

Customer Loyalty in Online Hotel Booking Platforms

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ABSTRACT

The use of electronic service platforms has been proven to effectively promote levels of customer loyalty. Due to strong market competition, consumers begin to value the quality of service provided by hotels. This study investigates possible uses of relational bonding as a variable in promoting customer loyalty within hotel businesses. A convenience sampling method was used in this study to collect 384 valid questionnaires from tourists who had previously booked online. An analysis involving SPSS and AMOS revealed that brand awareness, customized service, pricing, promotions, and information sharing practices all had a substantial impact on building customer relationships.

JEL Classification: M3, M31

Keywords: brand awareness, customer loyalty, customized service, information sharing practices, price promotion

I. INTRODUCTION

With the recently rapid growth of global network information, more people are encouraged to opt for independent or “do-it-yourself” travels. As with the innovation, it has become more efficient for consumers to plan for their trips. This change instigated in a sudden boom in the market of online hotel booking websites. The Internet serves as a platform for companies with the ability to serve customers with more affectivity than ever before (Kim et al., 2011). The progress of e-services opens up new opportunities for notifications and attracting tourists (Romão et al., 2013) to purchase tourism services online. The electronic platform, therefore, gives the service providers more opportunities to serve customers and improve their customer service quality. For example, customers are given the chance to see room type photos at the far end, compare the prices of the same room type, or compare the different room types in the same area; and the service provider can indicate whether they will provide Internet service, pets or business lounge services, and any other information imperative to a customer’s decision. Therefore, to improve the quality of their online services, numerous hotel businesses began to develop their websites into richer and more diversified styles. The industry’s step towards this technological advancement paved the way for easier transactions for both the businesses and consumers. Internet and information technology (IT) developments continuously improve the human lifestyle and mode of consumption, providing consumers with online hotel booking platforms with an ideal channel to access, gather, and evaluate information on hotels such as date and time availability, location, price, and information on packages being offered. This new platform is gratefully beneficial; however, even with the ease provided, it still has its inefficiencies. On the premise of cost consideration and coping with consumers’ changing demands and habits, hotel managers must be able to understand and meet the customers’ needs and demands and effectively grasp customer information to build a long-term mutual relationship, improve competitiveness, and maintain customer loyalty.

The internet age brought forth a myriad of online hotel booking websites such as Agoda.com, Booking.com, Expedia.com, Hotels.com, and Asia-specific websites like Asiarooms.com and Venere.com. Multiple websites provide variety for the consumers but are seen as competition among businesses. The main goal for one is to be noticeable among the countless identical sites. The brand is the first choice of a commodity for businesses to stand out and be distinguished among a host of homogenous competitors; it provides businesses with functions that meet consumers’ needs and transform them into loyal consumers (Davis and Halligan, 2002; Vázquez et al., 2002). Upon building a steady stream of loyal customers, it would be easier for a business to cultivate their masses into greater profit, and thus, building a stable brand for the business. Furthermore, the business’ brand allows consumers to experience affection and trust (Blackston, 1993), which is significant in increasing employees’ positive work attitudes (Ling et al., 2017), and along with excellent service quality, it determines the success of a business. Trust mediates the relationship between customer perceptions of company response and purchase intentions (Olson and Ro, 2020). Both business brand and service personnel play important roles in building a long-term customer relationship and maintaining customer loyalty. Maintenance of customer loyalty leads to a steady stream of consumers for the business. For most businesses, buyer-seller relationship management is the key to success in creating and maintaining competitiveness (Ravald and Gronroos, 1996; Kotler,

2000; Tam and Wong, 2001); therefore, understanding relationship quality and the factors that affect customer loyalty are becoming a subject of importance.

The role of capital in implementing marketing strategies is crucial to supporting a business' competitiveness, especially in the hotel industry. For example, the hotel industry has entered the era of digitalization, which has resulted in the transformation of booking services to online ones. There is no doubt that many processes have been adapted to online processes. Human resources are required to utilize technology effectively and efficiently (IT capital). As a result, the hotel industry's technology investment becomes maximally functional to reach a wider audience. Due to this, the hotel industry can utilize financial capital effectively. Moreover, the hotel industry needs experts to assemble the right marketing strategy, especially in an era when technology competition is so complex (intellectual capital). Consequently, the hotel industry must consider how capital can influence a suitable business strategy from a resource-based perspective.

