“Assessing the customer experience quality and customer loyalty: The mediating role of customer satisfaction”

AUTHORS	Ananta Budhi Danurdara Anwari Masatif

ARTICLE INFO	Ananta Budhi Danurdara and Anwari Masatif (2025). Assessing the customer experience quality and customer loyalty: The mediating role of customer satisfaction. *Innovative Marketing* , *21*(2), 248-259. doi:10.21511/im.21(2).2025.20
DOI	http://dx.doi.org/10.21511/im.21(2).2025.20
RELEASED ON	Wednesday, 18 June 2025
RECEIVED ON	Sunday, 13 October 2024
ACCEPTED ON	Tuesday, 20 May 2025

JOURNAL	"Innovative Marketing "
ISSN PRINT	1814-2427
ISSN ONLINE	1816-6326
PUBLISHER	LLC “Consulting Publishing Company “Business Perspectives”
FOUNDER	LLC “Consulting Publishing Company “Business Perspectives”

NUMBER OF REFERENCES	NUMBER OF FIGURES	NUMBER OF TABLES
44	2	6

BUSINESS PERSPECTIVES

LLC "CPC "Business Perspectives"
Hryhorii Skovoroda lane, 10,
Sumy, 40022, Ukraine

www.businessperspectives.org

Ananta Budhi Danurdara (Indonesia), **Anwari Masatif** (Indonesia)

ASSESSING THE CUSTOMER EXPERIENCE QUALITY AND CUSTOMER LOYALTY: THE MEDIATING ROLE OF CUSTOMER SATISFACTION

Abstract

Customer loyalty must be maintained and improved by the firm, including the hospitality sector. Customers determine the sustainability and the firm success. The research aims to examine the mediating role of customer satisfaction in the relationship between customer experience quality and customer loyalty in the Indonesian hospitality industry. Customer satisfaction is the variable that will be assessed as an intervening variable. The research method uses a quantitative approach. Respondents in this study were customers who had ever stayed at hotels, both 1, 2, 3, 4, 5 star hotels and non-star hotels. A total of 215 respondents filled out questionnaires via online survey or Google Forms. The study was conducted in March-April 2023. The collected data were analyzed using SMART SEM PLS. The study's findings demonstrate that customer satisfaction affects customer loyalty, customer experience quality is positively and significantly correlated with customer loyalty, and customer satisfaction drives loyalty. Customer experience quality (ß = 0.394, $p < 0.001$), and customer satisfaction (ß = 0.440, $p < 0.000$) positively affect customer loyalty. Customer experience quality (ß = 0.892, $p < 0.000$) positively affects customer satisfaction. The mediating role of job satisfaction between customer experience quality and customer loyalty (ß = 0.393, $p < 0.000$) has a significant positive effect. This means that job satisfaction has a very good role in increasing customer loyalty. Adding variables to the research model for future research is recommended. The originality or value of this study offers an original insight into how customer experience quality affects customer loyalty by using customer satisfaction as mediation in the model.

Keywords customer loyalty, customer experience quality, customer satisfaction

JEL Classification M31, M38, Z32

Received on: 13th of October, 2024
Accepted on: 20th of May 2025
Published on: 18th of June, 2025

Ananta Budhi Danurdara, Dr, Lecturer, Magister Terapan Pariwisata [Master of Applied Tourism], Department of Tourism Planning and Development, Politeknik Pariwisata NHI [NHI Tourism Polytechnic], Indonesia. (Corresponding author)

Anwari Masatif, Dr, Lecturer, Magister Terapan Pariwisata [Master of Applied Tourism], Department of Tourism Planning and Development, Politeknik Pariwisata NHI [NHI Tourism Polytechnic], Indonesia.

Conflict of interest statement:
Author(s) reported no conflict of interest

INTRODUCTION

The hotel sector has become part of the tourism industry sector, which has a role in the Indonesian economy (Sosianika et al., 2021). However, the presence of COVID-19 presents a challenge for the hotel industry to grow and thrive. The emergence of COVID-19 affects the decline in the performance of the hospitality industry in Indonesia (Diayudha, 2020). Lately, the COVID-19 epidemic has slowed the growth of the world economy. The number of COVID-19 patients continued to fall from the end of 2021 to the beginning of 2022, but this is insufficient for businesses to repay the losses incurred during the epidemic. To recover performance, the firm must work hard and develop an effective strategy (Nasution et al., 2022).

A decrease in customer loyalty will affect a decrease in the performance of the hospitality business. The data revealed that the star-rated hotels sector in Indonesia in 2022 represented 72.8% of all occupied hotel rooms. However, the decline from 93.4 million in 2017 to 58.8

http://dx.doi.org/10.21511/im.21(2).2025.20

million in 2022, indicating an overall yearly growth rate of -8.8%. During that time frame, the number of room nights sold at non-classified hotels decreased from 51.2 million in 2017 to 22 million in 2022 (https://www.hotelier-indonesia.com).

Even though the hotel industry has experienced a decline in performance as a result of COVID-19, there is still an opportunity to develop and grow. The hotel sector is primarily concerned with providing services. Of course, the customer is responsible for running the firm. Hapsari et al. (2020) stated that creating loyalty from customers is a significant factor in the area of service marketing study. One of the advantages of a loyal customer is that the customer will positively promote the hotel to others. According to Bowen and Chen (2001), loyal guests will also help promote the hotel. They will produce extensive word-of-mouth, offer to others, and take part in advisory boards. Bian et al. (2019) state that competition is something that cannot be avoided. The company and the customer significantly contribute to marketing performance (Morris & Carter, 2005). Customer satisfaction affects the loyalty of customers (Bowen & Chen, 2001). Organizational strength and adaptability can determine customer satisfaction and can establish cognitive legitimacy, which ultimately results in loyalty (Nagy & Kacmar, 2013). Customer experience also plays a crucial role in fostering loyalty (Hapsari et al., 2024). Every consumer must have experienced an experience while visiting a hotel. Rohman et al. (2023) discovered that experience does not greatly impact loyalty. In this study, customer satisfaction is examined as mediation in the influence of customer experience quality on loyalty. Satisfaction mediates the effect of service quality and customer loyalty (Sitorus & Yustisia, 2018). This research is important to conduct to increase customer loyalty, thereby contributing to the company's success. Thus, through customer satisfaction, this study evaluates the impact of customer experience quality on customer loyalty in the hotel industry in Indonesia.

