European Journal of Science, Innovation and Technology
ISSN: 2786-4936
www.ejsit-journal.com
Volume 3 | Number 1 | 2023

Investigating the Mediating Role of Perceived Corporate Reputation on the Relationship between Customer Satisfaction, Customer Trust, and Loyalty: A Study of Lebanese Hotels

Hasan Samih Nasser[1], Abdul Rahman Beydoun[2], AlaaEldin Abbass Ali[3]
[1]PhD candidate, Beirut Arab University, Lebanon
[2]Assistant Professor, Beirut Arab University, Lebanon
[3]Associate Professor, Beirut Arab University, Lebanon

Abstract

The last decades have observed an escalating growth of research on corporate reputation because of its importance as a source of competitive advantage. Service industries rely on corporate reputation to differentiate themselves from competitors, and to send different signals to multiple stakeholders about their performance. Nevertheless reputation in the hotel industry can be damaged easily because of the intangibility and the simultaneous production and consumption of provided services. In addition, reputation had a significant role in hotels' recovery in Lebanon during the post COVID-19 period where reputed hotels were able to survive and recover faster. The current paper examined the influence of customer satisfaction and trust on perceived corporate reputation and customer loyalty among 135 hotel customers in Lebanon using path analysis with AMOS23 software. The results showed that customers in the hotel context in Lebanon exhibited no loyalty towards their hotels. Moreover, customer trust and customer satisfaction has a great role in influencing perceived corporate reputation.

Keywords: corporate reputation, customer satisfaction, customer trust, customer loyalty

Introduction

Hotels are among few industries that spend heavily in building their images and reputations (Lai, 2019). Reputation is considered an important component of hotels' value and a significant performance indicator, functioning as a signal that lessens customer uncertainty concerning service quality, inspires greater loyalty and word of mouth (Walsh et al., 2009; Bartikowski, Walsh, & Beatty, 2011; Qoura, & Khalifa, 2016), reduces (future) employees' anxieties about employer characteristics (Cable & Graham, 2000), and clarifies the image to investors about future stock performance (Helm, 2007). Therefore, it shapes different stakeholders' perceptions of the hotel and guides their behavior. From the perspective of businesses, a good reputation allows them to charge premium prices, recruit high-quality employees, attract new investors, lower their cost of capital (Helm, 2007), and increase the likelihood of joint ventures (Davies, Chun, & Kamins, 2010), strategic alliances (Saxton, 1997), and receive better support from communities and governments (Deephouse, 2000).

Nevertheless, Hotels' reputations can be easily damaged by extraordinary events such as assassination, pandemic, tragedy or war for many reasons. First, hotel services are intangible assets with unique competencies embedded in recognition, image and prestige (Coombs, 2007; Jallat & Shultz, 2011). Second, hotel services are immediate, contextual, and personal in nature where employees interact with customers to deliver the service (Jallat & Shultz, 2011). Next, legitimacy is often improved by Word Of Mouth (WOM) or recommendations; negative WOM communications about an infelicitous experience can be harmful for hotels, this is why service recovery is portion of the common language in the hotel industry (Jallat & Shultz, 2011). Finally, hotel services necessitates huge capital with large fixed costs; barriers to entry are very high and profitability is highly associated to occupancy rate (Jallat & Shultz, 2011). Loss of hotel reputation can swiftly immerse a hotel into chaos and debt, thus its operations are disturbed, and shareholders fall behind supporting its investments (Jallat & Shultz, 2011).

Lebanese hotels have been suffering difficult years since Lebanon has report the first COVID-19 case on February 21, 2020 where the occupancy rate for the majority of 4 and 5-stars hotels slipped down from 65% to 28% (Yacoub & ElHajjar, 2021). Moreover, the economic recession, the nationwide protests, and the deterioration of the diplomatic relations between Lebanon and the Gulf states have exacerbated the situation even more. Due to the governmental restrictions and the closure of borders between countries in an effort to abolish the spread of COVID-19, Hotels in Lebanon were faced by increased expenditures, revenue losses, reduction in occupancy rates, and employees' layoffs. Following the COVID-19 pandemic, it was realized that well-known hotels with renowned brand names were able to recover faster than others. Many hotel visitors exclusively book with well-known hotel chains because they are confident in their sanitization standards, while others avoid new experiences and only use well-known names (Yacoub & ElHajjar, 2021). Therefore, the Lebanese context has shown that hotel reputation plays a crucial role in crises recovery, and it's worth studying its antecedents and consequences, as well as its mediation effect.

