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# Behavioral intentions of public transit passengers—The roles of service quality, perceived value, satisfaction and involvement

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#### ABSTRACT

Understanding the behavioral intentions of public transit passengers is important, because customer loyalty is seen as a prime determinant of long-term financial performance. This study highlights such behavioral intentions and explores the relationships between passenger behavioral intentions and the various factors that affect them. Apart from the factors recognized by past studies, such as service quality, perceived value, and satisfaction, this study addresses the importance of the involvement of public transit services in passenger behavioral intentions. By using passenger survey data from the Kaohsiung Mass Rapid Transit (KMRT), a newly operating public transit system in Taiwan, we apply the structural equation modeling technique to analyze the conceptualized relationship model. The findings reveal that all causal relationships are statistically significant. Managerial implications are discussed.

#### 1. Introduction

Reducing private transport use and increasing that of public transport are two critical but challenging tasks for dealing with the problem of urban transport. Public transport systems need to become more market oriented and competitive, as they tend to be viewed as service products. Along with the trend of the privatization of public transport services over the past decade, the financial performance of private service providers has been a key concern. Understanding the loyalty of public transit passengers is important, because customer loyalty is seen as a prime determinant of a firm's long-term financial performance and is considered a major source of competitive advantage (Lam et al., 2004). For public transit managers, especially for a newly operating public transit system like the Kaohsiung Mass Rapid Transit System (KMRT) studied in this paper, understanding passengers' behavioral intentions after experiencing the public transit services and their associated influential factors is also an essential task. This information can help public transit managers and marketers design effective strategies to meet passengers' needs, and thus retain existing passengers as well as attract new ones from other modes.

Favorable behavioral intentions encompass three dimensions: word-of-mouth, purchase intentions and price insensitivity, and together form the customer loyalty. Satisfaction is generally seen

as the main driver of consumer loyalty and behavior (Olsen, 2007). In studies based on the Theory of Planned Behavior (TPB), customer satisfaction has been widely identified as the most important determinant of favorable behavioral intentions. Customer satisfaction is closed linked with perceived service quality and value (Chen, 2008; Jen and Hu, 2003; Petrick, 2004). Travelers who perceive good quality of public transit service are thus more likely to have a higher level of perceived value and satisfaction, and so continue to use this service.

Apart from satisfaction, involvement, a widespread concept in both the marketing domain and behavioral research, describes the strong attitudes that predict or explain behavior (Olsen, 2007). Involvement is defined as the level of interest or importance that an object has for an individual, or the centrality of an object to an individual's ego structure (Zaichkowsky, 1994). The level of involvement influences the level of decision importance in a purchasing process, such as consumers' cognitive and behavioral responses, and customers are likely to display attitudinal loyalty for high-involvement purchases. Surprisingly, involvement has only rarely been applied in the transport service literature.

To address this gap in the current literature, this research aims to develop a relationship model that incorporates the main determinants of public transit passengers' behavioral intentions and explores their effects on behavioral intentions. Specifically, the roles of service attitudes (i.e. service quality, perceived value and satisfaction) and involvement that are involved in the formation of passenger behavioral intentions in the public transit service context are addressed in this study. The remainder of this paper is organized as follows. Section 2 presents the theoretical background and hypotheses of the proposed model. Section 3

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