1. LITERATURE REVIEW AND HYPOTHESES

Customer loyalty in the hospitality industry plays a very important role. Without customers, the hospitality industry will experience difficulties in carrying out its operations. Customer loyalty shows as customers' behavior revisits or repurchases as a positive experience from a customer in the past for the service they received. Customer loyalty can be explained as consumer behavior and attitudes toward a specific buying activity. Consumer loyalty is a significant aspect of winning the competition (Nasution et al., 2022). Ivankovič et al. (2010) noted that the hospitality market is highly competitive. As a result, improving customer happiness is essential for boosting the loyalty of customers. A strong will to continuously repurchase the desired service from the same source despite external factors and rival marketing campaigns is called customer loyalty. Rua et al. (2020) claimed that customer loyalty has a significant role in a business's revenue since customers who are loyal to a brand would continue to purchase from it and suggest it to their partners. One more crucial component of loyalty is the existence of support for a product or service that is manifested in the communication of a person's positive experience. One of the strongest forms of persuasion is someone's word. Recommendations of a product or service from a customer to another person are a reflection of the high level of customer loyalty (Saputra et al., 2023).

Hotel guests who have high loyalty will come, and revisit the hotel. The desire of customers to stick with a company is known as customer loyalty, and it develops when there is a high degree of dedication and repeat business (Rasouli & Vazifehdoost, 2014). Stading and Johnson (2012) stated that the best condition in a buyer-seller partnership is client loyalty. Arvanitis (2010) states that customer loyalty is a recognized business indicator among executives. According to Bian et al. (2019), loyalty is demonstrated as a positive view and a consumer's attachment that is based on liking the brand, being familiar with the brand, and taking pride in being a user of a specific brand, as well as consumers consistently purchasing that brand, as evidenced by their commitment to continue using it. Parasuraman et al. (1985) assert that the presence of provider-customer interactions and the increased perceived risk brought on by the service's features make customer loyalty more prevalent in the service industry.

A positive customer experience will affect customer satisfaction itself. Customer experience is the satisfaction or experience that a customer receives from a service in every transaction, the customer or client expects good service. Senjaya et al. (2013) define customer experience as the aggregate of all occurrences that the client is aware of. Yulian (2002) characterizes the benefits that customers derive from the ease with which they can acquire goods or services, either directly or indirectly, as service quality. Rua et al. (2020) stated that consumer satisfaction is tied to the quality of products and services. Nasution et al. (2022) demonstrate the positive correlation between loyalty and satisfaction of the experience.

Customer satisfaction shows the level of satisfaction received by customers, in this case, hotel customers, after comparing the service received with the customer's expectations. Customer satisfaction is the level of feeling a consumer has after comparing what he or she expected with the results obtained from his or her experience (Agustiono et al., 2022). Satisfaction is one of the determinants of customer loyalty (Chotisarn & Phuthong, 2025). A service-focused strategy is a critical success factor in today's fiercely competitive e-environment. A corporation must provide outstanding service experiences to its clients so that they will repurchase and remain loyal to the firm (Tran et al., 2021). Hotel employees are the leading source of both satisfaction and dissatisfaction with hotel services (Lagiewski & Perotti, 2023).

Customer service experience affects attitudes, loyalty, and perceived value (Dongyun et al., 2019). The findings of Curry and Gao (2012) demonstrate the strong correlation between loyalty and service excellence Furthermore, repurchase intentions of customers are positively influenced by the customer's level of satisfaction as well as the level of the services they received, customer satisfaction has a much greater effect on loyalty than service excellence. Experience is a sensation felt while using a product, as well as an affective response based on consumers' feelings or emotions, such as whether they like the services and products provided. In short, not only the service and product quality but also the impression created when using the goods, can provide clients with a fulfilling experience. If the background is nice and cheerful, consumer satisfaction will rise (Huddin et al., 2024).

Several previous studies have found that experience and satisfaction influence customer loyalty. Research findings of Harzaviona and Shah (2020) demonstrate that there is a relationship between guest satisfaction and loyalty of the guest. According to Sureshchandar et al. (2002), customer satisfaction and service quality are tightly associated. Aside from that, additional research indicates that customer satisfaction predicts customer loyalty in a favorable and significant manner. A systematic literature review study accomplished by Utami et al. (2023) indicates that there are still many studies and research being done on the connection between customer loyalty and happiness for both goods and services. Numerous empirical explanations from the literature review demonstrate that customer loyalty and customer satisfaction are positively and significantly correlated. Senjaya et al. (2013) demonstrated that the five characteristics of experience quality (accessibility, competence, helpfulness, customization, and value for time) have a highly significant effect on customer satisfaction. It has been suggested that unforgettable brand experiences influence customer behaviors that impact customer loyalty (Jung & Baloglu, 2025).

Therefore, this work aims to assess customer experience quality and customer loyalty through customer satisfaction in the Indonesian hospitality industry. After reviewing the literature, the following hypotheses were developed :

H1: Customer experience quality influences customer satisfaction.

H2: Customer experience quality influences customer loyalty.

H3: Customer satisfaction influences customer loyalty.

H4: Customer satisfaction mediates the influences of customer experience quality on customer loyalty.

