

How Does Perceived Value, Customer Expectations and Trust Affect Travellers' Loyalty. Case Study On 3- And 4-Stars Hotels in Durres, Albania.

Ervin Myftaraj, Elton Noti, Aishejla Myshketa

Department of Management, Faculty of Business, Aleksandër Moisiu University, Durrës, Albania

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ABSTRACT

The tourism industry is highly competitive, and sustaining customer loyalty is crucial for the success of businesses within this sector. In the dynamic and competitive landscape of the tourism industry, understanding the factors that influence customer loyalty is crucial for sustainable business success. This study explores the interplay between perceived value, customer expectations, trust, and their collective impact on customer loyalty within the context of the tourism industry. This research is focused on the Albanian tourism industry, especially in 3- and 4-stars hotels that operate in the city of Durres. Statistical tests included descriptive statistics, internal consistency, reliability, validity, correlation, and regression were conducted to determine the relationship and to validate the study. The survey for this study has been applied to 580 tourists that have been accommodated in different hotels of 3 and 4 stars in Durres, from May to September 2023. The study found that there is a positive relationship between perceived value and customer loyalty, customer expectation and customer loyalty, trust and customer loyalty. All those variables are considered predecessors of customer loyalty. By examining these interrelationships, this research contributes valuable insights to the tourism industry, helping hotels in Durres to understand the dynamics that drive customer loyalty in the development of long-term loyalty to contribute to the sustainability and success of their businesses in this competitive industry.

Keywords: customer loyalty, trust, perceived value, customer expectation.

INTRODUCTION

The hospitality industry, characterized by its dynamic and competitive nature, places a premium on customer loyalty. In this context, understanding the intricate interplay between perceived value, customer expectations, and trust becomes paramount for hoteliers seeking to enhance customer loyalty. This literature review delves into existing research on the relationships among perceived value, customer expectations, trust, and loyalty in the context of the hotel industry. Additionally, a case study on 3- and 4-star hotels in Durres, Albania, is presented to provide a practical application of the theoretical concepts. Over time, managers understood the importance of customer loyalty and began to be focused on customer relationship strategies to keep customers loyal to their services, brands, or products. Especially in the tourism industry that the competition is hard, loyalty and loyalty programs are an added value that help businesses in this industry to take competitive advantages through others. The concept of loyalty became one of the most investigated concepts both in academic research and in business studies. It is important to study and to predict factors that affect customers to become loyal. Nowadays, companies have understood that it is easier and more profitable to maintain long-term customers than to attract new ones.

In the tourism sector, the interaction between customer and sellers is immediate and constant. This is the reason that customer loyalty is a key factor in the tourism and service sector in general. Also, the level and interaction of feedback is higher for services than for products, and customer loyalty can act like a barrier for changing the supplier. (Constantinescu, 2007). Trust plays an important role in determining loyalty, because customers are more likely to exhibit loyalty to businesses they perceive as reliable and trustworthy. Another important determinant that will be explained and measured during this study is perceived value. Customers have the

tendency to weight the benefits that they received from product and services against the costs incurred, a perception of value towards loyalty and satisfaction. On the other hand, customer expectations act as a benchmark for the measurement of service quality. Meeting or exceeding these expectations contributes to customer satisfaction and influences their perception of value. Conversely, unmet expectations may lead to dissatisfaction and reduced trust.

This study explores how trust, perceive value and customer expectations contributes to positive outcomes in terms of customer loyalty. Statistical tests included descriptive statistics, internal consistency, reliability, validity, correlation and regression were conducted to determine the relationship and to validate the study. The survey for this study has been applied to 580 tourist that has been accommodated in different hotels of 3 and 4 stars in Durres, from May to September 2023. The study found that there is a positive relationship between perceived value and customer loyalty, customer expectation and customer loyalty, trust and customer loyalty. By examining these interrelationships, this research contributes valuable insights to the tourism industry, helping hotel in Durres to understand the dynamics that drive customer loyalty in the development of long-term loyalty to contribute to the sustainability and success of their businesses in this competitive industry.

