Corporate/Hotel Image, Customer Satisfaction, and Customer Loyalty: A Literature Review (1983- 2013)

Seyedhossein Nikou[1], Harihodin Bin Selamat [2], Rasimah Che Mohd Yusoff[3]

Mohsen Malekalketab Khiabani[4]

#1, #2, and #3: Advanced Informatics School, University Technology Malaysia, 54100 Kuala Lumpur, Malaysia

#4 International Business School, University Technology Malaysia, 54100 Kuala Lumpur, Malaysia

Correspondence: hnseyed3@live.utm.my

Abstract

The positive association of corporate/hotel image with customer satisfaction and customer loyalty has been explored by previous scholars and supported by Self-Organizing Maps (SOM) approach introduced by (Mazanec 1995). Corporate image has been identified as an important factor in the overall evaluation of a firm and especially in hospitality industry; hotel image is believed to play an important role on a customer's decision to use a hotel. The present article aims to review some selective studies which have been conducted on hotel image and its association with customer satisfaction and loyalty. In order to achieve purpose of this review article, authors take a range of recently published works on hotel image and its association with customer satisfaction and loyalty from 1983 to 2013. The findings provide information about each source, indicating what can be found there and how the information can help. In addition, this article fulfills an identified information/resources need and offers practical help to an individual and academic starting out a research on corporate/hotel image and its association with customer satisfaction and customer loyalty.

Keywords: Corporate/hotel Image, customer satisfaction, customer loyalty, hospitality industry, SOM approach

Corresponding Author: (Seyedhossein Nikou) email: hnseyed3@live.utm.my

1. Introduction

Around the world, companies recognize the benefits of good service for retaining and winning customers. Customers who experience good service stay loyal to the business, more than those who have bad experiences, thus developing the best, most well-equipped front-line workforce is critical to customer-service success. Every business needs to keep customers and clients happy, but in the hospitality industry, it is so vitally important to keep guests engaged in order for the business to grow and prosper. Understanding the importance of good customer service is, therefore, essential for a healthy business in creating new customers, keeping loyal customers, and developing referrals for future customers (https://goo.gl/qcMkO2).

Customer service in hospitality industry is everything. The underlying truth behind this statement is recognizing that customers are the lifeblood for any business. For hoteliers, learning how to constantly innovate to meet high expectations and provide good service is one thing they must not forget. "Customer loyalty has become a topical issue in research and practice due to its proven dominance in a hotel organization's success" (Kandampully and Suhartanto 2003). According to the (Kandampully and Suhartanto 2000), managers of hospitality industry believe that profitability will be increased by satisfying customers.

Many studies have been conducted on the association of corporate/hotel image with customer satisfaction and customer loyalty such as (Kandampully and Suhartanto 2000, Kandampully and Suhartanto 2003) of which will be reviewed in the literature review part of this scientific article. The example here is that, the result of the study by (Kandampully and Hu 2007) revealed that corporate image has a strong impact on customer loyalty. Moreover, Based on (Kandampully and Suhartanto 2000), the combined effect of hotel image and customer satisfaction on customer loyalty is very high.

Besides, a desirable image leads to customer satisfaction and customer preference, whereas an undesirable image leads to dissatisfaction. This is based on examination of Self-Organizing Maps (SOM) for positioning analysis of luxury hotels (Mazanec 1995).

Therefore, the relationships among corporate/hotel image, customer satisfaction and customer loyalty have been investigated by previous researchers as mentioned earlier and supported by SOM approach introduced by (Mazanec 1995). In the present review article, in order to contribution to the exiting knowledge, firstly, some recent and highly cited articles will be reviewed. Secondly, corporate/ hotel image will be defined and thirdly relationship among them based on previous valid studies by scholars will be stated. Finally, conclusion and originality of this review article will be explained.

2. Literature Review

This part of current review article consists of three sections which are review of recent and highly cited articles in this research era, then hotel image will be defined and finally the relationship among corporate/hotel image, customer satisfaction and loyalty will be stated.