The conceptual framework is shown in Figure 1.

http://dx.doi.org/10.21511/im.21(2).2025.20

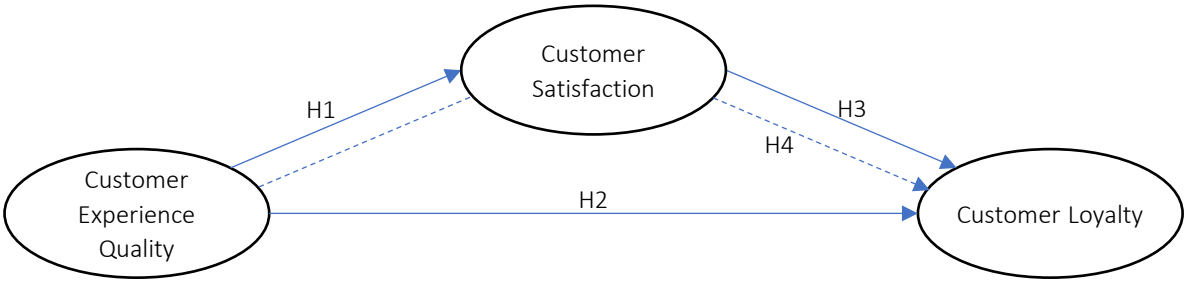

Figure 1. Conceptual framework

2. METHODOLOGY

This research seeks to determine the extent of customer loyalty in the Indonesian hotel sector. Furthermore, how customer experience quality enhances customer loyalty, both directly and indirectly through customer satisfaction. The approach taken in this study is quantitative. This study focuses on the causal relationship between exogenous variables and endogenous variables. The survey method is used to collect the data. In this study, the researchers chose quantitative design as a suitable method to use in the research process. In this study, the Partial Least Squares (PLS) data analysis technique was used. The software used is SmartPLS version 3.

2.1. Participants

The population of this research is hotel guests in Indonesia. Purposive sampling is used as a sampling technique based on specific criteria and has a strong correlation with customers in the hotel sector. The respondents in this study include hotel guests/customers from hotel star 1, 2, 3, 4, 5 and non star hotel. Data were collected through a questionnaire via online (Google Forms). A total of 215 respondents filled out questionnaires via Google Form. Therefore, this study has 215 respondents as participants. The distribution of the Google Forms began on March 21, 2023 to April 4, 2023. Based on the data collected, respondents were customers from various hotels (see Table 1).

Table 1. Participants

No	Hotels that respondents have visited	Number of respondens
1	The Hermitage Jakarta	5
2	Swiss-Belinn Karawang	2
3	Grand Tjokro	15
4	Dafam Enkadeli	11
5	Gallery Prawirotaman	1
6	Padma Hotels	3
7	Andelir hotel Bandung	1
8	Archipelago	1
9	Aryaduta Hotel	8
10	Grant Hyaat	7
11	Mercure, Santika	5
12	Mason pine	1
13	Hotel Grand Permata Hati	7
14	Dedalu Resort	1
15	Krisna Hotel	1
16	Novotel, mercure	3
17	Hotel GH universal	4
18	De Braga Artotel	1
19	Royal Tulip Jineng Resort	5
20	Wyndham Hotels	3
21	Hotel Sukajadi	1
22	Putri Duyung Ancol	4
23	Fave Hotel	2
24	Zuri express	1
25	Le meridien hotel	2
26	The Mirah Bogor	10
27	Liberty Hotel Thamrin	1
28	Yats Colony	2
29	The Acacia Hotel Jakarta	1
30	Marriott hotels	8
31	Shakti Hotel Bandung	1
32	Grend Ina SBH	1
33	Samudra beach hotel	1
34	Sofitel Bali Nusa Dua	1
35	Sheraton hotel	1
36	Pullman Hotel	4
37	Ibis	3
38	Enhaii Hotel	15
39	Le-Meridien Jakarta	1
40	Park Hyatt Jakarta	2
41	Surya Kencana	2
42	Amaris Hotel Setiabudi	10
43	Holiday Inn Kemayoran	1
44	Kytos	1
45	Merlynn Park Hotel Jakarta	1
46	Solo Paragon	1
47	Planet Holiday Batam	1
48	Darmawangsa	2
49	Ibus style hotel	1
50	movenpick bali	1
51	Mandarin Oriental, Jakarta	25
52	Alana Malioboro	1
53	Aston Hotel	10
54	Sheraton Hotel	11
Total		215

2.2. Measures

This study includes three variables: customer experience quality, customer satisfaction, and customer loyalty. Customer experience quality is the customer experience in receiving service from the hotel. Customer experience quality uses twelve indicators (Wong & Sohal, 2003), such as freedom to choose hotel attributes, service/communication in the hotel room, process and Fast Service, customer needs provide by the hotel quickly, hotel understand the customer's situation, the hotel staff was very flexible, hotel employees proactive, the hotel is safe and good, employees have good skills, the hotel has good protection and security, hotels provide convenience for customers, the need always available, fulfill customer expectations.

Customer loyalty shows the loyalty indicated by customers towards the hotel. Customer loyalty uses six indicators, adopted from Tabaku and Kruja (2019), such as often staying at the hotel, revisiting, sharing positive about the hotel, recommending to others, being a guest in the hotel even the price increase, and being a guest for many years. Customer satisfaction shows the satisfaction with the products and services received by customers from the hotel. Customer satisfaction using nine indicators (Haruna & Osa-Afiana, 2022; Tabaku & Kruja, 2019), such as physical facilities, hotel room equipment, timeliness of hotel services, behavior, and attitude, the cleanliness of the hotel, the hotel payment method, price given by the hotel, the accuracy of hotel services, interaction with the hotel.

3. RESULTS

3.1. Measurement models

Finding the accuracy of the indicators used to measure latent variables – in this case, customer experience quality, customer satisfaction, and customer loyalty – in the Indonesian hospitality sector is the goal of the research variable measurement model. Cronbach's alpha and composite reliability are two techniques that can be used to assess reliability in PLS. Cronbach's alpha measures the dependability of a construct, whereas composite reliability measures the overall reliability of a construct. The measurement test is carried out by looking at the Composite Reliability value > 0.70 (Ghozali, 2005).

