

Chinese Customers' Satisfaction With Hotels In Hong Kong: Determinants And Moderating Role Of Chinese Populations

Lawrence Hoc-Nang Fong*, Priscilla Chau-Min Poon and Daisy Suk-Fong Fung

School of Hotel and Tourism Management, The Hong Kong Polytechnic University,
Hong Kong, CHINA

Witnessing the growing demand of hotel accommodation by Chinese tourists, many hoteliers wager their business growth on the Chinese outbound markets. Satisfying Chinese customers becomes a top priority mission of many hotel managers nowadays. In response to this market trend, an extensive range of studies on determinants of customer satisfaction have emerged in recent years. However, little scholarly attention fell into the prioritization of the determinants. Additionally, while comparative research on customer satisfaction was not scant, most of them compared tourist segments characterized with divergent geographical and cultural profiles. Little comparison was made between tourist segments comprising with people originated from different regions of a nation, in particular in the formation of satisfaction. The current study attempts to fill in these research gaps. Drawing on the findings from a survey with 152 Chinese tourists visiting Hong Kong, this study confirms that perceived performance of the hotel is the most important determinant of customer satisfaction, followed by perceived value and customer expectation. The impact of the determinants on customer satisfaction was stronger among Mainland Chinese than Taiwanese/Macanese, which indicates that Taiwanese/Macanese customers were more demanding and more difficult to be pleased than the Mainland Chinese counterparts. Hoteliers are recommended to customize their service as according to the places of origin of their Chinese customers.

Key words: chinese tourist, Hong Kong, hotel, moderator, satisfaction

Introduction

Customer satisfaction has traditionally been recognized as the thrust of business success (Barsky, 1992), given that it is a major determinant of many industrial practitioners' desirable outcomes like repeat purchase behavior of the customers, positive word-of-mouth, and lower cost of transactions (Anderson, Fornell, & Lehmann, 1994; Bowen & Chen, 2001). While customer satisfaction is emphasized by practitioners across industries, it is of particularly important in the service industry

*Email: lawrence.fong@connect.polyu.hk

like hotel (Barsky, 1992). Along with the trend of globalization and the boom of travel activities, there is currently an ardent demand on hotel accommodation, specifically among Chinese tourists. Mainland Chinese have more freedom to travel abroad than ever disregard financially or politically. Nowadays, tourism and hospitality practitioners generally recognize the importance of Chinese outbound markets to their business growth. Coherent with this business trend, there is a growing body of research on Chinese tourist behavior (Lee, Jeon, & Kim, 2011; Wong & Lau, 2001; Xu & McGehee, 2012).

Customers are more intelligent and demanding than ever (Rayport, Jaworski, & Kyung, 2005). They keep shifting up their expectations on the service they are going to receive from the practitioners. This consumer pattern is particularly salient in the hotel sector where hoteliers generally highlight how excellent their services are in every service encounter. Competitions in the hotel industry are very keen. In order to outperform the competitors, hoteliers strive to maximize customer satisfaction. Strategies and practices centering on creating a satisfactory experience for their customers are always topping the agenda of hotel managers. In response to this market condition, studies pertinent to the determinants of customer satisfaction in the hotel industry proliferated (Han, Kim, & Hyun, 2011; Kandampully & Suhartanto, 2000; Li, Ye, & Law, 2012). Although the relationships between customer satisfaction and its determinants like expectation, perceived performance, and perceived value of the service have widely been examined in the past (Bosque, Martín, & Collado, 2006; Song, Li, Van der Veen, & Chen, 2011; Song, Van der Veen, Li, & Chen, 2012), there is a lack of consensus on how the determinants affect customer satisfaction. Moreover, little scholarly attention falls into the prioritization of the determinants. Thus, there are rooms for continuous investigations on the determinants of customer satisfaction in various countries and settings, in order to derive a more concrete conclusion on the formation of customer satisfaction.

