

ANALYZING THE ANTECEDENTS OF CUSTOMER LOYALTY

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ABSTRACT: This research study looked at analyzing the antecedents of customer loyalty namely; corporate image, customer satisfaction, and service quality. Based on the review of the previous literature, the research hypotheses were drawn. Questionnaires were designed and distributed to the tourists' residents of the five stars hotels in Egypt. Findings revealed a positive relationship between corporate image and customer loyalty, customer satisfaction and customer loyalty and service quality and customer loyalty. It's suggested that future research may be extended to other sectors and domains within Egypt.

KEYWORDS: Customer loyalty, customer satisfaction, corporate image, service quality

INTRODUCTION

In times of severe competition and rising customer expectations organizations become more interested in retaining their existing customers. Most organizations will depend on repeat purchases/sales. Customer loyalty has been viewed in the literature as a competitive tool for many companies. The growth, survival and success of organizations depend mainly on their loyal customers. Top performing organizations are those who continuously consider and review their customers' needs and demands. This review enables them to fight against the fierce competition in today's dynamic business environment. From this perspective organizational researchers and scholars tend to investigate customer loyalty as a key construct in the retention of customers. The benefits of customer loyalty are widely recognized in the business environment. Among the well-defined and agreed upon benefits in the literature: customer retention especially within the mature and the new competitive markets (Ehrenberg & Goodhardt, 2000); existing customers are most likely to expand their relationship with the product range resulting in cumulative benefits for the business (Grayson & Ambler, 1999), loyal customers will act as information channels, disseminating information about the product to their social network of friends and relatives (Shoemaker & Lewis, 1999). Customers would demonstrate their loyalty in a variety of ways including repeat purchases, increase on the number of purchases and may also become the advocates of the organization who play a key role in shaping the decision-making of other customers (Hallowel, 1996; Reichheld & Schefter 2000; Zeithaml, 2000). Due to the growing importance of customer loyalty, this research will focus on analyzing the antecedents of customer loyalty namely; corporate image, customer satisfaction and service quality.

LITERATURE REVIEW

Customer loyalty has been treated within the marketing discipline since the early 1920's. The early studies on customer loyalty conceptualized loyalty as a form of repeat purchases over time. Some

scholars focused on the chronological order in which brands are purchased (Brown, 1952; Churchill, 1942). Other studies viewed customer loyalty through the proportion of purchases devoted to a given brand name (Brody & Cunningham, 1968; Cunningham, 1956). A third view focused on stochastic measure like the probability of purchase (Farley, 1964; Frank, 1962). Finally some authors combined several behavioural criteria in their empirical studies (Tucker, 1964; Frank, Massy & Lodahl, 1969). There is no universally agreed definition of customer loyalty (Uncles, Dowling & Hammond, 2003; Oliver, 1999; Dick & Basu, 1994; Jacoby & Chestnut, 1978). Loyalty implies a sense of devotion and attachment to a given brand or service created by affection. This affection creates a sense of personal attachment. Oliver explains customer loyalty as a deeply held commitment to rebuy a preferred product/service consistently in the future; thereby causing repetitive same-brand or same brand-set purchasing, despite the influence and marketing efforts having the potential to cause switching behaviour (Oliver, 1997, p.392). Reichheld & Teal (1996) proposed that customers who tend to purchase through referrals and friends are more likely to be more loyal than others. Nevertheless, their claim lacks empirical and theoretical support. Customer loyalty has been conceptualized as comprising both attitudinal and behavioural components. (Ganesh, Arnold & Reynolds, 2000) derived from their empirical study two distinct dimensions of the loyalty construct; the active loyalty and the passive loyalty. The active loyalty is “the proactive behaviours or behavioural intentions that require conscious or deliberate efforts to undertake” (Ganesh et. al., 2000, p.83). It comprises the willingness to extend business with the provider and the reinforcement of choice. The passive loyalty explains the reactive behaviour or the intentional behaviour (Ganesh et. al., 2000). This is influenced by sensitivity to changes in prices and increased competitiveness.

Phases of Loyalty

Oliver (1979) proposed the initial customer loyalty framework (the cognition-affect-conation pattern) which is based on four main dimensions: cognitive loyalty, affective loyalty, conative loyalty and action loyalty.

