Service Quality and Customer Loyalty: The Mediating Effect of Customer Brand Identification in the Nigerian Hospitality Industry

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Abstract

The hospitality industry performs a significant role in promoting to the development of a country’s economy. It is seen as the leading huge revenue earners in the service industry. This study is designed to establish the responsibility of customer product identification in mediating the link between service quality and customer loyalty of hotels in Plateau State. The research adopted a quantitative technique, and data were collected through a survey technique and then analyzed using SPSS. SPSS version 23 was used to determine the potency of the developed variables of the investigation, while the same analytical tool was also utilized to assessing the validity and reliability of the variables. Based on the findings of this current study, all proposed hypotheses were proven significant. The finding buttresses the significance of service quality in enhancing customers’ loyalty and brand identification, similarly customer brand identification correlates significantly with customer brand loyalty. The study also revealed that customer brand identification mediated the link between service quality and client loyalty in the hotel industry in Plateau State. Centered on the outcomes of this investigation, we conclude that perceived service quality does influence customer brand identification, which precedes to customer brand loyalty in the hotel subsector. We therefore, recommend that hotel owners must build up and employ market-oriented service tactics to ascertain customers’ desires and hopes in line to serve the customers better. Furthermore, hotel owners should evaluate service quality frequently to guarantee that they are constantly experiencing the expectations of customers, and contemplate modifying their products and services to improve brand identity and loyalty.

Keywords: service quality, customer loyalty, customer brand identification, reciprocity theory, social identity theory

1. Introduction

The hospitality industry plays an important function in promoting to the development of a country’s economy. In 2015 the sector contributed about 1.260 billion US dollars, showing an increase of 4.4% of the preceding year (UNWTO, 2016). Over the years the sector has experienced an exponential increase and is seen as the leading huge revenue earner in the service industry. Due to the importance of this sector every country is striving to capture the hospitality market by providing better hotel services (Liat, Monsori, Chuan, & Imrie, 2017). The hospitality and tourist industry contributes considerably to the country's socioeconomic development, and it has demonstrated enormous strength in terms of human capital and structural development (Ajake, 2015; Adedipe & Adeleke, 2016). As per the National Bureau of Statistics, the hospitality industry contributed 0.45% of total national goods and services value in 2010 and 2011, and 0.49 percent in 2012. According to statistics, the sector generated roughly 4.8 percent to Nigeria's total national production (GDP) and consumed about 1.6 percent of the country's GDP in 2016. (Kushal, 2017).
When it comes to Nigeria, however, the hotel industry's performance pales in comparison to those of industrialized economies. Despite the sector's contributions to national development, it is not without issues such as erratic power supply, bad lodging settlement maintenance, poor subsidies, poor correspondence, poor services, and unethical behavior (Uwa & Akpaetor, 2018). The sector runs on a wing and a prayer basis, and the quality of food and lodging services, particularly among indigenous companies, is often poor.

Earlier scholars have investigated the impacts of additional constructs on customer loyalty and its effects (Akpi, Vem & Eshue, 2020; Loureiro, Lopes, & Kaufman, 2014; Martinez, & Del, Bosque, 2013; Kheng, Mahamad, Ramayah, & Mosahab, 2010). Studies such as (Hadi et al, 2019; Liu & Wang, 2017; Ivanauskiene, Justin, and Selukumar, 2016) revealed that employing service quality can promote customer satisfaction and loyalty. Contextually, studies by Nduka, Okocha, Chris- Nnmachi, (2017); Adeniyi and Ogumaike, (2013) established that service quality enhances customer loyalty among firms in Nigeria.

Academic research on service quality, consumer brand identification, and customer loyalty, particularly in the Nigerian hospitality business, is sparse. Due to a lack of research, the purpose of this investigation is to investigate the link between service quality, consumer brand identification, and customer loyalty. The findings of this study will be useful to service marketing scholars as well as hotel owners interested in benchmarking for best practices in the hotel service industry.

