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The Influence of Brand Image, Service Quality, Customer Expectation and e-WOM on Customer Satisfaction and Customer Loyalty in International Chain Hotel at Batam City

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Abstract

The strong competition in the hospitality business motivates organizations to improve customer satisfaction and customer loyalty through effective marketing and service tactics. The purpose of this study is to explore how customer satisfaction and loyalty are affected by brand image, service quality, customer expectation, and electronic Word of Mouth (e-WOM) on international chain hotel. This study uses a quantitative method with a Structural Equation Modeling (SEM) methodology based on Partial Least Square (PLS-SEM), processed using SmartPLS 3.0 and SPSS 26. The sample in this study consisted of 495 respondents selected purposively, with the criterion of having visited an international hotel in the recent two years. The analysis results demonstrate that brand image does not have a significant effect on customer satisfaction and customer loyalty. Service quality has a substantial effect on both. Customer expectation does not affect customer satisfaction but has a significant effect on customer loyalty. E-WOM has a significant effect on customer satisfaction but not on customer loyalty. Meanwhile, customer satisfaction proved to be the most crucial factor in determining customer loyalty. These findings have crucial significance for hotel management in devising strategies to improve service quality and customer experience as an effort to build long-term loyalty.

Keywords: *Brand Image*, *Service Quality*, *Customer Expectation*, *e-WOM*, *Customer Satisfaction*, *Customer Loyalty*.

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Introduction

Along with the rise in both domestic and foreign visitor numbers, Indonesia's international hospitality sector has experienced fast growth in recent years, particularly in the age of globalization and fiercer economic competitiveness. Significant commercial prospects are brought about by this expansion, but it also makes rivalry among Indonesia's globally networked hotels more intense. One of the most important aspects of a hotel's performance in this scenario is preserving and increasing customer loyalty (Apriliani et al., 2020). Customer loyalty affects the hotel's reputation through referrals from satisfied guests as well as long-term earnings through recurring business. Customer satisfaction, brand image, service quality, customer expectations, and electronic word-of-mouth (e-WOM) are some of the elements that affect customer loyalty (Dam & Dam, 2021;Amin et al., 2021).

Since it affects guests' decisions to use the services again and refer the hotel to others, customer satisfaction has emerged as one of the key goals that hotels must meet (Ningsih & Hurnis, 2023). Customer loyalty and preferences can be influenced by brand image, which also contributes to the establishment of customers' first impressions of the hotel (Budiman & Hartoko 2022). According to Prasetyo et al. (2022), good service quality indicates how well a hotel satisfies the demands and preferences of its patrons, whilst customer expectations act as a benchmark for patrons assessing the level of service they receive (Mi Alnaser et al., 2023). Reviews and testimonies posted via digital media have the power to affect perceptions and decisions to visit hotels, making e-WOM one of the most important sources of information in the digital age (Amin et al., 2021).

Even though many studies have looked at the link between these traits, most of the earlier research still looks at domestic hotels or rich countries. Research results from industrialized countries don't always apply right away to Indonesia because of differences in culture, consumer preferences, and how the market works. For example, research by Dam & Dam (2021), Kristianto & Wahyudi (2019), and Nawastuti & Irmawati (2023), shows that e-WOM and brand image have a big effect on how satisfy and loyal customers are. This study did find, though, that e-WOM had a big effect on customer satisfaction but not on customer loyalty. Brand image, on the other hand, had no effect on any of these variables. These results, which are different from what other studies have found, raise the question of whether local factors affect the relationship between these variables. Therefore, the purpose of this study is to look at how brand image, service quality, customer expectations, and e-WOM affect customer satisfaction and loyalty in real life at international hotel chains in Indonesia. Another goal is to find out what factors are most important for building customer loyalty.

Literature Review and Hypothesis Development

The Influence of Brand Image on Customer Satisfaction

According to research by Dam & Dam (2021), brand image has a direct effect on customer satisfaction. This shows how important it is to control brand image in order to make the service sector better for customers. Kesumahati & Novianti (2021) found that people who like a brand are also more likely to be happy with the things they buy. Yang et al. (2023) also say that brand image is important for making first impressions of a product and for how satisfied and happy customers are with it. Rusmahafi & Wulandari (2020) say that to make customers happier, marketing techniques need to be improved that focus on the parts of a brand image that customers care about. A strong brand image can help people think that a product is of high quality, which in turn makes customer satisfaction (Kristianto & Wahyudi, 2019).
H1: Brand image has a significant positive effect on customer satisfaction.

