The Impact of Service Quality on Customer Loyalty of Myanmar Hospitality Industry: The Mediating Role of Customer Satisfaction

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Abstract

Need to generate more revenues by driving loyalty of guests have been recognized as the most critical factor in business’s success for hotel operator. There are numerous of underlying factors and determinants which lead to customer loyalty. Among them, the importance of customer loyalty becomes obvious along with high service quality and customer satisfaction will be highly evaluated in this research. This research supports to extend the understanding of the relationship between service quality, customer satisfaction and customer loyalty of Novotel Yangon Max hotel by Accor hotel companies Drawing on Customer Loyalty theory and social exchange theory, the study investigated the mediating role of customer satisfaction (CS) between the relationship Service quality (SQ) and customer loyalty (CL) in the Novotel Yangon Max hotel. The current study adopted SEM to test the study’s hypotheses. A sample of 400 customers in the Novotel Yangon Max hotel was selected randomly. On this representative sample, a survey was carried out to find out the extent of SQ, and CS influence on CL. After testing the direct relationships, the researcher had conducted indirect relationships measurements, such as the impact of SQ on CL via CS. All the study’s hypotheses were supported. Finally, theoretical and managerial implications were discussed.

Keywords: Service quality, Customer satisfaction, Customer loyalty, Novotel Yangon Max.

1. Introduction

According to the Myanmar Tourism Statistics 2016 by Ministry of Hotels and Tourism, there are 354 hotels, motels, guesthouses in Yangon and over 1,400 in the whole Myanmar (MOHT, 2016). Due to the increasing trend of international tourist arrival rate, the hotels rooms numbers are also raising accordingly and foreign investment in hotels and commercial complexes are also on the progress under construction (Hart and Hart, 2013). Table 1 shows the highest star rating hotels in Yangon among out of over 300 hotels.

It has been wondering why international hotels are investing in Yangon for their market development and how they plan to take foothold in this competitive market. The thing is it could be a little confused to differentiate one hotel’s service to another and this could be the major competitive advantage compared to others (Molina-Azorín et al., 2015). Competing on the low-cost leadership approach through discounting in the fierce competitive market may not guarantee for the long term profitability of the business and as a consequence, the service quality becomes the critical access code of the hospitality industry to compare with rivalries’ and main element to achieve loyalty of guests (Molina-Azorín et al., 2015).

The intensive competition in hotel industry makes more complicated process in attracting in guests and retaining loyal customers. More importantly, maintaining the service quality (SQ) and customer satisfaction (CS) which turns to customer loyalty (CL) is critical action in today hotel industry (Tavitiyaman et al., 2011). The main motive for this study is why the selected hotel is success among competitors and which factors mainly influence for loyalty of guests.

Table 1 High Star Ratings Hotels in Yangon (Hotels, 2017)

<table>
<thead>
<tr>
<th>NO.</th>
<th>HOTEL NAMES</th>
<th>STAR RATINGS *</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Pan Pacific</td>
<td>5*</td>
</tr>
<tr>
<td>2.</td>
<td>Belmond Governor’s Residence</td>
<td>5*</td>
</tr>
<tr>
<td>3.</td>
<td>Sule Shangri-La Yangon</td>
<td>4.6*</td>
</tr>
<tr>
<td>4.</td>
<td>The Strand Yangon</td>
<td>4.6*</td>
</tr>
<tr>
<td>5.</td>
<td>Savoy Hotel Yangon</td>
<td>4.5*</td>
</tr>
</tbody>
</table>
2. Literature Review

2.1 Nature of the Service, Customer Satisfaction and Customer Loyalty in the Hotel Industry

Why hotel industry, hospitality industry, service industry needs more customer satisfaction and customer loyalty as an essential tool rather than other industries (Abd-Elaziz et al., 2015; Alareefi et al., 2019; Khalifa, 2018). The obvious situation is that the hotel amenities and facilities are no longer regarded as luxurious things and become the integral part of normal lifestyle. Over the past decades, the demand for hospitality services over traditional services is growing rapidly and which occur intense competition in the market (Abd-Elaziz et al., 2015; Khalifa, 2018).