Previous pieces of literature have reported that relationship quality is one of the significant factors that affect customer loyalty which leads to the real promotion of company performance. The purpose of this study is to investigate the factors and characteristics that contribute to the development and maintenance of relationships over a long period of time using the concept of relational bonds. Furthermore, using different research perspectives such as social capital, intellectual capital, financial capital, and IT capital, this study aims to examine business relationship strategies for developing optimal relationship quality and maintaining a harmonious interaction between companies and customers in business practices in order to strengthen relationships and maintain business competence. In summary, this study will examine relationship strategies, relationship quality, and the impact of relationship on loyalty; the factors and characteristics that contribute to the formation of a relationship strategy; the impact of relationship strategy on relationship quality; and the impact of relationship quality on customer loyalty.

Online hotel booking websites provide consumers with an environment where they are given access to transact with a vast and diverse network of local and international hotel businesses at any time and in any place. Both relationship marketing and brand building are the current mainstream strategies used in the marketing sector (Kotler et al., 2003). To cope with the highly competitive and rapidly changing market, business managers aim to possess the ability to develop a valuable partnership with consumers, equipping itself with a sustainable and competitive edge among the market. In regards, this study aims to investigate customer loyalty with proper observance to the examination of partnership relationship's influence between businesses and distributors, and the impact of the relationship strategy and relationship quality of customer loyalty.

Upon the understanding the interactive dynamics between crucial variables such as brand awareness, customized service, price, promotion, and information sharing practices, this study explains the characteristics required in building a competitive business relationship strategy. These characteristics will be helpful in applying commercial strategies and in facilitating new product development or promotion.

With SEM analysis, this study has also confirmed with research results of the past studies: In e-commerce, the higher the transaction cost, the lower the consumer loyalty (Kim and Li, 2009). The company's goal does not merely lie on overcoming these problems and enhancing the brand awareness of its consumers, but also on actual interaction and establishment of substantial relationships through an e-commerce platform. As a result, many airlines have long invested in FFP (Beaver, 1996). Frequent-

Flyer Program (FFP) is a relational marketing strategy that provides long-term customer service and builds customer loyalty (Liu et al., 2000). It is known that businesses that could sustain and progress their customer base can increase their profits (Zeithaml and Bitner, 1996). As Reich (1997) pointed out that the approaches and objectives that were established are based on a succession of compromises; everything that is subjected to alterations, dependent on what is accurate and attainable. With the establishment of marketing strategies and the rise of consumer loyalty, companies need to consider the attributions of consumers, the characteristics of emotions, and tourism spots (Morley, 2012). The strategic marketing model established should take into account, the time series factors and consider the actual needs of consumers. Relational marketing should focus on better and higher-quality services which enhance companies to provide higher-priced tourism products without issues and still maintain customer loyalty in terms of increases on the customer's willingness to purchase, which affects the company's final performance.

II. LITERATURE REVIEW

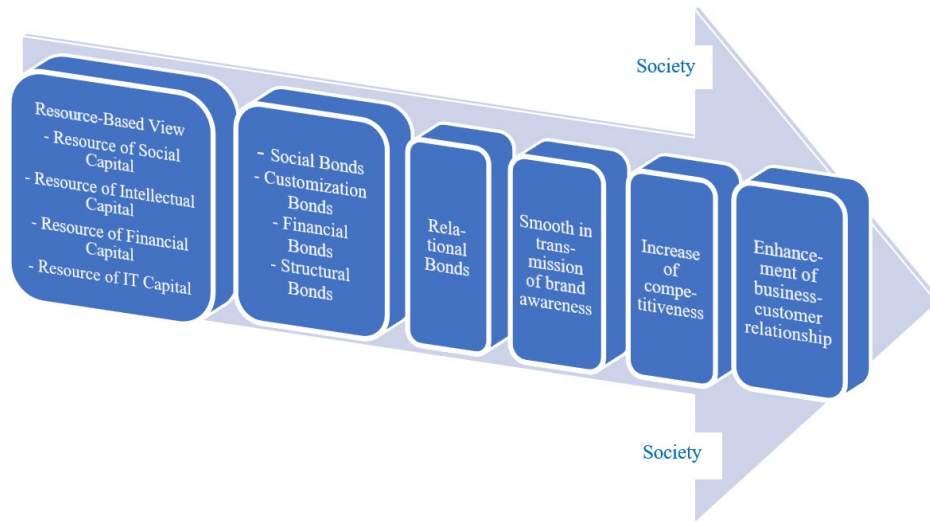
Internet transaction is an ever-growing market, allowing consumers to transact through the global network at any time and place (Fang, 2015). Businesses consider customers as the primary factor for the quality of their services. At an early stage, literature pieces noted that consumer satisfaction is one of the most important antecedent variables which will have a positive impact on customer loyalty (Bitner, 1990). It is said that satisfaction from the consumers affect their loyalty towards a business, however, updated literature indicate that customer loyalty does not lie merely on customer satisfaction, as satisfaction's connection to loyalty is decided by sources of satisfaction (Romão et al., 2015), which is also affected by the characteristics of customers, as well as the emphasis of customers' on the values they care and expect (Díaz et al., 2015) and the company and brand's relational bonds with customers. Customers satisfaction with a certain product or service, will not only increase the frequency and volume of their purchase and generate word-of-mouth on online transactional websites, which becomes an important reference for numerous other online shoppers and leads to repetitive purchase intention of consumers, but also make recommendations to their relatives and friends, which may lead to an increase on brand awareness. For any business, retaining an old customer is more profitable than selecting a new one. In this regard, it is, therefore, crucial for businesses to develop and improve the quality of their customer service. It is proved that good service quality is better than offering a price promotion in building up a new relationship with customers in terms of retaining repetitive purchase customer. For example, the higher the quality of the services provided, the greater the likelihood of price increases owing to the relational dynamics between the company, relationship establishment, and service quality. In addition, the large difference between the set price and the average price of the competitor does not affect the possibility of price cuts. Therefore, the results show that product differentiation is an important issue in the hotel industry, not just the price. The price becomes a simple superficial variable in this setting (Roper, 2011). In short, a business that can effectively grasp customer information, establish a long-term mutual relationship, and enhance its competitiveness, will surely maintain life-long customer loyalty.

