Antecedents of Tourist Loyalty in Homestay Tourism Sector: Structural Equation Modelling

Fairul Ifnee Othman*
Open University Malaysia
fairul_ifnee@oum.edu.my

Zahir Osman
Open University Malaysia
zahir_osman@oum.edu.my

Proposed citation:

Othman, F. I. & Osman, Z. (2024). Antecedents of Tourist Loyalty in Homestay Tourism Sector: Structural Equation Modelling. *Journal of Tourism, Hospitality & Culinary Arts*, 16(1), 1-21.

Abstract

Homestay tourism is an increasingly popular form of travel, particularly in Malaysia, where visitors can experience a unique local culture by staying with a host family. However, the homestay operators have been facing a significant challenge with declining numbers of repeated guest visits. Therefore, this study aims to understand the direct relationships between image, perceived value, safety, satisfaction, and tourist loyalty in the Malaysian homestay tourism sector. The study's research model comprises three exogenous variables: image, perceived value, and safety, with satisfaction as a mediator and loyalty as an endogenous variable. Image refers to the homestay's reputation, including online reviews and word-of-mouth recommendations. Perceived value refers to the perception of guests regarding the price and quality of services provided by the homestay. Safety refers to the perceived safety and security of guests in the homestay. Primary data was collected through a survey questionnaire that was adapted from previous studies. A total of 239 clean data sets were analyzed using structural equation modeling. The measurement model's convergent validity was initially assessed by examining construct reliability and validity. Then, discriminant validity was evaluated through cross-loading and Hetrotrait-Monotrait (HTMT) ratios. The results of the structural model evaluation revealed that image, perceived value, and safety positively and significantly influence satisfaction, which strongly influences tourist loyalty. The findings suggest that homestay operators should focus on improving their reputation, providing high-quality services at a reasonable price, and ensuring the safety and security of their guests to increase satisfaction and loyalty. This study provides valuable insights into the factors that influence tourist loyalty in the Malaysian homestay tourism sector. By improving the homestay's image, perceived value, and safety, operators can increase guest satisfaction and encourage repeated visits. This research has practical implications for homestay operators and policymakers in the tourism industry, highlighting the importance of understanding customer needs and preferences in creating a positive and memorable experience for tourists.
.

1   Introduction

Tourism is among the vital tools used to enhance economies and is therefore deemed a main component in the development of developing countries (Szivas et al., 2003). Tourism has emerged as the third contributor to the Malaysian economy in terms of gross domestic product (GDP), where manufacturing and commodities are the first and second respectively (Hirschmann, 2021). Malaysian Tourism industry posed to become a major source of income derived from foreign exchange currency which makes a positive contribution to the country. Before the COVID-19 pandemic, there was an arrival of 26,100,784 tourists in 2019 and the amount spent by the tourists was RM86.145 billion (Malaysia Ministry of Tourism Report, 2019). However, in 2020, the revenue from tourism has dropped significantly to RM12.7 billion. This is due to the disruptions by the COVID-19 pandemic (Hirschmann, 2021). The arrivals of tourists were further contracted in 2021. From January 2021 until September 2021, there were only 73,309 tourists arrived compared to 4,229,219 for the same period in 2020, which was a 98.3% decrease (Malaysia Ministry of Tourism Report, 2019). Tourism activities allow more creation of job opportunities and contribute to the decrease in unemployment. One of the components of the tourism industry is a homestay which is getting popular among local and international tourists. In Malaysia, there is a Rural Tourism Master plan which was designed to raise the involvement of rural communities in the tourism sector. One of the important components of Malaysian tourism is homestay. According to Lynch (2005), homestay can be referred to as a type of accommodation where the guest or tourist would pay for their stay in private homes and interact with the host and their family who share or stay together in the same house. In Malaysia, tourists can experience the local surroundings and rural daily life. The focus of the homestay program is more on the experience and lifestyle, inclusive of economic and cultural activities rather than as a lodging facility (Ministry of Tourism and Culture Malaysia [MOTAC], 2014). The Malaysian homestay programs are not the same worldwide bed and breakfast where tourists will stay in chalets and not with the host family (Nuntsu et al., 2004). This type of service is commonly available in most European countries where the places are operated by the proprietors at the well-known vacation spots. In addition, the majority of community-based approaches by Malaysian have absorbed the homestay experience (Jamal et al., 2011). Today, tourists were looking at how they can explore the country they were visiting. Even though "experiential travel" has been practicing a long time ago, it still was getting in popularity. Many travel agencies in Malaysia offered travel itineraries that included homestay. Homestay experience is still the main element in experiential travel in Malaysia itself, travel itineraries on offer by travel agencies generally consist of either a homestay or accommodation. The homestay experience is a key component of experiential travel, especially in Malaysia which consisted of various races of people. The homestay program in Malaysia offered tourists the opportunity to experience staying with a local family with different backgrounds and

get to familiarize themselves with local people's daily life activities in the selected community. Tourists will get to learn about the cultural and lifestyle aspects of the community by getting involved in the activities. There is a great concern among the homestay operators in Malaysia on whether those who have visited and stayed at their homestay will visit again their homestay after the Covid-19 pandemic (The Star, 2021). Tourists with strong loyalty will revisit the homestay that they visited before if they had a good homestay experience during their earlier visit. Whereas, those who had a bad homestay experience on their earlier visit will choose another homestay for their homestay vacation (Mohammad et al., 2020). Many homestay operators feel worried about whether their previous homestay guests will visit again because often these guests only visit once and do not return (The Star, 2021). The findings of this study will contribute to the benefit of homestay hosts in improving and enhancing guest satisfaction and loyalty through the enhancement of their service offerings. The insights and strategies gained from the results of this research will also assist regulators in promoting sustainable and responsible practices in homestay tourism. The purpose of this study is to evaluate the influence of image, perceived value, and safety on satisfaction and the influence of satisfaction on tourist loyalty in Malaysian homestay tourism sector. Therefore, the purpose of this study is to evaluate the direct influence of image, perceived value, and safety on satisfaction and the direct influence of satisfaction loyalty.

2 Literature Review

2.1 Underpinning Theory

This study adopts Oliver's (1997) four stages of loyalty as its underpinning theory. According to Oliver (1997), loyalty includes both attitudinal and behavioural aspects. Oliver (1997) suggests that loyalty is a deep commitment to re-purchase or to re-patronize a preferred product or service constantly in the future, even in the face of situational effects and marketing efforts that may induce switching behaviour. The theory presents a four-stage loyalty model, suggesting that various aspects of loyalty do not surface at the same time, but occur sequentially (Oliver 1999). The theory covers the loyalty sequence "cognitive-affective-conative" which includes observable behaviour. Various factors affecting loyalty can be traced at the loyalty stage separately. Customer loyalty is determined by the information related to the offering such as price, and quality. Consumers are likely to switch once they perceive alternative offerings as being superior in terms of the cost-benefit ratio.