Table 2. Construct and measurements

Variables	Indicators
Customer loyalty (Tabaku & Kruja, 2019)	I have often stayed at this hotel I plan to come back to this hotel in the future I have shared positive things about this hotel with other people I would recommend this hotel to others Even if the hotel increases the price, I will still be a guest of this hotel I have been a guest of this hotel since many years ago
Customer experience quality (Wong & Sohal, 2003)	I have the freedom to choose from many choices of hotel attributes There is a service/communication in the hotel room that can be used when customers need service Process and Fast Service What I need is provided by the hotel quickly The hotel I stayed at can understand the customer's situation The hotel staff was very flexible in dealing with me and met my needs well Hotel employees proactively keep customers up to date The hotel is safe and good Hotel employees have good skills I have the belief that the hotel has good protection and security Hotels provide convenience for customers, what is needed is always available Overall, the services provided by the hotel fulfilled my expectations
Customer satisfaction (Haruna & Osa-Afiana, 2022; Tabaku & Kruja, 2019)	I am satisfied with the physical facilities of the hotel I am satisfied with the hotel room equipment I am satisfied with the timeliness of hotel services I am satisfied with the behavior and attitude of hotel employees I am satisfied with the cleanliness of the hotel I am satisfied with the hotel payment method I am satisfied with the price given by the hotel I am satisfied with the accuracy of hotel services I am impressed and satisfied with my interaction with the hotel

http://dx.doi.org/10.21511/im.21(2).2025.20

Table 3. Composite Reliability

Variable	Cronbach's Alpha	Composite Reliability	Information
Customer loyalty	0.897	0.921	Reliable
Customer experience quality	0.960	0.965	Reliable
Customer satisfaction	0.936	0.946	Reliable

For every study variable, the composite reliability value is more than 0.70 (see Table 3). Cronbach's alpha for customer loyalty is 0.897, and its composite reliability is 0.921. The composite reliability of customer experience quality is 0.965, and its Cronbach's alpha is 0.960. Cronbach's alpha for customer satisfaction is 0.936, and its composite reliability value is 0.946. Thus, it is possible to demonstrate the study's variables are reliable.

3.2. Discriminant validity

To determine the constructs's correlation, a discriminant validity test was used. Discriminant validity assesses how far the latent construct truly differs from other constructs. A high discriminant validity rating suggests that a construct is unique and can describe the situation under investigation. Assessing discriminant validity can also be done using cross-loading, which entails examining the cross-loading value. If each item on the construct has a loading value greater than the cross-loading value.

3.3. Hypothesis test

3.3.1. Direct hypothesis testing

Through customer satisfaction, research investigates how customer experience quality affects customer loyalty. To validate hypotheses that have been previously generated based on prior theories and research, hypothesis testing is conducted. Table 5 displays the findings of direct hypothesis testing.

Table 4. Discriminant validity (cross-loading)

Construct	Customer experience quality	Customer loyalty	Customer satisfaction
CE1	0.736	0.555	0.615
CE2	0.817	0.620	0.723
CE3	0.817	0.615	0.701
CE4	0.842	0.710	0.754
CE5	0.859	0.692	0.798
CE7	0.769	0.673	0697
CE8	0.842	0.607	0.751
CE9	0.882	0.701	0.789
CE10	0.880	0691	0.799
CE11	0849	0.657	0.752
CE12	0.854	0.668	0.797
CL1	0.540	0.762	0.527
CL2	0.706	0.848	0.719
CL3	0.709	0.868	0.707
CL4	0.725	0.855	0.742
CL5	0.494	0.771	0.533
CL6	0.611	0.761	0.580
CR6	0.858	0.676	0.740
CS1	0.767	0.629	0.836
CS2	0.804	0.633	0821
CS3	0.774	0.664	0.824
CS4	0.750	0.653	0.838
CS5	0.641	0.597	0.776
CS6	0.728	0.636	0.843
CS7	0.679	0.637	0.785
CS8	0.708	0.675	0.824
CS9	0.668	0.675	0.771

Table 5. Path coefficient

Variables	Original Sample (O)	Sample Means (M)	Standard Deviation (STDEV)	t-statistics (|O/STDEV|)	*p*-value
Customer experience quality → customer loyalty	0.394	0.413	0.119	3,323	0.001
Customer experience quality → customer satisfaction	0892	0.894	0.014	64,100	0.000
Customer satisfaction → customer loyalty	0.440	0.426	0.111	3,977	0.000

Table 5 demonstrates the outcomes of the hypothesis testing. It displays the original sample value, *p*-value, or t-statistics based on the data on the path coefficient above. The t-statistics, *p*-value and original sample value will serve as a guide for deciding whether to accept or reject the suggested hypothesis. T-statistics > t-table, *p*-value <0.05, or t-statistics > 1.96 are the criteria for testing the hypothesis.

According to Table 5, all types of correlations between research variables had a *p*-value of 0.000. This means the value is < 0.05. As a result, it can be concluded that all hypotheses in this study are accepted. It is conceivable to conclude that there is a positive and strong association between customer satisfaction and loyalty, as well as between customer experience quality and customer satisfaction.

3.3.2. *Mediation hypothesis testing*

In the current study, customer satisfaction is a mediating variable that is hypothesized to strengthen the relationship between hotel guest experience and loyalty. By strengthening hotel guest satisfaction, hotel guests will get a positive experience so the guest will come back to stay at the hotel. Testing the mediation hypothesis of customer satisfaction in the effect between customer experience quality and customer loyalty is presented in Table 6.

The indirect effect of customer experience quality on customer loyalty through customer satisfaction can be seen from the t-statistics value 3.986 > 1.96 and *p*-value 0.000 < 0.05. Thus it can be informed that the satisfaction of visitors significantly mediates the relationship between visitor experience quality on their loyalty in the hospitality sector in Indonesia.

Table 6. Indirect effects

Variable	Original Sample (O)	Sample Means (M)	Standard Deviation (STDEV)	t-statistics (|O/STDEV|)	*p*-value
Customer experience quality → Customer satisfaction → Customer loyalty	0.393	0.381	0.099	3,986	0.000

