

## HOW SERVQUAL AND VISITOR SATISFACTION AFFECT LOYALTY AND POSITIVE WOM WITHIN THE INDONESIAN HOTEL SECTOR?

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### ABSTRAK

Sektor perhotelan merupakan salah satu sektor ataupun industri yang sangat terdampak negatif oleh adanya pandemi COVID-19 yang saat ini terjadi dan melanda hampir seluruh belahan bumi di dunia, termasuk Indonesia. Namun, penurunan jumlah kasus positif COVID-19 di Indonesia yang terjadi akhir-akhir ini telah kembali “menghidupkan” para hotel ini, yang dimana, hal ini ditandai dengan kembali meningkatnya jumlah individu yang berkunjung ataupun menginap di berbagai hotel di Indonesia. Alhasil, maka penting bagi setiap individu untuk dapat memahami berbagai faktor yang dapat meningkatkan tingkat loyalitas dari pelanggan yang berkunjung ataupun menginap di hotel tersebut, mengingat bahwa kemampuan hotel di dalam menciptakan loyalitas di benak konsumen inilah yang dapat menentukan keberhasilan hotel tersebut dibandingkan dengan para pesaingnya. Berkaitan dengan hal ini, maka studi ini dilakukan guna menganalisis secara mendalam bagaimana peranan *service quality* serta *visitor satisfaction* di dalam meningkatkan *visitor loyalty* serta *positive word-of-mouth* pelanggan terhadap berbagai hotel di Indonesia, khususnya di masa pandemi COVID-19 ini. Sebanyak 200 kuesioner disebarluaskan secara daring (*online*) kepada seluruh responden, yang dimana, dari 200 data yang telah terkumpul, sebanyak 188 data yang *reliable* dan *valid* selanjutnya dianalisis dengan menggunakan metode PLS. Selanjutnya, berdasarkan hasil pengolahan data, maka peneliti menyimpulkan bahwa *service quality* serta *visitor satisfaction* memegang peranan yang signifikan di dalam mempengaruhi tingkat loyalitas pelanggan, serta di dalam meningkatkan intensi dari setiap pelanggan hotel untuk menyebarkan berbagai informasi dan pengalaman positif yang dirasakan selama menginap di hotel yang dikunjungi.

**Kata Kunci:** *Service Quality, Visitor Satisfaction, Visitor Loyalty, Positive Word-of-Mouth, Indonesian Hotel Sector.*

### ABSTRACT

*Hotel sector had become one of several sectors which was negatively affected by the current COVID-19 pandemic which had occurred worldwide, including in Indonesia, in which, various travel restriction policies implemented by the government had greatly reduced the number of occupants who are visiting and staying at various hotels, which in turns reduced the amount of revenues earned by these hotels. However, the declining trend of the new COVID-19 cases in Indonesia prompted the government to ease several travel restrictions policy, thus enabling people to travel all across the country for various purposes. In this case, such scenario had started to increase the number of visitors who are visiting and staying at various hotels in Indonesia. Therefore, it is important for hotels operator to identify factors that could significantly influence the formation of loyalty on consumers' mind, since loyalty is one of the most crucial factor which could determine the success and failure of a hotel. Thus, this study was commenced in order to assess the impact of both service quality and visitor satisfaction toward both visitor loyalty and positive word-of-mouth. A total of 200 questionnaires were virtually-distributed to all respondents who participated in this study, in which, a 188 of them were deemed valid and usable. Using PLS-SEM to analyze the data, authors concluded that both service quality and visitor satisfaction had significantly affected consumers' loyalty toward the hotel, while also affected consumers' intention to spread positive information to the others regarding their experience of staying in the hotel.*

**Keywords:** *Service Quality, Visitor Satisfaction, Visitor Loyalty, Positive Word-of-Mouth, Indonesian Hotel Sector.*

## 1. INTRODUCTION

### Research Background

Hotel industry had become one of several industries (beside aviation, tourism and entertainment industry) in Indonesia which had been severely hit by the current and ongoing COVID-19 pandemic, in which, not only that the number of revenues generated by most hotels were plummeting, the number of people who were forced to be laid off by these hotels was also quite high, thus indirectly increase the unemployment rate in Indonesia for the last 1.5 years. Furthermore, Goforth (2021) also argue that hotel, leisure and entertainment sector were several sectors which were hardest-hit by the current pandemic situation all around the world, in which, once thus pandemic ends, it might need quite some time for these industries to be able to recover and stabilize themselves within the industry in order to enable these companies to survive and re-compete effectively with the other competitors. Moreover, another report written and stated by Mubarak (2021) had also underlined the dire situation and condition hampering many hotel operators in Indonesia, in which, it was reported that almost 2000 hotels had decided to shut down and closed their business operations due to financial difficulties (associated with high amount of costs which these hotels are required to pay together with the plummeting revenues and occupancy rate which negatively affect the financial stability of these hotels), while many others are still struggling to sustain and maintain their businesses during the current situation.