The cornerstone of relationship marketing is the structure or bond that connects

the business and its customers (Storbacka et al., 1994; Berry, 1995; Strandvik and Liljander, 1995). The so-called “bonds” or “ties” refer to economic, psychological, emotional, or physiological attachment generated from the association and interaction, which can tightly connect the members together in their exchange of relationship (McCall, 1970; Turner, 1970). The relationship built among the business and consumers are strengthened and weakened due to different variables. Previous studies have suggested that the retention of customers is possible through various relational bonds, including social bonds, customization bonds, financial bonds, and structural bonds (Berry, 1995; Wilson, 1995; Williams et al., 1998; Zeithaml and Bitner, 2000; Perry et al., 2002). According to Wolf and Zhang (2016) customization is an effective way to gain customer satisfaction and loyalty. Based on their study, gender differences get different approach when it comes to decision making. Significantly, empowering your customers to choose their preferred product or services will result in a win-win situation. Scholars have also noted the impact of relational bonds on customer loyalty and future relationships (Peltier and Westfall, 2000; De Wulf et al., 2001). In other words, relational bond realization shows a direct correlation with the potential rewards that the business may gain. Further, customer loyalty increases as bonding strengthen. To date, few studies have made integral discussions on the concepts of customization bonds and relationship quality; therefore, this study will integrate these constructs, and present a theoretical framework to explain the possibility and execution of the establishment of relationship quality and relationship strategy in terms of customer loyalty. Sources of social bonds, customization bonds, financial bonds, and structural bonds (Berry, 1995; Wilson, 1995; Williams et al., 1998; Zeithaml and Bitner, 2000; Perry et al., 2002) should be explained with the concept of resource-based view (RBV) (Wernerfelt, 1984), and thus extensively use social capital, intellectual capital, financial capital, and IT capital to help researchers understand the dynamics between the companies and their customers in terms of brand awareness, and relationship establishment. For example, the concept of brand equity treats destinations as a brand; destination awareness and destination image are perceived as brand assets - and destination loyalty as behavioral brand assets. The model referring to the relationship between destination and loyalty can then be practically applied to tourist destinations (Chen and Myagmarsuren, 2010). This study proposes to continue in accordance with the conceptual framework of dynamics from the resources develop an increase in competence to help look into the sources and outcome of relational bonds.

According to RBV, skillful utilization and strengthening of resource efficiency will enable a business to store and accumulate resource advantage, as well as a long-lasting competitive advantage over other competitors. From the RBV perspective, the present study proposes the use of social capital, intellectual capital, financial capital, and IT capital to investigate the methods of strengthening of relationship bonds application to aid in improving the business-customer relationship and to develop customer loyalty. In this aspect, the study holds that relationship capital exists in every business, and by executing multi-channel marketing, post-sale approach, and other related strategies, business companies will be able to realize its goal of soliciting new customers and retaining present customers.

