



# The Effect of Service Quality and Value on Satisfaction and Loyalty In Halal Concept Hotel Enterprises: The Case Of Turkey\*

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## Abstract

**Purpose:** This study aimed to investigate the impact of perceived service quality and value on customer satisfaction and customer loyalty in hotels that provide “Halal Concept” services. We also examined the mediating role of satisfaction in the relationship between service quality and perceived value on loyalty.

**Design/methodology/approach:** The study employed a quantitative research method and a relational survey model to facilitate hypothesis testing. The sample of the study consisted of customers who had stayed at least once in Halal concept hotels in Turkey. We collected data from 417 Halal hotel customers through face-to-face interviews using a questionnaire. After doing different validity and reliability checks on the data, the Hayes-Keynes module’s multiple regression and mediation analyses were used to test hypotheses.

**Findings:** The study revealed that the dimensions of service quality had varying significant effects on the variables satisfaction, value, and loyalty. The study supported the positive linear relationship between the variables satisfaction, value, and loyalty. Also, the role of satisfaction as a mediator was tested, and it was discovered that service quality dimensions and loyalty variables had the strongest relationship with satisfaction.

**Originality/value:** This study represents one of the most thorough investigations into multidimensional loyalty among consumers of Halal hotels. The S-O-R model by Mahrebian and Russel and Oliver’s Multidimensional Loyalty model are both supported by both direct and indirect hypotheses when looking at how Halal hotel customers act after making a choice. Results revealed how halal hotel consumers’ subjective and objective service evaluations differ from traditional hotel consumers in terms of achieving customer loyalty.

**Keywords:** Halal Hotel, Halal Tourism, Satisfaction, Value, Loyalty, Service Quality

\* This study is derived from the doctoral thesis titled “The Impact of Perceived Service Quality and Value on Satisfaction and Loyalty in Halal Concept Hotels,” conducted by the corresponding author at the Institute of Social Sciences, Necmettin Erbakan University.

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## Introduction

Halal tourism has experienced considerable popularity and growth over the past two decades, emerging as a prominent alternative tourism option for the Muslim community. Halal concept hotels are establishments that cater to the housing, food, beverage, and other requirements of travelers with Islamic sensitivities by complying with Islamic commandments and prohibitions (Arpacı et al., 2015: 183; Arpacı and Batman, 2015a; Arpacı and Batman, 2015b). The significance of halal tourism has rendered consumer satisfaction and loyalty a crucial mechanism for enterprises. Oliver's (1997) multidimensional loyalty model, comprising cognitive, emotional, and conative characteristics, can be employed to assess this relationship. It illustrates the interconnection of consumers' thoughts, emotions, and intentions (Han, Kim, & Kim, 2011: 1008). Consequently, the correlations among variables influencing customer happiness and loyalty, which are vital objectives for a firm, may be analyzed. Oliver's (1997) loyalty model posits that individuals' perceptions of the cognitive quality and worth of a product or service generate feelings of contentment or discontent, which serve as emotional indicators of loyalty. This results in the development of loyalty intention, a component of positive behavioral intention (Chuah et al., 2017: 126). Oliver's (1997) multidimensional loyalty model similarly aligns with Mahrebian and Russel's (1976) Stimulus-Organism-Response (S-O-R) model. The S-O-R model delineates a sequence of cause-and-effect interactions among its elements. In 1976, Mehrabian and Russell proposed that environmental physical and social elements (stimulus) elicit emotional responses (organisms) that result in approach or avoidance behaviors (response) (Mehrabian and Russell, 1976: 8). This study employs Mahrebian and Russel's (1976) S-O-R model and Oliver's (1997) multidimensional loyalty model to examine the impact of perceived service quality and value on customer satisfaction and loyalty among halal hotel patrons. The study seeks to investigate the mediating function of satisfaction in the relationship between service quality, perceived value, and loyalty. Consequently, the study seeks to examine all correlations among variables. An examination of the literature indicates a scarcity of studies about halal concept hotels. (Akbar, Som, Wadood & Alzaidiyeen, 2010; Keshavarz & Jamshidi, 2018).

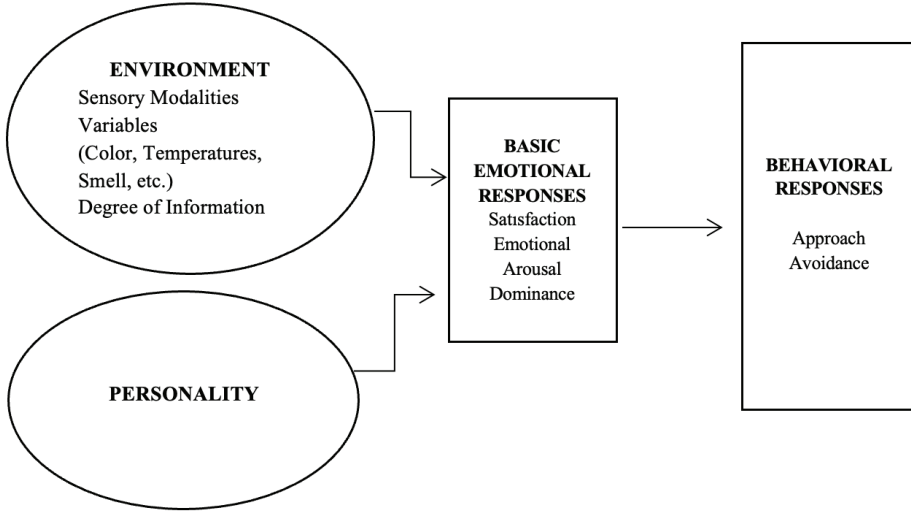
Moreover, most studies on halal concept hotels have focused on three or fewer variables (Tefera & Govender, 2017; Adirestuty, 2019; Alam, Nurzaman & Al Hassan, 2019; Al-Ansi & Han, 2019; Rahman, Moghavvemi, Thirumoorthi, & Rahman, 2020; Juliana, Darmawan, Rahayu, Asya'bani, Hidayat, & Purnama, 2023; Rahayu & Candra, 2023). Furthermore, limited research has been conducted on

the mediating interactions among factors (Ashraf, Ilyas, Imtiaz & Ahmad, 2018; Keshavarz and Jamshidi, 2018; Mustikawati, Arafah, and Mariyanti, 2022). These factors have been utilized in only a limited number of studies about domestic visitors in Turkey, which serves as the foundation for this research (Arpacı & Batman, 2015a; Arpacı & Batman, 2015b; Özdemir, 2021). These studies are not as comprehensive as this one. This study examines the impact of pleasure on loyalty through several dimensions: cognitive views and loyalty intentions, utilizing four distinct factors. It could contribute novel and intriguing insights to the literature on tourism and halal accommodations. The literature review specifically identified a deficiency of studies regarding halal concept hotel enterprises within the domestic literature. No study has examined all the variables collectively within the context of halal concept hotel enterprises. The international literature likewise exhibits a deficiency of comprehensive research on this subject. Consequently, although this study is a significant contribution to the field, it also diverges from other studies in this aspect.

