
Factors Influencing Customer Loyalty in the Indonesian Hotel Industry: The Role of Price Value, Physical Environment, Emotional Experience, and Customer Satisfaction

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Abstract – This paper investigates how price value, physical environment, emotional experience, and customer satisfaction affect customer loyalty in the Indonesian hotel industry. Growing competition among hotels and the rapid growth in the tourism industry have made customer loyalty an important aspect of maintaining and surviving in the market. The research of this paper used a quantitative method with a cross-sectional approach. The data in this paper was collected using an online questionnaire to 151 respondents who visited hotels in Indonesia in the past 12 months. The data were analyzed using a combination of descriptive analysis, test of validity and reliability, correlation and multiple linear regression using SPSS. The results show that customer experience and satisfaction have a positive impact on loyalty, but price, value and the physical environment do not impact customer loyalty. However, each variable positively impacts customer loyalty when examined together. The model accounts for 56.5% of the variation in customer loyalty, which demonstrates moderate impact. This shows that other variables may help improve customer loyalty. Within the hotel industry, the emotional experience and satisfaction of customers are crucial. So, hotel operators need to develop a strategy that provides a way for customers to participate in positive experiences and high satisfaction levels.

Keywords: *Price Value, Physical Environment, Emotional Experience, Customer Satisfaction, Customer Loyalty, Hotel Industry.*

1. Introduction

The tourism industry is among the fastest-growing sectors in the world and is important across multiple dimensions of the economy, including growth, jobs, and international connectivity. The tourism industry shows a healthy recovery after COVID, and international arrivals are projected to return to 99% of pre-COVID levels in 2024 (UNWTO, 2024). This is a clear indicator of how tourism, and particularly the hospitality industry, will gain momentum. The growth of the hospitality industry will be especially evident in the growing tourism sector of Indonesia, which is a key driver of the economy. Indonesia will experience a significant increase in the number of domestic trips and is projected to grow to 825.80 million trips in 2023, a 12.37% increase from the year before (BPS, 2024). The notable increase in domestic spending and intercity movement will provide an even greater impetus to the demand for services and provide an additional impetus to the growth of the accommodation services of the hospitality industry, especially in the hotel sector.

Indonesia's infrastructure for tourism has certainly developed rapidly over the past decade. Star hotels achieved an occupancy rate of 52.56% in 2024, suggesting better hotel performance and positive development in accommodation service demand (BPS, 2025). However, as the total number of accommodation businesses increases, competition in the hotel industry becomes fiercer. More accommodation options provide an attractive market for hotel customers. As a result, hoteliers face customer loyalty issues, as customers have the capacity to evaluate services and switch to competitors (Paulose & Shakeel, 2021). In the hotel industry, hoteliers that merely provide accommodation and different services to guests do not stand out. Guests require a service that goes beyond a bed and a meal. They require a comfortable service environment that provides an experience that customer standards are likely to dictate. Guests have the option to choose among competing hotels

(Rather, 2021). Lacking in customer service and customer experience, hotels face a loss of market competitiveness.

Previous research has identified many important factors that determine customer satisfaction and loyalty such as perceived value, service level, and customer experience. Customer satisfaction is known as an important factor that impacts customer loyalty, as satisfied customers are more prone to customer revisit and referral behavior (Ogunnaike et al., 2022; Dam & Dam, 2021). Nevertheless, findings from earlier studies have had inconsistencies. Some studies, for example, argue that service-related variables impact customer loyalty directly, while some studies, on the other hand, support the view of the role of customer satisfaction as a mediator (Shyju et al., 2023). Plenty of past studies have been conducted in other settings or countries other than Indonesia as the example, and even more in the hotel industry in the country context, which means that the example of Indonesia's hospitality industry is likely to be inadequate in comparison to others in terms of services and customer satisfaction. Specifically, it is hard to research on the synergy of price value, the physical environment, the emotional experience, and the customer satisfaction in the context.