Cognitive Loyalty: is the first phase of loyalty whereby the information available to customers indicates that one brand is preferable to its alternatives. Loyalty is based on the brand only since the cognition available is based on prior knowledge or recent experience. Customer loyalty depth stops at the mere performance of the product. If the consumer level of the satisfaction is increased, loyalty begins to move to affective tones. Consumers are borne to switch to another product/service once they perceive alternative offerings as more beneficial compared to the cost-benefit ratio (Kalyanaram & Little, 1994).

Affective Loyalty: is the second phase of loyalty development whereby a liking or a set of attitudes towards the brand has been created and developed. The affective loyalty is developed based on cumulative satisfaction derived from usage occasions. This reflects the pleasure dimension of the satisfaction definition whereby the consumer becomes committed to the product cognitively and affectively. Loyalty is explained by the level of liking a given brand. Commitment is still not fully enforced as the subject of switching brand still exists though the majority of customers still claim that they stick to their brand. The determination of affective loyalty is also subject to deterioration through the increased attractiveness of competitive offerings (Sambandam & Lord, 1995).

Conative Loyalty: this is the hidden intentional behaviour stage whereby the customer will be directly repurchasing a specific brand. The desire to repurchase may be anticipated but still there is unrealized action as customers are likely to try alternative offerings if they experience repetitive service failure.

Action Loyalty: this is the “action control” stage (Kuhl & Beckmann, 1985). The intention to repurchase is transformed to the readiness to act. The customer intends to overcome all the obstacles that may hinder his readiness to repurchase. The action is perceived as the inertia to act and purchase.

Antecedents of Customer Loyalty

Several studies looked at the main factors that would influence customer loyalty (Oliver, 1999; Berne, 1997; Anderson & Sullivan, 1993; Boulding, Kalra, Staelin & Zeithaml, 1993; Bloemer & Lemmink, 1992). The studies looked at customer satisfaction, switching costs, as the main antecedents affecting customer loyalty. Corporate image, customer relationship management strategies, communication, complaint handling, and service quality were also argued to be very influential. This study will look at the antecedents of customer loyalty namely; corporate image, customer satisfaction, and service quality.

Corporate Image

Corporate image and reputation are significant in developing and maintaining customer loyalty. Corporate image is defined by Barich & Kotler (1991) as the overall impression that people get from the organization. Nguyen & Leblanc (2001, p.228) argued that corporate image is related to the physical and behavioural attributes of the firm, such as business name, architecture, variety of products/services, and the impression of quality communicated by each person interacting with the firm’s clients. Corporate image can also be created through indirect information that the customers obtain from the word-of-mouth and the advertisements. According to (Fazio, 1989), the main reason of developing corporate image is the customers’ evaluation of services as a positive experience which will directly lead to customer retention and loyalty.

Customer Satisfaction

Customer satisfaction is viewed as the outcome of a comparison process between perceived product performance and previous expectations held by the customer (Oliver, 1997). Early research studies focused on satisfaction as a post-choice evaluative judgment concerning a specific purchase decision (Oliver & De Sarbo, 1988, Bearden & Teel, 1983; Churchill & Suprenant, 1982; Oliver, 1979). The level of customer expectations is mostly affected by the recent customer experiences with the product or service (La Tour & Peat, 1980). Oliver (1997) defines satisfaction as a pleasurable fulfillment. In this respect, the consumer would sense that his consumption fulfills needs, desires, goals and all the aspects related to the sense of delight and pleasure. Satisfaction is viewed as a comparison between the outcomes against a standard set of customers’ expectations. Some scholars have claimed that satisfaction is developed as a result of a cumulative experience with a given product/service rather than a transaction – specific phenomenon (Anderson, Fornell & Lehmann, 1994; Bayus, 1992; Wilton & Nicosia, 1986). Through the review of customer satisfaction literature customer satisfaction is viewed as a multi-dimensional construct (Yi, 1990) that includes: satisfaction in the product / service itself (Marr & Crosby, 1992; La Barbera &

Mazursky, 1983), satisfaction with the sales as a process whereby the interpersonal relationship with the customer gets to be the focal concern and the ability to meet and exceed the customer needs is significant, and satisfaction with the after sale service (Ostrom & Lacobucci, 1995) . The researcher defines customer satisfaction as the result of attitudes formation encompassing both the cognitive and the affective evaluation of a selected product/service.