Coherent with the contention that cultural difference is a critical factor that varies customer satisfaction (Pizam & Ellis, 1999), there is an extensive range of studies comparing customer satisfaction among various countries and ethnicities (Kozak, 2001; Master & Prideaux, 2000; Wong & Law, 2003). However, to date, no study has been found on examining whether people from the same ethnicity and nation but different regions would have different evaluations on the service providers. This research gap deserves more scholarly attention given the growing importance of Chinese customers in today's economy. Many practitioners consider Chinese customers a homogeneous market segment and serve this segment with standardized practices. However, this may adversely affect the effectiveness of their practices because Chinese customers originated from different regions like Taiwan, Hong Kong, and Macao are characterized with highly distinct historical, political, and economic profiles in relative to Mainland Chinese (Holdaway, 2007). These distinctions may lead to divergent customer appraisals on the service. The current study aims to achieve three major objectives:

1. To examine the relationships between hotel customer satisfaction and three major determinants including expectation, perceived performance, and perceived value of the hotel service;
2. To prioritize the impact of each of the determinants;
3. To investigate whether and how Chinese coming from different regions of China (Chinese populations) moderate the relationships between customer satisfaction and its determinants

Literature Review

Customer satisfaction has traditionally been suggested as a relative concept (Yüksel & Yüksel, 2001). Swan and Combs (1976) proposed that customer satisfaction is in virtue of the comparison of expectation with performance. Their perspectives set the ground for the renowned satisfaction model called “expectancy-disconfirmation model” (Oliver, 1980). Since then, the model was further extended and refined by numerous researchers (Swan & Trawick, 1981; Tse & Wilton, 1988). The model posits that customers feel dissatisfactory if the performance falls below their expectations (negative disconfirmation). In contrast, consumers feel satisfactory if the performance meets (confirmation) or exceeds their expectations (positive disconfirmation). Hill (1986) refined the model by suggesting that a match between performance and expectation (confirmation) does not necessarily result in satisfaction, but rather an indifferent/neutral evaluation. He rationalized his argument with the “zone of difference” to account for minor discrepancy between perceived performance and expectation. Any evaluation falls into this zone would not result in any inclination towards satisfaction/dissatisfaction.

While expectancy-disconfirmation model was widely endorsed, there is another school of scholars who suggested that satisfaction mirrors consumers’ assessment on the quality of performance (Churchill & Surprenant, 1982; Halstead, Hartman, & Schmidt, 1994). Their perspectives excluded expectation in the formation of customer satisfaction. However, the framework was criticized for the potential misinterpretation of customer satisfaction. A person who perceives that the performances in two different conditions are fair may feel highly satisfied in one condition and dissatisfied in another. The reason is that expectation in the former condition is low, whereas expectation in the latter condition is high. Moreover, even the customers simply rely on perceived performance to form their satisfaction. It is very likely that they have implicitly compared their perceived performance with expectation (Llosa, Chandon, & Orsingher, 1998). Therefore, it is unreasonable to drop expectation in the formation of satisfaction and thus expectancy-disconfirmation model should be an effective approach to predict customer satisfaction. However, expectancy-disconfirmation model is not without limitation. Some scholars argued that satisfaction can still be resulted upon negative disconfirmation as long as the perceived performance is above the minimum tolerable level (Yüksel & Yüksel, 2001). Another problem is that customers may not use predictive expectation as the reference point to evaluate their satisfaction because the reference point may change to other things like what other customers have received upon the post-experience phase (Yüksel & Yüksel, 2001). Furthermore, expectation is argued to be formed based on previous experiences. Therefore, if it is the first time for a customer to experience a product or service, expectation may not play any role in the formation of customer satisfaction (Johnson & Fornell, 1991).

Among the wide range of theories that were utilized to explicate how tourist satisfaction is determined, expectancy-disconfirmation theory remains the most adopted one (Song, et al., 2011). Chon (1989) maintained that tourist satisfaction is a function of how well the evaluative experience fits predictive expectations. Pizam and Milman (1993) demonstrated that disconfirmations are effective in predicting tourist satisfaction, in particular when the tourists are segmented in terms of their reasons for travel. Expectancy-disconfirmation theory has also served as the ground of many structural models of tourist satisfaction (Hui, Wan, & Ho, 2007; Song, et al., 2011; Song, et al., 2012).