Price value accounts for both the cost incurred by customers and their assessment of the benefits achieved, and it has been indicated to have an effect on customer satisfaction and loyalty (Paulose and Shakeel, 2021). The physical environment, or servicescape, of an establishment, includes design, cleanliness, and ambience which all comprise customers' satisfaction and experience (Tarmudi and Jaharuddin, 2021). Customers' emotional experience, which is comprised of feedback and responses, has also been indicated to influence satisfaction and behavioral intention (Al-Msallam, 2020; Pham et al, 2021). Further, customer satisfaction is one of the primary drivers of customer loyalty, especially in the hospitality sector (Jovaniando & Kurniawati, 2022). It is for the aforementioned reasons that the current study seeks to analyze the influence of price value, physical environment, emotional experience, and customer satisfaction on customer loyalty in the Indonesian hotel sector. This study, by emphasizing the direct relationships among the focal variables, aims to make a theoretical contribution to the field of hospitality and customer behavior and also offer tangible recommendations to hotel managers in building customer loyalty and robust hotel performance.

2. Literature Review

2.1 Price Value

Price value explains how customers see the balance between the service benefits vs the costs when using a service. In hospitality, costs are considered 'monetary sacrifice' and a reflection of a service's value and overall satisfaction. Price value includes tangible characteristics (like room/amenities) and intangible characteristics (like comfort and service) (Paulose & Shakeel, 2021). Impacts of price value shape customer satisfaction, consequences of customer satisfaction, and deflection of future purchasing behavior towards competing service. Based on what is out of pocket and what customers deem the overall value is, positive forecasts on future purchases from service providers. Based on previous studies, both direct and indirect impacts of perceived value are on customer satisfaction (Dam & Dam, 2021). Price fairness, where prices are perceived as rational and justifiable, leads to increased customer satisfaction and, as a result, helps customer loyalty (D'Souza, 2025). In the hospitality industry, price value and the impacts of customer perception, customer satisfaction, and customer loyalty are of the utmost importance.

2.2 Physical Environment

The physical environment during service delivery is known as the servicescape. The hotel servicescape comprises design, layout, cleanliness, lightning, and ambience. All of these elements create perceptions and experiences among customers (Tarmudi &

Jaharuddin, 2021). This results in the servicescape being the better determinant of customer satisfaction and the intention to return. Within the context of the Stimulus-Organism-Response (S-O-R) model, the physical environment is a stimulus that elicits emotional and perceptual changes that ultimately dictates the customer's behavior (Al Halbusi et al., 2020). Many studies have indicated that a well constructed physical environment positively changes the customer's satisfaction and the desire to return (Balroo, 2023). The physical environment also plays a role in building customer loyalty and a desire to return. These outcomes are a result of making the customer feel comfortable and creating a lasting impression. A pleasant, appealing, and comfortable environment reinforces positive perceptions of the hotel, and ultimately, the customer's loyalty and the desire to return (i.e., repeat visits and referrals) (Ariffin et al., 2025).

2.3 Emotional Experience

Emotional experience encompasses customers' feelings and affective responses as they consume a service. In hospitality, it is cultivated through the service provider interactions, the physical space and the various components of the service. In these settings, joy, comfort, and excitement of the customer are seen to influence their perception and subsequent evaluations the most (Pham et al., 2021). Many of the previous studies cite the impact of emotional experience on customer satisfaction. Customers are seen to form positive service evaluations and greater service provider attachment when they experience positive emotional states (Al-Msallam, 2020). Emotional responses are also crucial in determining behavioral intentions, such as repeat patronage and advocacy (Quynh et al., 2021). Various studies have explored the different facets of emotional experience on customer loyalty. Positive emotional experiences lead to greater satisfaction and loyalty of the customer, while also providing impetus for various other emotional factors. This is substantially seen to impact hospitality services and the different encounters therein in providing memorable and engaging service experiences.

2.4 Customer Satisfaction

Customer satisfaction refers to the evaluation of a service experience, with satisfaction occurring when performance meets or exceeds expectations. In hotels, perceptions of satisfaction are driven by the subjective value of service, quality of service, the condition of the service environment, and the feelings of the traveler (Mat Ghani et al., 2025). Customer satisfaction also drives the formation of customer loyalty. In the hospitality industry, loyal customers are those who return, spread the word, and build a long-lasting relationship with the service provider. All of this stems from the service provider meeting or exceeding customer expectations. Termed as a driver of repeated service, positive word of mouth, and service ranked satisfaction, customer satisfaction is defined as a driver of customer loyalty (Joviando & Kurniawati, 2022; Dam & Dam, 2021). Service providers observe satisfaction as the link between loyalty to a customer and a service. Therefore, satisfaction drives customer retention in a service provider while achieving a competitive edge in the industry.

