorini, 2017). Tourism product is a form of service in tourism activities consisting of a set of attributes including attractions, facilities, accessibility and service that customers receive as one that can fulfil their needs and desires in gaining experience (Hayati and Novitasari, 2017). Those activities could lead to the intention to revisit. By providing the best tourism products and services, it can lead to the positive referrals which can enhance loyalty. Tourism products that are supported by facilities and quality can increase tourist interest and loyalty (Zaenuri, 2012). Efforts to create quality standards for a product or services are adjusted to the standard expected by tourists in order to create tourist satisfaction (Aprilia and Pangestuti, 2017). Hence, the following hypothesis is developed:

H4a: Tourism activities positively influence tourist satisfaction in Indonesian tourism.
H4b: Tourist satisfaction mediates the positive influence of tourism activities on tourist loyalty in Indonesian tourism.

2.8 Competitive Advantage Through Tourist Satisfaction and Loyalty

Countries and destinations should facilitate distinct travel experience to increase their competitiveness to make them stand out among their competitors. Further, study by Liang (2008) conclude providing good service quality ensures satisfaction from customer and increase a propensity of revisit, those interrelated process able to

create a competitive advantage. Research study of tourism found that in measuring intention for revisit in the future, service performance (in terms of quality) enhance by satisfaction are strongly connected which lead to customer loyalty. Supported by Mäntymaa (2013) customers' experiences is the key element for competitive advantage through loyal customers. Creating competitive advantage on the field of customer satisfaction and retention. Therefore, ways to achieve competitive advantage could be through identifying the tourist satisfaction and tourist loyalty. Previous studies found that tourist loyalty as an outcome was affected positively by tourist satisfaction. Therefore, when customer satisfaction increases, lead to intention to return and recommend to other rises, whereby significant for customer loyalty (Amoah *et al.,* 2016; Chiu *et al.,* 2016; Liang, 2008; Wahyuningsih, 2012). As Kotler *et al.* (2017) stated the customer loyalty drives to continue to use the same product or service, able to reduce cost of promotional, decreased the price sensitivity.

H5: Tourist satisfaction positively influences tourist loyalty in Indonesia tourism.

3. Data and Research Methods

This study used a quantitative method to examine trip experience (transportation, accommodation, tour guide, and tourism activities) influence tourist loyalty. Further, tourist satisfaction is used as a mediator. Convenience sampling design was used in this research due to a large population, cost and time (Sekaran and Bougie, 2010). The survey was targeted for foreign tourists who visited Indonesia. The reason for using foreign tourists is that The Ministry of Tourism Indonesia has a target to market tourist destinations to bring in 20 million foreign tourists in 2019.

In determining the sample, due to the identified total population of tourism in 2018 is 14 million, based on the table given by Saunders, Lewis and Thornhill (2009), for a population of more than 10,000,000 with the 95% confidence level, the minimum sample should be 384. The research population consists of all international tourists who visited Indonesia through Soekarno Hatta International Airport and Ngurah Rai International Airport as the number of tourist arrivals in both destinations are more than 50% (Central Bureau of Statistic of Indonesia, 2018). Data collected period surveyed, on May - December, 2018. A total of 500 questionnaires were distributed via self-administrative and online self-completion through sharing the link from Google Docs. The questionnaire was constructed in English and then translated into Arabic and Mandarin. Out of 500 questionnaires distributed, however, only 427 questionnaires were returned. However, only 415 were valid and used for analysis.

The construct of the research was done by adopting from previous studies and developed based on the condition of the Indonesian tourism. The survey questionnaires created six constructs and 29 items. The questionnaire comprises are follow: (1) transportation (T) was measured using five items adapted from Latiff and Imm (2015); (2) accommodation (A) was measured using five items from Gallarza

et al. (2017); (3) tour guide (TG) was assessed via four items taken from Gallarza, Saura and Moreno, (2013); (4) tourism activities (P) was assessed from four items following Barbe, Triay, Häufele and Barbe, (2016); (5) tourist satisfaction (TS) was gauged using six items from Khuong and Nguyen (2017); (6) tourist loyalty (TL) was measured using five items by Khuong and Nguyen (2017).

A seven point-Likert scale is used which is suitable for the tourism industry (Oh and Kim, 2017). The respondents used a seven-point Likert scale ("1" = "strongly disagree" to "7" = "strongly agree") to indicate their level of agreement or disagreement with the statement provided. By using a seven-point Likert scale, it provides an opportunity for respondents to be able to give more options and increase point differentiation. Besides, the respondents can also choose their desires specifically**.**

Smart partial least squares (SMART-PLS) software from Ringle, Wende and Becker (2015) was used in this study to analyse the data and to test the hypothesis. PLS-SEM was used to assess complex models which consist of mediating and moderating variables (Ghozali and Latan, 2015; Hair, Hult, Ringle and Sarstedt, 2017; Sarwono and Narimawati, 2015). Further, this software is also used by several tourism and hospitality journals (Mohaidin, Wei and Ali Murshid, 2017; Rajaratnam, Nair, Sharif and Munikrishnan, 2015).