Whenever the demands, requirements and choices from customers are increasing day by day, it is difficult to serve from hoteliers and differentiate from competitors (Hewedi, n.d.; Sudigdo et al., 2019). Thus, creating and gaining competitive advantages are required as essential elements in competitive service industry (Mohamud et al., 2017). In most contemporary organizations, adopting technology is not only uses ICT to fill up some forms and records but rather it is also a tool that performs the process of identification, accumulation, analysis, measurement, preparation, interpretation and communication of the information used by management to plan (Ameen & Ahmad, 2011, 2013b, 2014; Ameen et al., 2019). It is used in evaluating and controlling within an organization and to assure appropriate use and accountability for their resources (Ameen and Ahmad, 2013b, 2012, 2011).

Among the common strategies to achieve competitive advantage, improving customer loyalty by serving distinct features to customers becomes popular and widely used (Khalifa, 2018). In these days, thriving to increase market share by low-cost strategies through discounts has severe effects and negative impact in financial performance (Alonso-Almeida and Bremser, 2013; Qoura and Khalifa, 2016; Schwenk and Shrader, 1993; Waddock and Graves, 1997). As a consequence, service quality compared to price turn into main factor to make different from its main rivalries and acquire loyalty (Hwang and Chang, 2003; Kandampully et al., 2011a; Wu and Liang, 2009). Because of the overall advancement of technology (Alkutbi et al., 2019; Khalifa and Mewad, 2017), amenities, facilities, economic situations and globalization, hospitality industry has been encountering the uprising trends of competitors and competitive environment, the determinant or critical factor which can be assessed or judged with other hotels become so complicated and more relied on the service quality or delivery of service of hotels (Khalifa and Fawzy, 2017; Morsy et al., 2016). Thus, SQ is the essential element to improve CS, loyalty and financial performance of the hotels (Khalifa, 2018). Owing to the prominence of customer loyalty, hotels are trying to improve their loyalty via retention programs; loyalty cards, loyalty rewards, benefits so forth (Abd-Elaziz et al., 2015; Husin et al., 2013; Sudigdo et al., 2019).

Understanding the factors influencing and determining to customer loyalty is essential and critical as many available benefits and advantages such as reducing operational and promotional cost, increasing profit, and positive referrals can be driven from it (Abou-Shouk and Khalifa, 2017; Qoura and Khalifa, 2016). Taking everything into consideration, customer loyalty can be seen as an essential theme for the survival and substantial of hotel business (Abou-Shouk and Khalifa, 2017; Khalifa and Abou-Shouk, 2014).

2.2 Theoretical and Analytical Framework

The study model is contained with 3 variables: service quality (SQ), satisfaction (CS) and customer loyalty (CL) see figure 1. Grounded on the above literature review, the next empirical review is established which displays the relationship among SQ, CS and CL (Abou-Shouk and Khalifa, 2017). SQ is considered as the independent variable where CS acts as a mediating factor while CL is considered as dependent variable or effect here and it is going to re-search the key influencing factors which effects on it (Wu and Liang, 2009).
2.3 The Relationship Between Service Quality and Customer Satisfaction