### **Theoretical Background and Literature Review**

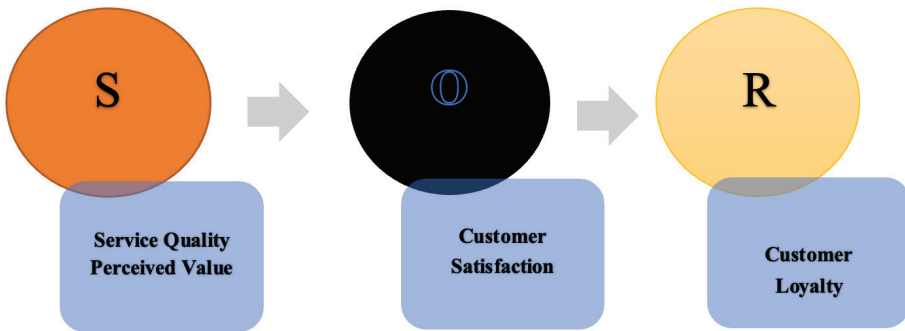
Mehrabian and Russell created the Stimulus-Organism-Response (SOR) model in 1976. It helps us understand how service quality, perceived value, customer satisfaction, and customer loyalty are connected in this study. Figure 1.1 illustrates that the SOR model comprises three components: environmental factors, emotions, and approach and avoidance responses. The SOR model delineates a sequence of cause-and-effect relationships among its components. This research shows how environmental factors (S-Stimulus) affect people's feelings (O-Organism) and the behaviors they use to avoid things (R-Response) (Akgün and Zerenler, 2021: 2114; Güler, Şimşek, Akdağ, Gündoğdu and Akçay, 2024: 2). We employed the Stimulus-Organism-Response (SOR) Model to examine the impact of customer experiences in halal concept hotels on their loyalty. As shown in Figure 1.2, the SOR model says that environmental factors are like emotional expressions that can be measured by things like satisfaction-dissatisfaction scales, behavioral indicators, or semantic differentiation scales. The state of satisfaction or dissatisfaction is contingent upon the extent to which individuals experience positive emotions such as happiness, cheerfulness, and overall satisfaction (Mehrabian and Russell, 1976: 18). This study aligns with the SOR model, incorporating the variables of perceived service quality, perceived value, customer satisfaction, and customer loyalty. In this thesis, the stimulus component includes perceived service quality and perceived value; the organism component signifies customer satisfaction, while the response

is indicated by customer loyalty. The perceived quality and value of service experienced by individuals impact their satisfaction and, subsequently, their loyalty.



**Figure 1.1:** Mehrabian-Russell's Stimulus- Organism- Response Model

**Source:** Mehrabian and Russell, 1976; transmitter Karagöz, 2010: 173.

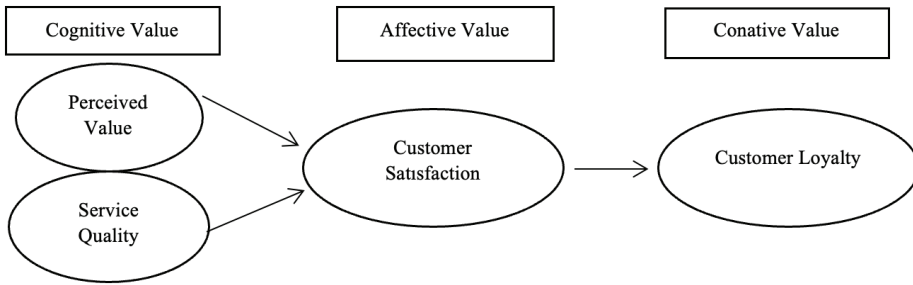


**Figure 1.2:** Symbolic Representation of the Research in the Context of the SOR Model

**Source:** Mehrabian and Russel,1974; transmitter Akgün and Zerenler, 2021: 2114.

Four variables under three dimensions, namely cognitive, affective, and conative loyalty, explain Oliver's (1997) model, as illustrated in Figure 1.3. The multidimensional loyalty model examines a psychological process where situational characteristics of an environment can trigger a series of cognitive responses in indi-

viduals based on their previous experiences with them (Mischel and Shoda, 1995: 246). Such cognitive responses will stimulate emotional responses associated with the external environment, such as mood and emotions, and thus influence individuals' behavior (Neyrinck et al., 2006: 332). Thus, the multidimensional loyalty model demonstrates that individuals' cognitions, emotions, and communications are activated one after the other, forming a psychological decision-making process. Based on this model, the variables of the study represent perceived service quality and perceived value as cognitive loyalty, customer satisfaction as emotional loyalty, and customer loyalty as effort-based loyalty. The reason perceived value is included within cognitive loyalty is that the perceived value variable is limited to economic value.



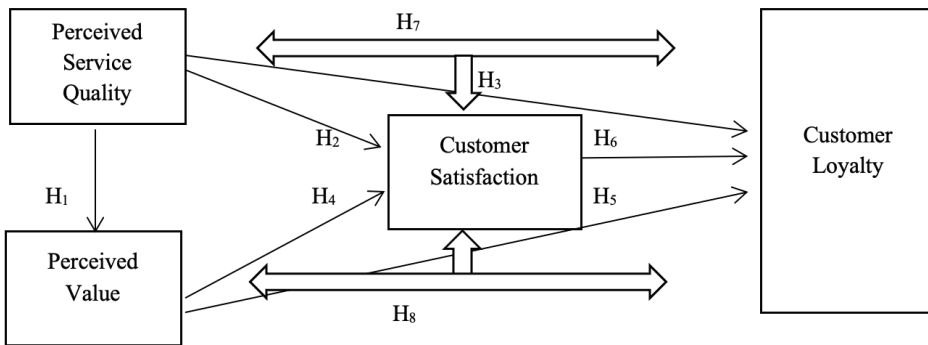
**Figure 1.3:** Oliver's Multi Dimensional Loyalty Model

**Source:** Han et al., 2011: 1012.

Zeithaml (1988) defined perceived value, an indicator of cognitive loyalty, as the assessment of a product or service's benefits relative to the perceived costs associated with its purchase. Service quality, a facet of cognitive loyalty, is defined by Zeithaml et al. (1990) as the gap between customer expectations and perceptions. In contrast, Parasuraman et al. (1988) characterize service quality as a business's capacity to meet or exceed customer expectations. Kotler and Keller (2006) defined customer satisfaction, an indicator of emotional loyalty, as the assessment of the extent to which consumer expectations are fulfilled. Customer loyalty, representing conative loyalty, is defined by Dick and Basu (1994) as the strength of the relationship between a customer's attitude toward a product or service and their frequency of purchases.

Research on halal-concept hotels has revealed that perceived service quality positively affects satisfaction (Akbar et al., 2010; Tefera & Govender, 2017; Kes-havarz & Jamshidi, 2018; Alam et al., 2019; Al-Ansi & Han, 2019; Ali et al., 2021;

Rahayu & Candra, 2023), perceived service quality positively affects loyalty (Akbar et al., 2010; Arpacı & Batman, 2015a; Arpacı & Batman, 2015b; Tefera & Govender, 2017; Keshavarz & Jamshidi, 2018; Alam et al., 2019; Al-Ansi & Han, 2019; Juliana et al., 2023; Rahayu & Candra, 2023), perceived service quality positively affects perceived value (Arpacı & Batman, 2015a; Arpacı & Batman, 2015b; Ashraf et al., 2018; Keshavarz & Jamshidi, 2018; Al-Ansi & Han, 2019; Demirağ, 2019), perceived value positively affects satisfaction (Ashraf et al., 2018; Adirestuty, 2019; Alam et al., 2019; Al-Ansi & Han, 2019; Özdemir, 2021; Çiçeklioğlu and Kale, 2021; Mustikawati et al., 2022), perceived value positively affects loyalty (Akbar et al., 2010; Arpacı & Batman, 2015a; Arpacı & Batman, 2015b; Ashraf et al., 2018; Keshavarz & Jamshidi, 2018; Mustikawati et al., 2022), satisfaction positively affects loyalty (Tefera & Govender, 2017; Keshavarz & Jamshidi, 2018; Adirestuty, 2019; Al-Ansi & Han, 2019; Rahman et al., 2020; Rahayu & Candra, 2023). In addition, there are limited studies on the mediating role of satisfaction in the relationship between service quality and loyalty (Ashraf et al., 2018; Keshavarz & Jamshidi, 2018; Rahayu & Candra, 2023) and the mediating role of satisfaction in the relationship between perceived value and loyalty (Akbar et al., 2010; Ashraf et al., 2018; Mustikawati et al., 2022). Based on the findings of prior studies, a research model was developed, and the hypotheses outlined in the findings section were proposed and tested. Findings were proposed and tested.