2.1 Review of Related Studies

(Kandampully and Suhartanto 2000) conducted a study in New Zealand in order to identify the determination of hotel image and customer satisfaction on customer loyalty in chain hotels located in New Zealand as stated earlier. The research problem in this study refers to customer loyalty in chain hotels in New Zealand. According to the (Kandampully and Suhartanto 2000), managers of hospitality industry believe that profitability will be increased by satisfying customers. (Kandampully and Suhartanto 2000) considered a loyal customer is a customer who repurchases from the service provider whenever possible, and who continues and maintains a positive attitude towards service provider. The research model in the study by (Kandampully and Suhartanto 2000) consists of three variables which are hotel image and customer satisfaction as independent variables and customer loyalty as dependent variable of which is referred to research problem. (Kandampully and Suhartanto 2000) took quantitative approach which involves distribution of questionnaire. Thus, 237 questionnaires were distributed among customers or guests of five different chain hotels located in Christchurch, New Zealand. From 237 distributed questionnaires, total of 158 were returned and 106 surveys with response rate of 45 percent were returned. (Kandampully and Suhartanto 2000) formulated testable hypotheses according to the research model of the study. In order to achieve the objective of the study, SPSS was utilized and regression analyses were conducted. The results of data processing revealed that hotel image and customer satisfaction have significant determination on customer loyally in five different chain hotels located in Christchurch, New Zealand. It is notable to highlight the contribution of the study conducted by (Kandampully and Suhartanto 2000), which brought helpful insights for academics, practitioners and managers in the hospitality industry who are really concerned about customer loyally in order to achieve profitability and more revenue and survive in hospitality industry which has a highly competitive era.

(Kandampully and Suhartanto 2003) conducted a study in Australia with the purpose of identifying the determinants of customer loyalty such as hotel image and customer satisfaction that are positively related to customer loyalty in hotels. The research problem is referred to customer loyalty in chain hotels in Australia. As stated by (Kandampully and Suhartanto 2003) "Customer loyalty has become a topical issue in research and practice due to its proven dominance in a hotel organization's success". The research model in the study consists of three variables. Two of them are independent variables which are hotel image, customer satisfaction and another one is customer loyalty of which is dependent variable. In the research model developed by (Kandampully and Suhartanto 2003), hotel image is a function of two dimensions which are holistic dimension and attributes dimension. Customer satisfaction is a function of four dimensions which are reception department, food and beverage department, housekeeping department, and price. Finally customer loyalty is a function of two dimension that covers the concept of customer loyalty as stated by (Kandampully and Suhartanto 2000, Kandampully and Suhartanto 2003) of which are intention to repurchase, intention to recommend. (Kandampully and Suhartanto 2003) took quantitative approach and distribution of questionnaires in hotels in Australia. It is notable to highlight that unit of analysis in this research is at the individual level– that is, the guests of chain hotels. To achieve this objective, cross-sectional data were collected from chain hotel customers. (Kandampully and Suhartanto 2003) utilized SPSS software and conducted multiple regression analyses in order to test developed hypotheses according to the research model. Research findings supported the notion that hotel image and customer satisfaction with the performance of housekeeping, reception, food and beverage, and price are

positively correlated to customer loyalty. Performance of housekeeping, however, was found to be one of the most important considerations for customers of hotel chains. There is another significant point to take into consideration that (Kandampully and Suhartanto 2003) noted as stated by (Mazanec 1995) in the study entitled "Positioning Analysis with Self-Organizing Maps: An Exploratory Study on Luxury Hotels", (Mazanec 1995) reported that image is positively associated with customer satisfaction and customer preference (a dimension of customer loyalty). A desirable image leads to customer satisfaction and customer preference, whereas an undesirable image leads to dissatisfaction. This is based on examination of Self-Organizing Maps (SOM) for positioning analysis of luxury hotels.