However, since the Indonesian government had decided to ease some travel restrictions to all of Indonesians who would like to travel to the other countries or cities, in which, now all Indonesians are able to travel or visit the other cities or countries (as long as these travelers or individuals had fulfilled all of the COVID-19-related requirements set by the government) as freely as possible, in which, not only that such policy enable many businesses to rebound from their condition, but also indirectly had positively affect many hotels operators in Indonesia, since the increasing or escalating number of travelers visiting many of the cities in Indonesia had also caused the number of individuals or travelers stay at the hotel to increase. Moreover, the government's other policy which require Indonesians (and foreign travelers) from who've just arrived from the other countries to quarantine themselves at some hotels in Indonesia for some period of times in accordance with the quarantine rules set by the government had also indirectly increase the amount of operating revenues obtained or gained by these hotels, thus allowing them to maintain and grow their businesses in the middle of the pandemic. Therefore, it was interested to further understand whether or not service quality still plays an important role in inducing satisfaction and loyalty toward these hotel guests who are staying or visiting at some hotels in Indonesia (for various purposes) during this pandemic situation.

Within the field of marketing, it is understandable and undeniable that loyalty had been long considered and perceived by many academicians, researchers, and practitioners as the main force which could determine the survivability of a company in various industries (Japutra & Keni, 2020; Wilson *et al.*, 2019; Keni *et al.*, 2022). Technically defined as company's abilities to retain their customers for a long period of time, companies which are able to induce or create loyalty within their consumers' minds won't only be able to strongly influence consumers' intention to re-visit, re-purchase or re-connect with the same companies for a long periode of time, but also be able to eliminate any kinds of risks in which these same group of consumers will interact or establishing another relationships with the other competitors conducting similar businesses within the same industry.

Furthermore, it had also been studied and found out by several authors that companies which are able to properly and continuously retain their customers were most likely to experience increase their market share, financial growth and market stability compare to those who failed to retain or induce loyalty to their customers. Moreover, more importantly, various researchers and studies had also underlined the significant relationship between loyalty and positive word-of-mouth, in which, loyal customers are more likely to spread or share any kinds of positive news, information and experience that they regarding the companies to their colleagues or society as compared to the non-loyal ones, in which, it had also been known that positive word-of-mouth was another variable which could drive a company toward its success, since positive word-of-mouth spread by one individual to the others enable more and more people to know about the company, in which, such condition will allow companies to increase and attract as many buyers as possible, thus allowing companies to increase their financial revenue, while also enabling them to outweigh their competitors within the same market or industry. Therefore, it is no wonder that most studies or research which were written or conducted within the realm of marketing were so often include loyalty as one of the variable, considering the strong importance that loyalty had in determining a company's ability to succeed in the market.

In the other hand, several studies had also underlined some variables or factors which had been found out to have some significant impact toward creating, increasing and strengthening consumers' state of loyalty toward the company, in which, some of these factors are service quality and satisfaction. Similar with the concept of loyalty, service quality had also been perceived and discussed for a long period of time as one of the most important variable within the field of marketing research, particularly within the field of service marketing, since service quality deals with how consumers judge the state, condition or quality of any kinds of services offered and performed by the company (Jawaid *et al.*, 2021).

In this case, consumers' judgement will be solely based on what kind of expectations that consumers had toward the company, and whether the company had been able to perform or offer and kinds of services which cater and satisfy all of these expectations. Despite being classified as "saturated variable" due to the fact that service quality had become one of the most studied, discussed and analyzed variable compared to the other variables, however, its importance still can't be put aside in terms of determining the company's ability to retain their customers, while achieving all of the company's target at the same time. It is mainly because nowadays, most customers tend to judge the quality of the company (and how they rate the company) mostly by how these companies treat their customers from the service perspective, in which, companies' failure to provide adequate and pleasant service to the customer will most likely cause customers to search for the other alternatives from the other competitors, while increasing the chance or risk that these customers will also spread negative word-of-mouth which could tarnish the company's reputation and image within people's mind (Moreo *et al.*, 2019).

