

Unveiling the Determinants of Tourist Loyalty in the Homestay Tourism Sector: An Empirical Analysis

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Abstract

Homestay tourism has gained popularity as a growing travel trend, particularly in Malaysia, where tourists have the opportunity to immerse themselves in the local culture by staying with a host family. However, homestay operators are facing challenges due to a decline in repeat visitors. The purpose of this study is to examine the direct and indirect relationship between image, perceived value, safety, safety satisfaction, and tourist loyalty in the Malaysian homestay tourism industry. The research model incorporates three independent variables: image, perceived value, and satisfaction as a mediator, with loyalty as the dependent variable. Primary data was collected through a survey questionnaire, and 239 sets of clean data were analyzed using structural equation modeling. The convergent validity of the measurement model was evaluated for construct reliability and validity, followed by the assessment of discriminant validity using cross-loading and HTMT ratios. The study findings indicate that image does not directly influence loyalty but instead has a positive and significant impact on loyalty through satisfaction as a mediator. Perceived value, on the other hand, directly influences loyalty but does not significantly influence loyalty when satisfaction acts as a mediator. These results suggest that homestay operators should prioritize enhancing their image and delivering high-quality services at reasonable prices to increase satisfaction and foster loyalty. This study offers valuable insights for homestay operators and policymakers in the tourism industry, emphasizing the importance of understanding customer needs and preferences to create a memorable experience.

Keywords: Image, Perceived Value, Safety, Satisfaction, Loyalty, Homestay Sector

Introduction

In recent years, homestay tourism has experienced a surge in popularity, establishing itself as a thriving sector within the global tourism industry. This form of travel offers a distinctive opportunity for tourists to fully immerse themselves in local cultures, traditions, and

communities by staying with local families or individuals in their homes (Zhang & Tang, 2021). By providing an authentic and personalized travel experience, homestays facilitate cross-cultural exchange and foster mutual understanding. The growth of homestay tourism can be attributed to several key factors. Modern travelers are increasingly in search of genuine and meaningful experiences that go beyond conventional hotel accommodations (Xing & Xie, 2022). Homestays enable a more intimate and interactive experience, allowing visitors to engage directly with local customs, cuisines, and ways of life. Advancements in technology, particularly the advent of online booking platforms, have made it significantly easier for travelers to connect with homestay hosts across the globe (Carvache-Franco et al., 2022). This accessibility has greatly expanded the reach and appeal of the sector. Lastly, the global emphasis on sustainable and responsible tourism practices has played a pivotal role in the rise of homestay tourism. This form of accommodation promotes community-based tourism, supporting local economies and enabling travelers to make a positive impact while exploring new destinations (Kiswanto et al., 2023). Within Malaysia, homestay tourism has flourished owing to the country's abundant cultural heritage and natural beauty. Malaysia offers a diverse array of homestay experiences, enabling visitors to immerse themselves in different ethnic communities, such as the Malay, Chinese, and Indian cultures. Whether it be a stay in a traditional village setting or an eco-friendly retreat in rural areas, Malaysia provides a wide range of options for tourists seeking an authentic Malaysian encounter (Voon et al., 2022). Recognizing the potential of homestay tourism to stimulate local economies, preserve cultural traditions, and showcase the nation's unique heritage to the world, the Malaysian government has actively supported and promoted various homestay tourism initiatives (Chin et al., 2022). There is a problem that lies in customer loyalty exhibited by homestay tourists, leading to a dearth of recurring visits to the same homestay destination. Despite the distinctive and customized encounters provided by homestays, tourists frequently struggle to forge enduring connections with a particular homestay, resulting in missed prospects for host businesses (Rasoolimanesh et al., 2023). It is vital to comprehend the factors that influence homestay tourist loyalty and pinpoint the obstacles impeding their return to the same homestay location. This understanding is essential for bolstering customer retention and capitalizing on the immense potential of the homestay tourism sector (Jalasi & Sylvia, 2022). The study focusing on tourist loyalty in Malaysia's homestay sector carries significant significance. It will offer valuable insights into the factors that affect tourist loyalty, allowing homestay operators and policymakers to devise effective strategies for enhancing customer retention. A comprehensive understanding of the drivers and obstacles to loyalty will enable the creation of personalized experiences and targeted marketing initiatives to cater to the changing preferences and needs of tourists. Additionally, the study's findings can contribute to the sustainable development of the homestay sector by cultivating long-term relationships with visitors, maximizing economic advantages, and safeguarding Malaysia's cultural heritage. Ultimately, this research will aid in positioning Malaysia as a favored homestay destination, attracting more tourists and generating positive word-of-mouth, thereby benefiting both individual homestay businesses and the broader tourism industry. The aim of this study is to assess the direct and indirect relationship between image, perceived value, safety, satisfaction, and loyalty in the Malaysian homestay sector.

