

# AN EXAMINATION OF THE INTERNATIONAL AND DOMESTIC HOTEL SERVICE DELIVERY

(Telaah Hantaran Layanan Hotel Internasional dan Domestik)

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## **ABSTRACT**

*This study reports an assessment of perceived service differences based on brand of origin (international and domestic brands) in the hotel industry context. This study endeavours to extend recent advances in services marketing theory on service evaluation constructs: service quality, customer satisfaction, perceived value, brand image, and brand loyalty to the international and domestic brand level of analysis. The results, drawn from sample four-star hotels, show that international hotel guests perceived better on all constructs tested compared to that of domestic hotel guests. These finding indicate that customers' loyalty behaviour in four-star hotels tends to be driven by economical and rational consideration, rather than by culture, ethnocentrism, or a nationalism factor.*

*Keywords: Brand loyalty, customer satisfaction, perceived value, service quality, brand image, hotel industry*

## **ABSTRAK**

Artikel ini mengkaji perbedaan layanan berdasarkan atas merek asal (merek internasional dan domestik) yang dirasakan oleh pelanggan di industri perhotelan. Studi ini berusaha memperluas pemahaman kita tentang teori pemasaran jasa khususnya terkait dengan konstruk evaluasi layanan, yaitu: kualitas layanan, kepuasan pelanggan, nilai yang dirasakan, citra merek, dan loyalitas merek dengan unit analisis merek internasional dan domestik hotel. Dengan sampel yang diambil dari hotel berbintang empat, hasilnya menunjukkan bahwa tamu hotel internasional merasakan layanan yang lebih baik pada semua variable yang diujikan dibandingkan dengan apa yang dirasakan oleh tamu hotel domestik. Temuan ini menunjukkan bahwa perilaku loyal pelanggan di hotel bintang empat cenderung didorong oleh pertimbangan ekonomis dan rasional, bukan oleh budaya, etnosentrisme, atau faktor nasionalisme.

Kata Kunci: Loyalitas merek, kepuasan pelanggan, nilai layanan, kualitas layanan, citra merek, industri perhotelan

## INTRODUCTION

Globalisation is a prevalent phenomenon where international companies and brands enter to domestic market causing an intense competition between international and domestic brands. In the competitive environment, delivering high service quality to create customer satisfaction and customers' loyalty is essential for the survival of any organisation (Heskett, 2002). From customers perspective, as globalisation accelerates, consumers are presented with a growing number of brands (Kinra, 2006). Facing with a large number of brands, besides using price, warranty, and brand name, customers also use brand of origin (international and domestic brands) as extrinsic cue when making a purchasing decision (Shanahan & Hyman, 2007; Zhuang et al., 2008).

Researchers (Batra et al., 2000; Lee et al., 2008; Schuiling & Kapferer, 2004) have investigated the effect of brand of origin on consumer behaviour both in developed and developing country settings for various tangible products. Their

studies reveal that brand of origin affects perceptions of quality, perceived value, brand image, level of satisfaction, and brand loyalty. However, studies focusing on how customers perceive differences across service brand of origin, especially in the hotel industry, are scant. Thus, how consumers perceive the competitive positioning of international and domestic service brands in the hotel industry is still not much known.

The purpose of this study is to obtain a better understanding on the differences between international and domestic hotel brands on brand loyalty and its four determinants: service quality, customer satisfaction, perceived value, and brand image in Indonesian hotel industry. Conducting such a study in the highly competitive hotel industry is important as hotel brands' marketing strategies must go head-to-head not only with regional or national brands (domestic brands), but also with international brands (Palumbo & Herbig, 2000). Understanding the customer perception on brand loyalty and its

determinants across international and domestic hotel brands will help the marketing managers of both international and domestic hotels to develop an appropriate competitive strategy.

### **THE CONCEPTUALISATION OF BRAND OF ORIGIN**

Consumers use the country in which a product is manufactured ('made in') as an important cue when making a purchasing decision. This cue is called as country-of-origin effect (Kinra, 2006). In services context, customers use brand of origin, i.e., "*the place, region or country to which the brand is perceived to belong by its target consumers*" (Thakor, 1996, p. 2) rather than country of origin as cue in making purchase decision. The reason for using brand of origin as a cue is that the characteristic of simultaneous production and consumption of service causes difficulties for customer to identify the country-of-origin of a service. A hotel guest, for instance, may not associate the hotel services they receive with a particular country,

but, they will identify the brand of origin of a hotel from the hotel brand name. This is especially true in developing countries where international and domestic brands are generally distinct.