Furthermore, satisfaction had also been considered as another factor which could strongly affect one's loyalty toward the company, in which, dissatisfied customers will be most likely to deviate to the other companies offering similar products or services compare to the satisfied one (Wilson *et al.*, 2021). In this case, the term satisfaction, which basically are about consumers' personal judgement regarding whether or not the entire performance and quality offered and shown by the company had satisfied all of the expectations that customer had toward the company, plays an incredibly significant role in determining the company's ability to retain as many customers as possible, while at the same time, also determining the company's ability to retain and grow itself in the market. Moreover, the importance of satisfaction in terms of strengthening consumers'

loyalty could further be felt within the service industry, considering that there are quite a lot of companies which providing or offering similar services to the one that the company was offering, in which, it would be quite easy and practical for consumers to shift their preference from one serviced provider to the other if consumers are not satisfied by what the company was offering, or by how the company are performing their service or business. Therefore, it is understandably important for companies (particularly those which are conducting their business in the service sector) to be able to always keep their customers satisfied by offering the products or services which fit or comply with what these customers are expecting, in which, once customers are satisfied with the company, the chance is quite high that these customers were going to be loyal to the company, in which, these loyalty could further influence customers to spread positive news and information about the company to the others, while at the same time persuading them to buy any services or products offered by the company, thus increasing the number of customers that a company had (Shanujas & Ramanan, 2021; Kamboj *et al.*, 2021).

Previous studies conducted by Boonlertvanich (2019), Omoregie *et al.*, (2019), and Al-Dweeri *et al.*, (2019) within the banking and e-retailing context in Thailand, Ghana and Jordan had found similar results, in which, both service quality and satisfaction had been found as two variables which pose significant effect in affecting and increasing consumers' loyalty toward companies, in which, customers who are satisfied with the companies are offering, while highly value the quality of service offered by these companies, are more likely to be loyal toward the companies compare to the non-satisfied ones. Moreover, similar studies conducted by Izogo (2017) and Latif (2021) within the field of telecommunication and education, had also found the importance and significance that both service quality and satisfaction had toward enhancing the level of loyalty that customers had toward a company.

However, none of these studies were trying to analyze and assess whether or not both service quality and satisfaction also affect customers' positive word-of-mouth intention in addition to loyalty, since various studies had found the important of positive word-of-mouth in ensuring the company's ability to retain and attract as many customers as possible (Pollack, 2017; Roy & Naidoo, 2017; van Tonder *et al.*, 2018). Furthermore, none of these studies were conducted within the realm of hotel industry, in which, it is actually important to assess the relationships of these variables in affecting both customer loyalty and positive word-of-mouth within the context of hotel, particularly during the current and ongoing COVID-19 pandemic, considering that hotel sector had become one of the hardest-hit industry for the past years caused by the current pandemic. Therefore, due to the existence of these gaps, this study was conducted in order to further understand the effect which was given by both service quality and visitor satisfaction toward both loyalty and positive word-of-mouth in the hotel industry in Indonesia during the current and ongoing pandemic.

### **Purpose of the Study**

In accordance with the research background which had been stated and explained above in a structured manner, there are 7 (seven) objectives that authors would like to achieve and analyze in this study, which are: whether service quality has a significant impact toward visitor loyalty?; whether visitor satisfaction has a significant impact toward visitor loyalty?; whether service quality has a significant impact toward positive word-of-mouth intention?; whether visitor satisfaction has a significant impact toward positive word-of-mouth?; whether visitor loyalty has a significant impact toward positive word-of-mouth intention?; whether service quality has a significant indirect impact toward positive word-of-mouth intention through visitor loyalty?; and

whether visitor satisfaction has a significant indirect impact toward positive word-of-mouth intention through visitor loyalty?