(Kandampully and Hu 2007) conducted a study in Mauritius with the purpose of determining the relationships between service quality and customer satisfaction and how they impact corporate image and customer loyalty. The research problem in the study by (Kandampully and Hu 2007) is customer loyalty. The research model in this study consists of four variables as independent variables and dependent variable. Three of them are independent variables which are service quality, customer satisfaction, and corporation image. And dependent variable is customer loyalty. (Kandampully and Hu 2007) took quantitative approach and developing questionnaire. The data was collected from the customers of hotels located in Mauritius. Participants of this study were customers of various hotels belonging to three hotel categories, namely: luxury, mid-scale and economy hotels (luxury hotel – 26 percent, mid-scale hotel – 64 percent, and economy hotel – 10 percent). In total, 1,500 respondents participated in this study. The scale introduced by (Parasuraman, Zeithaml et al. 1988) SERVQUAL instrument. To measure satisfaction, customers were asked to state their overall satisfaction with the hotel, their overall satisfaction with the employees' service mindedness and the quality of services offered by the hotel. Corporate image was operationalized using the dimension of image attributes and image holistic developed by (Kandampully and Suhartanto 2000). Customer loyalty representing repurchases intentions, willingness to recommend, and price sensitivity was measured using a scale developed by (Zeithaml, Berry et al. 1996). (Kandampully and Hu 2007) utilized SPSS statistical tools in order to understand the relationship amongst variables. The results indicated that existence of a significant relationship between service quality and customer satisfaction. The relationship between service quality and corporate image was found statistically significant. This study finding suggested that customers who received high service quality formed a favorable image of the hotel. The relationship between customer satisfaction and corporate image was also found to be statistically significant. Thus, this study results clearly indicated that customer satisfaction had a positive impact on the corporate image. However, no significant impact of service quality on customer loyalty was observed. Furthermore, customer satisfaction was found to significantly affect loyalty. It was also found that customer satisfaction has positive impact on customer loyalty. Finally, corporate image was found to positively influence customer loyalty. This study's results supported that corporate image has a strong impact on customer loyalty. Additionally, service quality and customer satisfaction were also found to have indirect effects on customer loyalty via corporate image. In addition, the originality/value and contribution of the study by (Kandampully and Hu 2007) was really significant for managers for hospitality industry and provided new knowledge to the body of hospitality literature and assisted managers by providing a practical approach to enhance customer loyalty.

(Muturi, Jackline Sagwe et al. 2013) Carried out a study on customer loyalty through the moderating role of corporate image as a social pressure. The aim of this research was to

interrogate the mediating role of corporate image in terms of customer loyalty in Kenya. For purpose of the research, a quantitative approach was employed and the results derived from 140 users of mobile telecommunication services in Kenya through SPSS. To measure customer loyalty as dependent variable two items scale adopted from (Zeithaml, Berry et al. 1996) and (Lam, Shankar et al. 2004) which was applied by (Lai, Griffin et al. 2009). Also, in order to measure perceived customer value using two items scale from (Lai, Griffin et al. 2009). Company image items scale using four indicators was adopted from (Selnes 1993). For measuring service quality, five items scale wad adopted from (Zeithaml, Parasuraman et al. 1988). Customer satisfaction was measured with two items scale adopted from (Lai, Griffin et al. 2009); and social pressure with tree items scale adopted from (Makgosa and Mohube 2007). The outcomes of the study indicated that perceived service value, service quality, and social pressure had a direct and significant impact on customer loyalty or it could be said that they were significant predictors of customer loyalty; while customer satisfaction was not significant predictor of customer loyalty. In addition, relationships among service value, service quality, social pressure and customer loyalty, corporate image were shown to moderate relationship. For further clarification, table 1 represents summary of information relevant to reviews of studies in this section (2.1).

Table 1: Summarized Information Related to Reviewed Studies

NO	Author(s)/Date/ country	Title	Research problem	Research model	Research method	Research results
1	(Kandampully and Suhartanto 2000) New Zealand	Customer loyalty in the hotel industry: the role of customer satisfaction and image	Customer loyalty as dependent variable in five different chain hotels located in Christchurch, New Zealand	Three variables which are hotel image and customer satisfaction as independent variables and customer loyalty as dependent variable	Quantitative approach, distribution of 106 questionnaires	Hotel image and customer satisfaction have significant determination on customer loyally in five different chain hotels located in Christchurch, New Zealand.
2	(Kandampully and Suhartanto 2003)/ Australia	The Role of Customer Satisfaction and Image in Gaining Customer Loyalty in the Hotel Industry	Customer loyalty as dependent variable in chain hotels in Australia	Research model consists of three variables. Two of them are independent variables which are hotel image, customer satisfaction and another one is customer loyalty of which is dependent variable.	Quantitative approach, distribution of questionnaires	Hotel image and customer satisfaction with the performance of housekeeping, reception, food and beverage, and price are positively correlated to customer loyalty. Performance of housekeeping, however, was found to be one of the most important considerations for customers of hotel chains.
3	(Kandampully and Hu 2007)/ Mauritius	Do hoteliers need to manage image to retain loyal customers?	Customer loyalty as dependent variable in hotels located in Mauritius	The research model consists of four variables. Three of them are independent variables which are service quality, customer satisfaction, and corporation image. And dependent variable is customer loyalty.	Quantitative approach, distribution of questionnaires	As stated in review of article earlier
4	(Muturi, Jackline Sagwe et al. 2013)/Kenya	"Determinants of customer loyalty in Kenya: does corporate image play a moderating Role?"	Customer loyalty as dependent variable among users of mobile services in Kenya	Service quality, service value, customer satisfaction, and social pressure as independent variable and Customer loyalty as dependent variable	Quantitative approach	perceived service value, service quality, and social pressure were predictors of customer loyalty, significantly through moderating role of corporate image, but while customer satisfaction was not significant

