Investigation of Factors Influencing Customer Loyalty in Malaysia and Jordan Hotel Industry

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Abstract

This study aims to proffer solutions to customer loyalty challenges at these destinations by proposing and validating customer loyalty model using relationship marketing and social exchange theory. Based on the underpinning theories, this study analyzed the direct and indirect influence of brand image, trust, convenience and emotion on customer loyalty of five star hotels in Malaysia and Jordan. Further, the mediating effect of customer satisfaction on the relationship between exogenous latent variables and endogenous latent variable was investigated. A total of 384 and 371 customers respectively of three famous hotels under the management of Starwood were sampled using convenience sampling method for data analysis from Malaysia and Jordan. SPSS version 21.0 software was used for the analysis. However, the empirical results showed partial mediation effects on the relationship between brand image, trust, convenience, emotion and customer loyalty in respect of Malaysian hotel customers. In Jordan hotels, satisfaction does not mediate the relationship between trust and customer loyalty but partially mediate between emotion, brand image, convenience and customer loyalty. In summary, the findings of this study will narrow the perception of the top echelon of these hotels on the actual factors to focus in order to earn loyalty of their valued customers. This study also contributed to frontier of knowledge by integrating the variables of relationship marketing from the perspectives of two developing countries.

Keywords: Tourism; Economics; Determinants; Marketing

Introduction

According to prior studies on tourism, governments all over the globe generally support and promote tourism owing to its positive effect on the development and growth of the economy [1,2]. Specifically, tourism opens avenues for employment opportunities and income and it results in positive balance of payments, boosts tourism supply sector and facilitates overall economic activity growth within the country [3]. This led Joppe and Li to propose the impact of tourism on economic quantitative measure employed in the development of the economy [4]. Consequently, a distinct literature has developed to measure the effect of tourism on the basis of GDP in order to gauge its contribution to the growth of the economy [5].

In line with the above studies, common assumptions have been provided in literature concerning the internal factors of different countries including their level of development and geographic density of population distribution, and their influence on public and private business sectors. In other words, tourism may be boosted in various ways including the construction and development of infrastructure, specifically, the construction of five-star hotels in developing nations.

In the present study, the focus is on two developing nations, namely Malaysia and Jordan, where tourism has been known to play a crucial role in both countries’ economies. In the context of Malaysia, the statistics reported by Trading Economics [6], tourists that arrived in the country as of March 2015, numbered 2,242,077, a considerable increase from 1,949,016 the year before in February 2015. In a 15 year span (1999-2015), the tourists that arrived in Malaysia averaged approximately 1,563,407.12, with the most being 2,806,565 (April 2003) as depicted in Figure 1.

Moreover, the percentage share of travel and tourism contribution to Malaysia GDP showed an increase from 15% (2011) to 16.3% (2015) [7].

In comparison, the Ministry of Tourism and Antiquities in Jordan noted that the tourists arrivals in Jordan decreased to 68.20 thousand (May 2015) from 78.10 thousand (April 2015) [8]. And in a span of 9 years, (2006-2015), the tourists arrivals in the country was reported to be an average of 79.68 thousand, with the highest recorded to be 142.60 thousand in November 2010, and the lowest to be 37 thousand in February 2006 (Figure 2). More importantly, the World Data Atlas indicated that the percentage share of travel and tourism contribution to Jordan GDP dipped from 24.0% (2010) to 21.8% (2015) [7].

Considering the tourism contribution to the economies of Malaysia and Jordan as discussed respectively above, the changes in the tourism phenomenon of arrivals and the spending patterns clearly have an effect on the operations of tourism places, particularly hotels, and revenues management within such establishments over the past years. The statistical data shown that inbound tourists visit to both countries are losing its stem, this study aimed at making comparison to identified similarities and differences since both are termed emerging Nations. The focus of this study is more on the competitive nature and loyalty of customers given that the services of hotels in both countries are the same [9]. Interestingly, both countries are Muslim dominated whose choice of hotel and services are of great concern to tourists and service providers [10].

This study is based on the customer loyalty of five star-hotels in both Malaysia and Jordan, there are some common assumptions of

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internal factors or homogeneity between these two countries, such as they are Muslim countries, developing and low-income countries, and the geographic density of population distribution are influential factors which affect the development of the public and private sectors. There are abundant elements that encourage tourism, including the construction of five-star hotels in these areas. Researchers such as Godolia and Spaho [11], recommended that as many differences exist between these countries and developed ones, conducting research in such developing economies is an important contribution to the body of knowledge.

In relation to the above, loyal customer can also be viewed as a source to maximize revenues among organizations, which in turn, could lead to predictable sales and return [12,13]. Also, customers that are satisfied and loyal create free advertisement in the form of positive word of mouth [14,15]. In view of the firm’s profitability, a 5% customer’s retention will approximately lead to 25-95% company profitability [16,17]. Therefore, the creation of loyal customers is crucial to the generation of profits in firms, and this may be possible through customer satisfaction.