Figure 1
Dynamics from Resources to Increase Competitiveness through Relational Bonds between Companies and Customers



Based on the theories of relational bonds established through a variety of capitals, this study proposes four constructs: (1) brand awareness, (2) customized service, (3) price promotion, and (4) information sharing practices. Wheeler (2003) considered “brand” as the result of a socialized language context. Consumers choose the business that has the most appeal to them, a business they have been familiar with and has been proven to serve; customers choose a business that has imposed a brand to them. Products with high brand awareness can speed up the transmission of consumer information, strengthen social and emotional values of users, and bond the relationship between the brand and the individual person or group. This study, therefore, proposes the construction of brand awareness. Customer capital, which is included in intellectual capital, mainly refers to the co-innovating capability of business and customers. It also refers to the company’s ability to provide customized services to maintain its customer relationships and build customer loyalty. Based on customization bonds and intellectual capital, this study proposes the construction of customized services. The construction of price promotion construct is proposed on the basis of financial bond and financial capital. When the financial capital is applied to expand the interpersonal relationship and product promotion, it can increase business visibility and credibility. Price promotion is an incentive in price offering, which can encourage greater consumption of the product and service (Berry and Parasuraman, 1991; Berry, 1995). Consequently, the structural bond aims to provide clients with high value-added benefits and services that are not easily accessible elsewhere. It works as a strong base for the maintenance and enhancement of relationships and increasing the cost of customer switching to competitors. IT capital is an important factor in providing high value-added benefits (Simonin, 1999). Based on structural bond and IT capital, this study proposes the construction of information sharing practices.

There is a positive correlation between brand awareness and the consumer's

emotional attachments, such as confidence and identification with the brand, owing to the influence of brand awareness on consumers' evaluations of the product (Tsang et al., 2011). In addition to constant product innovation, customized service of present-day business has also bridged the gap between business and customers, which further strengthened the relationship between brands and customers (Gilmore and Pine, 2002). Consequently, from the above-mentioned findings, this study proposes the following hypotheses:

H_{1a}: The higher the degree of brand awareness, the better the brand relationship will be.

H_{2a}: The higher the degree of customized service, the better the brand relationship will be.

According to the price and quality signaling theory, the price is a conspicuous and easily understandable message to the consumer. Dodson et al. (1978) presented empirical evidence to verify the hypothesis that the promotional activities of a specific product will incur an increase in sales and attract buyers of other homogenous products of the same kind. That is, when the promotion has a high incentive value, consumers will take delight in choosing the promoted brand upon high probability of gaining an incentive. Therefore, this study maintains the fact of the positive correlation between the frequency of short-term price promotions and the effect of promotion, providing a better relationship between the business and their customers (Campo et al., 2014). The following hypotheses are thus inferred:

H_{3a}: The higher the degree of price promotion, the better the brand relationship will be.

H_{3b}: The higher the degree of price promotion, the better the customer relationship will be.

The functional benefits of the brand provide customers with a kind of “guaranteed satisfaction”, which in turn generates trust in the consistency and quality of the brand (Ambler, 1997); therefore, the functional benefits of the brand can help reduce specific risks perceived by the customers upon the predicament of facing various service personnel. “Risk” pertains to the perceptions of customers when choosing a certain brand, including the message of a particular brand (Bettman, 1973). There is an indirect correlation between the functional benefits perceived by the customer and the risk perceived by the customer. Customers tend to interact more willingly with service personnel, which will then enhance the relationship quality between both parties (Lo et al., 2017). Swift (2001) also suggested that the management of customer relationship involves upgrading the rate of customer acquisition, retention, loyalty, and profit-oriented management mode, through adequate interaction with the customer, in order to understand and influence customer’s behaviors. Peppers and Rogers (2001) upheld the requirement that the management of customer relationship has over understanding customers’ needs, providing optimal personalized service, and co-creating good value and interaction. Based on the information above, this study proposes the following hypotheses:

H_{1b}: The higher the degree of brand awareness, the better the customer relationship will be.

H_{2b}: The higher the degree of customized service, the better the customer relationship will be.

El-Ansary and Stern (1996) noted that the distributor relationship can be developed from a transaction relationship to a partnership, and eventually to the strategic alliance. “Partnership” is defined as a rapport relationship between businesses and distributors built through the process of interaction, which may generate the values of trust and interdependence. Frazier and Summers (1986) also noted that brand awareness, quality, excellence, the scale of the firm, and the image of business, together with and other factors, shall stand as an influence to a distributor’s choice of partner, depending on the partner, and the future maintenance of partnership. A good distributor must produce positive effects on the progression of the brand (Benavides-Velasco et al., 2014). In addition, Anderson and Weitz (1992) found that the open information sharing results in the strengthening of a promise in the relationship contain partners that are willing to co-share important information through a series of knowledge sharing practices, even their know-how which indicates members’ promise on the relationship (Dyer, 1997). With the electronization of information and increase in information quality, reciprocal relationship of both parties is strengthened and upgraded. This study, therefore, proposes the following hypotheses:

H_{1c}: The higher the degree of brand awareness, the better the partnership will be.