Brand of origin can be classified into two categories- international brand (sometimes called as foreign brand or global brand) and domestic brand (sometimes called as local brand) (Zhuang et al., 2008). Schuiling and Kapferer (2004) defined a foreign brand as a brand that has worldwide marketing mix and strategy. Similarly, Palumbo and Herbig (2000) described a foreign brand as a brand that uses the same marketing strategy and mix in all country target markets. These definitions specify that a foreign brand is a brand which is marketed in across countries. Zhuang et al. (2008) defined foreign brands as brands originate in developed countries and regions outside China and Taiwan (the research context). Schuiling and Kapferer (2004) defined local brand (or domestic brand) as brands that presented only in one country or in a limited geographical area. These

definitions imply that domestic and international brands are associated with location where the marketing activities are conducted.

International and domestic brands compete head to head in every market around the globe although neither has a universal advantage. The advantages of international brands are substantial and international branding has become a subject of discussion and a topic of research for years. The advantage of international brand is that the firms have the opportunity to benefit from economies of scale (Pine & Qi, 2004; Schuiling & Kapferer, 2004). Standardised business activities including research and development, production, distribution, as well as promotion across firms around the globe translates to cost savings. Standardised distribution systems mean that international hotels can attract overseas tourists through centralised reservation systems (Pine & Qi, 2004). As a result of standardised business activities, a global firm can generate significant cost reductions and thus improving the firm financial performance

(Schuiling & Kapferer, 2004). Another advantage is that an international brand sends the prestige and assurance message to a larger audience (Aaker, 1996). As international brands are marketed across nations, this enhances brand reputation in terms of international quality and acceptability. This benefit enables the global firms to provide substantive savings in communication costs and the development of an international brand image across countries (Schuiling & Kapferer, 2004). While much attention has been paid to global brands, the importance of domestic brands has been largely overlooked (Schuiling & Kapferer, 2004). Ger (1999) maintains that domestic brands have three key sources of competitive advantage: cultural capital, unique perceived value, and alternative targeting and positioning based on the perception of localness. As local brands are produced and marketed locally, domestically branded firms have a better understanding of their customer's culture and environment compared to international firms.

Local firms can respond to a local market's specific needs by designing unique perceived values of their brand for local customers (Aaker, 1996; Schuiling & Kapferer, 2004). Further, local brands can select positioning strategies that reflect local insight. Schuiling and Kapferer (2004) suggest that domestic brand firms can develop more flexible pricing strategies for their specific local markets because, unlike international brands, domestic brands are not linked to regional or global pricing strategy. Such flexibility can increase profits because prices can be fixed at locally competitive levels.

## **RESEARCH HYPOTHESES**

### **Service Quality and Customer Satisfaction**

Pine and Phillips (2005) compared the performance of hotels in China based on sales and occupancy rates and concluded that foreign hotels outperformed domestic hotels. In the service sector, this performance is arguably related to their capability in delivering better service resulting in higher customer satisfaction (Bernhardt et al., 2000; Yoo & Park,

2007; Zeithaml et al., 1996). For this reason, Pine and Phillips (2005) study implied that foreign hotels were perceived to have better service than domestic hotels. Additionally, Shanahan and Hyman (2007) explored American tourists' perception of hotel attributes in China and Ireland reported that tourists generally perceived that hotels in developing countries had lower standards than those from developed countries. Thus, the hypotheses on the customer perception on service quality and customer satisfaction in international and domestic hotel brands are formulated as follows.

Hypothesis 1: The respondents from international hotels perceive a higher level of service quality than the respondents from domestic hotels.

Hypothesis 2: The respondents from international hotels perceive a higher level of customer satisfaction than the respondents from domestic hotels.

### **Perceived Value**

International products are generally perceived as better quality and higher priced than domestic products

(Ghose & Lowengart, 2001). Although higher in price, studies conducted in the apparel industry (Min-Young et al., 2008), the automotive industry, and the electronics industry (Agbonifoh & Elimimian, 1999; Koubaa, 2008) provide evidence that internationally branded products are perceived as higher value compared to domestically branded products. In contrast, research conducted in India suggests that for durable goods, domestic products were perceived as having higher value compared to international products (Kinra, 2006). These findings suggest that the internationally branded products may not always enjoy higher customer perceived value.

