

# **Tour Leader Performance, Brand Reputation, Brand Customer Relationship and Brand Loyalty in Indonesia**

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## **Abstract**

During the last decade, travel agencies have realized the importance of creating a strong brand to be able to differentiate in a fierce market and make the customer loyal with them. In this case tour leader has the potential to be the brand agent of travel agency and want to find the relationship among tour leader performance, brand reputation, brand customer relationship and brand loyalty. This study used quantitative research method. Data gathered from survey with 398 response of Indonesian who join the outbound group package tour with travel agencies in Surabaya. Using descriptive analysis and linear regression, this study examines four main variables, which consists of tour leader performance, brand reputation, brand customer relationship and brand loyalty of travel agencies. The findings of this research, specifically, contribute to the travel industry in Surabaya

## **1.Introduction**

### **1.1. Background**

Based on Indonesia Tourism and Economic Department website from 2007 to 2011 there are 3.038 new travel agencies registered in Indonesia. From the data we know that travel agencies in Indonesia is growing faster for last few years. Indonesian outbound travel market expanded over the past few years, and competition in travel agencies became more intense, travel agencies tended to focus on low prices rather than quality. As a result, the profit margins of each tour were trimmed. Even they do not take seriously for the quality of tour leader that they use to lead group package tour (GPT) that is one of the products that most of travel agencies sell. The previous study shows that among Asian countries and areas, such as China, Japan, Taiwan, Korea, the popularity is significant and become one of the main modes of outbound travel (Wang, Hsieh, Yeh, & Tsai, 2004).

Their tour leader usually have a bachelor degree education, but they never get formal training for that job. They are typically just employee of this travel agencies and most of

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them even not licensed whereas the quality and experience of tour leader are two of the major components for people choosing a package tour (Wong and Kwong, 2004).

Past studies (Chang, 2006; Heung, 2008) have underlined that one of the factors that are needed to maintain the quality of products and relationships between travel agencies and customers is the role of the tour leaders. Tour leaders are believed to play important roles during the tour because tourists may rely on the tour leaders to ensure what core service is delivered and how this core service is performed (Heung, 2008). Tour leaders play roles in bringing tourist satisfaction and repeat business (Su et al., 2014), so whenever the customers consider taking trips, they will go back to the same travel agencies.

Heung (2008) found that positive relationship exists between tour leader performances in leading group package tours and reputations of travel agencies. First, if the tour leader performances are high, the reputation of the travel agency will be increased. Second, the tour leader professional behavior and skill will affect the reputation of a travel agency significantly. Their job performance will affect not only the customer satisfaction (Chang, 2006; Wang, Hsieh, Chou, & Lin, 2007) but also the travel agencies' reputation (Mossberg, 1995)

Many researchers and economists believe that the reputation of a brand is going to become an important part to be successful and get profit in doing a business. A company should have positive or good reputation to build a brand (Veloutsou & Moutinho, 2009). Consumers may stop using some products because of their functions, but the symbolic meanings representing the products' images in public may still last. Researchers recognize in this day brand acts not only as a brand, but it will maintain relationship between customers and the brand itself

Build a representative business is essential to give a long-term profit for the business itself. There is a direct link between consumer brand relationship and brand loyalty (Fournier & Yao, 1997). In previous studies, the relationship between brand customer relationship and their impact on brand loyalty has been investigated which are identified that have positive effect in many industries and countries. Brand loyalty is built by the customers with strong brand relationship. Therefore, development of brand customer relationship and brand loyalty should be the priority of the purpose of branding (Aaker, 1997).

With increasing the quality of tour leader performance will bring a good reputation of the travel agency and the reputation itself allow travel agency to easy attract and maintain customer relation and in the end customer relation became critical issues for repeat customers. This study aims to evaluate the relationship of tour leader performance, brand reputation, brand customer relationship and brand loyalty in the travel agencies. It is expected that the results may help travel agencies have a better strategic to run their business and better service to customers.