Designing service quality which can satisfy hotel guests is not easy as the way people think. The perceptions and manners of guests are changing time by time; different guests want different desires and preferences (Mohamud et al., 2017). There are a number of papers concerning hospitality and service quality studies of the variables affecting the level of satisfaction were evaluated (Khalifa, 2015; Khalifa & Hewedi, 2016; Mohamud et al., 2017; Aldholay, Isaac, Abdullah, AbdulSalam, & Al-Shibami, 2018; Aldholay, Isaac, Abdullah, & Ramayah, 2018). Service quality is a certain need for the hotel’s guest satisfaction and loyalty for the financial performance of the hotel. In the other words, customer satisfaction is attached to the level of service quality (Khalifa and Fawzy, 2017). Besides, measuring service quality is the most appropriate way for hotels to determine guests are satisfied or not (Shimekit, 2016). To increase customer satisfaction is based on the level of service quality (Kandampully et al., 2011b; Khalifa and Abou-Shouk, 2014; Khalifa and Fawzy, 2017). From previous researches, it is found that the way to achieve this is to increase attention to service quality from customers’ point of views (Kandampully et al., 2011a). Zeithaml believed that a customer’s satisfaction is related to the evaluation of service quality; RATER; Reliability, assurance, tangibility, empathy and responsiveness (Verhoef et al., 2009; Wu and Liang, 2009).

Hypothesis 1: Hotel service quality is positively related to customer satisfaction of Novotel Yangon Max Hotel.

2.4 The Relationship Between Service Quality and Customer Loyalty

The relationship between service quality and customer loyalty has been shown to be the case throughout much of the literature (Sudigdo et al., 2019; Tariq et al., 2017). Various articles support this strong correlation between this two (Cronin Jr et al., 2000; Hsin Chang and Wang, 2011; Kandampully et al., 2011a, 2011b; Kasiri et al., 2017; Mouakket and Al-Hawari, 2012). There were also previous articles which evaluated this two variables have direct and indirect relationship (Chen and Raab, 2017; Han and Ryu, 2009a; Khalifa, 2018; Pan et al., 2012; Reynolds and Arnold, 2000), when service quality is able to satisfy, customers are willing to recommend the brand and purchase more. Increasing service quality may likely to improve the loyalty proved this strong relationship by other academicians (Saleem and Amin, 2013; Wijaya, 2013). Without good quality consistency, the process may not achieve the final destination of the markets, customer loyalty. If the hotel’s service quality is inconsistency or lowers than the standard, the customers may dissatisfy sooner or later and no longer will purchase again and loss enormously for the hotel sales (Khalifa, 2015; Sudigdo et al., 2019).

Hypothesis 2: Hotel service quality is positively related to customer loyalty of Novotel Yangon Max Hotel.

2.5 The influence of customer satisfaction (CS) on customer loyalty (CL)

Several researchers and academics confirm that CS is positively impact on CL. Woodward and Bennett, (2016) says the more the hotel's customers are satisfied with the hotel's services, the more they will highly recommend the hotel's product, brand or services (Agwa et al., 2018a, 2018b; Alareefi et al., 2019; Husin et al., 2013; Khalifa and Mewad, 2017; Nusari et al., 2018). As well as, they will be a regular customers to the hotel brand, and their intentions to switch to another brand will be less (Badran and Khalifa, 2016; Khalifa, 2018, 2015). Howat and Assaker, (2013) contended that, however the satisfied clients are probably going to be progressively loyal; all the loyal clients are not satisfied. Han and Ryu, (2009) claimed that the cost is the only key factor which influence over loyalty through factors of customer satisfaction. Besides, evaluation of customer satisfaction does not mean a relevant measurement of loyalty whilst higher degree of customer satisfaction is required to keep loyal customers; customer requires evaluating which customers are loyal and satisfied ones. Still, there is confusion among CS and CL. However, CS plays as a key determinant for CL. Satisfaction plays
important power to form loyalty; without customer satisfaction, those customers will no longer reuse their services, hard to become loyalty to the particular brand and no more profits, proved by (El-Adly, 2018; Kandampully et al., 2011a, 2011b; Kandampully and Suhartanto, 2000; So et al., 2013). Customer loyalty is the next step of satisfaction and satisfied consumers are more likely to describe loyalty via repeat purchase which can support in improving hotel's revenue and tendency for the positive word of mouth (Abd-Elaziz et al., 2015; Trung and Khalifa, 2019). Also, satisfied customers will have high intentions to recommend the hotel brand to others (Hassan et al., 2016). In addition, Abd-Elaziz et al., (2015) Abd-Elaziz et al., (2015) expressed that the results of consumer loyalty as positive expression of-mouth, repurchase, loyalty and higher long-standing benefits and productivity. On the other hand, a dissatisfied guest may not usually express or complain his unhappiness to the management of the hotel however he might inform or share at least nine other people about the low service quality and negative experience (Abd-Elaziz et al., 2015; Husin et al., 2013; Khalifa, 2018; Mona Saeed Mohamed et al., 2018). Although satisfied guest may only share his positive experience to only three people (Abd-Elaziz et al., 2015). Thus,