2.2 Corporate/Hotel Image Definitions

Corporate image has been identified as an important factor in the overall evaluation of a firm (Bitner 1990) and is argued to be what comes to the mind of a customer when they hear the name of a firm (Nguyen 2006). There are two principal components of corporate image: functional and emotional. The functional component is related to those tangible characteristics that can easily be measured, such as the physical environment offered by the hotel; the emotional component is associated with those psychological dimensions that are manifested by feelings and attitudes towards an organization. These feelings are derived from the numerous experiences with an organization and from the processing of information on the attributes that constitute functional indicators of image. The association between corporate image and a hotel's offering is much more difficult to pinpoint because of the large intangible component of the hotel's offer. Rendering the intangible components tangible is therefore imperative if the hotel is to communicate quality and value to its customers (Kandampully and Hu 2007).

Hotel image is believed to play an important role on a customer's decision to use a hotel. Corporate image is mainly derived from customers past experiences. Thus, a customer's experience with the hotels' services is considered to be the factor most influential in determining their image of the hotel (Kandampully and Suhartanto 2000). (Echtner and Ritchie 2003), based on studies conducted on store image, identified two dimensions of image–"holistic" and "attributes." The holistic dimension refers to a person's mental picturing of the phenomena as a whole, as opposed to a mere collection of independent stimuli (Bitner 1992). In other words, the holistic or imaginary element of image encompasses the total impression and feeling of the phenomena engendered from any or all of the senses. The attributes dimension refers to the facilities and physical environment that forms and influences the phenomena (Echtner and Ritchie 2003).

Moreover, image is considered to be an important variable in influencing marketing activities. Image is important for any organization, due to its ability to influence customers' perception of the goods and services offered (Zeithaml, Bitner et al. 2012). As a result, image impacts on customers' buying behavior, and this highlights the importance of maintaining a desirable image. Researchers have identified a number of factors that determine image. (Normann 1991), for example, argued that image is built up in the customer's mind through the combined effects of advertising, public relations, physical image, word-of-mouth, and the customer's actual experiences with the goods and services. From these determinants, (Normann 1991) deemed the customer's experience with the products and services to be the most important factor in the development of image. Similarly, (Grönroos 1983) contended that image is formed by the service quality (both technical and functional quality), by traditional marketing activities (such as advertising, public relations, and pricing), and by external influences (such as tradition and word of- mouth). According to (Grönroos 1983), it is service quality that represents the single most important determinant of image.

Contact personnel and physical environment are used by many hotels, to successfully communicate the benefits (Nguyen 2006), essentially creating a more concrete and perceivable image to its customers. Although the quality of service is "defined" by the customer, but "created" by the employees, it is the "human factor" that holds the ultimate balance of quality in

service industries. Service providers not only deliver and create the services but are often seen as synonymous to the firm in the eyes of the customer (Surprenant and Solomon 1987). For example, Ritz Carlton hotel's Credo "we are ladies and gentlemen serving ladies and gentlemen" communicates a strong service "image" to both its customers and its employees simultaneously (Bacon and Pugh 2004). To Ritz Carlton both these customer groups (external customers and internal customers) are essential not only to the firm's success, but also to maintain a superior service image in the market. Ritz Carlton clearly communicates their firm's service superiority by showcasing their world class employees (Bacon and Pugh 2004). To Ritz Carlton, its employees are the "ladies and gentlemen" of the hotel profession – the elite hotel professionals – who inherently familiar with how best to serve "ladies and gentlemen". Thus the employee induced image communicates superior service to the firm's customers. To support its world class employees, Ritz Carlton has also developed numerous service focused strategies such as empowering employees with $2,000 to use towards anything that will enable employees to create an out of the ordinary experience for customers (Bacon and Pugh 2004).