2. Literature Review

2.1 Theoretical Foundation

This study hinges on reciprocity theory entails a behavioural answer in which kind rewards are given for actions. While antagonistic ones are reprimanded. In such a correlation, a decree of kindness is moderated not only by its results but as well by its goals (Hadi, Aslam & Gulzar, 2019). The theory gives a clarification of how parties involved are indebted to give in and return the action reciprocally — as a compensatory movement, one party's activity demands the other party to reciprocate that action (Houston & Gassenheimer, 1987). Such common expectations place the parties in a relationship of certain benefits that set the tone not just for present behaviour but in addition give the signal for potential possibilities (Rokkan Heide, & Wathne, 2003).

Equally, a foundation is built for a future strong link between the two parties (Houston & Gassenheimer 1987 and Rokkan, Heide & Wathne, 2003). According to the study, strong service quality can improve customer loyalty, but communal beliefs and rewards are the predictors of consumer satisfaction, which is responsible for long-term customer loyalty. In this context, the findings of (Schneider, White, & Paul, 1998; Hadi, Aslam, & Gulzar, 2019) are particularly relevant because they concluded that, in summary, customer satisfaction levels and the global service environment directed to convincing mutually beneficial link for both service quality and customer loyalty.

The underpinning theory for this study is social identity theory (Billig & Tajfel, 1973), whose main goal in this investigation is to identify hotel client brands in order to increase customer loyalty. Social psychological analysis is concerned with how people view themselves and others in social contexts, according to the theory (Korte, 2007). The entire social interaction demonstrates how people identify as members of different social and psychological groups,
which is determined to some extent by age, gender, attitudes, conduct, and acceptable self-aspects. Considering the current study, it can be said that when hotels link well with their customers and provide quality service that suits their identity. The identity of the brand service and product they consume enable customers to establish relationships with the brand, which will go a long way to retain these customers and make them loyal to the company’s product or service.

2.2 Conceptual Review

2.2.1. Customer Loyalty

Customer loyalty is widely investigated from a behavioral standpoint, with items like the number of repeat purchases, share of wallet, and purchase frequency being evaluated. A widespread misconception is that loyalty entails an unspecified number of repeat purchases from the same source over a set period of time (Egan, 2004; Santouridis & Trivellas, 2010). In this context, Oliver (1999) defined customer loyalty as "a willingness and ability to purchase or patronize a preferred product/service consistently in the future, resulting in repetitive same-brand purchasing, even when situational effects marketing efforts have the potential to cause switching behavior." The definition of loyalty, on the other hand, is focused simply on repurchase behavior, which does not provide a comprehensive picture of this complicated notion (Santouridis & Trivellas, 2010). This prompted researchers to suggest a more comprehensive definition of customer loyalty, which plays a significant part in a company's ability to retain customers as a means of boosting performance; this is the primary motivation for a company to attract and retain customers.

Customer loyalty can be quantified using indicators, such as customers' propensity to spread positive word about the organization (Foster & Cadogan, 2000). Customer loyalty is a concept that typically leads to constant and repeated brand buying behavior despite the presence of better offers from competitors (Kotler & Keller, 2006). When a consumer is loyal, he or she is more likely to continue to use the business's services, to promote a favorite brand to friends and family, and to stay with the company for a long time (Jumaev, 2012). It is consequently critical for hotels to keep track of their customers' loyalty levels in order to prevent them from transferring, as it is less expensive to keep a loyal client than to acquire a new one. Customer loyalty has been debated for decades as one of the most important determinants in relationship marketing (Anderson, Fornell, & Lehmann, 1994; Osmonbekov, Czaplewski, 2006; So, King, Sparks, & Wang, 2016; Akpi, Vem, & Eshue, 2020), and it is critical for organizational success (Anderson, Fornell, & Lehmann, 1994; Osmonbekov, Czaplewski, 2006; It is a key trust of marketing strategy, according to Upamannya, Gulati, Chack, and Kaur (2015).