Hypothesis 3: CS is positively related to CL among customers of Novotel Yangon Max Hotel
Hypothesis 4: CS mediates the relationship between SQ and CL among customers of Novotel Yangon Max Hotel

3. Research Method
The Positivism theory with deductive methodology of survey investigate technique is directed in this study. Subsequently, mono-quantitative technique is utilized to gather the primary data through convenience sampling to test the study hypotheses. Questionnaire was implemented to collect data from hotel customers. Variables were measured using a Likert Scale which recommended in the previous studies (Isaac, Aldholay, Abdullah, & Ramayah, 2019; Isaac, Abdullah, Ramayah, & Mutahar, 2017; Isaac, Abdullah, Ramayah, Mutahar, & Alrajawy, 2017). Smart PLS was implemented to analyses data and to test the study hypotheses. Analysing Data through the second-generation multivariate data analysis technique which is SEM offers a simultaneous analysis which leads to more accurate estimates (Osama Isaac, Abdullah, Ramayah, Mutahar, & Alrajawy, 2018; Osama Isaac, Abdullah, Ramayah, & Mutahar, 2018). The study measurements was drawn from extent studies, Mohamud et al's (2017) SQ measurements was implemented to measure service quality. CS measurements was collected from (El-Adly, 2018; Kandampully and Suhartanto, 2000). CL measurements was developed from (El-Adly, 2018; Kandampully et al., 2011a; Kandampully and Suhartanto, 2000). The ratios of the research, to conduct the SEM analysis of items to response from 1:4-1:10 (Hinkin, 1995), as this suggestion the research needed sample size between 176 and 420. Out of 400 questionnaires, 300 were returned and valid for analysis (75% response rate).

4. Data Analysis

4.1 Respondent’s Profile

The respondents’ profile is summarized using basic descriptive statistics such as percentages in order to provide an overview of the data collected. Table 2 shows the percentage for respondents’ demographic in the study sample. It shows that (70%) respondent are male while the rest (30%) are female participants. Regarding age groups of the sample, 40% of them are between 41 and 50 years old, 34.7% of total respondents between 31 and 40, 10.7% of total respondents between 51 and 60, 9.3% of total respondents are between 21 and 30 years, and 2.7% of total respondents are 61 and above. About 71% of the hotel guests are employed, 15% are self-employed and followed by 10% retired, 3% students and the remaining 1% by unemployed guests.

![Table 2: Summary of Respondents Profile](image)

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>70%</td>
</tr>
<tr>
<td>Female</td>
<td>30%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>11-20</td>
<td>2.7%</td>
</tr>
<tr>
<td>21-30</td>
<td>9.3%</td>
</tr>
<tr>
<td>31-40</td>
<td>34.7%</td>
</tr>
<tr>
<td>41-50</td>
<td>40%</td>
</tr>
<tr>
<td>51-60</td>
<td>10.7%</td>
</tr>
<tr>
<td>61 and above</td>
<td>2.7%</td>
</tr>
<tr>
<td>Employment Statement</td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td>71.3%</td>
</tr>
<tr>
<td>Self-employed</td>
<td>15.3%</td>
</tr>
<tr>
<td>Retired</td>
<td>10%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>1%</td>
</tr>
<tr>
<td>Students</td>
<td>4%</td>
</tr>
</tbody>
</table>
4.2 Measurement Model Assessment

Structural equation modeling (SEM) employed to test the hypotheses of this study by using Smart PLS 3.0 (Bandar Abdulla F. H. Alharthi et al., 2019; Bandar Abdulla F.H. Alharthi et al., 2019; Alkathiri et al., 2019; Alkhateri, Asma S; Abuelhassan, Abuelhassan E; Khalifa, Gamal S A; Nusari, Mohammed; Ameen, 2018; Alkutbi et al., 2019; Mohamed et al., 2019; Mona Saeed Mohamed et al., 2018; Ringle et al., 2015; Shamsi et al., 2018).