H_{4a}: The higher the degree of information sharing practices, the better the customer relationship will be.

H_{4b}: The higher the degree of information sharing practices, the better the partnership will be.

“Customer loyalty” refers to the customers’ perceived belongings or identification towards the personal, service, or products of the firm, which has a direct influence on the customer behaviors (Jones and Sasser, 1995). Reichheld and Schefter (2000) pointed out that trust is the first requirement in the acquisition of customer loyalty. Another factor that could also affect customer loyalty is Corporate Social Responsibility (CSR). According to Latif et al. (2020) hotels in developing countries that are engaged in CSR gain a positive impression from customers because most of the people now are actively aware of society's issues and would like to have their contribution by patronizing a hotel that is engaged in CSR activities. Based on the Reciprocal Theory, a customer tends to continuously cooperate with a service provider that they deem worthy of their trust. On the other hand, Kotler et al., (1996) pointed out that the cost required for attracting a new customer is five times more expensive than that of retaining an old customer. According to the study by Reichheld and Sasser (1990), a 5% reduction rate in customer churn, will result in 25-85% increase in firm profits; thus, retention of a loyal customer is the primary source for long-term profits. This illustrates the importance of customer loyalty. Keller (2001) suggested that a good brand relationship with customers will result in an increased customer’s willingness to invest more time, energy, money, or other resources into the brand. In other words, when a customer experiences a positive emotional reaction (brand relationship quality) towards a brand during the process of interaction, it results in a repetition of purchase behavior. A good purchase experience also encourages customers to recommend the brand to others. Crosby and Stephens (1987), Beatty et al. (1996) and

Jani and Han (2014) also pointed out that when a customer has a high degree of trust and satisfaction with the service personnel, product, or service, this will result in an enhanced customer loyalty; hence, this study proposes the following hypotheses:

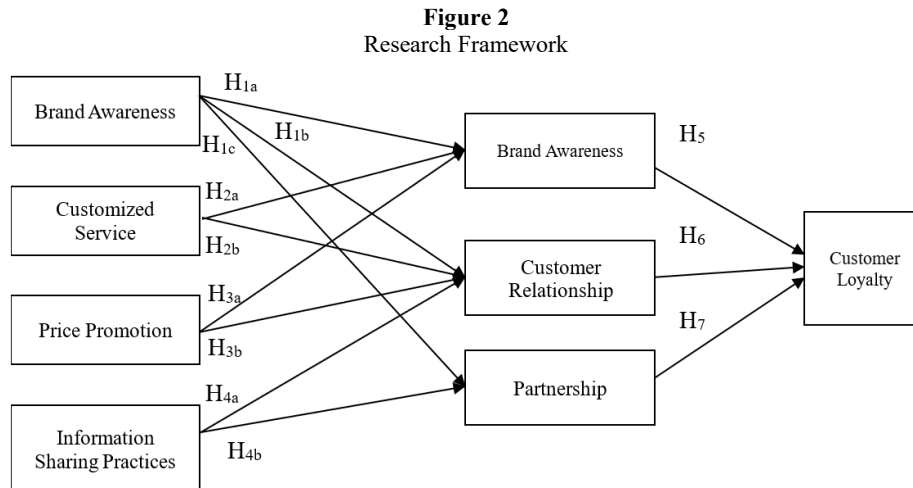
H₅: The better the brand relationship, the stronger the customer loyalty will be.

H₆: The better the customer relationship, the stronger the customer loyalty will be.

The rapid emergence of new brands has narrowed market segmentation. Conversely, brand choices have expanded wider. The establishment of a partnership enables manufacturers to lower their marketing cost, offering discounts to attract customers, upon execution of a strategic alliance. Manufacturers can also transmit product information to customers through their distributors, allowing them to respond to customers' opinions faster. This does not only enable timely communication with customer's complaints, but also increases product innovation and allows manufacturers to meet customers' needs, which further enhances a customer's satisfaction and trust, and ultimately lead to continuous purchases from the customers (Berezan et al., 2015). Hence, this study proposes the following hypothesis:

H₇: The better the partnership, the stronger the customer loyalty will be.

