

STUDY ON CUSTOMER SATISFACTION, CUSTOMER EXPERIENCE AND CUSTOMER LOYALTY ON BRAND POWER IN HOSPITALITY INDUSTRY

Guddati Archana¹

Assistant Professor, Department of Management Studies, Siddhartha Institute of Engineering & Technology, Survey No: 64, Vinobha Nagar, Ibrahimpatnam, Ibrahimpatnam (Mandal), Ranga Reddy (Dist), Hyderabad, Telangana, India. Ph: 8790600078 Email: nemani.archana@gmail.com.

Abstract. This examination plans to investigate the effect of customer satisfaction, experience, and loyalty on brand power in the Hotel industry. This study utilized a distinct overview inquire about plan dependent on the correlation strategy. The chose populations were Pars Hotels' customers. The example estimate was 384, in view of Hyderabad and Morgan's sampling table. The basic equation modeling was utilized to assess the causal simulation and to examine the unwavering quality and legitimacy of the measuring model. The exploration results demonstrated that customer expectation has the most effect on customer satisfaction with a way coefficient of 0.74. On the other hand, customer loyalty, with a way coefficient of 0.65, is known as an influential factor. This study understands that customer satisfaction and customer expectations are certain drivers of customer loyalty. Customer loyalty additionally is a strong indicator of brand power in hoteling and the travel industry. By strengthening that part, which you have better assets, you can have a superior supply and in this manner, there would be more open doors in establishing a reputation and increasing perceivability.

Keywords: Brand power, customer satisfaction, customer experience, customer loyalty, hotel industry, Smart-PLS.

Introduction

From consumer's point of view, key favorable circumstances of branding development in hoteling industry include apparent dangers, searching costs reduction, and encouraged the buy decision process. From brand proprietors' viewpoint, main points of interest include gaining more piece of the overall industry against contenders, and the capacity to maintain customer through building loyalty. These things can decrease marketing costs (Javalgi, Martin, and Young, 2006). The travel industry covers over 11% of total national output (GDP) of the world. Likewise, around 200 million individuals work in the occupations identified with the travel industry, and very nearly 800 million treks on the planet happen every year.

It is required to have these figures bent over to the year 2020. Regarding the mentioned information, if the travel industry isn't the greatest industry on the planet, yet it is one of the greatest industries (the travel industry examination site). In this way, hoteling is considered as one of the visit ism subsets, and it gains a critical offer of turnover and income of this industry. Hotels with a powerful brand can gain most piece of the offer. Branding is one of the most imperative dominants on the planet hoteling industry. In the United States, 70% of brands have value. This is 40% for brands in Canada and 25% in Europe. Different inquires about demonstrated that genuine esteem does not exist within the item/benefit, rather it exists in genuine and potential customers' mind. The need to influence the customers' minds is additionally apparent in the hoteling industry. In the hoteling and the travel industry industries, in which seasonality phenomenon is one of the real issues to manage, having a powerful brand and brand loyalty is exceptionally urgent. Hoteling industry has long been as an income asset for various nations. Be

that as it may, shockingly, it hasn't developed appropriately in Iran lately, even it has looked with depression. One of the essential elements which have prompted inappropriate development of hoteling and the travel industry is a brand that isn't well-known, known, and tireless in individuals' mind. Standards Hotels Investment Company has looked with the issue of finding a proper position in consumers' mind, and friends' authorities trust that their brand isn't known for individuals and individuals don't esteem Pars Hotels' brand. Additionally, this organization is looked with an absence of customer loyalty and customers frequently don't come back to the hotel. By understanding this issue which can be caused by shortcoming of the brand and consequently causing dissatisfaction and disloyalty to the brand, organization's authorities are seeking suitable solutions. Consequently, regarding the increased significance of brand in Pars Hotel, which can cause customer satisfaction, customers' loyalty, greater gainfulness and finally increased piece of the overall industry and increased quantifiable profit.

1. Theoretical background

1.1. Brand power

Creating and building a powerful brand is an investment that its objective is creating intangible resources and consequently, ensuring the accomplishment of the organization later on. Investing in a powerful brand gives quicker access, as well as gives the organization long-term advancement and development in an increasingly beneficial manner (Kotler and Pfoertsch, 2006). Thusly, one of the requirements of senior administration of every organization is creating powerful brands which next to operation to guarantees and duties, the person enhances his or her power and capacities after some time. Powerful brands can enhance business execution. What makes a brand powerful? The investigations set up by Ogilvy demonstrated that world's powerful brands have couple of straightforward traits. Understanding and getting to know these attributes are critical lessons for business authorities. Particularly, profound examination of 4400 brand demonstrated that four components influence power of brands as pursue: 1) Sense of belonging and closeness: this brand name is belonged to me. 2) Challenging: a brand name which challenges common and traditional practices and principles, and changes the general public. 3) Fame: the most popular brand name in an item classification. 4) Price: a brand name which offers a decent incentive to the consumer because of the consumer installments. Through creating a sensible attraction for customers, a powerful brand can define different touch points among itself and customers. The combination of these two concepts enables the brands to make a huge position for themselves (Keller, 2008).