Every marketing plan, according to Hwang and Maltila (2018), establishes, maintains, and enhances trust and long-term patronage in a firm's goods or services. In every business operation, keeping and maintaining customers is critical. Regardless of the fact that a few investigations have delved into the antecedents of consumer loyalty in recent decades, there is still a great deal of interest among academics. Consumer loyalty is preceded by trust, according to a literature analysis (Dabula, 2017; Upamannya et al, 2015), ICT (Gontur, Hassan & Arin, 2017; Nikhashem, Palim, Haque, & Khabhi, 2013), customer satisfaction (Nduka-Okocha, Chris, Nnamchi, 2017; Liat et al, 2017; Saleem & Raja, 2014), corporate image (Nyugen & Leblanc, 2001; Leaniz & Rodriquez, 2016; Agyei & Kilika, 2014). Customer loyalty has also been discovered to be predicted by these factors.
2.2.2 Concept of Service Quality

Service quality has attracted academic and practitioner attention in recent decades as a result of its significant impact on company performance outcomes such as customer satisfaction, loyalty, and profitability. Typically, service quality is defined as a measurement of how well the level of given services meets the customer's expectations (Santos, 2003; Santouridia & Trivellas, 2010). Gronroos (1984), for example, defines service quality as "the result of an assessment process in which the end-user of the service evaluates his expectations with the service he sees and obtains." Likewise, Parasuraman et al. (1988) defined service quality as "the total assessment of a firm's precise service that arises from comparing that firm's performance to consumers' overall expectations of how enterprises in that industry should operate."

Several technologies have been created with the goal of capturing and elucidating the service quality characteristics. SERVQUAL was created in stages, with each stage leading to a more sophisticated version. In the most generally used form (Parasuraman et al., 1988), service quality is defined as the gap between customer expectations and perceptions, and it is described by five dimensions: tangibility, reliability, assurance, responsiveness, and empathy. Because of the importance of the hospitality sector to every country across the world, and because this sector has the potential to increase enormous income earners in the service industry, there has been a surge in interest in conceptualizing and managing service quality in recent years (Liat et al, 2017).

2.2.3 Concept of Consumer Brand Identification

Although brand identity is one of the most essential themes in marketing, few research have looked into it (Ghasemi, Zare, Fashi & Rasteghari, 2014). Marketing researchers have defined consumer brand identification (CBI) as an important but neglected term (Bhattacharya & Sen, 2003; Martinez & Rodriguez del Bosque, 2013). The notion of CBI comes from social identity theory, which states that a person's self-concept is made up of distinctive qualities such as abilities, interests, and social identity, which includes important group classifications (Ashford & Mael, 1989; Tajfel & Turner, 1985). When people judge themselves to be psychologically entangled with the group's qualities, they are said to be identified (So et al., 2013).

Brand identification refers to viable elements of a brand (such as colours, design, logo, type, name and symbol) that together determine the identity and the brand in the consumer mind (Keller, 1993). Literature on consumer brand identification has been classified into two streams namely; interpretative sociological and psychological approaches. Sociological consumer identification focuses on explaining consumer behaviour as an essential part of constructions of self (Tuskej et al, 2013). Social identification gives details on how a person identifies himself as a member of society (Kim, Han & Park, 2001). Customers frequently classify themselves as members of various social groups based on factors such as gender, race, and place of employment (Han, Ekinci, Chen & Park, 2019; Bhattacharya & Sen, 2003) Psychological approach, on the other hand, is characterized as consumers sharing the same self-definitional traits with a brand (Lam, Ahearne, Hu, & Schillewaert, 2010, p. 129). This concept states that a brand has its own identity and that it allows customers to form relationships with it.

2.3 Conceptual Framework
In order to achieve the study's goal, we created a conceptual framework that aims to explain the process behind the relationship between service quality and client loyalty. Based on documented evidence, we hypothesized that service quality influences customer loyalty both directly and indirectly via the mediation role of consumer brand identification. In order to support this argument, figure 1 shows a conceptual framework for this study, followed by a discussion of empirical evidence that supports the reasoning behind these correlations.