## **1.2. Research Problem**

As the Indonesian outbound travel market expanded over the past few years, and competition in travel agencies became more intense, travel agencies tended to focus on low prices rather than quality. As a result, the profit margins of each tour were trimmed. Even they do not take seriously for the quality of tour leader that they use to lead group package tour. Their tour leader usually have a bachelor degree education, but they never get formal training for that job. They are typically just employee of this travel agencies and most of them even not licensed whereas the quality and experience of tour leader are two of the major components for people choosing a package tour (Wong and Kwong, 2004).

Most of them do not realize that from the tour leader the can be the brand agent of travel agency. According previous research (Chang, 2006; Heung, 2008) have underlined that one of the factors that are needed to maintain the quality of products and relationships between travel agencies and customers is the role of the tour leader. Their job performance will effects not only to customer satisfaction (Chang, 2006; Wang, Hsieh, Chou, & Lin, 2007) but also to represent travel agencies' reputation (Mossberg, 1995). The company reputation and image are crucial competitive advantages for the travel industry (Duke and Persia, 1993; Mossberg, 1995). Better company reputation make higher chances the customer want to hear and get for their new products. A good reputation also allow a company to easily attract and maintain customer relation (M. Zhang & Ngwese, 2007). Being success in building a relationship with the customer, a company will also succeed and stay competitive on the market (Muth, Ismail, & Langfeldt Boye, 2012) because there have direct link between consumer brand relationship and brand loyalty (Fournier & Yao, 1997) in order to gain loyalty from their customers which is essential in travel and tourism industries.

## **1.3 Research Objective**

Based upon the research background and problem above, the research objectives and contributions of this research study are as follows:

1. To investigate and analyze the impact of tour leader performance to brand reputation in travel agencies.
2. To investigate and analyze the impact of brand reputation to brand customer relationship in travel agencies.
3. To investigate and analyze the impact of brand customer relationship to brand loyalty in travel agencies.

## **2. Literature Review**

### **2.1. Tour Leader Performance**

Tour leader is a person who manage people in a tour group for more than a day and has an intense contact with the tour participant, that person can be an employee of the tour agency, a professional freelance tour leader hired by the tour agency, or a representative of the organization that sponsoring the trips (Bowie & Chang, 2005). Tour guide / escort often contract for a multiday tour and usually is responsible for all aspect of the tour for its entire duration (from hometown departure to hometown return) (Poynter, 1993).

Performance refers to how well a person does a piece of work or activity (Walter, 2008) or any activity or gathering of reactions which leads to an outcome or has an impact on the surroundings the actions of a living being whenever confronted with a particular job with regard to language, reference: competence (Matsumoto, 2009). Tour leader performance within the service encounter not only affects the company image, customer loyalty and word of mouth communication but also be seen as a competitive factor (Bowie & Chang, 2005).

Tour leader should possess good product knowledge, good communication skill, the right attitude, willing to help, respect and empathy (Ap & Wong, 2001). Tour leader jobs are to organize and monitor the itinerary, liaise with service suppliers, disseminate, information, provide commentaries and also serve the roles of motivators and entertainers with the responsibility to elicit tourists with positive feelings and create warm atmospheres during the tours (Heung, 2008).

### **2.2. Brand Reputation**

Reputation is the amount of perception from people of the important characteristics of companies or brands (Fombrun & Rindova, 2000). Brand reputation is refer to the customer opinion that the brand is good and reliable (Lau & Lee, 1999). Both academics and practitioners said that brand reputation is a perception of quality associated with the name of the company (Selnes, 1993). The development of brand reputation can through advertising and public relations but it is also can be influenced by product quality and performance (Lau & Lee, 1999). Brand reputation means more than keeping consumers satisfaction but it is the consumer reference to evaluate the quality of the brand (Veloutsou & Moutinho, 2009). Brand reputation is a source of demand and build a long lasting appeal for the customer, increase the quality image and added value to set the premium price (M. Zhang & Ngwese, 2007)

A brand with a reputation as a provider of high-quality products have implicit contracts with customers regarding the performance of the product, the higher the quality reputation (Eilert, 2013). Companies and brands with good reputation will tend attract more customer, brand will lose a positive reputation if it repeatedly fails to fulfill its stated intentions or marketing signal (Milewicz & Herbig, 1994).

