

Determinants of Hotel Consumer Loyalty in South Sumatra

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ABSTRACT

Describing consumer assessments of Brand Image, CEM, Satisfaction, Customer Value, and Consumer Loyalty in the 3-star hotel industry in South Sumatra and prove whether the modification of the dimensions of each proposed research model can be proven, as well as to the strong research hypotheses is the aim of the research. Inferential is a design used to explain the relationship between variables and describe variables. Research location in South Sumatra, the object of the research is the consumer of 3-star hotels in South Sumatra. The number of star hotels in South Sumatra is 76 hotels, 15 of which are 3-star hotels. The population in this study were all hotel guests from 15 3 star hotels in South Sumatra, the number of which is infinite, the sample was taken about 225 with purposive sampling technique. The research data used are primary data using a questionnaire, the analysis tool used is descriptive statistics supported by SPSS software and analysis of Structural Equation Modeling (SEM) with Lisrel. Hypothesis test states that: Hotel services do not have additional value, even though they are 3-star services still have to be adequate. The consumer loyalty of 3-star hotels in South Sumatra is not yet high, this is because the brand image has not been able to increase consumer loyalty, even though it has been able to give a positive impression on the Customer Value and has a positive impact on Customer Satisfaction. CEM 3-star hotels in South Sumatra are still implemented simply because implementing CEM is expensive. CEM has not increased Customer Loyalty and has not given a positive impression on Customer Value even though it has had a positive impact on Customer Satisfaction. CEM was developed from transactional marketing so that besides being able to further enhance the impressive customer experience, high customer satisfaction, it is also able to increase customer loyalty and customer value.

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KEYWORDS: Loyalty, Satisfaction, Customer Value, Company Image and Customer Experiential Marketing (CEM).

1. INTRODUCTION

Indonesia has a large population and is an archipelagic country that has the potential for attractive natural tourism and many choices. This condition causes the potential for the hospitality business to increase day by day. The development of the hotel business in Indonesia has increased significantly. This can be seen from the increasing number of tourist visits and the growing number of hotels in Indonesia. In general, it can be said that the occupancy rate for economy class hotels is around 70% and for the middle class is around 80%. This increase in occupancy rates is also supported by the local government which organizes several events at the hotel such as seminars, meetings, workshops, and other MICE activities. (BPS-Statistics Indonesia). Hotel management currently emphasizes the concept of marketing strategies that approach consumers, thus, companies need to pay attention to the quality of good relationships between companies and consumers for the sustainability of a company. If the

company pays attention to the elements that can create an increased quality of good relations between the company and consumers, then this good relationship can be the basis for building consumer loyalty.

Several research results show that building consumer loyalty requires many aspects. According to Zamri Ahmad and Hasyim (2010), brand image has a positive effect on consumer loyalty. Jay Kandampully, Tingting Zhang, Elina Jaakkola (2015) stated that many aspects make consumers loyal, one of which is how management manages CEM. Martina (2009) concluded that consumer satisfaction has a positive and significant effect on consumer loyalty. Mesbahi Jahromi (2015) states that Experiential Marketing, Experiential Value, and Purchase Behavior have a positive effect on consumer loyalty. Relationship marketing is the most important aspect that affects customer loyalty. This is in line with the conditions in which consumers before making a purchase are faced with conditions of uncertainty,

do not know, and do not have a picture of the services used. Malik, Naeem, and Nasir (2011) revealed that creating consumer loyalty in the hotel industry depends on how hotel entrepreneurs can create quality long-term relationships with consumers. Building good relationships with consumers will affect consumer behavior where consumers will be loyal to the company so that it can also have an impact on increasing company revenues.

In today's condition, marketers cannot rely solely on features and benefits as weapons, because these are the things that are most easily imitated by competitors. Companies also need to prioritize customer emotions by providing facilities that can provide satisfaction for customers so that a memorable experience is achieved. This concept also encourages companies to be more creative in thinking about how marketing steps attract consumers to buy and become loyal to these products. *Customer experience* is one of strategy to face increasingly competitive competition in the business world. Every company must have its characteristics so that it can be positioning for the company. Differentiation can be created through innovations that are created so that consumers get a memorable experience. Research conducted by Harris (2007) states that 86% of consumers are willing to pay more for a product and service that offers a better experience than its competitors. Schmitt (2008) explains that there are several benefits that a company will get if it implements experience marketing. The benefits that can be obtained if a company implements experience marketing include differentiating products from other products, creating corporate image and identity, promote innovation, and creating consumer loyalty.