## **Literature Review**

### **Service Quality**

Service quality could be defined as customers' personal and individual judgement concerning the state and the quality of the service offered and performed to these customers, in which, such judgement could either be in the form of negative judgement (which imply that the quality of the service offered by the company wasn't up to the standard or expectations that customers had toward the company), or positive judgement (which imply that the quality of the service offered by the company had fulfilled the standard or expectations that customers had toward the company) (Jawaid *et al.*, 2021; Chan & Gao, 2021). Furthermore, the concept of service quality could also be understood as consumers' personal perception and impression concerning the quality of a company as a whole, in which, such perception was derived based on customers' judgement regarding the service offered by the company from five main dimensions, namely tangibility, assurance, reliability, responsiveness, and empathy (Chatterjee *et al.*, 2021; Albuquerque & Ferreira, 2021).

### **Visitor Satisfaction**

Other than service quality, satisfaction had also been studied and considered as the other variable which could also significantly affect customer loyalty toward the companies, regardless of which industry that these companies are conducting their business at (Kamboj *et al.*, 2021; Agnihotri *et al.*, 2021). Satisfaction itself refers to consumers' judgement on whether or not the overall performance of a company had conformed or match all of the expectations that consumers had toward the company itself (Shanujas & Ramanan, 2021). Furthermore, satisfaction could also be understood as the overall or general quality of a product or service assessed by the customers, in which, such assessment was based on the differences between the real or actual quality or performance, and the expectations that consumers had concerning the quality or the performance of the product or service (Japutra *et al.*, 2015). Within the context of hotel sector, visitor satisfaction could be understood as visitor or guests' personal evaluation concerning whether or not the entire service offered by the hotel (and all of the staffs) had successfully satisfied all of the expectations that these guests had before visiting the hotel (Sofi *et al.*, 2020).

### **Visitor Loyalty**

The concept of loyalty itself could be defined as consumers' conscious and personal intention to keep interacting with the company for a long period of time, while at the same time, also engage in further transactional activities with the company (Jung *et al.*, 2021). Furthermore, Wilson & Keni (2018) and Izogo & Mpinganjira (2021) also defined loyalty as customers' willingness to re-purchase or re-buy any kinds of goods or services marketed by the same companies in the future. The concept of loyalty itself plays an integral role in affecting company's ability to edge out competitors, since not only that loyal customers will keep buying or purchasing products or services from the same company for an extended period of time, but also that these group of loyal customers will neglect or shrug off any kinds of products or services offered by the other competing companies, which is crucial in helping the company to move a step ahead of its competitors in the market (Curatman *et al.*, 2021). Meanwhile, within the context of hotel sector, visitor loyalty could be understood as visitor or guests' personal commitment to re-visit or re-choosing the same hotel as their main choice of accommodation on their next visit in the future (Latif, 2021).

### **Positive Word-of-Mouth**

Positive word-of-mouth could be understood as consumers or people's strong intention to spread, share or give some positive information regarding a specific organization to the others, in which, such intention was conducted with the purpose of attracting or inviting the others to buying any kinds of goods or services which were offered by the organization (Ozdemir *et al.*, 2016; Talwar *et al.*, 2020). Furthermore, positive word-of-mouth could also be understood as consumers' personal willingness to share as many positive information as they can to their colleagues, friends, family, or society in order to influence them to interact, engage and involve in some transactional or buying activities with certain companies (Dechawatanapaisal, 2020). Similar with the concept of loyalty, positive word-of-mouth had also been understood as an important antecedent to company's success, since customers who are willing to share any positive information about the company indirectly served as their "unpaid company staffs" which try their best to attract and invite as many new customers as possible. In this case, such intention or willingness will also bring some good or positive impacts toward the company, since company could reduce the amount of marketing costs which should be spent in order to attract new customers (Relling *et al.*, 2016; Mukerjee, 2020).

### **The Impact of Service Quality on Visitor Loyalty and Positive Word-of-Mouth**

Previous studies which were conducted by Moreo *et al.*, (2019), Suhartanto *et al.*, (2019), Boonlertvanich (2019), Ozkan *et al.*, (2019), and Wilson (2020) had found out that service quality had significantly and positively affecting consumers' level and state of loyalty toward various companies from various sectors, in which, companies' ability to offer exceptional service in order to satisfy consumers' expectations toward the service will significantly improve and strengthen consumers' level of loyalty toward the companies themselves. Moreover, another studies by van Tonder *et al.*, (2018), Ahmadi (2019) and Khoo (2020) had also underlined the significant and positive impact that service quality had toward inducing and increasing customers' positive word-of-mouth, in which, companies' abilities to give and perform all kinds of services which conform with what the customers are expecting could significantly increase the chance of customers to share any kind of positive news or information regarding their experiences with the company to the others. In accordance with these studies, authors propose the following hypotheses:

