

# The Impact of Visual Communication Design on Customer Retention Through Customer Experience in The Hotel Industry

Patricia Ariesta Hilman<sup>1</sup> and \*Nila Krisnawati Hidayat<sup>2</sup>

1.2 Swiss German University, Tangerang, Banten 15143, Indonesia nila.hidayat@sgu.ac.id

**Abstract:** Many hotels still struggle to keep their Free and Independent Traveler (FIT) or individual public guests in the competitive hotel industry. During the COVID-19 outbreak, the number of FIT guests seemed low for a business hotel. Responding to the situation is crucial for a hotel to retain their existing customers. The ways of communication play an important role in conveying hotel information or promotion to their guests through visual messages. This research analyzed how Visual Communication Design (VCD) can impact Customer Retention (CR) through Customer Experience (CE) in the hotel industry. In total, 265 respondents including both men and women from the Millennial generation (Millennials) were involved in this quantitative study. They are FIT guests that came from three hotel brands of an international chain in Tangerang, Banten, Indonesia. The finding showed that CR is significantly impacted by VCD through CE. The study also found that both VCD and CE have significant impact on CR directly.

**Keywords:** Visual Communication Design, Customer Experience, Customer Retention, Hotel Industry.

#### 1. Introduction

Hospitality is part of the tourism sector that contributes to the state's revenue [1], which is the most profitable sector in the world economy [2]. In Indonesia, it provided the largest GDP after the palm oil industry [3]. Two major categories of hospitality are accommodation and food service (Bukhari et al., 2022), with hotels being one of accommodation. In Indonesia, there is an international hotel chain that has the largest portfolio of rooms: Accor [4]. It has several brands in Tangerang, Banten—Novotel and Mercure (4-star hotels) and ibis, ibis Styles, and ibis Budget (3-star hotels)—which compete with other brands and chains [5].

Many hotels, restaurants, airlines, and tourist attractions minimized or even ceased operations due to the COVID-19 outbreak [6]. Events have been canceled or postponed globally, and hotel occupancy rates have fallen [7]. According to the Indonesian Hotel and Restaurant Association (PHRI), 82 percent of Indonesia's tourism earnings, or around Rp 85 trillion, was lost due to the outbreak [8]. As hotel room demand remained low, the country's overall hotel occupancy rates fell by 30 to 40 percent [8]. As business hotels, they generally have two types of customers: FIT and group. FIT stands for Free

and Independent Traveler or individual public guest who usually gets regular rates; meanwhile, groups get special rates. Eighteen percent of guests of those brands were classified as FIT which was considered low [9]. Despite some FIT having memberships, which offer them more benefit for stay, the growth has not increased significantly because each hotel competes within the group and outside the group.



**Figure 1.** Growth of FIT Guests Source: [9].

Responding to the dynamic competition, keeping existing customers—particularly for FIT guests—has become crucial to manage hotel survival and expansion [10] because it will be more cost-effective than attracting new customers [11]. To stand out among the competitors, a hotel should improve CE [12] because of its positive effect on CR in certain classifications of hotels [13]. Reichheld and Sasser (1990) in Sim et al. (2006) stated that nine service companies increased their profitability by 25 to 125 percent while also seeing a 5 percent rise in customer retention. Long-term customers spend more, recommend more people to the business, consume less of the service provider's time, and are less price sensitive [14].

Retention also depends on a positive brand image through promotion [15], in which the visual communication is important enough to be explored or to attract guests' attention [16]. At Accor, visual promotion can be found in several areas such as rooms, food and beverages (F&B) outlets (restaurant and bar), lobby area, and in the lift/elevator. Most designs are static images, both print and digital. Low frequency and variety of VCD was suspected as the reason for the low CE at ibis Gading Serpong, Mercure Serpong Alam Sutera, and Novotel Tangerang. It led to unstable average occupancy rates and low FIT numbers, which impacted the hotel's revenue. Although the evidence gap in several previous studies has been found, limited research has addressed how important it is to be analyzed. Thus, the focus of this research is to analyze the impact of VCD on CR when it is supported by CE in the hotel industry.

Table 1. VCD at hotels

	Novotel Tangerang	Mercure Serpong Alam Sutera	Ibis Gading Serpong		
	Available in front of the lobby present 3 designs for different 2022.				
Printed welcome banner	2 sides of the banner. Easily viewed by people who cross the lobby.	1 side of the banner. Easily viewed by people who enter the area of the hotel.	1 side of the banner. Easily viewed by people who enter the area of the hotel.		
Digital signage	Available at lobby, landing bar Presents brand videos and hote	, ,	estaurant.		
In room TV	Available in rooms. Presents b promotions.	rand videos, hotel directory a	nd long-term		
Printed poster	Rarely found at hotels. Each p information.	ublic area has at least one pos	ster to share		
Flyer	The use of printed flyers is diminished unless for certain exhibitions.				
Remarks	All hotels have similar utilization of static VCD, except the brand videos that talk about the brand and group in general. Hotel promotions usually have one approved design which will be displayed on all media until the promotion expires.				