The province of South Sumatra currently has 76-star hotels (BPS, 2019) which are scattered throughout the second-level regions, although most of them are in the city of Palembang. The Regional Government of South Sumatra realizes that new hotels entering South Sumatra Province will compete, especially the 3-star hotels that previously existed in South Sumatra, both private and government-owned. According to the Regional Secretary of South Sumatra, the weaknesses and threats of the hotel industry, both government and private, especially 3-star hotels, which have been established for a long time, causing stagnation in the development of hotels include the following:

1. The increasing number of international hotels entering the Province of South Sumatra has resulted in existing hotels getting very strong competitors to be able to grab the attention of customers and maintain customer loyalty, especially since international hotel brands have new buildings.
2. Hotel management that is still traditional must deal with international hotels with international standard management.
3. Hotel marketing is also traditional in that consumers decide to buy based on product characteristics only. Whereas the decision-making taken by consumers

involves elements of rationality and logic, as well as emotional and irrational aspects of purchasing.

4. Hotel customers have started to switch to stay at international hotels that are more comfortable and prestigious at affordable prices.

The number of star hotels owned by South Sumatra Province in 2019 was 76 hotels (BPS) and 32% were 3-star hotels. 3-star hotels in South Sumatra Province, especially those in Palembang city, are often used to carry out activities or events held. both by the government and the private sector, such as sports, seminars, training, and so on because they are considered to have adequate facilities but at an affordable price. The Provincial Government of South Sumatra is currently preparing itself as a leading tourist city, so it requires preparation and readiness to receive guests, including hotel facilities that must be good to satisfy guests. Based on tinput from various parties, it turns out that the readiness of hotels is inadequate. Therefore, researchers are interested in researching the hotel industry, especially 3-star hotels in South Sumatra, both hotels managed by private parties and local governments. Based on the results of the survey, the problems that can be identified are:

1. Consumer loyalty to the hotels they stay in is not high yet.
2. The values received by consumers are not as expected and what the hotel is trying to do is not high.
3. Satisfaction of consumers who stay at the hotel has not matched consumer expectations.
4. The brand image of the 3-star hotels in South Sumatra is not yet strong.
5. Customer Experience Marketing (hereinafter abbreviated as CEM) implemented by 3-star hotels in South Sumatra has not been successful.

2. REVIEW OF LITERATURE

2.1 Consumer loyalty

Omanukwue (2013) states that consumer loyalty will be achieved if consumers wish to repurchase or reuse the same goods/services because of the quality of the product or service itself. While Griffin (2005) argues that a customer is said to be loyal or loyal if the customer shows regular buying behavior or there is a condition where the customer buys at least twice in a certain time interval. Then Consumer Loyalty is synthesized how often consumers make repeat purchases and recommend to others. Referring to Oliver (Sorce, 2002), the dimensions of the consumer loyalty variable are: Cognitive, the cognitive component of attitude describes knowledge and perception of objects. This knowledge and perceptions usually take the form of beliefs. Affective, describes a person's feelings and emotions about a product or brand, whether good or bad, liked or disliked. Conative, is the third component of attitude which describes the tendency of a person to take certain actions. Action, is a consumer's assessment of an object that has been consumed for the first time.

2.2 Customer Satisfaction

Lovelock and Wright (2011) state that customer satisfaction is an emotional reaction to post-purchase customers which can be in the form of anger, dissatisfaction, irritation, neutrality, joy, or pleasure. Zeithaml and Bitner (2011) suggest that customer satisfaction is a comparison between customer expectations and the company's perceived performance. The success of a company occurs when the company can meet and if possible exceed expectations in providing services to customers in meeting their needs and desires. Kotler and Keller (2012) state that customer satisfaction is the level of customer feelings after comparing perceived service performance compared to expectations. Then consumer satisfaction is synthesized as a customer emotional response as a customer evaluation of company performance. Referring to the opinion of Crandall et al. (2002), the dimensions used in this study are as follows: products, speed of service, employee support in service, security.