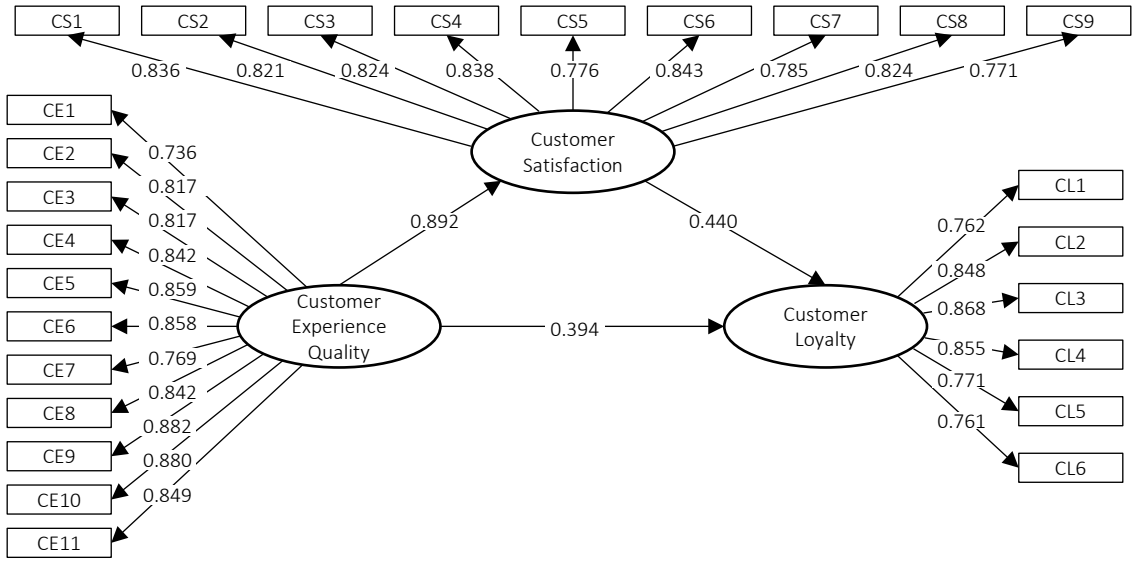

Figure 2. Structural Equation Modeling

http://dx.doi.org/10.21511/im.21(2).2025.20

4. DISCUSSION

Indonesia's tourism industry relies heavily on the hotel sector, which plays a crucial role in driving consumption. Some experts suggest that the unforeseen global economic situation has prompted hospitality organizations to adapt their methods to become more competitive (Sosianika et al., 2021). This present research emphasizes the hospitality industry in Indonesia. The study investigates the experience quality of hotel guests and its effect on customer loyalty with customer satisfaction as a mediator. To achieve consumer loyalty, the hospitality industry must promote and make sure that the guests in the hotel receive a positive experience and satisfaction. This is necessary to make sure that guests feel comfortable with the hotel's services. The company's success now relies heavily on innovation (Siregar et al., 2021; Pranowo et al., 2020; Siregar et al., 2020; Nasution et al., 2021; Siregar et al., 2019).

According to the first hypothesis, the quality of the customer experience and customer satisfaction are related. Hotel customers are more likely to suggest the hotel to others if they had a positive experience, which will make them pleased and memorable. Whether or not the hotel guests are satisfied is determined by the experience received by the guest when visiting and staying at the hotel. The study's findings indicate that customer satisfaction is favorably and substantially influenced by the quality of the customer experience. If the consumer is happy with the services and has a positive experience, they are more likely to remain loyal and return to the hotel. This means that it is important to give a good impression to hotel guests so that the guests feel satisfied and want to tell and recommend the hotel to others. Senjaya et al. (2013) state that in managing customer experience, companies need to understand customers through research that can inspire in designing each component. Senjaya et al. (2013) also found that loyal customers affected experience quality. Zygiaris et al. (2022) cite the impact of service quality on customer satisfaction as one of the considerations. Additionally, they maintained that tangibles, assurance, responsiveness, empathy, and dependability all play a part in satisfaction (Zygiaris et al., 2022). Service quality can ensure that customers are satisfied with an industry's products or services. As a result, they can return to buy and suggest it to others. Therefore, research is required to determine loyalty and satisfaction (Nyan et al., 2020). Thus, the findings of this study are in line with several previous research findings, so it can be stated that the experience of hotel guests determines the satisfaction of hotel guests.

The second test in this study is to see the effect of customer experience quality on customer loyalty. A good and positive experience from a hotel visitor will give a good impression to the visitor so that they will intend to come back as a guest. The research results show that customer loyalty can be increased through customer experience quality. This means that there is a positive and significant relationship between customer experience quality and customer loyalty. The experience of a hotel guest, whether positive or negative, will have an impact on visits that will be made in the future. If the experience is positive, of course, the hotel guests will have the opportunity to come and stay at the hotel again. Conversely, if the experience of the customer is not good or negative, then the possibility of coming back will be small. Besides, a good experience will also make hotel guests tell or share their experiences with others, if the experience is positive of course the guest will tell good things to others and recommend staying at the hotel. The results of this study are relevant to the findings of research conducted by Wong and Sohal (2003), which states that service quality affects customer loyalty. The experience felt by the customer can change into something pleasant, conversely, negative experiences that are often experienced by customers will greatly affect the level of customer satisfaction and loyalty (Agustiono et al., 2022).

Third, examine customer satisfaction's effect on customer loyalty. The finding revealed that hotel guest satisfaction affects customer loyalty. This means that if the customer is satisfied with the service received from the hotel, then the guest of the hotel will be likely to return to visit and stay in the hotel. The findings of this study are relevant to the findings of research performed by Harzaviona and Shah, (2020), which reveal the effect of satisfaction of the customer and loyalty. If the customer meets their need and are satisfied, then loyalty increases, is recommended to

others, and tells positive things to people, therefore, the hotel must first provide good service, be friendly, and have empathy so that customers have high satisfaction (Rua et al., 2020). The same research findings were also found by Bian et al. (2019) that customer satisfaction improves the customer loyalty. Positive word-of-mouth and repurchase intentions are directly correlated with customer satisfaction. This study's prospective benefits for hotel management and the travel and tourism sector made it significant (Mohajerani & Miremadi, 2012). To increase loyalty, hotel management must focus on satisfaction and maintain that level of guest satisfaction over time. Satisfaction is measured by what the customer receives from the firm versus what he has to do with the business or relationship. Currently, optimizing customer happiness alone is insufficient to preserve customer loyalty; even if hotel guests are satisfied with a specific hotel's service, they will continue to hunt for alternative hotels that they believe provide greater value, comfort, or quality (Nadeak & Yudhira, 2023).