The extensive expansion of hotel services has brought about competitive advantage among service providers. This is compounded by the tourism increase around the globe that necessitated the boost of hotel construction, particularly luxury hotels (five-star hotels). It is thus not surprising that currently, hotels among different categories are in fierce competition to retain customers through customer support services and price-cutting strategies. However, the latter could lead to serious risk of adverse outcomes in terms of long-term profitability of hotels [18]. More importantly, the critically affected hotels is the luxury class hotels, where the occupancy rate and room rate has been showing a decrease owing to price instability [18].

Specifically, Malaysia is increasingly turning into a high-income nation, where people are becoming sensitive with the service quality regardless of costs. In hotels, patrons expectations have increased in regards to timely and reliable customer services and those who are dissatisfied do not hesitate to look for better alternatives [10].

Generally, tourism is influenced by circumstances (regional or international). In Jordan, a sharp decrease in the profitability of tourism industry has been noted in the past five years and this has affected the national economy of the country. The top challenges noted in this sector include the unstable political situation in the Middle Eastern region that resulted in the decline of the number of tourists. This is compounded by the negative image that the media has developed about the country concerning instability as opposed to actual reality (stability, security and safety) and as such, it has become important to disseminate the right image [19].

On the basis of aforementioned number of hotels in both countries, competition is stiff and thus, customer loyalty issues and its determinants have become important for hotels management when considering business survival in a dynamic competitive environment.
Prior empirical studies indicate low rate of customer loyalty hotels owing to competition and other influential factors affecting customer loyalty [20-22].

**Literature Review**

A look at the proposed models in literature shows that the relationship quality and customer loyalty are the top variables [23-25]. In the present study, relationship development covers image, trust and convenience, and it is mediated by satisfaction – this provides the optimum analysis of the relationship strength with the ultimate aim being the realization of customer loyalty [23,26-28].

Other researchers (Abashah, Elbakoush, Hu et al., Kandampully and Hu, Naseem et al.) evidenced the interrelationships among the factors of image, trust, convenience, customer satisfaction and customer loyalty although none have examined the above in the context of hotel industry [29-33]. Also, the role of emotion has yet to be included in the model of relationship quality although it has been suggested by prior authors [28,34].

However, according to Suhartanto, when the empirical analysis is limited to the constructs viewed as determinants of loyalty [34], the whole empirical gap cannot be revealed and therefore, variables have to be investigated for being relationship quality antecedents along with emotion in terms of social status of hotel rating [35-39]. Therefore, in the present study the perception of variables (image, trust, convenience, satisfaction) along with emotion will be examined in relation to loyalty and in relation to their contribution in service marketing theories.

**Brand image**

As mentioned, one of the present study’s proposed independent variables is brand image, and it is described as the mental impression the hotel customer holds either from different channels - advertisements, public relations, word-of-mouth, personal experience in prior consumption, among others [40]. It is a crucial factor that affects the perceptions of customer evaluations of satisfaction with the service, especially when services are complicated to evaluate [9,30]. Several authors stated that image has a role in the cumulative customer satisfaction effect [28,34,40], while others found brand image to be a crucial factor for hotel guests in their recommendation and intention to purchase [41].

In addition to the above, brand image was also evidenced to lead to a halo effect on the customer satisfaction evaluation, in the short as well as in the long-run. According to Suhartanto, the image-customer satisfaction relationship should be further studies in literature in the context of hotel industry [34]. In this regard, customers that have positive and desirable service image are expected to have a greater tendency towards perceiving positive service and this adds to their higher levels of satisfaction [42]. In the field of tourism and retail industry, Chi and Qu found brand image to be related to service loyalty and customer satisfaction [43], indicating that examining the variable together with other variables will contribute to literature and to academics alike [40]. In fact, prior studies have recommended the examination of brand image in relation to customer loyalty [29,44-46].

**Trust**

The next independent variable proposed in this study is trust, referring to the level of confidence developed on the service provider that can contribute to repurchase behavior [30,47]. Trust is a crucial construct in the development of a relationship as evidenced by several studies in literature [30,47-49]. This belief is supported by Morgan and Hung who stated that relationship thrives if there is trust between the two parties. This supports the proposal in this study of trust as an independent variable that leads to 5-star hotel customer loyalty in Jordan and Malaysia [49].

Furthermore, the importance of trust may also be attributed to the Islamic nature of both countries where issues of trust are not taken lightly. This necessitated more studies to examine the relationship, especially in the case of developing countries in the Asian region, where studies are still few and far between [28,30]. It can therefore be stated that the investigation of trust effects on customer loyalty will contribute to the body of knowledge [34-36,50,51].

**Convenience**

The next proposed independent variable in this study is convenience. In this regard, owing to the extensive proliferation of hotel services, it is only logical that guests also take convenience into consideration when deciding their lodging [48]. It refers to the accessibility to places of interest/event. In literature, service convenience has been revised as customers’ effort and time perceptions towards the use or purchase of services [52,53]. Convenience was suggested by Adoyo et al. for examination in other service industries as well as in the relationship quality dimensions, the variable constituted 63% of the regression model used in their study [23].