While price appears to be a significant predictor on tourist satisfaction, many studies showed that the assumption is not absolutely true (Hui, et al., 2007). Some tourists would psychologically prepare to pay high price for a service (Hui, et al., 2007). In this regard, price plays little role in the formation process of satisfaction. In the realm of hotel service, price is of a concern when tourists are making their purchase decision rather than at the post-experience moment. Instead, perceived value is salient at the post-experience phase. Previous studies revealed that perceived value is a vital predictor of tourist satisfaction as it is a reflection of whether the price they paid is comparable to what is gained (Chen & Chen, 2010; Song, et al., 2011; Song, et al., 2012). A positive value is perceived when the assessed quality exceeds what people paid, and hence satisfaction would be resulted. In contrast, a negative value is in virtue of a lower assessed quality than payment, which would in turn result in dissatisfaction. Given that price has already been taken into account in the evaluation of value of the service, it may be more reasonable to posit perceived value rather than price as a determinant of tourist satisfaction.

Our literature review indicates that expectations, perceived performance, and perceived value predict tourist satisfaction. It was assumed that these relationships also work in the hotel context. Therefore, the following hypotheses were formulated:

Hypothesis 1: Expectations pose a negative impact on tourist satisfaction with the hotel

Hypothesis 2: Perceived performance poses a positive impact on tourist satisfaction with the hotel

Hypothesis 3: Perceived value poses a positive impact on tourist satisfaction with the hotel

Individual difference has long been suggested as an effective predicting factor of customer satisfaction (Johnson & Fornell, 1991). This factor was of great interest among researchers of tourist satisfaction as well, specifically on how culture, nationalities, and country of residence affect tourist satisfaction. Master and Prideaux (2000) found that origin of residence played a significant role in determining holiday satisfaction. Kozak (2001) revealed that nationalities significantly affected tourist satisfaction with various attributes of a destination. In a comparative study, Wong and Law (2003) reported that Western tourists were more satisfied with the shopping experience in Hong Kong than the Asian counterparts. While prior comparative research tended to examine tourist segments characterized with divergent geographical and cultural profiles, little comparison was made between tourist segments consisting of people originated from different regions of a nation (i.e., similar culture and physical distance from a destination). This research gap is particularly pertinent to China, which is constituted by administrative regions characterized with highly distinct historical, political, and economic profiles (Holdaway, 2007). Hong Kong, Taiwan, and Macao, though belong to China, are governed in a different political system from Mainland China. These three regions share some common characteristics among each other. All of them have experienced a long govern period by foreigners in recent history. Their social and economic developments are closer to each other than Mainland China. Therefore, it is not unreasonable that tourists originated from these regions would differ from Mainland Chinese counterparts in the formation process of satisfaction with the hotels in a destination. In this regard, the following hypotheses were formulated:

- Hypothesis 4: The impact of expectations on tourist satisfaction with the hotel varies with Chinese populations
- Hypothesis 5: The impact of perceived performance on tourist satisfaction with the hotel varies with Chinese populations
- Hypothesis 6: The impact of perceived value on tourist satisfaction with the hotel varies with Chinese populations

Methodology

Hong Kong was selected as the setting for this study. It is one of the most popular destinations in Asia and has been experiencing a significant growth in its tourism and hospitality industries over the past decade. This is not surprising given the internationalization of the city, the availability of multi-lingual service providers, its well-developed transportation system, its unique blend of Chinese and Western culture, and the vast shopping opportunities in the jurisdiction. More importantly, Hong Kong is proximate to many emerging and lucrative tourism source markets like Mainland China and South-east Asia. These advantages provide sound justifications for tourists to choose Hong Kong as their destination. Although inbound tourists of Hong Kong are coming from different parts of the world, a majority of them were Chinese tourists as over 70% of them were originated from Mainland China, Taiwan, and Macao in 2011 (Hong Kong Tourism Board, 2012).