**Figure 1. Conceptual framework**

### 2.4 Hypotheses Development

Service quality is one of the major indicators to measure organizational performance (Wu, Wang, & Ling, 2021). According to a large body of marketing literature spanning decades, customers' ideas and attitudes are molded by their previous interactions with an organization's product or service (Parasuraman et al, 1988). This means that when customers have positive experiences with a service, they will have favorable and positive attitudes toward it, and vice versa (Bigne, Mattila & Andrew, 2008 and Buttle, 1998) such behaviors are said to lead to repurchase, recommendations to others, and willingness to pay the best price, all of which are indicators of attitudinal loyalty (Fahma, Malik & Shabbir, 2018).

Several academics have looked into the relationship between service quality and client loyalty. Maroco and Maroco (2013), for example, investigated the impact of service quality (SQ) on customer satisfaction and loyalty in four and five-star hotels in Portugal and discovered that SQ is a key factor of hotel guest loyalty. They stated that service quality alone isn't enough to determine customer loyalty; guests must also be satisfied in order to be loyal. In the hotel business in Indonesia, Priyo, Mohammed, and Adetunji (2019) discovered evidence of a positive association between service quality and client loyalty.

H1 : Service quality has a direct positive effect on customer loyalty of selected hotels in Plateau State Nigeria.

Clients are constantly engaging with businesses that reflect their identity and personal beliefs, according to the findings of Rather and Camilleri (2019). Consumer brand value continuity and good service quality were revealed to be major antecedents of consumer - brand identification and engagement, according to the researchers. Dimitriadis and Papista (2010) found that organizations that build strong customer brand identification will lead to having a quality relationship with their shareholders. This is in line with the argument of Sultan and Wang (2019) whose study revealed that concentric service quality is an important marketing strategy that enhances brand performance, brand identity and image and other behavioural outcomes.
H2: Service quality positively associates with consumer brand identification

As a result, a consumer who identifies with a particular brand name will be more likely to stick with that company's product or service and will be happy to recommend it, increasing perceived customer loyalty. There have been few theoretical foundations that link customer-brand identification with brand loyalty (Martinez & Rodriguez del Bosque, 2013, 2014; So et al., 2013). Prior research has suggested that an individual's social identity can influence their cognitions, perspectives, and evaluations of items and services (Fujita et al., 2018; Tajfel & Turner, 1986).

As a result, clients' identification with a good service offering or a brand name might result in positive results like greater brand loyalty (Kuenzel & Halliday, 2008; Underwood et al., 2001). Customers who identify with the company's brand can not only buy products from them, but they can also form a closer bond with the company (Camilleri, 2018; Bhattacharya & Sen, 2003). Besides this, Hansen et al. (2008) discover that brand identity has a positive relationship with customer satisfaction, because the identity of customers' brands represents certain prestige and distinctiveness, which can accommodate customers' needs for uniqueness and self-improvement. This is in line with Davies (2006), who discovered that brand character personality has a positive relationship with customer satisfaction.

Customers' identification with a hotel brand affects their appraisal of these variables, according to King, Sparks, and Wang (2013). As a result, hoteliers should harness consumer identification to encourage good evaluations of the hotel brand and ultimately build brand loyalty. This is also backed up by research (Homburg, Stierl & Bornemam, 2013, Keh & Xie 2009 and Bhattacharya & Sen, 2003)

H3: Consumer brand identification associates positively with customer loyalty

H4: Perceived consumer brand identification mediates the relationship between service quality and customer loyalty.

3. Research Method

3.1. Research Design

The research uses quantitative research approach and a cross-sectional survey research design. The cross-sectional survey, in essence, collects data from a sample that accurately represents the population to which generalizations are made (Cooper & Schindler, 2011). This method was chosen because it allows for the prediction of behavior in a population that is too vast to observe directly (Bordens & Abbot, 2002), and it provides a starting point for establishing the nature and magnitude of the link between study variables (Bordens & Abbot, 2002). (Kerlinger, 1986).