Literature Review

Underpinning Theory

The Expectation-Confirmation Theory (ECT) is a psychological framework that explains how individuals form and revise their perceptions and evaluations of products, services, or experiences (Oliver, 1980). It emphasizes the influence of expectations, confirmation, and satisfaction on attitudes and behaviors. Initial expectations are established based on various sources, and they serve as a benchmark against which actual experiences are evaluated. When real experiences meet or exceed expectations, confirmation occurs, leading to satisfaction. Satisfaction represents a positive evaluation and the fulfillment of expectations. According to the ECT, when expectations are confirmed and satisfaction is experienced, individuals are more likely to exhibit behaviors such as repeat purchases, positive word-of-mouth, and loyalty (Oliver, 1999). This theory suggests that the confirmation of expectations and subsequent satisfaction are vital in shaping attitudes and behaviors (Osman, 2014). Conversely, unmet expectations or experiences falling short may result in dissatisfaction and negative attitudes, decreasing the likelihood of loyalty and repeat behaviour (Osman, 2013). The ECT provides insights into the cognitive processes individuals undergo in forming perceptions and engaging in behaviors related to products, services, or experiences.

Image, Satisfaction & Loyalty

Image refers to individuals' perception or mental representation of a destination or tourism product, encompassing factors like physical attributes, culture, hospitality, safety, and reputation. It significantly influences tourists' decision-making and overall evaluation of a destination. Satisfaction is the positive or negative assessment of tourists' experiences and the extent to which their expectations are met or exceeded. It determines their overall evaluation and likelihood of revisiting or recommending the destination. Loyalty signifies tourists' intention to repeatedly visit a destination or use a specific tourism product, indicating a strong commitment and preference. It is associated with repeat visits and positive word-of-mouth. Loyalty is the ultimate goal for destinations and tourism businesses, leading to sustained revenue and a positive reputation. Numerous studies have provided evidence supporting the direct impact of destination image on tourist satisfaction and subsequent loyalty (Osman & Sentosa, 2013). Positive perceptions of a destination, including its natural attractions, cultural heritage, hospitality, and safety, contribute to higher levels of tourist satisfaction. Satisfied tourists tend to develop emotional connections with the destination, leading to repeat visits and positive recommendations to others. Pike and Ryan (2004) conducted a study in New Zealand and found a positive correlation between destination image, satisfaction, and loyalty. Similar patterns can be observed in the homestay and tourism sectors in Malaysia (Osman & Sentosa, 2013). The country's reputation as a culturally diverse and vibrant destination, combined with the unique experiences offered by homestays, significantly influences tourist satisfaction. Research conducted by Ramli, Mustafa, and Zainal Abidin (2017); Aidi et al (2018) in Malaysia demonstrated that positive destination images contribute to higher levels of tourist satisfaction and subsequent loyalty. Malaysia is often perceived as providing warm hospitality, delightful cuisine, and authentic cultural encounters, enhancing tourists' satisfaction and fostering loyalty. Moreover, the literature emphasizes the mediating role of satisfaction in the relationship between destination image and loyalty (Osman & Sentosa, 2013). Tourist satisfaction acts as a bridge, translating positive perceptions of a destination into actual loyalty behaviors. Kim, Kim, and Lee (2012) conducted a study in Jeju Island, South Korea, and found that tourist satisfaction mediates the relationship

between destination image and loyalty. Similarly, research by Ramli et al. (2017) in Malaysia indicated that satisfaction partially mediates the relationship between destination image and loyalty in the homestay sector.

Perceived Value, Satisfaction & Loyalty

Perceived value is a critical concept in the tourism industry as it directly influences tourist satisfaction and loyalty. Numerous studies have explored the direct relationship between perceived value and satisfaction, consistently finding a positive link between the two. When tourists perceive a higher value in their tourism experiences, they are more likely to feel satisfied with their overall stay or visit. For example, Zhang et al (2022) conducted a study in the homestay industry and found that perceived value positively influenced tourist satisfaction.