This can be illustrated through Jordanian customers searching for hotel accommodations, the proximity of the hotel location and their targeted place of activity are always on the forefront of their considerations. This works towards saving time on transit and other related conveniences [19]. Meanwhile, in Malaysia, majority of the events and activities that are attractive to local and foreign hotel customers occur in capital cities and thus, traffic jams are often considered when booking hotels. This elaborates on the importance of convenience as a crucial determinant of customer loyalty to the hotel. Future studies have been urged by Dai, Haried and Salam as well as Warsame to examine the influence of convenience on customer loyalty via the role of customer satisfaction in dynamic emerging economies [47,54].

**Emotion**

The last variable proposed in this study is emotions, or emotional reaction – this variable has been attracting increasing interest in literature concerning relationship marketing studies. More specifically, Barnes and Wong stressed on the existence of emotions in a relationship [55,56]. Other studies have also emphasized on the need for more examination on the antecedents and results of customer emotions as a main variable. Essentially, emotion refers to the long-lasting tie between service consumer and service provider [28].

In the hospitality industry, considering the many challenges that exist, loyalty initiatives have to be developed to bring about emotion between the customer-hotel relationships. Several studies including Andersen and Kumar, Cheng and Rashid and Williams also evidenced that regardless of the works that attempted to explain the relationship marketing development, those that concentrated on emotion are still few and far between [20,57,58]. Other studies like Chaparro-Pealez et al. and Williams suggested that future studies examine the way emotions influence customers’ decisions to maintain or to break a relationship or how to establish the same [59,60].

It is evident from the above explanation that this study also contributes by including emotion together with relationship quality.
dimensions (image, trust, convenience and satisfaction) - such dimensions are proposed to enhance customer-service provider interaction [61]. The present study thus proposes an extended relationship marketing model where relationship quality is integrated with emotions to determine customer loyalty in 5-star hotels in Malaysia and Jordan, as developing countries as suggested in previous literature [35-39]. This is deemed to be a novel contribution to the hospitality loyalty literature.

More importantly, although the psychological feelings have been known to affect customer loyalty, only a few theoretical and empirical studies have investigated service loyalty via integration model in luxury hotels [10,26]. It is just only recently when scholars have begun looking into the complex service experiences that could lead to customer loyalty [10,34]. Among these few is one that was conducted by Cheng and Rashid who deemed emotions as a major aspect of the development of the relationship between buyer and seller, and found the dire need to articulate the outcomes of the emotional process [20]. In relation to this, according to Li et al. and Shammout, models that integrated intentions to take part in future relationships as a role of relationship quality has yet to consider emotional variables [25,28]. Added to this, while several models have included emotions, they failed to consider the contribution of other quality variables [33]. Hence, this study attempts to delve into the examination of the relationship between emotions, relationship quality and loyalty in order to provide insight on the way customers-service providers relationship develop in the long-term, and its influence on the luxury hotel industry in developing countries namely, Malaysia and Jordan as urged by prior studies [23-25,28].

**Literature Gaps**

The researches on customer satisfaction and loyalty have been evidenced in literature as the key to business sustainability in this millennium [9,62]. Customer loyalty can be discerned from customer behavior like involving in positive word-of-mouth, not as price-sensitive, intention towards repurchase, and provision of feedback. In the context of hotel industry, such benefits obtained from loyal customers and their maintenance are highly important [63] as finding new customers five times more costly than retaining an existing one [64,65]. This assertion made the study of loyalty imperative particularly in service industry such as hotel.

Loyal customer can also be viewed as a source to maximize revenues among organizations, which in turn, could lead to predictable sales and return [12,13]. This is because; customers that are satisfied and loyal create free advertisement in the form of positive word of mouth [14,15]. Therefore, the creation of loyal customers is crucial to the generation of profits in firms, and this may be possible through customer satisfaction.

Extant literature revealed that customer satisfaction is one of the factors that drive customer loyalty, and in turn, influences hotel business performance [66]. High customer satisfaction is therefore expected to lead to repurchase and positive word-of-mouth of customers and ultimately, profitability [67-69]. In hotels, the challenges are that customers’ expectations have increased in regards to timely and reliable customer services and those who are dissatisfied do not hesitate to look for better alternatives [10].

Literature contains several empirical studies concerning hotel industry services and the challenges they face in obtaining competitive advantage through different identification and differentiation strategies [11,70]. Studies of this caliber have concluded that hotel services occupy the last phase of the hotel lifecycle [13,26,32], indicating that more studies are called for to examine different hotel service aspects that affect customers interest including satisfaction and loyalty. Also, studies are suggested to examine the way hotel services are managed as commodities in terms of the differences provided by similar rate hotels [26,34,71].