2.5 Customer Loyalty

Customer loyalty is a business's ability to get customers to return even when competitors are present. In the hospitality industry, guests provide loyalty by repeat visits, giving positive reviews, and recommending the hotel to friends and family (Joviando & Kurniawati, 2022). From a financial perspective, having loyal customers is one of the most important parts of a company's business. Financial retention is extremely low when compared to the costs associated with gaining new customers. Loyal customers provide constant revenue and advertise the company's offerings to the public. In earlier studies, various factors were seen to influence customer loyalty, such as the customer's experience, satisfaction, and perceived quality of the service, along with the perceived value of the

service (Danurdara & Masatif, 2025). One of the most prominent of the above factors is customer satisfaction. Providing customers a positive service experience leads to customers forming an emotional connection to the service.

This connection is the building block of loyalty. In the hospitality industry, it is especially important to understand the building blocks of customer loyalty to retain customers and provide the business with financial sustainability.

2.6 Research Gap

There are still existing gaps in customer satisfaction and customer loyalty in hospitality research. Also, limited research blends perceived value, servicescape, and emotional experience in a unified form (Paulose & Shakeel, 2021; Al-Msallam, 2020). Furthermore, findings are also inconsistent, as there are studies that focus on direct effects on customer loyalty, while others focus on customer satisfaction as a mediator (Shyju et al., 2023). Finally, in the existing literature, most of the studies are conducted in different sectors, or in different countries, and therefore there is a shortage of research in the Indonesian hotel industry. This study aims to fill the gaps in the literature by exploring the influence of price, environmental, emotional, and satisfaction attributes (independent variables) on customer loyalty (dependent variable) in the Indonesian hotel industry.

2.7 Conceptual Framework

This research aims to assess the reciprocal effects of price value, emotional experience, physical environment, customer satisfaction, and customer loyalty of the hotel sectors, by using the hotel customer satisfaction as a basis to evaluate the value of the service. Price value captures customer assessments as the gained service versus the monetary cost, and physical environment as the enclosed service context and customer perceptions, and emotional experiences are the engagements of feelings, whereas customer satisfaction is the presented service evaluation. It is hypothesized that all the independent variables, will have direct effects on customer loyalty. The framework devises a direct effect linear structural equation model to enhance the clarity of understanding and to remove the ambiguity surrounding the relationship and impacts of the variables on customer loyalty. The model aims to discover the most crucial variables for customer loyalty in the context of the Indonesian hotel industry.

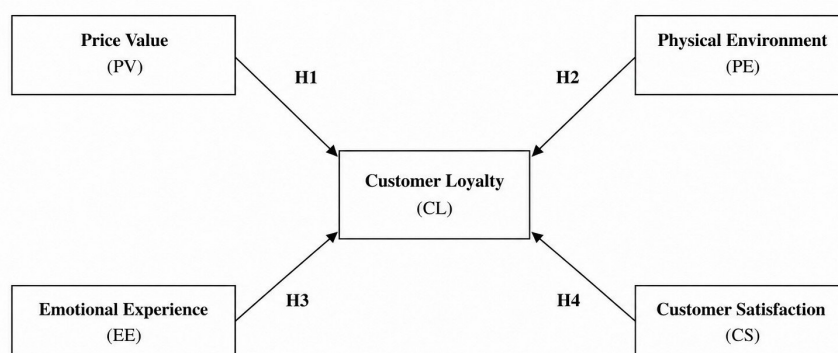


Figure 1. Conceptual Framework of Customer Loyalty in the Hotel Industry

2.8 Theoretical Framework

2.8.1 H1: Price Value → Customer Loyalty

Price value concerns the balance of costs and benefits as perceived by the customer. In the hospitality industry, guests scrutinize the relationship between the price they pay and the service, facilities, and the quality of the overall experience. For customers who feel that they receive good value for the price they pay, they are more likely to develop positive attitudes toward the hotel. Many studies acknowledge the impact of perceived value on customer loyalty, as customers who perceive the highest value are more likely to return and

promote the service (Paulose & Shakeel, 2021). In addition, customers develop feeling of trust and commitment to the service provider, which increases their loyalty behavior (Joviando & Kurniawati, 2022).

