# Effects of Destination Image, Perceived Value, Tourist Satisfaction and Service Quality on Destination Loyalty

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**Abstract :** Worldwide, tourism sustained growth and remained to be one of the fast-growing sectors. Malaysia tourism industry experienced an unstable and declining pattern of international tourist arrival's growth rate. The situation suggested that the industry was competitive and denoted the need to study factors that influence tourist loyalty. The primary purpose of this study was to develop a model that examined how destination image, perceived value, service quality and tourist satisfaction affect destination loyalty. The study was conducted at the Kuala Lumpur International Airport and Kota Kinabalu International Airport. The respondents were international tourists from United Kingdom and Australia and they were selected using simple random sampling method. A total of 337 respondents were subjected to data analysis using structural equation modelling. The study uncovered that perceived value and destination image was highly correlated and the model suggested that these constructs should be treated as one construct. The construct was labelled as overall destination image. Overall image had significant direct effect on service quality, satisfaction and loyalty. Service quality had a significant indirect effect on loyalty through satisfaction as a moderating variable. However, satisfaction had no mediating effect on the relationship between overall destination image and loyalty. The study suggested that more efforts should be focused on portraying the image of experiencing joy with many interesting natural scenic places to see whilst on a holiday to Malaysia. In addition, the destination management office should promote tourist visiting to Malaysia would enjoy quality service related to accommodation, information facilities, health, and shopping. Tourist satisfaction empirically proved to be an important construct that influenced destination loyalty. This study contributed to the extended knowledge that postulated overall image of a destination was measured by perceived value and destination image.