Some previous researcher said that tour leader has the potential to be the brand agent of travel agency. They are more effective endorser for package tour brochures than others brochures design (Wang, Hsieh, & Huan, 2000). Their job performance will affect not only the customer satisfaction (Chang, 2006; Wang, Hsieh, Chou, & Lin, 2007) but also the travel agencies' reputation (Mossberg, 1995). (Matsumoto, 2009). Tour leader performance within the service encounter not only affects the company image, customer loyalty and word of mouth communication but also be seen as a competitive factor (Bowie & Chang, 2005). In line with this reasoning, it is hypothesized that:

*Tour leader performance has a positive effect on brand reputation (H1)*

### **2.3. Brand Customer Relationship**

Brand customer relationship defined as the relationship between the customer and brand, and it is relate to personal identification of the customer with the brand (Jokanovic, 2005). Brands customer relationship become an active relationship partner for the consumer and provide meanings in a psycho socio cultural context (Fournier, 1998). Brand customer

relationship is developed over a period of time due to customers' previous experience with a brand (Bowden, 2009). Brand is not living things, they cannot think, act, and feel but they can still exist and involved our live as a partner in related relationship (Bowden, 2009).

The theory relationship between two individuals can be described and adapted into the relationship between the customer and brands (Loureiro, 2013). For customer itself, brand can be a partner that they can trust. Their experience and satisfaction for using that brand can improve the reliability and credibility of a brand. As a brand partners their relationship considered as an overall relationship satisfaction and force consisting of positive orientation brand to the consumer; overall brand reliability assessment, reliability, predictability, and compliance with the rules (Fournier, 1998).

In daily life there are many brands that related with the customer and one of the way to make the strong brand customer relationship is the brand relationship quality (BRQ) (Fournier & Yao, 1997). Brand relationship quality can be defined as the degree to which the consumer views the brand as satisfactory partner in an ongoing relationship; it is the consumer's overall assessment of the strength of his or her relationship with the brand (Algesheimer et al, 2005). The quality of relationships between brands and consumers evolve through meaningful brand and consumer action (Fournier & Yao, 1997).

In service and travel industry or service industry brand with a reputation as a provider of high-quality products have implicit contracts with customers regarding the performance of the product, the higher the performance quality of the product, the higher the reputation (Eilert, 2013). This relationship is developed over a period of time due to customers experience with the company and the brand (Zehir, Şahin, Kitapçı, & Özşahin, 2011). A good reputation also allow a company to easily attract and maintain customer relation (M. Zhang & Ngwese, 2007). Also in previous study, (Veloutsou & Moutinho, 2009) prove that brand reputation have positive influence to brand customer relationship Therefore, based on the above reasoning, it is hypothesized that:

*Brand reputation has a positive effect on brand customer relationship (H2)*

## **2.4 Brand Loyalty**

Brand loyalty is deeply held commitment to preferred product or service consistent in the future, because of this commitment, customer insist on buying the same product/service the next time or they need to buy the product again (Bloemer and Kaper, 1995; Sahin et al., 2011). Repeated purchase and commitment despite situational influences and marketing

efforts having the potential to cause switching behavior (Ismail et al., 2012; Şahin et al., 2011; Chaudhuri and Holbrook, 2001). To build brand loyalty, customer brand relationship is the one of important factor (Chiou & Chang, 2006).

Some of previous studies show that there have direct link between consumer brand relationship and brand loyalty (Fournier 1998; Park and Lee 2005; Kressmann et al. 2006). Brand loyalty built by strong brand relationship customers therefore development of brand customer relationship and brand loyalty should be the priority of the purpose of branding (Aaker, 1997). Consumer who emotionally attached with the brand has the capability to improve brand loyalty by hierarchical effects (Tsiotsou 2011). In (Tsiotsou, 2013) researched about professional sports teams are considered the strong and unique brand found that there are direct influence between brand customer relationship to brand loyalty of the team. Brand loyalty did not build just from the relationship between consumers and the brand but also the relationship between the customers because of the brand they used (Tsiotsou, 2013).