2.3 Customer Value

Kotler (2012) states that customer value is the difference between the total value for customers and the total customer cost. Customer value is the perception and what the customer feels and their evaluation of the product attributes and performance. Then the customer value is synthesized as the customer perception of the difference between the total value for the customer and the total customer cost. Referring to the opinion of Wang et.al (2004), the dimensions of customer value used are:

1. Emotional value, which describes the uses offered based on feelings about the product.
2. Social values, which reflect an increase in self-concept in the social field.
3. Value performance, from service quality and performance.
4. The value of the price paid.

2.4 Brand Image

Kotler and Keller (2012), namely a set of beliefs, ideas and impressions that a person holds about an object. Brand image is a series of associations (perceptions) that exist in the minds of consumers towards a brand, usually organized into a meaning. Then the brand image is synthesized as consumer perceptions and consumer preferences for brands as reflected by various kinds of brand associations that exist in consumer memories. Referring to the opinion of Schwaiger (2004), the dimensions used to assess Brand Image are:

1. Performance, a performance dimension that reflects a company that has the opportunity to grow and develop as well as a company that is well managed.
2. Attractiveness (attractiveness) reflects that the company as dream workplace and companies that have qualified employees.
3. Quality, this dimension consists of three attributes, namely the quality of the company is paying attention to

consumers, the quality of the products/services or services provided, and the innovation attributes that describe the company's ability to continuously produce products with sustainable quality.

4. Responsibility, the responsibility dimension shows companies that care about the environment and companies that have social responsibility.

2.5 Customer Experience Marketing

Verhoef, et al (2009) explain that Customer Experience Marketing is a strategy for companies to create value for customers and companies. According to Schmitt (2014), CEM is a strategy for companies to manage customer experiences either through the products created or the experiences provided through the services provided. Thus, Customer Experience Marketing (CEM) can be synthesized as a company policy to explore products, services, or brands through the impression of a first-hand experience, no longer a good relationship between consumers and companies or even about what is offered to consumers. Referring to the opinion of Pozza (2014), the dimensions used to examine CEM in this study are how hotel management controls service for consumers in fulfilling the following elements:

1. Sense (Pancaindra), namely the effort to create experiences related to the five senses through sight, sound, touch, taste, and smell. Staying guests need a stay experience that is more than just resting, but requires experiences that can fulfill sensational expectations.
2. Feel, which is the result of contact and interaction through the feelings and emotions that are generated. This is based on the fact that the guests staying overnight are not only fulfilling the elements of profit and loss, but also the fulfillment of the elements of emotion and feeling.
3. Act (Habit), namely the act of buying due to outside influences and opinions from within. This is based on the fact that guests staying at a particular hotel are due to an external environment or information from outside such as information that makes the desire to stay at a particular hotel.
4. Think (Way of Thinking), which is a marketing campaign through surprise. In this case, the hotel marketing campaign does not only encourage consumers to stay at hotels through standard promotions but also through surprises that will make consumers want to know more.
5. Relate, namely the relationship or lifestyle perceived by the customer, whether it is a relationship with the company or a relationship among community users of the company's products/services. This dimension was chosen in hotel management studies because of the relationship between companies and hotel parties that benefit hotel guests, for example, corporate prices.

This complete empirical model that links between variables and dimensions in each research variable, as far as the

research has conducted this research, has never been studied by other researchers before, thus this complete model holds promise as a new finding.

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by other researchers before, thus this complete model holds promise as a new finding.

Based on the framework and the results of previous research, a conceptual research model can be built as shown in Figure .1

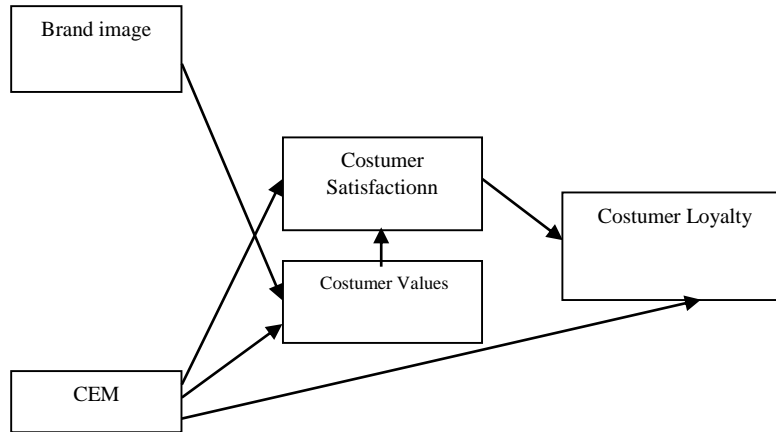


Figure 1. Research Conceptual Model

2.6 Research model and hypotheses

Based on the research model proposed, the following is a list of the hypotheses of this study, which consists of the causality hypothesis and the descriptive hypothesis.