Source: Researcher's observation

### 2. Literature Review

### **Visual Communication Design (VCD)**

Eroglu (1996) in [17] stated that numerous studies explain that communication is a core element of a hierarchy of needs. It is about conveying information from one to another. Around 40,000 years before the early 20<sup>th</sup> century, shamans who painted their visions may have constructed caverns, stone walls, and ceilings that served as early examples of visual communication [17, 18]. Visual communication is growing more powerful and popular with new technological advancement because it has a greater impact than written language. Photography, television, and moving pictures led to a rise in human imagination. Generally, the visual display is represented by videos or two-dimensional images such as art, signs, symbols, graphic designs, photographs, typography, drawing and color experience [18, 19]. As technology develops, there are several fields of visual communication.

Table 2. Field of VCD

Field	Description
Corporate design	Companies invest in marketing and communications teams to perform tasks and keep their brands consistent in the eyes of consumers.
Environmental design	Architects and advanced design trade shows display their structural products using dimensional environment design elements.
Motion design	Dynamic "animation" of scene's images, music, and motion for emotive or intricate creative ideas.
Interactive design	Using a touch screen device with computer-based software that enables to create interactive designs broadcast over the internet.
Font design	Numbers, ligatures (where two letters are joined), and punctuation are some of the elements that are being introduced to build a whole typeface family with a coherent aesthetic identity.
Publication design	Magazines and newspapers are periodical publications. Designs may incorporate journalism, photography and typography.
Book design	Well-organized design themes, including appropriate graphics, fonts, layouts, content, and book covers, and then prepared for printing or online uploading.
Packages	Making anything appealing requires a synergy between form, structure, materials, color, imagery, typography, and regulatory information.
Brand and identity design	Brand identity of the business, which includes the logo, stationery, collateral materials, websites, etc.
Information design	Displaying data with effective visual design that gives contents.
Advertising design	Ads that are launched as part of well-designed campaigns that are personalized for each client and particular product while combining a particular target audience.

Source: [20]

Since visual communication related to customer's preferences might influence audience memory, behavior, and attitude [18, 19], it can convey both cognitive and emotional meaning [17]. The objectives of a visual design are to ensure the text is legible, to simplify the message, to promote engagement, to highlight important subjects, and to provide a distinct mode of communication [21].

A study by Kujur and Singh (2020) discovered that visuals with information, entertainment, and remunerative content positively impact customer engagement.

Engagement is one behavior of experience type [22] that is an antecedent of CE. A study by [18] concluded that customer decision-making is significantly influenced by great visual communication. Color and other visual elements, which build visual communication, can strengthen relationships between brands and consumers. CE has emotional and social antecedents as well. In the context of women's skincare cosmetics, a qualitative study by Prakash and Sharma (2016) found that visual elements in social advertisements significantly impact customer perception, though the experience of visual processing depends on the gender. VCD (in the context of advertising) influences customer experience through their visual elements [24–26]. Research conducted by Tilak (2020), stated that engaging visuals evoke a sense of excitement and involvement of the consumer. Customer perception relatively impacts experience separately or simultaneously through several dimensions: sensory, affective, physical, cognitive and social experience [22]. Therefore, this study will analyze the impact of VCD on CE.

H<sub>10</sub>: VCD does not have a significant impact on CE.

H1<sub>1</sub>: VCD has significant impact on CE.

### **Customer Experience (CE)**

Managing CE is believed to have a significant impact on organizational performance and customer behavior [13, 27, 28]. CE is a subjective response of customers when they interact with a company by purchasing or using a product or through a company's representatives, such as advertising [29]. The company and its customers give and take sensory and emotional stimuli, along with product knowledge. Botha (2020) stated that the relationship is built through business relationships, including awareness, discovery, development, support, purchase, and service [30, 31]. Understanding CE is the foundation for understanding consumer happiness and loyalty in the form of satisfaction and retention in any organization. Dimensions of CE are sensory (through the primary senses), affective (through emotional/feeling), cognitive/thinking (through understanding/imagination), physical (through behavioral/acting) and relational (social context/belonging) during the purchase journey [27, 32–35]. The experience is changeable, depending on a customer's relationship with the company. Thus, a company should be able to design, prioritize, monitor, and adapt customer experiences [36].

Cognitive and affective experiences lead to customer satisfaction, which contributes to willingness to repurchase and recommend. Furthermore, CR can lead to significant benefits such as reducing operational cost, increasing profit [37], enhancing the reputation of the organization [13], price insensitivity and non-complaining behavior [38]. The more aspects of experience that a brand evokes, the more satisfied customers are with them [39]. On the other hand, to increase customer retention, an organization needs to implement plans and tactics that will help them win back existing customers and make it simple for them to file complaints [40]. Therefore, the researcher proposes these hypotheses:

H<sub>20</sub>: CE does not have a significant impact on CR.

H2<sub>1</sub>: CE has a significant impact on customer CR.