Build a representative business is essential to give a long-term profit for the business itself. There is a direct link between consumer brand relationship and brand loyalty (Fournier & Yao, 1997). The relationship between brand customer relationship and their impact on brand loyalty has been investigated which are identified that have positive effect in many industries and countries. Brand loyalty is built by the customers with strong brand relationship. Therefore, development of brand customer relationship and brand loyalty should be the priority of the purpose of branding (Aaker, 1997). Therefore, it is hypothesized that:

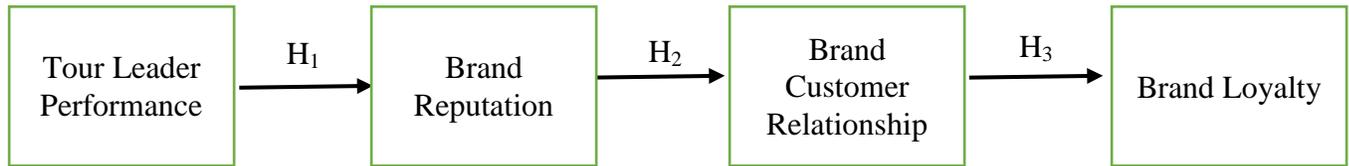
*Brand customer relationship has a positive effect on brand loyalty (H3)*

### **3. Methodology**

#### **3.1. Conceptual Framework and Hypothesis**

This chapter provides hypothesis based on literature review. This study selects some major factors, according the literature review and combines all the variables as a main construction in conceptual framework.

**Figure 3.1 Research model of this study**



From figure 3.1 it can be explained about the hypotheses relationships between variables. The conceptual framework of this study is developed and adapted from the previous studies. Antecedent research models are developed to be four components applied as tour leader performance, brand reputation, brand customer relationship and brand loyalty.

### **3.2.Operational Definition Variable**

#### **3.2.1.Tour Leader Performance**

Tour leader is a person who manage people in a tour group for more than a day and has an intense contact with the tour participant. In this research we used 4 factor and 16 variables that suit to describe the role of a tour leader from (Heung, 2008). Factor 1 is Presentation and communication ability: Punctual, accurate information on safety and security, briefing on tour itinerary, friendly, respected tour members. Factor 2 is Professional attitude and ability: a sense of humor, paid attention to details, helpful, able to solve problems, well-trained, good communication and presentation skills. Factor 3 is Professional knowledge: neat and tidy appearance, knowledgeable about destination, arranged services as promised. Factor 4 is Personal integrity: honest and trustworthy and polite and courteous.

#### **3.2.2.Brand Reputation**

This study uses 3 variable items (1. This brand is trustworthy 2. This brand is reputable 3. This brand makes honest claims) to measure the brand reputation from previous researcher who did research about brand reputation (Heung, 2008; Veloutsou & Moutinho, 2009).

#### **3.2.3.Brand Customer Relationship**

This study uses two dimensions from (Veloutsou, 2007; Veloutsou & Moutinho, 2009) to measure the construct of brand customer relationship of travel agencies. The first dimension is the Two-way communications and has 6 variables (1. I want to be informed about this brand, 2. I am willing to learn news about this brand than other brand, 3. I listen with interest to information about this brand, 4. If leaflets are sent to me from this brand, I

get annoyed, 5. I will be willing to be informed about this brand in the future, and 6. I am willing to give feedback to the brand). In variable number 4 they used one reverse question to make sure that respondent really read the question carefully and will not just fast fill the questionnaire , while the second Emotional exchange has 7 variables (1. This brand means more to me than other brand, 2. I care about the developments relevant to this brand, 3. This brand and I complement each other, 4. I feel comfortable with this brand, 5. This brand is like a person with whom I am close to, 6.Both this brand and I benefit from our link)

#### **3.2.4.Brand Loyalty**

Brand loyalty was measured with 5 items (1. I always follow this Brand, 2. I intend to be a customer of this Brand, 3. I am devoted to this Brand, 4.I am loyal customer of this Brand, 5. I support this Brand even when it is not good, 6. I am trying to convince others to become customers of this Brand) in this research that have been used before in the literature showing acceptable levels of reliability (Tsiotsou, 2011, 2013; Zeithaml, Berry, & Parasuraman, 1996)

#### **3.3.Research Design and Instruments**

Quantitative research methodology was used for this study. Quantitative research is about collecting a large amount of data from many respondents, with few variables. This kind of research emphasize on examination of existing models or theories. Therefore, it is important that a quantitative research is reliability, replicable and valid (Bryman & Bell, 2005). The quantitative research approach makes it possible to transform the result into statistics, which is analyzed (Patel & Davidson, 2008)

Questionnaire is the instrument that used in this study, due to the conveniently of collecting data and the research effectively. Factors that appear in the questionnaire, which already filled by the respondents can be analyze by many methods.

