Abstract: Delighted customers are those whose expectations have been exceeded by the service provider. Competitors in the hotel business need to go beyond what is expected in order to satisfy the guest with an unpredictable positive experience. This study was aimed to clarify the significance of customer delight as an antecedent to customer loyalty, in five-star hotel spas in Portugal. To better understand spa consumers’ perception of delight, the development and testing of an integrated model was undertaken by examining the relationship between perceived service quality, customer satisfaction, loyalty and customer delight. The model was tested using surveyed data from 427 spa consumers and validated using partial least squares (PLS) technique. The results indicated that satisfaction had a direct positive effect on customer delight and, consequently, influences the effect of customer delight on customer loyalty.

Keywords: Customer delight, Perceived service quality, Customer satisfaction, Loyalty, Spa tourism.

1 Introduction

The value of merely satisfying customers has been questioned (Finn, 2006). In this regard, it is essential to understand perceived service quality characteristics that can delight and build loyal relationships with customers of hotel spas. Customer delight is an emotional response, such as joy and surprise, for an exceedingly positive experience.

In the past two decades, the pursuit of customer satisfaction has been the focus of business management. However, in an age of increasing competition, merely satisfying customers is not enough; rather, delighting customers has become essential for long-term success.

Spa tourism has become extremely crucial in Portugal, and has undoubtedly become an integral part of the overall tourist experience for a tourist destination. Consequently, to create a feeling of complete satisfaction, we need to understand customers’ demands and expectations, and their subsequent evaluation.

This paper aims to clarify the significance of customer delight as an antecedent to customer loyalty, and therefore it becomes necessary to evaluate what customers perceive as delightful, and which characteristics related with service quality influence that emotion.

This research can prove to be significant across industries and add value to the spa tourism in Portugal. Therefore, the development and testing of an integrated model is validated with data collected from spa users of five-star hotels in Portugal, from October 2011 to January 2012, using the partial least squares (PLS) structural equation modeling approach to reach our findings.

The objective of this paper is to first review literature on customer delight, satisfaction, service quality and loyalty. Second, propose the model and methodology used as a tool to better understand spa consumers’ perception of service quality, delight and satisfaction, consequently, determine the effects of these constructs on customer loyalty. Third, in the final section of the paper, we discuss the conclusions of our findings, managerial implications and limitations of the study.
2 Literature review

2.1 Customer delight and service quality

The customer delight construct is based on a research conducted by Plutchik (1980), which found that interactions between eight basic emotions created a number of emotions. The eight basic emotions contained in Plutchik’s (1980) psychoevolutionary theory of emotion were joy, acceptance, fear, surprise, sadness, disgust, anger and anticipation. Basically, Plutchik’s research noted consistent responses from a majority of respondents that various combinations of primary emotions interacted to form complex emotions. Specifically, the research identified delight as a consequence of the interaction of joy and surprise.

Customer delight is an emotional experience believed to occur at a point beyond customer satisfaction. It is a level of enchantment, pleasure or fulfillment reached by the consumer of a service. The service experience provided is perceived as being above and beyond what could be expected (Scheuing, 1990).

Delight was originally conceptualised as a profoundly positive emotional state generally resulting from having one’s expectations exceeded to a surprising degree (Oliver, Rust, and Varki 1997).

Customer delight has become an important area of study with the realisation that satisfaction alone does not necessarily ensure key customer behaviours such as loyalty (Jones & Sasser 1995; Verma 2003).

With the idea of customer satisfaction in mind, Zeithaml and Bitner (2003) defined perceived service quality as a global judgement or attitude relating to the superiority of a service. Service quality has been suggested as a key concept for organisations, since research has shown that it is directly related to customer retention rates and higher profits for organisations (Baker & Crompton, 2000; Zeithaml & Bitner, 2003).

Consequently, in our study, the measurement of the perceived service quality was done with an adaptation of the SERVQUAL scale, being necessary to adapt items, as well as change their phrasing, in order to adjust the scale to the specific characteristics of the spa service and, as a result, creating SPAQUAL (Elias-Almeida, 2010).