### **Customer Retention (CR)**

Several previous studies suggest the relationship between CR and profitability of a company are correlated. Corresponding to this, Kotler (2008) stated that CR is about how a company maintains their new and repeat customers in a good relationship [41]. Retaining existing customers is more cost-effective than attracting a new one through marketing creation [42]. Keeping existing customers coming back or repurchasing is one type of customer behavior that companies want [43]. CR can be influenced by preferences, belief, engagement, and commitment towards a brand. Moreover, it can improve a company's growth and profitability [44] through eliciting the behavior to frequently purchase [45].

Highly satisfied customers are likely to stay loyal longer and make more purchases as the company introduces new products or improvements. They will promote the company and the products favorably, focus more attention to that company rather than to competing brands, become less sensitive to price and offer suggestions to the business. Customers might purchase from competitors, and, consequently, the company must strengthen their relationship with customers and retain them [46]. Reichheld (1990) in Ahmad and Buttle (2002) said that a company can do several things in measuring retention: get the right customers, improve the distribution channel, reduce adverse selection of customers, reward sales force for retaining customers, reward for continuity, and create special programs to attract valuable customers. Page et al. (1996) in [41] argue for a fresh approach to treating the customers based on six dimensions: 1) product and service design; 2) pricing; 3) sales; 4) advertising; 5) direct marketing; 6) distribution. Therefore, it is important to analyze if VCD has an impact on CR.

H<sub>30</sub>: VCD does not have a significant impact on CR.

H<sub>31</sub>: VCD has a significant impact on CR.

# 3. Research Methodology

### 3.1. Sampling and Data Collection

Millennials (born 1981–1996) who visited or stayed at ibis Gading Serpong, Mercure Serpong Alam Sutera, and Novotel Tangerang in the last two years were the respondents. Millennials are expected to represent 50 percent of the tourism market by 2025 [47]. Exactly 265 respondents answered online questionnaires about the impact of VCD in the hotel area that were supported by messaging platforms and QR Codes. Fifty-two observed variables in the questionnaires were valid and reliable. They were also scored on a Likert scale ranging from 1 point (strongly disagree) to 5 points (strongly agree). All data were analyzed by SPSS and Lisrel 8.8 software for the statistical analysis and structural equation modeling (SEM).

### 4. Results

### 4.1. Demographic of Respondent

Of the 265 total respondents, this research is dominated by females, with 137 examples (51.7 percent), with the male respondent number being 128 (48.3 percent) who are hotel guests of ibis Gading Serpong (32.8 percent), Mercure Alam Sutera (31.7 percent), or Novotel Tangerang (35.5 percent). Of all, 67.5 percent are members of ALL/Accor Plus.

Table 3. Respondent Profiles

Demographic	Grouping	Percentage	Total
Gender	Male	48.3%	100%
Gender	Female	51.7%	100%
	<26 years old	0	
Age	26-41 years old	100%	100%
	>41 years old	0	
	Employee	66.8%	
Occupation	Entrepreneurship	32.5%	100%
	Not working yet	0.8%	
	<3,000,000 IDR	12.8%	
Manthly avenue	3,000,000-5,000,000 IDR	20.8%	100%
Monthly expense	5,000,000-7,500,000 IDR	35.8%	100%
	>7,500,000 IDR	30.6%	
Domicile/workin	Jabodetabek (Greater Jakarta)	91.7%	100%
g area	Non Jabodetabek	Non Jabodetabek 8.3%	
	Ibis Gading Serpong	32.8%	
Hotel brands	Mercure Serpong Alam Sutera	31.7%	100%
	Novotel Tangerang	35.5%	
	2–3 times	40.4%	
Frequency of visiting	4–5 times	38.9%	100%
	>5 times	20.8%	
Member status	Nonmember of ALL/Accor Plus	32.5%	100%
	Member of ALL/Accor Plus	67.5%	

By conducting Mahalanobis Distance (MD) analysis, all 265 respondents have no issue with potential outliers and can be further analyzed. All significance levels for Kolmogorov-Smirnov test are less than 0.05, indicating the data are not distributed normally, although correlation between the construct's observed variables is below 0.9, indicating a low potential of multicollinearity [48]. All values of Cronbach's alpha are above 0.7, which is classified *reliable* or *consistent*.

Table 4. Normality Test Results

Constructs	Kolmogorov-Sm		nirnov Shapiro-Wilk			
Constructs	Statistic	df	Sig.	Statistic	df	Sig.
VCD	.278	265	.000	.824	265	.000
CE	.244	265	.000	.862	265	.000
CR	.231	265	.000	.817	265	.000

Table 5. Correlation Coefficient using Spearman's

		VCD	CE	CR
	Correlation Coefficient	1.000	.408**	.223**
VCD	Sig. (2-tailed)		.000	.000
	N	265	265	265
	Correlation Coefficient	.408**	1.000	.302**
CE	Sig. (2-tailed)	.000		.000
	N	265	265	265
CR	Correlation Coefficient	.223**	.302**	1.000
	Sig. (2-tailed)	.000	.000	
	N	265	265	265

Table 6. Reliability Test Results

Constructs	Items	Cronbach's Alpha	Description
VCD	16	0.778	Reliable
CE	20	0.846	Reliable
CR	16	0.821	Reliable

According to Table 6, all constructs had slightly different mean values. In each dimension, VCD is highly driven by informative aspects, CE is highly driven by sensory experience, and CR is highly driven by price insensitivity.

