Nexus among Service Quality and Participants Loyalty in Jordanian Trade Shows: A Mediated-Moderated Model

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Abstract

Trade shows help potential stakeholders meet, promote, speed up the sales process, provide opportunities to enter new markets, and launch new products. Trade shows are also the most expensive marketing activity and have a set period. Therefore; this study determined the factors which lead to participant loyalty in the Jordanian trade shows context while investigating the mediating roles of participants’ satisfaction, and the moderating role of participation cost. This model was tested using a quantitative method and the questionnaire technique. In order to examine the data, structural equation modeling was used. Findings indicate that service quality is significantly influenced by participants’ satisfaction and loyalty. Moreover; participants’ satisfaction has a significant relationship with loyalty. More importantly, participants’ satisfaction plays a mediating role between service quality and, loyalty. Also; the trade shows participation cost the moderating role between service quality and, participants’ satisfaction. This study may help to encourage the organizers of Jordan exhibitions to focus on the tangible aspects along with the participating cost, to achieve overall satisfaction and loyalty that makes attending the exhibition is very important and worthy.

Keywords: Service Quality, satisfaction, Cost, Loyalty, Trade Shows, Jordan.
Introduction

Trade shows or exhibitions sector has a strong and consistent relationship with the economy of any country, where it intersects with all economic sectors (e.g. agriculture, petroleum, telecommunications, tourism, education and training, military, health, etc.). As many trade associations and researchers have proven that exhibitions return to the economy with a many positive benefits (Hansen, 2019; Hill, 2016). Where the exhibitions act as a major events of marketing that arrange to bring product or service providers, manufacturers, distributors, dealers, and every related services from a specific industry to display their products or services at one location and to provide the attendees with the needed information about their products or services (Geigenmüller & Bettis-Outland, 2012; Mackley, 2017).

Trade shows organizers have faced a very high competitive business environment during the past years (Situma, 2012), but in recent competitive environment, the improvement of service quality one of the most crucial elements of growing industries and businesses. At the same time, Ghaith, Enas, Mutia, Ahmad, and Abdul Malek (2018) indicated that, customer loyalty still considered as a one of the major factors in determining the competitiveness of market.

Trade exhibitions are an effective strategy to foster consumer trust in businesses and to create, grow, and sustain customer loyalty (Drotsky & Wiese, 2017). Not the opposite, raising awareness levels. If that is accomplished, trade shows can be more successful, but they must be complemented in relation to goals (Situma, 2012). Customers’ loyalty considered as an importance key in service industries, where it’s responsible for helping companies to achieve their objectives through increase the number of their customers and enhance their loyalty toward the service. According to many researchers (Djumarno & Djamiluddin, 2018; Phi, Thanh, & Nguyen Viet, 2018) customer satisfaction and loyalty are large fields that require additional research and analysis to identify the variables that influence them, such as service and product quality, and cost.

Generally and according to Forero and Gómez (2017), the customers will be satisfied when they receive a service equal to the size of their expectations if not greater. Conversely, they will be dissatisfied when the received services are less than their hopes and expectations, and although the lack of comprehensive measurements of quality, the quality of service is still measured from the point of customers’ view (Ghotbabadi, Feiz, & Baharun, 2015). 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 et al., 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).

Trade shows participants' feelings of confidence, which is generated by feeling of satisfaction, may lead in a logical sequence to the state of loyalty of trade shows companies resulting from past positive experiences. Moreover and according to Ghaith, Mohd, and Aseel (2016), customer satisfaction acts as a mediator factor between a service quality, and customer loyalty.

The Relationship between Trade Shows Service Quality and Participant Loyalty

Numerous studies have been conducted in a variety of service settings on the link between a service quality and customer loyalty. According to the inseparability feature of services, the level of quality will be decided upon by the clientele and not the service provider at the time the service is delivered (Seay, Seaman, & Cohen, 1996). As defined by Parasuraman et al. (1988), The consumer's evaluation of a product's general excellence or superiority is known as perceived quality. This is how the subjectivity of service quality is expressed. The unique service interaction between the client and the service provider, during which the consumer assesses quality and renders a decision, is where perceived service quality is obtained according to Bitner, 1990. Previous studies have demonstrated that customer loyalty is directly impacted by service quality (Asadpoor & Abolfazli, 2017a, 2017b; Gong & Yi, 2018; Jamaluddin, 2017; Karyose, Astuti, & Ferdiansjah, 2017; Liu & Wang, 2017; Pratminingsih, Astuty, & Widyatami, 2018; Sharma, 2017; Unidha & Sentani, 2017). Unsatisfactory service, according to some, may have a negative impact on a customer's loyalty (Cristobal, Flavian, & Guinaliu, 2007; Collier & Bienstock, 2006; Kumar, 2018).