Although prior studies examination of the influence of guest satisfaction on loyalty, other factors like image have yet to be examined in their position in the relationship as highlighted by Brunner, Stöcklin, and Opwis [72]. The argument of Ratnasingham is also in line with the positions of others who also conceptualized that trust precedes satisfaction after which loyalty can be enhanced [73-76]. Similarly, it is important that service providers keep abreast of the positive implications of convenience on customer loyalty [53]. According to other studies, convenience affects various situational outcomes such as behavioral intentions, yet studies on convenience is limited [77,78]. Emotions strengthen the motivation of customers for a revisit and their inclination towards recommending the brand to others [79]. Despite significant role play by emotions in the process of decision-making pertaining to loyalty, marketing researchers have not fully explore the contribution of this important variable to the literature [80].

**Theoretical Framework**

This research is to determine the relationship between emotion, brand image, trust, convenience and customer loyalty while mediating by customer satisfaction. Theory of social exchange and relationship marketing is a central of this study as it is widely used by the researcher to interpret and explain the customer’s loyalty action in the hotels. The social exchange theory (SET) posits the relationships between individuals, particularly between customers and firms and this makes it suitable to understand the concept of loyalty as suggested by Singh and Sirdeshmukh [81].

The premise behind SET is applicable to loyalty in hospitality business (i.e., hotels) owing to the industry’s customer-centric nature [82]. Nevertheless, according to Emerson, SET is more a framework as opposed to a theory and thus, its power of explanation and prediction hinges on the way individuals/firms, organizations, governments are positioned in the structure [83].

More importantly, no consensus has been reached by authors as yet to a single widespread definition to relationship marketing. The proposed various definitions indicate different evolutionary stages of the concept and this is attributed to the debate between academics and practitioners as to what relationship marketing really is, when it is suitable, who should be considered in the relationship and when a relationship occurs between the parties [84].

As suggested by relationship marketing and social exchange theory (SET), trust is the most precious asset any business has, the bedrock on which business is built [85,86]. Social exchange relationships are based on mutual trust and expectations that benefits will be exchanged over time [87].

Earlier studies of factors affecting customer loyalty usually set the focus on customer satisfaction as demonstrated earlier [88-90]. Highly satisfied customers are expected to remain loyal to their service providers and to have long-term subscription. But based on some studies, customer satisfaction may have positively influence customer loyalty but this is not always sufficient and in some instances, it does not lead to the expected outcome. Therefore, researchers are calling for the analysis of other factors that have potential effects.
The relationship marketing and social exchange viewed in this thesis develops with the help of a thorough literature review, and the integration of factors that were excluded in a single model by prior studies. The thesis attempts to offer a picture of an effective relationship marketing initiative by proposing that emotions, trust, brand image and convenience as important variables in customer relationship development on loyalty context as showed in Figure 3.

**Research Methodology**

This research used a descriptive measurement method and a survey measurement. This descriptive methodology used in the research intentionally used to describe the characteristics of hotel industry and customers as well as to determine the characteristics answer who, when, where and what kind of problems. In addition, this research is designed to apply a survey method to build questionnaires to get the responses and more understanding about the customer attitudes and loyalty in the hotel industry in Malaysia and Jordan. According to Zikmund et al., questionnaire is a measurement technique to collect data from a sample of the research community. Therefore, the data will be collected using two links on online of special five-star hotels in Jordan and one special five-star hotels in Malaysia.

The target community of this study consists of two groups of people. First group was the customers (guests) regardless their nationality who stayed at 5-star hotels in Malaysia, while the second group was the customers (guests) regardless their nationality who stayed at 5-star hotels in Jordan. On the basis of literature, a positive relationship exists between the number of items and the size of the sample. A significant sample size is invaluable for producing accurate outcomes for analysis, where the sampling error decreases with the increase in the size of the sample. The total population in Malaysia was 752,260 and Jordan 9,537.

Accordingly, the first group which is Malaysia 5-star hotel guests has 384 sample, while the second group which is Jordan 5-star hotel guests has 370 sample, allowing an error rate that is less than 5% of the 95% level of reliability. Due to the impossible feat of including guests has 370 sample, allowing an error rate that is less than 5% of the 95% level of reliability. Due to the impossible feat of including guests, a convenience sampling was employed.

Convenience sampling is a type of sampling where the first available primary data source will be used for the research without additional requirements. In other words, this sampling method involves getting participants wherever you can find them and typically wherever is convenient. In convenience sampling no inclusion criteria identified prior to the selection of subjects. All subjects are invited to participate.

Researcher distribute the questionnaire to responded (guests) who stayed at a five-star hotels was selected three hotels similar brand and all this hotels under one company “Starwood hotels” in both Malaysia and Jordan. These hotels appeared to be frequently patronized by tourist due to intensive promotion, tour packages, incentives, and excellent services. Table 1 below shows the list of these hotels and the guests that responded to the questionnaire during the data collection. Data for this study was collected between September and October 2016. Research assistants were employed to assist in distributing the questionnaire in Malaysia and Jordan.

**Hypothesis Testing Result of Direct Relationship of Variables**

The hypotheses were tested in the desired model through three measures, the significance of Correlation Coefficients (R), the Coefficient of Determination (R2), and lastly, the Multiple Regression (Beta).