In the Indonesian hotel industry context, room rates vary between international and domestic hotels. With a few exceptions, most international hotels charge higher rates than their domestic counterparts. As competitive pressures increase like they have in the hotel industry, the offerings of service companies increasingly similar (Andreassen & Lindestad,

1998; Peterson & Iyer, 2006). In fact, differences in the facilities, technology, and standard of service between domestic and international hotels are becoming harder to identify (Hidayat, 2008). As domestic hotels charge lower prices for relatively equal services, it is arguable that domestic hotel are providing better value for their customers.

Hypothesis 3: The respondents from international hotels perceive a lower level of perceived value than the respondents from domestic hotels.

### **Brand Image**

Customers often purchase branded products not only for their function but also for symbolic acquisition to communicate his or her social status. In developing countries, where interpersonal relationships are of prime importance, the status display could be more important than in developed countries (Batra et al., 2000). Given this greater salience of status markers in developing countries, imported products are usually perceived as better quality, more expensive, and more scarce than local products (Batra et al.,

2000). In addition, international products are also intensely exposed in the international media, so those products have an international and cosmopolitan image (Cheng et al., 2007). The combination of quality, scarcity, and international image means that international brands have become high status symbols. Accordingly, international brands become more inspirational and are better received in developing countries. In other words, international brands are attractive among local customers because they allow them to be associated with foreigners who have higher social status and prestige (Ahmed et al., 2004; Batra et al., 2000; Ghose & Lowengart, 2001; Palumbo & Herbig, 2000). Studies conducted on various tangible products in developing countries provide evidence that international brands have better images compared with domestically branded products (Cheng et al., 2007; Ghose & Lowengart, 2001; Kinra, 2006; Min-Young et al., 2008). Without evidence to suggest significant differences of brand image between

tangible product and services, it is expected that international hotel guests will perceive higher level of brand image than that of domestic hotel guests.

Hypothesis 4: The respondents from international hotels perceive a higher level of brand image than the respondents from domestic hotels.

### **Brand Loyalty**

According to Indonesian statistic data (Statistik, 2010), the majority of Indonesian hotel guests are Indonesian. Hofstede and Hofstede (2005) revealed that the score of the dimension of uncertainty avoidance and individualist for Indonesia is 48 (ranking 60-61) and 14 (ranking 68-69) respectively. These scores suggest that the Indonesians avoid uncertainty and tend to be more collective rather than individualistic. The high level of uncertainty avoidance indicates that they are more resistant to change, slow to adopt differences, more nationalistic, and more ethnocentric (Hofstede & Hofstede, 2005). As a consequence of high uncertainty avoidance, they would presumably be less open to foreign providers and are more likely

to favour local/domestic providers (Straughan & Albers-Miller, 2001). Moreover, in collective cultures, individuals tend to be interdependent with other members of their group. Straughan and Albers-Miller (2001) contend that members of collectivist countries would feel an obligation to support, favour, and patronize members of the same group over non members. When a customer selects a different brand from the group in which they are a member, the act could distinguish them from the group (Palumbo & Herbig, 2000). Usunier and Lee (2009) maintain that members of a culture with a high degree of collectivism tend to show a higher degree of brand loyalty to products or services similar to their group (e.g. domestic hotels) over non group members (e.g. international hotels).

Hypothesis 5: The respondents from international hotels perceive a lower level of brand loyalty than the respondents from domestic hotels.

## RESEARCH METHODS

### Measurement of Constructs

The conceptualisation and items for measuring the constructs variables were developed drawing on the literature. These constructs were developed using multi-item scales adapted from previous studies mainly from hospitality context. The items (see Appendix 1) used in this study were measured using a 7-point Likert type scale anchored by 1 (strongly agree) and 7 (strongly disagree).

Following Oliver's (1999, 2010) conceptualisation, this study proposes brand loyalty consisting of cognitive, affective, conative, and behavioural components. These four loyalty components were treated as a hierarchical structure as suggested by Oliver (2010). These four components were measured with four items adopted from previous studies (Back & Parks, 2003; Han et al., 2008; Kayaman & Arasli, 2007). Perceived value is operationalised as a consumer's evaluation of what is received compared to what is given (Cronin et al., 2000). Four items were used to measure perceived



value based on measures from Nasution and Mavondo (2008) and Chitty et al. (2007). Brand image is viewed as perception about the brand associations held in consumer memory (Keller, 1993). This construct was measured with six items based on the research of Kayaman and Arasli (2007) and Kandampully and Suhartanto (2003). Service quality is a consumer's judgment about the overall superiority of a product or service (Zeithaml, 1988). As little is understood about service quality in the Indonesian hotel context, the perceived service quality measurement scale used in this study was developed through focus groups. The focus groups discussions resulted in 10 items to measure perceived service quality.