LITERATURE REVIEW

In this research I am going to explain three crucial factors that influence customer loyalty in tourism industry by shaping the success of tourism businesses. The three variables that will be analysed are perceived value, customer expectations, and trust. The impact of those three variables is interrelated and affected from each other. For example, perceived value influence trust. Customers with a high perceived value about the product or service that they are buying, are more likely to increase trust. On the other hand, also by meeting or exceeding customer expectations contribute to the increasing of value and trust. There are different strategies that helps in the improvement of customer loyalty. The first one is related with consistent quality. It is important to give to the client a high-quality experience higher than their expectations. The second strategy is related with effective communication. It helps a better interaction between customers and businesses by managing better the customers' expectations. Other strategies are related with personalisation and reliability. Personalization refers to the ability to give to individuals customize product or services to increase the overall customer experience. On the other hand, reliability refers in the consistency to build and maintain trust. The last strategy that influences customer loyalty is feedback mechanisms. It is the mechanism thar act upon customer feedback to continuously improve products and services.

Perceived Value

Perceived value is a crucial determinant of customer loyalty in the hotel industry. Zeithaml (1988) defines perceived value as the customer's overall assessment of the utility of a product or service based on perceived benefits and costs. In the hotel context, perceived value encompasses factors such as service quality, amenities, and price fairness. Scholars (e.g., Sweeney & Soutar, 2001; Cronin et al., 2000) argue that higher perceived value positively influences customer loyalty by fostering satisfaction and repeat patronage. Perceived value is related with amount of money that a customer is willing to pay for a product or service. This perception is directly related with the ability that has one product or service to meet customer expectations and needs. It is crucial for businesses, especially business that operates in service industries, to understand customer perceptions by studying consumer behaviour. This help business to build a competitive advantage towards their competitors and to improve their marketing strategy. (Sweeney & Soutar, 2001). It has been studied and noticed from different authors the positive relationship between service quality and perceived value. (Birgelen, Wetzels, & de Ruyter, 1997). Other authors stated that perceived value is one of the most important factors that influence the willing to buy a good or a service. (Bolton & Drew, 1991). It is very difficult to measure the qualities of a service because of its intangible characteristics. Service quality is measured by different factors. (Taylor & Baker, 1994). In other cases the perceive quality of the service can be find by counting the difference between customer expectations and customer perception. (Lehtinen & Lehtinen, 1982)

H1: There is positive relationship between perceived value and customer loyalty.

H0: There is not a positive relationship between perceived value and customer loyalty.

Customer Expectations

Customer expectations set the foundation for service evaluation and significantly impact customer satisfaction and loyalty. Berry et al. (1985) conceptualize customer expectations as the standard against which performance is judged. In the hotel industry, customer expectations may include service quality, cleanliness, and personalized attention. Meeting or exceeding these expectations is essential for customer satisfaction and, consequently, loyalty (Parasuraman et al., 1988).

Customer expectations are important to be studied because are the ones that influence customer behaviours and the willingness to buy a certain product or service. (Kotler, 2000). The expectations that one customer can provide for a specific product or service is related with the different characteristics of one product or service. Some of the most important characteristics that influence customer expectations are quality of the product or service, price, advertising, promotions, etc. A product or service can ensure competitive advantages towards other competitors in the moment that the product or service exceed customer expectations. (Kotler, 2000). There is one famous statement regarding this as “If a customer expects a bad level of quality and receives it, he/she will reduce his/her level of preference for the brand”. Boulding, Kalra, Staelin, & Zeithaml, 1993); (Anantharathan Parasuraman, Zeithaml, & Berry, 1985). A high customer expectation and a high service quality toward those expectations take customers to repurchasing decisions. (Kotler, 2000).

Customer expectation is the key to customer satisfaction, delight and loyalty stated by (Kotler, 2000). Service providers must identify the needs and expectations of the customer to achieve higher customer expectations (Arun Parasuraman, Berry, & Zeithaml, 1991). Managing and fulfilling the customer expectations is a good tool to enable the customers satisfied (Pitt & Jeantrout, 1994). After carefully reviewing the existing literature regarding the customer expectations and customer satisfaction we hypothesized.