(Grönroos 1984) argued that service quality and the subsequent image gained by the firm are derived through two distinctly different dimensions namely: technical quality; and functional quality. Functional quality addresses "how" the service is offered, and considers issues such as the behavior of customer-contact staff and the speed of service, whereas technical quality addressed "what" is offered, and considers such issues as the end result of service provision (Kang 2006). In a hotel context, the functional aspects of services (how they are offered) has a much higher probability of influencing customers' emotional feelings, than the technical aspects (what is offered) (Kandampully and Hu 2007). The functional aspects of the service enhance value and provide a memorable experience to the customer. Several authors have suggested that evaluation of service quality should include both sets of attributes (Glynn Mangold and Babakus 1991, Baker and Lamb 1994).

Theory suggests that employees service mindedness and thoughtful action enhance customer perception and therefore lead to favorable hotel image (Mikic Little and Dean 2006). Researchers have found image to be a very complex concept in that it is more than just the summation of all the factual attributes of a firm. Image is influenced by the interactions among all factual and emotional elements of a firm in generating consumer's impression and suggesting a "gestalt" view of the firm's image (Dichter 1985, Keaveney and Hunt 1992).

2.3 Corporate/Hotel Image, Customer Satisfaction, and Customer Loyalty

As stated, an organization's image is an important variable that positively or negatively influence marketing activities and customer decision. (Andreassen and Lindestad 1998) and (Grönroos 1984) suggested that corporate image serves as a filtering mechanism that impacts customer's perception and customer satisfaction. (Nguyen and LeBlanc 1998) reported that customers who perceive service quality over repeated service encounters will have an overall favorable image of the firm. Thus, it is important for hospitality firms to gain high customer satisfaction by managing service encounters.

If customers perceive that the firm is truly service oriented, it will have the power to enhance customers' perception of the firm's image and gain their loyalty. Those firms who have

developed strategies and systems to ensure that the entire firm's focus remains directed on assisting and supporting customers will not only gain positive influence on the firms' image but will also gain customer loyalty (Kandampully and Hu 2007). (Oh 1999) also found those perceived service quality and customer satisfactions have important relationships in customer's repurchasing decision process. Their study indicates that service quality and customer satisfaction are directly or indirectly related to repurchase intension as well as to positive WOM communication (Word of Mouth Communication) intentions in the hotel industry. For example: Dell's customer focused service model "beginning with the customer and ending with the customer" helped Dell to provide personalized service to its customers (Dell and Fredman 2000). Through Dell's intense customer focus it was possible for Dell to create the revolutionary service strategies that enabled Dell to show its service superiority. Dell's strategies: "build-to-order"; "direct relationship" and "single point of accountability" helped to orient the entire firm to serve the customer better. These services were unheard of in the computer industry, as it was considered impossible to build computers for the requirements of every individual customer. Dell's service strategy to offer customized computers to its customers communicated Dell's superiority over other computer firms in the market. Dell thus was also successful in communicating their service-oriented system very effectively to their customers. In effect, Dell gained the opportunity to create and maintain direct relationship with its customers by assigning single point of accountability (customers have direct contact with one Dell employee who fulfills all of a customer's requests). This direct relationship focused strategy helped Dell not only to offer customer support but also to maintain direct long term relationship with the customers through the entire life span of the computer. Dell's direct relationship and service support was truly a "unique proposition" to the customers. Dell's well thought through service strategies allowed Dell to orchestrate superior services that are focused on customer needs. Through its superior service Dell gained customer satisfaction and uplifted its image in the customers mind, thereby gaining the all-important customer loyalty. The above examples of Ritz Carlton and Dell, provides a clear message to the hotel firms. It is imperative for hotel firms to move away from the old paradigm of marketing and advertisement. Image and loyalty are no longer the variables that can be influenced through advertisement and marketing, but are those that can be successfully managed through superior service and customer satisfaction.

Additionally, a firm's ability to consistently deliver superior quality of service and the subsequent customer satisfaction are considered to be the primary prerequisite for gaining customer loyalty. Several studies suggested that consistently providing high quality service may help hospitality firms increase their number of brand loyal customers (Tepeci 1999, Back and Parks 2003).