The survey was conducted during the summer time of 2011 at the sites where the Hong Kong Tourism Board conducted its tourism survey. Upon the outset of the survey, the respondents were asked to indicate the hotels that they stayed in the trip. Their expectation, perceived performance, perceived value, and satisfaction were assessed with respect to the hotels that they specified. Each of the four constructs was measured with multiple items adapted from previous studies (Chan, et al., 2003; Fornell, Johnson, Anderson, Jaesung, & Bryant, 1996). Eleven-point scales ranging from 0 to 10 anchored by extremely poor to extremely good, completely disagree to completely agree, and far below my expectations to far exceed my expectations were harnessed (see Appendix).

Results

Among the 152 respondents, 88 (57.9%) were females. The proportions of respondents' age ranges did not deviate much from each other – 25% were 16-25, 28.9% were 26-35, 27.6% were 36-45, and 18.4% were 46 and above. The majority of the respondents have completed college and university education (72.4%). Their monthly household income mainly fell into the two lowest ranges including US\$1,000-2,999 ($n = 59$, 38.8%) and less than US\$1,000 ($n = 36$, 23.7%). Additionally, most respondents were repeat visitors ($n = 97$, 63.9%). Given that the sample sizes of Taiwanese and Macanese tourists were small and our earlier review indicates that Taiwan and Macao are similar to each other in a number of aspects, they were merged into a single group ($n = 65$, 42.8%) in the analyses and coded as zero, whereas tourists from Mainland China ($n = 87$, 57.2%) were coded as 1. Table 1 displays the demographic profile of the respondents.

Table 1: Profile of Respondents ($n = 152$)

	Frequency	%
Gender		
Male	64	42.1
Female	88	57.9
Age		
16-25	38	25.0
26-35	44	28.9
36-45	42	27.6
46 and above	28	18.4
Education		
No formal education	1	.7
Primary/elementary school	1	.7
Secondary/high school	22	14.5
College/university	110	72.4
Postgraduate	18	11.8
Monthly household income		
Less than US\$1,000	36	23.7
US\$1,000-2,999	59	38.8
US\$3,000-4,999	19	12.5
US\$5,000-6,999	14	9.2
US\$7,000-9,999	10	6.6
US\$10,000 or more	14	9.2
Previous visit frequencies		
Never	55	36.2
1-3 times	62	40.8
4-6 times	20	13.2
7-9 times	3	2.0
10 times or more	12	7.9
Chinese markets		
Taiwan/Macao	65	42.8
Mainland China	87	57.2

Reliability and validity of the measures in our study were assessed. The Cronbach's alpha values of expectations ($\alpha = .90$), perceived performance ($\alpha = .96$), perceived value ($\alpha = .93$), and satisfaction ($\alpha = .91$) were much higher than the generally accepted benchmark (.7) (Nunnally, 1978) (Table 2). The values could not be improved through item deletion. Thus, reliability of the instrument was adequate. Validity of the scales was assessed as according to Ryu and Han's (2010) suggestions. Given that within-construct correlations are generally greater than between-construct correlations whilst within-construct correlation patterns are different from between-construct patterns, both convergent and discriminant validities can be deemed adequate (Table 3). Based on these results, the individual item scores of each construct were averaged before pursuing the statistical analyses.

Table 2: Reliability of the Measures

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Expectations	Coefficient $\alpha = .90$			
EXP1	14.66	11.99	.78	.89
EXP2	14.41	12.63	.80	.87
EXP3	14.63	11.59	.85	.83
Perceived performance	Coefficient $\alpha = .96$			
PP1	14.56	15.45	.91	.95
PP2	14.50	15.47	.93	.93
PP3	14.55	15.32	.91	.95
Perceived value	Coefficient $\alpha = .93$			
PV1	7.1	4.91	.88	-
PV2	7.1	4.68	.88	-
Satisfaction	Coefficient $\alpha = .91$			
SAT1	13.1	16.34	.82	.86
SAT2	14.1	16.82	.78	.89
SAT3	12.9	18.95	.85	.84

Note. EXP = expectations; PP = perceived performance; PV = perceived value; SAT = satisfaction.