H2: There is positive relationship between customer expectation and customer loyalty.

H0: There is not a positive relationship between customer expectation and customer loyalty.

Trust

Trust is a fundamental element in building and maintaining relationships between hotels and customers. In the context of hospitality, trust involves customers' confidence in the hotel's ability to fulfill promises and provide a secure and reliable experience (Morgan & Hunt, 1994). Trust is closely linked to loyalty, as customers are more likely to remain loyal to hotels they perceive as trustworthy (Cyr et al., 2009). Sellers of different products and services are the ones that build the relationship with the customers. Trust means faith and believes. (Young and Albaum, 2003). In terms of business relationship trust is explained as a simultaneous relationship between buyers and sellers in which the seller promises that will fulfil customer needs and obligations. (Schurr and Ozanne 1985). Trust is described as the perception of customers that the company that sells the product or service is honest and credible. (Morgan and Hunt 1994). There are different aspects that are related with the level of trust. The first one is related with the long-lasting life in the market of product or service. On the other hand, also being ethical and have a huge market share increase the level of trust of a company. (Young and Albaum, 2003). Trust is positively related with service quality and loyalty. Different authors measure trust variables by the repetition of purchases that a customer do for a specific product or service.(Garbarino and Johnson, 1999). On the other hand, another author, Pirch (2008) argues that trust is a very strong full prediction variable. For those reason I have choose to explain and to study the variable of trust curing this research and to study how trust is related with quality service and customer loyalty on tourism industry. (Delgado-Ballester and Monera-Alemán, 2005).

H3: There is positive relationship between trust and customer loyalty.

H0: There is positive relationship between trust and customer loyalty.

METHODOLOGY OR MATERIALS AND METHODS

This study utilizes a quantitative research design and methodology to gain a deeper understanding of the factors influencing customer loyalty in Albanian tourism industry. The study collected data from a survey of 580 travellers who stayed at 3- and 4-star hotels in Durres, from May to September 2023. A questionnaire has been made to the travellers that has been accommodated in those hotels. The questionnaire was designed based on Likert scale analyses in a Five Point Scale where number 1 stands for strongly disagree (Completely Disagree) and number 5 stands for strongly agree (Completely Agree) and number 3 stands for no opinion or not important (Natural Opinion). Statistical tests included descriptive statistics, internal consistency, reliability, validity, correlation, and regression were conducted to determine the relationship and to validate the study.

RESULTS AND DISCUSSIONS

Table 1: Explaining the descriptive statistics of the variables: Customer Loyalty, Trust, Perceived Value, Customer Expectation

Variable	N	Mean	Std Dev	Sum	Minimum	Maximum
Customer Loyalty	580	4.28431	0.84207	2498	1.25000	5.00000
Trust	580	4.24057	0.87203	2472	1.25000	5.00000
Perceived Value	580	4.39751	0.84437	2564	1.25000	5.00000
Customer Expectation	580	4.17551	0.77883	2439	0.50000	9.50000

Source: SAS Statistics, 2023

In this first table are explained different descriptive statistics that helps to identify the overall characteristics of the variables. The variables have different means and standard deviations, indicating variations in responses. All variables seem to be high, as it can see from the table the mean is higher than 4.2 towards all the variables. This indicates positively and high rated responses. St. dev is rated from 0.77 to 0.87, which means broader distribution of responses towards the mean.

Table 2: The division of the sample divided by groups according to their type of travelling

Category	Frequency	Percent	Cumulative Frequency	Cumulative Percent
Business Travels	26	4.45	26	4.45
Couples	167	28.60	193	33.05
Families	178	30.48	371	63.53
Groups	87	14.90	458	78.42
Solo Traveler	126	21.58	584	100.00

Source: SAS Statistics, 2023

In table number 2 the sample is divided by groups according to their type of travelling, such as: business travellers, couples, families, groups, solo travellers. From the statistics of table 3 is shown that the categories of travellers that visit Durres are mostly couples and families. Couple category has 167 respondents, representing 28.6% of the total. On the other hand, the cumulative percentage is 33.05%. family's category has 178 respondents, representing 30.48 % of the total. On the other hand, the cumulative percentage is 63.55%. The information provides a clear picture of the distribution across different categories. The accumulative percent is helpful for understanding the overall composition of the sample through the different categories.