The proposed research framework proposed by this study is as follows:



III. METHODOLOGY

All empirical data for this study were collected using questionnaires based on the review of related literature. The questionnaire was divided into eight parts: (1) brand awareness; (2) customized service; (3) price promotion; (4) information sharing practices; (5) brand relationship; (6) customer relationship; (7) partnership; and (8) customer loyalty. Customers of online hotel booking websites were chosen as participants using purposive sampling. The questionnaire consisted of forty questions

and used a 7-point scale Likert scale. The analysis was done using SPSS 18.0 Statistical Package for Social Science (SPSS) for reliability and validity testing; and Structural Equation Modeling (SEM) using AMOS19.0 to construct a model.

In this study, the data collection method was a non-probability technique using convenient sampling, which means that respondents were selected based on their convenience in answering the research questionnaire. There were 400 questionnaires distributed, and 384 were collected, resulting in an effective response rate of 96%. Questionnaires with incomplete, irrelevant, and repeated responses were excluded from the study. From the 384 respondents, 194 (51.2%) were females, and 190 (49.5%) were males. Further, 296 (77.1%) had a college or university degree. A total of 234 (60.9%) respondents are aged between 20 to 29 years old. Most of them were students (50.5%) or working in industry and commerce service companies (16.9%).

Cronbach's α was used to test the reliability of the data. The results showed a total variation of 72.25% in all eight scales. Cronbach's α of each construct are summarized in Table 1. The findings showed a high internal reliability consistency among all constructs. The composite reliability (CR) for latent variables is composed of the reliability of all observable variables. A value of > 0.6 was adopted as suggested by Fornell and Larcker (1981).

The validity of the data collected was analyzed using SPSS 18.0. A factor loading of > 0.5 was adopted for each item as suggested by Hair et al. (1998). The factor loading values for each construct are as follows: brand awareness, 0.810 to 0.846; customized service, 0.775 to 0.817; price promotion, 0.779 to 0.837; information sharing practices, 0.777 to 0.853; brand relationship, 0.743 to 0.832; customer relationship, 0.730 to 0.757; partnership, 0.768 to 0.836; and customer loyalty, 0.703 to 0.779. The results for each construct are also summarized in Table 1. In general, all constructs obtained a relatively high degree of validity.

IV. RESULTS

This study utilized SEM to test the fitness of the theoretical model. The result of the model path using AMOS 19.0 and the square roots of the average variance extracted (AVE) of all the constructs are larger than the correlation coefficient as shown in Table 1. According to Fornell and Larcker (1981), this indicates that the questionnaire has convergent and discriminant validity. Values shown in slant lines indicate the square root of AVE. Hair et al. (1998) suggested a > 0.5 factor loading for each item. CR for latent variables is composed of the reliability of all observable variables. Fornell and Larcker (1981) suggested a > 0.6 value. The fact that the square roots of the AVE is larger than the correlation coefficient indicates that the questionnaire has discriminant validity (Fornell and Larcker, 1981).

Using the SEM, this study explored the interaction between paired constructs and tested hypotheses H1 to H7. Based on the study of the framework, the relationship between the theoretical construct and each construct are obtained.

The test results show that brand awareness, customized service, price, promotion, and information sharing practices all have an influence on customer relationship. Among them, customized service and information sharing practices have the biggest impact. However, the effect of brand awareness of customer relationship is not of significance (p value = 0.533). That is, higher brand awareness does not have an effect on the customer

relationship (see Table 2).

Table 1
Discriminant Validity Analysis and Variable Coefficients

	Brand Awareness	Customized Service	Price Promotion	Information Sharing Practices	Brand Relationship	Customer Relationship	Partnership	Customer Loyalty	CR	AVE
Brand awareness	0.8264								0.8957	0.6831
Customized service	0.137**	0.8102							0.9052	0.6565
Price promotion	0.309**	0.299**	0.8295						0.8972	0.6881
Information sharing practices	0.341**	0.412**	0.511**	0.8707					0.9399	0.7582
Brand relationship	0.300**	0.324**	0.319**	0.378**	0.8151				0.8872	0.6644
Customer relationship	0.162**	0.516**	0.362**	0.440**	0.470**	0.7884			0.8914	0.6217
Partnership	0.405**	0.373**	0.552**	0.532**	0.264**	0.532**	0.8904		0.9503	0.7929
Customer loyalty	0.383**	0.389**	0.300**	0.379**	0.563**	0.584**	0.476**	0.7980	0.8751	0.6369
Mean	5.9609	5.2542	4.8021	5.2099	6.0039	5.7214	5.2953	5.8014		
Cronbach's α	0.888	0.904	0.908	0.944	0.891	0.908	0.954	0.897		