The Relationship between Trade Shows Service Quality and Participant Satisfaction

How a customer feels about the services will depend on their experience utilizing them. Therefore, companies ensure that the services they offer to customers are satisfying and memorable. In light of the fact that satisfaction is transaction-dependent, some research suggest that attitudes toward a product will have a longer-lasting effect on a company's reputation (Arokiasamy & Huam, 2014). Some believe that the quality of the services is more crucial to consumer delight than the goods and price. Improved customer service provided by banks encourages attitudinal loyalty which is necessary to retain consumers. As a result, service quality has a big impact on customer satisfaction according to Bharwana, Bashir, & Mohsin, 2013.
The Relationship between Trade Show Participants Satisfaction and Participant Loyalty

Also, it's well accepted that contentment leads to repeat business and favorable word-of-mouth recommendations, both of which are important signs of loyalty. Oliver (1999) claimed that one of the prerequisites for the development of traveler loyalty is the satisfaction experienced toward a place. Additionally, some studies have indicated a strong correlation between loyalty and tourist satisfaction (Cai, Li, & Knutson, 2008; Chen & Tsai, 2007; Lee, Jeon, & Kim, 2011; Prayag, 2009; Prayag & Ryan, 2012; Al Dalaien, Ibrahim, & Aburumman, 2020). Loyalty, which relates to a customer's loyalty to a brand, product, or service, is a key concept in marketing (Jones, 1996). Customer loyalty can be defined in a number of way's. The first is attitude loyalty, or having a favorable opinion of items (or brands). Even though they won't use the products again, the customers provide a positive oral evaluation. The second is behavior loyalty, which is when customers repeatedly buy the product or service. Combination loyalty, which combines attitude and conduct loyalty, is the third kind of loyalty. Under the definition of consumer loyalty, customer loyalty is an extension of that concept in the hotel industry. Customer experience is viewed as a product and customer loyalty implies a desire to return or recommend (Zhang, Cai, Fu, & Lu, 2014). Numerous research have demonstrated the validity of "attitude-behavior" loyalty measurement measures according to Li, Cai, Lehto, and Huang, 2010; Selin, Howard, Udd, and Cable, 1988.

Mediating role of Participant Satisfaction

According to numerous research (Beerli, Martin, & Quintana, 2004; Deng, Lu, Wei, & Zhang, 2010; Kim, 2011; Sivadas & Baker -Prewitt, 2000; Olorunniwo, Udo, & Hsu, 2006; Zameer, Tara, Kausar, & Mohsin, 2015; Bei & Chiao, 2001) Giving excellent service boosts client satisfaction. Customer satisfaction and loyalty are positively correlated, with customer pleasure having a positive effect in loyalty Kim and Lee, (2010); Ibrahim, Al Dalaien, and malek, (2020); Izogo and Ogba, (2015). Bloemer, Peeters, and , De Ruyter, (1998), discovered that customer pleasure in the Netherlands serves as a mediator for customer loyalty. According to study by Bei and Chiao (2001), In Japan, the link between loyalty and perceived service quality is mediated by satisfaction. and discovered that the connection between service quality and service is partly mediated by customer happiness. loyalty (Caruana 2002). Fullerton and Taylor (2002) assert that customer retention is significantly impacted by the caliber of the services offered. According to research by Yang, Wu, and Wang (2009) done in Taiwan, online game satisfaction completely buffers the impact of service quality on online game loyalty. H. J. Kim (2011) found a
substantial indirect association between customer satisfaction at Korean casual dining restaurants and the level of service provided.

Moderating role of Trade Show Participation Cost

Coordination, search, and monitoring costs are included in transaction costs (S. K. Kim, 2007; Teo & Yu, 2005). Certain expenses incurred during the purchasing process could affect the customer's assessment (Oliva, Oliver, & MacMillan, 1992). Customers will feel more satisfied specifically when they put forth fewer efforts and take less time to shop and make purchases. Su, Comer, and Lee (2008), discovered a similar relationship between perceived costs and benefits of information search and decision-making and level of satisfaction. Both business and customer contexts accept the claim that lower transaction costs result in higher customer satisfaction (Bharadwaj & Matsuno, 2006; Jones & Leonard, 2007; Y. G. Kim & Li, 2009).

According to Williamson (2008), the complexity of the trading process affected how much a transaction cost was, with greater complexity resulting in higher transaction costs. The availability of incomplete and expensive information to customers contributes to transaction costs (Rabinovich, Bailey, & Carter, 2003). The likelihood of opportunism is increased by the information asymmetry (Fernández-Barcala & González-Díaz, 2006). Customers therefore perceive high risk when they believe there are too many unclear factors or results that are not in their favor (Kotler & Lane, 2009). The following assumptions are put out in light of the aforementioned theoretical and empirical data.