4. Findings

a. Demographic Profile of the Respondents
The results of the respondents' profiles in this study are the majority of respondents came from Asian countries (71.6%), were male 255 and female 160. Majority of the respondents are single (52.8%) between 21 to 30 years old. In terms of current occupation, most of the respondents are students with high school/vocational school education background. The frequency of foreign tourists visiting Indonesia is 2 to 4 times of visiting Indonesia, with a length of visit between 7 to 14 days. The majority of tourists know Indonesian tourism through the Internet and self-organized (74.2%), lastly the primary purpose of visit is for vacation or pleasure (71.6%).

b. Validity and Reliability
To measure the indicators represented by the variable, a measurement of the outer model is done by linking the entire manifest variables (construct indicators) with the latent variable and the result is shown by calculating Algorithm in SMART PLS software. Outer model measurements are divided into three, convergent validity, discriminant validity, and reliability. Convergent validity test results are measured based on the value of the loading factor (outer loading) of the construct indicator. According to Ghozali and Latan (2015), the parameter for convergent validity is the value of outer loading > 0.5. The items with a loading value of less than 0.5 were removed. The test results show that from the 29 constructs there are 2 invalid constructs because the outer loading value is less than the parameter 0.5. Both

constructs (TG1 and T5) must be removed to acquire a better final result. There are several parameters to assess discriminant validity and reliability, which include average variance extracted (AVE) and composite reliability (CR). The AVE value should be 0.5 and above (Hair *et al.,* 2017). All of the variables in this research have AVE 0.5 and above which indicate that the measurement has a positive correlation with the alternative measures of the same value of the construct. Additionally, the discriminant validity shown in the diagonal elements are higher than the off-diagonal elements in the respective rows and columns (Fornell-Lacker criterion). Lastly, to measure reliability, CR must be higher than 0.7. The CR value shown in this research is above 0.8 and it can be concluded that all indicators indeed measure each construct.

c. Hypotheses Result

Figure 1 shows the Smart-PLS measurement model result. The R^2 value of tourist loyalty was 0. 276, suggesting that 27.6 percent of the variance in tourist loyalty can be explained by the trip experience with tourist satisfaction as a mediator. Added, R^2 value of tourist satisfaction was quite high of 0.577, suggesting that 57.7 percent of the variance in tourist satisfaction can be explained by the trip experience.

Figure 1: *Measurement model*
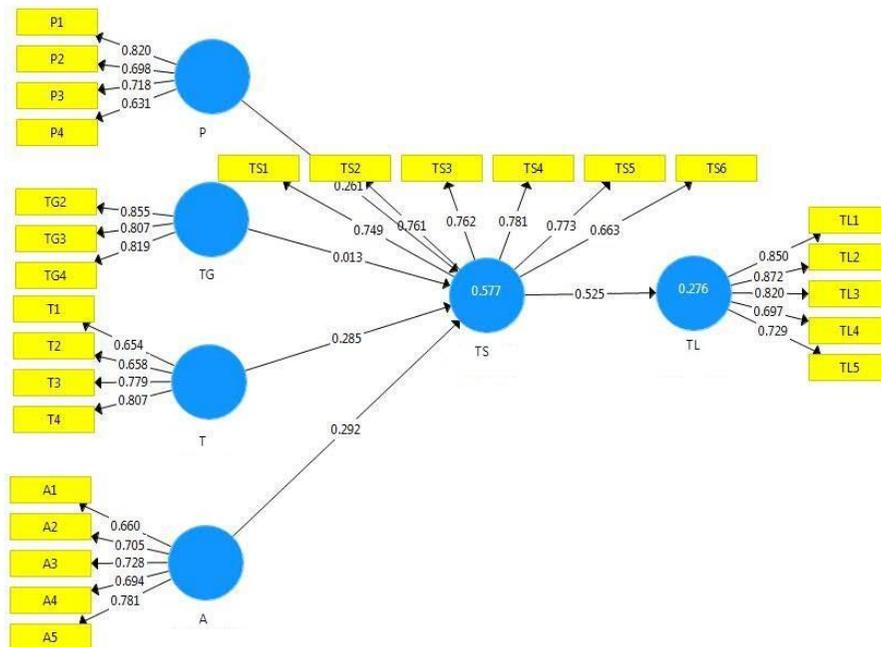
The results of the hypotheses are shown in Table 1. The result of *t* count of 4.743 >1.96 with *p* value or a significance level of 0.000 shows that the hypothesis H1a is accepted. Further, results of testing hypothesis H1b also accepted with a *t* count of 4.257 >1.96 with a *p* value or a significance level of 0.000. Next, the *t* count of 4.111