The foundation for the SERVQUAL scale is the gap model proposed by Parasuraman, Zeithaml and Berry (1985, 1988). The SERVQUAL model is an extensively used measure with a 22-item scale of service quality. It is the most commonly used diagnostic model for evaluating service quality and the development of service quality strategies. The SERVQUAL model is an empirical model to compare service quality performance with customer service quality needs. SERVQUAL is a measure for managers to determine actions needed in their services. It is used to do a gap analysis of an organisation’s service quality performance against the service quality needs of its customers.

2.2 Customer satisfaction and delight as antecedents to loyalty

Research findings have indicated that customer delight may contribute to enhanced customer satisfaction, word-of-mouth communication and repurchase intentions (Oliver, Rust & Varki, 1997; Kumar, Olshavsky, & King, 2001). Customer satisfaction involves providing the service according to customer expectations. Customer delight, on the other hand, implies exceeding the expectations going beyond satisfaction. It requires fundamentals of surprise and unanticipated pleasure, making the customer feel unique (Torres & Kline, 2006).

Skogland and Siguaw (2004) state that loyalty can be defined as a deeply held commitment to re-buy or patronise a preferred product or service consistently in the future, thereby causing repetitive same-brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour.

According to Barnes, Ponder and Dugar (2011), as there are benefits for the service firm providing customer delight, it is important to gather a greater understanding of the drivers of customer delight from the customer’s perspective. Delight has been shown to have powerful effects on both psychological and behavioural customer variables (Barnes, Beauchamp and Webster 2010). For example, firms that delight their customers are able to create emotional bonds, stronger memories, higher levels of loyalty, commitment, willingness to pay and word of mouth (e.g. Arnold et al. 2005; Barnes, Beauchamp & Webster 2010).

For Magnini, Crotts and Zehrer (2011), customer delight is a valid and measurable construct that has a strong association with guest loyalty as measured by willingness to recommend and repeat purchase. From their results, we concluded that surprise is an essential component of the delight construct.

Indeed, delight and satisfaction share common characteristics. According to the expectancy-disconfirmation model (Oliver, 1980), customers are expected to compare pre-purchase expectation with the actual experience of product or service. If perceived performance fails expectation, dissatisfaction or outrage will occur. If perceived
service quality exceeds expectations, then positive responses such as satisfaction or delight will arise (Torres, Fu and Lehto, 2014).

Hotel spa loyalty is of the utmost importance given the competitive nature of the hospitality sector. The increasing expansion of hotels into other hospitality and related areas amplifies the continuing importance of guest loyalty and the need to ensure that guests repeated reservations at a perceived favourite hotel (Jani and Han, 2014).

3 Method

3.1 Model and hypotheses

The proposed model (Figure 1) examines the relationship between perceived service quality, customer satisfaction, customer delight and loyalty. Our model suggests that all have directional relationships between each other and function as antecedents to loyalty outcomes. Based on empirical studies, focused on service quality, customer satisfaction, customer delight and loyalty (e.g. Füller & Matzler, 2007; Torres & Kline, 2006), this paper examines the relationship between these variables with the perception of five-star hotel spa consumers in Portugal.

The tourism and the marketing literature independently develop the conceptualisation of the relationship between the constructs of quality and satisfaction (Loureiro & Kastenholz, 2011). In tourism, several researchers suggest that perceived quality is an antecedent of satisfaction (e.g. Appiah-Adu et al., 2000; González et al., 2007). This logic leads to the following hypothesis:

H1: Perceived service quality has a direct positive effect on customer satisfaction.

A relationship between perceived service quality and customer delight was supported by the empirical results of González (2006), which showed the influence of service quality in thermal spring establishments in Spain. The study of González et al. (2007) reported that service quality had a direct positive effect on customer satisfaction and loyalty and, consequently, the following hypotheses are proposed:

H2: Perceived service quality has a direct positive effect on customer delight.

H3: Perceived service quality has a direct positive effect on customer loyalty.

In related empirical studies of Rust and Oliver (2000) and Torres and Kline (2006), customer delight is part of customer expectations, assuming in this sense that satisfaction is an antecedent of delight. Therefore, the following hypothesis is proposed:

H4: Customer satisfaction has a direct positive effect on customer delight.