Furthermore, satisfaction has been consistently identified as a significant determinant of loyalty in the homestay and tourism sector. Satisfied tourists are more inclined to develop loyalty towards a specific destination or homestay, leading to repeat visits and positive word-of-mouth recommendations. Lu and Yi (2022) conducted a study in the context of rural tourism and discovered that satisfied tourists were more likely to express intentions of loyalty towards the destination. Moreover, the literature reveals that perceived value also has an indirect influence on loyalty through its mediation of tourist satisfaction. Perceived value serves as an antecedent to satisfaction, shaping tourists' overall evaluation of their experience. Carrascosa-López et al (2021) conducted research on international tourists visiting Spain and found that satisfaction partially mediated the relationship between perceived value and loyalty. In the Malaysian context, the findings align with the global literature. Nasir et al (2022) conducted a study in the homestay and tourism sectors of Malaysia, and their findings supported the direct and indirect relationships among perceived value, satisfaction, and loyalty. They found that perceived value positively influenced both satisfaction and loyalty among tourists in Malaysia.

Safety, Satisfaction & Loyalty

Safety plays a vital role in the tourism experience, directly impacting both tourist satisfaction and loyalty. The perception of safety within a destination or homestay setting is a crucial factor that influences overall satisfaction levels among tourists. Numerous studies have consistently demonstrated that when tourists feel safe and secure during their travels, they are more likely to express higher levels of satisfaction with their stay or visit. This positive relationship between perceived safety and satisfaction has been observed in the homestay sector, as highlighted by Li et al (2021) in their study. Satisfaction, in turn, has been identified as a key determinant of loyalty within the homestay and tourism sector. When tourists are satisfied with their experiences, they tend to develop a sense of loyalty towards a particular destination or homestay and exhibit behaviors such as repeat visitation. Han et al (2020) conducted research in the context of rural tourism, revealing a positive influence of tourist satisfaction on loyalty intentions. Furthermore, safety also exhibits an indirect relationship with loyalty, mediated by tourist satisfaction (Osman & Sentosa, 2013). The perception of safety significantly contributes to overall satisfaction levels, which subsequently drives loyalty intentions and behaviors. Kim et al (2015) conducted a study within the broader tourism industry, finding that satisfaction partially mediated the relationship between perceived safety and loyalty. In the Malaysian context, the literature supports the direct and indirect relationships between safety, satisfaction, and loyalty within the homestay and tourism

sectors (Zahir et al., 2015). Studies conducted in Malaysia emphasize the importance of safety in influencing tourist satisfaction and subsequent loyalty. For instance, Ramli et al (2018) found that safety significantly influenced both tourist satisfaction and loyalty within the homestay sector.

In view of the above hypotheses' development, the following research hypotheses were proposed for this study

- H1: There is a relationship between image and tourist loyalty in the Malaysian homestay tourism sector.
- H2: There is a relationship between perceived value and tourist loyalty in the Malaysian homestay tourism sector.
- H3: There is a relationship between safety and tourist loyalty in the Malaysian homestay tourism sector.
- H4: There is a relationship between image and tourist satisfaction in the Malaysian homestay tourism sector.
- H5: There is a relationship between perceived value and tourist satisfaction in the Malaysian homestay tourism sector.
- H6: There is a relationship between safety and tourist satisfaction in the Malaysian homestay tourism sector.
- H7: There is a relationship between tourist satisfaction and tourist loyalty in the Malaysian homestay tourism sector.
- H8: There is a mediating effect of tourist satisfaction on the relationship between image and tourist loyalty in the Malaysian homestay tourism sector.
- H9: There is a mediating effect of tourist satisfaction on the relationship between perceived value and tourist loyalty in the Malaysian homestay tourism sector.
- H10: There is a mediating effect of tourist satisfaction on the relationship between safety and tourist loyalty in the Malaysian homestay tourism sector.