In Table 3, the results highlighted that, Cronbach's alpha ranged from 0.844 to 0.924 (Kannana & Tan, 2005; Nunnally & Bernstein, 1994), composite reliability (CR) ranged from 0.899 to 0.932 (Gefen et al., 2000), and factor loading values exceeded the recommended value of 0.5 (Hair et al., 2014), which indicates that construct reliability is fulfilled. Furthermore, in order to successfully fulfill the convergent validity, the average variance extracted (AVE) values were higher than 0.05 (Hair et al., 2014). Additionally, discriminant validity was fulfilled by Fornell–Larcker through the square root of the AVEs, the diagonals' bolded values are higher than the correlation among constructs (Hair et al., 2014) (Table 4).

<table>
<thead>
<tr>
<th>Study Variables</th>
<th>Indicators</th>
<th>Factor Loading (&gt;0.5)</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Cronbach's Alpha (α&gt;0.7)</th>
<th>Composite Reliability (CR&gt;0.7)</th>
<th>Average Variance Extracted (AVE&gt;0.5)</th>
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</thead>
<tbody>
<tr>
<td>Service Quality (SQ)</td>
<td>ASS1</td>
<td>0.788</td>
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<td></td>
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<tr>
<td></td>
<td>ASS2</td>
<td>0.661</td>
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<tr>
<td></td>
<td>ASS3</td>
<td>0.766</td>
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<td></td>
<td>EMP1</td>
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<td></td>
<td>EMP2</td>
<td>0.650</td>
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<td>EMP3</td>
<td>0.681</td>
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<td></td>
<td>EMP4</td>
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<tr>
<td></td>
<td>REL1</td>
<td>0.732</td>
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<td></td>
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<td>REL3</td>
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<tr>
<td></td>
<td>REL4</td>
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<tr>
<td></td>
<td>REL5</td>
<td>0.792</td>
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<tr>
<td></td>
<td>RES1</td>
<td>0.788</td>
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<tr>
<td></td>
<td>RES2</td>
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<td>RES3</td>
<td>0.807</td>
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<td></td>
<td>TAN1</td>
<td>0.796</td>
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<tr>
<td></td>
<td>TAN2</td>
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<tr>
<td></td>
<td>TAN3</td>
<td>0.685</td>
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<td></td>
<td>TAN4</td>
<td>0.852</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Customer Satisfaction (CS)</td>
<td>CS1</td>
<td>0.653</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>CS2</td>
<td>0.761</td>
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<td></td>
<td>CS3</td>
<td>0.718</td>
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<td></td>
<td>CS4</td>
<td>0.702</td>
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<td></td>
<td>CS5</td>
<td>0.643</td>
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<td></td>
<td>CS6</td>
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<td></td>
<td>CS7</td>
<td>0.655</td>
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<td></td>
<td>CS8</td>
<td>0.747</td>
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<tr>
<td></td>
<td>CS9</td>
<td>0.781</td>
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<tr>
<td></td>
<td>CS10</td>
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<td></td>
<td>CS11</td>
<td>0.805</td>
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<tr>
<td>Customer Loyalty (CL)</td>
<td>CL1</td>
<td>0.709</td>
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<td></td>
<td>CL2</td>
<td>0.836</td>
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<td></td>
<td>CL3</td>
<td>0.771</td>
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<td>CL4</td>
<td>0.818</td>
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<tr>
<td></td>
<td>CL5</td>
<td>0.789</td>
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</tr>
</tbody>
</table>