In the fourth hypothesis, customer satisfaction as mediator is used to investigate the quality of the customer experience and customer loyalty. According to the study's findings, customer satisfaction significantly mediates the relationship between experience and customer loyalty. As a mediating variable, customer satisfaction plays a very important role in increasing customer loyalty. As a mediator, customer satisfaction strengthens the relationship between customer experience and customer loyalty. Without increasing customer satisfaction, the influence of customer experience on customer loyalty becomes weak. Conversely, if customer satisfaction increases, the influence of customer experience on customer loyalty will also increase. This suggests that increasing customer happiness is essential to strengthening the effect of high-quality customer experiences on customer loyalty. The findings of this study are in line with the tests accomplished by Sitorus and Yustisia (2018), which analyze how the role of satisfaction in the relationship between service quality and customer loyalty. As a mediator variable, satisfaction strengthens the relationship between customer experience quality and customer loyalty. Thus, the hospitality industry can increase customer satisfaction so that customers get a positive experience and eventually customers revisit in the future.

CONCLUSION

This study evaluates the role of hotel guest satisfaction in mediating guest hotel experience quality towards guest hotel loyalty. The hospitality sector in Indonesia should maintain guest loyalty to continue to perform and improve achievement in the enterprise. The results of the study show that guest loyalty in the hospitality sector can be increased by maintaining and increasing the quality of experience and making sure that guests are satisfied. This means that the satisfaction of guests and the quality of the guest experience influence increasing guest hotel loyalty. The lower the value of guest hotel experience quality and guest hotel satisfaction, the guest hotel loyalty will also decrease. Conversely, if guest hotel experience quality and guest hotel satisfaction can be built properly, then guest hotel loyalty will increase. Therefore, building a good relationship between guests and the hotel is very important in determining the attitude of hotel guests and whether they will make a return visit in the future or not. Providing a good experience to hotel guests is very crucial at this time, especially now that the competition in the hotel business is getting tighter. Besides, this study discovered that guest hotel satisfaction can mediate the effect of guest hotel experience quality on guest hotel loyalty in Indonesia's hospitality industry. This can be construed to mean that higher levels of guest hotel satisfaction will have a greater impact on guest hotel loyalty. This study contributes practically specifically in the hospitality industry in making decisions or policies to increase customer loyalty through increasing customer satisfaction and customer experience quality. The hospitality industry must provide excellent service so that guests have a positive impression and feel satisfied in getting hotel services. This study also contributes to providing literature related to increasing customer loyalty through customer satisfaction and customer experience.

http://dx.doi.org/10.21511/im.21(2).2025.20

Customer loyalty must be continuously improved to enhance business success in the hospitality sector in Indonesia. It will be hard for the business to exist without the devotion of its customers. Therefore, according to the research findings, the hotel sector in Indonesia must pay more attention to customer satisfaction. Customer satisfaction has a very important role so that customers remain loyal and keep making return visits. Customer satisfaction as a mediator has a very significant role in strengthening the relationship between positive experiences owned by customers to loyalty. Business owners in the hotel industry must maintain and increase the level of satisfaction experienced by hotel guests. Customer satisfaction can be improved such as improving employee friendliness, and responsiveness in serving customers for every service request or in handling customer complaints.

This research is restricted to the Indonesian hotel industry. The respondents in this study are limited to hotel guests from 1-, 2-, 3-, and 4-star hotels. The variables used are also still limited to customer experience, satisfaction, and loyalty. For future research, it can be improved by expanding the research object such as in other sectors such as in the tourism sector and other service sectors. It can also increase the sample used to better represent the population to be studied. Future research can also add other variables that can increase customer loyalty.

AUTHOR CONTRIBUTIONS

Conceptualization: Ananta Budhi Danurdara, Anwari Masatif.
Formal analysis: Ananta Budhi Danurdara, Anwari Masatif.
Investigation: Ananta Budhi Danurdara, Anwari Masatif.
Methodology: Ananta Budhi Danurdara.
Project Administration: Ananta Budhi Danurdara, Anwari Masatif.
Supervision: Ananta Budhi Danurdara.
Data processing and analysis: Anawari Masatif.
Validation: Ananta Budhi Danurdara, Anwari Masatif.
Visualization: Ananta Budhi Danurdara, Anwari Masatif.
Writing – original draft: Anwari Masatif.
Writing – review & editing: Ananta Budhi Danurdara.

REFERENCES

1. Agustiono, A., Listyorini, S., & Nugraha, H. S. (2022). Pengaruh Customer Experience terhadap Customer Loyalitas Pelanggan melalui Kepuasan Pelanggan sebagai Variabel Intervening (Studi pada Masyarakat Semarang Pengguna LinkAja) [The Influence of Customer Experience on Customer Loyalty through Customer Staistafaction as an Intervening Variable (Study on Semarang Community LinkAja Users)]. *Jurnal Ilmu Administrasi Bisnis [Journal of Business Administration], 11*(2), 244-256. https://doi.org/10.14710/jiab.2022.34564
2. Arvanitis, S. (2010). e-Learning programs as loyalty investments for financial corporations. *British Journal of Educational Technology, 41*(5), E70-E74. https://doi.org/10.1111/j.1467-8535.2009.00971.x
3. Bowen, J. T., & Chen, S.-L. (2001). The relationship between customer loyalty and customer satisfaction. *International Journal of Contemporary Hospitality Management Decision, 13*(5), 213-217. https://doi.org/10.1108/09596110110395893
4. Bian, L. K., Haque, A., Wok, S., & Tarofder, A. K. (2019). The effect of customer satisfaction on customer loyalty in the motor industry. *Opcion [Option], 35*(Special Issue 21), 947-963. Retrieved from https://dialnet.unirioja.es/descarga/articulo/8348488.pdf
5. Chotisarn, N., & Phuthong, T. (2025). Impact of artificial intelligence-enabled service attributes on customer satisfaction and loyalty in chain hotels: Evidence from coastal tourism destinations in western Thailand. *Social Sciences and Humanities Open, 11,* 101306. https://doi.org/10.1016/j.ssaho.2025.101306
6. Curry, N., & Gao, Y. (2012). Low-Cost Airlines-A New Customer Relationship? An Analysis of Service Quality, Service Satisfaction, and Customer Loyalty in a Low-Cost Setting. *Services Marketing Quarterly, 33*(2), 104-118. https://doi.org/10.1080/15332969.2012.662457
7. Diayudha, L. (2020). Industri Perhotelan Di Indonesia Pada Masa Pandemi Covid-19: Analisis

Deskriptif [Hospitality Industry in Indonesia during the Covid-19 Pandemic: Descriptive Analysis]. *Journal FAME: Journal Food and Beverage, Product and Services, Accomodation Industry, Entertainment Services, 3*(1). https://doi.org/10.30813/fame.v3i1.2166

8. Dongyun, O., Michelle (Myongjee), Y., & Yooyang, L. (2019). A holistic view of the service experience at coffee franchises: A cross-cultural study. *International Journal of Hospitality Management, 82,* 68-81. https://doi.org/10.1016/j.ijhm.2019.03.022

9. Ghozali, Imam & Fuad (2005). Structural Equation Modeling, Teori, Konsep & Aplikasi dengan Program LISREL 8.54, Semarang: Badan Penerbit Universitas Diponegoro.