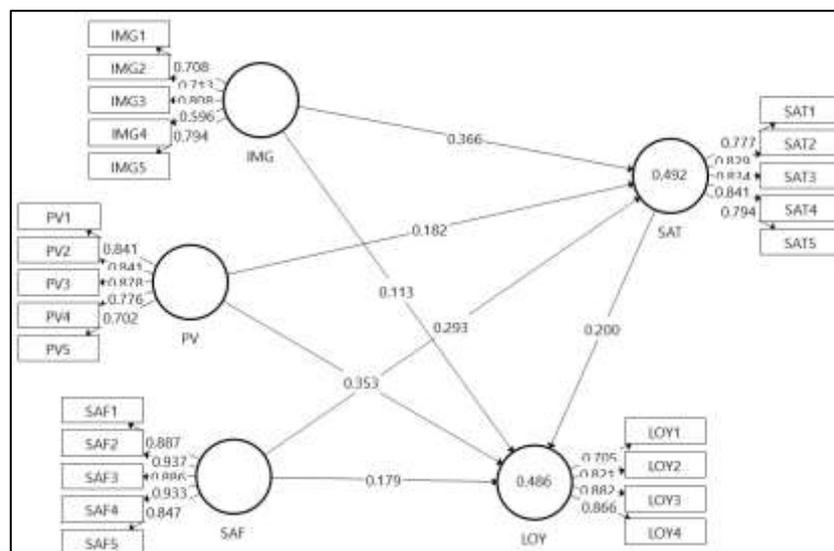


Figure 1: Specified Model

Note: IMG=Image PV=Perceived Value SAF=Safety SAT=Satisfaction LOY=Loyalty

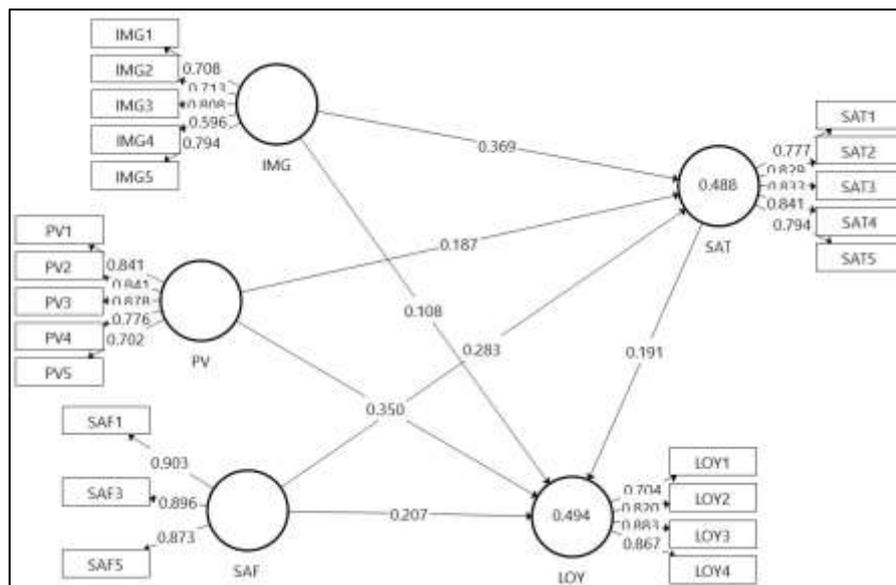


Figure 2: Re-Specified Model

Note: IMG=Image PV=Perceived Value SAF=Safety SAT=Satisfaction LOY=Loyalty

Methodology

This research examines the experiences of individuals who have previously engaged in homestay tourism. The primary data was collected through a survey questionnaire, using measurement items from previous studies known for their reliability and validity. The questionnaire was distributed to a targeted sample of homestay tourists via email, using purposive sampling due to the unavailability of a population list. A total of 251 out of 303 questionnaires were returned, resulting in an 82.8% response rate. After data screening and outlier removal, 239 valid responses were analyzed using structural equation modeling (SEM) with Smartpls4 software. The study utilized 25 observed variables to measure different constructs, including image, perceived value, safety, satisfaction, and loyalty. Each measurement item was assessed using a five-point Likert scale. The Smartpls4 software was used for measurement and structural model assessment. To analyze the data and test the hypotheses, researchers utilized the Smartpls4 software, which employs structural equation modeling (SEM) techniques. The selection of this software was based on its evaluation capabilities and its suitability for analyzing multivariate data. The evaluation procedures for the measurement and structural models followed the guidelines outlined by Ringle et al (2022), with Smartpls4 facilitating these assessments. By using Smartpls4, researchers were able to effectively conduct comprehensive multivariate data analysis and test the proposed hypotheses. The software's capabilities allow for a thorough evaluation of the measurement and structural models, which aligned with the study's objectives.