The Influence of Service Quality on Customer Satisfaction

Ali et al. (2021) found that high service quality has a crucial effect on how customers see a business and how loyal they are, which in turn makes them satisfied. Saputra (2021) research shows that customer satisfaction will go up if certain aspects of service, such as speed, staff attitude, and facilities, are well managed. Empathy and responsiveness are important parts of service quality because they both make the experience better. Empathy makes customers feel valued, but responsiveness quickly fixes their problems (Fida et al., 2020). This mix has a big effect on long-term relationships with service providers, which makes customers satisfied and more loyal (Yuwono, et al., 2024). Afthanorhan et al. (2019) found that giving great service makes people happy right away and in the long run. Happy customers are more likely to use a service again and tell others about it, which creates a positive feedback loop that helps both sides (Angela & Kesumahati, 2023).
H2: Service quality has a significant positive effect on customer satisfaction.

The Influence of Customer Expectation on Customer Satisfaction

According to Ashfaq et al. (2019) research, customers emotional ties to companies or platforms can be strengthened by their level of happiness. This excitement can result from a number of things, including fun platform interactions, finding unusual products, or even a fun and interesting purchasing experience. According to previous research (Ningsih & Hurnis, 2023), customers will be more satisfied when their expectations for the caliber of goods and services are fulfilled. Conversely, customer satisfaction will decline if expectations are not fulfilled. When customer expectations are not fulfilled, customer satisfaction may suffer. Customer value acts as a mediator in this interaction, according to Tukiran et al. (2021), so

setting realistic expectations and communicating clearly are essential to raising customer satisfaction. Customers with high expectations typically expect good service and will feel content if their expectations are met or even exceeded, according to research by Phiphopaekasit & Anunthawichak (2022) and Deng et al. (2023).
H3: Customer expectation has a significant positive effect on customer satisfaction.

The influence of e-WOM on Customer Satisfaction
Through favorable evaluations and social recommendations, e-WOM boosts potential customers trust and buying decisions, according to research by Azzahra & MH Nainggolan (2022). Additionally, according to study by Seren & Christiani (2023), positive ratings boost consumer satisfaction following service and draw in new clients. In addition to having a direct impact on customer satisfaction, e-WOM improves the correlation between customer contentment and other elements like the caliber of goods and services. Although consumers typically check online evaluations and suggestions before making a purchase, Rosalbah & Mardhotillah (2023) research shown that e-WOM does not always significantly increase customer satisfaction. This could be because the reviews that are now accessible don't adequately highlight the benefits of the product, or they aren't appealing. Laura & Fadella (2022) and Kadi (2021) found that comments made by customers through electronic word-of-mouth (e-WOM) can change how they feel about a product or service and how they use it. According to Wulandary & Rivai (2022), people often use e-WOM to learn more about products so they can make better choices.
H4: e-WOM has a significant positive effect on customer satisfaction.

The Influence of Brand Image on Customer Loyalty
Thamrin et al. (2020) convey that even if customers know the brand and like it, that does not mean they will be loyal to it because their decisions are more based on how much they think it is worth, how much they trust it, and how satisfied they are with it. Customer satisfaction and direct encounters have a greater impact on customer loyalty (Apriliani et al., 2020). Bimantaka & Muthohar (2023) state that when people have a good opinion of a brand, it makes them feel comfortable and trust it, which leads to customer loyalty. A good brand image also makes customers happier, which makes them more likely to stay loyal (Natalina & Wahyuni, 2022; Malik & Muthohar, 2023).
H5: Brand image has a significant positive effect on customer loyalty.

The Influence of Service Quality on Customer Loyalty
Surahman et al. (2020) believe that delivering exceptional customer service can enhance client satisfaction, which in turn raises customer loyalty. Supriyanto et al., (2021) research further shows that boosting service quality should be the major goal in order to increase customer satisfaction and loyalty. According to Sirait & Purwianti (2024), other aspects must be taken into account. In the meantime, studies by Alam & Noor (2020), Agarwal & Dhingra (2023), and Gautam & Sah (2023) suggest that good service quality increases company image in addition to immediately improving loyalty.
H6: Service quality has a significant positive effect on customer loyalty.