Based on this theoretical foundation, the following hypothesis is proposed:

H1: Price Value has a positive effect on Customer Loyalty.

2.8.2 H2: *Physical Environment* → *Customer Loyalty*

The physical environment affects customers' impressions and experiences in a given service setting. Elements such as the design, layout, and cleanliness of an establishment contribute to the overall ambience. A customer-centric service provision in the hotel industry requires a well-designed and comforting environment. The servicescape theory argues that the environment affects the stimuli that change perceptions, and in turn, the behavioral responses. Several studies support a well-designed, maintained environment that drives positive behavioral responses, such as increased customer visits and recommendations. (Tarmudi & Jaharuddin, 2021; Balroo, 2023). Through this theory, customers are likely to develop loyalty towards a company that offers high quality services in an attractive and comfortable environment.

Based on this theoretical foundation, the following hypothesis is proposed:

H2: Physical Environment has a positive effect on Customer Loyalty.

2.8.3 H3: *Emotional Experience* → *Customer Loyalty*

An emotional experience is defined as the response a customer experiences whilst consuming a service. In the hospitality industry, customers evaluate the service on functional aspects, as well as their emotional experiences. These experiences comprise the customer's level of comfort, enjoyment, and excitement. Emotional experiences are most important in determining the overall customer behavior. Most customers are likely to provide service emotionally when they are do the service which is determined by their emotional experiences. Emotional experience is also important because it creates a sense of repetition of the service and an intention to provide a service to the third parties. Most previous studies suggest that emotional experience determines customer loyalty (Al-Msallam, 2020; Pham et al., 2021). Therefore emotional experience is important when determining how long the customer will stay and when the customer will come back to the business. In the service industry, and most especially in the hotel industry, emotional experience is the most important of all the experiences that customers are likely to experience.

Based on this theoretical foundation, the following hypothesis is proposed:

H3: Emotional Experience has a positive effect on Customer Loyalty.

2.8.4 H4: *Customer Satisfaction* → *Customer Loyalty*

Customer satisfaction represents how a client feels after using a service. In the case where performance is equal to or better than expected, satisfaction is felt. In the hotel industry, satisfaction is attained when clients find service to be of quality, the pricing to be right, the surrounding environment to be good, and the overall experience to be sufficient. Customer satisfaction is the largest driver of customer loyalty and is for the most part accepted. Customers who are satisfied with a service are more likely to patronize the same business in the future, convince others of the same, and develop long-lasting connections with the business, according to Dam & Dam in 2021 and Joviando & Kurniawati in 2022. Consequently, it is evident that customer loyalty is correlated to satisfaction.

Based on this theoretical foundation, the following hypothesis is proposed:

H4: Customer Satisfaction has a positive effect on Customer Loyalty.

3. Method

3.1 Research Design

This research uses a quantitative method to investigate the effects of price value,

physical environment, emotional experience, and customer satisfaction on customer loyalty in the hotel sector in Indonesia. The quantitative method is appropriate in this case because it illustrates the relationships of the variables, offers statistical information, and enables the testing of hypotheses (Creswell, 2023). The study uses a cross-sectional method, meaning the data is collected at a single point in time. This method is effective, as little to no longitudinal data collection is necessary to investigate the variable relationships (Saunders et al., 2023). The structured questionnaire is the primary data collection tool and is sent to respondents in a Google Forms format. Questionnaires provide a uniform platform to solicit data from many respondents and the data is easily analyzed. The measurement items are constructed from frameworks of previous research to ensure a certain level of accuracy and consistency in the data (validity and reliability).

3.2 Sampling Plan

The population is composed of people who have stayed in hotels in Indonesia in the last year. They are qualified to assess their experiences with price, physical amenity, emotional experience, satisfaction, and loyalty. This study employed the purposive sampling method of non-probability sampling. Respondents were chosen because of their relevance to the study. Their relevance to the study was determined by their answer to the following questions: (1) Have you stayed in an Indonesian hotel in the past 12 months? (2) Are you 17 years old or older? and (3) Do you have experience in the appraisal of hotel services? This study was guided by Hair et. al (2022) in setting the sample size at 5-10 people per multivariate analysis indicator, which in this study was set to 25. Therefore, the sample size would be at least 125 people. A total of 151 responses were collected and validated before further analysis.