### **Sampling**

The sample population in this study consisted individuals who stayed at four-star domestic hotel (four hotels) and international hotel (two hotels) in Indonesia. The difficulty in identifying the total population of hotel guests and the inequality in being chosen as participants made it

impossible to apply pure random sampling in this study. Thus, the writers decided to use a convenience sampling procedure. Self-administered questionnaires were distributed to 293 hotel guests during the period of April 6 to July 6, 2009 using personal approach where the hotels guests were requested personally to respond the questionnaire. Of the 240 questionnaires returned, 9 questionnaires were excluded for analysis.

### **Data Analysis**

The Hypotheses 1 to 5 test the mean differences of the guest perceptions between domestic and international hotel brands. As the sample was drawn from different populations of customers (international and domestic hotels), the independent sample test is a suitable method for testing the five hypotheses. As the data was not normally distributed, thus this study applied a non parametric means comparison method (Mann Whitney U test) to test Hypotheses 1 to 5. The Mann Whitney U test was chosen because of its capability to compare rank

mean data from two independent samples and the test does not require data to be normally distributed (Black et al., 2007).

## DATA ANALYSIS AND RESULTS

### Respondents' Profile

Of 231 samples, 138 respondents (59.7%) are staying in the domestic hotel, 93 (40.3%) in international hotel. The demographic characteristics of the respondents are depicted in Table 1.

Table 1  
Demographic Characteristics of the Respondents

Variable	Category	Frequency	%
Purpose of Stay	- Business	99	42.9
	- Pleasure	108	46.8
Gender	- Male	141	61
	- Female	73	31.6
Age	- Under 25 years	19	8.2
	- 25 to 35 years	95	41.1
	- 36 to 45 years	76	32.9
	- 46 to 55 years	32	13.9
	- More than 55 years	2	0.9
Education	- High School	18	7.8
	- Diploma	60	26
	- Bachelor	114	49.4
	- Post Graduate	30	13
Occupation	- Professional	56	24.2
	- Businessman	70	30.3
	- Civil servant	51	22.1

### **Measurement Accuracy Analysis**

As the variables tested in this study are constructs, the analysis of measurement accuracy of the construct was needed to be conducted prior to testing the hypotheses. The measurement accuracy was assessed by evaluating the reliability of the individual items to measure the construct and validity (both convergent and discriminant) among constructs. Table 2 shows that the composite reliability of all constructs are above cut-off level of .60 and satisfy the minimum variance extracted value of .50 (Bagozzi & Yi, 1988). In addition, the Cronbach's Alphas of the model constructs range from .835 to .921 (see Table 2). Thus, the constructs are considered as reliable.

Anderson and Gerbing (1988) maintain that convergent validity can be assessed by determining whether each indicator's estimated coefficient

on the underlying construct is significant. Appendix 1 shows that all factor loadings are significant at  $p < 1\%$ , indicating that the items measure the construct they were expected to measure. Thus, the convergent validity requirement of the constructs was satisfied. The discriminant validity between two constructs is demonstrated if the average variance extracted between constructs is greater than the squared correlation between the constructs (Fornell & Larcker, 1981). Table 2 shows that all paths between the constructs satisfy the criteria suggested by Fornell and Larcker (1981). Thus, discriminant validity among the constructs was satisfied.

Table 2  
Correlation, Variance Extracted and Composite Reliability

	BI	SQ	PV	CS	BL
Brand Image (BI)	1				
Service Quality (SQ)	.690	1			
Perceived Value (PV)	.760	.841	1		
Customer Satisfaction (CS)	.690	.814	.839	1	
Behavioural Loyalty (BL)	.701	.614	.638	.706	1
Variance Extracted	.522	.554	.684	.738	.669
Composite Reliability	.762	.861	.866	.894	.890

### Hypothesis Testing

The results of testing these hypotheses 1 to 5 using Mann Whitney U test are shown in Table 3.