2.2 Loyalty

Oliver (1999) referred to loyalty as a deeply held dedication to make repurchase regularly or to support a preferred product or service somewhere in the future. This causes the buying of the same brand regardless of the situational influences or marketing efforts that can trigger the behaviour to change. For some homestay market segments, tourist with a strong degree of loyalty forms a market segment. Many tourists

were inclined to stay longer at the homestay as compared to first-time homestay tourists, they tend to share their experience through word of mouth and are actively involved in activities (Wardi et al., 2018). Zeithaml et al. (1996), stated behavioral loyalty as a customer's behaviors such as admiring a specific product or service and having the intention to repeat purchase. Attitudinal loyalty on the other hand refers to the customers' state of emotional and psychological and their intentions to repeat purchases and suggest a particular product or service to other people. In the tourism perspective, attitudinal loyalty is regularly used to interpret and gauge tourists' loyalty (Chi & Qu, 2008; Wang et al, 2019; Yoon & Uysal, 2005; Osman, 2013) and it has a perspective that mirrors tourists' intentions to revisit based on their preceding travel experiences (Chi & Qu, 2008; Oppermann, 2000). Thus, loyalty indicates tourists' seriousness to visit the tourist spot again (Chen & Gursoy, 2001; Lv & McCabe, 2020). Based on this concept, Schall (2003) described that the attitudinal loyalty elements including both attitudinal and emotional commitment should be the focal of tourism research (Chen et al., 2020). Furthermore, Chen et al. (2020) mentioned destination loyalty is the intention to revisit and recommend to others. Tourists' recommendations regarding their previous travel experience can significantly influence other tourists' decision-making to visit the same destination (Chen et al., 2020). Additionally, these recommendations can impact tourists' future repeat travel (Chi et al., 2020; Osman & Sentosa, 2013). According to Lv and McCabe (2020), the tourist destination selection is typically influenced by the desire for originality and the difficulty of deciding (Chew & Jahari, 2014) from a tourism perspective. In this context, achieving destination loyalty is more complex compared to common customer loyalty; and it requires effective marketing strategies and efforts.

2.3 Image

An image can be defined as a set of expectations, perceptions and influences generated by tourists (Lu et al., 2015). It also can be described as the collection of detailed, prejudiced, and informative beliefs that tourists have about a particular tourist destination (Souiden et al., 2017). These images are cognitive perceptions created by tourists from various sources (Jamaludin et al., 2012). Thus, the image formed in the minds of tourists is how the tourist destination is perceived. This perception is in line with the findings of Stylos et al. (2017) regarding tourists' perceptions. Image formation is constructed from figurative products, national, economic, political, cultural, and historical characteristics (Souiden et al., 2017). The image is certainly formed when the overlapping concepts of "tourist destination image" and "product country image" develop separately (Souiden et al., 2017). In general, images can be interpreted as the overall perception of tourists on a specific tourist attraction. Shen et al. (2015) suggested that the image of a tourist attraction became imperative when knowledge and understanding of a tourist attraction have limitations. If a tourist has perceived positively a destination, then he or she tends to select the destination as part of the tourist destination; if he was inclined to cultural aspects, then well-imaged cultural destinations will be most likely to be visited (Hou et al., 2005). Chew and Jahari (2014) in their study have looked at the destination image from the point of the construct

formation which was the underlying causes and the accompanying consequences. They proposed to look at the construct of destination image from the logical viewpoint (cognitive) which incorporated the characteristics that exist in a destination, as well as emotions (affective) connected to one's feelings in evaluating a destination. Su et al. (2018) suggested that research on tourist destinations is relatively less, and there was an overlap between the destination image and the destination reputation which they disputed that a good reputation produced by a well-known tourist place becomes competitive and pushes tourists to become loyal. However, Postma and Schmuecker (2017) suggested that a misunderstanding of the destination image can trigger conflict between tourists who visit with guides or locals. Zahir et al. (2015) found in their study on bank customers' loyalty in the commercial banking sector in Malaysia that image has a strong positive and significant influence on loyalty. Jebbouri et al. (2021) revealed in their study on tourists visiting the city of Kaiping in Guangdong, China, that image has a positive and significant influence on tourist loyalty. Aliman et al. (2016) found in their study on tourists to Langkawi Island, Malaysia, that image had a positive and significant effect on tourist satisfaction. Anna et al. (2021) found in their study on excursionists visiting architectural tourism destinations in Ipoh Township, Malaysia, that image has a strong positive and significant influence on tourist satisfaction and loyalty. Based on the above, the following hypotheses were proposed:

H1: *Image has a positive and significant relationship with satisfaction in homestay tourism sector.*

2.4 Perceive Value

The perceived value concept has originated from consumer behaviour theories by considering the consumers' feelings and attitudes to comprehend their inclination to purchase specific products in the competitive market (Jamal & Muhammad, 2011). Perceived value signifies the buyers' total evaluation of the product quality in relation to what they have received and what they have paid (Zeithaml, 1988). Therefore, perceived value does not just focus on the product's price, but also includes various psychological factors that influence consumers' purchase decision to buy a specific product (Zeithaml, 1988). Perceived value was different in accordance to the kind of product and service and was gauged differently based on different areas (Lee et al., 2007). By tradition, the perceived value was deemed to be focused on the price of the product. However, lately, the value for money has been considered as a main perceived value indicator (Gallarza & Saura, 2006). Value for money took into account the customer behaviour value approaches to the perceived value recognition (Duman, 2002). Nevertheless, other psychological factors involving emotional response, quality, and reputation can affect as well the purchase decision on a specific product or service (Petrick, 2002). Although the concept of perceived value has been widely debated in the marketing field, it has gained fast popularity in the field of tourism (Sanchez et al., 2006). Numerous studies have been conducted to assess the effect of perceived value on satisfaction (Bajs, 2015; Iglesias, & Guillén, 2004; Lee et al., 2007). In a study on

homestay tourists at Lenggong Valley World Heritage Site (WHS) in Malaysia, Rasoolimanesh et al (2016) found that perceived value has a positive and significant influence on tourist satisfaction. Similarly, Pandža (2015) conducted a study on Croatian tourists about tourist destinations and revealed that perceived value has a positive and significant impact on tourist satisfaction. In addition, Aliman et al. (2016) found that perceived value positively and significantly influences tourist satisfaction when conducting a study in tourism destinations in Langkawi Island, Malaysia. Given the above, the following hypotheses were proposed:

H2: *Perceived value has a positive and significant relationship with satisfaction in a homestay tourism sector.*

