Conference Paper

Optimizing Service Dominant Logic in Enhancing the Tourist Revisit Intention

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Abstract.
The pandemic era has changed the way people live their lives. The influence of digitalization exposure to people's activities affects their willingness in spending their free time. The desire to travel makes people choose tourist destinations that can meet the service criteria they set. This study aims to take advantage of service dominant logic on the tourist revisit intention because tourist destination providers have focused on drawing strategies to increase the number of tourists so that the company stays afloat or even excel. Arguments based on the literatures were presented. The result shows that the current strategies used by tourism destination providers might not be effective and relevant anymore as the tourists in industry 4.0 are not affected by digital marketing through websites and social media. Instead, the tourist revisit intention is highly influenced by the service given that are driven by the service quality and Servicescape. This study implies that the future marketing strategies should be focused on services delivered at tourist destinations.

Keywords: service dominant logic, revisit intention, service quality, servicescape

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1. Background

In the last few decades, academics have found a significant shift in the concept of value creation and the way consumers perceive a product. The significant difference lies in the change in focus in deciding to consume, namely from things that are physical (such as quality, product appearance, packaging) to focus on things that are intangible or intangible. Along with the opinion of experts who state that the world is starting to shift from an information society to a dream society, the customer experience needs relevant attention in maintaining business [1–3]. The focus of consumers today is more specifically on the services or services provided. Traditional marketing approaches focus on functional and quality product attributes are not enough [4,5]. The services received by consumers make an impression in the form of experiences. Customer

experience, both positive and negative experiences, can affect a person's perception of repurchasing related products [6].

Some of the efforts made by business managers in the tourism industry to maintain their existence and sustainability are by paying attention to the opinions, suggestions, needs, and desires of tourists. Improvements in service quality and improvements in the physical appearance of tourist destinations and all the attractions held are carried out on an ongoing basis so that tourists keep coming, and ultimately customer loyalty is formed [7–9]. In addition to service quality, another form of service provided is environmental services (Servicescape) in tourist destinations, which are the main attraction. Several Servicescape dimensions such as beautiful landscapes, parking lots, and directions provide a unique experience for every tourist. One of the tourist destinations in Indonesia that is in great demand by domestic/local and foreign tourists is the island of Bali. The tourists who have visited Bali stated that they want to visit again partly because of the atmosphere of enjoying the natural beauty and the flora and fauna environment as well as enjoying the uniqueness of traditional culture including the hospitality and tolerance lived by the Balinese people [10].

Based on the phenomenon that the physical thing, namely quality, is no longer the focus in marketing but the service that consumers are looking for and the desire of a generation that is the fact that the space for human movement is limited due to the pandemic situation, while people still want to travel but also want to stay safe from viruses and stay healthy, the research aims to discuss how the concept of Service Dominant Logic can be optimized in increasing the desire of tourists to revisit their favorite destinations. The results of the study are expected to provide theoretical implementation for the development of the Service Dominant Logic concept and practical benefits for the application of marketing strategies in the tourism industry.

2. Literature Review

2.1. Service dominant logic

The concept of service-priority logic or known as Service Dominant Logic or abbreviated as SDL was introduced by Vargo and Lusch in 2004 [11]. The concept of SDL develops thinking about the increasing attention to the role of services in various business fields and is also used to describe the shift that occurs in focus activities from a traditional manufacturing service economy to a service orientation [12,13]. The SDL concept represents a conceptual shift of business implementation into a service-based

theoretical framework of value creation which is described in the following 5 (five) axioms:

1. The notion of service is an exchange for obtaining services,

2. The customer will always be at the center of value creation,

3. All social and economic actors act as people who utilize resources in an integrated manner,

4. The value generated from the service is always unique which is phenomenologically determined by the beneficiary,

5. Value creation is coordinated through the people involved in value creation and is made according to company rules.

According to Vargo and Lusch [14] these five axioms imply interactivity, integration, customization, and co-production with customers and are the hallmarks of a service-centered view, along with a customer-focused [15–17].

3. Methods

The research method used in this study is a qualitative method by analyzing several research results conducted by researchers related to the concept of Service Dominant Logic (SDL). In terms of services, service quality and service environment are used as representations of the form of services that represent the SDL concept. The analysis is associated with the five axioms of the SDL concept.

4. Results and Discussion

4.1. Quality of service on the intention to revisit

From the research results of several researchers, it was found that satisfaction and attitudes resulting from satisfactory service (service quality) became the main antecedent of customer repurchase intentions. In this context, satisfaction is the overall level of pleasure and satisfaction of the customer resulting from the experience with the service. Attitude is a positive, neutral or negative learning disposition of customers which is often the result of past evaluative experiences, with respect to good services, companies, or brands that consumers consider in consuming a product. But on the other hand, there

has not been an exact relationship between satisfaction and customer preferences for repurchasing related to the quality of services provided [18,19].