The considered possible correlations ranged from +1 to -1, and according to the rule of thumb r values of 0-0.2 are weak, 0.3 to 0.6 are moderate, while 0.7 to 1 are strong. As for the coefficient of determination (R2), it is used to provide the proportion of variance of a variable that is predicted by the other variable. It measures the way one can make predictions from a particular model/graph. Lastly, with regards to the multiple regressions (beta), it measures the level of to which each set of predictor variables (independent variables) influence the criterion variable (dependent variable). Through the multiple regression analysis, it is possible to test theories/models regarding the way particular set of variables influence behavior. Generally speaking, the correlation coefficient (R2) measures the relationship between two

<table>
<thead>
<tr>
<th>Country</th>
<th>Hotel</th>
<th>Data Collected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>Sheraton 133</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Le Meridien 84</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Marriott 167</td>
<td></td>
</tr>
<tr>
<td>Jordan</td>
<td>Sheraton 114</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Le Meridien 158</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Marriott 99</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Data collected in Malaysia and Jordan.

![Figure 3: Variables in customer relationship development on loyalty context.](Image)
variables, while multiple regression measures the relationship between a set of variables and a variable. On the other hand, the coefficient (R2) indicates the linearity between variables. In the present study, r was examined with the help of Pearson Correlation Coefficients calculated for variable pairs to confirm the correlation coefficients in terms of their significance. In relation to this, Beta is measured through the application of linear regression analysis. Table 1 presents the results obtained from the first major hypotheses testing.

According to the first hypothesis;

\[ H_1: \text{Emotion, brand image, trust, and convenience are positively correlated with customer loyalty in Malaysia and Jordan.} \]

Based on the results indicated in Table 2, in the Malaysian case, there is a statistical direct significant relationship between emotion, brand image, trust and convenience and customer loyalty at the significance level of (p=0.05). The results indicate the correlation coefficient (R) to be 0.77, the (R2) to be 0.59, and the value test (F) to be 140.53. Thus, the hypothesis is accepted.

In the case of Jordan, a statistical significant direct and positive relationship was found between emotion, brand image, trust and convenience, and customer loyalty at the significance level of (p=0.05). The results indicate that the value of correlation coefficient R=0.41, R2=0.16, and the test value F=18.59 at (0.00), with a statistical significance level of (p=0.05) and thus, the hypothesis is accepted.

The second hypothesis proposes that;

\[ H_2: \text{Emotion, brand image, trust, and convenience are positively correlated with customer satisfaction in Malaysia and Jordan.} \]

The results of the application of the regression customer satisfaction direct positively correlates with the customer loyalty.

<table>
<thead>
<tr>
<th>Country</th>
<th>Variables</th>
<th>( \beta )</th>
<th>( T )</th>
<th>Sig.</th>
<th>R</th>
<th>R²</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>Emotion</td>
<td>0.04</td>
<td>0.19</td>
<td>0.24</td>
<td>0.77</td>
<td>0.59</td>
<td>140.73</td>
<td>0</td>
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<tr>
<td></td>
<td>Brand Image</td>
<td>0.47</td>
<td>10.04</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Trust</td>
<td>0.01</td>
<td>0.22</td>
<td>0.83</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Convenience</td>
<td>0.39</td>
<td>6.23</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jordan</td>
<td>Emotion</td>
<td>0.19</td>
<td>3.72</td>
<td>0</td>
<td>0.41</td>
<td>0.16</td>
<td>18.59</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Brand Image</td>
<td>0.17</td>
<td>3.34</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trust</td>
<td>0.01</td>
<td>0.20</td>
<td>0.84</td>
<td></td>
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<tr>
<td></td>
<td>Convenience</td>
<td>0.21</td>
<td>3.41</td>
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<td></td>
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</tr>
</tbody>
</table>

**Table 2:** The results of the application of the regression Emotion, brand image, trust, and convenience direct positively correlates with the customer loyalty.

H3: Customer satisfaction is positively correlated with customer loyalty in Malaysia and Jordan.

The results indicated that R is 0.78, R-square is 0.61, and the test value F is 148.22 and thus, the second hypothesis is accepted.

On the other hand, in Jordan, a statistical significance direct and positive relationship exists between emotion, brand image, trust and convenience, and customer satisfaction at the significance level of (p=0.05). The results showed that R is 0.66, R-square is 0.43, and the test value F is 69.31.

The third hypothesis proposes that;

\[ H_3: \text{Customer satisfaction is positively correlated with customer loyalty in Malaysia and Jordan.} \]

The results presented in Table 4 concerning the proposed relationship between customer satisfaction and customer loyalty in the case of Malaysia supported the relationship at the level of significance (p=0.05). Specifically, the values indicated that R is 0.69, R-square is 0.47, and the F test value is 336.52. The values indicate support for the third hypothesis.

With regards to the Jordanian case, customer satisfaction was found to be positively and directly correlated with customer loyalty at the significance level (p=0.05), where the following values were obtained; R=0.34, R-square=0.12, and F test value=47.80. These values indicate support for the third hypothesis.