The Influence of Customer Expectation on Customer Loyalty
Ajina et al. (2019) observed that when customers' expectations and hopes are satisfied, they are more likely to remain loyal. According to a study by Mukminin & Farida (2021), clients are more likely to be satisfied and dedicated to using the service again when their expectations are reached or even beyond. Customers who feel that the product fulfills their expectations are more likely to remain loyal, according to Indriani (2024). Enhancing customer loyalty requires meeting consumer expectations and improving service quality (Nguyen, 2021; Fie Tjoe et al., 2021).
H7: Customer expectation has a significant positive effect on customer loyalty.

The influence of e-WOM on Customer Loyalty

Positive e-WOM recommendations boost customer satisfaction and trust, which in turn boosts customer loyalty (Nawastuti & Irmawati, 2023). According to research by Abd Hamid et al. (2022), e-WOM is a communication tool that improves the connection between customer loyalty, trust, and customer satisfaction. Additionally, research by Artisca Yulia & Ekawati (2021) demonstrates that customers who have a positive view are more likely to stick around. Customers rely increasingly on information from other users, claim Amatus & Gisip (2022). Though e-WOM affects consumer perception, Syamsu et al. (2024) adds that customer loyalty is still more determined by positive or bad product experiences.

H8: e-WOM has a significant positive effect on customer loyalty.

The Influence of Customer Satisfaction on Customer Loyalty

When clients are happy, they are more likely to use the service again and refer others to it, claim Zargar & Farmanesh (2021) and Yuwono et al. (2024). Customer satisfaction and loyalty can be increased by reasonable prices, alluring promotions, and excellent customer service (Anggraini & Budiarti, 2020; Purwianti et al., 2023), customer. According to research by Udayana & Lukitaningsih (2022) and Arif & Fahmi (2020), customer satisfaction also fosters emotional bonds that increase customer loyalty. Aufa Nadya (2020) asserts that consumers evaluate their experiences against their expectations; if the former are met or surpassed, customer satisfaction and loyalty are increased.

H9: Customer satisfaction has a significant positive effect on customer loyalty.

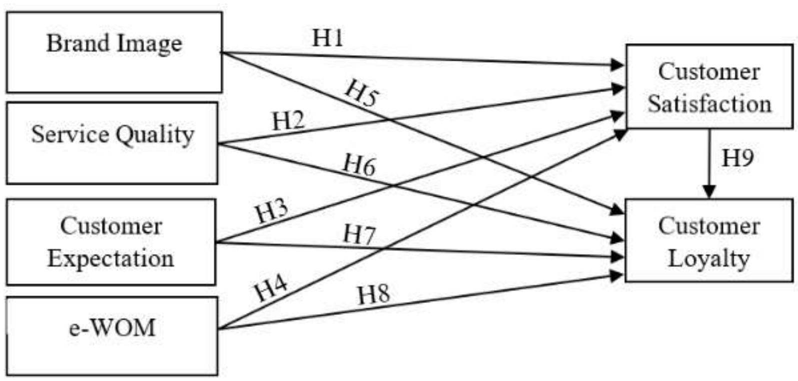

Figure 1.
Research Model

Research Method

This study employs a quantitative research approach to gather data by distributing Google Forms questionnaires to respondents who have stayed at international hotel chains in Batam City, Indonesia. The purpose of the questionnaires was to ascertain the degree of customer satisfaction and loyalty at these places. International hotel guests serve as the subjects. A linear scale with five possible responses strongly disagree (1), disagree (2), neutral (3), agree (4), and highly agree (5) was used to gather the data. Purposive sampling was used to choose participants who satisfied the requirement of having visited or stayed at an international hotel at least once in the previous 12 months. Because the data gathered is pertinent to the study and can show how guests see foreign hotel services, this approach was selected. There are 495 responders in the study's sample. Data analysis utilized the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach through SmartPLS 3 & SPSS 26 software. One of the research tools in this article is a questionnaire that was modified from earlier research questionnaires. It has five questions for each of the following six main variables: brand image from Liu et al. (2021), service quality from Lemy et al. (2019), customer expectation from Mi Alnaser et al. (2023), e-WOM from Seow et al. (2024), customer satisfaction and customer loyalty from Sharipudin et al. (2024). Reputation, attraction, unique experiences, opulent lodgings, and the hotel's distinctiveness are all measured by the brand image variable; service appropriateness, information correctness, willingness to help, customization, and the value of staff recommendations are all components of service quality; customer expectation gauges how well services are delivered and fulfilled above and beyond expectations; While customer satisfaction and customer loyalty measure how satisfied customers are with their booking choices and how likely they are to recommend the hotel to others and return, e-WOM measures how much guests read reviews to help them make decisions about their stay.

