

The Moderating Role of Trade Shows Participation Cost Between Service Quality and Participant Loyalty: Findings from the Pilot Study

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Abstract

Success in business-to-business sales and marketing depends on a number of factors. Trade shows give clients and stakeholders the chance to interact directly, which is a more effective method of engagement. In the current research, surveys and analyses of empirical studies and models related to participant loyalty, service quality, and the moderating effect of participation cost at Jordanian trade shows are presented. Based on Cronbach's alpha coefficient test, the results show that all of the measures were very reliable, with coefficients ranging from 0.828 to 0.961 and no appreciable departure of skewness values from zero. Also, the study's findings showed that loyalty is significantly influenced by service quality and the expense of attending trade events. The model presented in this paper makes a substantial contribution to the relationship marketing literature by experimentally examining Jordanians' perceptions on their relationships with trade fair service providers. Keywords: Marketing, Loyalty, participation, Trade Shows, Jordan.

Introduction

Within business-to-business transactions, the sales and marketing processes are crucial to success. Trade exhibits offer chances for face-

to-face interaction between clients and stakeholders to be effective in this relationship. Also, trade exhibitions facilitate introductions to potential stakeholders, public relations, sales acceleration, opportunities to enter new markets, and the introduction of new products (Rinallo, 2019; Søylen, 2013). Trade shows are also the most expensive marketing activity (Rinallo, 2019) and have a set period (Søylen, 2013).

With trade shows field, there are a number of indicators of customer satisfaction that are in the interest of the company as increasing company profit (Ghaith, Mutia, Ahmad, Enas, & Abdul Malek, 2018), positive (WOM) word-of-mouth (Goodman, 2019), and assuring the exhibitors' loyalty and willingness to re-participate in future trade shows (Berne, García-Uceda, & Múgica, 2012).

In-depth research has been done with trade show exhibitors to determine the factors that are most important in determining their happiness (Kurtuluşoğlu, Atalay, & Alagöz, 2017; Lin, Kerstetter, & Hickerson, 2016). The findings have been put to use to help exhibitors better manage their time at trade shows (Lin et al., 2016) and trade show organizers give exhibitors better service (Jin & Weber, 2016). The sales leads or observational outcome indicators used to derive these results from the show, however, have not been formally defined or demonstrated to be valid and reliable (Alias, 2020). However, it has been discovered that they have only weak relationships with exhibitor satisfaction and future attendance plans (Chun, 2016; Lin, 2016). Due to this, the trade show performance literature lacks scales with sufficient proof of reliability and validity as well as a thorough conceptual framework for the factors that determine exhibitor satisfaction (Alias, 2018).

Businesses were always looking for the most cost-effective ways to advertise their goods and services. It was unknown whether trade exhibitions worked well as a platform for promotion to achieve the goals of the company (Spink, 2019). In order to determine if trade shows and exhibitions were successful promotional instruments in achieving the goals of participating organizations, the suggested study set out to collect data. This study sheds light on how participant loyalty and service quality interact, as well as how trade exhibitions might take advantage of these connections to raise participation costs.

Literature Review

Quality in private service businesses has been a contentious issue over the past 20 years (Enas, Abdul Aziz, Ghaith, Puspa, & Abdul Malek, 2018). There will be numerous definitions of services, quality, and service quality provided in this context. According to Schneider and

White (2004), psychologists have not understood for more than 40 years if the formal organization's influence on its members extends outside of it.

According to Malik, Naeem, and Nasir (2011), customers' opinions of brand quality were anticipated to be related to their loyalty to the company. This is because consumers who have favorable opinions of a company's quality tend to become increasingly devoted to that company. According to Putra, Hartoyo, and Simanjuntak (2017), every loyalty program should follow suit and serve as an excellent model. A SERVQUAL model explains service quality. The SERVQUAL model's critical parameters, which form its backbone, are tangibility, reliability, responsiveness, assurance, and empathy. On the idea of perceived service quality being concerned with customer happiness and loyalty, Tabaku and Kushi (2013), concur. In reality, customer pleasure and service quality frequently go hand in hand. In order to improve one's competitive advantage, Etemadifard, Kafashpoor, and Zendeheel (2016), highlight the significance of concentrating on the business plan and consumers in any enterprise.