**Figure 1.4:** Research Model and Hypothesis

## Research Method

Halal hotels are an area within the tourism industry's accommodation management chain that is growing day by day, with increasing demand. At this point, both halal hotels and the tourists who prefer this concept represent an important consu-

mer group/market. When looking at the literature on tourism, it is clear that while many studies look into things like the quality of tourist experiences, satisfaction, and loyalty for different types of tourists traveling for different reasons and staying in different facilities, not many look into what customers at halal hotels value, what makes them feel valued and satisfied, and how to build loyalty. In the foreign literature, there are some studies examining the relationships between all variables related to service quality, perceived value, customer satisfaction, and customer loyalty. However, in the domestic literature, it has been found that studies conducted on the tourist experience by sampling halal hotel customers are limited and few in number. The first problem of the study is to reveal how the tourist experiences and loyalty of customers who prefer halal concept hotels are shaped. In other words, it aims to fill the gap in the literature. To demonstrate what the increasingly growing customer profile related to halal concept hotels values from the practitioners' perspective, it is essential to identify what halal concept hotels prioritize in terms of service quality, which dimensions of service quality are important for satisfaction and perceived value, and the key elements affecting the ultimate goal of customer loyalty, namely quality, value, and satisfaction. The second problem is to identify the expectations of customers who prefer halal concept hotel businesses and what improvements these hotels should focus on.

In recent years, the importance of the service sector has been escalating globally. Key elements influencing the performance of organizations in the service sector include service quality, customer satisfaction, perceived value, and client loyalty. A significant gap exists due to the insufficient number of studies on halal concept hotel enterprises in the domestic literature. The review of the literature shows that there aren't many studies that look at the four variables that make up this research in the context of halal concept hotel businesses. Insufficient research exists on the subject within international literature. This study is a substantial contribution to the literature. The primary objective of the research is to elucidate the correlation between perceived service quality, perceived value, customer happiness, and customer loyalty among domestic patrons of halal concept hotel enterprises in Turkey. The other goal is to find out how customer satisfaction affects the link between perceived service quality and customer loyalty, as well as the link between perceived value and customer loyalty, among Turkish hotel guests who stay at halal concept businesses.

We used a survey technique to gather the data. The survey consists of five sections containing a total of 43 statements. The initial segment includes 22 statements designed to assess perceived service quality. The second section includes

five statements designed to assess perceived value. The third section comprises five statements designed to evaluate customer satisfaction. The fourth section includes 5 statements designed to assess customer loyalty. The concluding section includes 6 inquiries regarding the demographic traits of the participants. The instruments employed for assessing service quality and perceived value are derived from Arpacı (2015). The inquiries concerning customer satisfaction and loyalty draw upon the research carried out by Wardi et al. (2018) and Al-Ansi & Han (2019). Participants in the survey were instructed to evaluate the statements using a 5-point Likert-type scale, with 1 representing “strongly disagree” and 5 signifying “strongly agree.”

The study’s research population comprises domestic tourists who preferred halal-concept hotel businesses in Turkey. Due to the impossibility of reaching the entire population, a sample was selected using the cluster sampling method based on cities in Turkey, resulting in a total of 400 participants. The survey was conducted using the face-to-face contact method with a convenience sampling technique among individuals residing in Mersin, Ankara, and Konya, who had previously preferred halal concept hotel businesses. The researchers aimed to reach 384 people with a 5% significance level as the desired sample size. However, to account for the possibility of incomplete, incorrect, erroneous, or deviating data, the final sample size was increased to 400 people.

Prior to the data collection process, ethical approval was obtained from the Necmettin Erbakan University Social and Human Sciences Ethics Committee on 11.01.2021. The data collection process launched after receiving the approval, as indicated by the decision dated 19/02/2021 and numbered 2021/97. Then, a pilot application was conducted using a face-to-face contact method with a total of 60 people from the provinces of Mersin, Konya, and Ankara, which are similar to the main sample consisting of 20 people. We tested the understanding of the questions and the reliability scores of the scales during the pilot application. It was determined that there was no need to remove any variables from the scale based on the analyses conducted, and field research was initiated. A total of 490 questionnaires were collected through face-to-face contact using a questionnaire form in the provinces of Mersin, Konya, and Ankara between March 15 and July 15, 2021.

After identifying the study’s variables, we established the scales and finalized the questionnaire. We collected the questionnaires face-to-face and then transferred the data to a statistical package program for analysis. The data underwent various analyses, such as missing data analysis, deviant analysis, multiple normal distribution analysis, reliability analysis, and validity analysis. First of all, a missing



data analysis was performed, and it was observed that there was no missing data. Next, we conducted the deviant analysis, which led to the removal of 43 questionnaires from the scale, leaving 417 questionnaires for further analysis. After the deviant analysis, we conducted a normal distribution analysis, which revealed that 4 questionnaires had distorted the multiple normal distributions. Consequently, we removed these 4 questionnaires from the analysis. This step showed that there was a strong correlation (0.980) between the Mahalanobis distance values (MD2) and the Ki-Kareters values. This meant that the distribution was normal.

## Findings

### Descriptive Findings

The demographic information of the people who filled out the survey is shown, along with their level of preference for halal hotels and their overall thoughts on the halal concept hotel where they stayed during the survey (Table 1).

**Table 1**

*Participants' Demographic Characteristics*

CATEGORIES			CATEGORIES		
<b>Sex (n=413)</b>	<b>Frequency</b>	<b>Percentage (%)</b>	<b>Marital Status (n=413)</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Male	268	64.9	Married	298	72.2
Female	145	35.1	Single	115	27.8
<b>Age Groups (n=413)</b>	<b>Frequency</b>	<b>Percentage (%)</b>	<b>Monthly Income (n=413)</b>	<b>Frequency</b>	<b>Percentage (%)</b>
18-21 years old	17	4.1	2000 TL and less	64	15.5
22-35 years old	213	51.6	2000 to 2999 TL	48	11.6
36-50 years old	149	36.1	3000 to 3999 TL	71	17.2
Over 50 years old	34	8.2	4000 to 4999 TL	87	21.1
<b>Education (n=1432)</b>	<b>Frequency</b>	<b>Percentage (%)</b>	Over 5000 TL	143	34.6
Primary School	5	1.2	<b>Profession (n=1430)</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Elementary School	14	3.4	Public Employee	190	46.0
High School	47	11.4	Wage Earner	64	15.5
Associate School	60	14.5	Self-employed	97	23.5
Bachelor's School	201	48.7	Retired	10	2.4
Master's Degree	59	14.3	Housewife	12	2.9
Doctorate Degree	27	6.5	Student	40	9.7

## Findings on Hypothesis Tests

### *Regression Analysis Findings on Service Quality and Perceived Value*

The study hypotheses were tested by regression analysis as follows:

**Hypothesis 1:** Perceived service quality has a statistically significant and positive effect on perceived value. ( $H_1$ )

**Hypothesis 1a:** The service environment, a sub-dimension of perceived service quality, has a statistically significant and positive effect on perceived value ( $H_{1a}$ ).

**Hypothesis 1b:** Reliability, a sub-dimension of perceived service quality, has a statistically significant and positive effect on perceived value ( $H_{1b}$ ).

**Hypothesis 1c:** Responsiveness, a sub-dimension of perceived service quality, has a statistically significant and positive effect on perceived value ( $H_{1c}$ ).