Results and Analysis

Descriptive statistics from 495 questionnaires reveal respondents' demographic characteristics, providing a general overview of variables' significance and additional information for analysis.

Table 1.
Demographic Data of Respondents

Variable	Criteria	Frequency	Percentage (%)
Gender	Male	230	46.5%
	Female	265	53.5%
Age	17-26 years old	222	44.85%
	27-36 years old	162	32.73%
	37-46 years old	80	16.16%
	47-56 years old	31	6.26%
Last Education	Junior High School	9	1.82%
	High School	172	34.74%
	Bachelor/Master/Doctoral Degree	314	63.64%
Income	Below Rp5,000,000,-	155	31.31%
	Rp5,000,001-Rp 10,000,000,-	225	45.55%
	More than Rp10,000,001,-	70	14.14%
	More than Rp15,000,000,-	45	9.09%
Occupation	Student/University Student	124	25.1%
	Private Employee	175	35.4%
	Civil Servant	104	21%
	Entrepreneur	92	18.5%
International Hotel	Novotel	85	17.2%
	Swiss-Belhotel	134	27.1%
	Marriott Hotel	105	21.2%
	Harris Hotel	123	24.8%
	Others	48	9.7%
Visiting frequency	2 Times in a year	264	53.3%
	5 Times in a year	179	36.2%
	≥ 5 Times in a year	52	10.5%

The percentage of respondents who are male is 46.5%, while females dominate with 53.5%. Looking at the age range, 44.85% of respondents are aged 17 to 26 years, 32.73% are in the age range of 27 to 36 years, and 16.16% are aged 37 to 46 years. The age group of 47 to 56 years has decreased to 6.26% of the respondents. Based on the last educational background, 34.74% of respondents completed high school or equivalent, while the majority of respondents, 63.64%, have completed a bachelor/master/doctoral degree. A minority of respondents, 1.82%, only completed education up to junior high school. In terms of income, 31.31% of respondents have an income below Rp5,000,000, while 45.55% of respondents have an income between Rp 5,000,001 and Rp 10,000,000, which is the largest category. As many as 14.14% have an income of more than Rp 10,000,001, and the remaining percentage of 9.09% earn more than Rp 15,000,000. The majority of respondents were private employees at 35.4%, followed by students/university students at 25.1%, civil servants at 21%, entrepreneurs at 18.5%, and the remaining 17.2% from other professions. Regarding the frequency visit to international hotels, 27.1% of respondents have stayed at Novotel, 21.2% at Swiss-Belhotel, and 21.2% at Marriott Hotel. Harris Hotel was visited by 24.8% of respondents, and other hotels were visited by 9.7% of respondents. And the frequency of hotel visits in a year, 53.3% of respondents visit hotel 1 to 2 times, 36.2% visit 1 to 5 times, while 10.5% visit more than 5 times in a year.

1. Common Method Bias (CMB) and Common Method Variance (CMV)

To reduce the likelihood of errors due to Common Method Bias (CMB), a test was conducted using Harman's one factor test. This test aims to ensure that no single factor shows a variance greater than 50% (Kock, 2021). Based on the analysis conducted using the SPSS application, the factor showing the highest variance value is 32.54%. Since this value is less than 50%, it can be concluded that this research is not affected by CMB and the data can be used for further analysis.

Table 2.
Collinearity Statistics Test

Variable	**Variance Inflation Factor (VIF)**
Brand Image	1.564
Service Quality	1.926
Customer Expectation	2.673
EWOM	1.405
Customer Satisfaction	1.424
Customer Loyalty	1.507

Table 2 shows the Variance Inflation Factor (VIF) value of brand image (1.546), service quality (1.926). customer expectation (2.673), e-WOM (1.405), customer satisfaction (1.424), and customer loyalty (1.507). This indicates that the data is free from Common Method Variance (CMV) because the construct indicators have a VIF value <5 Hair et al. (2019).