1.2. Customer loyalty

In all actuality, from a purchaser's point of view, various brand connections are viewed as indications of "loyalty" (Xie and Heung, 2012). Disregarding the way that customer loyalty (CL) is essential for the survival of administration organizations, it ought to be contemplated further (Leong, Hew, Lee, and Ooi, 2015). A similar number of explores demonstrated that there is a basic relationship between customer loyalty and customer satisfaction. Kumar, Dalla Pozza and Ganesh (2013) expressed that the relationship between customer loyalty and satisfaction is intensely factor relying upon a couple of components as the business, customer portion concentrated on the nearness of different components that go about as arbiters, the substance of the independent and ward factors (Aktepe, Ersöz, & Toklu, 2014). For more illustration regarding the conduct of faithful customers, the most recent study has attempted to move to the possibility of customer devotion.

1.3 Customer satisfaction

Customer satisfaction has been a famous subject in marketing practice and scholarly research since Cardozo's (1965) initial study of customer exertion, expectations and satisfaction. In spite of numerous endeavors to quantify and explain customer satisfaction, there still does not have all the earmarks of being a consensus regarding its definition (Giese and Cote, 2000). Customer satisfaction is ordinarily defined as a post-consumption evaluative judgment concerning an explicit item or administration (Gundersen, Heide and Olsson, 1996). It is the aftereffect of an

evaluative procedure that contrasts prepurchase expectations with perceptions of execution during and after the consumption experience (Oliver, 1980).

1.4 Service quality

Administration quality is a mind boggling, slippery, emotional and dynamic concept. It implies distinctive things to various individuals. The most common definition of administration quality is the comparison customers make between their expectations and perceptions of the got administration (Parasuraman et al., 1988; Grönroos, 1982).

Quality is a multi-dimensional concept. Lehtinen and Lehtinen (1982) defined three dimensions of administration quality, specifically, physical quality, interactive quality, and corporate quality. So also, Grönroos (1984) contended that benefit quality involves specialized quality, functional quality, and corporate picture.

1.5 Content Analysis

Content investigation is an observational research technique that is utilized to deliberately assess the emblematic content of all types of recorded communications (Kolbe and Burnett, 1991). It gives logical, objective, quantitative and generalizable description of the content.

The essential procedure of content investigation involves counting the occasions pre-defined classifications of estimation show up in a given content. A powerful content examination should meet a few prerequisites (Kassarjian, 1977; Guthrie and Abeysekera, 2006). Initial, a delegate, randomly drawn example ought to be chosen. Second, the units of estimation, that is, the criteria of investigation must be plainly defined. These units can be explicit a word, expression, subject, section, images, pictures, tables, or essentially the presence or non-presence of some occasion or guarantee. Third, information categorization must be deliberate. It must be certain that a thing either belongs or does not belong to a specific classification. Finally, measurable examination and interpretation of information can be conducted.

Dependability and legitimacy of the instrument and gathered information ought to be demonstrated too. Krippendorff (1980) distinguished three kinds of unwavering quality for content investigation, to be specific, soundness, reproducibility, and precision. Dependability can be accomplished by using a few coders (judges) for processing a similar content. Inconsistencies between them ought to be minimal. Another factor to consider is the unwavering quality of the coding instrument, which diminishes the requirement for numerous coders. On the other hand, legitimacy is defined as the degree to which an instrument estimates what it is intended to gauge. In the field of content examination, selection of classes and content units improves or diminishes the probability of substantial inferences (Kassarjian, 1977).

2. Hypothesis development

2.1. Linking customer experience to customer satisfaction

According to electronic communications and transactions (ECT), consumers ordinarily gather and survey item information from broad communications or companions and then shape their very own expectations, previously making purchasing decisions. At the end of the day, the expectation is pre-acknowledgment and in this manner is disconnected to customer experience levels. Paradoxically, the post-buy apparent execution is influenced by the direct experience, which dependably differs depending on the customer experience level. This issue is generally insignificant for experience items in light of the fact that such items are typically utilized only once and for a brief timeframe. Exploring the relationship between customer experience levels and saw execution is increasingly meaningful for tough items since consumers, for the most part, utilize these items much of the time and for a longer timeframe (Wang, Du, Chiu, and Li, 2018). Accordingly, the principal speculation has been defined as pursues:

H₁: Customer satisfaction is positively influenced by customer experience.