Data Analysis

Respondents' Profiles

In this study, 239 participants were surveyed, with 52.7% males and 47.3% females. The majority of participants (41.8%) were aged between 31-40 years, while 45.6% fell within the 41-50 age range, indicating a balanced representation across these age brackets. Regarding education, 55.2% held undergraduate degrees and 30.5% had postgraduate degrees, showcasing a significant presence of individuals with higher levels of education. In terms of income, 51% of participants earned less than RM4,850, indicating a diverse range of economic

backgrounds within the sample. The majority of participants (68.2%) were married, suggesting the likelihood of sharing the homestay experience with partners or families. The study found that 95% of participants recommended their homestay experience, while only 5% did not.

Common Method Bias

A common challenge in management research is the presence of common method bias, where the observed differences in a study are believed to be due to the constructs being measured, but in reality, they are caused by the measurement method used. To address this issue, the author of this study employed Harman's single-factor test technique to assess the measurement items. Based on the test results, the main factor explained only 38.6% of the variability, indicating that common method bias did not pose a significant problem in the research. This outcome aligns with Podsakoff and Organ's (1986) suggestion that common method bias is not a concern when the primary factor accounts for less than 50% of the variability.

Reflective Model Measurement

In this study, the technique recommended by Hair et al (2017) was utilized to evaluate the measurements in both the first and second order. This approach enabled the identification of items with loadings below the threshold of 0.7, indicating low performance. Initially, a specified model (Figure 1) was introduced, and the analysis of construct reliability and validity revealed that certain items had loadings below 0.7, resulting in an Average Variance Extracted (AVE) for leadership style and perceived behavioral control that fell below the threshold of 0.5. Subsequently, three problematic items from the safety construct, which had loadings below 0.7, were removed. This led to the introduction of a re-specified model (Figure 2), and the analysis of construct reliability and validity (Table 1) showed that the AVE for all constructs exceeded 0.5, ranging from 0.530 to 0.793. This demonstrated the establishment of convergent validity, in line with the criteria set by Hair et al. (2017). The composite reliability for all constructs exceeded 0.7, ranging from 0.848 to 0.920, and the Cronbach alpha values for all constructs were also above 0.7, ranging from 0.776 to 0.874 (Table 1). To establish discriminant validity, the first step involved evaluating cross-loadings to ensure that each item appropriately represented and measured its respective construct (Table 1). Subsequently, the Heterotrait-Monotrait (HTMT) ratio was used to further assess discriminant validity. The HTMT technique is recommended for examining discriminant validity in Variance-Based Structural Equation Modeling (VB-SEM) (Henseler, Ringle & Sarstedt, 2015). Table 2 presented the HTMT ratios for the constructs, along with the original sample and 95% confidence intervals (two-tailed). The results indicated compliance with discriminant validity based on the HTMT threshold of 0.85.

Table 1

Construct Reliability & Validity

Constructs	Items	Loadings	CA	CR	AVE
Image	IMG1	0.708	0.776	0.848	0.530
	IMG2	0.713			
	IMG3	0.808			
	IMG4	0.596			
	IMG5	0.794			
Loyalty	LOY1	0.704	0.836	0.892	0.675
	LOY2	0.820			
	LOY3	0.883			
	LOY4	0.867			
Perceived Value	PV1	0.841	0.867	0.904	0.656
	PV2	0.841			
	PV3	0.878			
	PV4	0.776			
	PV5	0.702			
Safety	SAF1	0.903	0.870	0.920	0.793
	SAF3	0.896			
	SAF5	0.873			
Satisfaction	SAT1	0.777	0.874	0.908	0.665
	SAT2	0.829			
	SAT3	0.833			
	SAT4	0.841			
	SAT5	0.794			

Table 2

Hetrotrait-Monotrait (HTMT) Ratio

	IMG	LOY	PV	SAF
LOY	0.679 (0.543, 0.792)			
PV	0.821 (0.689, 0.911)	0.730 (0.602, 0.829)		
SAF	0.558 (0.360, 0.716)	0.593 (0.413, 0.734)	0.501 (0.329, 0.651)	
SAT	0.736 (0.605, 0.832)	0.660 (0.509, 0.787)	0.638 (0.455, 0.775)	0.612 (0.439, 0.753)

Note: A two-tail percentile bootstrap test at 5% confidence interval (2.5%, 97.5%) with 5,000 sub-samples were performed