2. Outer Model Analysis

a. Validity and Reliability Test

Table 3.
Validity and Reliability Test

Variable	Outer Loadings	Cronbach's Alpha	Composite Reliability	AVE	Result
Brand Image		0.816	0.863	0.561	Valid
BI1	0.611				
BI2	0.841				
BI3	0.803				
BI4	0.678				

BI5	0.786				
Service Quality		0.885	0.916	0.685	Valid
SQ1	0.862				
SQ2	0.787				
SQ3	0.780				
SQ4	0.859				
SQ5	0.846				
Customer Expectation		0.915	0.936	0.747	Valid
CE1	0.880				
CE2	0.856				
CE3	0.866				
CE4	0.888				
CE5	0.829				
e-WOM		0.771	0.845	0.523	Valid
EW1	0.708				
EW2	0.734				
EW3	0.794				
EW4	0.698				
EW5	0.677				
Customer Satisfaction		0.771	0.845	0.522	Valid
CS1	0.786				
CS2	0.700				
CS3	0.692				
CS4	0.682				
CS5	0.747				
Customer Loyalty		0.813	0.870	0.572	Valid
CL1	0.721				
CL2	0.812				
CL3	0.748				
CL4	0.773				
CL5	0.727				

In Table 3, there are values for outer loadings, Cronbach's Alpha, Composite Reliability, and Average Variance Extracted (AVE) that indicate the validity and reliability of the research variables. According to Hair et al. (2019), the convergent validity of outer loadings is considered safe and valid if the value of the latent variable indicator is greater than 0.6. Based on the results obtained, all indicators in Table 3 show valid results with outer loadings above the average, specifically above 0.8. Although the BI1 indicator has the lowest outer loading value at 0.611, it is still considered valid because it exceeds the minimum threshold of 0.6, allowing the study to proceed to the next stage. Hair et al. (2019) found that Cronbach's Alpha and Composite Reliability values must be greater than 0.60. This study data showing that both variables having values above 0.70. For the AVE value, the required criterion is more than 0.5 (Fahmi, 2021). Based on Table 3, all variables have AVE values exceeding 0.50, indicating a strong correlation between the variables and the measured indicators. Thus, it can be concluded that all the variables in this study have met the criteria for validity and reliability and are deemed suitable for use in the subsequent analysis stage.

b. Discriminant Validity

Based on Table 4 below, all indicators appear to have clustered or correlated highly with their respective variables, although some indicators, such as BI1, CS3, CS4, and EW4, show correlation values below 0.7.

Table 4.
Cross Loading Result

	BI	CE	CL	CS	EW	SQ
BI1	0.611	0.411	-0.007	0.128	0.230	0.299
BI2	0.841	0.607	0.267	0.348	0.307	0.405
BI3	0.803	0.509	0.174	0.307	0.231	0.181
BI4	0.678	0.522	0.092	0.184	0.149	0.249
BI5	0.786	0.479	0.243	0.315	0.217	0.114
CE1	0.559	0.880	0.291	0.406	0.283	0.593
CE2	0.596	0.856	0.274	0.429	0.306	0.400
CE3	0.594	0.866	0.219	0.410	0.283	0.518
CE4	0.580	0.888	0.315	0.384	0.225	0.468
CE5	0.590	0.829	0.182	0.323	0.220	0.309
CL1	0.221	0.314	0.721	0.484	0.263	0.355
CL2	0.312	0.361	0.812	0.538	0.380	0.412
CL3	0.260	0.316	0.748	0.410	0.257	0.472
CL4	0.079	0.070	0.773	0.445	0.325	0.392
CL5	0.052	0.047	0.727	0.311	0.155	0.391
CS1	0.241	0.360	0.504	0.786	0.446	0.403
CS2	0.305	0.311	0.395	0.700	0.386	0.380
CS3	0.061	0.051	0.439	0.692	0.453	0.243
CS4	0.440	0.520	0.315	0.682	0.379	0.412
CS5	0.299	0.378	0.449	0.747	0.404	0.433
EW1	0.571	0.399	0.250	0.425	0.708	0.258
EW2	0.307	0.306	0.272	0.397	0.734	0.314
EW3	0.261	0.327	0.263	0.490	0.794	0.351
EW4	0.031	0.040	0.292	0.371	0.698	0.220
EW5	0.032	0.007	0.272	0.371	0.677	0.306
SQ1	0.237	0.415	0.500	0.488	0.331	0.862
SQ2	0.413	0.601	0.406	0.429	0.353	0.787
SQ3	0.237	0.403	0.306	0.358	0.320	0.780
SQ4	0.207	0.397	0.448	0.432	0.408	0.859
SQ5	0.226	0.416	0.511	0.434	0.263	0.846

Based on Table 4, all indicators appear to have clustered or correlated highly with their respective variables, although some indicators, such as BI1, CS3, CS4, and EW4, show correlation values below 0.7.