Table 3: Cronbach Coefficient Alpha

Variables			Alpha	
Raw			0.877026	
Standardized			0.877694	
Deleted Variable	Raw Variables Correlation with Total	Raw Variables Alpha	Standardized Variables Correlation with Total	Standardized Variables Alpha
Customer Loyalty	0.769725	0.828505	0.768399	0.830459
Trust	0.731794	0.844194	0.732381	0.844674
Perceived Value	0.710198	0.852180	0.711374	0.852840
Customer Expectation	0.731951	0.844593	0.731839	0.844886

Source: SAS Statistics, 2023

According to table 3 the variables used in this study shows high levels of internal consistency reliability with Cronbach Alpha Coefficient 0.877026. (Cronbach Alpha all above 0.7). Each variable such as: customer loyalty, trust, perceived value, and customer expectation individually contributes positively to the scale's reliability. Raw Alpha equals to 0.877026 is the Cronbach's Alpha calculated based on the original (raw) scores of the variables customer loyalty, trust, perceived value, and customer expectation. A Cronbach's Alpha of 0.877 is generally considered quite good, suggesting high internal consistency among your variables. Standardized Alpha 0.877694, that is considered the Cronbach's Alpha calculated after standardizing the scores of your variables. The fact that the standardized alpha is very close to raw alpha indicate a higher and good internal consistency.

Table 4: Correlation between variables of the sample

	Customer Loyalty	Trust	Perceived Value	Customer Expectation
Customer Loyalty	1.00000 583	0.68881 <.0001 583	0.66422 <.0001 583	0.63904 <.0001 583
Trust	0.68881 <.0001 583	1.00000 583	0.58149 <.0001 583	0.64888 <.0001 583
Perceived Value	0.66422 <.0001 583	0.58149 <.0001 583	1.00000 583	0.63015 <.0001 583
Customer Expectation	0.63904 <.0001 583	0.64888 <.0001 583	0.63015 <.0001 583	1.00000 584

Source: SAS Statistics, 2023

The table shows Pearson correlation coefficients between the variables customer loyalty, trust, perceived value, and customer expectation. The values in the upper triangle of the table are the correlation coefficients, while the values in the lower triangle are the p-values associated with each correlation. These results provide insights into the strength and direction of the relationships between the variables. The correlation coefficients

are positive, indicating a positive linear relationship, and the p-values suggest that these correlations are statistically significant.

The first relation is described between customer Loyalty and trust where Correlation (r): 0.68881 and p-value: <.0001 (highly significant). There is a strong positive correlation (0.69) between Customer Loyalty and Trust. The p-value is highly significant, indicating that this correlation is unlikely to be due to random chance. On the other hand, customer loyalty and perceived value describes a Correlation (r): equal to 0.66422 and a p-value: <.0001 (highly significant). There is a strong positive correlation of about 0.66 between Customer Loyalty and Perceived Value. This implies that as perceived value increases, customer loyalty tends to increase as well. The p-value is highly significant, supporting the strength of this relationship. Customer loyalty, trust, and perceived value all seem to be high, with means above 4.2. Customer expectation, while still relatively high, has a wider range of scores, as indicated by the larger stand and deviation. The minimum and maximum values give insight into the range of responses. For all variables, the minimum is above 1, indicating that respondents generally did not provide extremely low scores. The maximum values for all variables are 5, suggesting a ceiling effect where respondents are hesitant to provide the highest possible score.

There is a strong positive correlation of around 0.64 between Customer Loyalty and Customer Expectation. This indicates that higher customer expectations are associated with higher levels of customer loyalty. The p-value is highly significant, reinforcing the statistical reliability of this study. On the other hand, there is a moderate positive correlation of approximately 0.58 between Trust and Perceived Value. This suggests that as trust increases, perceived value tends to increase. The p-value is highly significant, indicating that this correlation is not likely due to random chance. There is also a strong positive correlation of about 0.65 between Trust and Customer Expectation. Higher levels of trust are associated with higher customer expectations. The p-value is highly significant, supporting the statistical significance of this correlation. There is a strong positive correlation of around 0.63 between Perceived Value and Customer Expectation. This suggests that customers with higher expectations also perceive higher value. Also in this case the p-value is highly significant.