**Hypothesis 1d:** Credibility, a sub-dimension of perceived service quality, has a statistically significant and positive effect on perceived value ( $H_{1d}$ ).

**Hypothesis 1e:** Empathy, a sub-dimension of perceived service quality, has a statistically significant and positive effect on perceived value ( $H_{1e}$ ).

The results of the regression analysis are presented in Table 4.2. The ANOVA test's F statistic and its significance were used to check the validity of the model established with five independent variables and one dependent variable. The analysis showed that the established model was significant and valid as a whole ( $F_{5;407}=27.672$ ,  $p \leq 0.05$ ). Furthermore, when the correlation statistics were examined:

- Tolerance statistics of all five independent variables were above 0.100 and calculated as 0.342, 0.173, 0.162, 0.167, and 0.212, respectively.
- The VIF statistic is below 10 for all three independent variables and calculated as 2.92, 5.78, 6.17, 5.88, and 4.71.
- The CI value for all three independent variables, calculated as 7.13, 11.34, 15.22, 16.53, and 18.28, is less than 30.
- The Durbin-Watson (DW) statistic is between 1.5 and 2.5 and calculated as 1.56.

The aforementioned findings indicate the absence of a correlation problem. The connections between service quality sub-dimensions (independent variables) and perceived value (dependent variables) were looked at after it was decided that the

model is significant as a whole and doesn't have any correlation issues. If you look at the relationship and explanatory coefficients in Table 4.2, you can see that out of the five independent variables, only the second one, reliability, has a big effect on the dependent variable ( $p \leq 0.05$ ). This variable explains 24.5% ( $\Delta R^2$ ) of the perceived value. We examined the predictive power of the changes that the independent variables may reveal in the dependent variable using the standardized regression coefficient (Beta). That is why we can say that the reliability sub-dimension of service quality has an effect on the perceived value of 0.228 units. This means that a one-unit increase in the reliability sub-dimension of service quality can lead to a 0.228-unit increase in the perceived value. As a result, the service quality sub-dimension, reliability ( $H_{1b}$ ) was statistically effective on the perceived value ( $p < 0.05$ ). However, the sub-dimensions of service quality, the service environment ( $H_{1a}$ ), responsiveness ( $H_{1c}$ ), credibility ( $H_{1d}$ ), and empathy ( $H_{1e}$ ) did not have a statistically significant effect on the perceived value ( $p > 0.05$ ). Therefore, hypotheses  $H_{1a}$ ,  $H_{1c}$ ,  $H_{1d}$ , and  $H_{1e}$  could not be supported. Based on these results, it can be concluded that the first hypothesis ( $H_1$ ) of the research is partially accepted. Regression analysis tests the hypotheses in this section.

### *Regression Analysis Findings on Service Quality and Customer Satisfaction*

In this part of the research, regression analysis was performed to test the second group of hypotheses. The hypotheses tested in the study are as follows:

**Hypothesis 2:** Perceived service quality has a statistically significant and positive effect on customer satisfaction ( $H_2$ ).

**Hypothesis 2a:** The service environment, which is a subdimension of perceived service quality, affects customer satisfaction in a statistically significant and positive way ( $H_{2a}$ ).

**Hypothesis 2b:** Reliability, which is the sub-dimension of perceived service quality, has a statistically significant and positive effect on customer satisfaction ( $H_{2b}$ ).

**Hypothesis 2c:** Responsiveness, which is the sub-dimension of perceived service quality, has a statistically significant and positive effect on customer satisfaction ( $H_{2c}$ ).

**Hypothesis 2d:** Credibility, which is the sub-dimension of perceived service quality, has a statistically significant and positive effect on customer satisfaction ( $H_{2d}$ ).

**Hypothesis 2e:** Empathy, which is the sub-dimension of perceived service quality, affects customer satisfaction in a statistically significant and positive way ( $H_{2e}$ ).

Table 4.2 presents the results of the conducted regression analysis. At first, the F statistic and significance of the ANOVA test were used to check the validity of the model, which had five independent variables and one dependent variable. The analysis indicated that the constructed model was both significant and valid as a whole ( $F_{5,407}=92.599$ ,  $p \leq 0.05$ ).

After examining the correlation statistics,

- Tolerance statistics for all five independent variables were above 0.100, with calculated values of 0.342, 0.173, 0.162, 0.167, and 0.212, respectively.
- VIF statistics were all below 10 for the three independent variables, with calculated values of 2.92, 5.78, 6.17, 5.88, and 4.71.
- CI values for all three independent variables were less than 30, calculated as 7.13, 11.34, 15.22, 16.53, and 18.28.
- We calculated the DW statistic to be 1.47.

Based on the aforementioned findings, it can be concluded that there is no presence of correlation issues. After establishing the overall significance of the model and confirming the absence of correlation problems, the examination shifted towards examining the relationships between service quality sub-dimensions (independent variables) and customer satisfaction (dependent variable). Analyzing the coefficients presented in Table 4.2, it is evident that the second sub-dimension, reliability ( $H_{2b}$ ), and the fourth sub-dimension, credibility ( $H_{2d}$ ), among the five independent variables, have a significant influence on the dependent variable ( $p \leq 0.05$ ). These variables collectively account for 52.6% ( $\Delta R^2$ ) of the variance in customer satisfaction. The capacity of the independent variables to predict changes in the dependent variable was further assessed using the standardized regression coefficient (Beta). Accordingly, it can be deduced that within the service quality sub-dimensions, the reliability sub-dimension holds an effect of 0.256, while the credibility sub-dimension holds an effect of 0.317 on customer satisfaction. This implies that a one-unit increase in the reliability sub-dimension of service quality can lead to a corresponding 0.256-unit increase in customer satisfaction, and also a one-unit increase in the credibility sub-dimension can yield a 0.317-unit rise in customer satisfaction. Consequently, it has been established that the reliability ( $H_{2b}$ ) and credibility ( $H_{2d}$ ) dimensions, as subcomponents of service quality, exert a statistically significant impact on customer satisfaction ( $p < 0.05$ ). Conversely, the

service environment ( $H_{2a}$ ), responsiveness ( $H_{2c}$ ), and empathy ( $H_{2e}$ ) sub-dimensions of service quality do not exhibit statistically significant effects, thus failing to garner support for  $H_{2a}$ ,  $H_{2c}$ , and  $H_{2e}$  ( $p > 0.05$ ). Based on this outcome, it can be concluded that the second hypothesis ( $H_2$ ) of the research is partially accepted.

### *Regression Analysis Findings on Service Quality and Customer Loyalty*

In this research section, we conducted a regression analysis to assess the third set of hypotheses. We outline the hypotheses under investigation as follows:

**Hypothesis 3:** Perceived service quality has a statistically significant and positive effect on customer loyalty ( $H_3$ ).

**Hypothesis 3a:** The service environment, a sub-dimension of perceived service quality, influences customer loyalty significantly and positively ( $H_{3a}$ ).

**Hypothesis 3b:** Reliability, a sub-dimension of perceived service quality, exerts a statistically significant and positive effect on customer loyalty ( $H_{3b}$ ).

**Hypothesis 3c:** Responsiveness, a sub-dimension of perceived service quality, significantly and positively affects customer loyalty ( $H_{3c}$ ).

**Hypothesis 3d:** Credibility, a sub-dimension of perceived service quality, significantly and positively influences customer loyalty ( $H_{3d}$ ).

**Hypothesis 3e:** Empathy, a sub-dimension of perceived service quality, impacts customer loyalty significantly and positively ( $H_{3e}$ ).