In what more, reputation scholars have concentrated their attention on two areas of study are the antecedents and the consequences of corporate reputation in developed countries such as U.S., UK, Germany, and Italy (e.g. Walsh & Wiedmann, 2006; Ali et al., 2015; Money et al., 2017), and little studies up the researcher knowledge have been conducted in developing countries such as Lebanon. In the same line, scholars call for studying causes of corporate reputation which holds much promise in understanding the mechanisms by which corporate reputation is developed (e.g. Ponzi, Fombrun, & Gardberg, 2011; Fombrun, 2012; Money et al., 2017). In addition, some existing empirical studies focused on studying antecedents of corporate reputation that are not linked to stakeholders' experiences, or applied signaling theory, which inspects how firm-level signals affects corporate reputation (Deephouse, Newburry & Soleimani, 2016). For example, Ali et al. (2015) used organizational attributes such as (firm size, firm age, firm risk, and media visibility) as antecedents of corporate reputation, but didn't examine variables related to stakeholder experiences. As such, many other research papers (e.g. Helm, 2007; 2011; 2013; Batrickowski, Walsh & Beatty, 2011; Deephouse et al., 2016) focused on studying the linkage between perceived corporate reputation and its outcomes without examining its determinants. Therefore these research gaps needs to be filled by examining antecedents and consequences of perceived corporate reputation, as well its mediation effect by asking the following research questions:

- RQ1. What are the antecedents that most affect perceived corporate reputation in Lebanese hotels?
- RQ2. What are the consequences that are mostly affected by perceived corporate reputation in Lebanese hotels?
- RQ3. Does perceived corporate reputation mediate the relationship between its antecedents and consequences in Lebanese hotels?

The purpose of the current paper is to examine the antecedents and consequences of perceived corporate reputation in the hotel context in Lebanon, as well its mediation effect. The paper offers a literature review section that attempts to present perceived corporate reputation and its antecedents and consequences, a conceptual model, methodology section comprising the sample, data collection, analysis, and results, and finally it presents a conclusion.

Literature Review and Hypotheses Development

Corporate Reputation

Corporate reputation is gradually becoming an area of attention and investigation in empirical research (Walsh et al., 2009; Helm, 2007; 2011; 2013; Gatzert, 2015; Su et al., 2016; Ruiz, García, & Revilla, 2016). Even though the construct has a plain and simple meaning, however early literature provided multiple definitions for it.

In this sense, Weigelt & Camerer (1988) defined reputation as a set of characteristics assigned to a company based on its previous activities. Shamsie (2003: 199) characterized corporate reputation "as the level of awareness that the firm has been able to develop for itself". Saxton & Dollinger (2004) connote to corporate reputation in terms of "brand name". Brands are about more than just physical features, but also about philosophy and values that align with those of consumers (Joshi, & Yadav, 2018). Moreover, Fombrun (2001) classified reputation in terms of the level of awareness or understanding of the firm by outsiders, regardless of their views or judgments, therefore reputation can be improved by marketing efforts and branding campaigns. In summary, the above mentioned conceptualizations identified corporate reputation in terms of knowledge of firm's features or brand name irrespective from stakeholders' evaluations or judgments (Lang, Lee, & Dai 2011).

Afterwards, the "being known" conceptualization as classified in the review of Lang, Lee, & Dai (2011) became a dimension that is frequently mentioned in papers that discuss corporate reputation as multidimensional construct. For example, Rindova et al. (2005) call this dimension as "prominence", and defined it as the degree to which an organization is well known among stakeholders in its field, and the degree to which it stands out relative to competitors. Later on, Barnett, Jermier, & Lafferty (2006) classified this dimension under the category of awareness, and defined it as Stakeholder awareness of the organization without judgment.

Corporate reputation has roots in numerous fields including strategy, economics, sociology, communications, accounting, and marketing who defined corporate reputation dissimilarly according to the context in which it's used. For example, strategists consider corporate reputation as an intangible asset that cannot be easily acquired, imitated, or substituted, and a source of sustained competitive advantage, and ultimately a barrier to mobility (Fombrun & Shanley, 1990). To economists, reputation is depicted as a signal or a trait that describes a firm's probable behavior in a given condition. To sociologists, reputational rankings are social constructions stemming from the relationships companies establish with its multiple stakeholders. To communication specialists, reputation is established from the relationships companies develop with their various constituents. To accountants, reputation is one of the many intangible assets that is hard to measure, but create value for companies. To marketers, reputations are associations individuals establish with the company name. Notwithstanding that several fields defined corporate reputation differently, however they all agreed that corporate reputation is an aggregation of multiple stakeholders' perceptions of a firm's past actions that portrays the firm's ability to provide valued outcomes to multiple stakeholders in the future (Fombrun, Gardberg, & Sever, 2000).

Customer Satisfaction and Perceived Corporate Reputation

Signaling theory (Spence, 1973) posits that sellers try to push signals such as warrantees or prices to show quality of their products. Buyers receive and analyze the signals to differentiate sellers and make the transaction. Afterwards, buyers assess the product quality, learn through this experience, and are in a better position to differentiate sellers next time. This learning process continues until a state of equilibrium is achieved (Fombrun, 2012). Many scholars used indicators such as financial performance, social performance, firm risk, firm size, and firm age, among others as important signaling indicators that influence publics' assessment of corporate reputation (e.g. Ali et al., 2015).

However, the above mentioned indicators are not the only factors to consider when evaluating firms. In this sense, firms have multiple stakeholders who apply different criteria in evaluating their businesses (Freeman, 1984). Therefore economic and non-economic criteria must be taken into consideration while examining corporate reputation. Additionally, Past research has shown that reputation is a more long-term and overall appraisal than satisfaction (Selnes, 1993). Accordingly, scholars have recognized customers' evaluations of a firm's actions as an antecedent of corporate reputation, and satisfaction is one of these important consumer metrics (Fombrun & Shanely, 1990).