The questionnaire divided into four parts. First from the questionnaire is performance of tour leader in outbound group package tour about using 5-point likert scale. Second part is the brand reputation of travel agencies where the tour leader work at there that using 5-point likert scale. The third part of the questionnaire contains brand customer relationship factor in travel agencies using 5-point Likert scale. Fourth part of the questionnaire consists of the brand loyalty of the customers.

#### **3.4.Population and Sample Size**

In this research, a survey was administered to a selected sample from a specific population identified by people who joined group package tours to abroad through the named travel agency in Surabaya Indonesia during in 2014 - 2015. Tour leaders asked to distribute the questionnaires to guest that was join group package tour that they lead. All of the questionnaire's questions were translate in Bahasa (Indonesia language) as we know that the respondents are Indonesian. For the population size for this research will use data from table 1.2 in the chapter 1 that show 869.167 people in Surabaya travel abroad in 2013 with assumption all of them joined group package tour.

### 3.5.Data analysis

Descriptive statistic were used to describe the respondent's profile. Factor analysis was applied to the set of tour leader performance attributes. Simple and multiple linear regression were utilized to derive the relative importance of the independent variable and dependent variables

## 4. Result

### 4.1.Respondents Profile

198 questionnaires were distributed. After removing some of invalid questionnaire, 150 will used for the analysis. As shown in Table 1, more than half (76%) 114 female people were fill in the questionnaire while male only (24%) 36 people. Most of their aged between 16 – 25 years old (46%) and 26 – 35 years old (55%), the rest were 36 years above. (66%) 99 of them were single and (31.3%) 47 were married. More half of them (67.3%) 101 in bachelor degree level. (32.7%) 51 of their job were management and professional and (32.7%) were self-employed. Quiet surprising is most of them income were around 101-500 USD (3001-15000 NTD) (46%) 69 people and 501-1000 USD (15001-30000 NTD) (26%) 39 people. That's mean GPT not only followed by riche people but now all of people can join even they don't have a lot of income. Right now travel become the common things for everyone

Table 1: Profile of the respondent ( $N=150$ )

| Classification | Frequency | Percentage (%) |
|----------------|-----------|----------------|
| <b>Gender</b>  |           |                |

|                           |     |      |
|---------------------------|-----|------|
| Male                      | 36  | 24   |
| Female                    | 114 | 76   |
| <b>Ages</b>               |     |      |
| 16-25 years old           | 69  | 46   |
| 26-35 years old           | 55  | 36.7 |
| 36-45 years old           | 15  | 10   |
| 46-55 years old           | 3   | 2    |
| < 55 years old            | 8   | 5.3  |
| <b>Marital status</b>     |     |      |
| Single                    | 99  | 66   |
| Married                   | 47  | 31.3 |
| Engage                    | 3   | 2    |
| Divorced / separated      | 1   | 0.7  |
| <b>Education Level</b>    |     |      |
| Senior High School        | 30  | 20   |
| Diploma                   | 13  | 8.7  |
| Bachelor                  | 101 | 67.3 |
| Master                    | 6   | 4    |
| <b>Occupation</b>         |     |      |
| Student                   | 31  | 20.6 |
| Unemployment              | 0   | 0    |
| Management & professional | 51  | 34   |
| Self-employed             | 49  | 32.7 |
| Housewife                 | 17  | 11.3 |
| Freelance / part time     | 2   | 1.4  |
| Retired                   | 0   | 0    |
| <b>Education Level</b>    |     |      |
| Senior High School        | 30  | 20   |
| Diploma                   | 13  | 8.7  |
| Bachelor                  | 101 | 67.3 |
| Master                    | 6   | 4    |
| <b>Occupation</b>         |     |      |
| Student                   | 31  | 20.6 |
| Unemployment              | 0   | 0    |
| Management & professional | 51  | 34   |
| Self-employed             | 49  | 32.7 |
| Housewife                 | 17  | 11.3 |
| Freelance / part time     | 2   | 1.4  |
| Retired                   | 0   | 0    |