The results of the conducted regression analysis are detailed in Table 4.2. Drawing from the ANOVA test's F statistic and its significance, the initial step involved verifying the validity of the model constructed from five independent and one dependent variable. This analysis confirmed that the established model is both significant and valid as a whole ( $F_{5,407}=60.006$ ,  $p \leq 0.05$ ). Subsequent scrutiny of the correlation statistics reveals that:

- Tolerance statistics for all five independent variables exceeded 0.100, calculated as 0.342, 0.173, 0.162, 0.167, and 0.212, respectively.
- VIF statistic remained below 10 for all three independent variables, with values of 2.92, 5.78, 6.17, 5.88, and 4.71.
- CI value was less than 30 for all three independent variables, calculated as 7.13, 11.34, 15.22, 16.53, and 18.28.
- We calculated the DW statistic to be 0.853.

Based on these findings, we can assert that we detected no correlation issues. After making sure the model was complete and didn't have any problems with correlation, the study looked into how service quality sub-dimensions (independent variables) and customer loyalty (dependent variable) were linked. We can see from Table 4.2's relationship and explanatory coefficients that only the first sub-dimension ( $H_{3a}$ ) of the five independent variables has a significant effect on the dependent variable ( $p \leq 0.05$ ). This particular variable accounts for 41.7% ( $\Delta R^2$ ) of the variation in customer loyalty. We then explored the potential of independent variables to predict changes in the dependent variable using the standardized regression coefficient (Beta). Therefore, we can assert that the service environment dimension, a sub-component of service quality, has an effect of 0.165 on customer loyalty. This implies that a one-unit increase in the service quality subdimension can lead to an increase of 0.165 units in customer loyalty. In conclusion, it was ascertained that only the service environment ( $H_{3a}$ ) dimension, as a sub-component of service quality, significantly affects customer loyalty ( $p < 0.05$ ). However, reliability ( $H_{3b}$ ), responsiveness ( $H_{3c}$ ), credibility ( $H_{3d}$ ), and empathy ( $H_{3e}$ ) dimensions, as subcomponents of service quality, exhibit no statistically significant effects, thus failing to gain support ( $p > 0.05$ ). This outcome leads to the partial acceptance of the third hypothesis ( $H_3$ ) of our research.

**Table 2**

*Regression Analysis of Service Quality and Perceived Value, Service Quality and Customer Satisfaction, Service Quality and Customer Loyalty Findings*

Dependent Variable: Perceived Value								
Independent Variable:	Non-std. Coefficients		Std. Coefficients	t-	p	Correlation Statistics		
	β	Std. Error Beta	Beta			Tol.	VIF	CI
Service Quality								
Fixed Model	1.520	,124		12.215	,000			
H <sub>1a</sub>	,108	0.58	,137	1.87	,062	,342	2.92	7.13
H <sub>1b</sub>	,178	0.80	,228	2.21	,028	,173	5.78	11.34
H <sub>1c</sub>	,092	0.83	,118	1.10	,268	,162	6.17	15.22
H <sub>1d</sub>	-,039	0.77	-,053	-,503	,615	,167	5.88	16.53
H <sub>1e</sub>	,090	0.76	,110	1.17	,239	,212	4.71	18.28
ANOVA	(F:27.672, s.d.: <sub>5;407</sub> , p:0.05)							
Explanatory	R= ,504, R²=,254, ΔR²=,245, D-W: 1.564							
Dependent Variable: Customer Satisfaction								

Independent Variable:	Non-std. Coefficients		Std. Coefficients	t-		p	Correlation Statistics		
	β	Std. Error Beta	Beta				Tol.	VIF	CI
Service Quality									
Fixed Model	,716	,124		6.01		,000			
H <sub>2a</sub>	,084	0.58	,088	1.51		0.13	,342	2.92	7.13
H <sub>2b</sub>	,242	0.80	,256	3.14		0.02	,173	5.78	11.34
H <sub>2c</sub>	-,018	0.83	,019	-,223		,824	,162	6.17	15.22
H <sub>2d</sub>	,283	0.77	,317	3.82		,000	,167	5.88	16.53
H <sub>2e</sub>	,134	0.76	,136	1.84		,066	,212	4.71	18.28
ANOVA	(F:92.599, s.d.: <sub>5,407</sub> , p:0.05)								
Explanatory	R= ,730, R <sup>2</sup> =,532, ΔR <sup>2</sup> =,526, D-W: 1.47								
Dependent Variable: Customer Loyalty									
Independent Variable:	Non-std. Coefficients		Std. Coefficients	t-		p	Correlation Statistics		
	β	Std. Error Beta	Beta				Tol.	VIF	CI
Service Quality									
Fixed Model	,844	,138		6.13		,000			
H <sub>3a</sub>	,164	0.064	,165	2.56		,011	,342	2.92	7.13
H <sub>3b</sub>	,129	0.089	,131	1.44		,149	,173	5.78	11.34
H <sub>3c</sub>	,102	0.092	,104	1.11		,267	,162	6.17	15.22
H <sub>3d</sub>	152	0.086	,163	1.77		,076	,167	5.88	16.53
H <sub>3e</sub>	,148	0.084	,144	1.76		,079	,212	4.71	18.28
ANOVA	(F:60.006, s.d.: <sub>5,407</sub> , p:0.05)								
Explanatory	R= ,651, R <sup>2</sup> =,424, ΔR <sup>2</sup> =,417, D-W: ,853								

### *Regression Analysis Findings on Perceived Value and Customer Satisfaction, Perceived Value and Customer Loyalty, Customer Satisfaction and Customer Loyalty*

In this part of the research, regression analysis was performed to test the fourth hypothesis.

**Hypothesis 4:** Perceived value has a statistically significant and positive effect on customer satisfaction (H<sub>4</sub>).

Table 4.3 presents the results of the conducted regression analysis. First, the F statistic from the ANOVA test and its significance were used to make sure that the model, which was made up of five independent variables and one dependent variable, was valid. This assessment demonstrated that the established model is both significant and comprehensive as a whole (F1,411=176.951, p≤0.05). Subsequent examination of correlation statistics reveals the following:

- All five independent variables have tolerance statistics that surpass 0.100 and yield a value of 1.00.
- The VIF statistic remains below 10 for all three independent variables and calculated as 1.00.
- CI value is also less than 30 for the independent variable and is calculated as 5.71.
- The calculated DW statistic is 1.232.

The aforementioned findings confirm the absence of any correlation issues. Once it was proven that the model was generally useful and didn't have any problems with correlation, the attention turned to looking at how perceived value (independent variables) and customer satisfaction (dependent variables) were related. By looking at the relationship and explanatory coefficients in Table 4.3, it is clear that perceived value has a big effect on customer satisfaction ( $p \leq 0.05$ ), which is the dependent variable. This variable accounts for 29.9% ( $\Delta R^2$ ) of the variation in customer satisfaction. Moreover, assessing the potential of independent variables to predict changes in the dependent variable through the standardized regression coefficient (Beta), it can be stated that a unit increase in perceived value yields an effect of 0.549 on customer satisfaction. this outcome, the fourth hypothesis ( $H_4$ ) of the study is accepted ( $p < 0.05$ ). This section of the research encompassed a regression analysis to evaluate the fifth hypothesis. According to this outcome, the fourth hypothesis ( $H_4$ ) of the study is accepted ( $p < 0.05$ ).

This section of the research encompassed a regression analysis to evaluate the fifth hypothesis.

**Hypothesis 5:** Perceived value has a statistically significant and positive effect on customer loyalty. ( $H_5$ )

Table 4.3 presents the results of the conducted regression analysis. The first test, which was based on the F statistic from the ANOVA test and how important it was, was to make sure that the model made up of five independent variables and one dependent variable was valid. This analysis revealed that the established model is significant and valid as a whole ( $F_{1,411}=152.748, p \leq 0.05$ ). Subsequent examination of correlation statistics shows the following observations:

- All five independent variables have tolerance statistics that surpass 0.100 and yield a value of 1.00.
- The VIF statistic remains below 10 for all three independent variables and is calculated as 1.00.