**H1:** Service Quality has a significant and positive impact on Visitor Loyalty

**H2:** Service Quality has a significant and positive impact on Positive Word-of-Mouth

**H3:** Service Quality has an indirect significant and positive impact on Positive Word-of-Mouth through Visitor Loyalty

### **The Impact of Visitor Satisfaction on Visitor Loyalty and Positive Word-of-Mouth**

Previous studies which were conducted by Kuo *et al.*, (2013) and Velázquez *et al.*, (2015) had found out that satisfaction had a significant and positive effect toward affecting consumers' level of loyalty toward companies, in which, in this case, companies' ability to fulfill the expectations and needs that consumers are having by offering the best products or services to the customers will strongly influence their decision to re-purchase the same products or services from the company in the future. Furthermore, another studies conducted by Ahmadi (2019) and Khoo (2020) had also underlined the significant and positive impact that satisfaction had toward inducing and increasing customers' positive word-of-mouth, in which, companies' abilities to produce any kinds of products (or offer any kinds of services) which fit consumers' taste,

preferences, and expectations could induce satisfaction on consumers' minds toward the company, in which, in the end, such satisfactory feeling could significantly influence the consumers to spread positive information to the others about the experience that consumers with the company. In accordance with these studies, authors propose the following hypotheses:

**H4:** Visitor Satisfaction has a significant and positive impact on Visitor Loyalty

**H5:** Visitor Satisfaction has a significant and positive impact on Positive Word-of-Mouth

**H6:** Visitor Satisfaction has an indirect significant and positive impact on Positive Word-of-Mouth through Visitor Loyalty

### The Impact of Visitor Loyalty on Positive Word-of-Mouth

A study conducted by Tonder *et al.*, (2018) has uncovered the significant impact of loyalty toward positive word-of-mouth, in which, customers who are loyal toward certain companies will be more likely so share all of the information that they knew regarding the company to the others, in hope that those who listened or received the information will further share the information to the others, while at the same time, will buy or use any kind of goods offered by the company. Furthermore, further studies conducted by Jain *et al.*, (2018) and Wisker (2020) also found a significant and positive effect of loyalty toward positive word-of-mouth, in which, the chance or probability that customers will share and spread all of their positive and memorable experiences with the company to the others will be higher when these customers are loyal, in which, they also try their best to influence their surroundings and peers to engage in some purchasing activities with the company. In accordance with these studies, authors propose the following hypotheses:

**H7:** Visitor Loyalty has a significant and positive impact on Positive Word-of-Mouth

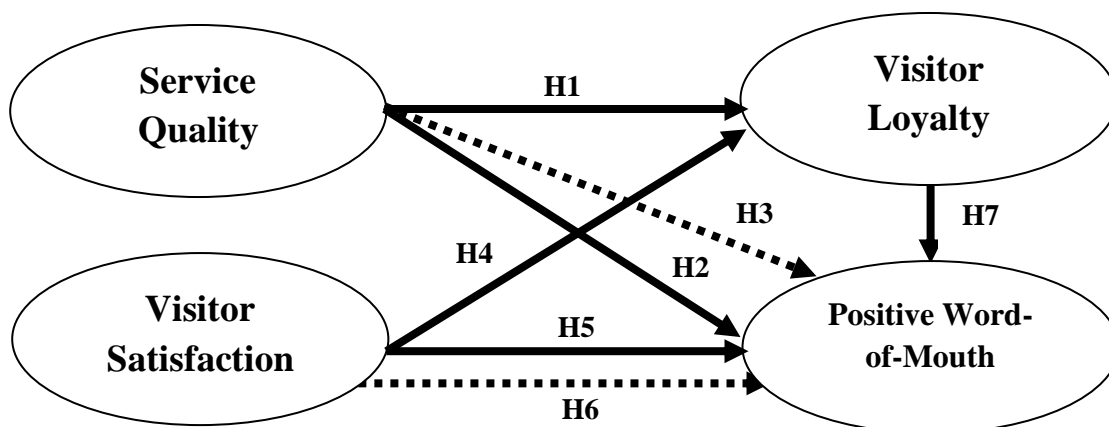


Figure 1. Conceptual Framework

Sources: Velázquez *et al.*, (2015); Moreo *et al.*, (2019); Wilson (2018); Wisker (2020)