The quality of service is influenced by the actions of contact employees during service delivery. Based on (Kandampully and Hu 2007) the thousands of moments-of-truth that are spontaneously managed by service employees both in the presence and/or away from customers' sight communicates quality, efficiency the service-oriented culture of the firm. The firm's employees' service mindedness may be considered as the collective service culture of the firm which motivates service personnel to go beyond their job tasks to fulfill customer needs. Service minded employees therefore have the unique opportunity to establish relationship with the customer. For example: at Southwest Airlines the common mantra is "customers come second – and still get great service". South West's core belief "the better its people are treated the better

they perform" this core belief helped Southwest gain three very important outcomes, namely: employee relationships, service culture and customer relationship. Employee relationship spontaneously created the most coveted service culture Southwest enjoys (Bunz and Maes 1998, Rhoades 2006). The commitment and loyalty of its employees is what differentiates southwest from its competition. A sense of employee "ownership" within a service-oriented culture has reaped significant dividends for the firm. The loyalty of Southwest's internal customers is reflected directly in the loyalty of it external customers. Customer focused service culture of Southwest instigates employees to go out of their way to please customers. At every moment of the service experience Southwest's employees create positive and memorable moments-of-truth that have helped them gain and enhance customer relationship, loyalty and positive word-of-mouth. Efficient, spontaneous and personalized service offered by Southwest employees has helped to win the heart of its customers. Thus, the superior quality of service as perceived by its customers helped Southwest successfully create customer satisfaction and long term relationship with its customers (Bunz and Maes 1998, Rhoades 2006). The above example from Southwest clearly illustrates the impact of operational outcome on customer satisfaction, image and customer loyalty. (Getty and Thompson 1995) reported that consumer's intentions to recommend are a function of their perception of both their satisfaction and service quality with the hotel experience.

Service literature identifies a number of studies related to corporate image and customer satisfaction and loyalty. According to (Muturi, Jackline Sagwe et al. 2013) the services that match or exceed customer value expectation influence customer to make repeat purchases. Such repeat purchases may in the long run facilitate the formation of relationships that may foster customer loyalty. Further, they found that that corporate image has a positive moderating effect on the relationship between service value, service quality, customer satisfaction, social pressure and customer loyalty. So customers will remain loyal if the image of the service provider is good because it has a moderating effect on customer perception of service value, perceived service quality, customer satisfaction and customer loyalty.

(Kandampully and Hu 2007), in other study, showed that hotel image is influenced by both service quality and satisfaction, and they in turn enhance the hotel's image resulting in gaining customer loyalty. Thus, the key to customer loyalty appears to be through favorable image of the hotel. Favorable image of a hotel however, is created by improving service quality and customer satisfaction. They found that the impact of customer satisfaction has direct impact on customer loyalty in the hotels. Besides, customer satisfaction influence customer loyalty indirectly by affecting image of the hotel but also influences customer loyalty directly. Therefore, service quality affects corporate image, which in turn affects customer loyalty. Thus, corporate image mediates the effect of service quality on customer loyalty (Kandampully and Hu 2007).

(Kandampully and Suhartanto 2003)   and (Kandampully and Suhartanto 2000) further identified that the hotel image and customer satisfaction have direct impact through the performance of housekeeping, reception, food and beverage and are positively correlated to customer loyalty. Their study results indicated that hotel image and customer satisfaction are important factors in determining customer's intention to repurchase, to recommend, and exhibit loyalty. Among these determinant factors, hotel image and customer satisfaction with housekeeping are the major considerations when customer repurchase, recommend, and exhibit loyalty.

In addition, (Mazanec 1995) examined Self-Organizing Maps (SOM) for positioning analysis of luxury hotels. He reported that image is positively associated with customer satisfaction and customer preference (a dimension of customer loyalty). A desirable image leads to customer satisfaction and customer preference, whereas an undesirable image leads to dissatisfaction.

In other study, (Ostrowski, O'Brien et al. 1993) examined issues related to service quality and customer loyalty in the airline industry. Using data collected from two air carriers, they indicated that a significant relationship exists between carrier image and retained preference (a measure of customer loyalty). Among the carrier-image variables used in their research, airline reputation and quality of customer service were deemed the most important variables for both airlines.