Table 4: Discriminant validity results

<table>
<thead>
<tr>
<th></th>
<th>CL</th>
<th>CS</th>
<th>SQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>CL</td>
<td>0.786</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CS</td>
<td>0.626</td>
<td>0.851</td>
<td></td>
</tr>
<tr>
<td>SQ</td>
<td>0.777</td>
<td>0.708</td>
<td>0.925</td>
</tr>
</tbody>
</table>
4.3 Structural Model Assessment

Corresponding t-values, beta (B), and R2 are the indicators to assess the structural model via bootstrapping (Bandar Abdulla F. H. Alharthi et al., 2019; Alharthi and Khalifa, 2019; Alkhateri et al., 2019; Hair et al., 2014).

Results in table 5 and figure 2 indicate that, 4 out of 4 hypotheses are supported. SQ significantly predicts CS and CL. Hence, H1 and H3 are supported with (B=0.155, t=2.955, P<0.05) and (B=0.851, t=27.410, p<0.001). Additionally, CS significantly predicts CL. Hence H2 is supported with (B=0.731, t=9.428, P<0.001). The explanatory power of R2=0.751 is substantial as suggested by (Hair et al., 2014). Furthermore, the results highlighted that, CS significantly mediates the relationship among SQ and CL (B=0.622, t=9.031, P<0.001), hence H4 is supported.

Table 5: Results of Hypotheses testing

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Relationship</th>
<th>Std Beta</th>
<th>Std Error</th>
<th>t-value</th>
<th>p-value</th>
<th>Decision</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>SQ -&gt; CL</td>
<td>0.155</td>
<td>0.153</td>
<td>2.955</td>
<td>0.049</td>
<td>Supported</td>
<td>0.751</td>
</tr>
<tr>
<td>H2</td>
<td>CS -&gt; CL</td>
<td>0.731</td>
<td>0.732</td>
<td>9.428</td>
<td>0.000</td>
<td>Supported</td>
<td>0.725</td>
</tr>
<tr>
<td>H3</td>
<td>SQ -&gt; CS</td>
<td>0.851</td>
<td>0.849</td>
<td>27.410</td>
<td>0.000</td>
<td>Supported</td>
<td>0.725</td>
</tr>
<tr>
<td>H4</td>
<td>SQ -&gt; CS -&gt; CL</td>
<td>0.622</td>
<td>0.621</td>
<td>9.031</td>
<td>0.000</td>
<td>Supported</td>
<td>0.725</td>
</tr>
</tbody>
</table>

Key: CL: Customer Loyalty, CS: Customer satisfaction, SQ: Service quality

5. Discussion

The findings may assist as a fundamental source for future academic and empirical researchers in the context of SQ, CS and CL. The existing research only emphasized on these three scopes and the researcher highly suggested to evaluate more independent variables which concerns to CL like brand image, brand equity, price, promotion, place and so forth which are also important factors in CS and CL. The study confirmed that there are positive relationship between SQ and CS, relationship between SQ and CL, and CS and CL.

The study found that SQ positively affect CS among customers within the Novotel Yangon Max Hotel in the Myanmar, this is supported by previous studies (Al-Ali et al., 2019; Alkhateri et al., 2019; Deng et al., 2010; Qoura and Khalifa, 2016; Söderlund and Collander, 2015). It is explained by the fact that the more the service quality of the hotel is committed to establishing quality standards that will be aligned with all activities, teams and units that will ultimately be at the best interests of the hotel service needs, besides encouraging cooperation, team work and social responsibility commitment, the more resource efficient the organization
become (Bandar Abdulla F.H. Alharthi et al., 2019), and more likely to achieve optimal quality, besides meeting its benchmarks on time to perform its duties (Abd-Elaziz et al., 2015; Khalifa, 2018, 2015).