Table 3: Correlation Matrix of the Variables

	EXP1	EXP2	EXP3	PP1	PP2	PP3	PV1	PV2	SAT1	SAT2
EXP2	.705*									
EXP3	.773*	.797*								
PP1	.544*	.677*	.656*							
PP2	.548*	.746*	.658*	.896*						
PP3	.562*	.690*	.712*	.870*	.899*					
PV1	.607*	.759*	.748*	.749*	.771*	.808*				
PV2	.505*	.653*	.657*	.857*	.843*	.849*	.876*			
SAT1	.413*	.584*	.558*	.763*	.756*	.763*	.720*	.784*		
SAT2	.342*	.511*	.479*	.695*	.694*	.686*	.658*	.710*	.728*	
SAT3	.400*	.552	.571*	.813*	.793*	.792*	.715*	.797*	.821*	.761*

Note. EXP = expectations; PP = perceived performance; PV = perceived value; SAT = satisfaction; * $p < .01$ (two-tailed).

Examinations of the hypotheses in this study followed the widely adopted approach suggested by Baron and Kenny (1986). Hence, hierarchical regression analyses were pursued. Following Ryu and Han's (2010) approach, five separate equations were formulated (see Table 4). All three independent variables were firstly entered to the regression equation (i.e., equation 1) in order to examine hypotheses 1 through 3. Then, the proposed moderator Chinese population was added to form equation 2, which helped to examine whether Chinese population was a pure or quasi-moderator (Sharma, Durand, & Gur-Arie, 1981). A pure moderator is one which does

not influence the dependent variable by itself, but through interactions with other independent variables. A quasi-moderator is one which would influence the dependent variable by itself in addition to the interaction effects. After that, the interaction terms (expectations x Chinese population; perceived performance x Chinese population; perceived value x Chinese population) were separately added to form equations 3a, 3b, and 3c. These three equations were utilized to examine hypotheses 4 through 6.

Table 4: Regression Models

$SAT = \alpha + \beta_1 EXP + \beta_2 PP + \beta_3 PV$	Equation 1
$SAT = \alpha + \beta_1 EXP + \beta_2 PP + \beta_3 PV + \beta_4 CP$	Equation 2
$SAT = \alpha + \beta_1 EXP + \beta_2 PP + \beta_3 PV + \beta_4 CP + \beta_5 (EXP * CP)$	Equation 3a
$SAT = \alpha + \beta_1 EXP + \beta_2 PP + \beta_3 PV + \beta_4 CP + \beta_5 (PP * CP)$	Equation 3b
$SAT = \alpha + \beta_1 EXP + \beta_2 PP + \beta_3 PV + \beta_4 CP + \beta_5 (PV * CP)$	Equation 3c

Note. EXP = expectations; PP = perceived performance; PV = perceived value; SAT = satisfaction; CP = Chinese population (Taiwanese/Macanese and Mainland Chinese); α = intercept term, β = regression coefficient; EXP/PP/PV * CP = interactions between moderator and independent variables.

The results are shown in Table 5. In the first equation, satisfaction was regressed on expectations, perceived performance, and perceived value. The R^2 value (.754) indicates that the three independent variables explained approximately 75.4% of the variance in satisfaction. All three independent variables significantly predict satisfaction as according to the directions specified in the hypotheses (expectations = -2.677, $p < .01$; perceived performance = 7.022, $p < .01$; perceived value = 4.701, $p < .01$). Therefore, hypotheses 1, 2, and 3 were supported. Additionally, the β values indicate that satisfaction was mainly influenced by perceived performance ($\beta = .608$), followed by perceived value ($\beta = .411$) and expectations ($\beta = -.167$) accordingly.

In the second equation, Chinese population was added to predict satisfaction. There was no significant improvement on the R^2 value ($\Delta F = .001$; $p > .05$). Moreover, Chinese population was not a significant predictor of satisfaction ($t = -.714$, $p > .05$). However, when Chinese population was treated as a moderating variable (see equations 3a, 3b, and 3c), the R^2 values improved (ΔF of Equation 3a = .008; $p < .05$; ΔF of Equation 3b = .009; $p < .05$; ΔF of Equation 3c = .011; $p < .05$). The effects of the interaction terms on satisfaction were all significant (β of expectations x Chinese populations = .520, $p < .05$; perceived performance x Chinese populations = .526, $p < .05$; perceived value x Chinese populations = .545, $p < .05$). Thus, Chinese population was a pure moderator (Sharma, et al., 1981). Hypotheses 4, 5, and 6 were all confirmed.