3.3 Measurement of Variable

This study considers five variables. These are price value, physical environment, emotional experience, customer satisfaction, and customer loyalty. These variables will be measured in a systematic manner, and more importantly, will be of value and of field tested reliability and validity. For price value, customer perceptions about price fairness and value for money including perceptions on the price and value of money in the overall package will be evaluated (D'Souza, 2025). In measuring the physical environment, the indicators of cleanliness, interior, ambience, and design and layout of the hotel will be of use (Tarmudi & Jaharuddin, 2021; Ariffin et al., 2025). Emotional experience will reflect the customer's pleasure, and a relaxed and comfortable state, silenced comfort, and excitement that the customer will experience during the stay (Al-Msallam, 2020; Pham et al., 2021). In measuring customer satisfaction, participants value service standard and price, and value of the overall experience (Joviando & Kurniawati, 2022). For customer loyalty, behavioral intentions of revisit, recommendations and word of mouth including of the preferred hotel will be evaluated (Pandiangan et al., 2024). Respondents attitudes will be gathered using 5 point Likert scale with 1 and 5 signifying strongly disagree and strongly agree respectively.

3.4 Data Analysis

The results of this study are processed using SPSS of IBM. The aim of the analysis is to assess the relationship of price value, physical environment, emotional experience, customer satisfaction, and customer loyalty. The first analysis is a descriptive analysis and is done to summarize the characteristics and perceptions of the respondents on each variable. This includes the analysis of the mean and standard deviation to summarize the data (Hair et al., 2022). To maintain the quality of the measurement scale, validity and reliability are assessed. There are a few ways to assess validity such as corrected item total correlation and reliability is assessed through Cronbach's Alpha. A reliable Cronbach's Alpha is greater than 0.60 (Sugiyono, 2022). In addition, the relationships of the variable are assessed using a Pearson correlation analysis and the direction of the relationship is

assessed using a multiple linear regression analysis to determine the impact of the independent variables (price value, physical environment, emotional experience, and customer satisfaction) on the dependent variable customer loyalty.

The regression model is expressed as follows:

$$CL = a + b_1(PV) + b_2(PE) + b_3(EF) + b_4(CS) + e$$

The significance of each variable is tested using the t-test, while the overall model is evaluated using the F-test. A significance value (p-value) of less than 0.05 indicates a statistically significant effect. In addition, the coefficient of determination (R^2) is used to measure the proportion of variance in customer loyalty explained by the independent variables (Hair et al., 2022).

4. Results and Discussions

Result

4.1 Respondent Profile

A total of 151 valid responses were collected and used for analysis. All respondents met the screening criteria, having stayed at hotels in Indonesia within the last 12 months.

Based on gender, 55.6% of respondents are female and 44.4% are male, indicating a relatively balanced distribution. In terms of age, the majority of respondents are between 26–35 years (54.3%), followed by 17–25 years (23.2%) and 36–45 years (19.9%). This suggests that most respondents belong to the productive age group with active travel behavior. Regarding hotel stay frequency, most respondents stayed at hotels 3–5 times within the last year (43%), followed by 1–2 times (39.1%) and more than 5 times (17.9%). This indicates that respondents have sufficient experience to evaluate hotel services.

4.2 Descriptive Analysis

The descriptive analysis indicates that all variables have mean values ranging from 3.82 to 4.11 on a five-point Likert scale, suggesting generally positive perceptions among respondents.

Price value shows consistently high mean values, indicating that respondents perceive hotel services as offering good value for money. Physical environment also demonstrates positive evaluations, reflecting favorable perceptions of cleanliness, design, and overall ambience. Emotional experience records relatively high mean values, suggesting that respondents tend to experience positive emotions during their stay. Similarly, customer satisfaction shows strong mean scores, indicating that respondents are generally satisfied with the services provided. Customer loyalty, although slightly lower compared to other variables, still reflects positive evaluations. This suggests that while customers demonstrate a certain level of loyalty, there is still potential for improvement.