2.5 Safety

As mentioned by Hamarneh and Jeřábek (2018), safety was a precaution set adopted to avoid tourists and industrial employees from being exposed to circumstances where they consider they were at risk in relation, crime, and emergencies. However, security was a preventive measure series adopted against the enemies, events that seek out to cause major harm will resort to serious economic catastrophic or actions taken to safeguard against attack or crime. Safety, security, and peace were important conditions to ensure the success of tourism activities. Rodrick et al. (2020) suggested that safety and security matters were related to transportation modes used by tourists and the goods they carried. Soehardi (2021) in his study on tourist at Ujung Kulon National Park in Pandeglang Regency, Banten Province, Indonesia revealed that safety and security has a positive and significant influence on tourist satisfaction. Lai et al. (2018) in their study on Chinese tourists found that safety has a positive and significant impact on tourist satisfaction. Furthermore, the study also revealed that safety had a positive and significant influence on tourist loyalty in terms of word-of-mouth recommendation. Anna et al. (2021), in their study on excursionists visiting architectural tourism destinations in Ipoh Township, Malaysia, found that safety has a strong positive and significant influence on tourist satisfaction and loyalty. Based on the above, the following hypotheses were proposed:

*H3***:** *Safety has a positive and significant relationship with satisfaction in homestay tourism sector.*

2.6 Tourist Satisfaction

Many tourism academic journals have emphasized that tourist satisfaction is an evaluation made by tourists about their service providers, and it can be used for predicting future experiences (Crosby et al., 1990). From a tourism point of view, satisfaction is mainly connected to the tourist's decision of the tourist about their destinations, which is related to the experience they have at the destination. Tourists' satisfaction is a positive mental state that develops from their experience during their

visit (Meng & Uysal, 2008). They found that satisfaction has a strong positive and significant influence on loyalty. Previous studies (Petrick, 2004; Prayag & Ryan, 2012) have found that tourist loyalty is positively and significantly affected by tourist satisfaction. Tourist satisfaction and tourist loyalty are tightly and inevitably correlated, as agreed by industry practitioners and academicians (Oliver, 1999). Melo et al. (2017), suggested that less satisfied tourists are less likely to re-visit the destination compared to the highly satisfied tourists. Ragab et al. (2019) mentioned in their study that satisfied tourists tend to be loyal, as their results showed that satisfaction positively and significantly influenced loyalty. The respondents stated that they were not only willing to make recommendations via positive word of mouth, but they also had the intention to revisit. The findings of Ragab et al. (2019) were well supported by the study done by Chi and Qu (2008), where they also revealed that the relationship between satisfaction and loyalty was positively and significantly related. Jebbouri et al. (2021) found in their study on tourists visiting the city of Kaiping in Guangdong, China, that satisfaction plays a positive and significant role in determining tourist loyalty. Given the above, the following hypotheses were proposed:

H4: *Satisfaction has a positive and significant relationship with loyalty in homestay tourism sector.*
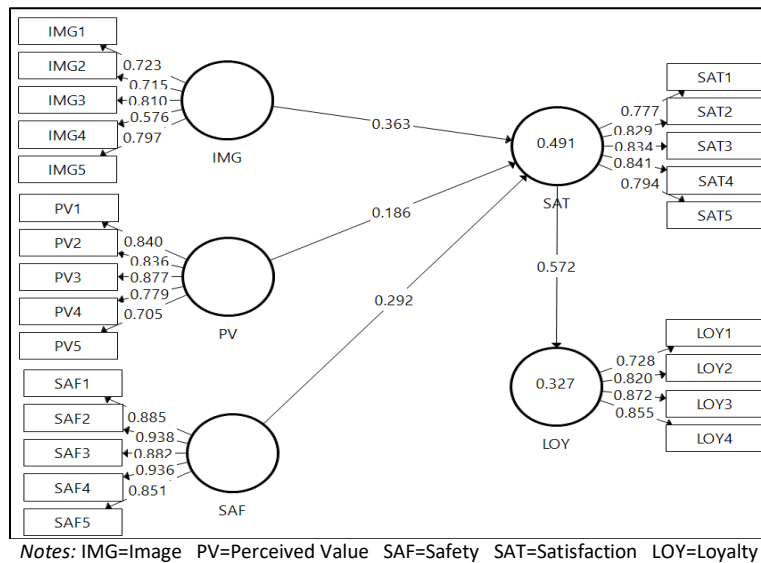

Notes: IMG=Image   PV=Perceived Value   SAF=Safety   SAT=Satisfaction   LOY=Loyalty
Figure 1: Specified Model

Notes: IMG=Image   PV=Perceived Value   SAF=Safety   SAT=Satisfaction   LOY=Loyalty
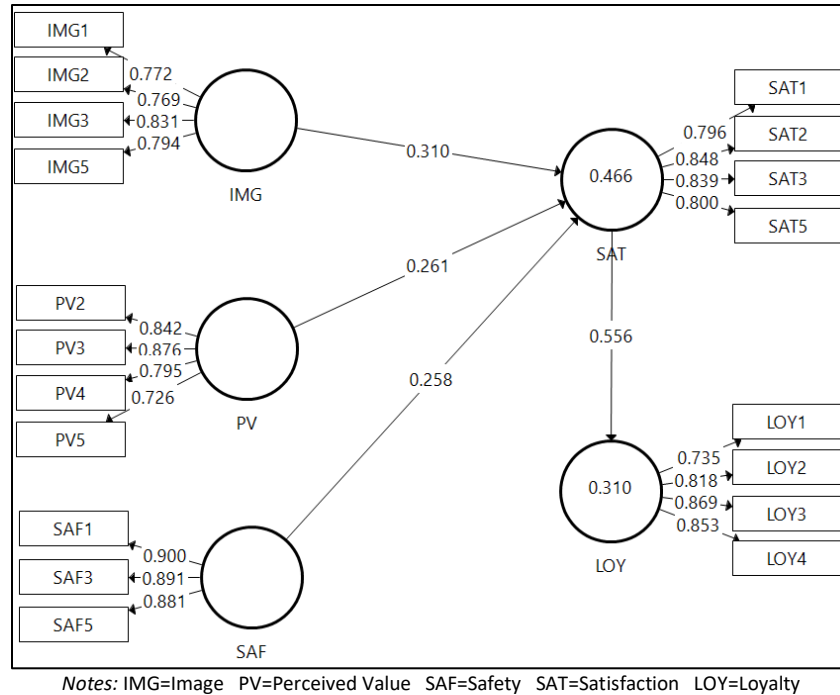
Figure 2: Re-specified Model

3   Methodology

3.1 Approach, Design and Software

In this study, the research model included image, perceived value, safety, satisfaction, and loyalty. There were 6 latent variables and 30 observed variables. Independent variables consisted of image (5 measurement items), perceived value (5 measurement items), and safety (5 measurement items), The mediator consisted of satisfaction (5 measurement items), and the dependent variable consisted of loyalty (4 measurement items). A quantitative research approach was utilized in this study by employing primary data. The 5-point Likert scales ranging from strongly disagree to strongly agree were adopted to assess all 24 measurement items that represent their respective constructs. This was planned to permit most of the response quality and response rate and to minimize the respondents' frustration level (Sachdev & Verma, 2004). Data collected were screened and cleaned by using SPSS 18 before executing the actual data analysis. As suggested by Hair, Hult, Ringle, & Sarstedt, (2017), partial least squares–structural equation modeling (PLS-SEM) was adopted to analyze the data and SmartPLS 4 software (Ringle, Wende, & Becker, 2015) was utilized to analyze the data.