**Testing the mediating effect**

The developed research model contains four potential mediating effects between the exogenous variables and the dependent variables. They are proposed in the following hypothesis:

\[ H_4: \text{Customer satisfaction mediates the relationship between emotion, brand image, trust, convenience and customer loyalty in Malaysia and Jordan.} \]

<table>
<thead>
<tr>
<th>Country</th>
<th>Variables</th>
<th>( \beta )</th>
<th>( T )</th>
<th>Sig.</th>
<th>R</th>
<th>R²</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>Emotion</td>
<td>0.09</td>
<td>2.43</td>
<td>0.02</td>
<td>0.78</td>
<td>0.61</td>
<td>148.66</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Brand Image</td>
<td>0.36</td>
<td>7.85</td>
<td>0</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Trust</td>
<td>0.24</td>
<td>4.17</td>
<td>0</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Convenience</td>
<td>0.3</td>
<td>4.85</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jordan</td>
<td>Emotion</td>
<td>0.33</td>
<td>7.86</td>
<td>0</td>
<td>0.66</td>
<td>0.43</td>
<td>69.31</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Brand Image</td>
<td>0.4</td>
<td>9.27</td>
<td>0</td>
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</tr>
<tr>
<td></td>
<td>Trust</td>
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<td>0.02</td>
<td>0.98</td>
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<tr>
<td></td>
<td>Convenience</td>
<td>0.15</td>
<td>2.9</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 3:** The results of the application of the regression emotion, brand image, trust, and convenience direct positively correlates with the customer satisfaction.

<table>
<thead>
<tr>
<th>Country</th>
<th>( \beta )</th>
<th>( T )</th>
<th>Sig.</th>
<th>R</th>
<th>R²</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>0.69</td>
<td>18.34</td>
<td>0</td>
<td>0.69</td>
<td>0.47</td>
<td>336.52</td>
<td>0</td>
</tr>
<tr>
<td>Jordan</td>
<td>0.34</td>
<td>6.91</td>
<td>0</td>
<td>0.34</td>
<td>0.12</td>
<td>47.8</td>
<td>0</td>
</tr>
</tbody>
</table>

**Table 4:** The results of the application of the regression customer satisfaction direct positively correlates with the customer loyalty.
The mediating effects tests conducted on customer satisfaction are depicted in the following figures (Figures 4-11).

To determine the extent to which the variance of the DV is directly explained by IV, and how much the DV is explained by the indirect relationship via the mediator. For that purpose, Value of Variance Accounting for (VAF) will be used to determine the strength of this mediation.

\[ \text{VAF} = \frac{\text{Pa} \times \text{Pb}}{\text{Pa} \times \text{Pb} + \text{Pc}'} \]

Figure 4: Emotion and Customer Loyalty Model in Malaysia.

Figure 5: Emotion and Customer Loyalty Model in Jordan.

Figure 6: Brand Image and Customer Loyalty Model in Malaysia.

Figure 7: Brand Image and Customer Loyalty Model in Jordan.

Figure 8: Trust and Customer Loyalty Model in Malaysia.
Where: Pa Path from IV to MV  
Pb Path from MV to DV  
Pc’ Indirect Path from IV to DV.

If the VAF value is less than 20%, it can be conclude no mediation relationship. Value ranging "between" 20% to 80%, can be characterized as partial mediation, and above 80%, it can be assumed a full mediation. Table 5 shows VAF in all variables in models:

On the other hand, in Jordan, customer satisfaction was found to have a partial mediation effect towards the relationship between emotion, brand image, and convenience with customer loyalty. However, customer satisfaction was found to have no mediation effect towards the relationship between trust and customer loyalty. These findings contribute towards theoretical and practical knowledge by providing evidence about determinants of customer loyalty towards selecting five star hotels in Malaysia and Jordan.

The statistical results are presented in Tables 6-9. The overall results supported the mediating effects of customer satisfaction between emotion, brand image, trust, convenience and customer loyalty. The hypothesis is validated with the help of the results of the hierarchical multiple regression analysis as presented in the tables below.

Based on the results contained in the above tables, in the Malaysian case, there is a statistical significant mediating effect of customer satisfaction on the relationship between emotion, brand image, trust, convenience and customer loyalty at the level of significance (p=0.05). More specifically, the following values were obtained; R=0.79, R-square=0.62, and the F test value is 125.279. All the values indicate support for the proposed mediating hypothesis.