Table 3  
Mann-Whitney U Test of International and Domestic Guests Hotel

	Mean Rank		Mann-Whitney U (Z-value)
	International	Domestic	
Service Quality	273.29	209.04	11598 (-4.297**)
Perceived value	260.82	212.35	13300 (-2.758**)
Customer Satisfaction	254.99	213.89	12758 (-3.249**)
Brand Image	251.18	214.90	13655 (-2.428*)
Brand Loyalty	278.85	207.57	10874 (-2.572**)

\*: significant at 5%, \*\* significant at 1%

Table 3 reveals that the Z value of all variables tested were significant at  $p < 5\%$ . These results indicate that the perceptions of international hotel

guests were significantly different from those of domestic hotel guests. The mean rank of the international hotels on service quality, customer

satisfaction, and brand image (273.29, 260.82, and 251.18 respectively) is higher than that of domestic hotels (209.04, 212.35, and 214.90 respectively). Thus, the hypotheses that state respondents from the international hotels perceive a higher level of service quality (Hypothesis 1) customer satisfaction (Hypothesis 2), and brand image (Hypothesis 4) than the respondents from the domestic hotels were supported. The mean rank of international hotels on perceived value (254.99) is higher than that of domestic hotels (213.89). Thus, Hypothesis 3 which proposes that respondents from the international hotels perceive a lower level of perceived value than the respondents from the domestic hotels was not supported. Similarly, Hypothesis 5 which states that the respondents from the international hotels perceive a lower level of brand loyalty than the respondents from the domestic hotels was not supported as the mean rank of international hotels on brand loyalty (278.85) was higher than that of domestic hotels (207.57).

## **DISCUSSION**

The result of data analysis reveals that international hotel guests are more loyal than domestic hotel guests. This finding is consistent with previous studies on tangible products (Batra et al., 2000; Steenkamp et al., 2003; Wang & Heitmeyer, 2006) that, in developing countries, consumers generally prefer foreign brands from developed countries to those of domestic brands. In contrast, this finding contradicts the conceptualisation of cultural tendency where in high uncertainty avoidance and collective cultures people are usually more nationalistic and favour domestic products and providers (Hofstede & Hofstede, 2005; Mooij, 2004; Straughan & Albers-Miller, 2001). Furthermore, as most of the respondents were Indonesian, this finding also does not support the existence of ethnocentrism within the hotel guests. According to this finding, staying in an international hotel is not considered as unpatriotic or non-nationalistic.

This study found that international hotel guests' perceived value as significantly higher compared to

these perceptions of domestic hotel guests. Perceived value is a comparison between benefit and sacrifice (Zeithaml, 1988). As international hotels charge higher rates (sacrifice) compared to domestic hotels, this finding implies that international hotels are perceived to provide even higher benefits as well. The perceived value finding suggests that international hotels not only provide better accommodation services but also provide higher prestige. This symbolic need is important as the respondents were from the middle and upper social class as indicated from their educational level (most of the respondents have a higher education level) and occupation (most are professional, businesspeople, and civil servants). For these middle and upper social class customers, prestige as a reflection of status is an important factor to enhance their social identity (see-Mooij, 2004). Thus, staying in an international hotel might increase a guest's status and prestige of modernity compared to staying in a domestic hotel.

This study confirms studies in tangible product context (Koubaa, 2008; Schuiling & Kapferer, 2004; Zhuang et al., 2008) that, in developing countries, international brands perceived a higher level of brand image than domestic brands. There are two plausible reasons for this finding. Firstly, a product or service brand is associated with the country of brand origin (Keller, 2008; Koubaa, 2008). Brand origin from a developed/developing country will be associated with the developed/developing country where the brand originated. Therefore, this finding suggests that international hotels are perceived as having higher brand image if they are associated with the United States and Hong Kong, China (country brand-of-origin of international hotels), which are more developed countries than Indonesia. Secondly, brand image is fundamentally developed based on the customer's actual experience with goods or services and associated marketing communication (Dobni & Zinkhan, 1990; Gronroos, 2000; Lee et al., 2008). In addition to having higher service quality and perceived value,

this finding suggests that international hotels are more effective in conducting marketing communication.

This study also confirms that guests from international hotels perceive a higher level of service quality and customer satisfaction than guests from domestic hotels. This finding implies that four-star hotels from developed countries (international hotels) are able to deliver a better service resulting in a higher level of satisfaction compared to hotels from developing countries (domestic hotels). A reason of these findings is that the international hotels apply international standards and use better management expertise and technology compared to domestic hotels (Gao et al., 2006; Pine & Phillips, 2005). As a result, it is possible that international hotels can provide a higher level of service, standardised brand, and generate cost reductions.