The transaction cost would be the primary aspect to be taken into consideration when an organization encountered a challenging market and environment (McDowell & Voelker, 2008). Due to the transaction cost, there is a chance that the customers' willingness to purchase, customer satisfaction, or loyalty will be impacted when they have less trust in the name brand, the company, and the product provider (Dick & Basu, 1994). Previous research highlighted the connection between transaction costs and client loyalty in service contexts other than malls. In the service industries, brand loyalty or brand avoidance could result from the interaction of transaction cost and customer happiness, according to theory put forth by Oliva, Oliver, and MacMillan (1992). In the context of banks and travel agencies, Lee and Cunningham (2001), asserted that the transaction cost and switching cost were the crucial variables influencing customer loyalty. Kim and Li (2009) discovered that when buying travel-related products online, transaction costs had a detrimental effect on customer loyalty. Shen and Chiou (2009), discovered that the asset specific investment, which made up the switching cost and was a part of the transaction cost theory, could actually have a positive impact on a user's decision to stick with the blogging community. In service sectors, lowering consumer expenses can increase customer loyalty, but this relationship is rooted in and impacted by the organizational context (Colwell, Hogarth-Scott, Jiang, & Joshi, 2009).

Methodology

This study is limited to a single geographic region in Jordan, specifically the participation of Jordanian trade shows. Given that, the current research is aimed at determining how service quality affects participant loyalty. The questionnaire survey was adapted from previous Western-based studies, as shown in the table below.

Table 1: Instruments for Each Variables

No.	Variable	Adaption
1	Participant Loyalty	Ghaith et al. (2018)
2	Participant Cost	Aravindan Kalisri Logeswaran (2015), and Burnham, Frels, and Mahajan (2003)
3	Service Quality	(Almutawa, Muenjohn, & Zhang, 2018; Parasuraman, Zeithaml, & Berry, 1988).

A pilot study was conducted to evaluate the questionnaire's psychometric qualities. The purpose of the pilot study was to evaluate the questionnaire's initial reliability and validity. The pilot survey is a "dress rehearsal" of the instrument, according to Lewis et al. (2005), and it must include respondents who are similar to the actual sample.

The duration of the pilot survey was two weeks i.e. from Jun 2020 to Oct. 2020. In total, 150 questionnaires were sent to the person working under these companies (general managers, sales and marketing managers), or who are decisions making in charge on behalf of the companies. After two weeks of struggle, the researcher received 105 questionnaires. Therefore, five questionnaires were discarded due to invalid answers. After that, the items' reliability was assessed using Smart PLS 3.0, (Ringle et al., 2015). The instrument was evaluated with a measurement model and found satisfactory reliability and validity. Table 2 shows the measurement model results including cronbach's alpha.

Table 2: The results of Cronbach's alpha test for pilot study

Variable	No. of Items	Cronbach's Alpha	Item Deleted
Trade Shows Service Quality	22	0.846	Nil
Trade Shows Participation Cost	8	0.961	Nil
Trade Shows Participants Loyalty	7	0.828	Nil

The Cronbach's alpha score is larger than 0.7, which indicates that the five characteristics used to create service quality are dependable. The construct participation cost consists of 8 items, and the Cronbach alpha value, which is higher than the benchmark value of 0.7, is 0.961. The reliability value is high and above the acceptable value when the seven indicators of participants' loyalty are taken into account. The Cronbach alpha value for the construct participants' loyalty is 0.828,

which is significantly higher than the minimum standard, as shown in the reliability table for the construct participants' loyalty. The reliability of the entire construct is up to standard, as shown by the aforementioned construct reliability tables, where the Alpha value of every variable is higher than .05 (DeVellis, 2016).

Discussion

Investigating the validity and reliability of the questionnaire design was the study's main goal. All of the item indicators were taken from earlier investigations. To ensure that the instruments are valid and reliable, the pilot study was carried out in the context of Jordanian trade shows. A list of experts was used to examine the accuracy of the content. To improve the questionnaire's readability and clarity for the respondents, some changes were made in response to the expert's advice. 100 respondents who are in charge of making decisions on behalf of the companies at trade shows received the questionnaire. The reliability of this questionnaire was then evaluated using the Cronbach alpha coefficient measurements. As a result of the Cronbach's alpha values being higher than 0.70 and the KMO not surpassing the threshold, the results showed that the instrument's design is dependable; hence, the framework can be regarded as acceptable. Future research for this study will be established by gathering and examining relevant papers in order to formulate research hypotheses. Moreover, a questionnaire will be created to assess the pertinent construct. Each item was scored using a seven-point Likert scale (Likert, 1932), with 1 denoting "strongly disagree" and 7 denoting "strongly agree" as appropriate responses. Then, the framework for verifying the research hypotheses is formed through the development of questionnaire sampling and evidence gathering. Lastly, the purpose of this study is to provide an exploratory offering regarding the impact of service quality on the loyalty of trade show service providers. The design of this study can be adopted or modified by researchers when they plan future research and studies.

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