Table 5: Results of the Regression Models

Model	Variable	β	t value	p value	R^2
Equation 1	EXP	-.167	-2.677	.008	.754
	PP	.608	7.022	.000	
	PV	.411	4.701	.000	
Equation 2	EXP	-.169	-2.698	.008	.755 ^a
	PP	.609	7.024	.000	
	PV	.420	4.746	.000	
	CP	-.030	-.714	.477	
Equation 3a	EXP	-.440	-3.219	.002	.763 ^b
	PP	.599	6.993	.000	

	PV	.427	4.885	.000	
	CP	-.417	-2.332	.021	
	EXP * CP	.520	2.224	.028	
Equation 3b	EXP	-.178	-2.892	.004	.764 ^c
	PP	.318	2.112	.036	
	PV	.428	4.910	.000	
	CP	-.392	-2.463	.015	
	PP * CP	.526	2.356	.020	
Equation 3c	EXP	-.175	-2.849	.005	.765 ^d
	PP	.610	7.163	.000	
	PV	.107	.717	.475	
	CP	-.383	-2.664	.009	
	PV * CP	.545	2.564	.011	

Note. EXP = expectations; PP = perceived performance; PV = perceived value; SAT = satisfaction; CP = Chinese populations (Taiwanese/Macanese and Mainland Chinese).

- a. $\Delta R^2 = .001$, $\Delta F(1,147) = .509$, $p = .477$
- b. $\Delta R^2 = .008$, $\Delta F(1,146) = 4.946$, $p = .028$
- c. $\Delta R^2 = .009$, $\Delta F(1,146) = 5.549$, $p = .020$
- d. $\Delta R^2 = .011$, $\Delta F(1,146) = 6.573$, $p = .011$

Conclusion

The present study aims to examine how tourist satisfaction with hotel in Hong Kong is determined. Our findings indicated that perceived performance, which was the most important factor, positively predict satisfaction. The second major determinant was perceived value, which also exerted positive impact on satisfaction. Expectation was the least important determinant in relative to perceived performance and value, though its negative impact on satisfaction was also statistically significant. In this regard, hoteliers should strive to perform well in various aspects of their service in order to gain positive evaluations from the customers. Definitely, providing value-for-money experiences for the customers is also important.

A major contribution of this study is to introduce Chinese population as a moderator of the relationships between tourist satisfaction and its determinants. This is important to understand whether formation of satisfaction varies with people coming from different regions of a nation/country. Our findings revealed that the effects of the determinants on tourist satisfaction were stronger among Mainland Chinese than the Taiwanese/Macanese group. This reflects that Taiwanese/Macanese tourists were more demanding and more difficult to be pleased than the Mainland Chinese counterparts. Given this finding, hoteliers are recommended to be vigilant to the places of origin of their Chinese customers upon the provision of services. In order to maximize tourist satisfaction, hoteliers should customize their service as according to the Chinese population rather than provide standardized service for all Chinese customers.

While the current research makes important contributions to understand how tourist satisfaction with hotels was affected by a mix of determinants and how Chinese population works as a moderator, this study is not without limitations. First, this study was only conducted in Hong Kong. Generalization of the results needs to be cautious. Similar studies can be replicated in other destinations, especially those non-Chinese dominant destinations. Future studies may also assess whether the

moderating effects can be found in other nations. Second, the sample size in this study was small which limits the representativeness of the results. Thirdly, expectation was measured at the post-experience stage and thus may be contaminated by the experience (Yüksel & Yüksel, 2001). Future studies are recommended to ask respondents about their expectations prior to their experience. Finally, the conceptual model in this study has not incorporated any impact caused by individual differences like the demographic profile of the respondents. It would be interested to develop a more sophisticated model by including variables concerning individual differences in the future.