Service Quality

Service quality is a multi-dimensional construct that is difficult to identify and measure. It is directly related to the quality of service that the customer receives with a given product or a chosen service. Parasuraman, Zeithaml & Berry (1988) defined service quality as an overall judgment directly related to the level of service superiority. Mittal & Lassar (1998) stated that “service quality is generally interpreted by customer to refer to the way they are treated by the business firm”. On the other hand, (Crick & Spencer, 2011) argue that satisfaction which the customer gets from the service quality is the minimum expectation with the growing fierce competition.

RESEARCH METHODOLOGY

Research Objectives

Through the review of the previous literature and the analysis of the research findings the research objectives are driven as:

1. Analyzing the relationship between corporate image and customer loyalty
2. Analyzing the relationship between customer satisfaction and customer loyalty
3. Analyzing the relationship between service quality and customer loyalty

Research Hypotheses

The research hypotheses were posed based on the review of the previous research findings.

Corporate image held in the eyes of customers will affect their feelings of loyalty (Rowley & Dawes, 1999). Anderson & Fornell (1994) argue that there is a positive relation between corporate image and customer loyalty through the mediating role of trust. Andreassen (1999) found a significant positive relation between organizational image and customer loyalty. The researcher will consider the direct relationship between corporate image and customer loyalty.

H1: It is expected that there will be a positive relationship between corporate image and customer loyalty

Several studies looked at the relationship between customer satisfaction and customer loyalty. Evans & Lindsay (1996) stated that companies with satisfied customers have an opportunity to convert them into loyal customers. Sivadas & Baker-Prewitt (2000) argue that the ultimate measure of customer satisfaction should be through customer loyalty. Bontis, Nick, Booker, Lorne & Serenko (2007) found that there is a positive relationship between customer satisfaction and customer loyalty. Based on these findings the second hypothesis is derived as:

H2: It is expected that there will be a positive relationship between customer satisfaction and customer loyalty.

Service quality allows organizations to compete in the market and to continue improving their service performance. (Herington & Weaven, 2009; Jamal & Anastasiadou, 2009) argued that the

increased level of service quality will lead to a drastic increase in customer loyalty. Cronin, Brady & Hult (2000) found a direct positive relationship between service quality and customer loyalty. Accordingly, the third hypothesis is developed as:

H3: It is expected that there will be a positive relationship between service quality and customer loyalty

Research Measures

A conceptualization and items for measuring the customer loyalty constructs were developed from previous customer loyalty literature. Cognitive loyalty was measured by Sirdeshmukh, Singh and Sabool (2002). Affective loyalty was measured using Oliver (1997) “overall satisfaction” and “liking” scale. Conative loyalty was measured by Zeithaml, Berry and Parasuraman (1996), while action loyalty was measured by Harris & Goode’s (2004) sale. corporate image was measured by Bayol, Layfoye, Tellier & Tenenhaus (2001) and Nguyen & Leblanc (2001), customer satisfaction was measured by Hennig – Thurau, Gwinner, Walsh & Gremler (2004), , and service quality was measured by Parasuraman, Zeithaml & Berry (1988) servqual scale.

The Study Sector

Tourism is one of the leading sectors in the process of economic growth and the highest in terms of generating new job opportunities in Egypt. This sector is considered as the driving engine for the Egyptian economy. According to the official records of the Central Agency for Public Mobilization and Statistics, the hotel sector in Egypt has emerged to support the growth of tourism and is characterized by being labour intensive and enjoys a level of interdependence with other sectors. The sample of this study will be the hotels located in Cairo, Giza, Alexandria, Luxor, Aswan, Sharm el-Sheikh, Sinai and Dahab. The selected sample will be the tourists’ residents of the five stars hotels in these governorates.

An initial set of 700 questionnaires were sent over to the guest relations departments of these hotels by email, following these departments distributed the questionnaires randomly to the tourists. Six hundred complete and verified questionnaires were returned. The duration of collecting the questionnaires was around four months from January till end of April 2015.