Furthermore, study of (Ostrowski, O'Brien et al. 1993) show that the image of the location, employee attitude, facilities, and services of a hotel constitute important factors in determining customer loyalty. Also, based on (Normann 1991), the positive correlation between hotel image and a customer's intention to repurchase, to recommend, and to demonstrate loyalty can be attributed to the role of image as a representative of reality. Therefore, customers tend to repurchase and recommend a business with a favorable image in the belief that it provides an assurance of high quality goods and services.

In summary, hotel firms' competitiveness is associated with higher levels of service quality and customer satisfaction. Further, customer's perception about the firms' image will have positive impact on customer loyalty. Thus, referring to the above literature and SOM approach, hotel image is positively associated with customer satisfaction and loyalty.

3. Sources of Data

As the nature of research on corporate/hotel image and its association with customer satisfaction and loyalty is difficult to confine to specific disciplines, the relevant materials are scattered across various journals. Hospitality, Marketing, Business and Management are some common academic disciplines for mentioned research. Consequently, the following online journal databases were searched to provide a comprehensive bibliography of the academic literature on hotel image and its association with customer satisfaction and loyalty:

- Academic Search Premier;
- Business Source Premier;
- Emerald Full text and Emerald insight;
- Taylor & Francis;
- Sage Publication;

As can be seen in the literature review (section 2.1), articles were reviewed in-depth and other related researches by scholars in this research era have been explained in the current review article in order to achieve a comprehensive literature review.

4. Conclusion

This review article was an in-depth review in literature related to determination of hotel image on customer loyalty in service industries from 1983 to 2013. By reviewing the above literature, it

can be deduced that customer loyalty has attracted researchers' attention and many scholars have focused on the significant role of customer loyalty in hospitality industries in different countries within different scopes. Therefore, it can be stated that studies conducted by scholars have had their own contribution to the body of knowledge in this research era and have had provided initial insights for managers in hospitality industries and provided contribution to the existing knowledge of hospitality literature and assisted managers by providing a practical approach to enhance customer loyalty.

According to the reviewed studies such as (Kandampully and Suhartanto 2000, Kandampully and Suhartanto 2003, Kandampully and Hu 2007) corporate image (hotel image in this review article), have had significant determination on customer loyalty through mediating role of customer satisfaction. Thus, hotel image has been considered as a predominant determinant for customer loyalty in many studies.

Finally, it is notable to mention that present study will be really practical for individuals who will be having intention to research on this topic and will be beneficial for academics and managers in service industries especially hospitality ones for taking logical step and formulation of strategy for enhancing customer loyalty through prediction of corporate/hotel image.

References

Andreassen, T. W. and B. Lindestad (1998). "Customer loyalty and complex services: The impact of corporate image on quality, customer satisfaction and loyalty for customers with varying degrees of service expertise." International journal of Service industry management **9**(1): 7-23.

Back, K.-J. and S. C. Parks (2003). "A brand loyalty model involving cognitive, affective, and conative brand loyalty and customer satisfaction." Journal of Hospitality & Tourism Research **27**(4): 419-435.

Bacon, T. R. and D. G. Pugh (2004). "Ritz-Carlton and EMC: The gold standards in operational behavioral differentiation." Journal of Organizational Excellence **23**(2): 61-76.

Baker, J. and J. Lamb, Charles W (1994). "Measuring architectural design service quality." Journal of Professional Services Marketing **10**(1): 89-106.

Bitner, M. J. (1990). "Evaluating service encounters: the effects of physical surroundings and employee responses." The Journal of Marketing: 69-82.

Bitner, M. J. (1992). "Servicescapes: the impact of physical surroundings on customers and employees." The Journal of Marketing: 57-71.

Bunz, U. K. and J. D. Maes (1998). "Learning excellence: Southwest airlines' approach." Managing Service Quality: An International Journal **8**(3): 163-169.

Dell, M. and C. Fredman (2000). Direct from Dell: Strategies that Revolutionized an Industry, HarperCollinsBusiness.

Dichter, E. (1985). "What's in an image." Journal of consumer marketing **2**(1): 75-81.

Echtner, C. M. and J. Ritchie (2003). "The meaning and measurement of destination image:[Reprint of original article published in v. 2, no. 2, 1991: 2-12.]." Journal of tourism studies **14**(1): 37.