Table 2
Relationship between Each Variable Path and Fitness Verification

Hypotheses	Model Path	Relationship	Estimate of Standard Parameter	p value	t value
H _{1a}	Brand awareness → brand relationship	+	0.27	***	5.141
H _{1b}	Brand awareness → customer relationship	+	0.03	.533	0.624
H _{1c}	Brand awareness → partnership	+	0.29	***	6.128
H _{2a}	Customized service → brand relationship	+	0.29	***	5.378
H _{2b}	Customized service → customer relationship	+	0.46	***	8.506
H _{3a}	Price promotion → brand relationship	+	0.19	***	3.684
H _{3b}	Price promotion → customer relationship	+	0.18	***	3.618
H _{4a}	Information sharing practices → customer relationship	+	0.22	***	4.384
H _{4b}	Information sharing practices → partnership	+	0.48	***	9.783
H ₅	Brand relationship → customer loyalty	+	0.43	***	8.443
H ₆	Customer relationship → customer loyalty	+	0.35	***	7.003
H ₇	Partnership → customer loyalty	+	0.23	***	5.068

Note: "+" indicates positive correlation, "-" indicates negative correlation; * indicates $P < 0.05$; ** indicates $P < 0.01$; *** indicates $P < 0.001$.

The importance of marketing is relatively high compared to transaction marketing (Oromendía et al., 2015). Using the perspectives of the relational bond, capital, and other related theories as a basis for investigation, this study explored the impact of relational strategies and relationship quality on the customer loyalty. The results of the empirical analysis showed that brand awareness, customized service, price, promotion, and information sharing practices, all have an effect with the development of customer relationship. Among them, customized service and information sharing practices have had the greatest effect; however, high brand awareness showed no influence on customer relationship. The results also showed that brand relationship between business and customers, customer relationship, and partnership, all have an impact on customer loyalty. Further, the brand relationship was found to have the greatest influence among the three, indicating that it is the main cause for the customers' purchasing behaviors. These test results conform to the results of previous researches: In e-commerce transactions, the higher the transaction cost instigates a parallel rise in with the uncertainty of the transaction, the lower the security, etc. The rise in the transaction cost, moves indirectly with the consumer loyalty (Kim and Li, 2009), seen as a predicament, the company must overcome these problems, with the goal of enhancement towards the brand awareness of consumers they must also develop the ability to actually interact with consumers through the trading platform that shall result in the establishment of a substantive relationship.

Analysis of the relationship bonds and capital found that customer loyalty varies with relational strategy and relationship quality. Using the path coefficient diagram for analysis, five arguments on the influence of customer loyalty are explained below:

A. Customized Service Aiming at Satisfying Customer's Particular Needs Has the Most Crucial Impact on the brand Relationship

The brand relationship is positively influenced by brand awareness, customized service, and price promotion. Among them, customized service has the highest impact. Nowadays, consumers favor unique commodities or services tailor-fit to their needs; businesses offering customized services must be able to provide unique products or services in order to satisfy this demand. Furthermore, customers raise their appreciation towards brand which gives emphasis in providing a more attentive and personalized service, reducing the gap within their relationship, and increasing the customer's willingness to maintain a good long-term relationship with the brand.

B. Customized Service Aiming at Facilitating Interaction between Service Personnel and Customers Has the Most Crucial Impact on Customer Relationships

Brand awareness, customized service, price, promotion, and information sharing practices all have positive effects on customer relationship. Among them, customized service had the most significant impact. With the understanding of customers' needs through sufficient interaction, service personnel will be able to provide customized quality service, and satisfy customers; thus, the maintenance of a good long-term relationship with them. Many companies aim to build a deeper, stronger relationship with their customers (Josiassen et al., 2012). Therefore, many airlines have long invested in FFP (Beaver, 1996), which aims to provide a long-term customer service and establish

relationship marketing for customer loyalty (Liu et al., 2000). Also, the Internet enables companies to serve customers more effectively than ever before (Kim et al., 2011).