10. Hapsari, R., Hussein, A. S., & Handrito, R. P. (2020). Being Fair to Customers: A Strategy in Enhancing Customer Engagement and Loyalty in the Indonesia Mobile Telecommunication Industry. *Services Marketing Quarterly, 41*(1), 49-67. https://doi.org/10.1080/15332969.2019.1707375

11. Hapsari, R., Hussein, A. S., Ghofar, A., & Hanafiah, M. H. (2024). From first visit to forever fans: crafting customer loyalty in glamping through experience quality and engagement. *Cogent Business and Management, 11*(1). https://doi.org/10.1080/23311975.2024.2416938

12. Haruna, A. D., & Osa-Afiana, D. D. (2022). The Development and Validation of Customer Satisfaction Questionnaire in the Nigerian Hospitality Industry. *OALib, 09*(08), 1-11. https://doi.org/10.4236/OALIB.1108874

13. Harzaviona, Y., & Syah, T. Y. R. (2020). Effect of Customer Satisfaction on Customer Loyalty and Marketing Organization Performance in B2B Market Over Heavy Equipment Company. *Journal of Multidisciplinary Academic, 4*(4), 243-249. Retrieved from https://digilib.esaunggul.ac.id/effect-of-customer-satisfaction-on-customer-loyalty-and-marketing-organization-performance-in-b2b-market-over-heavy-equipment-company-20897.html

14. Huddin, M. N., Kurnia, D., Deviyantoro, D., & Nafiudin, N. (2024). The relationship between customer experience, customer satisfaction, customer trust, and customer loyalty in tourism destination. *Diponegoro International Journal of Business, 6*(2), 142-154. https://doi.org/10.14710/dijb.6.2.2023.142-154

15. Ivankovič, G., Janković, S., & Peršić, M. (2010). Framework for performance measurement in hospitality industry-case study Slovenia. *Ekonomska Istrazivanja [Economic Research], 23*(3), 12-23. https://doi.org/10.1080/1331677X.2010.11517420

16. Jung, I., & Baloglu, S. (2025). What customer experience and value dimension(s) mostly drive luxury hotel brand purchase intention? *International Journal of Hospitality Management, 126,* 0-2. https://doi.org/10.1016/j.ijhm.2024.104035

17. Lagiewski, R., & Perotti, V. (2023). Customer experiences and situational vulnerability: An exploration of hotel services during a disaster. *International Journal of Hospitality Management, 108,* 103360. https://doi.org/10.1016/j.ijhm.2022.103360

18. Mohajerani, P., & Miremadi, A. R. (2012). The Effective Aspect of Customer Satisfaction in Hotel Industry in Kish Island (Modeling). *International Journal of Marketing studies (IJMS), 4*(2), 134-152. https://doi.org/10.5539/ijms.v4n3p134

19. Morris, M., & Carter, C. R. (2005). Relationship Marketing and Supplier Logistics Performance: An Extension of the Key Mediating Variables model. *Journal of Supply Chain Management, 41*(4), 32. https://doi.org/10.1111/j.1745-493X.2005.04104004.x

20. Nadeak, J. A., & Yudhira, A. (2023). Analisis Pengaruh Fasilitas dan Kepuasan Pelanggan terhadap Loyalitas Pelanggan Menginap di Mikie Holiday Resort dan Hotel Brastagi [Analysis of the Influence of Facilities and Customer Satisfaction on Customer Loyalty Staying at Mikie Holiday Resort and Hotel Brastagi]. *Value Jurnal Ilmiah Akuntansi Keuangan Dan Bisnis [Value Scientific Journal of Financial and Business Accounting], 3*(2). http://dx.doi.org/10.36490/value.v3i2.402

21. Nagy, B. G., & Kacmar, K. M. (2013). Increasing customer satisfaction in the new venture context. *Journal of Research in Marketing and Entrepreneurship, 15*(2), 143-159. https://doi.org/10.1108/JRME-11-2012-0029

22. Nasution, N. R., Siregar, Z. M. E., & Pristiyono. (2021). The Effect of Job Autonomy on Employee Innovative Behavior : The Role of Job Satisfaction as Intervening Variable. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal) Humanities and Social Sciences, 4*(2), 2846-2853. Retrieved from https://www.bircu-journal.com/index.php/birci/article/download/1994/pdf

23. Nasution, A. F., Safari, S., Purwati, A. A., & Panjaitan, H. P. (2022). The Effect of Service Quality and Trust on Customer Satisfaction and Loyalty at PT. Agung Toyota Harapan Raya Pekanbaru. *International Conference on Business Management and Accounting (ICOBIMA), 1*(1), 96-108.