In Jordan, similar to the Malaysian case, the results showed a statistical significant mediating effect of customer satisfaction on the relationship between emotion, brand image, trust, convenience and customer loyalty at the significance level (p=0.05). Specifically, the

<table>
<thead>
<tr>
<th>Country</th>
<th>Variables</th>
<th>Std. Path a</th>
<th>Std. Path b</th>
<th>Indirect Effect</th>
<th>VAF</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>Emotions</td>
<td>0.09</td>
<td>0.69</td>
<td>0.064</td>
<td>0.49</td>
<td>Partial Mediation</td>
</tr>
<tr>
<td></td>
<td>Brand Image</td>
<td>0.36</td>
<td>0.69</td>
<td>0.372</td>
<td>0.4</td>
<td>Partial Mediation</td>
</tr>
<tr>
<td></td>
<td>Trust</td>
<td>0.24</td>
<td>0.69</td>
<td>0.075</td>
<td>0.69</td>
<td>Partial Mediation</td>
</tr>
<tr>
<td></td>
<td>Convenience</td>
<td>0.3</td>
<td>0.69</td>
<td>0.311</td>
<td>0.4</td>
<td>Partial Mediation</td>
</tr>
<tr>
<td></td>
<td>Emotions</td>
<td>0.33</td>
<td>0.34</td>
<td>0.145</td>
<td>0.44</td>
<td>Partial Mediation</td>
</tr>
<tr>
<td></td>
<td>Brand Image</td>
<td>0.4</td>
<td>0.34</td>
<td>0.117</td>
<td>0.54</td>
<td>Partial Mediation</td>
</tr>
<tr>
<td></td>
<td>Trust</td>
<td>0</td>
<td>0.34</td>
<td>0.012</td>
<td>0</td>
<td>No Mediation</td>
</tr>
<tr>
<td></td>
<td>Convenience</td>
<td>0.15</td>
<td>0.34</td>
<td>0.22</td>
<td>0.22</td>
<td>Partial Mediation</td>
</tr>
</tbody>
</table>

Table 5: VAF Mediator calculator.
<table>
<thead>
<tr>
<th>Country Model</th>
<th>Variables Entered</th>
<th>Variables Removed</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia 1</td>
<td>Convenience</td>
<td>Enter</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Emotion</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brand</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Image</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trust</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jordan 1</td>
<td>Convenience</td>
<td>Enter</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Emotion</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brand</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Trust</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 6: Regression (Variables Entered/Removed).

<table>
<thead>
<tr>
<th>Country Model</th>
<th>R</th>
<th>R square</th>
<th>Adjusted R square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia 1</td>
<td>0.773a</td>
<td>0.598</td>
<td>0.594</td>
<td>0.34381</td>
</tr>
<tr>
<td>2</td>
<td>0.79b</td>
<td>0.624</td>
<td>0.619</td>
<td>0.32294</td>
</tr>
<tr>
<td>Jordan 1</td>
<td>0.411c</td>
<td>0.169</td>
<td>0.16</td>
<td>0.4296</td>
</tr>
<tr>
<td>2</td>
<td>0.424d</td>
<td>0.18</td>
<td>0.169</td>
<td>0.42735</td>
</tr>
</tbody>
</table>

Table 7: Model Summary.

<table>
<thead>
<tr>
<th>Country Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia 1</td>
<td>Regression 66.543</td>
<td>4</td>
<td>16.636</td>
<td>140.734</td>
<td>0.000a</td>
</tr>
<tr>
<td></td>
<td>Residual 44.683</td>
<td>378</td>
<td>0.118</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total 111.226</td>
<td>382</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Regression 69.436</td>
<td>5</td>
<td>13.887</td>
<td>125.279</td>
<td>0.000a</td>
</tr>
<tr>
<td></td>
<td>Residual 41.79</td>
<td>377</td>
<td>0.111</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total 111.226</td>
<td>382</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jordan 1</td>
<td>Regression 13.724</td>
<td>4</td>
<td>3.431</td>
<td>18.591</td>
<td>0.000a</td>
</tr>
<tr>
<td></td>
<td>Residual 67.547</td>
<td>366</td>
<td>0.185</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total 81.271</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Regression 14.612</td>
<td>5</td>
<td>2.922</td>
<td>16.002</td>
<td>0.000a</td>
</tr>
<tr>
<td></td>
<td>Residual 66.659</td>
<td>365</td>
<td>0.183</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total 81.271</td>
<td>370</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 8: ANOVA.