Along with concentrating on improving SQ, Novotel Yangon Max Hotel administration would similarly give consideration to other antecedents of high CS with the aim to increase CL. With the aim to achieve better loyalty and involvement, additionally, it was found that CS positively affect CL among customers within the Novotel Yangon Max Hotel in the Myanmar, this is supported by extant literature (Alareefi et al., 2019; Alkhateri et al., 2019; Alsaaedi et al., 2019; Han and Ryu, 2009b, 2009a; Kandampully and Suhartanto, 2000). In order to face the fierce competition within the hospitality industry, hotel managers need to understand the work related behaviour because it was recognized as less subject and more stable to day-to-day fluctuation than job-satisfaction (Al-Ali et al., 2019; Alkhathiri et al., 2019; Alkhateri, Asma S; Abuehassan, Abuehassan E; Khalifa, Gamal S A; Nusari, Mohammed; Ameen, 2018; Alkhateri et al., 2019; Alsaaedi et al., 2019). The more CS the customer becomes, and more likely to achieve optimal quality, besides meeting their expectations, the more they are high intention to revisit the hotel. Novotel Yangon Max Hotel leaders should implement 360 degree feedback mechanism to give customers with a voice in the hotel.

The associations among SQ and CS and CL have been investigated widely. This study’s results provide extra support for these causal relationships, mainly in Novotel Yangon Max Hotel customers, and propose that SQ is additional significant factor that indirectly affects these significant customers outcomes. Similarly, the results also revealed that SQ has an indirect effect on CL via CS, among customers within Novotel Yangon Max Hotel in Myanmar, which confirms the mediation role that CS has in this context. This concept has significant value for researchers interested in customer loyalty. Moreover, the variance explained by the proposed model in the current study for CL among customers within the Novotel Yangon Max Hotel in Myanmar is 75.1%. Thus, Novotel Yangon Max Hotel managers who want to foster better CS among the hotel’s customers of the Novotel Yangon Max Hotel should take actions to confirm a more SQ standards (Abou-Shouk and Khalifa, 2017; Khalifa and Abou-Shouk, 2014; Khalifa and Fawzy, 2017; Qoura and Khalifa, 2016). It is explained by the fact that, SQ not only has a normative role by encouraging satisfaction among Novotel Yangon Max Hotel customers (Khalifa and Fawzy, 2017), it also has a positive influence on in-customer engagement by strengthening customers' loyalty with the hotel and increasing customers' attachment to the hotel.

6. Implications and Limitations

Preceding researches, theories and concepts on service quality, customer satisfaction and customer loyalty of Novotel Yangon Max are evaluated in literature review section. The study of the relations and influence of service quality and customer satisfaction as a multidimensional construct reveals may support the effective fields of any products or service business in real world. It is clear that this research may contribute towards the customer loyalty of hotel service industry regarding to Novotel Yangon Max and its influencing factors. Many researchers and academicians produce the proposals for extra or further research as there is consistently a gap to be filled for further research (Abd-Elaziz et al., 2015; Mohamud et al., 2017; Morsy et al., 2016; Qoura and Khalifa, 2016; Trung and Khalifa, 2019). The researcher tried to fill the research gap through analysis of respondents’ answers from survey questionnaires via Smart PLS software (Aldholy et al., 2019; Adnan H Aldholy et al., 2018).

Consequently, there are a number of perspectives to studying customer loyalty and which was impossible to take the whole thing into account in a single study. Other related influencing determinants like brand equity, brand image, brand trust, price, promotion, place etc. are also and more complicated models are encouraged for further studies for future researchers. This paper could be used as a basic source providing for the deep discussions of three main variables; SQ, CS and CL of particular hotel.

The study has its own limitations for the limited time frame and targeted scope. Firstly, the region of disseminating questionnaire is restricted by the guests who stayed at Novotel within November to December due to the time limitation. Secondly, the study need to consider other variables like price, brand, location...etc. Finally, this study exploration is completely founded on quantitative research and the information are gathered through surveys.

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