

## **Investigating the Effective Factors on Loyalty and Length of Stay of Tourists at Hotels (A Case Study of Five-star Hotels in Mashhad)**

**Mehdi Mododi Arkhudi**<sup>1</sup>

*Assistant Professor of Department of Geography, Faculty of Humanities, Bozorgmehr University of Qaenat, Qaen, Iran*

**Sajad Ferdowsi**

*PhD Candidate in Tourism, Allameh Tabataba'i University, Tehran, Iran*

**Esmat Najafi Arkhudi**

*MA in Business Management, Islamic Azad University, Torbat-e-Jam Branch, Torbat-e-Jam, Iran*

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### **Extended Abstract**

#### **1. Introduction**

Loyalty is a substantially important concept in the hotel industry, because the majority of sectors in this industry have reached saturation (Bowen & Shoemaker, 2003); and given the expansion of global market competitions, many hotels are now facing numerous challenges in retaining their customers (Ganesh, Arnold, & Reynolds, 2000). In this regard, leading the customer loyalty through an approach of creating relations with the customer has transformed into a market strategy for the majority of services offered by hotels. Meanwhile, Mashhad is the biggest and most important pilgrimage city in Iran with more than 25 million tourists travelling to the city per year for pilgrimage and visiting tourist destinations. Given the considerable capabilities of the city in tourist attraction as a result of Imam Reza Holy Shrine's location in the city, paying attention to the needs of tourists in line with retaining them is of utmost importance. Accommodation is one of the most important issues with regards to the loyalty and length of stay of tourists. Considering the few number of high-quality, five-star hotels in Mashhad, it is important for these establishments to focus on their customers' return in the future. Consequently, the present study seeks to analyze the effective factors on loyalty and

length of stay of tourists at Mashhad's five-star hotels.

#### **2. Review of Literature**

Given the extensive interpersonal relations between service providers and customers within the services sector, loyalty plays a substantial role. Customer loyalty results in increased market share, increased capital return rate, and higher profitability for service providers (Baloglu, 2002). Accordingly, a number of questions are posed by researchers and marketing agents with respect to hotels' capital return via expenditure in line with increasing the quality of services and customer satisfaction (Zeithaml & Parasuraman, 1996). Normally, customers are always seeking quality, regardless of how much they intend to spend to receive such a quality (Gitomer, 1998). Researchers believe that increasing the quality of services and customer satisfaction are factors that lead to higher customer loyalty and their second return to the hotel (Runting, 2004). Therefore, satisfaction directly influences loyalty, because the level of one's satisfaction affects their future intents on reviewing a certain destination or recommending it to others. (Rajaratnam, Munikrishnan, Sharif, & Nair, 2014; Romão, Neuts, Nijkamp, & Shikida, 2014; Song, van der Veen, & Chen, 2012; Tabkar, Brenčić, & Dmitrović, 2010; Yoon & Uysal, 2005;

1. Corresponding author: E-mail: mododi@buqaen.ac.ir

Seyyed Hassan Motiei Langeroudi, Ferdowsi, & Shahmohammadi, 2017).

### 3. Method

The inquiry is a quantitative study in which data collection was carried out using library data and surveys (questionnaires). Field studies were carried out. The total population of the study included tourists staying at five-star hotels in Mashhad during the aforementioned period. Using Cochran's formula, the sample population was indicated as 354 individuals. The availability sampling method was used for questionnaire distribution. The reliability of the questionnaire was evaluated using combined reliability. The validity of the questionnaire was assessed via convergent and divergent validity. For data collection, structural equation modelling with the partial least squares regression method was employed in addition to the use of descriptive statistic indices such as frequency distribution. The examined variables in this study included general factors, credibility, assurance, accountability, empathy, and loyalty,

### 4. Results and Discussion

The study showed that the first hypothesis was confirmed with a path coefficient of 0.788 and significance value of 38.636. The second hypothesis for evaluating the effect of credibility on tourist loyalty and length of stay had a path coefficient of 0.823 and significance value of 40.809 which demonstrates its positive, significant effect on said variables. Moreover, the third hypothesis was also confirmed with a path coefficient of 0.703 and significance value of 19.768. The fourth hypothesis on the effect of accountability was confirmed as well, with a path coefficient of 0.717 and significance value of 20.698. Additionally, the fifth hypothesis had a path coefficient of 0.640 and significance value of 15.739, showing the effect of empathy on tourist loyalty and length of stay. Finally, the sixth

hypothesis was confirmed with a path coefficient of 0.725 and significance value of 22.882.

### 5. Conclusion

The results showed that general factors involving indices such as satisfaction over hotel restaurants, rooms, adornment, and transportation had a significant, positive effect on tourist loyalty and length of stay. The credibility component which encompasses indices such as hotel peacefulness according to expectation, the extent of satisfaction over hotel services compared to the advertised materials, reception of all expected services, and proper behavior of hotel staff has a positive and significant effect on tourist loyalty and length of stay. Moreover, the assurance component with indices, including the behavior of hotel staff in line with encouragement, accommodation and trust towards organizational structures has a positive and significant effect on tourist loyalty and length of stay. Accordingly, the accountability component with indices including the personnel's urgent addressing of issues and requests with appropriate behavior and their welcoming attitudes to grievances and criticism has a positive, significant effect as well. The empathy component with indices such as responding to requests outside regulations, personnel's respectful behavior towards guests, and expressing all mental concerns related to the hotel and its personnel's behavior has a positive, significant effect on tourist loyalty and length of stay. Ultimately, the loyalty component involving indices such as choosing the hotel for the second time given the present travelling conditions and choosing other hotels in case of a second trip to the city has a positive, significant effect on tourist loyalty and length of stay.

**Keywords:** Satisfaction, Tourist, Loyalty and Length of Stay, Hotel

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