Several studies that show the influence of service quality on revisit intentions include those conducted by Lai & Hitchcock [12] and Narayan et al. [20]. In these studies, the quality of service received by customers is the basis for customers to decide to return to consume the product or service they get. But on the other hand, having knowledge about the quality of a product is not enough to understand service quality. There are three characteristics of services namely intangibility, heterogeneity, and inseparability that must be recognized for a full understanding of service quality [21]. The quality of service received by consumers (perceived quality) is the result of consumer assessments of the superiority of part or all of the product entity. In order to deliver and maintain service quality, an organization must first identify and understand consumer perceptions and perspectives with reference to service quality. Based on the initial concept proposed, Parasuraman et al. in 1985 [21] as quoted by Wang [13] developed the concept of service quality consisting of five dimensions, namely reliability, responsiveness, assurance, empathy, and tangibility [13,21]. The five dimensions of service quality form customer perceptions which are based on the concept of Service Dominant Logic (SDL) where service is the determinant of the formation of customer perceptions. The services that the tourists have got would be a matter of thing that will be used when they consider going back to the same destination. While as a matter of fact, some studies mentioned that when travelling people do not focus on the quality of all services given in the tourist destination. Mostly they focus on the services that are quite related to their main needs when travelling, cleanliness and connectivity. All these perceptions formed then become the basis for customers to decide whether to return to the tourist destination or not (axioms 1,3 and 5 of SDL).

Proposition 1: Service quality has a significant positive effect on revisit intentions.

4.2. Service environment on the intention to revisit

The researchers found a close and significant relationship between the service environment (Servicescape) and the intention to buy or revisit (revisit intention) to a tourist destination, restaurant, hotel, or some interesting place to see and be a place to take pictures. Capturing moments by taking pictures or making videos have become popular and needed by most people who visits places, either for leisure or for serious activities such as working or conferences.

In providing good service quality, there are two types of services, namely tangible services and intangible services. The type of tangible service refers to the 'physical' part of the service (in this case something in this context is referred to as the 'Servicescape') is the service environment and its surroundings. The type of tangible service can be identified in some of the services provided; Among other things, perceptions of service quality include aspects such as how clean the floor at the entrance and lobby or courtyard of a tourist destination is, as well as how a service is presented neatly and delivered in a friendly, good and polite manner by the staff in charge of providing services. The place where the customer experience takes place is often referred to as Servicescape. Service environment (Servicescape) is a man-made physical environment that is different from the social environment, which affects consumers and employees in the Organization. Environmental services have several environmental dimensions consisting of: (1) ambient conditions, such as temperature, air quality, noise, music, odors; (2) space, such as layout, equipment, fittings and (3) signs, symbols and artifacts.

When people are in the tourism destination what they need must be good things that would make them feel relaxed and happy. In the case of ambient conditions, the tourism providers should strive to make the temperature inappropriate for having fun. Some places provide big fans that could help the tourist feel comfortable even though the temperature on that day is quite hot and sticky. The music that is played on the site should make the tourist feel happy so that they want to stay longer and experience more good things there. The noise found in the tourism destination is also important to manage, so that the tourist will not feel annoyed or disturbed that makes them get bored or even angry. As well as the noise, the odors in the tourism destination should be managed as normally as possible, or if it is possible there should be some plantations that would make the odor of the place be better.

The equipment and facilities in the tourism destinations are obviously needed by tourists since they are out of home and they have to manage their activities without the presence of their own belongings. The equipment in the public service should be able to fulfill the standard requirements for common people as well as for people with certain needs.

In line with the equipment, the signs, symbols, and artefacts should fulfill the standards requirements of tourists. The signs will be an important and crucial case if the location is such a big and has lots of places to see. Artistic signs will help tourists feel well informed as well as impressive.

In business in the digital era, Servicescape is increasingly relevant and has become the main attraction for the younger generation born after 1990. This group of young

people really like a place that is comfortable, unique, and can satisfy their passion for sharing moments on social media with send photos or videos of places they visit. In addition, these young people have a tendency to get bored quickly and easily switch to other products if there is nothing unique or different about the product. For many young generations the physical appearance of a tourist destination can be a special attraction as they provide what they need when taking pictures. As most people realize, one among many things what tourists like besides enjoying the attractions, the beauty and atmosphere of tourism sites is capturing moments. This can be done by taking pictures together or taking selfies. Taking pictures activities are made easy and cheap because of the technological advances that are found the gadgets. The cameras that are usually used for these activities are not only in the form of professional cameras but also in the form of user-friendly-digital cameras and the devices (such as smart phones and tablets) equipped with cameras. The ease of using digital cameras makes everyone who likes capturing their impressive moments always try to look for interesting and unique spots as backgrounds. This condition is an opportunity for tourism providers to design facilities in the Servicescape concept. This is actually relevant to what Shavitt and Barnes, findings that says customer experience, both positive and negative experiences, can influence a person's perception of repurchasing related products [6].

The service environment, which is one form of service in the modern era, is part of the Service Dominant Logic (SDL) concept. In this case, the customer is positioned as the center of value creation (Axiom 2 SDL) and the resulting value is phenomenological according to customer perception (Axiom 4 SDL).

Proposition 2: The service environment (Servicescape) has a significant positive effect on revisit intentions.

5. Conclusion

The application of the concept of Service Dominant Logic (SDL) in the tourism industry is increasingly needed. The application of a marketing strategy that relies on excellent service quality supports the application of the SDL concept for three of the five axioms, namely in terms of service identification, the involvement of socio-economic elements in resource utilization, and the creation of value desired by customers can occur. The quality of service that is in line with the SDL concept makes customers want to experience the same experience again by returning to the tourist destination. On the other hand, changes in customer behavior due to generational differences and the development of science and technology have given rise to environmental services as one of the

customer's needs. Good environmental services will be a form of implementation of the SDL concept, namely that the customer becomes the center of the service in terms of value creation and phenomenological properties that attract customers because of their uniqueness so that they decide to return to the tourist destination.

6. Authors' Contributions

Maria Francisca Lies Ambarwati: concept (major), analysis, editing, proofreading

Idris Gautama So: editing, proofreading

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