- CI value also remains below 30 for the independent variable, calculated as 5.71.
- We calculate the DW statistic to be 0.684.

Drawing from the aforementioned findings, it can be concluded that no correlation issues have been identified. Following the confirmation of the overall significance of the model and its lack of correlation-related concerns, the analysis shifts focus toward exploring the relationships between the independent variable, perceived value, and the dependent variable, customer loyalty. Upon examination of the relationship and explanatory coefficients in Table 4.3, it is evident that the independent variable, perceived value, holds a significant influence over the dependent variable, customer satisfaction ( $p \leq 0.05$ ). This variable accounts for 26.9% ( $\Delta R^2$ ) of the variance in customer satisfaction. Furthermore, the potential of independent variables to predict changes in the dependent variable, assessed through the standardized regression coefficient (Beta), indicates that a unit increase in perceived value corresponds to an effect of 0.521 on customer loyalty. In other words, a one-unit increase in perceived value can lead to a corresponding increase of 0.521 units in customer loyalty. In light of these findings, the fifth hypothesis ( $H_5$ ) of the research is supported and accepted ( $p < 0.05$ ).

This section of the research encompassed a regression analysis to evaluate the sixth hypothesis.

**Hypothesis 6:** Customer satisfaction has a statistically significant and positive effect on customer loyalty. ( $H_6$ )

Table 4.3 documents the findings from the conducted regression analysis. Based on the F statistic from the ANOVA test and how important it was, the first evaluation looked at the whole model that was made up of five independent variables and one dependent variable. This examination demonstrated that the established model is significant and valid as a whole ( $F_{1,411}=595.409$ ,  $p \leq 0.05$ ). Subsequent exploration of correlation statistics reveals the following observations:

- All five independent variables have tolerance statistics that surpass 0.100 and yield a value of 1.00.
- The VIF statistic remains below 10 for all three independent variables and is calculated as 1.00.
- The independent variable's CI value, which is 5.00, also stays below 30.
- We calculate the DW statistic as 1.133.

Drawing from the above-mentioned findings, it can be asserted that no correlation issues have been identified. Following the confirmation of the overall significance of the model and the absence of correlation-related concerns, the analysis shifts towards exploring the connections between the independent variable, customer satisfaction, and the dependent variable, customer loyalty. Upon analysis of the relationship and explanatory coefficients presented in Table 4.3, it becomes evident that the independent variable, perceived value, exerts a significant impact on the dependent variable, namely customer satisfaction ( $p \leq 0.05$ ). This particular variable accounts for 59.1% ( $\Delta R^2$ ), of the variation in customer satisfaction. Evaluating the predictive capacity of independent variables in influencing the dependent variable, this was gauged through the standardized regression coefficient (Beta). Consequently, it can be deduced that an incremental unit increase in customer satisfaction yields an effect of 0.769 on customer loyalty. In practical terms, this implies that a one-unit increase in customer satisfaction can lead to a corresponding increase of 0.769 units in customer loyalty. Furthermore, the potential of independent variables to predict changes in the dependent variable is assessed through the standardized regression coefficient (Beta).

It can be deduced that a unit increase in customer satisfaction has an effect of 0.769 on customer loyalty which implies that an increase of one unit in customer satisfaction can lead to a corresponding increase of 0.769 units in customer loyalty. Given these findings, the sixth hypothesis of the study ( $H_6$ ) is supported and accepted ( $p < 0.05$ ).

**Table 3**

*Regression Analysis Findings on Perceived Value and Customer Satisfaction, Perceived Value and Customer Loyalty, Customer Satisfaction and Customer Loyalty*

Dependent Variable: Customer Satisfaction								
Independent Variable: Perceived Value (H <sub>4</sub> )	Non-std. Coefficients		Std. Coefficients	t-	p	Relation Statistics		
	β	Std. Error	Beta			Tol.	VIF	CI
Fixed Model	1.09	,151		7.25	,000			
Perceived Value	,663	0.50	,549	13.30	0.00	1.00	1.00	5.71
ANOVA	(F:176.951, s.d.: <sub>1,411</sub> , p:0.05)							
Explanatory	R= ,549, R²=,301, ΔR²=,299, D-W: 1.232							
Dependent Variable: Customer Loyalty								

Independent Variable: Perceived Value (H <sub>5</sub> )	Non-std. Coefficients		Std. Coefficients	t-	p	Relation Statistics		
	β	Std. Error	Beta			Tol	VIF	CI
Fixed Model	1,15	,161		7.15	,000			
Perceived Value	,655	0,53	,521	12.35	0.00	1.00	1.00	5.71
ANOVA	(F:152.748, s.d.: <sub>1,411</sub> , p:0.05)							
Explanatory	R= ,521, R²=,271, ΔR²=,269, D-W: ,684							
Dependent Variable: Customer Loyalty								
Independent Variable: Customer Satisfaction (H <sub>6</sub> )	Non-std. Coefficients		Std. Coefficients	t-	p	Relation Statistics		
	β	Std. Error	Beta			Tol	VIF	CI
Fixed Model	,626	,106		5.88	,000			
Perceived Value	,801	0.33	,769	24.40	0.00	1.00	1.00	5.00
ANOVA	(F:595.409, s.d.: <sub>5,407</sub> , p:0.05)							
Explanatory	R= ,769, R²=,592, ΔR²=,591, D-W: 1.133							

### Testing Hypothesis for Mediation Effects

**Hypothesis 7:** Customer satisfaction has a statistically significant mediating effect on the relationship between perceived service quality and customer loyalty. ( $H_7$ )

**Hypothesis 7a:** Customer satisfaction has a statistically significant mediating effect in the relationship between reliability, a sub-dimension of perceived service quality, and customer loyalty. ( $H_{7a}$ )

**Hypothesis 7b:** Customer satisfaction has a statistically significant mediating effect in the relationship between credibility, a sub-dimension of perceived service quality, and customer loyalty. ( $H_{7b}$ )

**Hypothesis 8:** Customer satisfaction has a statistically significant mediating effect on the relationship between perceived value and customer loyalty. ( $H_8$ )

We conducted mediation tests using the PROCESS macro, which Hayes (2014) developed and implemented in a statistical program. The two subdimensions of service quality that exhibit statistically significant and positive effects on customer satisfaction are reliability and credibility. Hypotheses  $H_{7a}$  and  $H_{7b}$ , as proposed by Zhao, Lynch, and Chen (2010), were subjected to Hayes-Keynes mediation analysis based on the mediation model presented.

There is a statistically significant mediating effect of customer satisfaction ( $p < 0.05$ ) between service quality and customer loyalty when the mediating effect of customer satisfaction is looked into. The study uses credibility ( $HK_b$ ) and reliability ( $HK_d$ ) as subdimensions to look at how service quality affects customer satisfaction and, by extension, how it affects customer loyalty. The results are as follows:

For Hypothesis  $H_{7a}$ , which explores the total effect of service quality on customer loyalty, the value is determined to be 0.601. However, when assessing the effect of perceived value on customer loyalty, this value reduces from 0.601 to 0.147. Notably, the influence of customer satisfaction on customer loyalty remains substantial at 0.692 ( $p < 0.05$ ). In addition, while reliability, which is a subdimension of service quality, is 37.3%, this explanatory power increases to 60.3% with the introduction of customer satisfaction. While credibility, which is the sub-dimension of service quality, alone is 37.4%, this explanatory power increases to 60.1% with the introduction of customer satisfaction. As a result, it can be said that the  $H_7$  hypothesis is supported.

