# THE RELATIONSHIP BETWEEN SATISFACTION AND LOYALTY OF HOTEL SERVICE USERS IN THE TOURISM CITY OF BATU, MALANG

# <sup>1</sup>Didit Darmawan, <sup>2</sup>Fajar Purwanto, <sup>3</sup>Jahroni & <sup>4</sup>Allyana Infante

<sup>1,2</sup>University of Mayjen Sungkono Mojokerto, <sup>3</sup>University of Sunan Giri Surabaya, <sup>4</sup>University of Asia and the Pacific, Philippines

### **ABSTRACT**

Indonesia has abundant natural wealth. Indonesia's nature which has been recognized for its beauty attracts the attention of domestic and foreign tourists. This causes business competition in the hospitality sector. The development of technology has resulted in a change in consumer behavior in all fields, especially in the hospitality sector. Hotel management is trying to increase the loyalty of their hotel visitors. This study aims to determine the role of visitor satisfaction in the formation of visitor loyalty. The sample of this study is a visitor to a hotel in Batu City, East Java. The sample used is 100 respondents. This study uses simple regression analysis and correlation. The results of the study indicate the role of visitor satisfaction on visitor loyalty. There is a very high relationship between satisfaction and loyalty from visitors.

Keywords: satisfaction, loyalty

### Introduction

The tourism industry in Indonesia has promising development prospects. Indonesia has natural beauty and cultural diversity that is in demand by domestic and foreign tourists. There is still a lot of tourism potential that has not been developed at this time. However, this progress is also supported by the growing growth of business activities in the hospitality sector, which plays a role in facilitating lodging services for tourists visiting tourism destination objects.

The hotel business in Indonesia has been hit hard by the Covid-19 pandemic. Before the pandemic, the growth in the number of hotels was quite significant. There is hope that the condition of the hotel industry will return to normal after the pandemic can be passed along with preventive measures such as the provision of vaccines evenly and globally.

Competition in the hotel industry is fierce. This is a must for the manager to provide optimal and excellent service to every visiting guest. A strategy that focuses on providing facilities such as rooms, restaurants, bars and fitness facilities is no longer considered an advantage. Even for most people, this ministry has become an integral part of the lifestyle.

In line with developments in technology and information, the development of the business world, especially the service industry, shows an extraordinary trend of progress. This has also formed a significant change in every business that is run, which involves strategy, goals, behavior, preferences and consumer demands. Competition between the business world has become very competitive, especially for companies that have the same business activities. Companies primarily engaged in the service sector are currently faced with efforts to create strategies that must be able to create high and sustainable competitiveness (Darmawan, 2009). Consumers can make hotel selections more easily without having to make phone calls, which used to be often done to inquire about hotel conditions and services before making a reservation.

Currently, sorting and ordering can be done through the mediator application. In addition, the price can be known along with the product attributes offered by the hotel. This makes it easier for consumers but for service providers is a challenge that must be answered with readiness for any changes quickly. This condition will certainly lead to competitive competition from each hotel manager to try to provide and display the advantages of the services they manage. One of them is by providing the best service, creating high satisfaction and loyalty for every guest who stays at their hotel.

According to Akbar and Parvez (2009), service is a series of intangible activities that occur in interactions between customers and service employees and or physical resources and or service provider systems that are provided as solutions to customer problems. According to Jahanshahi et al. (2011), perceived service quality is defined as the difference between expected service and perceived service. The suitability of these two things will show the level of customer satisfaction so that it can be said that knowing the quality of service means that customer satisfaction can be known (Darmawan, 2004). Excellent service quality will be the main key to success in achieving this goal. Jahanshahi et al. (2011) states that service quality is the optimal service provided to customers for satisfaction accompanied by professional efforts to provide services.

Customer satisfaction is a level where the needs, desires and expectations of customers can be met which will result in repeat purchases or continued loyalty (Rust & Zahorik, 1993). The most important factor for creating customer satisfaction is the performance of the company which is usually defined by the quality of the company (Afsar et al., 2010). Parasuraman et al. (1990) stated that customer satisfaction is the level of one's feelings after he compares the perceived performance compared to his expectations. Customers will feel satisfied with the services provided by the company if the services provided are able to meet customer needs and expectations. Customer satisfaction is an important key to retaining customers, so without customer satisfaction, companies will find it difficult to survive in the face of competitive competition (Anderson & Sullivan, 1993).

Shankar et al. (2000) stated that customer loyalty is formed from customer satisfaction. The relationship between the two is very strong. Customer loyalty is the willingness of customers to continue to subscribe to a company in the long term, by buying and using its goods and services repeatedly and voluntarily recommending the company's products to colleagues (Kuusik, 2011). Kandampully (2000) states that the sign of someone being loyal is to make repeat purchases from the same service provider. This is also marked by taking positive recommendations for service providers (Djati & Darmawan, 2004). According to Cheng (2008); and Howat and Assaker (2013), the creation of satisfaction and loyalty for consumers will be the company's top priority.

However, in the hospitality industry in tourist areas, further observations are needed on the recommendations from previous studies which state that there is a strong relationship between satisfaction and loyalty. Visitors to a hotel who feel satisfied will continue their behavior with repeat visits, and this requires confirmation based on observations that will be carried out in this study.