8

4 Findings

4.1 Sample

This study targeted tourists who have homestay experience in Malaysia as the respondents in this study. The questionnaires of the online version were e-mailed to 303 tourists who have homestay experience in Malaysia. A total of 251 respondents (response rate=82.3%) had answered and returned the survey questionnaires. Since this study has used a variance-based approach for data analysis, and after considering that no definite standard for the least acceptable response rate in performing the online survey (Hamilton, 2003), the sample acquired was adequate for the data analysis. Then, the data screening technique as suggested by Field (2013) was conducted. This was performed by using SPSS 18 to re-evaluate to ensure that there was no outlier that was present in the data. By performing this method, 12 outliers were managed to be identified and removed before conducting the main data analysis. Hence, the PLS-SEM algorithm was performed for a sample of 239 respondents in the tourist homestay context. Table 1 depicts the profile of the respondents in this study.

Table 1: Respondents' Profile

		Frequency	Percent
Gender	Male	126	52.7
	Female	113	47.3
Age	< 30 years	11	4.6
	31 – 40 years	100	41.8
	41 – 50 years	109	45.6
	51 – 60 years	10	4.2
	> 60 years	9	3.8
Education	Secondary school	34	14.2
	Undergraduate	132	55.2
	Postgraduate	73	30.5
Income	< RM4,850	122	51.0
	RM4,851 – RM10,970	82	34.3
	> RM10,971	35	14.6
Marital Status	Married	163	68.2
	Single	75	31.4
	Widow	1	0.4
Recommendation	Yes	227	95.0
	No	12	5.0

4.2 Common Method Bias

One of the problems that researchers in the field of management frequently encounter is the problem of common method bias. This issue emerges when the variance, which is thought to reflect variables, really indicates the field's measuring

technique. The single-factor test developed by Harman is used in this study to determine whether common technique bias is a problem. The principal factor revealed 38.2% after doing Harman's single factor test, indicating that there is no issue with common method bias since the principal factor did not hold the majority of the variation explained. This concurs with Podsakoff and Organ's (1986) assertion that there is no issue with common method bias when the variance is small, which is less than 50%.

4.3 Reflective Measurement Model Evaluation

To assess each of the measurements in the first order and second order, the techniques suggested by Hair et al. (2017) were utilized in this study. This technique will allow identifying items with low loading smaller than the threshold of 0.7. First, the specified model was introduced and there were some items of the constructs were found to be less than 0.7. One item from the image, one item from perceived value, two items from safety, and one item from satisfaction were deleted because have failed to meet the threshold of 0.7 which caused the Average Variance Extracted have failed to achieve the threshold of 0.5. After the removal of lower items' loading, the AVE of all constructs achieved the threshold of the minimum of 0.5. Also, the Cronbach alpha and composite reliability achieved the minimum threshold of 0.7. This fulfills all the statistical requirements to verify the reliability and validity of the proposed research framework, and all the item factor loadings were demonstrated in a re-specified model of Figure 1. Table 2 sums up the proposed model figures of Cronbach's alpha, and composite reliability, together with the convergent validity assessment. These evaluations confirmed the absence of any concern about internal consistency validation. Besides, each of the Average Variance Extracted (AVE) figures was greater than 0.5 signifying the convergent validity establishment (Hair et al., 2017) for each construct in the research model. To confirm the existence of discriminant validity, first, the cross-loading assessment was performed and it showed that based on the loadings, all the items fittingly represented and measured their respective construct (Table 2). The discriminants validity was further assessed by computing and analyzing the Hetrotrait-Monotrait (HTMT) ratio. HTMT technique was a recommended criterion to evaluate discriminant validity in Variance-Based Structural Equation Modeling (VB-SEM); (Henseler, Ringle & Sarstedt, 2015). Table 3 depicted the HTMT ratio figures of the constructs with the original sample and 95% confidence intervals (two-tailed), suggesting the discriminant validity compliance on HTMT 0.85 and the upper level of the Bias-Corrected and accelerated bootstrap confidence intervals were less than 1.

Table 2: Constructs' Reliability, Validity & Items' Loadings

Constructs	Item	Loadings	CA	CR	AVE
Image	IMG1	0.772	0.807	0.871	0.627
	IMG2	0.769			
	IMG3	0.831			
	IMG5	0.794			

Loyalty	LOY1	0.735	0.836	0.891	0.673
	LOY2	0.818			
	LOY3	0.869			
	LOY4	0.853			
Perceived Value	PV2	0.842	0.825	0.885	0.659
	PV3	0.876			
	PV4	0.795			
	PV5	0.726			
Safety	SAF1	0.900	0.870	0.920	0.793
	SAF3	0.891			
	SAF5	0.881			
Satisfaction	SAT1	0.796	0.839	0.892	0.674
	SAT2	0.848			
	SAT3	0.839			
	SAT5	0.800			

Table 3: Hetrotrait-Monotrait(HTMT) Ratios

	IMG	LOY	PV	SAF
LOY	0.577			
PV	0.745	0.751		
SAF	0.547	0.593	0.525	
SAT	0.678	0.651	0.671	0.606

4.4 Structural Model

Hair et al. (2017) directed principle was adopted to evaluate this study's structural model and validate the significance of path coefficients. Table 4 showed the hypotheses testing results. *H1* revealed there is a positive relationship between image and satisfaction, and the result of statistical analysis showed a positive and significant influence of image on satisfaction. (ß=0.310, t=4.345, p=0.000); therefore, *H1* was supported. The statistical result construct of *H2* showed there was a significant and positive relationship between perceived value and satisfaction (ß=0.261, t=3.228, p=0.001), hence *H2* was supported. *H3* also proved that safety has a positive and significant influence on satisfaction (ß=0.258, t=3.378, p=0.001); as a result, *H3* was also supported. *H4* result also demonstrated a positive and significant relationship between satisfaction and loyalty (ß=0.556, t = 9.165, p=0.000); thus, *H4* was also supported. A variable in the structural model can be influenced by a number of different variables. The removal of an exogenous variable can have an effect on the endogenous variable. The f^2 in Table 4 shows how the R^2 changes when the exogenous is removed from the research model. The effect size is >=0.02 is small; >= 0.15 is medium;>= 0.35 is large (Cohen, 1988) More importantly, the model's out-of-sample predictive power is to draw conclusions and give managerial recommendations. For this evaluation, the PLSpredict technique was adopted on intention (Shmueli et al. 2016, 2019). Q^2_predict greater than

0 suggests that the PLS-SEM predictions are greater than the naïve mean value prediction standard outcomes (Table 5). Moreover, to that, the root mean square error (RMSE) value of the PLS-SEM predictions in six of eight cases was lower than the RMSE value of the linear model (LM) prediction benchmark. These results suggested the proposed model has a predictive power (Table 5).