3.2 Population of the Study

Since the population of customers of the hotels is not known, making the method appropriate for this study.

3.3 Statistical Tools/Analytical Procedures

The data from the survey was gathered in an Excel spreadsheet and analyzed with the Statistical Package for Social Science SPSS (23) software program at a 5% level of
significance utilizing Pearson correlation analysis and multiple linear regression analysis. An analysis was performed to ensure that all multivariate assumptions were met.

4. Findings and Discussions

4.1 Results of Data Analysis

The characteristics of the respondents in the table reveals that 81% were male, while 19% were male, 25.63 were single, 58.59% were married and 15.77% are others.33.52% are within the age bracket of 41- 50, while the remaining 66.48% is shared among 20- 30 years, 31-40 years and above 50 years.

Table 1. Respondents’ demographic profile

<table>
<thead>
<tr>
<th>Demographic Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>287</td>
<td>81</td>
</tr>
<tr>
<td>Female</td>
<td>68</td>
<td>19</td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>91</td>
<td>25.63</td>
</tr>
<tr>
<td>Married</td>
<td>208</td>
<td>58.59</td>
</tr>
<tr>
<td>Others</td>
<td>56</td>
<td>15.77</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20- 30 Years</td>
<td>36</td>
<td>10.14</td>
</tr>
<tr>
<td>31- 40 Years</td>
<td>102</td>
<td>28.73</td>
</tr>
<tr>
<td>41- 50 Years</td>
<td>119</td>
<td>33.52</td>
</tr>
<tr>
<td>Above 50 Years</td>
<td>98</td>
<td>27.61</td>
</tr>
<tr>
<td>Years of Patronizing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-5 Years</td>
<td>89</td>
<td>25.07</td>
</tr>
<tr>
<td>6-11 Years</td>
<td>115</td>
<td>32.39</td>
</tr>
<tr>
<td>11- 16 Years</td>
<td>97</td>
<td>27.32</td>
</tr>
<tr>
<td>Above 16 Years</td>
<td>54</td>
<td>15.21</td>
</tr>
</tbody>
</table>
Based on table 2, the Cronbach’s Alpha for the variables show high reliability, because the values are higher than the threshold value of 0.70, therefore the instrument has excellent reliability in terms of internal consistency. The item that has a lower reliability score during the pilot test has been modified or replaced within another item has shown high internal consistency proving that the final questionnaire and scale has high reliability.

Table 2. Reliability test

<table>
<thead>
<tr>
<th>Variables</th>
<th>Number of Items</th>
<th>Cronbach Alpha of N== 20</th>
<th>Cronbach Alpha of N= 355</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Quality</td>
<td>4</td>
<td>.720</td>
<td>.902</td>
</tr>
<tr>
<td>Customer Loyalty</td>
<td>6</td>
<td>.690</td>
<td>.863</td>
</tr>
<tr>
<td>Consumer Brand Identification</td>
<td>Brand 5</td>
<td>.593</td>
<td>.840</td>
</tr>
</tbody>
</table>

The mean of 3.5881, 3.6477 and 3.2386 and standard deviation of 1.2645, 1.1722 and 1.1522 for the variables of service quality, customer loyalty and consumer brand identification respectively. In multivariate analysis the data normality is ensured if the absolute value is within (<0.1) or (<. 001) The skewness of this data set is seen between 0.268 to 0.793, indicating that the skewness of this data set is unacceptable range falling under the suggested value. However, the kurtosis indicated that voter patronage is greater than -1.00, but suggesting the rest is in an acceptable range.