<table>
<thead>
<tr>
<th>Country Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia 1</td>
<td>(Constant) 0.537</td>
<td>0.214</td>
<td>2.514</td>
<td>0.012</td>
</tr>
<tr>
<td></td>
<td>Emotion 0.054</td>
<td>0.045</td>
<td>1.187</td>
<td>0.236</td>
</tr>
<tr>
<td></td>
<td>Brand Image 0.482</td>
<td>0.048</td>
<td>10.043</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Trust -0.011</td>
<td>-0.013</td>
<td>-0.216</td>
<td>0.829</td>
</tr>
<tr>
<td></td>
<td>Convenience 0.337</td>
<td>0.054</td>
<td>6.232</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>(Constant) 0.497</td>
<td>0.207</td>
<td>2.401</td>
<td>0.017</td>
</tr>
<tr>
<td></td>
<td>Emotion 0.082</td>
<td>0.044</td>
<td>1.849</td>
<td>0.065</td>
</tr>
<tr>
<td></td>
<td>Brand Image 0.386</td>
<td>0.05</td>
<td>7.704</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Trust -0.067</td>
<td>-0.075</td>
<td>-1.29</td>
<td>0.198</td>
</tr>
<tr>
<td></td>
<td>Convenience 0.27</td>
<td>0.311</td>
<td>5.006</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2 Customer Satisfaction 0.208</td>
<td>0.259</td>
<td>5.108</td>
<td>0</td>
</tr>
<tr>
<td>Jordan 1</td>
<td>(Constant) 1.852</td>
<td>0.234</td>
<td>7.921</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Emotion 0.185</td>
<td>0.05</td>
<td>1.91</td>
<td>0.171</td>
</tr>
<tr>
<td></td>
<td>Brand Image 0.127</td>
<td>0.38</td>
<td>3.343</td>
<td>0.001</td>
</tr>
<tr>
<td></td>
<td>Trust -0.01</td>
<td>-0.012</td>
<td>-0.2</td>
<td>0.842</td>
</tr>
<tr>
<td></td>
<td>Convenience 0.193</td>
<td>0.207</td>
<td>3.407</td>
<td>0.001</td>
</tr>
<tr>
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<td>(Constant) 1.749</td>
<td>0.237</td>
<td>7.372</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Emotion 0.14</td>
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<td>1.465</td>
<td>2.619</td>
</tr>
<tr>
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<tr>
<td></td>
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<td>-0.012</td>
<td>-0.204</td>
<td>0.839</td>
</tr>
<tr>
<td></td>
<td>Convenience 0.174</td>
<td>0.186</td>
<td>3.055</td>
<td>0.002</td>
</tr>
<tr>
<td></td>
<td>2 Customer Satisfaction 0.123</td>
<td>0.139</td>
<td>2.205</td>
<td>0.028</td>
</tr>
</tbody>
</table>

Table 9: Variables in the equation Coefficients.
following values were found: R=0.42, R-square=0.18, and the F test value is 16.00. Hence, the mediating effect is also supported in the Jordanian case.

As can be seen from the interpretation above the R² change is not a criteria or important factor in assessing mediation while in moderation the R² change is an important criteria. In mediation the concern is the change in Beta value before and after the inclusion of the mediator variable [91,92].

**Recommendations for Further Research**

On the basis of the above limitations, future empirical research is called for to extend the study. The present study framework may be added to and extended to strengthen the findings and overcome the limitations. The research variables may be used in different sectors like the hospitals, restaurants and airports to determine their influence on customer satisfaction and loyalty.

Future studies may also extend the understanding of the thesis constructs by employing a different methodology. For example, future studies may examine the role of trust in different service settings to determine whether or not the results can be generalized to other premium service providers. Future studies can conduct comparisons to examine the differences between premium services and other services as brand image may play a key role when price is core to the purchase situation.

Moreover, the findings may differ when considered in other cultural groups. This indicates a need for future studies to conduct cross-cultural research to determine whether or not premium customers have the same behavior all over the globe, or whether Malaysian and Jordanian customers are unique due to their culture. In Sheth and Parvatiyar and Arnold and Bianchi, the authors stressed on culture as a significant issue in consumer-business relationships [93,94]. This is a significant issue, particularly for global service providers that focus on diverse customer range. Added to the above recommendations, it may also be useful to examine the differences between five-star hotel chains and their inferior counterparts. Despite the fact that the study model provides an effective relationship marketing program, several other areas may be examined by future studies; for instance, the results of this thesis is confined to five star-hotel chains perspective, future studies can include all the hotels in both countries and conduct a comparison.

Also, it is interesting to determine the emotions that comprise positive effects for different samples like non-loyal Malaysians and Jordanians in the case of customer emotions. This is significant as the customer-service providers relationship is not a universal concept, and is different among different market segments [55].

An extension of the above recommendation is highlighted by Barsky and Nash that provided certain words for positive emotions felt by loyal guests during their five-star hotel patronage [79]. This makes it significant to explore the positive emotions that customers go through as this would contribute to understanding the number, type, and strength of negative emotions in relationship quality and to tackle questions concerning fine-grained emotions categories.

As mentioned earlier, one of the limitations of this study is the use of close-ended questions in the questionnaire, and hence, future studies can include open-ended questions to provide avenues for respondents to provide their opinions and suggestions freely in order to enrich the study findings. Respondents may also provide their suggestions in the last part of the questionnaire to provide optimum quality questionnaires in future studies. Furthermore, despite the appropriate variance explained for both customer satisfaction and loyalty, other determinant variables like customer commitment as evidenced in prior studies [51,95,96], price perceived value and reputation, among others may be included in the model to furnish a more extensive explanation of the variables [9,97].

Lastly, it is also recommended that future studies include the direct and indirect effects between the variables to examine the moderating effects between them [98,99]. For example, future studies could focus on the moderating effect of trust between emotion and customer loyalty, and the mediating effect of convenience between customer satisfaction and customer loyalty. This would furnish a deeper understanding of the variables relationships.

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