References

- Anderson, E. W., Fornell, C., & Lehmann, D. R. (1994). Customer satisfaction, market share, and profitability: Findings from Sweden. *Journal of Marketing*, 58(3), 53-66.
- Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, 51(6), 1173-1182.
- Barsky, J. D. (1992). Customer satisfaction in the hotel industry. *Journal of Hospitality & Tourism Research*, 16(1), 51-73.
- Bosque, I. A. R., Martín, H. S., & Collado, J. (2006). The role of expectations in the consumer satisfaction formation process: Empirical evidence in the travel agency sector. *Tourism Management*, 27(3), 410-419.
- Bowen, J. T., & Chen, S.-L. (2001). The relationship between customer loyalty and customer satisfaction. *International Journal of Contemporary Hospitality Management*, 13(5), 213-217.
- Chan, L. K., Hui, Y. V., Lo, H. P., Tse, S. K., Tso, G. K. F., & Wu, M. L. (2003). Consumer satisfaction index: New practice and findings. *European Journal of Marketing*, 37(5), 872-909.
- Chen, C.-F., & Chen, F.-S. (2010). Experience quality, perceived value, satisfaction and behavioral intentions for heritage tourists. *Tourism Management*, 31(1), 29-35.
- Chon, K.-S. (1989). Understanding recreational traveler's motivation, attitude and satisfaction. *Tourism Review*, 44(1), 3-7.
- Churchill, G. A., & Surprenant, C. (1982). An investigation into the determinants of customer satisfaction. *Journal of Marketing Research*, 19(4), 491-504.
- Fornell, C., Johnson, M. D., Anderson, E. W., Jaesung, C., & Bryant, B. E. (1996). The American customer satisfaction index: Nature, purpose, and findings. *Journal of Marketing*, 60(4), 7-18.
- Halstead, D., Hartman, D., & Schmidt, S. L. (1994). Multisource effects on the satisfaction formation process. *Journal of the Academy of Marketing Science*, 22(2), 114-129.
- Han, H., Kim, W., & Hyun, S. S. (2011). Switching intention model development: Role of service performances, customer satisfaction, and switching barriers in the hotel industry. *International Journal of Hospitality Management*, 30(3), 619-629.
- Hill, D. J. (1986). Satisfaction and consumer services. *Advances in Consumer Research*, 13(1), 311-315.

- Holdaway, J. (2007). China: Outside the People's Republic of China. In M. C. Waters, R. Ueda & H. B. Marrow (Eds.), *The New Americans: A guide to immigration since 1965*. Cambridge, Massachusetts: Harvard University Press.
- Hong Kong Tourism Board. (2012). *Monthly report - Visitor arrivals statistics: Dec 2011*. Hong Kong: Hong Kong Tourism Board.
- Hui, T. K., Wan, D., & Ho, A. (2007). Tourists' satisfaction, recommendation and revisiting Singapore. *Tourism Management*, 28(4), 965-975.
- Johnson, M. D., & Fornell, C. (1991). A framework for comparing customer satisfaction across individuals and product categories. *Journal of Economic Psychology*, 12(2), 267-286.
- Kandampully, J., & Suhartanto, D. (2000). Customer loyalty in the hotel industry: the role of customer satisfaction and image. *International Journal of Contemporary Hospitality Management*, 12(6), 346-351.
- Kozak, M. (2001). Comparative assessment of tourist satisfaction with destinations across two nationalities. *Tourism Management*, 22(4), 391-401.
- Lee, S., Jeon, S., & Kim, D. (2011). The impact of tour quality and tourist satisfaction on tourist loyalty: The case of Chinese tourists in Korea. *Tourism Management*, 32(5), 1115-1124.
- Li, H., Ye, Q., & Law, R. (2012). Determinants of customer satisfaction in the hotel industry: An application of online review analysis. *Asia Pacific Journal of Tourism Research*, 1-19.
- Llosa, S., Chandon, J.-L., & Orsingher, C. (1998). An empirical study of SERVQUAL's dimensionality. *Service Industries Journal*, 18(2), 16-44.
- Master, H., & Prideaux, B. (2000). Culture and vacation satisfaction: A study of Taiwanese tourists in South East Queensland. *Tourism Management*, 21(5), 445-449.
- Nunnally, J. C. (1978). *Psychometric theory* (2nd ed.). New York: McGraw-Hill.
- Oliver, R. L. (1980). A cognitive model of the antecedents and consequences of satisfaction decisions. *Journal of Marketing Research*, 17(4), 460-469.
- Pizam, A., & Ellis, T. (1999). Customer satisfaction and its measurement in hospitality enterprises. *International Journal of Contemporary Hospitality Management*, 11(7), 326-339.
- Pizam, A., & Milman, A. (1993). Predicting satisfaction among first time visitors to a destination by using the expectancy disconfirmation theory. *International Journal of Hospitality Management*, 12(2), 197-209.
- Rayport, J. F., Jaworski, B. J., & Kyung, E. J. (2005). Best face forward: Improving companies' service interfaces with customers. *Journal of Interactive Marketing*, 19(4), 67-80.
- Ryu, K., & Han, H. (2010). Influence of the quality of food, service, and physical environment on customer satisfaction and behavioral intention in quick-casual restaurants: Moderating role of perceived price. *Journal of Hospitality & Tourism Research*, 34(3), 310-329.
- Sharma, S., Durand, R. M., & Gur-Arie, O. (1981). Identification and analysis of moderator variables. *Journal of Marketing Research*, 18(3), 291-300.
- Song, H., Li, G., Van der Veen, R., & Chen, J. L. (2011). Assessing Mainland Chinese tourists' satisfaction with Hong Kong using tourist satisfaction index. *International Journal of Tourism Research*, 13(1), 82-96.
- Song, H., Van der Veen, R., Li, G., & Chen, J. L. (2012). The Hong Kong tourist satisfaction index. *Annals of Tourism Research*, 39(1), 459-479.