- a. Descriptive Hypothesis
 - CEM, Brand Image, Customer Satisfaction, Customer Value, and Consumer Loyalty have been assessed well by consumers.
- b. Causality Hypothesis
 1. Brand Image has a positive effect on consumer loyalty
 2. Brand Image has a positive effect on Value Customer
 3. Brand Image has a positive effect on Customer Satisfaction
 4. CEM has a positive effect on Consumer Loyalty
 5. CEM has a positive effect on Customer Value
 6. CEM has a positive effect on Customer Satisfaction
 7. Customer Satisfaction has a positive effect on Consumer Loyalty
 8. Customer Value has a positive effect on Customer Satisfaction
 9. Customer Value has a positive effect on Consumer Loyalty.

Compared with previous studies, this study has differences that become its advantages, namely showing a complete empirical model regarding the effect of image, customer satisfaction, CEM and consumer value on consumer loyalty which is analyzed using Structural Equation Modeling (SEM) with the hotel research object- 3 star hotel in South Sumatra Province.

3. RESEARCH METHOD

The industries studied are 3-star hotels in South Sumatra. The primary data needed will be obtained from hotel consumers who stay. Based on the main objective of this research, the research design used is an inferential design which is equipped with descriptive explanations, both quantitative and qualitative

All variables will be converted into important dimensions and indicators, after adjusting to the characteristics of the object of this study, the indicators used as questionnaires are the result of these adjustments. Each indicator will be given a scale that consists of 1 to 5, each in the form of an alternative agree-disagree answer (Likert scale).

- scale 1 = strongly disagree
- scale 2 = disagree
- scale 3 = doubtful
- scale 4 = agree
- scale 5 = strongly agree

3.1 Data analysis and finding approach

The descriptive analysis describes the data from the research variables that are more informative and can be used for discussion in the context of management decision-making. The statistics used in this study are proportion, weighted average, and chi-square.

Verification analysis aims to conduct hypothesis tests between research variables as hypothesized. The error or alpha value in this study is set at 5 percent for 2 directions. To test the research model that has been proposed, the SEM (Structural Equation Modeling) method is used with the support of the LISREL software version 8.8.

3.2 Measurement model

Based on the complete model of this study, a structural model and a measurement model can be determined. Structural Model is an equation that states the relationship between latent variables, and the measurement model is an equation that states the relationship between the manifest / observed variable and the latent variable.

SEM structural equation modeling involves a number of mathematical symbols. In the LISREL 8.80 software package that will be used in this study, the use of these symbols can be seen in Figure 8.1. Furthermore, the research model is evaluated in relation to the Measurement Model and Structural Model. According to Hair et al. (2010) test the measurement model and structural model test