Descriptive Statistics

Table 1. The descriptive statistics of the study

| Index | Demographic Variables | Frequency | Percentage |
|-------|-----------------------|-----------|------------|
| 1 | Age Groups | | |
| | 20-29 | 93 | 15.5 |
| | 30-40 | 267 | 44.5 |
| | 40-49 | 200 | 33.3 |
| | Above 50 | 40 | 6.7 |
| 2 | Gender | | |
| | Male | 423 | 70.5 |
| | Female | 177 | 29.5 |

| | | | |
|-----------------------------|---------------------|---------------------|------|
| 3 | Educational Level | | |
| | High School | 418 | 69.7 |
| | University Graduate | 165 | 27.5 |
| | Post-Graduate | 17 | 2.8 |
| Mean +/- Standard Deviation | | (*) 54.63 +/- 16.52 | |

(*) This was calculated by geometric mean

Statistical Results of Hypotheses

H1: It is expected that there will be a positive relationship between corporate image and customer loyalty.

Simple linear regression was used to analyze the relationship between corporate image and customer loyalty. The results are shown in the following table.

Table 2. Simple Linear Regression for Corporate Image and Customer Loyalty

| Model Identification | Estimating Model | |
|---------------------------------------|------------------|--|
| | Results | Estimating Parameters and Tests |
| Corporate Image and Cognitive Loyalty | 1 | $Y_{t-1} = 0.080 + 0.972X_{t1}$ |
| | 2 | (2.333) (105.355**) |
| | 3 | F-ratio= 11099.549, Significance level=0.00, $p < 0.01$ $R^2 = 94.9\%$, S.E= 0.295 |
| Corporate Image and Affective Loyalty | 1 | $Y_{t-2} = 0.073 + 0.980X_{t1}$ |
| | 2 | (1.447) (72.466**) |
| | 3 | F-ratio= 5251.309, Significance level=0.000, $p < 0.01$ $R^2 = 98.8\%$, S.E= 0.433 |
| Corporate Image and Conative Loyalty | 1 | $Y_{t-3} = 0.084 + 0.968X_{t1}$ |
| | 2 | (1.351) (58.299**) |
| | 3 | F-ratio= 3398.807, Significance level=0.000, $p < 0.01$ $R^2 = 85\%$, S.E= 0.532 |
| Corporate Image and Action Loyalty | 1 | $Y_{t-4} = 0.174 + 0.955X_{t1}$ |
| | 2 | (3.200**) (65.352**) |
| | 3 | F-ratio= 4270.917, Significance level=0.000, $p < 0.01$ $R^2 = 87.7\%$, S.E= 0.468 |
| Corporate Image and Customer Loyalty | 1 | $Y_t = 0.098 + 0.970X_{t1}$ |
| | 2 | (2.998**) (110,533**) |
| | 3 | F-ratio= 12217.57, Significance level=0.000, $p < 0.01$ $R^2 = 95.3\%$, S.E= 0.281 |

1: denote the estimation of unstandardized parameters

2: denote the estimation of testing the parameters using t-test

3: denote the test of the regression model

*: significant at 0.05

** : significant at 0.01

The results in the above table (2) show that there is a positive relationship between corporate image and customer loyalty ($R^2 = 88.5\% - 98.8\%$). Accordingly, hypothesis number one can be accepted.

H2: It is expected that there will be a positive relationship between customer satisfaction and customer loyalty.

Simple linear regression was used to analyze the relationship between customer satisfaction and customer loyalty. The results are shown in the following table.