Table 4: Hypotheses Testing & f^2

	Beta	T Statistics	P Values	f-square
IMG -> SAT	0.310	4.345	0.000	0.102
PV -> SAT	0.261	3.228	0.001	0.074
SAF -> SAT	0.258	3.378	0.001	0.093
SAT -> LOY	0.556	9.165	0.000	0.448

Table 5: PLSpredict

	PLS RMSE	LM RMSE	PLS-LM	Q^2_predict
LOY4	0.611	0.618	-0.007	0.273
LOY1	0.707	0.709	-0.002	0.182
LOY3	0.623	0.626	-0.003	0.238
LOY2	0.633	0.639	-0.006	0.207
SAT1	0.588	0.581	0.007	0.358
SAT5	0.648	0.658	-0.01	0.305
SAT3	0.692	0.689	0.003	0.212
SAT2	0.623	0.628	-0.005	0.245

.

5   Conclusion

Based on the results of the hypothesis test, it was found that image has the most significant positive effect on satisfaction (ß=0.310). This result is in line with the destination image literature, which has established direct and indirect influences of destination image on satisfaction (Sharma & Nayak, 2019; Stylidis et al., 2017). Other studies have also supported this finding. For example, a study conducted by Prayag et al. (2017) revealed the link between image and satisfaction in the island destination of Sardinia. Similarly, Chen and Phou (2013) found that destination image directly influences satisfaction in Cambodia. A study conducted on yoga tourism also showed positive and significant effects of destination image on tourist satisfaction (Sharma & Nayak, 2019). A study conducted by Jeong and Kim (2021) among sport tourist also confirmed that destination image is positively related to tourist satisfaction. In conclusion, the findings of previous studies confirm that tourists who develop a positive destination image have a higher level of satisfaction with their touristic experience.

Hence, it is crucial for homestay operators to focus on developing a strong image of their homestay. The image of a homestay plays a significant role in the satisfaction of customers within the homestay sector. Homestays have become increasingly popular due to their unique cultural experiences and personalized services that traditional hotels may not offer. A positive image can create high expectations for the homestay experience, resulting in increased customer satisfaction. Conversely, a negative image can lower expectations and lead to decreased satisfaction. A positive image can set high expectations for a personalised and cultural experience, which can lead to increased satisfaction if met or exceeded. Customers who hold a positive image of a homestay may perceive the experience as more valuable than traditional hotel stays, resulting in increased satisfaction. A positive image can also lead to repeat business and referrals, which are crucial in the homestay sector. Satisfied customers are more likely to recommend the homestay to others, leading to increased business. According to the results of the hypothesis test, perceived value has the second most significant impact on satisfaction (ß=0.261). This finding is supported by Moral-Cuadra (2019), who found that perceived value and tourist satisfaction are prerequisites for behavioural motivation. Similarly, other researchers have stated that perceived value has a direct, positive association with tourist satisfaction (Wang et al., 2009; Eze er al., 2020). Studies conducted in nature-based destinations have also shown that perceived value strengthens tourist satisfaction (Hosaain et al., 2021). Perceived value is believed to favourably impact the happiness of tourists, and the greater the perceived value, the higher the level of tourist satisfaction.

Therefore, it is imperative for homestay operators to ensure that their guests perceive that they are receiving a valuable experience during their stay. Perceived value is a crucial factor that affects customer satisfaction in the homestay sector. Various factors such as service quality, personalization, and cultural experiences offered affect perceived value in homestay. Meeting or exceeding these expectations leads to increased satisfaction. Furthermore, perceived value shapes guests' expectations, and if guests receive personalized and tailored services, they will have higher expectations, resulting in increased satisfaction. Guests expect a high level of personalized and attentive services. Perceived value also influences how guests evaluate service quality when guests feel that they are receiving more value for their money, they tend to perceive service quality as higher, leading to increased satisfaction. Despite being an affordable alternative to traditional hotels, the perceived value of the experience in a homestay is still vital when guests feel that they are receiving more value for their money, they are more likely to be satisfied with the price they paid. Homestays also offer a unique opportunity for guests to experience local culture and traditions, and the perceived value of these experiences significantly impacts guests' satisfaction. If guests feel that they are getting an authentic and unique cultural experience, they are more likely to be satisfied.

The satisfaction of guests staying in a homestay is significantly influenced by safety, which is one of the critical factors to consider. According to the results of hypothesis testing, safety has the third strongest influence on satisfaction (ß=0.258). Guests prioritize their safety when selecting accommodations for their travels, and a feeling of safety provides them with a sense of comfort, enabling them to relax and enjoy their stay. On the other hand, a lack of safety measures can cause anxiety, and discomfort, ultimately leading to an unsatisfactory stay. This is in line with a study conducted by Voon et al. (2022) that measured homestay service experience for tourist satisfaction amidst COVID-19. In other words, regardless of the situation, safety is considered an important factor that contributes to the tourist experience and satisfaction. This similar result is also demonstrated by a study implemented by Zhang and Tang (2021) that highlighted when homestay tourists perceive the risk (safety) relating to a destination is low, it will affect their loyalty and experience to the destination homestay.

Based on these findings, homestay hosts must ensure several aspects to guarantee guest safety, including the physical safety of the property, the safety of the neighborhood, and the safety of the guests themselves. Guests expect well-maintained accommodation with secure doors and windows, functional smoke detectors, and fire extinguishers. Hosts must ensure the property is free from any hazards that may cause harm to the guests. The host must also provide information regarding the safety of the surrounding area, including the availability of safe transportation, the presence of local authorities, and any known risks. Hosts who prioritize guest safety create a positive experience that leads to increased satisfaction and positive reviews. On the other hand, hosts who fail to prioritize safety may damage their reputation and receive negative reviews, leading to a decline in their homestay's success. Therefore, homestay hosts must prioritize safety to ensure a satisfying experience for their guests.