2.2. Linking customer satisfaction to brand power

In a study, Huang and Cai (2015) effectively demonstrated that distributive equity results in higher recuperation satisfaction than low value brands and brand value adjusts the relationship among satisfaction and administration recoup. It was said that associations of the good and strong quality with high strong brands enable customers to portray the administration disappointment as temperamental and transitory, which results in lower dissatisfaction. Brady, Cronin, and Brand (2002) correspondingly said that conduct intentions and customer satisfaction, without considering the connection of value and the brand, depend on the recuperation endeavors' evaluation. By these blended findings, plainly there is a need to work more to assess the job of brand reputation in customer reactions to benefit disappointment. In this way, our next theory is:

H₂: Brand power is positively influenced by customer satisfaction.

2.3. Linking customer experience to brand power

The power of customer experience is normally belittled by business pioneers. Brand the board firm Prophet discharged a State of the Market study in 2011 showing that only 13 percent of administrators trust the buy experience is the most basic driver of future brand value, while 36 percent said item and administration quality would be the best driver. Despite the fact that marketing administrators think about customer experience, yet they likewise recognize that their organizations don't esteem it as a basic component of the brand experience and create it as a center competency (Huang and Cai, 2015). Subsequently our third speculation will be:

H₃: Brand power is positively influenced by customer experience.

2.4. Linking customer satisfaction to customer loyalty

Numerous researchers have bolstered the possibility that customer satisfaction is a critical determinant of customer loyalty (Loureiro, 2010). Chitty, Ward, and Chua (2007) proposed that satisfaction with the administrations gave may result in faithful customers. Kao, Huang, and Wu (2008) likewise tried and confirmed the critical effect of customer satisfaction on customer loyalty in amusement parks. Numerous kinds of research demonstrated that customer satisfaction and loyalty have meaningful and positive relationships with one another and they affect the organization's execution. Accordingly, the following conjecture is as following:

H₄: Customer satisfaction has a positive impact on customer loyalty.

2.5. Linking customer experience to customer loyalty

Kim (2008) exactly tried that experiences which are significant, all the more most likely effect a person's future conduct and he additionally made a scale to gauge paramount experiences and demonstrated that it profoundly and emphatically influenced the future social intentions. Yeng and Mat (2013) exactly tried the precursors of loyalty in Malaysian retail and found that while promotion action, store air, item quality, and administration quality strongly affect the attitudinal/psychological loyalty, full of feeling (attitudinal) loyalty is straightforwardly influenced by retailer brand value, loyalty projects, and satisfaction. Consequently, we can condense that:

2.6. Linking customer loyalty to brand power

A strong brand name can assist consumers with conveying and distinguish the nature of an item (Aaker, 1996). The past study focused on the positive relationship between customer loyalty and brand value. Thusly, the following speculation planned as:

H₆: brand power is positively influenced by customer loyalty.

Therefore, the proposed conceptual framework of this research is shown in Figure 1.

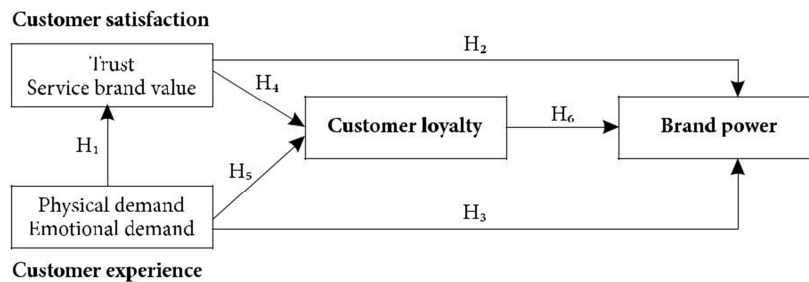


Figure 1. Model and hypothesized relationships

Conclusions

Brands are an organization's most valuable origin. With no regard to the geological degree of the organization, a "brand" insinuates the limit of an organization to dependably exchange its assurance generally business units. The expression "benefit brand" is from time to time utilized in administration businesses. Nonetheless, the value of an administration brand is extraordinarily relied upon the staff individuals' capacity in conveying guarantees of the brand. At that point, an administration brand shifts from a client's items brand. An administration brand ought to be taken to that association's staff and got a handle on, recognized, and masked by staff individuals, yet a consumer's items brand depends incredibly on utilizing outside correspondence to express brand meaning to customers.

According to the findings of the study, we came to know the power of the brand among customers in the hotel industry in Iran. The multidimensional form of brand power basically contains three factors; customer satisfaction (trust, duty), customer experience (after deals administration, execution) and customer loyalty (customers' expectations, additional advantages of hotels, society esteem). In the focused accommodation industry, separating your organization is imperative to setting up a firm customer base. The reason for branding is to ensure that customers will return once more and even endorse your business to other people.

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