Table 5: The relation between Customer loyalty and Trust

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Model	4	196.2100240	49.0525060	130.97	<.0001
Error	578	216.4788696	0.3745309		
Corrected Total	582	412.6888937			
R-Square		Coeff Var	Root MSE		Customer Loyalty Mean
0.475443		14.28445	0.611989		4.284305
Source	DF	Type I SS	Mean Square	F Value	Pr > F
Trust	4	196.2100240	49.0525060	130.97	<.0001
Source	DF	Type III SS	Mean Square	F Value	Pr > F
Trust	4	196.2100240	49.0525060	130.97	<.0001

Levene's Test for Homogeneity of Customer Loyalty Variance

ANOVA of Squared Deviations from Group Means

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Trust	3	16.4300	5.4767	10.87	<.0001
Error	578	291.1	0.5037		

Welch's ANOVA for Customer Loyalty

Source	DF	F Value	Pr > F
Trust	3.0000	126.51	<.0001
Error	39.6626		

Source: SAS Statistics, 2023

To verify the first hypothesis, it was provided output from different statistical analysis and regression analysis. To verify the relationship between the two variables I have provide results from two different tests related to the homogeneity of variance and an analysis of variance (ANOVA) for Customer Loyalty. Hypothesis H1 proposed that there is a positive relationship between customer loyalty and trust. Therefore, simple regression analysis was applied to test the direct relationship between customer loyalty and trust. From this test is shown that R Square is equal to 0.475443. It can mean that 47.5 percent of variation in trust can be described by customer loylaty. The R-squared value (0.475443) indicates the proportion of the variance in the dependent variable (Customer Loyalty) that is explained by the independent variable(s) (Trust in this case). The model is statistically significant, as evidenced by the low p-value (<.0001). The coefficients of variation (Coeff Var) and Root MSE are measures of the goodness of fit and the accuracy of the model predictions. Levene's Test is used to assess whether the variances of the groups are approximately equal. The highly significant p-value (<.0001) for Trust variable suggests that there are significant differences in variances between groups. For this test, a p-value of less than 0.05 indicates that there is, in fact, enough variance in the sample to account for possible mean differences. Welch's ANOVA is a modification of traditional ANOVA that does not assume equal variances. The highly significant p-value for Trust (<.0001) indicates that there are significant differences in means among the groups.

So, the first hypothesis which imply that trust has a positive and significant effect on customer loyalty can be accepted. This shows that respondents gave positive responses that trust has a significant added value on customer loyalty. It can be explained that consumers have been loyal to the service that hotels with 3 or 4 stars provide in Durres. This is caused by consumers feeling satisfied and have a brand assessment that has been invested to create high consumer loyalty.

Table 6: The relation between Customer loyalty and Perceived value

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Model	3	182.6749143	60.8916381	153.28	<.0001
Error	579	230.0139793	0.3972608		
Corrected Total	582	412.6888937			
R-Square		Coeff Var	Root MSE	Customer Loyalty Mean	
0.442646		14.71152	0.630286	4.284305	
Source	DF	Type I SS	Mean Square	F Value	Pr > F
Percived Value	3	182.6749143	60.8916381	153.28	<.0001
Source	DF	Type III SS	Mean Square	F Value	Pr > F
Percived Value	3	182.6749143	60.8916381	153.28	<.0001

Levene's Test for Homogeneity of Customer Loyalty Variance

ANOVA of Squared Deviations from Group Means

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Perceived Value	3	17.3015	5.7672	12.52	<.0001
Error	579	266.8	0.4607		