Structural Model

The assessment of the structural model involved examining the path coefficient (β) and coefficient of determination (R^2) values using the PLS technique. To determine the significance level of the path coefficient, bootstrapping was performed on 5000 sub-samples, as recommended by (Hair et al., 2017). The hypothesis testing results, which include the beta coefficients, t-statistics, p-values, and confidence intervals, were presented in Table 3. For hypothesis 1, the beta coefficient for the relationship between image (IMG) and loyalty (LOY) is 0.108. The t-statistic is 1.410, resulting in a p-value of 0.158, indicating that the relationship is not statistically supported. For hypothesis 2 the beta coefficient for the relationship between perceived value (PV) and loyalty (LOY) is 0.350. The t-statistic is 5.238, resulting in a p-value of 0.000, indicating that the relationship is statistically supported. For hypothesis 3,

the beta coefficient for the relationship between safety (SAF) and loyalty (LOY) is 0.207. The t-statistic is 2.724, resulting in a p-value of 0.006, indicating that the relationship is statistically supported. For hypothesis 4, the beta coefficient for the relationship between image (IMG) and satisfaction (SAT) is 0.369. The t-statistic is 5.066, resulting in a p-value of 0.000, indicating that the relationship is statistically supported. For hypothesis 5, the beta coefficient for the relationship between perceived value (PV) and satisfaction (SAT) is 0.187. The t-statistic is 2.411, resulting in a p-value of 0.016, indicating that the relationship is statistically supported. For hypothesis 6, the beta coefficient for the relationship between safety (SAF) and satisfaction (SAT) is 0.283. The t-statistic is 3.897, resulting in a p-value of 0.000, indicating that the relationship is statistically supported. For hypothesis 7, the beta coefficient for the relationship between satisfaction (SAT) and loyalty (LOY) is 0.191. The t-statistic is 2.450, resulting in a p-value of 0.014, indicating that the relationship is statistically supported. For hypothesis 8, the beta coefficient for the mediating effect of satisfaction (SAT) on the relationship between image (IMG) and loyalty (LOY) is 0.071. The t-statistic is 2.303, resulting in a p-value of 0.021, indicating that the relationship is statistically supported. For hypothesis 9, the beta coefficient for the mediating effect of satisfaction (SAT) on the relationship between perceived value (PV) and loyalty (LOY) is 0.036. The t-statistic is 1.563, resulting in a p-value of 0.118, indicating that the relationship is not statistically supported. For hypothesis 10, the beta coefficient for the mediating effect of satisfaction (SAT) on the relationship between safety (SAF) and loyalty (LOY) is 0.054. The t-statistic is 2.087, resulting in a p-value of 0.037, indicating that the relationship is statistically supported. Table 3 provides a summary of the hypothesis testing results, which includes the effect size measurement that assesses the magnitude of an effect regardless of sample size. Cohen's criteria (1992) were used to categorize the effect sizes as small (0.020 to 0.150), medium (0.150 to 0.350), or large (0.350 or greater). The observed effect sizes in this study ranged from small (0.003) to large (0.231). Table 4 presents the intrinsic value inflation factor (VIF) values, all of which were below the more lenient threshold of 5, with the highest value being 2.268. These VIF values indicate a satisfactory level of collinearity, allowing for meaningful comparisons of sizes and interpretation of coefficients in the structural model. The process resulted in a significant degree of explained variance for the endogenous construct, with an R^2 value of 0.494 (Figure 2). Additionally, the model accounted for approximately 48.8% of the variance in the mediator, as indicated by an R^2 value of 0.488. The evaluation of the model's ability to draw conclusions and provide managerial recommendations was conducted using out-of-sample predictive analysis, employing the PLSpredict method outlined by Shmueli et al. (2016, 2019). In Table 5, Q^2 predictions above 0 indicated that the predictions generated by PLS-SEM surpassed the standard naive mean prediction results. Furthermore, in seven out of eight cases, the root mean square error (RMSE) values of the PLS-SEM predictions were lower compared to the linear model (LM) prediction benchmark. This indicates the strong predictive capability of the proposed model, as highlighted in Table 5. Ringle and Sarstedt (2016) and Hair et al. (2018) proposed the use of Importance Performance Analysis (IPMA) to assess the importance and effectiveness of latent variables in explaining acceptability. The results of this analysis are shown in Table 6. Compared to the overall impact, perceived value showed the strongest impact on loyalty (0.386), followed by safety (0.261), satisfaction (0.191), and image (0.179). These values indicate the relative importance of each latent variable in the context of loyalty. Regarding performance assessment, it also had the highest score for perceived value (74.446), but the lowest score for safety (68.720) on the 0-100 scale. This suggests that safety has the lowest value performance, while perceived value performs relatively well.