Customer satisfaction is regarded as one of the most essential strategies employed by firms to improve their long-term reputation (Anderson & Sullivan, 1993). For example Walsh et al. (2006) found strong positive correlation between customer satisfaction and corporate reputation in the context of utility services. Next, Bontis, Booker, & Serenko (2007) found that customer satisfaction improves reputation in the banking sector. Walsh et al. (2009) demonstrated that customer satisfaction is an antecedent to customer-based corporate reputation. Galbreath & Shum (2012) found that the relationship between customer satisfaction and firm performance is mediated by firm reputation. According to Gupta (2002), the fundamental components of competitive advantage are customer satisfaction and reputation. Davies et al. (2003) demonstrated that corporate reputation and customer satisfaction are positively associated. Furthermore, it was shown that brand reputation moderates the association between service failure and customer satisfaction, with the buffering impact of brand reputation being evident for less severe service failure (Sengupta, Balaji, & Krishnan, 2015).

From this view, the current study suggests that satisfied customers are more likely to perceive corporate reputation favorably. Consequently, the following hypothesis is developed:

H1. Customer satisfaction has a positive effect on perceived corporate reputation in Lebanese hotels.

Customer Trust and Perceived Corporate Reputation

Recent literature demonstrated divergent viewpoints regarding the relationship between perceived corporate reputation and customer trust. For example, Keh & Xie (2009) found that perceived corporate reputation is an antecedent for customer trust. In this sense, firms with high reputation can reinforce customers' confidence and mitigate risk perceptions about organizational performance and quality of its services and products. Therefore, high-reputable companies are perceived by several interconnected features such as credibility, reliability, responsibility, and trustworthiness (Fombrun, 1996). Moreover, Keh & Xie (2009) found that companies with favorable benefits from building trust and identification will in turn influence customer commitment and reputation (Keh & Xie, 2009). On the other hand, Walsh et al. (2009) conceptualized and empirically examined trust as a driver of customer-based corporate reputation. They argued that customer's trust and confidence in company's future actions is a key driver to perceived corporate reputation (Walsh et al., 2009).

Song, Ruan, & Park (2019) examined the relationship between customer trust and perceived corporate reputation in the airline industry. They concluded that customer trust impacts perceived corporate reputation in a positive way. Therefore, corporate reputation is constructed on credible actions. Moreover, fulfilling promises may help a firm to create a positive reputation, whilst failing to realize its stated objective might damage its reputation (Herbig & Milewicz, 1995).

From this view, the current study suggests that customers' trust in firm actions increase their perceptions of corporate reputation. Consequently, the following hypothesis is developed:

H2. Customer trust has a positive effect on perceived corporate reputation in Lebanese hotels.

Perceived Corporate Reputation and Customer Loyalty

Customers can utilize a firm's reputation as a signal to judge a company's quality, and to form attitudes about the firm (Walsh et al., 2009). This is particularly relevant under conditions of high uncertainty where customers seek information in order to make decisions and avoid losses when making transactions. Customers store reputation signals in their memories, and are more likely to make future purchases when firms are associated with positive traits. According to Morley (2002), customers are believed to be more loyal to the products of firms with a good reputation. Moreover, research suggests that cognitive and affective evaluations of reputational signals form behavioral intentions (Bartikowski, Walsh, & Beatty, 2011), which is a key aspect of loyalty.

Helm (2006) explored the impact of consumers' perceptions of corporate reputation on consumer satisfaction and loyalty among a sample of German consumers. The findings revealed that a company's reputation can be used to boost both satisfaction and loyalty. These findings highlight the strategic importance of reputation, as consumer loyalty is regarded as a pre-economic performance indicator and a critical success determinant for businesses. In this way, reputation is essential not just as a signal for assessing service quality and risk mitigation that customers use to decide whether or not to develop a relationship with a company (Carmeli and Freund 2002), but also for existing relationships such as customer loyalty.

Loureiro et al. (2011) examined the relationship between corporate reputation, satisfaction, delight, and loyalty in the context of lodging units in Portugal, and found that reputation of lodging units is a more important factor in determining loyalty than satisfaction or even delight. Reputation has also an indirect effect on loyalty through satisfaction, however not through delight. Based on Fombrun & Rindova (2000), Loureiro et al. (2011) claimed that reputation is one dimension of corporate image which in turn influences tourist behavior, and companies with good reputation are more likely to attract customers.

From this view, the current study suggests that perceived corporate reputation exercises a positive impact on customer loyalty. Consequently, the following hypothesis is developed:

H3. Perceived corporate reputation has a positive main effect on customer loyalty in Lebanese hotels.

Customer Satisfaction and Customer Loyalty

The loyalty construct has received much interest in the literature, resulting in a variety of definitions and conceptualizations. For instance Oliver (1997) defined customer loyalty as "a deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behavior" (p. 392). Moreover, Zeithaml, Berry, & Parasuraman (1996) maintained that customer loyalty may be represented in several ways, such as by "expressing a preference for a company over others, by continuing to purchase from it, or by increasing business with it in the future" (p. 34). Dick & Basu (1994) explained it as the "favorable correspondence between relative attitude and repeat patronage" (p. 102). Therefore loyalty can de voiced as an attitude such as a desire or intention to remain relationship with the service provider, and as a behavior articulated in repeat patronage or word of mouth (Bontis, Booker, & Serenko, 2007).