Constructs	Dimension	Mini	mum	Max	imum	M	ean	Std. De	eviation
	VCD_Inf	3.00		5.00		4.4396		.49057	.43055
VCD	VCD_Ent	2.00	3.00	5.00	5.00	4.4000	15151	.50975	
VCD	VCD_Eng	2.50		5.00	5.00	4.3547	4.5151	.52280	
	VCD_Cre	2.00		5.00		4.4377		.49322	
	CE_Sen	3.50		5.00		4.4434		.41811	
	CE_Fee	2.00	2.50 3.00	5.00	5.00	4.3000	4.4264	.56542	.41811
CE	CE_Thi	2.50		5.00		4.4000		.50975	
	CE_Act	2.00		5.00		4.3094		.61122	
	CE_Rel	1.00		5.00		4.3717		.60346	
CR	CR_Wom	2.50		5.00		4.3830		.53077	.44740
	CR_Non	2.50	2.50	5.00	5.00	4.2642	4.5585	.53126	
	CR_Rep	2.00	2.50	5.00	3.00	4.3264		.55225	
	CR_Pri	3.00		5.00		4.4509		.46000	

Table 7. Descriptive Statistic Analysis Results

# 4.2. Structural Equation Modeling (SEM) Analysis

Several model fit measurements are used in SEM analysis. Validity needs t-value of the factor loading and the standardized factor loading (SFL). Goodness of fit needs chi-square (x²), root mean square error of approximation (RMSEA) and goodness of fit index (GFI). Construct reliability (CR) and average variance extract (AVE) was run to measure reliability of indicators. The single factor model (SFM), oblique lower model (OLOM), and higher order model (HOM) analyses are investigated in this study. It provides alternatives of the interpretation data [49].

Meas	urement	Range	Remarks	Referen ce
Construct	t-values	≥1.96	Valid	
Validity	SFL	≥0.3	Valid	Hair et al.
Composite Reliability	CRealibilty	≥0.7	Reliable	(2011)

**Table 8.** Range Value for Model Fit Measurements

				=
Convergent Validity	AVE	≥0.5	Valid	
Structural Coef	ficient	n/a		
Normed	$\chi^2/df$	< 3.00	Good Fit	Kline
Chi-Square	χ / α1	< 5.00	Close fit	(2011)
		≤0.01	Poor fit	MacCall
Root Mean Square Error		>0.01 or ≤0.05	Good Fit	um, Browne &
of Approximati on	RMSEA	≤0.08	Close fit	Sugawar a (1996); Kline (2011)
Goodness- of-Fit Index	GFI	≥0.95	Good Fit	Miles & Shevlin (1998)
Standardized		≤0.08	Good Fit	
Root Mean Residual	SRMR	0	Perfect fit	Hu & Bentler
Comparative	CFI	≥0.95	Good Fit	(1999)
Fit Index	CFI	≥0.90	Close Fit	
		≥0.95	Good Fit	Bentler
Normal Fit Index	NFI	0.90 – 0.95	Marginal fit	& Bonett
mucx		≤0.90	Poor fit	(1980)
Non- Normed Fit Index/Tucke r Lewis Index	NNFI/ TLI	≥0.95	Good Fit	Hu & Bentler (1999)
Incremental Fit Indices	IFI	≥0.90	Good Fit	Bollen's (1989)

Source: [48, 50, 51]

# 4.3. Measurement Model Analysis

Table 9. VCD Measurement Model Analysis Results

Cor	nstruct	SFM	OLOM	НОМ
Item	Dimension		Factor Load	ding
VCD 1		0.26	0.31	
VCD 2	WCD DIE	0.46	0.57	0.06
VCD 3	VCD_INF	0.43	0.42	0.86
VCD 4		0.44	0.57	
VCD 5		0.29	0.22	
VCD 6	VCD ENT	0.25	0.19	0.72
VCD 7	VCD_ENT	0.44	0.33	0.73
VCD 8		0.44	0.33	
VCD 9		0.51	0.46	
VCD 10	VCD ENC	0.41	0.39	0.93
VCD 11	VCD_ENG	0.51	0.46	0.93
VCD 12		0.46	0.45	
VCD 13		0.42	0.42	
VCD 14	VCD_CRE	0.41	0.39	0.89
VCD 15	VCD_CKE	0.33	0.31	0.89
VCD 16		0.53	0.48	
CRe	liability	0.767	0.748	0.916
A	AVE	0.176	0.166	0.734
SC	QRTA	0.420	0.408	0.857
	χ2	143.16	138.87	7.52
	df	96	92	2
χ	2/df	1.491	1.509	3.760
p-	value	0.00130	0.00116	0.02330
RN	MSEA	0.043	0.044	0.102
(	GFI	0.94	0.94	0.99
S	SRMR		0.052	0.017
(	CFI	0.95	0.95	0.99
]	NFI	0.87	0.88	0.99
N	INFI	0.93	0.93	0.98
	IFI	0.95	0.95	0.99