Safety is the second most important factor in terms of overall impact, but the level of performance is the lowest. Based on these findings, homestay operators are encouraged to prioritize and emphasize activities to improve visitor safety. Focusing on improving safety can improve overall performance.

Table 3
Hypotheses testing Results & f²

Hypotheses	Beta	T Statistics	P Values	f ²	2.50%	97.50%	Decision
H1: IMG -> LOY	0.108	1.410	0.158	0.010	-0.050	0.252	<i>Not Supported</i>
H2: PV -> LOY	0.350	5.238	0.000	0.120	0.217	0.485	<i>Supported</i>
H3: SAF -> LOY	0.207	2.724	0.006	0.058	0.061	0.357	<i>Supported</i>
H4: IMG -> SAT	0.369	5.066	0.000	0.035	0.214	0.502	<i>Supported</i>
H5: PV -> SAT	0.187	2.411	0.016	0.119	0.034	0.341	<i>Supported</i>
H6: SAF -> SAT	0.283	3.897	0.000	0.037	0.147	0.429	<i>Supported</i>
H7: SAT -> LOY	0.191	2.450	0.014	0.133	0.017	0.327	<i>Supported</i>
H8: IMG -> SAT -> LOY	0.071	2.303	0.021		0.012	0.134	<i>Supported</i>
H9: PV -> SAT -> LOY	0.036	1.563	0.118		-0.003	0.096	<i>Not Supported</i>
H10: SAF -> SAT -> LOY	0.054	2.087	0.037		0.011	0.115	<i>Supported</i>

Table 4
Inner Collinearity Statistics Value (VIF)

Constructs	LOY	SAT
IMG	2.268	2.002
PV	2.017	1.949
SAF	1.473	1.316
SAT	1.954	

Table 5
PLSpredicts

	PLS RMSE	LM RMSE	PLS - LM	Q ² _predict
LOY4	0.577	0.595	-0.018	0.349
LOY1	0.677	0.675	0.002	0.252
LOY3	0.602	0.621	-0.019	0.288
LOY2	0.604	0.606	-0.002	0.281
SAT1	0.591	0.585	0.006	0.352
SAT5	0.635	0.658	-0.023	0.332
SAT3	0.68	0.688	-0.008	0.235
SAT2	0.613	0.593	0.020	0.269
SAT4	0.633	0.659	-0.026	0.291

Table 6
Importance-Performance Matrix Analysis (IPMA)

Constructs	Total Effects	Performances
IMG	0.179	70.165
PV	0.386	74.446
SAF	0.261	68.720
SAT	0.191	70.813

Discussion & Conclusion

The main purpose of this study is to explore the direct and indirect relationships between image, perceived value, safety, satisfaction, and loyalty. The proposed model used the results of statistical data analysis to explain and estimate the image, perceived value, safety, satisfaction, and loyalty perceived by host family travelers. Perceived value was identified as the most influential factor in driving loyalty. Homestay managers should focus on enhancing the tourist value proposition by offering unique experiences, personalized service, and competitive prices. Emphasizing the benefits and benefits of staying in a homestay compared to other accommodation options can further increase perceived value. Safety has a big impact on loyalty, but performance is also the lowest. Homestay operators should prioritize strict safety measures to ensure a safe and secure environment for visitors. This may include conducting regular safety audits, providing emergency contacts, and training staff on safety protocols. Satisfaction was also an important factor influencing loyalty. Homestay managers should pay attention to all aspects of a tourist's stay from check-in to check-out and focus on providing a good customer experience. Promptly addressing concerns and complaints, providing quality amenities, and maintaining cleanliness and comfort are key to overall well-being. The study found that image also plays a role in influencing loyalty. Homestay operators should invest in building a strong brand image that represents the unique features and benefits of homestays. This can be achieved through effective marketing and communication strategies that highlight the host family's exceptional service, positive reviews, and testimonials from satisfied guests. Foster engagement and communication: Establishing effective communication channels with tourists and fostering their positive engagement will help build loyalty. Homestay managers should foster open and transparent communication, solicit guest feedback, and be proactive in responding to guest requests and suggestions. Providing tourists with regular updates of relevant information and personalized recommendations creates a sense of connection and enhances the overall experience. Host families can increase their attractiveness by being actively involved and working with the local community. This may include hosting cultural events, promoting local attractions, and facilitating visitor interaction with the local community. Such efforts not only enrich the tourist experience but also contribute to the sustainable development of the community and give a positive image to the host families. By implementing these strategies, homestay managers and operators can build tourist loyalty, encourage repeat visits, generate positive word-of-mouth, and contribute to the long-term growth of homestay businesses in Malaysia. contribute to greater success and sustainability.