Several scholars linked between customer satisfaction and customer loyalty (e.g. Selnes, 1993; Helm, 2007; Bontis, Booker, & Serenko, 2007; Chang, 2013; Gul, 2014), such that customer satisfaction is considered to be a significant predictor of customer loyalty (Loureiro & Kastenholz, 2011; Gul, 2014). Bontis et al. (2007) examined the direct relationship between customer satisfaction and customer loyalty in the service industry, particularly the banking sector, and found that customer satisfaction is a moderate predictor of loyalty. Moreover they found that corporate reputation partially mediates the relationship between satisfaction and loyalty in the service sector. Moreover, Chang (2013) examined the relationship between customer satisfaction and loyalty in the restaurant industry, and found that customer satisfaction is a significant predictor of loyalty. As such, the effect of trust and perceived value on loyalty is fully mediated by customer satisfaction.

From this view, the current study suggests that satisfied customers are more likely to be loyal to the corporation. Consequently, the following hypothesis is developed:

H4. Customer satisfaction has a positive effect on customer loyalty in Lebanese hotels.

Customer Trust and Customer Loyalty

Several scholars linked between customer trust and customer loyalty (e.g. Marakanon, & Panjakajornsak, 2017; Boonlertvanich, 2019; Sitorus, & Yustisia, 2018; Li, Teng, & Chen, 2020), such that customer trust is a significant predictor of customer loyalty. For example, Boonlertvanich (2019) examined the relationships among service quality, customer satisfaction, trust, and loyalty in retail banking service in Thailand. She found that service quality, satisfaction, and trust are antecedents for customer loyalty. In addition, Sitorus, & Yustisia (2018) examined the relationships among service quality, customer trust, customer satisfaction, and customer loyalty in private banking sector in Indonesia. They found that customer trust has a significant positive impact on customer loyalty directly, and indirectly through customer satisfaction.

Li et al. (2020) examined the relationship among customer engagement, customer trust, brand attachment, and brand loyalty in the context of tourism social media. In this manner customer engagement is new concept in the marketing literature which is different than customer involvement or participation. it has been conceptualized based on social exchange theory as recurrent transactions between customers and the tourism social media brand that enhance customers' cognitive (e.g. absorption), affective (e.g. identification), and behavioral (e.g. interaction) investment toward the brand. Moreover, customer trust has been conceptualized based on Hes & Story (2005) as the personal bond and commitment between customers and the brand. The results clarified that customer trust fully mediated the relationship between customer engagement and brand loyalty (Li et al., 2020).

From this view, the current study suggests that customers’ trust in firm actions enhance their loyalty. Consequently, the following hypothesis is developed:

H5. Customer trust has a positive on customer loyalty in Lebanese hotels.

Conceptual Model

A research model is shown in the figure below based on a thorough study of the literature.

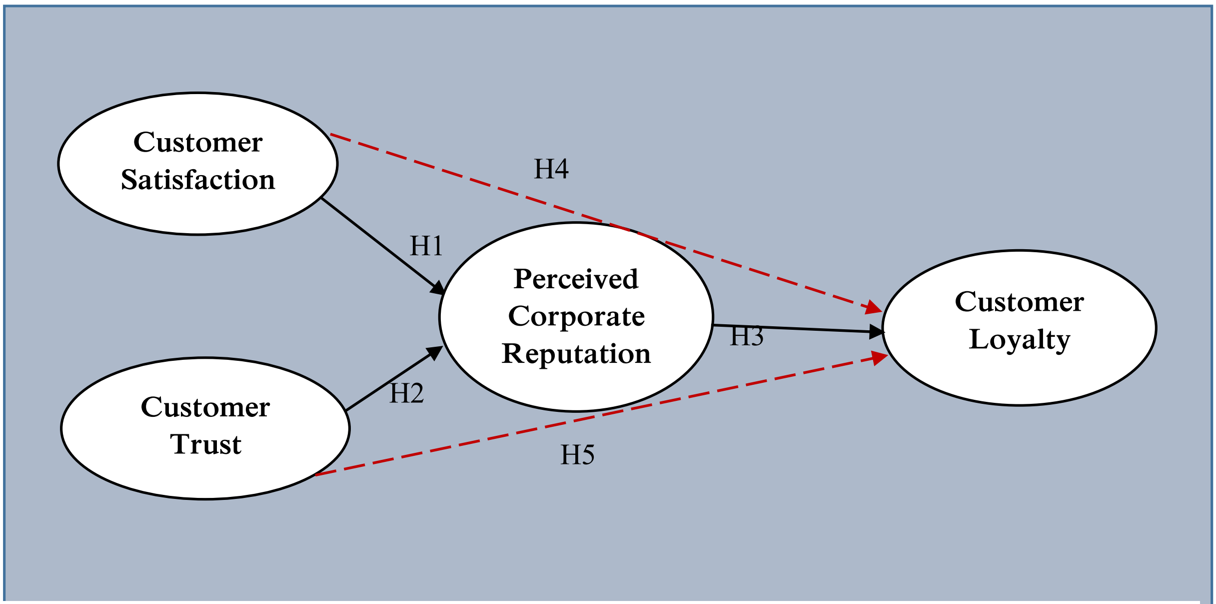

Figure 1: Conceptual Model
Source (developed by the researcher)