Table 3. Descriptive statistics

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std Dev</th>
<th>Skewness statistics</th>
<th>Std error</th>
<th>Kurtosis Statistics</th>
<th>Std error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service quality</td>
<td>3.5881</td>
<td>1.2645</td>
<td>.693</td>
<td>.130</td>
<td>-.562</td>
<td>.269</td>
</tr>
<tr>
<td>Customer loyalty</td>
<td>3.6477</td>
<td>1.1722</td>
<td>.793</td>
<td>.130</td>
<td>-.397</td>
<td>.259</td>
</tr>
<tr>
<td>Consumer brand identification</td>
<td>3.2386</td>
<td>1.1522</td>
<td>.268</td>
<td>.130</td>
<td>-1.106</td>
<td>.259</td>
</tr>
</tbody>
</table>

4.2 Hypotheses Testing

Table 4. Regression analysis of service quality and customer loyalty

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Beta</th>
<th>T- value</th>
<th>P-value</th>
<th>R</th>
<th>R²</th>
<th>F value</th>
<th>F- sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>-</td>
<td>2.996</td>
<td>.003</td>
<td>.573</td>
<td>.328</td>
<td>171.076</td>
<td>.000</td>
</tr>
<tr>
<td>Service quality</td>
<td>.573</td>
<td>13.080</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictor (Service quality); Dependent variable: Customer Loyalty; Note: Significant at the 0.05 level
As shown in Table 4, the model reveals a strong fitness of $R^2 = .573$, $R^2$ of .328 and $F$ value of 171.076. The model explains that the value of $t$-statistical is significant at 0.000. ($T = 13.080$, $p<0.005$) with about 32.8 percent variations in customer loyalty explained by service quality. This means that service quality with significant beta coefficients is perceived as a vital determinant in keeping customers and making them loyal to the company’s services and brands. Hence this indicates that service quality is a good predictor and explains the variation in customer loyalty.

Table 5. Regression analysis of service quality and consumer brand identification

<table>
<thead>
<tr>
<th>Predictor (constant) service quality</th>
<th>Beta</th>
<th>$t$-value</th>
<th>p-value</th>
<th>$R$</th>
<th>$R^2$</th>
<th>$F$-value</th>
<th>$F$-sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>-</td>
<td>3.326</td>
<td>0.001</td>
<td>.691</td>
<td>.478</td>
<td>320.563</td>
<td>.001</td>
</tr>
<tr>
<td>Service quality</td>
<td>.797</td>
<td>17.904</td>
<td>0.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Dependent variable: Consumer brand identification

Note: Significant at the 0.05 level

Table 5 shows the relationship between service quality and consumer brand identification. Model 1 in Table 4 demonstrates a significant fitness at $R$ value of 0.691, $R^2$ of 0.478 and $F$-value of 320.563. The model shows that ($t = 17.904$, $p < 0.05$), which is significant at 0.000, with about 48% of the variation in customer loyalty explained by brand identification.

Table 6. Regression Analysis of consumer brand identification and customer loyalty

<table>
<thead>
<tr>
<th>Predictor (Constant) consumer brand identification</th>
<th>Beta</th>
<th>$t$-value</th>
<th>p-value</th>
<th>$R$</th>
<th>$R^2$</th>
<th>$F$-value</th>
<th>$F$-sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>10.783</td>
<td>.000</td>
<td>.634</td>
<td>.402</td>
<td>235.328</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>Consumer brand identification</td>
<td>.634</td>
<td>15.340</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Dependent variable: Customer loyalty

Note: Significant at the 0.05 level

Table 6 shows the relationship between consumer brand identification and customer loyalty. The regression Model demonstrates a robust fitness at $R$- value of 0.634, $R^2$ of 0.402 and $F$-value of 235.328. The model shows that the value of $t$-statistics is significant at 0.000 ($t = 15.340$, $p < 0.05$), with about 40% of the variations in customer loyalty explained by customer brand identification. This implies that consumer brand identification is a good predictor and explains some of the variation in customer loyalty in the Nigerian hospitality industry.
Table 7: Regression Analysis on the mediating effect of consumer brand identification on the relationship between service quality and customer loyalty.