The results of the hypotheses testing demonstrate that satisfaction has a strong influence on guest loyalty in homestays (ß=0.556). Therefore, homestay operators must ensure that their guests are satisfied during their stay to encourage loyalty. Satisfaction is a critical factor that impacts guest loyalty in homestays. When guests have a positive experience, they are more likely to return, refer the homestay to others, and leave positive reviews. This creates an increase in guest loyalty, which is essential for the long-term success of any homestay. This results in line with the studies conducted by Sharma and nayak (2018), Kim and park (2017) and Gumussoy and Koseoglu (2016). Guest satisfaction encompasses more than just the physical amenities and services offered by the homestay; it also includes the quality of customer service, responsiveness to feedback, and the overall feeling of warmth provided by the host.

As such, homestay hosts who prioritize guest satisfaction by paying attention to these factors are more likely to create a positive and memorable experience for their guests. Satisfied guests are more likely to return as repeat customers, generating consistent business and requiring less marketing efforts. Homestay hosts can encourage guest loyalty by offering loyalty programs or special offers for repeat stays. Positive

reviews and ratings, which satisfied guests are more likely to leave, have a significant impact on the homestay's reputation and success, attracting new guests and improving search rankings on online booking platforms. Homestay hosts who prioritize guest satisfaction are more likely to create a positive experience that leads to increased guest loyalty, positive reviews, and long-term success.

5.2 Implications

Studying homestay tourist loyalty has both theoretical and practical implications. From a theoretical perspective, such studies can contribute to our understanding of the factors that drive guest satisfaction and loyalty in the context of homestay tourism. This knowledge can inform the development of new theoretical models and frameworks for studying loyalty in the broader hospitality industry. On the other hand, the practical implications of such studies include providing homestay hosts with insights and strategies for enhancing guest satisfaction and loyalty. Homestay hosts can use this information to improve their service offerings, develop loyalty programs, and provide personalized experiences for their guests. This can result in increased guest retention, positive word-of-mouth marketing, and ultimately, higher profitability for the homestay. Additionally, the insights gained from this research can inform policy and regulation related to homestay tourism, promoting sustainable and responsible practices in the industry.

5.2.1 Managerial Implications

The finding of this study can help the homestay operators involved in the management of homestay tourist destinations to measure visitor loyalty in a straightforward manner. Measuring tourist loyalty is an essential step in planning and executing activities to enhance loyalty. To strengthen homestay tourist loyalty, it is important for the homestay operators to act on each of the elements of homestay tourist loyalty, which include the expectations of homestay tourists, the level of the image, perceived value, safety, satisfaction, and loyalty to encourage them to return for a future visit.

5.2.2 Practical Implications

This study provides homestay operators with a clearer comprehension of the critical factors in enhancing homestay tourist loyalty including image, perceived value, safety, and satisfaction and building a better homestay tourism loyalty. Homestay operators' management may examine the services provided to homestay tourists since these factors are directly linked to homestay tourism and its diverse requirements for retaining homestay tourists' loyalty. Homestay operators require a sound understanding and skills in managing the homestay business and activities to match their services with homestay tourists' expectations.

5.2.3 Suggestions for Future Studies

In future studies on homestay tourist loyalty, researchers should consider examining variables such as the relationship between the host and guest, the level of personalization of the homestay experience, the impact of cultural exchange, the role of technology on guest satisfaction and loyalty, and the influence of sustainability practices on guest loyalty. In addition, it is important to investigate the moderating effects of demographic variables such as age, gender, and nationality on the relationship between satisfaction and loyalty in homestay tourism. These variables can help provide a more comprehensive understanding of the factors that contribute to homestay tourist loyalty and inform effective strategies for homestay hosts to enhance guest satisfaction and loyalty.

6   References

Aliman, Nor Khasimah & Hashim, Shareena & Mohd Wahid, Siti & Harudin, Syahmi. (2016).   Tourists' Satisfaction with a Destination: An Investigation on Visitors to Langkawi Island. International Journal of Marketing Studies. 8. 173. 10.5539/ijms.v8n3p173.

Anna Manisha Rames, Tan Gek Siang, Yeo Sook Fern. (2021). Determinants of Excursionists'   Satisfaction and Loyalty Towards Architectural Tourism in Ipoh Township, Malaysia.   Tourism and Sustainable Development Review Journal (TSDR). 2(1), 1-18. ISSN 2722-   (online)

Bajs, I. P. (2015). Tourist perceived value, relationship to satisfaction, and behavioral intentions: The example of the Croatian tourist destination Dubrovnik. *Journal of Travel Research*,   *54*(1), 122–134. doi: 10.1177/0047287513513158

Chen, J.S. and Gursoy, D. (2001), "An investigation of tourists' destination loyalty and preferences", International Journal of Contemporary Hospitality Management, Vol. 13   No. 2, pp. 79-85.

Chen, R., Zhou, Z., Zhan, G. and Zhou, N. (2020), "The impact of destination Brand authenticity   and destination brand self-congruence on tourist loyalty: the mediating role of destination   brand engagement", Journal of Destination Marketing and Management, Vol. 15, p.   100402.

Chew, E.Y.T. and Jahari, S.A. (2014), "Destination image as a mediator between perceived risks and revisit intention: a case of post-disaster Japan", Tourism Management, Vol. 40, pp. 382-393.

Chi, C.G.-Q. and Qu, H. (2008), "Examining the structural relationships of destination image,   tourist satisfaction and destination loyalty: an integrated approach", Tourism   Management, Vol. 29 No. 4, pp. 624-636.

Chia, S. K. S., Lo, M. C., Razak, Z. B., Wang, Y. C., & Mohamad, A. A. (2021). Impact of destination image on tourist satisfaction: the moderating effect of Information Technology (IT). *Geo Journal of Tourism and Geosites*, *34*(1), 88-93.

Cohen, J. (1988). Statistical power analysis for the behavioral sciences (2nd Ed.). New York:

Crosby, L. A., Evans, K. R., and Cowles, D. (1990). Relationship quality in services selling: an interpersonal influence perspective. J. Market. 54, 68–81. doi: 10. 1177/002224299005400306

Duman, T. (2002). *A model of perceived value for leisure travel products* (Unpublished doctoral dissertation). State College, PA: The Pennsylvania State University.

Field, A. (2013). Discovering statistics using IBM SPSS statistics (4th ed.). London,England: *SAGE*.