Table 10. CE Measurement Model Analysis Results

C	onstruct	SFM	OLOM	НОМ
Item	Dimension		Factor Load	ling
CE2	CE_SEN	0.49	0.48	
CE3		0.54	0.52	0.99
CE4		0.38	0.38	
CE5	CE_FEE	0.34	0.31	
CE6		0.28	0.29	0.00
CE7		0.41	0.40	0.89
CE8		0.62	0.64	
CE9	CE_THI	0.54	0.44	
CE10		0.34	0.32	0.82
CE11		0.35	0.27	0.83
CE12		0.43	0.42	
CE13	CE_ACT	0.69	0.71	
CE14		0.61	0.61	0.91
CE15		0.43	0.44	0.91
CE16		0.34	0.35	
CE17	CE_REL	0.67	0.64	
CE18		0.60	0.58	0.96
CE19		0.50	0.48	0.90
CE20		0.56	0.55	
CF	Reliability	0.844	0.833	0.964
	AVE	0.233	0.220	0.893
S	SQRTA	0.483	0.469	0.945
	χ2	225.73	188.92	2.23
	df	161	135	1
	$\chi 2/df$	1.402	1.399	2.23
1	p-value	0.00058	0.00152	0.13534
F	RMSEA	0.039	0.039	0.068
	GFI	0.92	0.94	1
	SRMR	0.05	0.048	0.0041
	CFI	0.97	0.98	1
	NFI	0.92	0.93	1
	NNFI	0.97	0.97	0.99
	IFI	0.97	0.98	1

Co	onstruct	SFM	OLOM	ном
Item	Dimension		Factor Loadi	ng
CR1		0.37	0.38	
CR2	CD WOL	0.42	0.43	0.05
CR3	CR_WOM	0.61	0.62	0.95
CR4		0.56	0.56	
CR5		0.34	0.31	
CR6	CD MOM	0.40	0.39	0.04
CR7	CR_NON	0.40	0.39	0.94
CR8		0.48	0.48	
CR9		0.54	0.48	
CR10	CD DED	0.58	0.55	0.01
CR11	CR_REP	0.53	0.5	0.91
CR12		0.59	0.49	
CR13		0.38	0.35	
CR14	CD DDI	0.5	0.48	0.88
CR15	CR_PRI	0.49	0.49	0.88
CR16		0.46	0.45	
CR	eliability	0.816	0.811	0.958
	AVE	0.222	0.217	0.852
S	QRTA	0.471	0.466	0.923
	χ2	195.83	188.92	2.28
	df	106	135	1
	χ2/df	1.847	1.399	2.28
p	-value	0	0	0.13139
R	MSEA	0.057	0.039	0.07
	GFI		0.94	1
S	SRMR		0.048	0.0055
	CFI		0.98	1
	NFI	0.89	0.93	1
-	NNFI	0.93	0.97	0.99
	IFI	0.94	0.98	1

Table 12. Hypotheses Testing Results

|--|

VCD → CE	0.89	16.86	H <sub>10</sub> is rejected and H <sub>11</sub> is supported.
$CE \rightarrow CR$	0.57	5.73	$H2_0$ is rejected and $H2_1$ is supported.
$VCD \rightarrow CR$	0.33	3.36	H3 <sub>0</sub> is rejected and H3 <sub>1</sub> is supported.

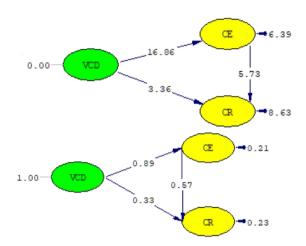
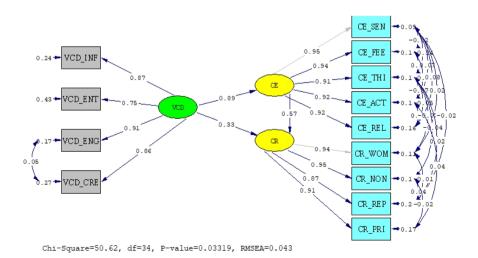


Figure 2. Model of t-value (left) and Structural Coefficient (right)



Constructs	Structural Equations	R-Square
CE	0.89*VCD	0.79
CR	0.57*CE + 0.33*VCD	0.77

Table 13. Structural Equations and R-Square

In Table 12, CE and CR have R-Square values 0.79 and 0.77. It indicates that VCD can strongly explain 79 percent of the variance. On the other hand, both VCD and CE simultaneously can strongly explain 84 percent of the variance in CR. R-Square will be regarded as weak if its value is 0.19 or lower [52].