The Fornell-Larcker test calculates the square root of the Average Variance Extracted value for each variable, with bold diagonal letters exceeding other numbers. Thus, the values are brand image (0.749), customer expectation (0.864), customer loyalty (0.757), customer satisfaction (0.723), and e-WOM (0.723), and service quality (0.828). The model's discriminant validity is indicated by diagonal values exceeding the correlation values with other variables, indicating no significant overlap between them (Table 5).

Table 5.
Fornell-Larcker Result

	BI	CE	CL	CS	EW	SQ
Brand Image	**0.749**					
Customer Expectation	0.674	**0.864**				
Customer Loyalty	0.251	0.301	**0.757**			
Customer Satisfaction	0.375	0.455	0.584	**0.723**		
E-WOM	0.306	0.307	0.372	0.571	**0.723**	
Service Quality	0.316	0.537	0.534	0.521	0.403	**0.828**

Table 6.
HTMT Result

	BI	**CE**	**CL**	**CS**	**EW**	**SQ**
Brand Image						
Customer Expectation	0.772					
Customer Loyalty	0.274	0.343				
Customer Satisfaction	0.447	0.536	0.728			
E-WOM	0.421	0.366	0.466	0.740		
Service Quality	0.390	0.591	0.616	0.622	0.488	

The Heterotrait-Monotrait Ratio (HTMT) results as shown in Table 6 indicate a discriminant validity of less than 0.90, confirming its effectiveness (Hair et al. 2019).

3. Inner Model Analysis

a. Hypothesis Testing

Table 7.
Direct Effect Test Result

Variable	**T Statistic**	***P*-Values**	**Result**
H1: Brand Image → Customer Satisfaction	- 1.066	0.287	Insignificant
H2: Service Quality → Customer Satisfaction	3.137	0.002	Significant
H3: Customer Expectation → Customer Satisfaction	1.325	0.186	Insignificant
H4: e-WOM → Customer Satisfaction	5.186	0.000	Significant
H5: Brand Image → Customer Loyalty	1.054	0.292	Insignificant
H6: H7: Service Quality → Customer Loyalty	4.405	0.000	Significant
Customer Expectation → Customer Loyalty	2.117	0.034	Significant
H8: e-WOM → Customer Loyalty	0.032	0.975	Insignificant
H9: Customer Satisfaction → Customer Loyalty	6.400	0.000	Significant

H1: The Influence of Brand Image on Customer Satisfaction

Table 7 shows that brand image does not have a significant effect on customer satisfaction because the T statistic value is -1.066 and the *p*-value is 0.287 ($p > 0.05$). Therefore, **H1 is not accepted.** This contradicts the research conducted by Dam & Dam (2021), Kesumahati & Novianti (2021), Yang et al. (2023) and Kristianto & Wahyudi (2019), which state that customers with a positive perception of brand image tend to be more satisfied with the products they purchase. However, Rusmahafi & Wulandari (2020) and this study did not find that brand image significantly affects customer satisfaction.

H2: The Influence of Service Quality on Customer Satisfaction

In Table 7, it is shown that service quality has a significant positive effect on customer satisfaction with T statistic value of 3.137 and a *p*-value of 0.002 ($p < 0.05$). Therefore, **H2 is accepted.** The results of this study are in line with the research conducted by Ali et al. (2021), Saputra (2021), Fida et al. (2020), Afthanorhan et al. (2019), Yuwono et al. (2024), Purwianti et al. (2023), and Raja et al. (2023) showing service quality has a beneficial impact on customer satisfaction.

H3: The Influence of Customer Expectation on Customer Satisfaction

In Table 7, it shows that customer expectation does not have a significant effect on customer satisfaction with T statistic value of 1.325 and a *p*-value of 0.186 ($p > 0.05$). Therefore, **H3 is accepted**. This means that although customer expectation towards a service is high, it does not always directly affect the satisfaction felt by customers towards that service. This contradicts the research conducted by Ashfaq et al. (2019), Ningsih & Hurnis (2023), Phiphopaekasit & Anunthawichak (2022), and Deng et al. (2023), which state that customer expectation has a significant influence on customer satisfaction.