24. Nyan, L., Rockson, S., & Addo, P. (2020). The Mediation Effect of Customer Satisfaction on the Relationship between Service Quality and Customer Loyalty. *Journal of Management and Strategy, 11*(3), 13-27. https://doi.org/10.5430/jms.v11n3p13

25. Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A Conceptual Model of Service Quality and Its Implications for Future Research. *Journal of Marketing, 49*(4), 41. https://doi.org/10.2307/1251430

26. Pranowo, A. S., Sutrisno, J., Sulastiono, P., & Siregar, Z. M. E. (2020). The Entrepreneurial Competency, Innovation Capability, and Business Success: The Case of Footwear Industry in Indonesia. *Quality – Access to Success, 21*(178). Retrieved from https://www.researchgate.net/

http://dx.doi.org/10.21511/im.21(2).2025.20

publication/344458373_The_Entrepreneurial_Competency_Innovation_Capability_and_bussiness_success

27. Rasouli, G., & Vazifehdoost, H. (2014). Exploring Advantages & Disadvantages Paradox of Customers Education Issue and Their Expertise and Loyalty in Iran's Investment Services Stock Broker Firms Business Policy View project Implementing Customer Relationship Management in Mobile Industry View. *Advances in Environmental Biology, 8,* 1111-1120. Retrieved from http://www.aensiweb.com/AEB/

28. Rohman, F., Hussein, A. S., Hapsari, R., & Tamitiadini, D. (2023). Investigating Spiritual Tourism Experience Quality, Destination Image, and Loyalty: the Mediating Role of Perceived Sacredness and Subjective Wellbeing. *Tourism and Hospitality Management, 29*(1), 133-145. https://doi.org/10.20867/thm.29.1.11

29. Stading, G. L., & Johnson, M. (2012). An Examination of the Relationship Between a Firm's Offerings and Different Customer Loyalty Segments. *Journal of Business-to-Business Marketing, 19*(4), 367-391. https://doi.org/10.1080/1051712X.2012.690700

30. Rua, S., Saldanha, E. D. S., & Amaral, A. M. (2020). Examining the Relationships among Product Quality, Customer Satisfaction and Loyalty in the Bamboo Institute, Dili, Timor-Leste. *Timor Leste Journal of Business and Management, 2*(1), 33-44. https://doi.org/10.51703/bm.v2i2.28

31. Saputra, M. E., Sumiati, S., & Yuniarinto, A. (2023). The effect of customer experience on customer loyalty mediated by customer satisfaction and customer trust. *Journal of Economics and Business Letters, 3*(3), 27-37. https://doi.org/10.55942/jebl.v3i3.205

32. Senjaya, V., Semuel, H., & Dharmayanti, D. (2013). Pengaruh Customer Experience Quality Terhadap Customer Satisfaction & Customer Loyalty Di Kafe ExcelsoTunjungan Plaza Surabaya; Perspektif B2C. *Jurnal Strategi Pemasaran [Journal of Marketing Strategy], 1*(1), 1-15. Retrieved from https://media.neliti.com/media/publications/133518-ID-none.pdf

33. Siregar, Z. M. E., Sujana, F. R., Pranowo, A. S., & Supriadi, Y. N. (2021). Job autonomy and innovative work behavior of marketing employees in the automotive industry in Indonesia: The mediating role of organizational commitment. *Quality - Access to Success, 22*(180), 97-102. Retrieved from https://www.proquest.com/openview/adfa8311acb50433f5baf45516d0b938/1?pq-origsite=gscholar&cbl=1046413

34. Siregar, Z. M. E., Suryana, A., E., & Senen, S. H. (2019). Factors influencing innovative work behavior: An individual factors perspective. *International Journal of Scientific and Technology Research, 8*(9), 324-327. Retrieved from https://scispace.com/papers/factors-influencing-innovative-work-behavior-an-individual-10ioiqyysl

35. Siregar, Z. M. E., Suryana, A., E., & Senen, S. H. (2020). Knowledge management, innovation, and firm performance: The case of Batik industry in Indonesia. *Quality - Access to Success, 21*(179), 27-32. Retrieved from https://www.researchgate.net/publication/346581173_Knowledge_Management_Innovation_and_Firm_Performance_The_Case_of_Batik_Industry_in_Indonesia

36. Sitorus, T., & Yustisia, M. (2018). The influence of Service Quality and Customer Trust toward Customer Loyalty: The role of customer satisfaction. *International Journal for Quality Research, 12*(3), 639-654. https://doi.org/10.18421/IJQR12.03-06

37. Sosianika, A., Setiawati, L., Wibisono, N., Kusdibyo, L., Suhartanto, D., Februadi, A., & Polytechnic, B. S. (2021). The Effect of Hotel Service Satisfaction on Loyalty. *Journal of Marketing Innovation, 1,* 18-29. http://dx.doi.org/10.35313/jmi.v1i01.11

38. Sureshchandar, G. S., Rajendran, C., & Anantharaman, R. N. (2002). The relationship between service quality and customer satisfaction – a factor specific approach. *Journal of Services Marketing, 16*(4), 363-379. https://doi.org/10.1108/08876040210433248

39. Tabaku, E., & Kruja, D. (2019). An integrated framework for customer loyalty in the hotel sector. *Serbian Journal of Management, 14*(1), 205-221. https://doi.org/10.5937/sjm14-18253

40. Tran, V. D., Nguyen, M. D., Vo, T. N. L., & Dinh, T. Q. (2021). An Examination Of The Effects Of Service Quality And Satisfaction On Customers Behavior Intentions In E-Shopping: An Empirical Study With Comparison Of Taiwan And Vietnam. *Journal of Applied Data Sciences, 2*(4), 174-182. https://doi.org/10.47738/jads.v2i4.45

41. Utami, B., Hidayat, M. S., & Setyaringsih, E. (2023). The Relationship Between Customer Satisfaction and Loyalty : A Systematic Literature Review. *International Journal of Social Service and Research, 3*(01), 54-62. https://doi.org/10.46799/ijssr.v3i1.222

42. Wong, A., & Sohal, A. (2003). Service quality and customer loyalty perspectives on two levels of retail relationships. *Journal of Services Marketing, 17*(5), 495-513. https://doi.org/10.1108/08876040310486285

43. Zygiaris, S., Hameed, Z., Ayidh Alsubaie, M., & Ur Rehman, S. (2022). Service Quality and Customer Satisfaction in the Post Pandemic World: A Study of Saudi Auto Care Industry. *Frontiers in Psychology, 13,* 1-9. https://doi.org/10.3389/fpsyg.2022.842141

44. Yulian, Z. (2002). *Manajemen Kualitas Produk dan Jasa [Product and Service Quality Management]*. Yogyakarta. Retrieved from https://books.google.co.id/books?id=a4l0EAAAQBAJ&printsec=frontcover&hl=id&source=gbs_atb#v=onepage&q&f=false