Table 14. Overall Model Fit Analysis Results

Measurement		Results	Range	Remarks	Reference	
Normed Chi-Square	$\chi^2/df$	1.49	<3.00	Good Fit	Kline (2011)	
Root Mean Square Error of Approximation	RMSEA	0.04	>0.01 or ≤0.0 5	Good Fit	MacCallum, Browne & Sugawara (1996); Kline (2011)	
Goodness-of-Fit Index	GFI	0.97	≥0.9 5	Good Fit	Miles & Shevlin (1998)	
Standardized Root Mean Residual	SRMR	0.01	≤0.0 8	Good Fit	Hu & Bentler	
Comparative Fit Index	CFI	1	≥0.9 5	Good Fit	(1999)	
Normal Fit Index	NFI	1	≥0.9 5	Good Fit	Bentler & Bonett (1980)	
Non-Normed Fit Index/Tucker Lewis Index	NNFI/T LI	1	≥0.9 5	Good Fit	Hu & Bentler (1999)	
Incremental Fit Indices	IFI	1	≥0.9 0	Good Fit	Bollen's (1989)	

Source: [48, 50, 51]

Previous research discovered that this study had a good fit model from the model in the previous section. According to [48], three to four fit indices are often sufficient to demonstrate model fit. CFI, RMSEA,  $\chi^2$ , and *degrees of freedom* will frequently provide enough distinctive data to evaluate a model. Other studies show that the other

measurements such as GFI, SRMR, NFI, NNFI and IFI also support the model fit analysis. From Table 14 above, all eight fit indices are classified as a *good fit*.

#### Discussion

It was found that visual communication strongly influences the development of experience to retain the guests. The experience guests get from a clear message stimulates them to be part of the hotel. It can support hotel management to increase non-complaining behavior and word-of-mouth recommendations of their guests. With hotel products and services that guests recognize, they occasionally can recall the promotion while engaging in activities. Thus, they tend to choose the hotel as their first choice and promote it to their friends, families, and colleagues. Since it was shown that CR would have a greater indirect impact when supported by VCD through CE, it is important to consider what experience guests would get while creating any kind of visual promotion in the hotel area.

It is possible to utilize hotel promotion in both print and digital forms. The printed output may take the form of a poster on the hostess desk, a flier given by the front desk or in-house sales, or a banner near the lobby. Every printed VCD varies in price based on the quantity and the material. However, hotel management could alternate it by utilizing more in-room TVs or digital signages. Once they have digital media, printing expenses will go down. On the other hand, seeing VCD in digital form may give different experiences, thus greater attention should be taken in producing any visual message. A static image or video, color and resolution selections that may affect the comfort of visitors' eyes, layout selections or text size selections that may influence reading or legibility are some examples. Additionally, the management ought to offer interesting and informative visual messages that can affect visitors' experiences by describing the campaign in detail but also piquing their curiosity. Thus, it can raise awareness as well as maintain a guest's favorable mood. So that it can convince them of the excellence of the hotel and encourage them to stay again in the future. In hope, they will have favorable reviews and word-of-mouth recommendations, feel like a part of the hotel, and feel 'at home', which can encourage them to promote the hotel to their families or colleagues.

In-depth interviews with AH and FMS—two of the survey respondents—were conducted. According to the interview, VCDs that depict hotel goods and services leave a better impression on them. It is because VCD acts as a preliminary trigger for them to know about the hotel. Therefore, they may consider revisiting the hotel especially if the promotion/information is relevant to them. Accessing hotel promotion through social media platforms also enables them to stay updated while away from the hotel.

#### 5. Conclusions and Recommendations

### 5.1. Conclusions

With delicate organizational issues like retaining customers in the highly competitive tourism sector, VCD might be one of ways for a hotel to thrive. Customers' perceptions

of VCD have a significant role in determining their experience, which may encourage them to revisit the hotel in the future. If a guest had a positive experience, there is a chance of recommending the hotel to others. They may exhibit CR characteristics such as positive word-of-mouth, non-complaining behavior, repurchase behavior, and price insensitivity. This is aligned to earlier research that discovered CR is significantly impacted by VCD [53, 54]. Due to the lack of related research in the hotel industry, this research provides current information to enrich the literature on CR and clarifies the significance of improving CR, which is strongly impacted by VCD when it is supported by CE. As a business hotel, the management may have broadened insight into the department's concerns when creating visual messages to advertise their hotel in the future.

### 5.2. Recommendation

This research, which is a descriptive and cross-sectional study, only analyzed 265 Millennial guests from selected three hotel brands in Tangerang, Indonesia at a particular period. A larger sample number might produce different outcomes. To generalize the findings, future research may find it intriguing to utilize the research model to examine another perception from a different industry or region. Reviewing and evaluating additional dimensions or variables that are correlated may become fruitful future studies.