Gallarza, M. G., & Saura, I. G. (2006). Value dimensions, perceived value, satisfaction and loyalty: An investigation of university students' travel behaviour. *Tourism*

Management, 27(3), 437–452. doi: 10.1016/j.tourman.2004.12.002

Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2017). A primer on partial leastsquares structural equation modeling (PLS-SEM) (2nd ed.). *Thousand*

Hamarneh, I. I., & Jeřábek, M. P. (2018). The Impact of the Security Situation on Tourism in the Countries of the Former Yugoslavia. *International Scientific Journal "Security & Future," 2*(3), 111–115.

Hamilton, M. B. (2003). Online survey response rates and times: Background and guidancefor industry. Cambridge, MA: *Tercent Inc*.

Henseler, J., Ringle, C. M., and Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling**,** *Journal of the Academy of Marketing Science, 43(1): 115-135.*

Hirschmann, R. (2021). *Travel and tourism in Malaysia - Statistics & Facts.* Retrieved from https://www.statista.com/topics/5741/travel-and-tourism-in-malaysia/

Hossain, M. S., Mostafa, M. G., & Hossain, M. A. (2021). Modeling tourists' satisfaction in the nature-based tourist destination using structural equation modeling technique. *Geo Journal of Tourism and Geosites*, *37*(3), 814-822.

Hou, J. S., Lin, C. H. and Morais, D. B., 2005. Antecedents of attachment to a cultural tourism destination: The case study of Hokka and non-Hokka Taiwanese. *Journal of Travel Research, 44*(2), pp.221–233. http://mytourismdata.tourism.gov.my/?page_id=830

Iglesias, M. P., & Guillén, M. J. Y. (2004). Perceived quality and price: their impact on the satisfaction of restaurant customers. *International Journal of Contemporary Hospitality Management*, *16*(6): 373-379. doi: 10.1108/09596110410550824 Issue, pp. 33-44.

Jamal, S., Othman, N., & Muhammad, N. M. N. (2011). The Moderating Influence of Psychographics in Homestay Tourism in Malaysia. Journal of Travel & Tourism Marketing, 28(1), 48–61. http://doi.org/10.1080/10548408.2011.535443.

Jamaludin, M., Johari, S., Aziz, A., Kayat, K., & Yusof, A. R. M. (2012). Examining Structural Relationship Between Destination Image, Tourist Satisfaction and Destination Loyalty. International Journal of Independent Research and Studies, 1(3), 89-96.

Jebbouri A, Zhang H, Wang L and Bouchiba N (2021) Exploring the Relationship of Image Formation on Tourist Satisfaction and Loyalty: Evidence from China. *Front. Psychol.* 12:748534. doi: 10.3389/fpsyg.2021.748534

Jeong, Y., & Kim, S. (2020). A study of event quality, destination image, perceived value, tourist satisfaction, and destination loyalty among sport tourists. *Asia Pacific Journal of Marketing and Logistics*, *32*(4), 940-960.

Lai, Ivan & Hitchcock, Michael & Lu, Dong & Liu, Yide. (2018). The Influence of Word of Mouth on Tourism Destination Choice: Tourist–Resident Relationship and Safety Perception among Mainland Chinese Tourists Visiting Macau. Sustainability. 10. 2114. 10.3390/su10072114.

Lee, C.-K., Yoon, Y.-S., & Lee, S.-K. (2007). Investigating the relationships among perceived value, satisfaction, and recommendations: The case of the Korean DMZ. *Tourism Management*, 28(1), 204–214. doi: 10.1016/j.tourman.2005.12.017

Lu, L., Chi, C. G., & Liu, Y. (2015). Authenticity, Involvement, and Image: Evaluating Tourist Experiences at Historic Districts. Tourism Management, 50, 85-96.

Lv, X. and McCabe, S. (2020). "Expanding theory of tourists' destination loyalty: the role of sensory impressions", Tourism Management, Vol. 77, p. 104026.

Lynch, P.A. (2005). The Commercial Home Enterprise and Host: A United Kingdom Perspective. Hospitality Management. 24, 533-553.

Malaysia Ministry of Tourism Report (2019). Malaysia Tourism Performance http://mytourismdata.tourism.gov.my/wp-content/uploads/2021/06/ENGLISH-FF-1st-Quarter-2021-as-at-21052021final.pdf

Malaysia Ministry of Tourism Report (2021). Malaysia Tourism Performance

Malaysia's Ministry of Tourism (2014). Chapter 2: Malaysian Homestay Programme. Retrieved October 1, 2016 from http://www.motac.gov.my/en/faqs/141-malaysian-homestay-programme.

Melo, H. M. P., Moniz, A. I, Silva, F. J. F., and Batista, M. D. G. (2017). Tourist destination image and consumer behaviour: the case of the Azores. J. Spatial Org. Dyn. 5, 73–82.

Meng, F., and Uysal, M. (2008). Effects of gender differences on perceptions of destination attributes, motivations, and travel values: an examination of a nature-based resort destination. J. Sustain. Tour. 16, 445–466. doi: 10.1080/09669580802154231

Mohammad, Al-Laymouna, Khaled Alsardia and Ahmad Albattat. (2020). Service quality and tourist satisfaction at homestays. Management Science Letters. 10, 209-216. 10.5267/j.msl.2019.8.002.

Nuntsu, N., Tassiopoulos, D., & Haydam, N. (2004). The bed and breakfast market of Buffalo City (BC), South Africa: Present status, constraints and success factors. Tourism Management, 25(4), 515–522. http://doi.org/10.1016/S0261-5177(03)00125-0.

Oliver R. L. (1997). Satisfaction: A Behavioral Perspective on the Consumer. Boston:

Oliver R. L. (1999). "Whence Customer Loyalty?", Journal of Marketing, Vol. 63, Special

Oliver, R. L. (1999) Whence Consumer Loyalty? J. Mark. 63, 33.

Oppermann, M. (2000), "Tourism destination loyalty", Journal of Travel Research, Vol. 39 No.   1, pp. 78-84.

Osman, Zahir (2013) An Empirical Study of Direct Relationship of Service Quality, Customer Satisfaction and Customer Trust on Customer Loyalty in Malaysian Rural Tourism. Journal of Tourism Hospitality and Culinary Arts Vol. 5(1), pp. 125-150

Osman, Zahir and Sentosa, Ilham (2013) Mediating Effect of Customer Satisfaction on Service Quality and Customer Loyalty Relationship in Malaysian Rural Tourism. International   Journal of Economics Business and Management Studies, Vol. 2 No. 1, 25-37.

Pandža Bajs I. (2015). Tourist Perceived Value, Relationship to Satisfaction, and Behavioural   Intentions: The Example of the Croatian Tourist Destination Dubrovnik. *Journal of   Travel Research*. 54(1):122-134. doi:[10.1177/0047287513513158](10.1177/0047287513513158)

Petrick, J. (2004). Are loyal visitors desired visitors? Tour. Manag. 25, 463–470. doi: 10.1016/S0261-5177(03)00116-X

Petrick, J. F. (2002). Development of a multi-dimensional scale for measuring the perceived value of a service. *Journal of Leisure Research*, 34(2), 119–134.