C. Information Sharing Platforms Constructed by Businesses Have the Most Crucial Impact on Partnership

Value is a subjective concept, depending on customer expectations (Díaz et al., 2015). The partnership is positively affected by brand awareness and information sharing practices in terms of value sharing about the brand. Between the two, information sharing practices have the greatest impact. Information sharing platforms co-created by businesses and distributors will strengthen their correlation with the enhancement of effective operation and management through the exchange of information. Co-sharing of information is not limited to the distributors as it also allows access to consumers for the purpose of gathering product-related information at any time and place. After collecting, compiling, integrating, and updating product-related information, a business can increase consumers' familiarity with the product through internet media. Businesses that provide complete information on their products make customers feel assured in purchasing their product; thus, increasing customers' willingness to repurchase.

D. Emotional Dependence on Brand Created by Brand Relationship Has the Most Crucial Impact on Customer Loyalty

The brand relationship, customer relationship, and partnership all have positive impacts on customer loyalty; in which, the brand relationship has the biggest impact. Once the brand created by the business, is imbued as a mental image in the mind of customers, it will become easier for them to associate this image in their daily life. When customers experience a tight connection with the brand, they develop a sense of support for the brand, further progressing emotional dependence, and generating and sustaining a purchase behavior. Thus, a company shall set the goal of building a solid association with their consumers to establish a strong base of customer loyalty.

E. A Customer's Perception of Brand Awareness is Affected by Individual Preference or External Factors; Therefore, It Has No Significant Impact on Customer Relationship

The study found that the varying preferences of customers regarding brands and commodities may have been a reason for the insignificance of brand awareness of customer relationships. Technological advancement, specifically with the internet, may have paved the underdevelopment of customer loyalty towards the brand itself. A good operating interface, better understanding of the customers' needs, easily accessible information, and timely response to a customer's questions, can all provide an extra appeal towards the customers. Brand awareness may not be of importance to consumers with the aim of acquiring information in the shortest possible time and with the least energy. Thus, catering mostly for customers with the purpose of critiquing products and services that would comparatively provide the best accommodation at the most reasonable prices.

This study suggests the use of interviews as an additional method for data

collection since it allows researchers to acquire opinions and give a better understanding of the consumers.

V. IMPLICATION

The results of this study found that customized service and information sharing practices exert a great impact on the relationship quality. This reveals the fact that consumers, due to the advancement of technology, will actively acquire product information through the internet and other mass media outlets. On the process of creating a strategy that would develop a business-customer relationship, businesses should pay more attention to the degree and amount of information that they share about their products and services so that the consumers will gain access to sufficient information that will be crucial in their decision to avail. In recent years, more emphasis is placed on the development of the image representing the product, indicating that customized service has become a new trend. This will incur a relatively higher cost to the business, it can, however, provide a direct approach in getting a better insight and understanding on the customers. This will, in turn, aid in the creation of products that the consumers need, relatively increasing their willingness to purchase.

Previous pieces of literature have centered their attention on the relationship between clients and service personnel, with the goal of obtaining a high degree of customer satisfaction and trust (relationship quality) through relational interaction, and to establish and maintain a good long-term relationship (Hennig-Thurau et al., 2000). To help the business focus on a buyer-seller transaction relationship during the process of strategic development, and to aid them with building and maintenance of customer relationship and customer loyalty, this study examined the cause and effect of relationship quality through empirical investigation and path models developed by relational bonds. With the provision of a basis through brand awareness, customized service, price, promotion, and information sharing practices, this study is given the ability to help service providers in understanding which aspects of the business can effectively attract clients' attention. Furthermore, this study recommends for business to pay more attention to their deficiencies in operation and management to gain customer loyalty. In this way, the business will acquire long-lasting competitiveness, retain its resources, co-bear risks, allow faster entry in emerging markets, and launch even more attractive and innovative new products in the future. By building a cooperative partnership with distributors, developing the spirit of organizational cooperation and the principle of complimentary benefits, and efficiently utilizing available resources, they can reduce management cost and increase their competitiveness.

In short, in the process of establishing marketing strategies and promoting consumer loyalty, travel agencies need to consider the characteristics of consumers, emotions, and the important characteristics of tourism locations (Morley, 2012), modeling the established marketing strategies and considering time series, forming more competitive marketing strategies, and finally, taking into account the actual needs of the consumer for genuine interaction with consumers and the establishment of long-term interactions. Relational marketing should be based on the attribution and motives of customers to build up a relationship with customers, especially focusing on the high-quality service – as a high-quality service is proven to be better and flexibility requires a higher price level, this will lead to consumer loyalty which will enhance the repetitive

purchase intention of customers, and thus influence the final performance of the companies.

CONFLICT OF INTEREST

The authors state that they are free of any personal or business association that could represent a conflict of interests regarding the article submitted, and we have respected the research ethics principles.

ROLE OF FUNDING SOURCE

There is no funding source received by the authors.

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