### References

- 1. Hassan H, Pourabedin Z, Sade AB, Chai J (2018) Loyalty Membership for Luxury Hotels in Malaysia. International Journal of Tourism Cities 4:179–193
- Popa A, Dana A-EI, Domolescu N (2021) Innovative Marketing Strategies for the Development of Tourism in Romania. Ovidius University Annals, Series Economic Science Vol. 21:870–878
- 3. Kemenparekraf Indonesia (2020) Rencana Strategis Kementrian Pariwisata dan Ekonomi Kreatif/Badan Pariwisata dan Ekonomi Kreatif Tahun 2020 -2024.
- 4. Horwath HTL (2018) Asia Pacific: Chains & Hotels Report 2018.
- 5. (2022) Hotel Competition Analysis Novotel Tangerang 2018–2022. Tangerang
- 6. Stafford MR (2020) Connecting and Communicating with the Customer: Advertising Research for the Hospitality Industry. J Advert 49:505–507
- 7. Choirisa SF (2022) The Impact of The Covid-19 Pandemic on The Hotel Industry in Indonesia. Economics Management and Sustainability 7:86–94
- The Jakarta Post (2020) COVID-19: Almost 700 Hin Indonesia Shut Down. The Jakarta Post
- 9. (2022) Mixed Analysis Report, Realta System. Tangerang
- Saad SG, Kamel NJ (2021) Impact of Customer Relationship Management on Customer Retention in Hotels. 21:152–161
- Cheraghalizadeh R, Dědková J (2022) Do Service Quality and Social Media Marketing Improve Customer Retention in Hotels? Testing The Mediation Effect. E+M Ekonomie a Management 25:118–133

- 12. Kavitha S, Haritha P (2016) Building Customer Loyalty Through Customer Experience Management. Journal of Management and Science 6:288–294
- Al-Hashem AO (2022) Marketing Intelligence Dimensions as An Innovative Approach for Customer Retention through the Intermediate Role of Customer Experience. Jordan Journal of Business Administration. https://doi.org/10.35516/jjba.v18i4.458
- 14. Sim J, Mak B, Jones D (2006) A Model of Customer Satisfaction and Retention for Hotels. Journal of Quality Assurance in Hospitality and Tourism 7:1–23
- Khan S (2013) Determinants of Customer Retention in Hotel Industry. Journal of Applied Economics and Business 1:42–64
- Sohrabi H, Razavi SAA, Limooni ST, Zareei A (2022) Designing a Model for the Effect of Content Marketing on the Effectiveness of E-Customer Relationship Management (Case Study: Iran Public Libraries Foundation). International Journal of Information Science and Management 20:187–214
- 17. Günay M (2021) Design in Visual Communication. Art and Design Review 09:109–122
- Baltezarević R, Baltezarević V (2015) Impact of Visual Communication on Consumer Behavior. Belgrade 66–79
- Kujur F, Singh S (2020) Visual Communication and Consumer-Brand Relationship on Social Networking Sites - Uses & Gratifications Theory Perspective. Journal of Theoretical and Applied Electronic Commerce Research 15:30–47
- 20. Hammouri I, Amer DrJ, Maltijian D, AlKarablieh M, Ismail DrHB (2019) Evolution of Design in Advertising (From Traditional to Digital) Embraced by Industry Professionals. Journal of Tourism, Hospitality and Sports. https://doi.org/10.7176/JTHS
- 21. Reyna J (2013) The Importance of Visual Design and Aesthetics in E-learning.
- 22. Handaruwati I, Wibowo OC (2020) Pengaruh Relationship Marketing Terhadap Customer Retention pada Studio Musik 58 Surakarta. BIEJ: Business Innovation & Entrepreneurship Journal 2:2020
- 23. Prakash A, Sharma A (2016) Dimensions of Point of Purchase Factors in Impulsive Buying of Women's Skincare Cosmetics in India. www.jbrmr.com A Journal of the Academy of Business and Retail Management 10:
- 24. Bleier A, Harmeling CM, Palmatier RW (2019) Creating Effective Online Customer Experiences. J Mark 83:98–119
- 25. Brasov UT, Manic M (2015) Marketing Engagement Through Visual Content The New Paradigm of Marketing Promotion View project Marius Manic Marketing engagement through visual content. Bulletin of the Transilvania University of Braşov Series V: Economic Sciences 8:
- 26. Tilak DrG (2020) Usage of Visual Communication Design on Consumer Behaviour. GEDRAG & ORGANISATIE REVIEW. https://doi.org/10.37896/GOR33.02/103
- 27. Schmitt BH (2008) A Framework for Managing Customer Experiences. Handbook on brand and experience management 113–131
- 28. Hair Jr JF, Sarstedt M, Hopkins L, Kuppelwieser VG (2014) Partial Least Squares Structural Equation Modeling (PLS-SEM): An Emerging Tool in Business Research. European business review
- 29. Schwager A, Meyer C (2007) Understanding Customer Experience. In: Harv Bus Rev. https://hbr.org/2007/02/understanding-customer-experience. Accessed 20 Nov 2022
- 30. Robinette S, Brand C, Lens V (2001) Emotion Marketing: The Hallmark Way of Winning Customers for Life. https://doi.org/10.1036/0071374477