<table>
<thead>
<tr>
<th></th>
<th>Beta</th>
<th>t-value</th>
<th>p-value</th>
<th>R</th>
<th>R²</th>
<th>F-value</th>
<th>F-sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>-</td>
<td>2.657</td>
<td>.008</td>
<td>.797</td>
<td>.635</td>
<td>303.081</td>
<td>.000</td>
</tr>
<tr>
<td>Service quality</td>
<td>.244</td>
<td>4.870</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumer brand identification</td>
<td>.595</td>
<td>11.889</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictors (Constant) Service quality, Consumer brand identification

Dependent variable: Customer Loyalty

Note: Significant at the 0.05 level

Moreover, customer satisfaction significantly mediates the relationship between all service quality dimensions and customer loyalty (p < 0.05), service quality has a (β = 0.244, t = 4.870, p = 0.000) and consumer brand identification (β = 0.595, t = 11.889, p = 0.000) that is significant (p < 0.05) for customer loyalty. This indicates that, if this variable with significant beta co-efficient (service quality) is emphasized more strongly, consumer brand identification will exhibit more tendencies to mediate the relationship between service quality and customer loyalty. Although the ΔR² value is small, the finding of this study support hypothesis three. Hence, the study concludes that consumer brand identification mediates the relationship between perceived service quality and customer loyalty towards the hotels.

4.3 Discussion of Findings

The focus of hypothesis one was to determine the effect of perceived service quality on customer loyalty. With an R² value of 32%, the study established that service quality shows an effect on customer loyalty. The finding of this study is similar to that reported by Priyo et al (2012), who examined the relationship between service quality, customer satisfaction and loyalty in the hotel industry in Indonesia. The result also corroborates that of Kandampully and Suhartanto (2000), who investigated the effects of service quality on customer image and loyalty among Malaysian hotel guests.

Hypothesis number two examined the influence of perceived service quality on customer brand identification in the hospitality industry. The R² value of 48% in the regression model in Table 4 demonstrates that perceived service quality positively and significantly influences customer brand identification. This means that as service quality improves, it will help customers in identifying the hotel brand they used. This finding corroborates the views expressed by Rather & Camilleri (2019) who reported that customers are increasingly engaging with brands that reflects their identity and personal values, it was also reported that high-quality service was found to be a significant antecedent of consumer brand identification.

Similarly, the study of Dimitriadis and Papista (2010) found that organizations that build strong customer brand identification will lead to having quality relationships with their shareholders. This is in line with the argument of Sultan and Wang (2019) whose study revealed that concentric service quality is an important marketing strategy that enhances
brand performance, brand identity and image and other behavioural outcomes.

In the hospitality business, the empirical finding in the regression model (Table 5) demonstrates the association between consumer brand identification and customer loyalty. Customer brand has a considerable positive link with customer loyalty, as seen by the R2 value of 40%. This study's findings are comparable to those of So, King, Sparks, and Wang (2013), who believe that while customers may identify with a particular brand, hotel loyalty is still determined by the customer's appraisal of characteristics related to service experiences. Moreover, because consumer brand identification with a hotel brand influences how they evaluate these variables, hoteliers should use customer brand identification to encourage positive hotel brand measurement and, as a result, improve brand loyalty. This conclusion backs with the findings of Ghasemi et al. (2014), who found that brand identity is one of the most important elements driving Yeko Yek hotel brand loyalty in Shiraz, Iran.

In the hospitality sector in Nigeria, Table 6 shows the mediating influence of customer brand identification on the connection between perceived service quality and customer loyalty. Customer brand identity mediates the association between the two dimensions, as seen by the R2 of 64%.

As a result, hypothesis four receives some support. This finding is in line with Sultan and Wang's (2019) findings, which found that customer brand identification with service quality improved future patronage and the likelihood of referring the hotel to others among hotel owners in Pakistan. Also, Keh and Xie (2009) claimed that customer brand identification plays an essential part in the relationship between a company's reputation and post-purchase behavior (Keh and Xie, 2009).

References