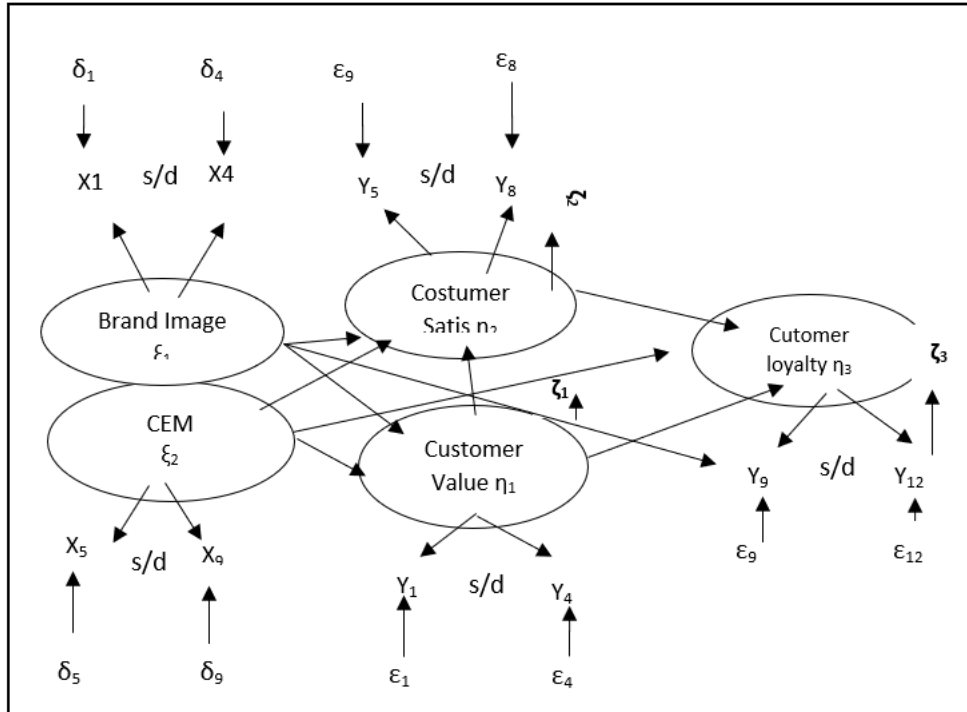


Figure 2. The Lisrel version of the Research Model

Based on the research model, the equations for the structural model can be determined, namely:

$$1 = \beta_{11} \xi_1 + \beta_{12} \xi_2 + \epsilon_1$$

$$2 = \beta_{21} \xi_1 + \beta_{22} \xi_2 + \epsilon_2$$

$$3 = \beta_{31} \xi_1 + \beta_{32} \xi_2 + \beta_{33} \eta_1 + \epsilon_3$$

General equation of measurement model (measurement model)

$$X = \lambda_x \xi + \delta$$

where :

X = manifest variable of latent variable

λ_x = loading factor of manifest variable

ξ = exogenous latent variable

δ = error of manifest variable

$$Y = \lambda_y \eta + \epsilon$$

where :

Y = manifest variable of endogenous variable

λ_y = loading factor of manifest variable

η = endogenous latent variable

ϵ = error of the variable

Based on the LISREL version of the research model, the structural model and measurement model can then be defined.

According to Hair et al. (2010) the measurement model test

and structural model test were carried out based on the following stages:

- a. Test the Measurement Model (Measurement Model)
 - 1) Construct Validity Test
 - 2) Construct Reliability Test
- b. Goodness of Fit Test (Model fit)
 - 1) Research Hypothesis Test
 - 2) Effect composition: direct influence, indirect effect and total effect.

4. DATA ANALYSIS AND DISCUSSION

4.1 Data Analysis

The number of star hotels in South Sumatra is 76 hotels, 15 of which are three-star hotels. Three-star hotels have facilities including public facilities such as parking, cafes, elevators, 24-hour room service, restaurants, WiFi and some hotels have swimming pools. Hotel services such as 24-hour security, laundry, 24-hour front desk, wedding facilities. Business facilities such as meeting rooms, meeting facilities and photocopying. Room facilities such as cable TV, TV, desk and shower. And public facilities such as air conditioning, halls. Three-star hotel rates in South Sumatra vary but are in the range between Rp. 300,000, - to Rp. 600,000, -

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1. Based on the gender of female respondents, there were 116 people (51.6%) and male respondents were 109 people (48.4%).
2. Based on the family status of respondents, 156 people were married (69%) and 69 people were not married (31%).
3. Based on the occupation of the respondents who worked as private employees as many as 71 people (32%), civil servants 40 people (18%), entrepreneurs as many as 37 people (16%), BUMN as many as 24 people (11%), students 21 people (9%), RT mothers 18 people (8%) and others 14 people (6%).
4. Based on the reason for the stay of the respondents who stayed because of vacation as many as 88 people (39%),

office assignments as many as 63 people (28%), business 31 people (14%), family matters 29 people (13%) and others (6%).

Analysis of Influence between Variables

Measurement Model Test

Based on the calculation results, it is known that the values of all variables, namely CEM, Brand Image, Consumer Satisfaction, Customer Value and Consumer Loyalty are above 0.70 and VE values are above 0.5. Thus, the latent variable and each of the observed variables are valid and reliable.