H1: Trade shows service quality have positive influence on participant loyalty.

H2: Trade shows service quality have positive influence on participant satisfaction.

H3: Participant satisfaction have positive influence on participant loyalty.

H4: Participant satisfaction mediates the relationship between trade shows service quality and participant loyalty.

H5: Trade show participation cost moderates the relationship between trade shows service quality and participant satisfaction.

The research model shown in figure (1) is based on the hypothesis mentioned:
Methodology

The current study employs a quantitative research approach because it is the most suitable for this kind of examination. By creating links between many characteristics that may be reduced to numerical data and applied to the entire population, the quantitative approach analyzes a system of inquisition (Finnerty et al., 2013). Questionnaires personally be delivered to the selected companies participate in the Jordanian trade shows during 2019 and given the questionnaire to one person work under these companies (general managers, sales and marketing managers), or who are decisions making in charge on behalf of the companies. Stratified random sampling in this study was used. Staff members chose randomly to complete a questionnaire. The total population in Jordanian trade shows during 2019 were 5736 according to Ministry of Industry Trade & Supply (MoITS, 2020). Therefore, to avoid errors, the sample of every group was ultimately set to a least sample size of 361 in Jordanian trade shows according to (Sekaran & Bougie, 2010). Therefore, Smart PLS Version 3, was used to assess the proposed research model of this study.

Results

The SPSS and smart PLS software packages were used to analyse the data collected for this investigation. Using SPSS (version 24), a descriptive analysis of the data was conducted as the first phase in the
data analysis process. Smart PLS (version 3.3.3) was then used to test the study's model. Smart PLS, which is a causal-predictive method to Smart PLS, allows researchers to evaluate the possible predictive value of their findings, according to Sarstedt et al. (2017).

Ringle, Straub, and Sarstedt, (2012) suggested that researchers do a normality test on the data. This is because, especially when the sample size is small, highly skewed or kurtosis data may exaggerate the bootstrapped standard error, which would therefore underestimate the statistical significance of the route coefficients (Chernick, 2011). However, it is commonly accepted that the Smart PLS-SEM approach makes looser assumptions about the normalcy distribution and error terms (Chin & Dibbern, 2010). We looked at the data collection procedure for the study and evaluated the normality of the data.

Individual indicator reliability, convergent validity, and discriminant validity were all evaluated as part of the assessment technique for this investigation. The results for individual indicator reliability and convergent validity are displayed in Table 1. For all goods, the factor loading ranged from 0.734 to 0.922. Therefore, it is recommended to preserve objects with loadings of 0.7 or greater (Hair Jr, Risher, Sarstedt, & Ringle, 2019). Additionally, the constructs' Cronbach's alpha and composite reliability ratings exceeded the recommended cutoff of 0.70 and above (Hair, Ringle, Hult, & Sarstedt, 2016). All construct values were higher than the indicated Average Variance Extracted (AVE) cutoff value of 0.50 by Hair et al. (2016), as shown in Table 1.

Table 1: Internal consistency reliability and convergent validity

<table>
<thead>
<tr>
<th>Variable</th>
<th>Items</th>
<th>Loadings</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>AVE</th>
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</thead>
<tbody>
<tr>
<td>Trade Shows Service Quality</td>
<td>Tangibles</td>
<td></td>
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<tr>
<td></td>
<td>TAN1</td>
<td>0.832</td>
<td>0.859</td>
<td>0.904</td>
<td>0.703</td>
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<tr>
<td></td>
<td>TAN2</td>
<td>0.834</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>TAN3</td>
<td>0.814</td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>TAN4</td>
<td>0.873</td>
<td></td>
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<tr>
<td></td>
<td>REL1</td>
<td>0.815</td>
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<td>0.910</td>
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<tr>
<td></td>
<td>REL2</td>
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<tr>
<td></td>
<td>REL3</td>
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<td>REL4</td>
<td>0.831</td>
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<tr>
<td></td>
<td>RES1</td>
<td>0.866</td>
<td>0.868</td>
<td>0.910</td>
<td>0.718</td>
</tr>
<tr>
<td></td>
<td>RES2</td>
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<td>RES4</td>
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<td>ASS1</td>
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<tr>
<td></td>
<td>ASS2</td>
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<tr>
<td></td>
<td>ASS4</td>
<td>0.818</td>
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</tbody>
</table>
In this regard, the bootstrapping technique (5000 resamples) was used to generate the p-values and, t-values that accompanied each path coefficient.