Customer delight has been demonstrated to be robustly correlated with outcomes such as positive word of mouth (Torres & Kline, 2006) and repurchase intent (Finn, 2005). According to Loureiro and Kastenholz (2011), the results of their study emphasise the importance of satisfaction and delight in determining customers’ loyalty. The study provides evidence that customer delight is a valid and measurable construct that has a strong association with guest loyalty. Therefore, the following hypothesis is proposed:

H5: Customer delight has a direct positive effect on customer loyalty.
3.2 Data collection and sample

A self-administered questionnaire survey was conducted to collect empirical data from guests of 18 five-star hotels with spa in Portugal. The questions in the questionnaire are designed based on a review of the literature and specific characteristics of spa tourism.

Due to limited time and manpower, a convenience sampling method was adopted. Visitors and hotel guests who used the hotel spa service were asked their willingness to take part in the questionnaire survey. After confirming their participation in the study, the participants were then asked to complete the questionnaire. A total of 427 usable responses were obtained, after removing incomplete samples, from October 2010 to January 2011.

Some indicators were added or modified to better understand and obtain a measurement of the concepts appropriate to the study’s objectives. Based on theoretical findings, five hypotheses were formulated, all variables items were assessed with a seven-point Likert-scale, ranging from 1 = extremely disagree to 7 = extremely agree. Also, to ensure the quality of the questionnaires, the original version of the questionnaire, in Portuguese, was adapted to English, German and French using the inverse translation method.

The measurement and analysis procedure proposed to measure perceived quality was an adaptation of the SERVQUAL scale. For data analysis, an exploratory factor analysis was employed (principal components analysis and Varimax rotation method) using SPSS, to identify the underlying dimensions of the 22 items of the service quality scale, which generated four formative factors (Table 1), identified as: commitment (customised attention and prompt service), competence (employees knowledge and courtesy), tangibility (facilities and employees appearance) and efficiency (promised service), hence creating the nomination of SPAQUAL (Elias-Almeida, 2010), a tool to measure service quality in spas.

Since the scales used are formative (Perceived Quality) and reflective (Customer Delight, Satisfaction and Loyalty), we opted for the partial least squares (PLS) approach as the assessment model. The PLS is a component-based approach, and it aims to examine the significance of the relationships between research constructs and the predictive power of the dependent variable, and it is suitable for predictive applications and theory building (Chin, 1998). Another reason for using PLS is because it considers all path coefficients simultaneously, allowing analysis of direct, indirect and false relationships. Therefore, PLS was considered an appropriate instrument for testing our research model. The model was estimated using SmartPLS.

4 Results

The socio-demographic profile of the respondents’ characterises 55% female visitors, more than 40% of the sample fell in the ages between 31 and 40, about 62% hold a university degree and over and 35% of the sample has a monthly income of more than $5000.

To assess the constructs of the measurement model, we analysed convergent validity, discriminant validity and reliability of all multiple-item scales; the guidelines were followed from previous literature (Fornell & Larcker, 1981; Nunnally & Bernstein, 1994).

Reliability was assessed in terms of composite reliability, which measures the degree to which items are free from random error and therefore yield consistent results. Composite reliabilities in our measurement model ranged from 0.787 to 0.917, above recommended cutoff of 0.70 (Fornell & Larcker, 1981; Nunnally & Bernstein, 1994).

Convergent validity was assessed in terms of factor loadings and average variance extracted (AVE). Convergent validity requires a factor loading greater than 0.70 and an average variance extracted no less than 0.50 (Fornell & Larcker, 1981; Chin, 1998). All items in this study had significant factor loadings higher than 0.70. Average vari-iances extracted ranged from 0.637 to 0.735, suggesting adequate convergent validity. As shown in Table 2, all items had significant factor loadings.

As shown in Table 3, discriminant validity was assessed. The inter-construct correlations off the diagonal matrix were perceived by comparing all the correlations and square root of AVE, as an indication of adequate discriminate validity.

Regarding the structural model, to test the five proposed hypotheses, the assessment involves estimating the path loadings and $R^2$ values. Path loadings indicate the strengths of the relationships between the independent variable and dependent variable. The $R^2$ values measure the predictive power of the structural model. $R^2$ indicates the amount of variance explained by the endogenous variables. The variance explained, or $R^2$, for endogenous variables should be greater than 0.10 (Falk & Miller, 1992). In this study, $R^2$ values ranged from 0.267 to 0.509, suggesting that our model had a relatively good prediction power.