Structural Model Test GOF (Goodness of Fit) test

Table 1. Statistics of Goodness of Fit . Test

Size Criteria	Indicator	Benchmark	Calculated value	Conclusion
<i>Absolute fit indices,</i>	Chi-Square . Probability Value	Minimum 5%	0,0	Fit
	<i>Root Mean Square Error of Approximation (RMSEA)</i>	Less than 5%	0,0	Fit
	<i>Goodness of Fit Index (GFI)</i>	Minimum 90%	0,74	unwell
<i>Incremental fit indices</i>	<i>Adjusted Goodness of Fit Index (AGFI)</i>	Minimum 90%	0,67	unwell
	<i>Normed Fit Index (NFI)</i>	Minimum 90%	0,89	unwell
	<i>Comparative Fit Index (CFI)</i>	Minimum 90%	0,91	Fit
	<i>Incremental Fit Index (IFI)</i>	Minimum 90%	0,91	Fit
	<i>Relative Fit Index (RFI)</i>	Minimum 90%	0,81	unwell
<i>Parsimony fit indices</i>	<i>Expected Cross-Validation Index (ECVI)</i>	ECVI < independence ECVI	2 < 32	Fit
	<i>Akaike Information Criterion (AIC)</i>	AIC value < AIC independence value.	911 < 7291	Fit
	<i>Consistent Akaike Information Criterion (CAIC)</i>	CAIC < CAIC's saturated and independence values.	1140 < 1482 < 7291	Fit
	<i>Parsimonious Goodness of Fit Index (PGFI)</i>	PGFI > 0,60	0,58 < 0,60	unwell
	<i>Root Mean Residual (RMR)</i>	RMR value < 0.1 the better.	0,087	fit

Based on the results of the goodness of fit test, it can be seen that the model is fit, because there are 8 of the 13 criteria required to pass the model test. Thus, it can be concluded that Test the influence between variables.

the research model is fit, meaning that there is a match between the empirical data and the model proposed in the framework of thought.

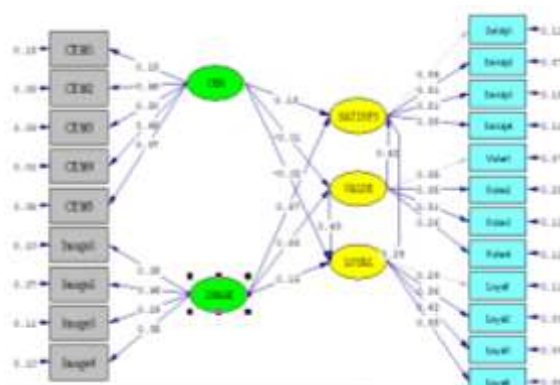


Figure 2. Structure Model of Research Results (Hybrid)

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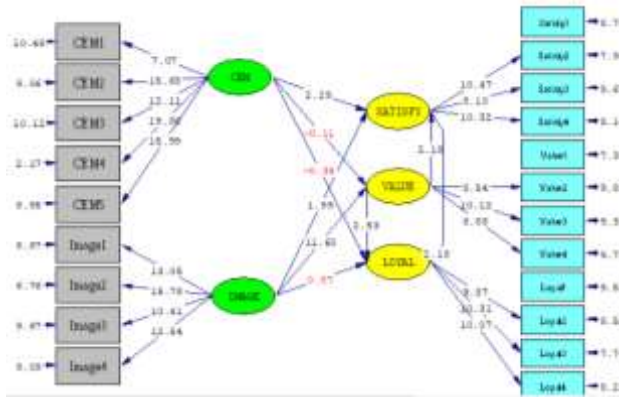


Figure 3. Statistical value of t from the Structural Model

To be more informative, the computer output was modified according to the drawings on the research model either in the

Thinking Framework or in the Lisrel version of the research model. The result is as shown in the following image :