(Continue)

| Classification | Frequency | Percentage (%) |
|----------------|-----------|----------------|
|----------------|-----------|----------------|

## Income

|                                 |    |      |
|---------------------------------|----|------|
| <100 USD (<3000 NTD)            | 7  | 4.6  |
| 101-500 USD (3001-15000 NTD)    | 69 | 46   |
| 501-1000 USD (15001-30000 NTD)  | 39 | 26   |
| 1001-2000 USD (30001-60000 NTD) | 16 | 10.7 |
| >2000 USD (>60000 NTD)          | 19 | 12.7 |

## 4.2. Factor Analysis

In order to supporting this study, Statistical Package for the Social Sciences Program or known as SPSS software version 20 is used to analyze all the data. The responses were recorded on a five-point Likert scale that ranged from “very agree” until “very disagree”

Table 2: Tour leader performance

| Variable  | Factor loading | Eigen value | Explained of variance | Total explained of variance | Cronbach's $\alpha$ |
|---|----------------|-------------|-----------------------|-----------------------------|---------------------|
| <b>Factor 1: Professional attitude and ability</b>      | 0.752          | 8.642       | 54.014                | 54.014                      | 0.931               |
| TLP5 Respect tour member                                | 0.835          |             |                       |                             |                     |
| TLP10 Able to solve problem                             | 0.775          |             |                       |                             |                     |
| TLP8 Paid attention to detail                           | 0.750          |             |                       |                             |                     |
| TLP9 Helpful  | 0.726          |             |                       |                             |                     |
| TLP7 A sense of humor                                   | 0.707          |             |                       |                             |                     |
| TLP2 Clear Information on safety and security           | 0.642          |             |                       |                             |                     |
| TLP4 Friendly   | 0.581          |             |                       |                             |                     |
| TLP1 Punctual   | 0.574          |             |                       |                             |                     |
| TLP17 Polite and courteous                              | 0.562          |             |                       |                             |                     |
| TLP15 Honest and trust worthy                           | 0.556          |             |                       |                             |                     |
| TLP3 Briefing on tour itinerary                         | 0.525          |             |                       |                             |                     |
| TLP11 Well-trained                                      | 0.492          |             |                       |                             |                     |
| <b>Factor 2: Presentation and Communication Ability</b> | 0.635          | 1.025       | 6.407                 | 60.421                      | 0.805               |
| TLP13 Knowledge about destination                       | 0.883          |             |                       |                             |                     |
| TLP14 Arranged service as promised                      | 0.719          |             |                       |                             |                     |
| TLP 6 Good Communication and presentation skill         | 0.702          |             |                       |                             |                     |
| TLP12 Neat and tidy appearance                          | 0.601          |             |                       |                             |                     |

Cronbach's  $\alpha$  for all of factors more than 0.6, means good acceptable. This result means all of those factors are good, relevant, and valid. From all of tour leader performance items variables, we used from previous research (Huang, 2008). He divided variable to 4

factors but in this research the factor loading that accepted consists of 2 factors loading, Factor 1: Professional attitude and ability (Respect tour member, Able to solve problem, Paid attention to detail, Helpful, A sense of humor, Clear Information on safety and security, Friendly, Punctual, Polite and courteous, Honest and trust worthy, Briefing on tour itinerary, Well-trained) and Factor 2: Presentation and Communication Ability (Knowledge about destination, Arranged service as promised, Good Communication and presentation skill, Neat and tidy appearance)

### 4.3.Linear Regression.

The linear regression method used to predict the value of dependent variables by analyzing the relationship between two variables dependent variable and independent variable (Geladi & Kowalski, 1986). Linear regression was used to figure the relationship among all research variables which are tour leader performance, brand reputation, brand customer relationship and brand loyalty.