Method

Sample and Data Collection

The current study focuses at how customer attitudes that result from particular organizational policies (e.g. customer satisfaction, customer trust) in Lebanese hotels are influences perceived corporate reputation, which in turn affects customer loyalty. Therefore, customers of Lebanese hotels in Beirut, Mount Lebanon, and Bekaa districts make up the target population. Hotels' customers were surveyed to obtain information about customers' attitudes and perceptions towards certain organizational actions, perceptions of hotel reputation, as well as customer outcomes including customer loyalty. Convenience sampling technique was used in which members that meet specific criteria such as geographical closeness and accessibility were chosen to fill out the questionnaires.

In an effort to select the sample, the researcher used "Trip Advisor" platform to collect data regarding hotel names and addresses. "Trip Advisor" is considered one of the largest travel platform in the world that supports travelers to make their decisions about hotel accommodations. In the second stage, visits were made to the targeted hotels, where customers were asked to fill out the required questionnaires. The questionnaires were available as printouts, and as "Google Forms" on "Google Drive". The only condition for customers is that they should have been visiting the same hotel for at least one year. As a result, In the fall of 2022, a total of 200 customers were requested to fill out the accompanying survey, however only 135 responses were returned back completed. All item were measured on five-point likert scale where 1 = "Strongly Disagree" and 5 = "Strongly Agree".

Measures

Perceived corporate reputation

Perceived Corporate reputation is the perceptual representation of a company's former actions and future scenes that describes the firm's overall appeal to all of its key constituents when compared with other leading competitors (Fombrun, 1996). Many research have used the

Reputation Quotient (hereinafter, RQ) developed by Fombrun et al. (2000) to assess company reputation (e.g. Arikan et al., 2016), but the current study uses the "RepTrack" developed and validated by Fombrun, Ponzi, & Newburry (2015). The validity of the "RepTrack" measure has been demonstrated across five stakeholder groups in six nations. It consists of 23 items organized into seven dimensions (i.e. products, innovation, workplace, governance, citizenship, leadership, & performance). All the items are framed to fit a five-point Likert scale that ranges from (1 = “strongly disagree” to 5 = “strongly agree”). The coefficient alpha for the 23-item scale was 0.94.

Customer satisfaction

Customer satisfaction has been defined as the degree to which products and services offered by a company meet or surpass customer expectations (Ahmed et al., 2001). Moreover, Amould, Price, & Zinkhan (2004, p. 755) conceptualized satisfaction as an overall customer assessment of the level of pleasure regarding consumption-related fulfillment, such as under-fulfillment or over-fulfillment level (Walsh et al., 2009). The measure for satisfaction in the service sector is adopted from Kelly & Davis (1994) which has proven high reliability and used in many empirical researches (e.g. Walsh et al., 2009). Customer satisfaction construct encompasses three items are: level of satisfaction with provided services, level of expectations fulfillment, and the speed in which the company solves problems. All the items are framed to fit a five-point Likert scale that ranges from (1 = “strongly disagree” to 5 = “strongly agree”). The coefficient alpha for the 3-item scale was 0.82.

Customer trust

Trust is the reliability level that one party can guarantee to another within a given exchange relationship (Nguyen et al., 2013). Customer trust is conceptualized based on Walsh et al. (2009) who view customer trust as the willingness to rely on an exchange partner in whom one has confidence. The construct of customer trust is measured using four items adapted from Doney and Cannon (1997) and Andaleeb (1996), and used in the study of Walsh et al. (2009). The items are: trust in the company’s goods and services, decency or honorability of the company, trust in the company’s employees who sell the company’s products and services, and appropriateness of the company’s products. All the items are framed to fit a five-point Likert scale that ranges from (1 = “strongly disagree” to 5 = “strongly agree”). The coefficient alpha for the 4-item scale was 0.682.

Customer loyalty

Customer loyalty is defined as a strongly held commitment to re-purchase or re-patronize a favored product or service in the future, notwithstanding the potential of switching behavior due to situational pressures and marketing attempts (Oliver, 1997). The measure of the current construct is adopted from Walsh et al. (2009) which encompasses three items are: “lower prices would encourage me to switch to a different company”, “I would select another company if it were possible without difficulties”, “I intend to continue to be a customer of the company”. All the items are framed to fit a five-point Likert scale that ranges from (1 = “strongly disagree” to 5 = “strongly agree”). The coefficient alpha for the 3-item scale was 0.614.