Welch's ANOVA for Customer Loyalty

Source	DF	F Value	Pr > F
Percieved Value	3.0000	120.17	<.0001
Error	29.4687		

Source: SAS Statistics, 2023

To verify the second hypothesis, it was provided output from different statistical analysis and regression analysis. To verify the relationship between the two variables I have provide results from two different tests related to the homogeneity of variance and an analysis of variance (ANOVA) for Customer Loyalty. Hypothesis H1 proposed that there is a positive relationship between customer loyalty and perceived value. Therefore, simple regression analysis was applied to test the direct relationship between perceived value and loyalty. From this test is shown that R-square value of 0.44 indicates that the model explains 44.26% of the variability in the response variable. The R-squared value (0.44) indicates the proportion of the variance in the dependent variable (Customer Loyalty) that is explained by the independent variable(s) (Trust in this case). The model is statistically significant, as evidenced by the low p-value (<.0001). The coefficients of variation (Coeff Var) and Root MSE are measures of the goodness of fit and the accuracy of the model predictions. Levene's Test is used to assess whether the variances of the groups are approximately equal. The highly significant p-value (<.0001) for Trust suggests that there are significant differences in variances between groups. For this test, a p-value of less than 0.05 indicates that there is, in fact, enough variance in the sample to account for possible mean differences. Welch's ANOVA is a modification of traditional ANOVA that does not assume equal variances. The highly significant p-value for Trust (<.0001) indicates that there are significant differences in means among the groups.

The results suggest that there are significant differences in variances among groups defined by "Percived_Value," and even after accounting for this variance inequality, the effect of "Percived_Value" on "Customer_Loyalty" remains statistically significant. It's important to note that Welch's ANOVA is a more robust alternative when homogeneity of variance assumption is not met. So, the hypothesis which says that trust has a positive and significant effect on customer loyalty can be accepted. This shows that respondents gave positive responses that perceived value has a significant added value on customer loyalty. It can be explained that consumers have been loyal to the service that hotels with 3 or 4 stars provide in Durres. This is caused by consumers feeling satisfied and have a brand assessment that has been invested to create high consumer loyalty.

Table 7: Relation between Customer loyalty and Customer expectations.

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Model	11	189.7099101	17.2463555	44.16	<.0001
Error	571	222.9789836	0.3905061		
Corrected Total	582	412.6888937			
R-Square	Coeff Var	Root MSE	Customer Loyalty Mean		
0.459692	14.58591	0.624905	4.284305		

Source	DF	Type I SS	Mean Square	F Value	Pr > F
Customer Expectation	11	189.7099101	17.2463555	44.16	<.0001
Source	DF	Type III SS	Mean Square	F Value	Pr > F
Customer Expectation	11	189.7099101	17.2463555	44.16	<.0001

Levene's Test for Homogeneity of Customer Loyalty Variance

ANOVA of Squared Deviations from Group Means

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Custmomer Expectation	7	41.8949	5.9850	16.99	<.0001
Error	570	200.8	0.3522		

Welch's ANOVA for Customer Loyalty

Source	DF	F Value	Pr > F
Custmomer Expectation	6.0000	79.57	<.0001
Error	41.2603		

Source: SAS Statistics, 2023

Hypothesis H1 proposed that there is a positive relationship between customer loyalty and customer expectations. Therefore, simple regression analysis was applied to test the direct relationship between customer expectations and loyalty. From this test is shown that R-square value of 0.4492 indicates that the model explains 44.9% of the variability in the response variable. The R-squared value (0.44) indicates the proportion of the variance in the dependent variable (Customer Loyalty) that is explained by the independent variable(s) (Trust in this case). The model is statistically significant, as evidenced by the low p-value (<.0001). The coefficients of variation (Coeff Var) and Root MSE are measures of the goodness of fit and the accuracy of the model predictions. Levene's Test is used to assess whether the variances of the groups are approximately equal. The highly significant p-value (<.0001) for Trust suggests that there are significant differences in variances between groups. For this test, a p-value of less than 0.05 indicates that there is, in fact, enough variance in the sample to account for possible mean differences. Welch's ANOVA is a modification of traditional ANOVA that does not assume equal variances. The highly significant p-value for Trust (<.0001) indicates that there are significant differences in means among the groups.