Podsakoff, P. M., & Organ, D. W. (1986b). Self-Reports in Organizational Research: Problems and Prospects. *Journal of Management*, *12*(4), 531–544. https://doi.org/10.1177/014920638601200408

Postma, A. and Schmuecker, D., 2017. Understanding and overcoming negative impacts of tourism in city destinations: conceptual model and strategic framework, *Journal of Tourism Futures, Vol. 3 Issue: 2,* pp.144-156.

Prayag, G., and Ryan, C. (2012). Antecedents of tourists' loyalty to Mauritius: the role and influence of destination image, place attachment, personal involvement, and satisfaction. J. Travel Res. 51, 342–356. doi: 10.1177/0047287511410321

Ragab, H., Mahrous, A. A., and Ghoneim, A. (2019). Egypt's perceived destination image and   its impact on tourist's future behavioural intentions. Int. J. Tour. Cities 6, 449–466. doi: 0.1108/IJTC-12-2018-0105

Rasoolimanesh, S. Mostafa & Dahalan, Norziani & Jaafar, Mastura. (2016). Tourists' Perceived Value and Satisfaction in a Community-Based Homestay in the Lenggong Valley World   Heritage Site. Journal of Hospitality and Tourism Management. 26. 72-81. 10.1016/j.jhtm.2016.01.005.

Ringle, C. M., Wende, S., & Becker, J.-M. (2015). SmartPLS 3. Boenningstedt:*SmartPLS GmbH*. Available from www.smartpls.com

Ringle, C. M., Wende, S., & Becker, J.M. (2015). *SmartPLS 3. Bönningstedt: SmartPLS,* viewed 14 March 2022, <http://www.smartpls.com>.

Rodrigue, J. P., Slack, B., & Comtois, C. (2020). *Transport Safety and Security* (A. B. Slack & J. Rodrigue (eds.); Fifth). Routledge Taylor & Francis Group. *Routledge*.

Sachdev, Sheetal & Verma, Harsh. (2004). Relative importance of service quality dimensions: *A multisectoral study. Journal of Service Research*. 4(1).

Sanchez, J., Callarisa, L., Rodriguez, R. M., & Moliner, M. A. (2006). Perceived value of the purchase of a tourism product. *Tourism Management*, 27(3), 394–409. doi: 10.1016/j.tourman.2004.11.007.

Schall, M. (2003), "Best practices in the assessment of hotel-guest attitudes", The Cornell Hotel and Restaurant Administration Quarterly, Vol. 44 No. 2, pp. 51-65.

Sharma, P., & Nayak, J. K. (2018). Testing the role of tourists' emotional experiences in predicting destination image, satisfaction, and behavioral intentions: A case of wellness tourism. Tourism Management Perspectives, 28, 41–52. https://doi.org/10.1016/j.tmp.2018.07.004

Sharma, P., & Nayak, J. K. (2019). Understanding memorable tourism experiences as the determinants of tourists' behaviour. *International Journal of Tourism Research*, *21*(4), 504-518.

Shen, H., Song, C. Y., Li, M. and Qian, J., 2015. Shaping Destination Images through Social Networking Sites: A Case Study of Singapore. *Advances in Hospitality and Leisure, 11,* pp.89-107.

Singh, R., Sajnani, M., & Gupta, P. (2021). Rural homestays reviving culture and traditions: A study analysing expectation and satisfaction of homestay's guests. Linguistics and Culture Review, 5(S1), 1419-1435

Soehardi, Soehardi. (2021). Model of Increasing Tourist Satisfaction through Attraction, Accessibility, Security, Safety, Health and Hygiene at the Ujung Kulon National Park. Budapest International Research and Critics Institute (BIRCI-Journal) Humanities and Social Sciences. 4. 12155-12168. 10.33258/birci.v4i4.3281.

Souiden, N., Ladhari, R., & Chiadmi, N. E. (2017). Destination Personality and Destination Image. Journal of Hospitality and Tourism Management, 32, 54-70.

Stylos, N., Bellou, V., Andronikidis, A., & Vassiliadis, C. A. (2017). Linking the Dots Among Destination Images, Place Attachment, and Revisit Intentions: A study Among British and Russian Tourists. Tourism Management, 60, 15-29.

Su, L., Huang, Y.H. and Hsu, M., 2018. Unraveling the impact of destination reputation on place attachment and behavior outcomes among Chinese urban tourists. *Journal of Hospitality and Tourism Insights, 1(4),* pp.290-308.

Szivas, E., Riley, M., & Airey, D. (2003). Labor mobility into tourism: Attraction and satisfaction. *Annals of Tourism Research, 30*(1), 64–76.

The Star. (2021). Bright Future for Homestay Programme. https://www.thestar.com.my/metro/metro-news/2020/10/22/bright-future-for-homestay-programme

Voon, B. H., Jee, T. W., Joseph, C., Hamzah, M. I., Jussem, P. M., & Teo, A. K. (2022). Homestay Service Experience for Tourist Satisfaction and Sustainability Amidst Covid-19 Challenges. *International Journal of Business and Society*, *23*(2), 1127-1146.

Wang, Y.-C., Liu, C.-R., Huang, W.-S. and Chen, S.-P. (2019), "Destination fascination and destination loyalty: subjective well-being and destination attachment as mediators". Journal of Travel Research: Vol. 59 No. 3, p. 0047287519839777.

Wardi, Y.; Abror, A.; Trinanda, O. (2018). Halal tourism: Antecedent of tourist's satisfaction and word of mouth (WOM). Asia Pac. J. Tour. Res., 23, 463–472.

Zahir Osman, Liana Mohamad, Ratna Khuzaimah Mohamad (2015). An Empirical Study of Direct Relationship of Service Quality, Customer Satisfaction and Bank Image on Customer Loyalty in Malaysian Commercial Banking Industry, *American Journal of Economics*, Vol. 5 No. 2, 2015, pp. 168-176. doi: 10.5923/c.economics.201501.20.

Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence. *The Journal of Marketing*, 52(3), 2–22. doi: 10.2307/1251446

Zeithaml, V.A., Berry, L.L. and Parasuraman, A. (1996), "The behavioral consequences of service quality", Journal of Marketing, Vol. 60 No. 2, pp. 31-46.

Zhang, X., & Tang, J. (2021). A study of emotional solidarity in the homestay industry between hosts and tourists in the post-pandemic era. *Sustainability*, *13*(13), 7458.