H4: The Influence of e-WOM on Customer Satisfaction

In Table 7, it shows that e-WOM has a significant positive impact on customer satisfaction with T statistic value of 5.186 and a *p*-value of 0.000 ($p < 0.05$). This indicates that **H4 is accepted**. This means that the more reviews, testimonials, or positive recommendations customers receive from electronic platforms (such as forums, social media, or other online platforms), the higher the level of customer satisfaction perceived by customers towards the services they use. This is supported by research conducted by Azzahra & Nainggolan (2022), Seren & Christiani (2023), Laura & Fadella (2022), Kadi (2021) and Wulandary & Rivai (2022). However, research by Rosalbah & Mardhotillah (2023) did not find that e-WOM significantly affects customer satisfaction.

H5: The Influence of Brand Image on Customer Loyalty

Table 7 shows that brand image does not have a significant effect on customer loyalty because the T statictic value is 1.054 and the *p*-value is 0.292 ($p > 0.05$). Therefore, **H5 is accepted**. This contradicts the research conducted by Bimantaka & Muthohar (2023), Malik & Muthohar (2023), and Natalina & Wahyuni (2022). However, according to Thamrin et al. (2020) and Apriliani et al. (2020). Their study concluded that brand image does not greatly effect consumer loyalty, as other criteria including customer satisfaction, service quality, and customer expectation had a bigger impact.

H6: The Influence of Service Quality on Customer Loyalty

In Table 7, it shows that service quality has a significant impact on customer loyalty with T statistic value of 4.405 and a *p*-value of 0.000 ($p < 0.05$). Therefore, **H6 is accepted**. This is supported by research conducted by Alam & Noor (2020), Agarwal & Dhingra (2023), and Gautam & Sah (2023). This indicates that the higher the service quality supplied to clients, the greater the possibility that these customers will become loyal, continue using the product or service, and even suggest it to others. This finding contradicts the research undertaken by Surahman et al. (2020), Supriyanto et al. (2021), and Sirait & Purwianti (2024), which did not detect a significant influence.

H7: The Influence of Customer Expectation on Customer Loyalty

Table 7 shows that customer expectation has a significant influence on customer loyalty with T statistic value of 2.117 and a *p*-value of 0.034 ($p < 0.05$). This is supported by research conducted by Ajina et al. (2019), Mukminin & Farida (2021), Indriani (2024), and Fie Tjoe et al. (2021). This means that the higher the customer expectation towards a product or service, the greater the likelihood that the customer will become loyal. When customer expectations are met or even exceeded, customers tend to feel satisfied and form emotional attachments or trust that lead to customer loyalty. Thus, it can be concluded that **H7 is accepted**. However, this study contradicts the one conducted by Nguyen (2021), which did not find a significant effect.

H8: The Influence of e-WOM on Customer Loyalty
Table 7 shows that e-WOM does not have a significant effect on customer loyalty with T statistic value of 0.032 and a *p*-value of 0.975 ($p < 0.05$). This contradicts the research conducted by Nawastuti & Irmawati (2023), Hamid et al. (2022), Yulia & Ekawati (2021), Amatus & Gisip (2022), and Syamsu et al. (2024). Although e-WOM has become one of the modern and widely used factors in marketing communication, its role in shaping customer loyalty may not be effective without being supported by a satisfying real experience for customers. It can be concluded that **H8 is not accepted**.

H9: The Influence of Customer Satisfaction on Customer Loyalty
Table 7 shows that customer satisfaction has a significant impact on customer loyalty with T statistic value of 6.400 and a *p*-value of 0.000 ($p < 0.05$). Customers who are satisfied with their experience with a product or service tend to have greater trust, are willing to make repeat purchases, and are not easily swayed to switch to competitors. The results of this study are in line with the research conducted by Zargar & Farmanesh (2021), Anggraini & Budiarti (2020), Arif & Fahmi (2020), Udayana & Lukitaningsih (2022) and Nadya (2020) that customer satisfaction has a positive effect on customer loyalty. The results of this study are consistent with the initial hypothesis of the researcher. In this context, **H9 is accepted**.

b. Coefficient of Determination (R2)