Table 6: Linear regression result of the variable

| Dependent Variable          | Independent Variable                                    | R     | Beta  | T      | Sig   | F      |
|-----------------------------|---|-------|-------|--------|-------|--------|
| Brand Reputation            | Tour Leader Performance                                 | 0.540 |       |        |       | 30.208 |
|                             | <i>Factor 1: Presentation and communication ability</i> |       | 0.395 | 5.693  | 0.000 |        |
|                             | <i>Factor 2: Professional Knowledge</i>                 |       | 0.367 | 5.292  | 0.000 |        |
| Brand Customer Relationship | Brand Reputation  | 0.499 | 0.260 | 95.381 | 0.000 | 49.105 |
| Brand Loyalty               | Brand Customer Relationship                             | 0.720 |       | 0.000  | 0.000 | 79.122 |
|                             | <i>Factor 1: Two way communication</i>                  |       | 0.381 |        |       |        |
|                             | <i>Factor 2: Emotional exchange</i>                     |       | 0.374 |        |       |        |

\*\*\* $p < 0.001$ , \*\* $p < 0.010$ , \* $p < 0.05$

Table 6 shown as that tour leader performance have influence towards brand reputation and answered the hypothesis 1 (H1). There is positive relationship between tour leader performance and brand reputation of travel agencies. This finding is support previous research that mention by (Huang, 2008). Factor 1 (Presentation and communication ability,  $\beta = 0.395$ , Sig = 0.000) is more important factor than Factor 2 (Professional Knowledge,  $\beta = 0.367$ , Sig = 0.000) affecting travel agencies reputation.

The result also answered hypothesis 2 (H2). Brand reputation ( $\beta = 0.260$ , Sig = 0.000) have positive relationship toward brand customer relationship. In (Veloutsou & Moutinho, 2009) research also prove that brand reputation have positive influence to brand customer relationship. Table 6 also indicated the positive relationship between brand customer relationship and brand loyalty. There have 2 factors of brand customer relationship that influence brand loyalty but factor 1 (Two ways communication  $\beta = 0.381$ , Sig = 0.000) more affecting brand loyalty than factor 2 (emotional exchange  $\beta = 0.374$ , Sig = 0.000) even not much different among both of them. That's mean hypothesis 3 (H3) was accepted. The result same with some previous studies show that there have direct link between consumer brand relationship and brand loyalty (Fournier 1998; Park and Lee 2005; Kressmann et al. 2006)

## **5. Conclusion and implication**

This research found that there was any relationship among tour leader performance, brand reputation, brand customer relationship and brand loyalty at travel agencies. First, from the research we known that tour leader performance have positive relationship to brand reputation of the travel agencies. That's mean if tour leader performance is goo or high, it is likely that the reputation of the travel agencies will be increase. That's result should make travel agencies pay more attention to the quality of tour leader performance to ensure long term growth and survive in this industry.

Second from reputation will influence customer relationship. Now days brand success not only build the good reputation but also should lays on the development of relationships between the brands. Travel agencies should have think about how to build brand customer relationship, due to the changes in the manner companies market their brands and the tactics that actually can contribute to the long term prosperity of brand. Because the brand customer relationship can drive customer loyalty. In the third result we can saw that there have positive relationship between brand customer relationship and brand loyalty. In order to build up brand loyalty, travel agencies should make every effort to create positive consumer–brand interactions and encourage a strong emotional bond between the consumer and the brand.

From the finding in this research shown that there a line from tour leader performance influence brand reputation, brand reputation influence brand customer relationship and brand customer relationship influence brand loyalty. The future of travel agencies especially in Indonesia may regard to the success or failure of the tour leaders' roles.

Through their knowledge, communications, and service skills, they should have the abilities to change the tourists' points of views from just visits into deeper experiences. Tour leaders should be able to make good relationships with potential customers and to deliver a higher value of services and goods to the customers than the tour leaders in other travel agencies.

So it is important to travel agency in Indonesia should pay special attention to the recruitment and selection of tour leader. Also need to provide training program to develop their skill. Maintaining and enhancing tour leader quality and performance are important because they are can make the relationship between customers and service providers. Though building and maintaining quality is a time consuming and complex process; such efforts are worthwhile because reputation and good publicity result from improved quality and eventually lead to customer loyalty and whenever the customers consider taking trips, they will go back to the same travel agencies.

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