We found that testing the effect of perceived value on customer loyalty lowers the total effect of perceived value on customer loyalty from 0.549 to 0.132 for Hypothesis  $H_{7b}$ . This is because the total effect of service quality on customer loyalty is 0.549. Nevertheless, the impact of customer satisfaction on customer loyalty remains significant at 0.697 ( $p < 0.05$ ). Furthermore, the initial explanatory power of reliability, a subdimension of service quality, stands at 37.3%. However, upon the adding customer satisfaction, this explanatory power increases to 60.3%. Similarly, when customer satisfaction is added to credibility, a part of service quality that previously explained 37.4% of the variation, it now explains 60.1% of the variation. Consequently, these findings provide robust support for Hypothesis  $H_7$ .

When investigating the mediating effect of customer satisfaction between perceived value and customer loyalty, a statistically significant mediating effect of customer satisfaction ( $p < 0.05$ ) is observed. When examining the total effect of perceived value on customer loyalty, an initial value of 0.530 is identified. However, upon testing the effect of perceived value on customer loyalty with the inclusion of customer satisfaction, the total effect of perceived value on customer loyalty decreases from 0.530 to 0.497, while the effect of customer satisfaction on customer loyalty is determined to be 0.386 ( $p < 0.05$ ). Moreover, the explanatory power of customer loyalty when influenced solely by perceived value stands at 27.1%. Notably, with the introduction of customer satisfaction, this explanatory power significantly increases to 60.55%. Consequently, these findings provide substantial support for Hypothesis  $H_8$ .

Based on these findings, it becomes apparent that in the case of Hypothesis  $H_{7a}$ , customer satisfaction serves as a mediator, yielding an indirect effect of 0.454 ( $0.601 - 0.147 = 0.454$ ). Similarly, for Hypothesis  $H_{7b}$ , customer satisfaction emerges as a mediator, resulting in an indirect effect of 0.437 ( $0.569 - 0.132 = 0.437$ ). For Hypothesis  $H_8$ , customer satisfaction acts as a mediator, producing an indirect effect of 0.063 ( $0.530 - 0.497 = 0.063$ ). This effect is found to be partially mediated, as supported by the Bootstrap confidence interval statistics presented in Table 4.

**Table 4**

*Findings Regarding the Mediating Role of Customer Satisfaction in the Relationship Between Perceived Value and Customer Loyalty*

				Coefficient Multiplier		Bootstrap Confidence Interval	
Hypotheses	Direct Effect	Total Effect	Indirect Effect	P	LLCI	ULCI	Mediating Effect Type
$H_{7a}$	0.147	0.601	0.454	,000	0.3409	0.5427	Partial
$H_{7b}$	0.132	0.569	0.437	,000	0.3644	0.5511	Partial
$H_8$	0.467	0.530	0.063	,000	0.3029	0.4359	Partial

## Results and Conclusion

### Theoretical Implication

This study investigates the influence of perceived service quality and value on customer satisfaction and loyalty within the context of halal concept hotel patrons. This study examines the relationships among perceived service quality, perceived value, customer satisfaction, and customer loyalty in the context of customers who prefer halal concept hotel businesses. In order to reach this main goal, the study aims to: (a) find out how perceived service quality affects customer satisfaction, perceived value, and customer loyalty among people who like halal-themed hotels; (b) find out how perceived value affects customer satisfaction and loyalty, as well as other relationships between the variables for these same people; and (c) show how customer satisfaction affects the relationship between service quality and customer loyalty, as well as the relationship between perceived value and customer loyalty among folks who enjoy halal-themed hotels.

In line with the study's objectives, we analyzed the results of the hypotheses across five sub-dimensions, focusing on Hypothesis  $H_1$ . Within the context of the hypothesis suggesting a positive influence of perceived value on service quality sub-dimensions, a statistically significant and partially positive impact was observed solely between service environment, a sub-dimension of service quality, and the reliability, a subdimension (0.228,  $p < 0.05$ ), and perceived value. Conversely, no statistically significant effects were identified between the dimensions of responsiveness, credibility, empathy, and perceived value. As a result, Hypothesis  $H_1$  was accepted only in partial measure. Moving on to Hypothesis  $H_2$ , the analysis targeted the affirmative impact of perceived service quality across five sub-dimensions on customer satisfaction. Notably, statistically significant distinctions were noted between the reliability sub-dimension (0.256,  $p < 0.05$ ), the believability sub-dimension (0.317,  $p < 0.05$ ), and customer satisfaction. Conversely, no statistically significant effects were observed between the service environment, responsiveness, and empathy dimensions—comprising the remaining sub-dimensions of service quality—and customer satisfaction. As such, Hypothesis  $H_2$  was also partially accepted. Shifting focus to Hypothesis  $H_3$ , the examination of whether perceived service quality across the five subdimensions generates a positive and statistically significant impact on customer loyalty yielded noteworthy findings. Only the subdimension of the service environment displayed a statistically significant and positive influence on customer loyalty (0.165,  $p < 0.05$ ). It has been determined that there is no statistically significant effect between the other subdimensions of quality of service, reliability, responsiveness, credibility, empathy, and customer loyalty. For this reason, hypothesis  $H_3$  was partially accepted. Based on the analysis outcomes concerning the association between perceived value and customer satisfaction, as explored within the framework of Hypothesis  $H_4$ , a statistically significant and positive impact of perceived value on customer satisfaction was ascertained. Consequently, Hypothesis  $H_4$  was substantiated and accepted (0.549,  $p < 0.05$ ). According to the results of the analysis made in the context of the relationship between perceived value and customer loyalty within the scope of the  $H_5$  hypothesis, Hypothesis  $H_5$  was confirmed and accepted (0.521,  $p < 0.05$ ). Based on the analysis conducted to examine the correlation between customer satisfaction and customer loyalty, Hypothesis  $H_6$  was validated and accepted (0.769,  $p < 0.05$ ). The last two hypotheses of the study,  $H_7$  and  $H_8$ , were tested for mediation. Following these analyses, an investigation into the mediating influence of customer satisfaction between service quality and customer loyalty was conducted. Consequently, based on the examinations conducted under Hypothesis  $H_7$ , the sub-dimensions

of reliability and credibility, which establish an impact connecting service quality and customer satisfaction, demonstrated an effect ratio of 0.601 on the reliability dimension of customer loyalty. However, the direct impact ratio witnessed a reduction to 0.147, while the indirect impact ratio stood at 0.454. The explanatory rate increased from 37.3% to 60%. In the context of the credibility dimension, an impact ratio of 0.569 was observed. Upon incorporating customer satisfaction, the direct impact ratio decreased to 0.132, thereby resulting in an indirect impact ratio of 0.437. The explanatory rate increased from 37.4% to 60.1%. According to these results, the  $H_7$  hypothesis was accepted. In the mediation assessment of Hypothesis  $H_8$ , the effect ratio between customer loyalty and perceived value was initially calculated as 0.530. However, upon incorporating customer satisfaction, the direct effect ratio underwent a reduction to 0.467, subsequently leading to an indirect effect ratio of 0.063. This shift led to an increase in the explanatory ratio, ascending from 27.1% to 60.55%. Based on these outcomes, Hypothesis  $H_8$  was accepted. While the aforementioned summarized findings show certain resemblances to specific studies within the existing literature, there are also discernible disparities when compared to others.

The results of this study are similar to those from earlier studies that looked at how service quality affects perceived value ( $H_1$ ). These studies include those by Arpacı and Batman (2015a), Arpacı and Batman (2015b), Ashraf et al. (2018), Keshavarz & Jamshidi (2018), and Al-Ansi & Han (2019). According to the findings of Demirağ (2019), there was no statistically significant relationship identified between the reliability subdimension of service quality and the study results, indicating a divergence from the current findings.