Using a bootstrapping technique, we calculated path loadings and t-statistics for hypothesised relationships. As indicated by path loadings and the associated
### Table 1: Service quality: Results of principal components analysis with varimax rotation

<table>
<thead>
<tr>
<th>Factors</th>
<th>Items</th>
<th>Factor Loadings</th>
<th>Cronbach alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Commitment</td>
<td>Clients are treated cordially and affably</td>
<td>0.809</td>
<td>0.851</td>
</tr>
<tr>
<td></td>
<td>A personalised attention is provided to each client</td>
<td>0.697</td>
<td></td>
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<tr>
<td></td>
<td>Employees are always willing to help</td>
<td>0.682</td>
<td></td>
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<td></td>
<td>The spa provides a prompt service</td>
<td>0.644</td>
<td></td>
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<tr>
<td></td>
<td>The products used in treatments are adequate</td>
<td>0.526</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employees provide special care to each client</td>
<td>0.525</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The spa provided the service as expected</td>
<td>0.503</td>
<td></td>
</tr>
<tr>
<td>2. Competence</td>
<td>Employees were professional and gave you confidence</td>
<td>0.628</td>
<td>0.764</td>
</tr>
<tr>
<td></td>
<td>The spa is safe and secure</td>
<td>0.609</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The spa promptly resolves clients’ complaints</td>
<td>0.603</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Treatment reservation is easily done</td>
<td>0.565</td>
<td></td>
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<tr>
<td></td>
<td>The service provided makes me want to return</td>
<td>0.542</td>
<td></td>
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<tr>
<td></td>
<td>Employees have in-depth occupational knowledge</td>
<td>0.504</td>
<td></td>
</tr>
<tr>
<td>3. Tangibility</td>
<td>Comfortable equipment and furniture</td>
<td>0.777</td>
<td>0.773</td>
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<tr>
<td></td>
<td>Appropriate air conditioning</td>
<td>0.748</td>
<td></td>
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<tr>
<td></td>
<td>Well cared for and appealing physical facilities</td>
<td>0.770</td>
<td></td>
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<tr>
<td></td>
<td>Spa has calm and tranquil atmosphere</td>
<td>0.540</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employees appear neat and tidy</td>
<td>0.398</td>
<td></td>
</tr>
<tr>
<td>4. Efficiency</td>
<td>Spa functioning hours are convenient to all clients</td>
<td>0.780</td>
<td>0.778</td>
</tr>
<tr>
<td></td>
<td>Flexibility in services according to client demands</td>
<td>0.667</td>
<td></td>
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<tr>
<td></td>
<td>Spa performs the service right the first time</td>
<td>0.635</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employees understand specific clients’ needs</td>
<td>0.532</td>
<td></td>
</tr>
</tbody>
</table>

### Table 2: Measurement model results

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean (SD)</th>
<th>Loading</th>
<th>Composite reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delight</td>
<td>D1: The employees are fully empowered to delight customers</td>
<td>0.803</td>
<td>0.875</td>
<td>0.637</td>
</tr>
<tr>
<td></td>
<td>D2: I am much more satisfied with the Spa service than I expected</td>
<td>0.866</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>D3: I am delighted with the sense of well-being in the Spa</td>
<td>0.838</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>D4: I experienced unexpected joy and surprise in this Spa</td>
<td>0.697</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loyalty</td>
<td>L1: I will speak well of the Spas’ service</td>
<td>0.848</td>
<td></td>
<td>0.915</td>
</tr>
<tr>
<td></td>
<td>L2: I will recommend the Spa to others</td>
<td>0.883</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>L3: I will encourage friends and relatives</td>
<td>0.859</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>L4: I intend to return to this Spa</td>
<td>0.879</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>L5: I will continue to return even with a price increase</td>
<td>0.647</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction</td>
<td>S1: Needs were satisfied</td>
<td>0.863</td>
<td>0.917</td>
<td>0.735</td>
</tr>
<tr>
<td></td>
<td>S2: Satisfied with Spa service</td>
<td>0.863</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>S3: Spa offered the service expected</td>
<td>0.850</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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significance, the five hypotheses in this study were positively confirmed.