>1.96 with p value or a significance level of 0.000 shows that hypothesis H2a is accepted. Additionally, results of testing hypothesis H2b with a *t* count of 3.844 >1.96 with a p value or a significance level of 0.000 is also accepted. Results of hypothesis H3a with *t* count of 0.224 <1.96 with p value or a significance level of 0.823 means that the hypothesis H3a is rejected. Additionally, results of testing hypothesis H3b also show that tourist guides through tourist satisfaction do not have a significant influence on tourist loyalty in Indonesian tourism with a *t* count 0.224 <1.96 and p value or a significance level of 0.823 means that hypothesis H3b also rejected. Meanwhile, results of *t* value of 4.688 >1.96 with p value or a significance level of 0.000 found out that the hypothesis H4a is accepted also the hypothesis H4b is accepted as the *t* value of 4.067 >1.96 and a significance level of 0.000. Finally, the results of testing hypothesis 5 by a *t* count of 11.827 > 1.96 with p value or a significance level of 0.000, then the hypothesis H5 is accepted.

Table 1. *Hypotheses Results*

No.	Relationship	t-values	P values	Decision
H1a	T -> TS	4.743	0.000	Accepted
H1b	T -> TS-> TL	4.257	0.000	Accepted
H2a	A -> TS	4.111	0.000	Accepted
H2b	A -> TS -> TL	3.844	0.000	Accepted
H3a	TG -> TS	0.224	0.823	Rejected
H3b	TG > TS -> TL	0.224	0.823	Rejected
H4a	P -> TS	4.688	0.000	Accepted
H4b	P -> TS -> TL	4.067	0.000	Accepted
H5	TS -> TL	11.827	0.000	Accepted

Source: *Data outcomes (SMART PLS).*

5. Managerial Implications

In this study, transportation has a positively significant influence on tourist loyalty mediates by tourist satisfaction in Indonesia tourism. This study is congruent by the study of Ali *et al.* (2017) shows that transportation has an influence on tourist satisfaction and loyalty. Therefore, the availability of adequate transportation facilities is very important to attract tourists to visit a tourist destination. In regard with accommodation, which has a positively significant influence on tourist loyalty mediates by tourist satisfaction in Indonesia tourism, this might be attributable to the service quality provided by the hotel which gives an impression on tourists, so tourists revisit and recommend the destination to others. This result is also supported by the study of Ali *et al.* (2017) which shows a positive relationship in which accommodation has a significant influence on tourist satisfaction and loyalty.

In terms of tour guide, this research result is contradictive from previous research conducted by Chan *et al.* (2015) which shows that the quality of tour guide services has a significant influence on tourist satisfaction and loyalty. It can be concluded that most respondents choose to organize themselves when they visit Indonesia

without using tour guide or others, so the quality of service from tour guides does not influence them significantly on tourist satisfaction and tourist loyalty in Indonesian tourism.

The results of tourist activities supported by Hayati and Novitasari (2017), which shows that the qualities of tourism products have a positive and significant influence on tourist satisfaction. This result is expected that the better the quality of service of a tourism product is, then tourists will feel satisfied and interested to revisit a destination. This may be due to the fact that most of the tourists who have visited a destination more than once are satisfied because according to their experience of tourism products such as the choices of diverse tourism products and information available both offline and online have met these tourists' expectations and can give an impression on tourists, so as to make tourists revisit a destination. This finding also reveals that tourist satisfaction is the strongest influence on the loyalty of tourists to visit Indonesia. This result is also supported by the studies conducted by Chan *et al.,* (2015) and Sukmadi (2014), which provide empirical evidence that satisfaction has a direct and positive influence on tourist loyalty arising from the increased levels of satisfaction, tendency to return, and recommend it to people other thus, its able to create a competitive advantage.

6.   Conclusions and Recommendations

This study concludes the importance of quality of products and services of trip experience influence on competitive advantage through loyalty of tourists mediates by tourist satisfaction. As tour guides do not influence them significantly on tourist satisfaction and tourist loyalty in Indonesian tourism, hence, detailed relevant information regarding Indonesian tourism will be advantages. Further, detailed information on tourism products must be the same for both offline and online, so miscommunication can be avoided. Then the availability of adequate transportation such as the availability of International Airports needs to be improved, so tourists find it easier to reach tourist attractions. To further foster tourist satisfaction, managers of tourism destinations can provide availability for adequate room, internet, and parking facilities.

There are several limitations when interpreting the results of this study. First, this study is limited to two cities in Indonesia—Bali and Jakarta. Therefore, the results may not reflect a comprehensive view for all tourist destination areas in Indonesia. Therefore, the scope of future studies can be extended to cover different populations. Determination of the assessments were analysed in a way that might be biased because it only focuses on tourists in Indonesia. Second, related to research variables, this study only uses four variables to explain the satisfaction and loyalty of tourists in visiting a destination. Therefore, researchers in the future may seek to improve variables related to service quality and also destination image to further understand on how to create a competitive advantage in the tourism industry.

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