Table 1. Descriptive Analysis Results

	N	Minimum	Maximum	Mean	Std. Deviation
PV1	151	2	5	4.04	.855
PV2	151	1	5	3.97	1.039
PV3	151	1	5	4.07	1.093
PV4	151	1	5	4.05	.975
CS5	151	1	5	3.91	1.070
CL1	151	1	5	3.89	1.220

CL2	151	1	5	4.03	1.048
CL3	151	1	5	3.99	1.074
CL4	151	1	5	3.82	1.291
CL5	151	1	5	3.84	1.244
PV5	151	1	5	3.88	1.107
PE1	151	1	5	4.11	.939
PE2	151	1	5	3.99	1.113
PE3	151	1	5	3.97	1.146
PE4	151	1	5	3.88	1.089
PE5	151	1	5	3.93	1.096
EE1	151	1	5	4.08	.913
EE2	151	1	5	4.05	1.094
EE3	151	1	5	3.95	1.168
EE4	151	1	5	3.96	1.142
EE5	151	1	5	3.92	1.086
CS1	151	1	5	4.03	1.026
CS2	151	1	5	4.08	.963
CS3	151	1	5	3.98	1.180
CS4	151	1	5	4.04	1.101
Valid N (listwise)	151				

4.3 Validity and Reliability Analysis

The validity test results show that all measurement items have corrected item-total correlation values above 0.30, indicating that all items are valid.

The reliability test results indicate that all variables have Cronbach's Alpha values above 0.60, confirming that the measurement instruments are reliable. Emotional experience shows the highest reliability ($\alpha = 0.801$), followed by physical environment ($\alpha = 0.792$), customer loyalty ($\alpha = 0.786$), customer satisfaction ($\alpha = 0.759$), and price value ($\alpha = 0.680$).

Table 2. Reliability Test

Variable	Cronbach's Alpha	Number of Items	Results
Price Value (PV)	0.680	5	Reliable
Physical Environment (PE)	0.792	5	Reliable
Emotional Experience (EE)	0.801	5	Reliable

Customer Satisfaction (CS)	0.759	5	Reliable
Customer Loyalty (CL)	0.786	5	Reliable

4.4 Correlation Analysis

The Pearson correlation results indicate that all variables are positively and significantly correlated ($p < 0.01$).

Customer satisfaction has the strongest relationship with customer loyalty ($r = 0.707$), followed by emotional experience ($r = 0.648$) and physical environment ($r = 0.622$). Price value shows a moderate correlation with customer loyalty ($r = 0.553$).

These results suggest that improvements in the independent variables are associated with increases in customer loyalty.

PV			PE	EE	CS	CL
PV	Pearson Correlation	1	.541**	.683**	.636**	.553**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	151	151	151	151	151
PE	Pearson Correlation	.541**	1	.628**	.751**	.622**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	151	151	151	151	151
EE	Pearson Correlation	.683**	.628**	1	.658**	.648**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	151	151	151	151	151
CS	Pearson Correlation	.636**	.751**	.658**	1	.707**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	151	151	151	151	151
CL	Pearson Correlation	.553**	.622**	.648**	.707**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	151	151	151	151	151

****.** Correlation is significant at the 0.01 level (2-tailed).

4.5 Regression Analysis

4.5.1 Model Summary

The results of the model summary indicate that the regression model has a strong explanatory power. The R value is 0.752, suggesting a strong relationship between the independent variables and customer loyalty. The R² value is 0.565, meaning that 56.5% of the variation in customer loyalty can be explained by price value, physical environment, emotional experience, and customer satisfaction. The remaining 43.5% is influenced by other factors not included in this study

Table 4. Model Summary

Model Summary^a

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.752 ^a	.565	.553	.57877

a. Predictors: (Constant), CS, PV, EE, PE

b. Dependent Variable: CL

4.5.2 *Anova Test*

The ANOVA results show that the regression model is statistically significant, with an F value of 47.414 and a significance level of 0.000 ($p < 0.05$). This indicates that the independent variables simultaneously have a significant effect on customer loyalty. Therefore, the model is considered suitable for further analysis.