## 2. RESEARCH METHODOLOGY

This research implements a quantitative-survey method, in which, questionnaires were chosen as the instruments will be used in this study in order to collect all of the data required for completing this study from all of the respondents. Furthermore, regarding the sampling method implemented in this study, a non-probability sampling method in the form of purposive sampling

method was chosen to be implemented in order to ensure that all of the respondents who participate in this study had satisfied and conformed with all of the respondent criteria set by the authors in this study, in which, respondents should be Indonesians who have ever visited or stayed in any four or five-stars hotels all around Indonesia at least once between January 2021 till October 2021. Moreover, using google forms, questionnaires were distributed to 200 respondents, in which, after further examination, 12 data were omitted due to incomplete and invalid responses, thus ensuring that a total of 188 data were deemed usable to be analyzed in this study. The decision to set the sample size to be 200 respondents was based on the recommendation given by several authors and experts which argue that the number of sample or respondents should be ten times the number of indicators used in a study (Barclays *et al.*, 1995), or should be in between 100 and 200 respondents at minimum (Kline, 2016). All of these data then were thoroughly analyzed using PLS method with the help of SmartPLS 3.3.3 software, in which, the results of these data analyses then will be used as the basis to determine whether or not to support the hypotheses posited in this study.

Moreover, regarding all of the indicators used to assess each and every variable in this study, a total of 26 indicators were implemented in this study, in which a total of 15 indicators which measuring all 5 dimensions of service quality (tangibility, responsiveness, assurance, empathy, and reliability) were adopted from Chan & Gao (2021), while a total of 4 indicators measuring visitor satisfaction and 4 indicators measuring visitor loyalty were adopted from Cheng *et al.*, (2018). Furthermore, a total of 3 indicators measuring positive word-of-mouth were adopted from Mukerjee (2020). All of these indicators has been re-modified and re-paraphrase in order to ensure that each and every indicator were suitable with the topic and the criteria of the respondents who participate in this study.

Furthermore, later on, after all of these data has been collected, both the validity and the reliability assessment were performed through the outer model measurement, in which, several criteria which should be fulfilled in order for all data to be deemed valid and reliable were presented on table 1.

Table 1. Validity & Reliability Criteria (Outer Model Measurement)

The Assessment of	Criteria	Fulfillment Criteria
Convergent Validity	Factor Loading	Valid if the factor loading value of each indicator was greater than 0,6
	AVE	Valid if the AVE value of each variable was greater than 0,5
	HTMT	Valid if the HTMT value of each variable was lower than 0,9
Discriminant Validity	Fornell-Larcker	Valid if the square root of AVE value between two same variables (the diagonal value on top of each column) had been greater than the value between one variable and the other variables
	Composite Reliability	Reliable if the Composite Reliability value of each variable was greater than 0,7

### 3. RESULTS AND DISCUSSIONS

All of the 188 usable data collected from the respondents were analyzed in order to uncover the relationships between variables discussed in this study using PLS. In regard with the implementation of the PLS method, both the inner model and the outer model analysis should be



conducted one after another, not only in order to ensure that the entire data and model proposed in this study were valid and reliable, but also in order to assess whether or not there's a significant impact between one variable toward the others, since assessing the impact between one variable to the others were crucial in order to determine whether to support or reject each and every hypothesis in this study.

Meanwhile, before immediately conducting the outer model and inner model analysis, an analysis concerning the general profile and characteristics of the respondents were statistically analyzed, in which, it was found out that the majority of the respondents are male (68.61%) with most of them were aged between 31-40 years old (62.23%), in which most of the respondents stated that they're visiting certain four or five-stars hotels all across in Indonesia for business purposes (70.21%).

### The Outer Model Assessment

The outer model assessment should be first conducted before the inner model assessment could be conducted, in which, all of the data and the model as a whole should first satisfy all of the criteria of the outer model assessment before the inner model assessment could be performed. Within the outer model assessment, several of these criteria should all be satisfied, which are: the factor loading value of each indicator should be greater than 0.6, the composite reliability of each variable should be above 0.7, the AVE value of each variable should be above 0.5, the HTMT value of each variable should be lower than 0.9, and that the square root of AVE value between two same variable (the diagonal value on top of each column) should be greater than the value between one variable and the other variables. The results of the outer model assessment performed in this study were presented on table 2, 3, 4 and 5.