Table 8.
Coefficient of Determination (R^2) Result

Variable	R Square	R Square Adjusted
Customer Satisfaction	0.475	0.470
Customer Loyalty	0.432	0.425

According to Susianto et al. (2022), each exogenous variable must have a strong influence in predicting the endogenous variable. There are three categories in this test, an R-Square value of 0.75 indicates the 'strong' category, 0.50 indicates the 'moderate' category, and a value of 0.25 is categorized as 'weak'. Based on Table 8, it is concluded that brand image, service quality, customer expectation, and e-WOM have weak explanation on customer satisfaction at 47.5%. Meanwhile, brand image, service quality, customer expectation, e-WOM, and customer satisfaction can explain the customer loyalty variable at 43.2%.

c. Standardized Root Mean Square Residual (SRMR)

Table 9.
SRMR Result

	Sample Mean	Kesimpulan
Saturated Model	0.042	Valid
Estimated Model	0.042	Valid

SRMR evaluates the difference between observed correlation and inference-generated correlation matrix. A score below 0.1 shows model fit, as shown in Table 9, meeting the necessary conditions.

d. Goodness of Fit (GoF) Analysis

The research model's Goodness of Fit (GoF) value of 0.522 indicates it meets strong model criteria, assessing its overall quality.

$$Comm: \frac{0.561 + 0.747 + 0.573 + 0.522 + 0.523 + 0.658}{6} = 0.602$$

$$\text{R Square:} \frac{0.432 + 0.475}{2} = 0.453$$

$GoF = \sqrt[2]{0.602 \; x \; 4.5}35$ = **0.522**

Conclusion

Several important findings were made from this study on how brand image, service quality, customer expectations, and electronic word-of-mouth affect customer satisfaction and loyalty in international branded hotels in Batam City, Indonesia. These findings will help the hospitality industry improve its marketing and service strategies. First, brand image doesn't have a big effect on customer satisfaction and customer loyalty. This result shows that even if hotels have a nice brand image, it may not be enough to make customers happier and more loyal if the service quality is not good. Second, service quality is demonstrated to have a very strong and significant impact on customer satisfaction and customer loyalty. The major things that affect how customers feel about and connect with a hotel are how consistently good the service is, how well the staff understands their demands, how quickly and clearly they can get information. Third, consumer expectations don't directly affect customer satisfaction, but they do have a significant effect on customer loyalty. This shows that matching or even exceeding consumer expectations can help build long-term relationships, even if it does not always make them happy right away. Fourth, e-WOM has a significant effect on how happy customers are, which shows how important reviews and digital testimonials are in determining how customers feel about a business at first. However, e-WOM doesn't have a significant effect on customer loyalty, which means that what customers actually experience is much more essential than what other people say when it comes to keeping customers. Lastly, the variable for customer satisfaction has the biggest effect on customer loyalty, making it the most important component in building long-term loyalty. Therefore, international hotel management in Indonesia needs to focus the improvement of service quality and the whole client experience. One way to keep and grow client loyalty in an industry that is getting more competitive is to focus on making customers happy by providing services that go above and beyond what they anticipate and managing digital communication well.

Recommendation

The results of this study suggest that international hotel management in Batam City should give priority to raising the caliber of services offered to visitors. This can be accomplished by regularly training employees to improve their capacity to deliver amiable, prompt, and customer-focused service. In order to make sure that the services offered are always pertinent and live up to guest expectations, hotel management should also proactively manage consumer expectations through frequent surveys and open communication. Although the actual customer experience is still the primary aspect in fostering their loyalty, management must encourage visitors to post good evaluations on various digital platforms because e-WOM management has been shown to increase customer satisfaction. Hotels are recommended to establish loyalty programs, offer individualized services for returning visitors, and proactively follow up on complaints or comments offered in an effort to convert satisfaction into long-term loyalty. Given that the study's findings indicate that, in the context of international hotels in Batam, brand image has no discernible impact on customer happiness or loyalty, management should place greater emphasis on delivering genuine and unforgettable customer service. Finally, in order to give clients a more meaningful experience and eventually increase their loyalty in the face of fiercer industry rivalry, marketing and service tactics must be tailored to Batam's unique traits and local culture. Further research is recommended to examine this model by adding mediation and moderation variables. Additionally, the scope of respondents should be expanded, and it would be better to conduct qualitative research to obtain more comprehensive results.

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