Table 5. Anova Test

ANOVA

	Sum of Model Squares	df	Mean Square	F	Sig.
1 Regression	63.529	4	15.882	47.414	.000 ^b
Residual	48.905	146	.335		
Total	112.435	150			

a. Dependent Variable: CL

b. Predictors: (Constant), CS, PV, EE, PE

4.5.3 *Coefficient Test*

The regression equation is formulated as follows:

$$CL = 0.156 + 0.049PV + 0.129PE + 0.297EE + 0.466CS$$

The results show that emotional experience ($\beta = 0.297$, $p < 0.05$) and customer satisfaction ($\beta = 0.466$, $p < 0.05$) have a positive and significant effect on customer loyalty. On the other hand, price value ($\beta = 0.049$, $p > 0.05$) and physical environment ($\beta = 0.129$, $p > 0.05$) do not have a significant effect on customer loyalty.

These findings indicate that emotional and satisfaction-related factors play a more important role in influencing customer loyalty compared to price and physical aspects.

Table 6. Coefficient Test

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	Correlations		Collinearity Statistics	
	B	Std. Error	Beta				Zero-order	Partial	Part	Tolerance VIF

1 (Constant)	.156	.304		.515	.607					
PV	.049	.102	.038	.479	.633	.553	.040	.026	.472	2.117
PE	.129	.093	.119	1.382	.169	.622	.114	.075	.404	2.475
EE	.297	.090	.277	3.308	.001	.648	.264	.181	.423	2.363
CS	.466	.105	.411	4.441	.000	.707	.345	.242	.348	2.871

a. Dependent Variable: CL

4.6 Hypotesis Testing

Hypothesis testing is conducted based on the results of the t-test in the regression analysis. The decision is made based on the significance value ($p < 0.05$)

H1: Price Value → Customer Loyalty

The results show that price value does not have a significant effect on customer loyalty ($p > 0.05$). Therefore, H1 is rejected.

H2: Physical Environment → Customer Loyalty

The results indicate that physical environment does not significantly influence customer loyalty ($p > 0.05$). Thus, H2 is rejected.

H3: Emotional Experience → Customer Loyalty

Emotional experience has a positive and significant effect on customer loyalty ($p < 0.05$). Therefore, H3 is accepted.

H4: Customer Satisfaction → Customer Loyalty

Customer satisfaction shows a positive and significant effect on customer loyalty ($p < 0.05$). Thus, H4 is accepted.

Table 7. Hypothesis Testing

Hypotesis	Relationship	Result
H1	Price Value → Customer Loyalty	Rejected
H2	Physical Environment → Customer Loyalty	Rejected
H3	Emotional Experience → Customer Loyalty	Accepted
H4	Customer Satisfaction → Customer Loyalty	Accepted

5. Conclusion and Recommendations

This research investigates effects of price value, physical environment, emotional experience, and customer satisfaction on customer loyalty in Indonesia's hotel industry. Emotional experience and customer satisfaction demonstrated a meaningful positive impact on customer loyalty. This means that hotel guests will be more loyal when they feel positive emotions and are satisfied with the hotel's service. On the other hand, price value and physical environment do not impact customer loyalty positively. Thus, these two areas of service are most likely viewed as baselines, and not service aspects that would nurture customer loyalty. This study concludes that, in Indonesia's hotel industry, emotional experience and customer satisfaction are more critical of drivers of customer loyalty, than price and physical environment.

5.1 Managerial Implications

Several managerial implications can be developed based on the research findings. An essential part of creating customer emotional experiences and hotel memories involves ensuring customers' stays are enjoyable. Ensure the hotel's staff is friendly and engaged and the hotel's atmosphere aims to be comfortable and promotes engagement. Customer satisfaction is the most important aspect of loyalty. As the most important determinant, hotels can be sustained by meeting customer expectations through maintaining service

quality, responsiveness, and consistency in the delivery of service. Even though the physical environment and the price value factors have a less significant direct impact on customer loyalty, they should be considered. The factors should be considered as a competitive price and a physical environment of the hotel that is in good shape.

5.2 Limitations and Future Research

There are many factors to be considered regarding the scope of this study. The first is the sample collection location. Participants who are from only one country, such as Indonesia, may lack the diversity needed to refute the generalizability hypothesis that relies on this study's conclusions. A second consideration is the model's ability to describe customer loyalty and the variables that this model encompasses. Since the model describes only 56.5% of customer loyalty, this opens the door to many factors. For the purposes of this study, factors such as service quality, trust, and brand image may be needed to fulfill the form that customer loyalty takes. So too may be the use of different research models. Also possible would be the inclusion of mediators and moderators to better understand customer dynamics in the hospitality industry.

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