Table 2. Outer Model Analysis – Factor Loadings

	Indicators	Variable/ Dimension	Factor Loadings	AVE
ASS1	This hotel has employees who can answer my questions completely	Service Quality / Assurance	0.634	0.509
ASS2	This hotel makes me feel comfortable in dealings with them		0.713	
ASS3	This hotel has personnel who seem well-trained		0.785	
TAN1	This hotel has visually attractive design	Service Quality / Tangible	0.762	0.514
TAN2	This hotel has staff members who are appropriately dressed		0.744	
TAN3	The appearances of all equipment in this hotel are in conform with the type of service provided		0.639	
REL1	This hotel serves me in the time promised	Service Quality / Reliability	0.772	0.615
REL2	This hotel provides an accurate guest check		0.780	
REL3	This hotel is dependable		0.800	
RES1	This hotel provides quick service	Service Quality / Responsiveness	0.819	0.581
RES2	I receive prompt service from the all people in this hotel		0.690	
RES3	This hotel gives extra effort to handle guest's special requests		0.772	
EMP1	This hotel has employees who are sensitive to my individual needs	Service Quality / Empathy	0.867	0.664
EMP2	This hotel anticipates my individual needs		0.785	
EMP3	This hotel seems to have the customers' best interests at heart		0.789	
SAT1	I was pleased to stay at this hotel	Visitor Satisfaction	0.673	0.524

<b>SAT2</b>	I really enjoyed myself at this hotel		0.774	
<b>SAT3</b>	My overall impression of this hotel was satisfactory		0.786	
<b>SAT4</b>	My overall impression of this hotel put me in a good mood		0.651	
<b>LOY1</b>	I consider myself to be a loyal guest of the hotel		0.789	
<b>LOY2</b>	I would not switch even if a competing hotel were to offer a better rate on their services	Visitor Loyalty	0.788	0.635
<b>LOY3</b>	I intend to use this hotel more often in the near future		0.814	
<b>PWOM1</b>	I am likely to make positive comments about the hotel to my friends	Positive Word-of-Mouth	0.809	0.574
<b>PWOM2</b>	I encourage friends to do business with the hotel		0.685	
<b>PWOM3</b>	I would highly recommend the hotel to my friends		0.773	

Table 3. Outer Model Assessment - Reliability

Variable	Composite Reliability	Conclusion
Service Quality	0.912	Reliable
Visitor Satisfaction	0.814	Reliable
Visitor Loyalty	0.839	Reliable
Positive Word-of-Mouth	0.801	Reliable

Table 4. Fornell-Larcker Criterion Assessment

	Visitor Loyalty	Visitor Satisfaction	Service Quality	Positive Word-of-Mouth
Visitor Loyalty	<b>0.797</b>			
Visitor Satisfaction	0.611	<b>0.724</b>		
Service Quality	0.674	0.598	<b>0.759</b>	
Positive Word-of-Mouth	0.416	0.447	0.546	<b>0.757</b>

Table 5. HTMT Criterion Assessment

	Visitor Loyalty	Visitor Satisfaction	Service Quality	Positive Word-of-Mouth
Visitor Loyalty				
Visitor Satisfaction	0.792			
Service Quality	0.808	0.748		
Positive Word-of-Mouth	0.551	0.601	0.687	

Based on the results presented on table 2,3,4, and 5 respectively, it can be concluded that all data had fully satisfied all of the outer model criteria determine in this study, in which, the factor loading of each and every indicator had exceeded 0.6, the composite reliability and the AVE value of each variable had been greater than 0.7 and 0.5 respectively, while the HTMT value of each variable had been lower than 0.85. Furthermore, the square root of AVE value between two same variables (the diagonal value on top of each column) had been greater than the value between one variable and the other variables, this confirming that the discriminant validity of this study had been fulfilled. Meanwhile, while assessing each and every data, indicator LOY3 which measuring visitor loyalty should be omitted since the factor loading value of the aforementioned indicator was lower than 0.6. However, after re-analyzing the data, the rest of the indicators and data had fully satisfied all of the outer model criteria.

### The Inner Model Assessment

After ensuring that all of the data assessed and included in this study had fulfilled the entire outer model criteria set in this study, then the inner model assessment was next performed in order to assess the relationships established between variables discussed and included in this study, in which, later on, the results obtained on the inner model assessment will also be used in order to decide whether to support or reject each hypothesis posited in this study. The results of the inner model assessment in this study were presented on table 6.