Data Analysis

Generally, 42.2 percent of respondents were female and 57.8 percent were male. 48.1% of respondents were under 25 years old, 25.9% were between 25 and 34 years, 18.2% between 35 and 44, 5.2% between 45 and 54, and 2.2% were above 55 years old. The question of academic achievement showed that 45.2% of respondents were had a graduate degree, 37% had a post-graduate degree, whereas 17.8% were only holding high school degree. 51.1 percent of respondents had history records with their hotels for 1 to 2 years, while 11.1 percent had history records for more than 9 years.

Table 1: Means, Standard deviations, Variances, Minimum, Maximum

	Customer Satisfaction	Customer Trust	Perceived corporate reputation	Customer loyalty
N	135	135	135	135
Mean	3.7900	3.8630	3.7900	3.2914
Standard Deviation	0.61795	0.62048	0.61795	0.90092
Variance	0.382	0.385	0.382	0.812
Minimum	1.91	2	1.91	1
Maximum	5	5	5	5

Table 1 shows descriptive statistics for study variables. It shows mean value, standard deviation, variance, Minimum, and Maximum scale. The mean value for customer trust was the highest with 3.86, followed by customer satisfaction and perceived corporate reputation with 3.79, and finally customer loyalty had the lowest mean value with 3.29. The variance of responses from the mean value were similar for satisfaction, trust, and perceived corporate reputation with 38% deviation from the mean.

Table 2: Reliability Statistics

Variable	Cronbach Alpha	N of Items
Customer Satisfaction	0.822	3
Customer Trust	0.682	4
Perceived Corporate Reputation	0.944	23
Customer Loyalty	0.614	3
Total	**0.942**	**33**

Table 2 describes Cronbach alpha which is one of the most commonly described which is used to assess internal consistency. The results indicated that customer satisfaction had alpha 0.822, customer trust had alpha 0.682, perceived corporate reputation has alpha 0.944, and finally customer loyalty had alpha 0.614. The scores for all variables were internally consistent with Cronbach alpha greater than 0.4 (Ekolu, & Quainoo, 2019).

Table 3: Correlations

Pearson Correlation N 135	Customer Satisfaction	Customer Trust	Perceived corporate reputation	Customer loyalty
Customer Satisfaction	1	0.682**	1.000**	0.182*
Customer Trust	0.682**	1	0.682**	0.189*
Perceived corporate reputation	1.000**	0.682**	1	0.812*
Customer loyalty	0.182*	0.189*	0.182*	1
** P<0.01 *P<0.05				

A Confirmatory Factor Analysis (CFA) was performed using AMOS 23 using the maximum likelihood algorithm. Model identification was achieved, and the fit indices recommended that the model sufficiently represented the input data, with Goodness of Fit

Index (GFI) being 0.825, Normed Fit Index (0.829), Adjusted Goodness of Fit (AGFI) = 0.772, a Root Mean Square Residual (RMR) = 0.048, a Root Mean Square Error of Approximation (RMSEA) = 0.077, and a Comparative Fit Index (CFI) = 0.914.

In a subsequent step, the conceptual model was tested with AMOS 23 using the "maximum likelihood algorithm". Customer satisfaction and customer trust were considered latent independent variables, perceived corporate reputation was considered as a mediating variable, customer loyalty was considered as a dependent variable. Some items had to be dropped to improve the model fit. In the final model, from 23 indicators that were adopted from Fombrun et al., (2015), only 13 items were used to measure perceived corporate reputation. Two items out of three were used to measure customer satisfaction, two items out of four were used to measure customer trust, and finally two items out of three were used to measure customer loyalty.