Theoretical Implications

The study's results have significant theoretical implications for the tourism and hospitality industry. Firstly, the study's research model expands on previous research by including satisfaction as a mediator in the relationship between exogenous and endogenous variables. The findings suggest that satisfaction plays a crucial role in the relationship between image, perceived value, safety, and tourist loyalty in the Malaysian homestay tourism sector. This emphasizes the importance of understanding the role of satisfaction in creating loyal customers and building a positive reputation for homestay operators. The study's focus on the Malaysian homestay tourism sector provides unique insights into the challenges and opportunities present in this context. The findings suggest that homestay operators should prioritize building a positive reputation, providing high-quality services at a reasonable price, and ensuring guest safety and security to increase satisfaction and loyalty. These insights can

be applied to other tourism contexts, providing a framework for understanding the factors that influence customer satisfaction and loyalty.

Managerial Implications

The study's results have significant managerial implications for homestay operators in the Malaysian tourism industry. Firstly, the study emphasizes the importance of managing homestay accommodations' image, perceived value, and safety to increase customer satisfaction and loyalty. Homestay operators can enhance their image through marketing and branding efforts while providing high-quality services at reasonable prices can help guests perceive the value of their offerings. Implementing safety measures such as security cameras and proper lighting can create a safe and secure environment for guests. Secondly, the study suggests that homestay operators should focus on creating memorable experiences for their guests. Customer satisfaction is a critical factor in building customer loyalty, and operators can achieve this by offering personalized services, such as arranging cultural activities or providing local food. Creating comfortable and aesthetically pleasing accommodations can also enhance the guest experience and create a positive image.

Practical Implications

The study's findings have practical implications for homestay operators and Malaysian tourism industry policymakers. Homestay operators can use the results to guide their marketing and branding efforts by focusing on building a positive image, providing high-quality services, and ensuring guest safety to attract more customers and increase loyalty. The study's emphasis on satisfaction as a mediator underscores the importance of providing excellent customer service and personalized experiences. Homestay operators can use this information to improve their customer service strategies, such as staff training in hospitality and offering customized services. Policymakers can use the study's findings to support the growth of the homestay sector in Malaysia by providing training and resources to improve the quality of services provided and create a positive image for the sector. This can lead to increased tourist satisfaction, loyalty, and economic benefits for the country. The study's results have broader implications for the tourism industry as a whole by highlighting the significance of managing image, perceived value, and safety, and providing personalized experiences. The study provides a framework for understanding the factors that influence customer satisfaction and loyalty, which can be applied to other tourism contexts and provide guidance for operators on how to enhance their services and create positive and memorable experiences for their guests.

Suggestions for Future Studies

Based on the above analysis, some suggestions for future research can be considered. Investigating the role of specific factors that contribute to perceived value, safety, satisfaction and image in the context of homestay tourism will provide deeper insights for enhancing tourist loyalty. Furthermore, conducting comparative studies across different regions and host family types may lead to a comprehensive understanding of the factors that influence loyalty. It would also be worthwhile to study the impact of technological advances, such as the integration of digital platforms and smart home functions, on tourist loyalty and satisfaction. Finally, longitudinal studies may reveal the long-term effects of strategies implemented by homestay managers and operators to increase loyalty.

Conclusion

In conclusion, this study provides valuable insight into key drivers of tourist loyalty in Malaysia's homestay tourism sector. The results highlight the importance of perceived value, safety, satisfaction, and image in influencing tourist loyalty. The findings highlight the need for homestay operators to prioritize activities that enhance tourist values, strengthen safety measures and improve overall satisfaction. Building a strong brand image and promoting engagement with the local community can also help build tourist loyalty. These insights provide practical implications for homestay managers and operators to develop effective strategies to foster loyalty and ensure the long-term success of Malaysia's homestay tourism sector.

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