Table 6. Path Coefficient and Hypotheses Testing Assessment

Relationships	t-Statistics	p-Value	Conclusion
Service Quality → Visitor Loyalty	3.320	0.000	H1 Supported
Service Quality → Positive WOM	4.777	0.000	H2 Supported
Service Quality → Visitor Loyalty → Positive WOM	2.986	0.003	H3 Supported
Visitor Satisfaction → Visitor Loyalty	5.806	0.000	H4 Supported
Visitor Satisfaction → Positive WOM	3.079	0.002	H5 Supported
Visitor Satisfaction → Visitor Loyalty → Positive WOM	3.121	0.002	H6 Supported
Visitor Loyalty → Positive WOM	2.856	0.004	H7 Supported

Based on the results of the path coefficient (inner model assesment) concerning the relationships between variables presented on table 6, it could be concluded that the relationships between all variables were significant and positive, in which, service quality and visitor satisfaction, in the midst of the current COVID-19 pandemic, still have strong and important role toward ensuring the formation of both loyalty and positive WOM on guests' minds concerning their experience in staying in certain hotels in Indonesia, in which, how these hotels serve and fulfill all of the needs and expectations that guests' had while staying in the hotel could certainly affect their perception and judgement concerning the quality of the hotel, in which, such abilities were crucial for these hotels to help them cope with the negative impact brought by the pandemic by retaining as many loyal guests as possible, considering that all hotels in Indonesia are also doing their outmost best in order to attract guests from every segment, which indicate that if a hotel failed to retain their guests, then these guests will definitely move on to stay or visit another hotels in the future which basically offer the same types of services with the hotel where these guests used to stay. Therefore, providing guests with exceptional services won't only boost their level of satisfaction, but will also eventually boost their chance of re-staying or re-visiting the same hotel in the future, while at the same time, such ability will also definitely encourage these guests to share and inform all of the positive experiences which they had with the hotel to the others (colleagues, family, friends, etc) which will definitely bring more significant impact toward the hotels. In this case, the hotels' ability to execute all of these objectives could also help them to revive, survive, and re-grow their businesses during the pandemic situation.

### 4. CONCLUSION AND RECOMMENDATIONS

This study was performed and conducted in order to assess and determine the impact of both service quality and visitor satisfaction and affecting visitors' level of loyalty and positive word of mouth toward the four and five-stars hotels in Indonesia during the current COVID-19

pandemic. Based on the results obtained and generated in this study (and presented on table 5), it could be concluded that both service quality and visitor satisfaction play an important role in inducing, enhancing and strengthening the level of loyalty that consumers had toward the hotels, while at the same time, both of these variables were also found as important and significant antecedents in influencing consumers to spread or share any positive information or news regarding the hotels where they're staying or visiting to the others. In this case, in this study, such results further underlined the importance that both service quality and satisfaction had toward enhancing these hotels' ability to retain as many visitors or customers as possible, even during the current and ongoing pandemic situation. Therefore, authors would like to recommend to hotels practitioners in Indonesia to always give or offer the best possible service which could satisfy and fit all of the quality expectations that consumers of visitors are having in regard with the service offered by the hotels. In this case, the hotels' ability to provide exceptional services with a high level of quality which conform the guests or visitors' expectations could also lead to the formation of loyalty on consumers' minds, in which, the feeling of satisfaction that consumers had will eventually increase the probability that these same consumers will be loyal to the hotels, and are willing to re-stay and re-visit the same hotel during their next visit. Moreover, more importantly, the company's ability to offer each and every visitor or guest who came to the hotel with outstanding and satisfying service will also increase or strengthen these visitors or guests' intention to share all of their positive information and experiences that they had with the hotel to their surroundings (family, colleagues, friends, neighbors, and the society).

Furthermore, despite the rigorous nature of this study, several limitations still exist in this research. First, the object of this study was only limited to four and five-stars hotels in Indonesia, in which, since there were also various one, two and three-stars hotels in Indonesia, the results of this study might not be applicable or generalized to these groups of hotel. Therefore, for future study, authors would like to recommend to future researchers to add these groups of hotel (one, two and three-stars hotels) when re-assessing the model proposed in this study. Moreover, this study was conducted during the COVID-19 pandemic, in which, the results obtained in this study might be different when this study was conducted before or after the pandemic is over. Therefore, authors would like to strongly recommend to future authors to conduct another studies concerning this topic and model once the pandemic is over.

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