- Swan, J. E., & Combs, L. J. (1976). Product performance and consumer satisfaction: A new concept. *Journal of Marketing*, 40(2), 25-33.
- Swan, J. E., & Trawick, I. F. (1981). Disconfirmation of expectations and satisfaction with a retail service. *Journal of Retailing*, 57(3), 49-67.
- Tse, D. K., & Wilton, P. C. (1988). Models of consumer satisfaction formation: An extension. *Journal of Marketing Research*, 25(2), 204-204.
- Wong, J., & Law, R. (2003). Difference in shopping satisfaction levels: A study of tourists in Hong Kong. *Tourism Management*, 24(4), 401-410.
- Wong, S., & Lau, E. (2001). Understanding the behavior of Hong Kong Chinese tourists on group tour packages. *Journal of Travel Research*, 40(1), 57-67.
- Xu, Y., & McGehee, N. G. (2012). Shopping behavior of Chinese tourists visiting the United States: Letting the shoppers do the talking. *Tourism Management*, 33(2), 427-430.
- Yüksel, A., & Yüksel, F. (2001). The expectancy-disconfirmation paradigm: A critique. *Journal of Hospitality & Tourism Research*, 25(2), 107-131.

Appendix: Measurement Items

Constructs	Scale
Expectation	
1. Before my experience with the hotel, I expected their overall service performance would be...	Extremely Poor (0) – Extremely Good (10)
2. Before my experience with the hotel, I expected their ability to perform the promised service reliably and accurately would be...	
3. Before my experience with the hotel, I expected their ability to meet my personal needs would be...	
Perceived performance	
4. During my experience with the hotel, I perceived their overall service performance as...	
5. During my experience with the hotel, I perceived their ability to perform the promised service reliably and accurately as...	
6. During my experience with the hotel, I perceived their ability to meet my personal needs as...	
Perceived Value	
7. Given the service quality of the hotel, I rate the value for money as...	Completely Disagree (0) – Completely Agree (10)
8. Given the price I paid, I rate the service quality of the hotel as...	
Satisfaction	
9. I am overall satisfied with the services of the hotel...	
10. To what extent did the service performance of the hotel meet your expectations?	
11. Imagine a hotel which is perfect in all aspects of service performance and rate it as 10. Please rate the service performance of the hotel you recently visited in Hong Kong	Far Below my Expectations (0) – Far Exceed my Expectations (10)