- 31. Juanna A, Kango U, Wolok T, Yantu I, Winerungan RR (2021) Analysis of The Effect of Customer Experience, with Customer Satisfaction as A Mediation Variable. International Journal on Economics, Finance and Sustainable Development
- 32. Homburg C, Jozić D, Kuehnl C (2017) Customer Experience Management: Toward Implementing An Evolving Marketing Concept. J Acad Mark Sci 45:377–401
- 33. Lemon KN, Verhoef PC (2016) Understanding Customer Experience Throughout The Customer Journey. J Mark 80:69–96
- 34. Wibowo A, Chen SC, Wiangin U, Ma Y, Ruangkanjanases A (2021) Customer Behavior as An Outcome of Social Media Marketing: The Role of Social Media Marketing Activity and Customer Experience. Sustainability (Switzerland) 13:1–18
- 35. Dey S, Sethi M, Professor A (2017) Pareto Analysis of Antecedents for Customer Experience, through Literature Review. International Journal of Engineering and Management Research 7:75–83
- 36. Klink RR, Zhang JQ, Athaide GA (2021) Measuring Customer Experience Management and Its Impact on Financial Performance. Eur J Mark 55:840–867
- 37. Rama A, Barusman P, Putri E, Susanto R (2019) The Antecedent of Customer Satisfaction and Its Impact on Customer Retention in Tourism as Hospitality Industry. International Journal of Advanced Science and Technology 28:322–330
- 38. Gengeswari K, Padmashantini P, Sharmeela-Banu SA (2013) Impact of Customer Retention Practices on Firm Performance. International Journal of Academic Research in Business and Social Sciences. https://doi.org/10.6007/ijarbss/v3-i7/10
- Chandra Sahu K, Naved Khan M, das Gupta K (2022) Customer Experience and Its Outcome Measures: A Meta-Analytic Approach. Academy of Marketing Studies Journal 26:1–14
- 40. Steyn T, Petzer DJ (2006) Customer Retention: A Theoretical Perspective of Service Failure and Service Recovery in the Hotel Industry. Acta Commercii
- 41. Ahmad R, Buttle F (2002) Customer Retention Management: A Reflection of Theory and Practice. Marketing Intelligence & Planning 20:149–161
- 42. Edith-Onajite Hamilton-Ibama L (2022) Relationship Marketing and Customer Satisfaction of Deposit Money Banks in Port Harcourt, Rivers State.
- 43. Ascarza E, Neslin SA, Netzer O, et al (2017) In Pursuit of Enhanced Customer Retention Management: Review, Key Issues, and Future Directions.
- 44. Hanaysha JR (2017) An Examination of Marketing Mix Elements and Customer Retention in Malaysian Retail Market. American Journal of Marketing Research 3:1–7
- 45. Simarmata J, Ikhsan RB (2017) Building Customer Retention in Online Transportation. Polish Journal of Management Studies 15:229–239
- 46. Kurtz DL, Clow KE (1998) Services Marketing. John Wiley & Sons Incorporated
- 47. Kadieva S, Filipova H (2017) The Millennial Generation: Challenges for The Hotel Industry. International Scientific Conference "Contemporary Tourism Traditions and Innovations"
- 48. Hair JF, Black WC, Babin BJ, Anderson RE (2014) Multivariate Data Analysis, 7th ed. Pearson Education
- Navruz B, Capraro RM, Bicer A, Capraro MM (2015) A Review of Higher-Order Factor Analysis Interpretation Strategies. Egit Psikol Olcme Deger Derg. https://doi.org/10.21031/epod.72637
- 50. Hooper D, Coughlan J, Mullen MR (2008) Structural Equation Modeling: Guidelines for Determining Model Fit. Electronic Journal of Business Research Methods 6:53–60

- 51. Kaplan HE, Gürsbüz E (2020) An extended UTAUT2 Perspective Determinants of Mobile Banking Use Intention and U Behavior. Ömer Halisdemir Üniversitesi İktisadi ve İdari Bilimler Fakültesi Dergisi. https://doi.org/10.25287/ohuiibf.734288
- 52. Ghozali I (2014) Structural Equation Modeling: Metode Alternatif dengan Partial Least Squares (PLS), 4th ed.
- 53. Adiele KC, Opara BC (2014) Analysis of Corporate Identity on Customer Patronage of Banks in Nigeria. International Review of Management and Business Research 3:4
- 54. Akerejola WO, Ohikhena PS, Okpara EU, Emenike PO (2020) The Effect of Advertising as A Marketing Tool for Customer Retention in Selected Banks in Benin-City, Nigeria. International Journal of Recent Innovations in Academic Research 4:21–30

**Open Access** This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (http://creativecommons.org/licenses/by-nc/4.0/), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