**Hypothesis 1:** Trade show’s service quality have positive influence in participant loyalty (Beta = 0.234, T-Value= 4.684, P-Value= 0.00, LL= 1285
0.154, UL= 0.137); the hypothesis was supported. This finding aligns with earlier research that was looked at loyalty in the service sectors (Anabila, Ameyibor, Allan, & Alomenu, 2022; Krisna, 2023; Margaretha, Wirawan, & Wowor, 2022; Widianti & Astuti, 2023). Therefore, it is suggested that trade shows should pay intention on providing the service efficiently as promised and putting themselves in the shoes of the customers when providing service. Hypothesis 2: Trade shows service quality have positive influence on participant satisfaction (Beta = 0.545, T-Value= 10.878, LL= 0.461, UL= 0.628, P-Value= 0.000); the hypothesis was supported. This finding aligns with earlier research that was looked at service quality in Jordanian service sectors (Murad, Manasrah, Halemah, Al-Kayem, & Qusef, 2019; Pakurar, Nagy, Popp, Haddad, & Olahi, 2019). For instance, Al-Slehat (2021) has demonstrated that service quality contributes to a precise predication of customer satisfaction to accept a new knowledge. Thus, researcher can conclude that trade show service quality support has a positive relationship with participant satisfaction. Hypothesis 3: Participant satisfaction have positive influence on participant loyalty (Beta = 0.653, T-Value= 14.043, P-Value= 0.00, LL= 0.575, UL= 0.729); the hypothesis was supported. client satisfaction promotes client loyalty, which is referred to as the customer's favorable attitudinal and behavioral reaction, according to Kashif, Abdur Rehman, and Pileliene (2016). In this research, participant satisfaction refers to how generally people really rate their overall happiness and discontent with the service provided at trade exhibitions. Customer loyalty is directly impacted by customer satisfaction, according to earlier studies (Osman, Ali, Rashid, Zainuddin, and, Jusoff 2009); Amin, Isa, and Fontaine (2013) Svensson, and, De Meyer-Heydenrych (2017).

Preacher and Hayes (2008) mediating and moderating tests by bootstrapping techniques embedded with SmartPLS were used in this study (version 3.3.3). This approach is more effective and precise than alternative approaches (Zhao, Lynch & Chen, 2010; Hair et al., 2016). Hypothesis 4: Participant satisfaction mediates the relationship between trade shows service quality and participant loyalty (Indirect effect = 0.356, T-Value= 9.265, LL = 0.297, UL= 0.424, P-Value= 0.000); the hypothesis was confirmed. Customer pleasure is specifically recommended as a mediating factor between service quality and client loyalty (Surahman, Yasa, & Wahyuni, 2020). As a result, many organizations view delivering top-notch customer service in order to maximize client satisfaction as their most crucial objective in order to win their business (Parasuraman & Alutto, 1981). Hypothesis 5: Trade show participation cost moderates the relationship between trade shows service quality and participant satisfaction (Indirect effect = 0.159, T-Value= 2.320, LL = 0.054, UL=0.278, P-Value= 0.010); As opposed to that, if the quality of service and the participations are
happy, which will be shown by the high-level participations' loyalty, the high cost of changing the service provider, such as fines and, other costs, are deterring participations from changing the service provider.

Discussion
In conclusion, this study's suggested hypotheses were all confirmed. The findings specifically showed that trade show service quality positively influences both participant satisfaction and loyalty, showing that a positive perception of a trade show's service quality would increase participants' satisfaction and have an impact on their loyalty to it. By examining the SERVQUAL model in the Arab area, this study closes a research gap and found that it significantly influenced customer satisfaction and loyalty. Thus, research into trade show participation costs as a moderator variable enhances knowledge of trade show participant loyalty and adds to the literature on services marketing. This study contributes to practice and provides several directions to policymakers in order to achieve service quality issues in trade shows companies of Jordan. Thus, it is recommended that managers and policymakers should consider SERVQUAL model as a baseline to identify service quality issues in trade shows in Jordan. More specifically, researcher found that formality has a medium level of effect size on participant satisfaction which implies that customers of trade shows are more concerned about cultural rituals. These findings suggested that trade shows managers and policymakers should focus on formality in order to enhance participant satisfaction and participant loyalty. Future studies are recommended to examine the moderating effects between the factors by including both their direct and indirect effects. Future studies might, for instance, focus on the moderating effects of trust between convenience and patron loyalty as well as the mediating impacts of subjective norms between participant enjoyment and participant loyalty. This would lead to a greater understanding of the relationships between the variables.

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