## **CONCLUSION AND IMPLICATION**

This study has demonstrated the effect of hotel brand of origin on brand loyalty and customer' service

evaluation in a developing country context. Overall, an international hotel brand (from developed country) is perceived as better compared to a domestic hotel brand (from developing country). The differences of guest's perception on brand loyalty and its determinants suggest that, besides satisfying their need of quality accommodation, staying in four-star hotel seems to satisfy their esteem needs. The findings of this study imply that customers' loyalty behaviour in four-star hotels tends to be driven by economical and rational consideration, rather than by culture, ethnocentrism, or a nationalism factor.

The findings of this study suggest that the four-star international hotel managers should consistently deliver a high quality of service and keep a favourable international brand image to maintain their higher perceptual position over four-star domestic hotels. The four-star domestic hotels should improve their service quality and brand image to negate the inferior perceptions of their brands compared to four-star international brands. To improve their service

quality and brand image, four-star domestic hotels should adopt state-of-the-art technologies and better management expertise to deliver increasing standards of services. These strategies are important as four-star domestic hotel competitors, that are international hotels, are widely acknowledged as having better management expertise and technology to deliver superior services (Gao et al., 2006; Pine & Phillips, 2005). Additionally, conducting marketing and promotional campaigns emphasizing on cultural aspects that four-star international brands may not have is also important to develop a favourable brand image for four-star domestic hotels.

Although reveal some important findings, this study bears limitation

associated with the analysis of the differences between brand loyalty and its determinants which was focused on comparing means analysis. Theoretically, service quality, customer satisfaction, perceived value, and brand image relate to each other. Thus, an analysis of the differences between international and domestic hotels can be conducted at a modeling level. Future studies could compare not only the differences of the service evaluation constructs but also the brand loyalty model between international and domestic hotel brands. Conducting such a study will enhance an understanding of how customers develop loyalty across brand of origin in the services context which is under researched.

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#### Appendix I Measurement Properties

Item	Loading
<b>Service Quality</b> (Cronbach' Alpha: 0.921)	
1. The X Hotel staff are courteous.	0.685
2. The facilities of X Hotel are modern.	0.791
3. The X Hotel staff are trustworthy.	0.792
4. The X Hotel staff provides service in a timely manner.	0.844
5. The appearance of X Hotel is visually appealing.	0.711
6. The X Hotel staff performs the service right the first time.	0.789
7. If I need information, the X Hotel staff could explain clearly.	0.775
8. The X Hotel provides an environment that is free from danger.	0.659
9. The X Hotel staff understands my individual needs.	0.762
10. Overall, X Hotel provides excellent service quality.	0.835
<b>Customer Satisfaction</b> (Cronbach' Alpha 0.920)	
1. I had a pleasurable stay at X Hotel.	0.887
2. I did the right thing when I chose to stay at X Hotel.	0.918
3. I feel X Hotel service is better than my expectation.	0.873
4. Overall, I am satisfied with my decision to stay at X Hotel	0.912
<b>Perceived Value</b> (Cronbach' Alpha: 0.902)	
1. Compared to what I have given up, X Hotel services satisfied my needs.	0.864
2. I consider the price of services provided by the X Hotel to be reasonable.	0.869
3. The service of X Hotel was excellent compared to what I had to give up.	0.874
4. X Hotel offers good value for money.	0.908

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<b>Brand Image</b> (Cronbach' Alpha: 0.893)	
1. X Hotel has a good reputation.	0.838
2. I feel special when staying at X Hotel.	0.896
3. Compare to other hotels, X Hotel is a unique hotel	0.792
4. X Hotel is comfortable hotel.	0.660
5. X Hotel is luxurious for its category.	0.804
6. I feel X Hotel suits my needs.	0.845
<b>Brand Loyalty</b> (Cronbach' Alpha: 0.835)	
1. No other hotels perform services better than X Hotel.	0.833
2. I like X Hotel more than other hotels.	0.800
3. If X Hotel were to raise the rate, I would still continue to stay in the hotel.	0.801
4. When I visit this city, I always stay in X Hotel.	0.903

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All factor loadings are significant at  $p < 1\%$