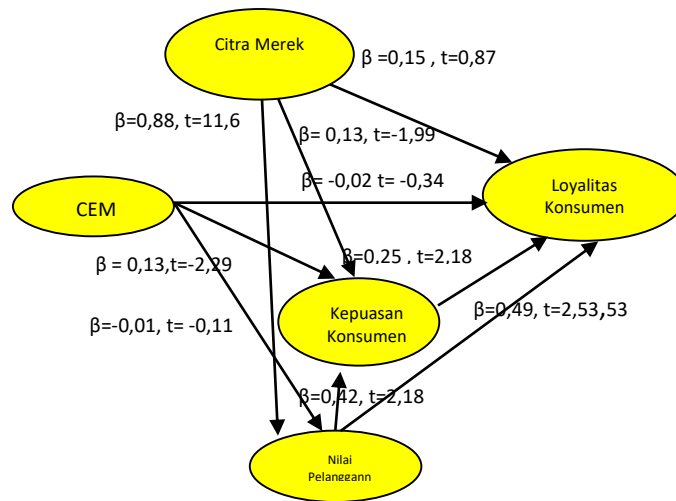


Figure 4. Complete Model of Research Results

4.2 Research Hypothesis

The results of the hypothesis testing stages as a whole can be summarized in the following table:

Table 2. Summary of Effects Between Variables

No	Pengaruh Antar Variabel	Besar Pengaruh	Nilai t	Sifat Pengaruh
1	Brand Image -> Consumer Loyalty	0,15	0,87	The positive effect is not significant
2	Brand Image -> Customer Value	0,88	11, 6	Significant positive effect
3	Brand Image -> Consumer Satisfaction	0, 17	1,99	Significant positive effect
4	CEM -> Consumer Loyalty	-0,02	-0,34	Negative influence is not significant
5	CEM -> Customer Value	-0,01	-0,11	Negative influence is not significant
6	CEM -> Consumer Satisfaction	0,13	2,29	Significant positive effect
7	Consumer Satisfaction -> Consumer Loyalty	0,25	2,18	Significant positive effect
8	Customer Value -> Customer Satisfaction	0,42	2,16	Significant positive effect
9	Customer Value -> Consumer Loyalty	0,49	2,53	Significant positive effect

- 1) Brand image has no significant effect on consumer loyalty.
- 2) Brand image has a significant effect on customer value.
- 3) Brand image has a significant effect on consumer satisfaction.
- 4) CEM has no significant effect on consumer loyalty.

- 5) CEM has no significant effect on customer value.
- 6) CEM has an effect on consumer satisfaction.
- 7) Consumer satisfaction has an effect on Consumer Loyalty.
- 8) Customer value has an effect on customer satisfaction.
- 9) Customer value has an effect on consumer loyalty.

Direct and Indirect Influence

Table 3. Value of Direct, Indirect and Total Effects

No	Plot	Intervening Variables	Direct Influence	Indirect Influence	Total Influence
1	Image → Consumer Loyalty	Consumer Satisfaction	0,15	$0,13 \times 0,25 = 0,09$	0,03
2	Image → Consumer Loyalty	Customer Value	0,15	$0,88 \times 0,49 = 0,43$	0,58
3	CEM → Consumer Loyalty	Consumer Satisfaction	- 0,02	$0,13 \times 0,25 = 0,03$	0,01
4	CEM → Consumer Loyalty	Customer Value	- 0,02	$-0,01 \times 0,49 = - 0,005$	-0,025

Source: Analysis Results

4.3 Descriptive Study Results

Consumer Loyalty Variables

All dimensions of the consumer loyalty variable have been assessed as good, there is only one indicator that is considered lacking, namely if the hotel raises room prices, it is not a problem. Consumers are not willing to stay at the hotel if the hotel raises prices. This indicates that consumers have not become loyal consumers.

Thus, to increase customer loyalty for 3-star hotels are:

- 1) Increase customer satisfaction with product offerings
- 2) Creating an unforgettable customer experience.

Customer Experience Marketing (CEM)

All indicators have been assessed as good, there are two indicators that are considered lacking, namely not willing to take risks and no service surprises.

The management of 3 star hotels in South Sumatra must continue to work hard because hotel competition is getting tougher with the entry of new hotel brands. Likewise, efforts to increase hotel consumer loyalty through marketing mix and CEM strategies must still be carried out because there are still many gaps that can become risks if left unchecked.

4.4 Results of the Study of Effects Between Variables.

The results of this study state that Brand Image has no significant effect on Consumer Loyalty, contrary to several previous studies conducted by 1) Zamri and Hasyim (2010) 2) Yi Zhang (2015). This happens because consumers have not considered that the hotel brand chosen is more because it can provide satisfaction and the value of an unforgettable experience is not associated with loyalty, and vice versa that consumer loyalty is only seen from satisfaction with expectations that have been fulfilled so far. The results of this study state that Brand Image has an effect on Customer Value. Supporting research was conducted by 1) Kevin et al. (2013) 2) Che-Hui Lien et al. (2015) 3) HsiYing Hsieh (2016).