These other studies ( $H_2$ ) that looked at how service quality affects customer satisfaction ( $H_2$ ) came to the same conclusions. These studies were by Tefera & Govender (2017), Keshavarz and Jamshidi (2018), Alam et al. (2019), Ashraf et al. (2018), Al-Ansi & Han (2019), and Rahayu & Candra (2023). However, the study conducted by Akbar et al. (2010) diverges from the outcomes of the current research, as it did not establish a statistically significant relationship between service quality and customer satisfaction. A lot of studies have looked at how service quality affects customer loyalty ( $H_3$ ). These include Akbar et al. (2010), Arpacı & Batman (2015a), Arpacı & Batman (2015b), Tefera & Govender (2017), Alam et al. (2019), Al-Ansi & Han (2019), Juliana et al. (2023), Rahayu & Candra (2023), and Keshavarz & Jamshidi (2018). The results of these studies are similar to those of this study. However, the results of the current study diverge from these findings, as



the current study's outcomes suggest that there is no direct significant relationship between service quality and customer loyalty.

Research investigating the effect of perceived value on customer satisfaction ( $H_4$ ) has also come up with varying outcomes. The findings of studies conducted by Ashraf et al. (2018), Keshavarz & Jamshidi (2018), Al-Ansi & Han (2019), Özdemir (2021), and Mustikawati et al. (2022) align with the results of this study, displaying similarities. However, the study outcomes of Adirestuty (2019) and Alam et al. (2019) diverge, as they suggest no direct significant relationship between perceived value and customer satisfaction. This study, investigating the influence of perceived value on customer loyalty ( $H_5$ ), shares similarities in its outcomes with various prior studies, including those conducted by Akbar et al. (2010), Arpacı & Batman (2015a), Ashraf et al. (2018), Keshavarz & Jamshidi (2018), and Mustikawati et al. (2022). The outcomes of your study examining the correlation between customer satisfaction and customer loyalty ( $H_6$ ) align with the findings of numerous prior investigations, including those conducted by Tefera & Govender (2017), Keshavarz & Jamshidi (2018), Adirestuty (2019), Al-Ansi & Han (2019), Rahman et al. (2020), and Rahayu & Candra (2023). Regarding the mediation test results ( $H_7$ ) concerning the mediation effect of customer satisfaction between perceived service quality and customer loyalty, the findings exhibit similarities with various prior research studies of Ashraf et al. (2018), Keshavarz & Jamshidi (2018), and Rahayu & Candra (2023). Similarly, the mediating effect of customer satisfaction between perceived value and customer loyalty ( $H_8$ ) aligns with the conclusions drawn from the studies conducted by Akbar et al. (2010), Ashraf et al. (2018), and Mustikawati et al. (2022).

## Practical Implications and Suggestions

The undertaken study is designed with the primary objective of making valuable contributions to the existing literature by introducing novel insights. Additionally, the study aims to offer practical recommendations and guidance for professionals in the field. Within the context of the perceived service quality scale, the study sheds light on key aspects that participants attach significance to. Notably, participants value the visual appeal of the establishment, the sincerity and understanding of the employees, fast service, the helpfulness of the employees, the establishment's credibility towards customers, and the fulfillment of specific guest requirements by the employees. Undoubtedly, investing efforts in elevating the quality of interactions can yield a positive impact on the perception of service quality. Notably,



the study highlights that customers whose satisfaction perceptions fall below the average threshold often encounter experiences that fall short of their expectations. Hence, it is important to emphasize that a key focal point for companies is the enhancement of services and the proficiency of their employees. This emphasis plays an important role in elevating the level of customer satisfaction. In other words, the service and personnel performance affects customer expectations, so the fact that this service is at or above the level of expectation as a result of the service provided by the enterprise at this point increases customer satisfaction. For this reason, the most important issue is that businesses should be sensitive about the services they provide and employee performances in order to increase the level of customer satisfaction, which is at the top of the list.

The findings indicate that participants' levels of customer loyalty are within an average range. This shows how important it is for halal concept hotel businesses to put in extra efforts in order to both establish and enhance customer loyalty. Based on these outcomes, it is evident that participants are dissatisfied with the economic performance of halal concept hotels. They perceive these establishments as expensive and do not consider them to align with their desired format, even though they bear a halal concept. The progress of the halal concept hotel sector and the enhancement of perceived value, customer satisfaction, and customer loyalty are contingent upon several critical factors. These include optimizing economic price performance, delivering services in alignment with the desired halal concept format, and ensuring that employees adhere to the established concept. By focusing on these facets, the sector can experience growth while concurrently elevating the overall perception of value, satisfaction, and loyalty among customers. Furthermore, along with the comparatively higher profitability of halal concept hotels compared to other types, it might prompt non-concept hotels to transition towards the halal hotel concept. This scenario hinders the development of a hotel design and content consistent with the designated format, which, in turn, could lead to customer dissatisfaction when their expectations are not met. To avert such situations, businesses should prioritize delivering services that align closely with the established concept.

Customers may think that the first time they interact with a halal concept hotel business, the service quality is lower. Because of this, it is suggested that these businesses do things to get people interested, give them information, and do promotional activities. Establishing customer loyalty is important for businesses to retain their existing customers and become more popular venues. Services that

businesses can develop at this point can be listed as separate gymnasium sections for male and female guests, enabling service interactions with staff members of the same gender, adherence to Islamic dress codes, provision of Turkish-style toilets in hotel rooms the rooms, ensuring an ample number of ablution venues for both men and women within the hotel, offering the convenience of displaying prayer times and facilitating congregational prayers, designing dining areas that prioritize privacy, being attentive to veiling norms within the general hotel areas, when deemed necessary, establishing a policy for staff to provide appropriate warning to customers and ensuring customer satisfaction through the provision of halal food, beverages and transparency of the kitchen service.

The survey participants recognized key variables, including trust in the firm and its personnel, as well as the aesthetic appeal of the setting, which emerged as very critical. Thus, when firms emphasize these elements and effectively train their staff in customer service and trust-building, it leads to an enhanced perception of service quality among customers. Moreover, the development of a more robust foundation grounded in prior experiences with service quality enhances the perceived value for customers. The provision of service by the hotel that aligns with client expectations will enhance customer happiness and loyalty, leading to favorable word-of-mouth about the business. Consequently, it is imperative for businesses to focus on the aspects of service quality that are particularly significant to clients, since they will enhance perceived value, customer happiness, and customer loyalty. The Ministry of Culture and Tourism of the Republic of Turkey must prioritize Halal Hotel/Halal Tourism due to its increasing worldwide importance. The primary issue in Halal concept hotel enterprises is the absence of a standardized framework, leading to the emergence of varied hotel concepts. This situation often culminates in customer dissatisfaction, particularly when the expectations of patrons selecting Halal hotels are unmet. The introduction of a standard by the Ministry of Culture and Tourism of the Republic of Turkey, along with an increase in hotel inspections, will substantially enhance the development of this burgeoning tourism sector, both nationally and internationally. The Halal Star application, designed by the Ministry of Culture and Tourism, will assist businesses in enhancing service quality and establishing standards.

In future research, it is recommended to relate different perception or behavior variables to identify the causes or consequences of these attitudes and to provide solutions. Another limitation of the study is its cross-sectional nature. To clarify the causal relationships between variables more clearly, future studies could be designed with a longitudinal approach. Additionally, since the aim of this study

did not include testing differences based on demographic variables, there has been no examination related to demographic variables at this point. This aspect can be explored in future studies. Additionally, the study has been limited to halal hotels, excluding accommodation businesses such as resorts, aparthotels, and villa-type accommodations. Therefore, future studies could focus on customers who prefer different types of accommodation facilities. This study, conducted through a survey application, can present findings by utilizing a scenario model for data collection. Additionally, this study, which was conducted using a convenience sampling method, could also be carried out using a probability sampling method.

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