Results

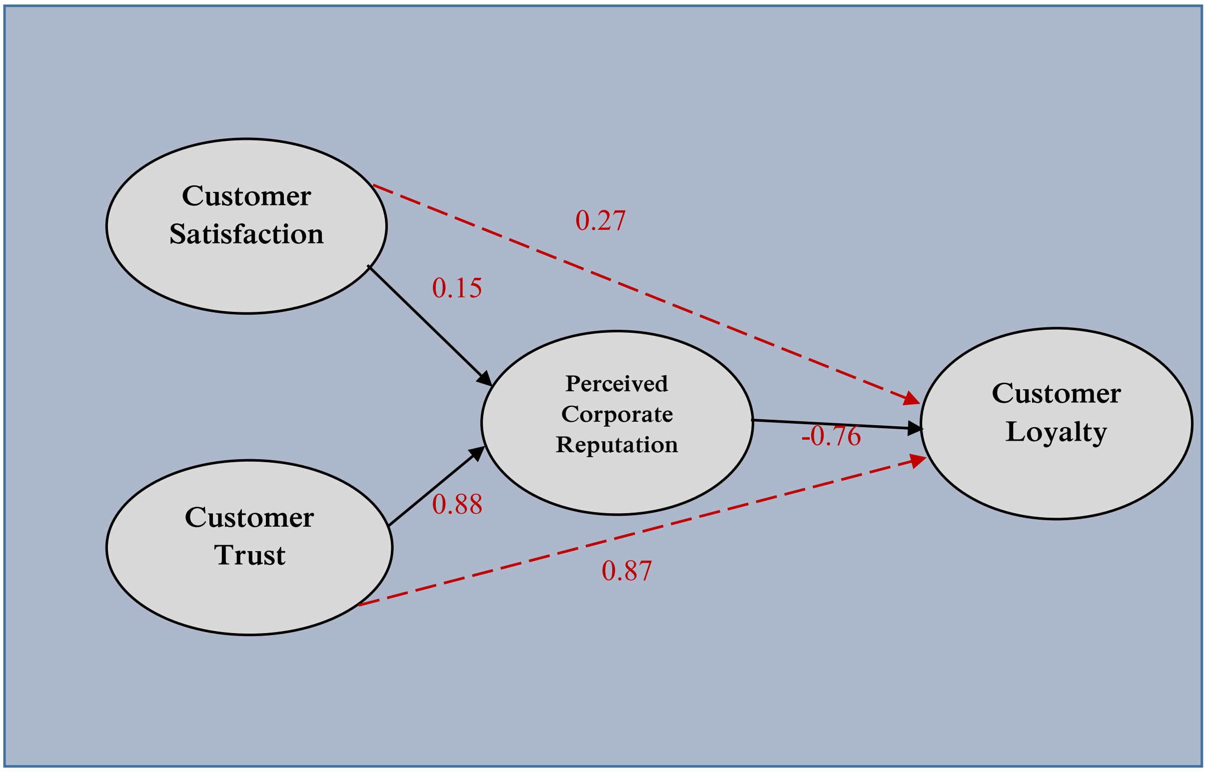

Figure 2: Path coefficients

Table 4: Hypotheses Results

Independent	Dependent	Hyp	Significance	P value
Customer satisfaction	→ Perceived corporate reputation	H1	Quasi Sig	0.056
Customer Trust	→ Perceived corporate reputation	H2	Sig	***
Perceived corporate reputation	→ Customer loyalty	H3	Not sig	0.185
Customer satisfaction	→ Customer loyalty	H4	Not sig	0.132
Customer Trust	→ Customer loyalty	H5	Not sig	0.170

The results of path analysis using Amos 23 showed that path coefficient from customer satisfaction to perceived corporate reputation was the greatest with coefficient = 0.88, and the relationship was significant, which means that when customer trust goes by one, perceived corporate reputation goes by 0.88. Moreover, the relationship between customer satisfaction and perceived corporate reputation was Quasi significant with p value = 0.056 which is slightly greater than 0.05, however the effect of satisfaction on reputation was very small, where the path coefficient was 0.15, which means that when customer satisfaction goes by one, perceived corporate reputation only goes by 0.15. The path coefficient from perceived corporate reputation to customer loyalty was -0.76 and the relationship was not significant. The path coefficient from customer trust to customer loyalty was 0.87, however the relationship was not significant. Finally the path coefficient from customer satisfaction to customer loyalty was 0.27, and the relationship was not significant. Therefore only hypotheses 1 and 2 were accepted, whereas hypotheses 3, 4, 5 were rejected.

Conclusions, Limitations, and Future Work

Customers in the hotels context exhibited no loyalty towards their hotels. Moreover, hotels' reputation as perceived by customers has no effect on gaining customer loyalty. From the other side, it is obvious that customer trust and customer satisfaction plays a great role in influencing perceptions of hotel reputation. Therefore hotels which are trying to improve their reputation in the eyes of their customers must work heavily in satisfying them and building a trustworthy relationship with them, however satisfaction, trust, and loyalty will not lead to customer loyalty.

The current research has some limitations. Most respondents were from the Lebanese nationality. Hotels' administration didn't provide us with customers' addresses so that we can contact them; for this reason, we collected responses from customers who were available at the hotels, where most of them were Lebanese. The second imitation is that we used a very long instrument with 33 items to collect responses, where respondents were exhausted and many of them didn't provide us with responses.

As a future work, we hope to increase the size of the sample and test the effect of value attachment as a moderator on the relationship between reputation and loyalty to see that if something change when customers exhibits emotional values towards their hotels. Next we hope to examine the influence of organizational culture and employee development on perceived corporate reputation. Finally, we hope to test the same model by including non-Lebanese respondents into the sample, and see if something change.

References

Ahmed, I., Gul, S., Hayat, U., & Qasim, M. (2001). *Service quality; Service features; and Customer complaint handling as the major determinants of customer satisfaction in Banking sector: A Case study of National Bank of Pakistan*. Retrieved June, 8, 2017.

Ali, R., Lynch, R., Melewar, T. C., & Jin, Z. (2015). The moderating influences on the relationship of corporate reputation with its antecedents and consequences: A meta-analytic review. *Journal of Business Research*, *68*(5), 1105-1117.

Amould, E., Price, L., & Zinkhan, G. (2004). Consumer Satisfaction. In: E. Arnould, L. Price & G. Zinkhan, *Consumers*.

Andaleeb, S. S. (1996). An experimental investigation of satisfaction and commitment in marketing channels: the role of trust and dependence. *Journal of retailing*, *72*(1), 77-93.

Anderson, E. W., & Sullivan, M. W. (1993). The antecedents and consequences of customer satisfaction for firms. *Marketing science*, *12*(2), 125-143.

Arikan, A. M., & Stulz, R. M. (2016). Corporate acquisitions, diversification, and the firm's life cycle. *The Journal of Finance*, *71*(1), 139-194.