The results of this study indicate that Brand Image has an effect on Consumer Satisfaction. This study is in accordance with several research results from: 1) Lahap et al. (2016), 2) Jaskaran (2013)

The results showed that CEM had no significant effect on consumer loyalty. The results of previous studies according to 1) Songsak and teera (2012) 2) Negar Mesbahi (2015) 3)

Jay et al (2015) This is because 3-star hotels in South Sumatra have not implemented CEM properly, because they require large funds. Thus, the results of this study do not support the results of previous studies, that CEM has an effect on consumer loyalty.

CEM has no significant effect on customer value, has rejected several previous research results that support the hypothesis. Among them are: 1) Grisna (2015) 2) Ananta (2016) 3) Jui-Lung Chen (2015) The difference with previous research is due to the fact that experiential marketing has not been fully carried out in 3-star hotels, so it does not affect customer value. Hotel facilities and hotel services are nothing special so that they do not create an impression that is not easily forgotten (emotion believe).

The results of this study indicate that CEM has an effect on consumer satisfaction. The results of previous studies according to 1) Silvana Chandra (2014); 2) Imran Khan et al (2015) and 3) Hossein and Reza (2018). The results of the study indicate that consumer satisfaction has an effect on consumer loyalty. Supporting previous research results were carried out by 1) Holjevac and Raspor (2014), Barsky et al (2003) and Lubica et al (201). The results of this study indicate that customer value has an effect on customer satisfaction. Supporting previous research results were carried out by 1) Sera and Mariaty (2017) 2) Hesty and Agriani (2016) 3) Tsai Ming Tien et al (2010). The results showed that customer value had an effect on consumer loyalty. Supporting previous research results were carried out by 1) Ananta Budhi (2016) 2) Egle (2013).

Theoretical and practical contributions of this research

The results of this study are different from previous studies. This happens because consumers do not think that the hotel brand chosen is more because it can provide satisfaction and the value of an unforgettable experience is not associated with loyalty, and vice versa that consumer loyalty is only seen from satisfaction with expectations. -the expectations that have been fulfilled.

Customer Experiential Marketing (CEM) has no significant effect on customer value. The results of this study differ from previous studies because experiential marketing has not been fully carried out at 3-star hotels, so that it does not affect customer value. Hotel facilities and hotel services are nothing

special so that they don't create an impression that is not easily forgotten (emotion believe).

CEM has no significant effect on consumer loyalty. The results of this study are different from previous studies, because Experiential Marketing has not been widely applied to the 3-star hotel industry, but is widely applied to 5-star hotels because the cost to implement it is expensive, even though actually 3-star hotels can also apply it in a cheap way, such as employees do not want to accept tips. , providing breakfast with a menu of regional specialties, regional accessories and so on. Customer Satisfaction and Customer Value affect Customer Loyalty. The most influential variable is Customer Value.

CONCLUSIONS

Hotel services have no added value, even though 3-star service must still be adequated. Apart from service quality, room prices are sensitive, if the hotel raises room prices significantly, consumers will choose another hotel through application services such as Traveloka, Blibli, and others. - other. Consumer loyalty of 3-star hotels in South Sumatra has not been high, this is because even the Brand Image of 3-star hotels in South Sumatra has been able to give a positive impression on Customer Value and has a positive impact on Customer Satisfaction but has not been able to increase consumer loyalty. Consumers do not think that the hotel brand chosen is more because it can provide satisfaction and the value of an unforgettable experience is not associated with loyalty, and vice versa, that customer loyalty is only seen from the satisfaction of expectations that have been fulfilled so far. CEM 3-star hotels in South Sumatra are still implemented simply, because the implementation of CEM requires a high cost, although it can be implemented in a cheap way such as employees not accepting tips, providing breakfast with regional specialties, regional accessories, and so on. etc. In this case, CEM has not been able to encourage increased consumer loyalty and has not given a positive impression to customers even though it has had a positive impact on customer satisfaction. Hotel facilities and hotel services are nothing special so they do not create an impression that is not easily forgotten (emotion believe). so that besides being able to further enhance the impressive consumer experience, high customer satisfaction, it is also able to increase customer loyalty and customer value.

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