Getty, J. M. and K. N. Thompson (1995). "The relationship between quality, satisfaction, and recommending behavior in lodging decisions." Journal of Hospitality & Leisure Marketing **2**(3): 3-22.

Glynn Mangold, W. and E. Babakus (1991). "Service quality: The front-stage vs. the back-stage perspective." journal of services marketing **5**(4): 59-70.

Grönroos, C. (1983). Strategic Management and Marketing in the Service Sector, Marketing Science Institute.

Grönroos, C. (1984). "A service quality model and its marketing implications." European Journal of marketing **18**(4): 36-44.

Kandampully, J. and H.-H. Hu (2007). "Do hoteliers need to manage image to retain loyal customers?" International journal of contemporary hospitality management **19**(6): 435-443.

Kandampully, J. and D. Suhartanto (2000). "Customer loyalty in the hotel industry: the role of customer satisfaction and image." International journal of contemporary hospitality management **12**(6): 346-351.

Kandampully, J. and D. Suhartanto (2003). "The role of customer satisfaction and image in gaining customer loyalty in the hotel industry." Journal of Hospitality & Leisure Marketing **10**(1-2): 3-25.

Kang, G.-D. (2006). "The hierarchical structure of service quality: integration of technical and functional quality." Managing Service Quality: An International Journal **16**(1): 37-50.

Keaveney, S. M. and K. A. Hunt (1992). "Conceptualization and operationalization of retail store image: A case of rival middle-level theories." journal of the Academy of Marketing Science **20**(2): 165-175.

Lai, F., et al. (2009). "How quality, value, image, and satisfaction create loyalty at a Chinese telecom." Journal of Business Research **62**(10): 980-986.

Lam, S. Y., et al. (2004). "Customer value, satisfaction, loyalty, and switching costs: an illustration from a business-to-business service context." journal of the Academy of Marketing Science **32**(3): 293-311.

Makgosa, R. and K. Mohube (2007). "Peer influence on young adults' products purchase decisions." African Journal of Business Management **1**(3): 64.

Mazanec, J. A. (1995). "Positioning Analysis with Self-Organizing Maps An Exploratory Study on Luxury Hotels." Cornell Hotel and Restaurant Administration Quarterly **36**(6): 80-95.

Mikic Little, M. and A. M. Dean (2006). "Links between service climate, employee commitment and employees' service quality capability." Managing Service Quality: An International Journal **16**(5): 460-476.

Muturi, et al. (2013). "Determinants of customer loyalty in Kenya: does corporate image play a moderating role?" The TQM Journal **25**(5): 473-491.

Nguyen, N. (2006). "The collective impact of service workers and servicescape on the corporate image formation." International Journal of Hospitality Management **25**(2): 227-244.

Nguyen, N. and G. LeBlanc (1998). "The mediating role of corporate image on customers' retention decisions: an investigation in financial services." International Journal of Bank Marketing **16**(2): 52-65.

Normann, R. (1991). Service Management: Strategy and Leadership in Service Business, Wiley.

Oh, H. (1999). "Service quality, customer satisfaction, and customer value: A holistic perspective." International Journal of Hospitality Management **18**(1): 67-82.

Ostrowski, P. L., et al. (1993). "Service quality and customer loyalty in the commercial airline industry." Journal of Travel Research **32**(2): 16-24.

Parasuraman, A., et al. (1988). "Servqual." Journal of retailing **64**(1): 12-40.

Rhoades, D. L. (2006). "Growth, customer service and profitability Southwest style." Managing Service Quality: An International Journal **16**(5): 538-547.

Selnes, F. (1993). "An examination of the effect of product performance on brand reputation, satisfaction and loyalty." Journal of Product & Brand Management **2**(4): 45-60.

Surprenant, C. F. and M. R. Solomon (1987). "Predictability and personalization in the service encounter." The Journal of Marketing: 86-96.

Tepeci, M. (1999). "Increasing brand loyalty in the hospitality industry." International Journal of Contemporary Hospitality Management **11**(5): 223-230.

Zeithaml, V., et al. (2012). Services Marketing: Sixth Edition, McGraw-Hill Higher Education.

Zeithaml, V., et al. (1988). "SERVQUAL: A multi-item scale for measuring customer perceptions of service." Journal of retailing **64**(1).

Zeithaml, V. A., et al. (1996). "The behavioral consequences of service quality." the Journal of Marketing: 31-46.