Table 3. Simple Linear Regression for Customer Satisfaction and Customer Loyalty

| Model Identification | Estimating Model | |
|---|------------------|--|
| | Results | Estimating Parameters and Tests |
| Customer Satisfaction and Cognitive Loyalty | 1 | $Y_{t-1} = 0.133 + 0.964X_{t2}$ |
| | 2 | (3.532**) (94.685**) |
| | 3 | F-ratio= 8965.227, Significance level=0.000, $p < 0.01$ $R^2 = 93.7\%$, S.E= 0.327 |
| Customer Satisfaction and Affective Loyalty | 1 | $Y_{t-2} = 0.131 + 0.970X_{t2}$ |
| | 2 | (2.464*) (67.708**) |
| | 3 | F-ratio= 4584.33, Significance level=0.000, $p < 0.01$ $R^2 = 88.5\%$, S.E= 0.640 |
| Customer Satisfaction and Conative Loyalty | 1 | $Y_{t-3} = 0.135 + 0.960X_{t2}$ |
| | 2 | (2.137*) (56.174**) |
| | 3 | F-ratio= 3155.52, Significance level=0.000, $p < 0.01$ $R^2 = 84.1\%$, S.E= 0.548 |
| Customer Satisfaction and Action Loyalty | 1 | $Y_{t-4} = 0.153 + 0.968X_{t2}$ |
| | 2 | (3.229**) (75.957**) |
| | 3 | F-ratio= 576.493, Significance level=0.000, $p < 0.01$ $R^2 = 90.6\%$, S.E= 0.409 |
| Customer Satisfaction and Customer Loyalty | 1 | $Y_t = 0.137 + 0.965X_{t2}$ |
| | 2 | (4.071**) (106.388**) |
| | 3 | F-ratio= 11318.498, Significance level=0.000, $p < 0.01$ $R^2 = 95\%$, S.E= 0.292 |

1: denote the estimation of unstandardized parameters

2: denote the estimation of testing the parameters using t-test

3: denote the test of the regression model

*: significant at 0.05

** : significant at 0.01

The results in the above table (3) show that there is a positive relationship between customer satisfaction and customer loyalty ($R^2 = 84.1\% - 93.7\%$). Accordingly, hypothesis two can be accepted.

H3: It is expected that there will be a positive relationship between service quality and customer loyalty

Multiple regression analysis, Pearson correlation coefficient were used to analyze the relationship between service quality and customer loyalty. The results are shown in the following tables.

Table 4. Pearson Correlation Coefficient among the five dimensions of the service quality construct

| Dimensions of Service Quality | Reliability | Responsiveness | Assurance | Empathy | Tangibles |
|-------------------------------|-------------|----------------|-----------|---------|-----------|
| Reliability | 1 | 0.951** | 0.957** | 0.965** | 0.960** |
| Responsiveness | | 1 | 0.935** | 0.966** | 0.951** |
| Assurance | | | 1 | 0.941** | 0.953** |
| Empathy | | | | 1 | 0.945** |
| Tangibles | | | | | 1 |

** : denote Pearson Correlation Coefficient (r) significant at 0.01 level of significance

The results presented in Table (4) confirm a strong, significant positive relationship at level of 0.01 level of significance among the dimensions of service quality. This could lead to multicollinearity that is a phenomenon in which two or more predictor variables in a multiple regression model are highly correlated, meaning that one can be linearly predicted from the others with a non-trivial degree of accuracy. This will be taken into consideration in the statistical analysis.

Table 5. Pearson Correlation Coefficient was used to analyze the relationship between service quality and customer loyalty.

| Dimensions of Service Quality | Dimensions of Customer Loyalty | | | | |
|-------------------------------|--------------------------------|-------------------|------------------|----------------|------------------|
| | Cognitive Loyalty | Affective Loyalty | Conative Loyalty | Action Loyalty | Customer Loyalty |
| Reliability | 0.975** | 0.949** | 0.917** | 0.944** | 0.978** |
| Responsiveness | 0.970** | 0.944** | 0.920** | 0.941** | 0.975** |
| Assurance | 0.965** | 0.938** | 0.918** | 0.939** | 0.970** |
| Empathy | 0.976** | 0.948** | 0.921** | 0.949** | 0.980** |
| Tangibles | 0.967** | 0.944** | 0.912** | 0.943** | 0.972** |

** : denote Pearson Correlation Coefficient significant at 0.01

The results shown in Table (5) confirm a positive, strong and significant relationship between service quality and customer loyalty. Accordingly, Step-wise Multiple Regression analysis will be conducted to avoid multicollinearity.