The influence of perceived service quality on satisfaction ($\beta = 0.459$) were significant at the .001 level, supporting $H_1$. The significant path loading ($\beta = 0.296, p < 0.001$) suggested the significant influence of service quality on customer delight, supporting $H_2$. The path loadings from satisfaction to customer delight were also significant $\beta = 0.507, p < 0.001$, providing support for $H_4$.

Consistent with our theoretical expectation, there were significant path loadings from perceived service quality and customer delight to loyalty ($\beta = 0.233$ and $\beta = 0.336$ respectively; $p<0.001$), suggesting support for $H_3$ and $H_5$.

As shown in Figure 2, our model has a relatively good prediction power. For the service evaluation variables, the model explained 50.9% in customer satisfaction and also explained 50.7% of the variance in the customer delight variable. For the behavioural intention variable, our model explained 48.8% of the variance in loyalty.

### 5 Discussion

The current study tested an integrative model, and used the PLS technique for data analysis to examine the relationships between perceived service quality, customer satisfaction, customer delight and loyalty. The model was empirically tested using surveyed data from 427 spa consumers of five-star hotels in Portugal. An exploratory factor analysis was also employed to identify the underlying dimensions of the 22 items of the service quality scale, and four formative factors were generated (commitment, competence, tangibility and efficiency), providing the items necessary to measure spa service quality (SPAQUAL).

Regarding managerial implications, the findings of the present study can help hotel spa managers define or substantiate marketing strategies to increase customer loyalty and evolve to a higher quality service. SPAQUAL takes into account the perceptions of customers of the relative importance of service attributes. This allows a hotel to prioritise and to use its resources to improve the most critical service attributes.

### Table 3: Inter-construct correlations

<table>
<thead>
<tr>
<th>Construct</th>
<th>Delight</th>
<th>Loyalty</th>
<th>Perceived Service Quality</th>
<th>Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delight</td>
<td>0.798</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loyalty</td>
<td></td>
<td>0.803</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived Service Quality</td>
<td>0.565</td>
<td>0.533</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>Satisfaction</td>
<td>0.681</td>
<td>0.588</td>
<td>0.644</td>
<td>0.857</td>
</tr>
</tbody>
</table>

### Figure 2: Structural equation model
Therefore, first, there are clearly organisational influences that affect customer satisfaction. The hotels’ spa facilities are very important in achieving satisfaction. Without adequate comfortable facilities, the customer can easily be dissatisfied. Also, the spa employees must also have the necessary skills, knowledge and abilities to do their jobs effectively. They must be efficient, committed and capable of undertaking their jobs in a competent manner. Spa management requires providing an environment that assures listening to your customers’ comments and concerns.

Second, customer delight represents a higher level of customer commitment than the quality of being just satisfied. Delighted customers are those whose expectations have been exceeded, and consequently spa managers can encounter several challenges. Service needs to be consistent. Delighting customers cannot be achieved with sporadic attempts to delight. If the customer’s perception is heightened, then future service expectations will be expected at a higher level. Furthermore, delight requires hotel spa managers to have greater knowledge of consumer behaviour and the needs of their guests.

Third and finally, loyalty, in this study, was assumed to be a critical factor for the hotel spa success. As confirm customer delight as an antecedent to loyalty is one of the main objectives of our study, our findings support the direct positive effect of service quality on customer delight, and satisfaction as an indirect effect on loyalty. Our model explained 48.8% of the variation in loyalty for the behavioural intention variable. Therefore, when a spa delivers delight, customers become more involved and committed to the hotel spa. Consequently, the customer will be more likely to recommend the spa to others.

As limitations and future research directions to further determine the potential of our model, additional research is needed to evaluate customer delight, taking into account perceived service quality not only on the demand side but also on the supply side. Future research may intend to measure the gap between management perception of service provided and customer perception of service received. Finally, future studies may quantify the costs involved in delighting customers and point out the positive and negative outcomes that can be produced.

References


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