The results suggest that there are significant differences in variances among groups defined by "Percived_Value," and even after accounting for this variance inequality, the effect of "Percived_Value" on "Customer_Loyalty" remains statistically significant. It's important to note that Welch's ANOVA is a more robust alternative when homogeneity of variance assumption is not met. So, the hypothesis which says that trust has a positive and significant effect on customer loyalty can be accepted. It shows that the higher the customer satisfaction is given, the higher the impact on customer loyalty. This shows that tourist in the hotels od 3 and 4 stars in Albania has succeeded in increasing customer loyalty based on perceived customer satisfaction. This shows that consumers feel their satisfaction results based on experience.

CONCLUSIONS AND RECOMMENDATIONS

The main determinants of customer loyalty that are identified and studied in past researchers are: satisfaction, trust, commitment, involvement, perceived risk, switch costs and habit. All these factors are positive correlated

with loyalty. Identifying and analysing factors affecting loyalty is a very important step for every company that implements customer relationship management strategies and loyalty programs, no matter what industry they work in. Using the results of this study, managers can gain a better perspective of the importance of loyalty determinants. Knowing and understanding the factors with the greater impact on customer loyalty, the sellers can adjust their relational programs, for every target group or marketing segment. Loyalty determinants and their effect on loyalty construct are different in each field, that is why a deeply investigating must be done for each industry.

The study underscores the pivotal role of service quality in shaping customer loyalty within the Albanian tourism industry especially in 3- and 4-star hotels in Durres that must prioritize continuous improvement in service delivery to meet and exceed customer expectations. Trust emerges as a cornerstone for building lasting relationships with guests in the hospitality sector of Durres. Hotel management should focus on transparent communication, reliability, and consistency to foster and maintain trust among their clientele. The findings also reveal the significant impact of perceived value on customer loyalty. Balancing pricing strategies with the perceived quality of services is critical for hotels aiming to enhance overall value perceptions and, consequently, guest loyalty. On the other hand, customer expectations are dynamic and play a crucial role in shaping loyalty in the tourism sector of Albania. Adapting services to evolving customer expectations is imperative for hotels in Durres to stay competitive and maintain guest satisfaction.

As stated during the study, this research highlights the interdependence trust, perceived value, and customer expectations. Hotels should adopt an integrated approach, recognizing the symbiotic relationships between these factors to create a comprehensive and satisfactory guest experience. Practical recommendations for hotel managers include investing in employee training to enhance service quality, implementing transparent practices to build and sustain trust, revising pricing strategies for optimal perceived value, and employing continuous customer feedback mechanisms to stay attuned to evolving expectations. The study sheds light on the competitive landscape of the Albanian tourism industry, emphasizing the need for hotels to differentiate themselves through exceptional service, reliability, and customer-centric strategies. Acknowledge any study limitations and suggest potential areas for future research, such as the impact of technological advancements on customer loyalty or the influence of cultural nuances. Highlight the importance of staying adaptive in an ever-evolving industry, encouraging ongoing research to inform strategic decision-making.

Based on the information gathered from this study the dependent variable customer Expectation has been examined in the model. Customer Expectations play a key role on building customer loyalty. Its significance indicate that meeting or exceeding customer expectations is crucial for fostering loyalty. Hotels that manage to fulfil or surpass their guests' expectations are more likely to retain them. The second depended variable that has been studied during this research has been perceived value. It significantly Affects Travelers' Loyalty by to perceive the value they receive for the price they pay has to 3- and 4-star hotels in Durres. Trust is another dependent variable studied. Its significance indicates that the level of trust that travellers have in the hotels plays a pivotal role in influencing their loyalty. Trust can be built through consistent and reliable service, transparency, and positive guest experiences. Consider the combined impact of these factors. It's likely that perceived value, customer expectations, and trust together contribute to travellers' overall perception of the hotel experience. Understanding the interplay of these factors can provide a holistic view of what influences loyalty.

This study is limited to 3- and 4-star hotels in Durrës, Albania. Therefore, the findings may not be fully generalizable to other tourist destinations in Albania or abroad. Future studies may extend the research to other coastal destinations such as Vlora and Saranda, or compare results across different countries and hotel categories.

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