Table 6. Step-Wise Multiple Regression Analysis for service quality and customer loyalty

| Model Identification | Estimating Model | | | | | |
|---------------------------------------|------------------|--|-------|-------|-------|-------|
| | Results | Estimating Parameters and Tests | | | | |
| Service Quality and Cognitive Loyalty | 1 | $Y_{t-1} = -0.013 + 0.181x_{t-1} + 0.197x_{t-2} + 0.214x_{t-3} + 0.277x_{t-4} + 0.134x_{t-5}$ | | | | |
| | 2 | 0.182 | 0.199 | 0.215 | 0.279 | 0.134 |
| | 3 | (-0.610) (6.386**) (7.851**) (9.698**) (10.045**) (5.412**) | | | | |
| | 4 | F-ratio= 5831.719, d.f = (5,594) Significance level=0.000, p<0.01 R ² = 98 % , S.E= 0.185 | | | | |
| Service Quality and Affective Loyalty | 1 | $Y_{t-2} = -0.023 + 0.187x_{t-1} + 0.206x_{t-2} + 0.176x_{t-3} + 0.234x_{t-4} + 0.209x_{t-5}$ | | | | |
| | 2 | 0.181 | 0.200 | 0.171 | 0.228 | 0.201 |
| | 3 | (-0.533) (3.345**) (4.150**) (4.150**) (4.030**) (4.297**) (4.280**) | | | | |
| | 4 | F-ratio= 1518.966, d.f = (5,594) Significance level=0.000, p<0.01 R ² = 92.7 % , S.E= 0.366 | | | | |
| Service Quality and Conative Loyalty | 1 | $Y_{t-3} = 0.004 + 0.318x_{t-2} + 0.397x_{t-3} + 0.397x_{t-3} + 0.280x_{t-4}$ | | | | |
| | 2 | 0.305 | 0.380 | 0.269 | | |
| | 3 | (0.076) (5.223**) (8.575**) (4.374**) | | | | |
| | 4 | F-ratio= 1418.311, d.f = (3,596) Significance level=0.000, p<0.01 R ² = 87.7 % , S.E= 0.483 | | | | |
| Service Quality and Action Loyalty | 1 | $Y_{t-4} = 0.044 + 0.141x_{t-2} + 0.243x_{t-3} + 0.361x_{t-4} + 0.251x_{t-5}$ | | | | |
| | 2 | 0.140 | 0.239 | 0.356 | 0.245 | |
| | 3 | (1.024) (2.863**) (5.945**) (7.403**) (5.483**) | | | | |
| | 4 | F-ratio= 1853.141, d.f = (4,595) Significance level=0.000, p<0.01 R ² = 92.6 % , S.E= 0.365 | | | | |
| Service Quality and Customer Loyalty | 1 | $Y_t = -0.003 + 0.141x_{t-1} + 0.198x_{t-2} + 0.225x_{t-3} + 0.276x_{t-4} + 0.163x_{t-5}$ | | | | |
| | 2 | 0.143 | 0.201 | 0.228 | 0.279 | 0.163 |
| | 3 | (-0.182) (6.596**) (10.437**) (13.475) (13.206**) (8.696**) | | | | |
| | 4 | F-ratio= 10177.898, d.f = (5,594) Significance level=0.000, p<0.01 R ² = 98.8 % , S.E= 0.140 | | | | |

1: denote the estimation of unstandardized parameters

2: denote the estimation of standardized parameters

3: denote the estimation of testing the parameters using t-test

4: testing the regression model

** : significant at 0.01

DISCUSSION

This research study tried to provide an in-depth analysis to a set of three selected antecedents of customer loyalty. Based on the review of literature, three hypotheses were developed whereby all the namely selected antecedents (corporate image, customer satisfaction and service quality) were assumed to be positively related to customer loyalty. This discussion sheds the light on the key aspects related to the relationship between the selected antecedents and customer loyalty.

Corporate image has a positive impact on customer loyalty. The highest impact was on the affective loyalty dimension which reveals the idea of how corporate image tends to affect feelings towards a given product/service. Previous held image of elite brands in the eyes of customers will play an important role in affecting the feelings that customers hold. The researcher perceives the emotional culture and warmth that Egypt holds as a key factor that affects the affective loyalty. This was followed by cognitive loyalty and this could be further related to the age group (30-40) that occupied almost 44.5% of the sample size. Usually people in this age group tend to use a rational approach towards their evaluation of image relying on experience and behaviour knowledge inventory. Corporate image has the least impact on action loyalty followed by conative loyalty.