### **Research Methods**

This study uses the variables of satisfaction and loyalty. Hotel visitor satisfaction is an assessment given by visitors on the suitability of expectations with actual conditions. The measurement of customer satisfaction is taken from the existing service literature and uses a four-item measure, which includes overall satisfaction, comparison of expectations, positive attitudes towards hotels, and positive hotel stay experiences (Olorunniwo et al., 2006).

Loyal customers are characterized by support for service providers, regularly maintain relationships with service providers, and increase purchase frequency (Wilkins et al., 2009). Thus, loyalty means the customer's commitment to the preferred product or service. Therefore, the recommended approach to measure customer loyalty in hotels is based on the context of repeat visit intentions, price sensitivity and recommendations to friends and relatives (Skogland & Siguaw, 2004).

This simple study involved 100 respondents from a group of family tourists. They were visited at tourist sites and given a questionnaire. Even with the accidential sampling technique, at least the respondent's target as hotel visitors in tourist attractions is accurate from the interviews conducted with the target. This study only justifies many previous studies that explain the relationship between satisfaction and loyalty, so we conduct a simple research using a simple tool, namely regression.

### **Results and Discussion**

Description analysis was conducted on the respondent's profile based on gender, age, education, profession, and visits. Female respondents were 68% more than men 32%.

Based on the age of 25 years and under as much as 36%. The age range between 26-35 years is 39%. The age range of 36-45 years is 15%. Age over 46 years as much as 10%. From the education group, there are junior high school graduates as much as 2%. There are 59% high school graduates. There are 3% diploma graduates. There are 36% undergraduate graduates. By profession, 64% are private workers, 20% are civil servants, and 16% are independent businesses. Based on visits, traveling once a year is 66%. Traveling 2 times a year as much as 26%. There are 3 times a year as much as 7%. There is 1% more than 3 times a year.

The data obtained from the questionnaire was then processed using SPSS. The data were then tested with validity tests to determine the quality of the statements in the questionnaire. The processing results show that all statements that represent the satisfaction variable are declared valid. The same result is shown by the statement that represents the visitor loyalty variable which has a value of not less than 0.3 so that it is declared valid as in table 1.

Table 1. Item-Total Statistics

Variables	Cronbach's Alpha	items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Customer	.723	Cus.Sat1	18.6700	5.577	.667	.576
Satisfaction		Cus.Sat2	18.9000	5.404	.589	.614
		Cus.Sat3	19.2900	6.188	.386	.739
		Cus.Sat4	18.7400	6.215	.437	.705
Customer	.667	Cus.Loy1	12.9000	2.859	.451	.607
Loyalty		Cus.Loy2	13.0200	2.646	.472	.581
		Cus.Loy3	12.9400	2.643	.513	.524

Furthermore, the reliability test was carried out. The results of this test show that the Cronbach alpha value for the customer satisfaction variable is 0.723 and the customer loyalty variable is 0.667. These results indicate that the two research variables are declared reliable.

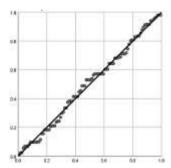


Figure 1. Normality

The results of the normality test of the data in figure 1 provide evidence that the data is normally distributed following a diagonal line. The simple results of the correlation between the two variables are shown in table 2 and confirmed by table 3 in the model summary.

Table 2. Correlations

		CUS.SAT	CUS.LOY
Cus.Sat	Pearson Correlation	1	.776**
	Sig. (2-tailed)		.000
	N	100	100
Cus.Loy	Pearson Correlation	.776**	1
	Sig. (2-tailed)	.000	
	N	100	100

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

The relationship between the two variables is 0.776, which means that there is a unidirectional and positive relationship between customer satisfaction and loyalty. The more satisfied hotel visitors are, the greater the opportunity to be loyal. This relationship is very strong. The coefficient of determination of 60.2% shows the contribution of visitor satisfaction to build visitor loyalty. Although there is a significant contribution from other variables not involved in this study, the 39.8% value allows for various other variables to form loyalty such as price, promotion, location, and so on.

Table 3. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.776a	.602	.598	1.45054

The regression model that is formed is as shown in table 4 as the result of the t test. The t value is 12,183 and the significant value is below 5%. It is more than sufficient to state that there is a real role of customer satisfaction in shaping customer loyalty.

Table 4. Coeffecients

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	4.920	1.200		4.101	.000
	Cus.Sat	.576	.047	.776	12.183	.000

The findings of this study support the studies of Kandampully (2000); and Wilkins et al. (2009) who found an association between customer satisfaction and customer loyalty. Recognizing that customer satisfaction plays an important role in a market offering and that satisfied customers will have the intention of visiting in the future in the long term, hotel service providers must understand customer needs to strengthen customer satisfaction. In searching for the most effective solutions, hotel operators must implement effective systems to monitor customer needs and perceptions of service quality. Such a system will impress hotel guests and may help increase their level of satisfaction. A high level of customer satisfaction will further translate into a better perception of the hotel's corporate image, and the building of a strong customer base to stay ahead of their competitors (Liat et al., 2014).

By having a loyal customer base, service providers can expect from favorable customer actions in addition to making repeat purchases, such as expanding purchases, providing recommendations to others, and demonstrating

resilience to offers from other service providers (Jahanshahi et al., 2011). With these indications of customer behavior, service providers will be helped to expand in the target market.

### Conclusion

The results showed that there was a significant role of satisfaction in the formation of visitor loyalty. This study also shows that there is a strong relationship between visitor fit and visitor loyalty. Hotel operators strive to satisfy the needs of their guests and further retain them by trying to understand the factors that can build a strong loyal customer base.

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