Customer satisfaction had a positive impact on customer loyalty. Customer satisfaction has the highest impact on cognitive loyalty followed by action loyalty. This is conformed to the idea of satisfaction is a feeling that is created through cognitive and emotional assessment that leads to confirmation of customers' expectations. The translation of intangible satisfaction is further transformed into action loyalty towards a given product.

Service quality had a significant, positive impact on customer loyalty. Results revealed that service quality had a very strong impact on cognitive loyalty followed by affective loyalty, conative loyalty, and action loyalty. This result confirms the previous proposed conceptual model of loyalty phases proposed by Oliver (1979). Customers would tend to evaluate products/services based on available knowledge and experience. Accordingly, they will tend to like the product where a pleasure bond will exist followed by the creation of customers' favourable hidden behaviours towards the product/service ending up with action loyalty whereby the product/service becomes preferred and customers become loyal.

The research findings suggest that organizations should always be alert to the importance of customer loyalty particularly with an attention to the development of action loyalty. The author suggests that organizations may foster the development of customer loyalty through maintaining direct contact with previous and current customers on consistent basis. Consistency in communication with customers is a key dimension that could be enriched via hi-technology advancements (example: mobile messages and emails). Taking the time to listen to the customer ideas, complaints and demands will pave the way towards more loyal customers. Explaining how things work to customers and how things develop within the organization will create a sense of personalized perception of sharing information and will ease the development of transparent practices with customers.

IMPLICATIONS TO RESEARCH AND PRACTICE

Based on the above results, the researcher suggests a number of recommendations that may be followed by organizations to enhance the development of customer loyalty.

1. Developing value strategies of integrity towards customers' demands and wants.
2. Treating customers as the master stakeholders of concern.

3. Adopting customer surveys more frequently to gain an early insight on the product/service performance, customer satisfaction and customer desires.
4. Empowering customers about the business' products and services through the adoption of customer strategic empowerment which enhances the bond between customers and organizations.
5. Challenging employees through realistic objectives about customers' improved service levels, retention rates and the delivery of quality relationships with customers.

On the research level, the findings of this research support the importance of customer loyalty and customer retention theories. The researcher concluded a set of implications with regard to the theory:

1. The research contribution lies in providing a detailed analysis of the customer loyalty dimensions in relation to the explored antecedents.
2. The findings confirm the previous assumptions of corporate image, customer satisfaction and service quality as the key antecedents of customer loyalty.
3. The findings about service quality as an antecedent support the original loyalty framework proposed by Oliver (1979).
4. The findings contribute to the previously explored domains in other studies through shedding the light on Egypt as an important country in the Middle East.

CONCLUSION

The purpose of this research study is to analyze the antecedents of customer loyalty through in-depth insight on the dimensions of customer loyalty construct. Customer loyalty is a key success corner stone to the development of everlasting customers. This is return support the organizational market stability and enhances future growth. The selected sector was the tourists' residents of the five stars hotels located across Egyptian governorates. Customer loyalty was analyzed with respect to four main loyalty dimensions (Cognitive loyalty, Affective loyalty, Conative loyalty and Action loyalty).

Results revealed the presence of a positive relationship between corporate image and customer loyalty, with a strong significant impact on affective loyalty. A positive relationship was also found between customer satisfaction and customer loyalty, with a strong impact on cognitive loyalty. Service quality was indicated to have a positive impact on customer loyalty with an impact similar to Oliver (1979) suggested loyalty framework.

The research proposed a set of implications to the research and to the practices with a recommendation to the importance of being alert to all the requirements and the predecessors of enhancing and developing customer loyalty. Customer loyalty is a long-term potential inventory that organizations should focus on and develop.

FUTURE RESEARCH

This research focused mainly on one of the most important sectors in Egypt; namely tourism. In order to be able to generalize the results on the Egyptian domain, it's suggested that the research could be repeated on other services sectors (education, healthcare...etc.). Future studies could also

encompass other product oriented sectors to gain a closer insight on customer loyalty construct with the Egyptian domain (production facilities, fast moving consumable goodsetc.). Other antecedents could also be explored to enhance a more comprehensive understanding of customer loyalty development within the Egyptian market. Comparative studies among the public and the private sectors will also support in gaining an in-depth view of customer loyalty construct.

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