Barnett, M. L., Jermier, J. M., & Lafferty, B. A. (2006). Corporate reputation: The definitional landscape. *Corporate reputation review*, *9*(1), 26-38.

Bartikowski, B., Walsh, G., & Beatty, S. E. (2011). Culture and age as moderators in the corporate reputation and loyalty relationship. *Journal of business research*, *64*(9), 966-972.

Bontis, N., Booker, L. D., & Serenko, A. (2007). The mediating effect of organizational reputation on customer loyalty and service recommendation in the banking industry. *Management decision*, *45*(9), 1426-1445.

Boonlertvanich, K. (2019). Service quality, satisfaction, trust, and loyalty: the moderating role of main-bank and wealth status. *International Journal of Bank Marketing*, *37*(1), 278-302.

Cable, D. M., & Graham, M. E. (2000). The determinants of job seekers' reputation perceptions. *Journal of organizational Behavior*, *21*(8), 929-947.

Carmeli, A., & Freund, A. (2002). The relationship between work and workplace attitudes and perceived external prestige. *Corporate reputation review*, *5*(1), 51-68.

Chang, K. C. (2013). How reputation creates loyalty in the restaurant sector. *International Journal of Contemporary Hospitality Management*, *25*(4), 536-557.

Coombs, W. T. (2007). Protecting organization reputations during a crisis: The development and application of situational crisis communication theory. *Corporate reputation review*, *10*(3), 163-176.

Davies, G., Chun, R., & Kamins, M. A. (2010). Reputation gaps and the performance of service organizations. *Strategic Management Journal*, *31*(5), 530-546.

Davies, G., Chun, R., Da Silva, R. V., & Roper, S. (2003). *Corporate reputation and competitiveness*. Psychology Press.

Deephouse, D. L. (2000). Media reputation as a strategic resource: An integration of mass communication and resource-based theories. *Journal of management*, *26*(6), 1091-1112.

Deephouse, D. L., Newburry, W., & Soleimani, A. (2016). The effects of institutional development and national culture on cross-national differences in corporate reputation. *Journal of World Business*, *51*(3), 463-473.

Dick, A. S., & Basu, K. (1994). Customer loyalty: toward an integrated conceptual framework. *Journal of the academy of marketing science*, *22*(2), 99-113.

Doney, P. M., & Cannon, J. P. (1997). An examination of the nature of trust in buyer–seller relationships. *Journal of marketing*, *61*(2), 35-51.

Fombrun, C. J. (2012). The building blocks of corporate reputation: Definitions, antecedents, consequences. In *The Oxford handbook of corporate reputation*.

Fombrun, C. J. 1996. *Reputation: Realizing value from the corporate image*. Boston: Harvard Business School Press.

Fombrun, C. J. 2001. Corporate reputations as economic assets. In M. A. Hitt, R. E. Freeman, & J. S. Harrison (Eds.), *Handbook of strategic management* (pp. 289-312). Malden, MA: Blackwell.

Fombrun, C. J., & Rindova, V. P. (2000). The road to transparency: Reputation management at Royal Dutch/Shell. *The expressive organization*, *7*, 7-96.

Fombrun, C. J., Gardberg, N. A., & Sever, J. M. (2000). The Reputation QuotientSM: A multi-stakeholder measure of corporate reputation. *Journal of brand management*, *7*(4), 241-255.

Fombrun, C. J., Ponzi, L. J., & Newburry, W. (2015). Stakeholder tracking and analysis: The RepTrak® system for measuring corporate reputation. *Corporate reputation review*, *18*(1), 3-24.

Fombrun, C., & Shanley, M. (1990). What's in a name? Reputation building and corporate strategy. *Academy of management Journal*, *33*(2), 233-258.

Freeman, R. B. (1984). Longitudinal analyses of the effects of trade unions. *Journal of labor Economics*, *2*(1), 1-26.

Galbreath, J., & Shum, P. (2012). Do customer satisfaction and reputation mediate the CSR–FP link? Evidence from Australia. *Australian journal of management*, *37*(2), 211-229.

Gatzert, N. (2015). The impact of corporate reputation and reputation damaging events on financial performance: Empirical evidence from the literature. *European Management Journal*, *33*(6), 485-499.

Gul, R. (2014). The relationship between reputation, customer satisfaction, trust, and loyalty. *Journal of Public Administration and Governance*, *4*(3), 368-387.

Gupta, S. (2002). *Strategic dimensions of corporate image: Corporate ability and corporate social responsibility as sources of competitive advantage via differentiation*. Temple University.

Helm, S. (2007). The role of corporate reputation in determining investor satisfaction and loyalty. *Corporate reputation review*, *10*(1), 22-37.

Helm, S. (2011). Employees' awareness of their impact on corporate reputation. *Journal of Business Research*, *64*(7), 657-663.

Helm, S. (2013). A matter of reputation and pride: Associations between perceived external reputation, pride in membership, job satisfaction and turnover intentions. *British Journal of Management*, *24*(4), 542-556.

Herbig, P., & Milewicz, J. (1995). The relationship of reputation and credibility to brand success. *Journal of consumer marketing*, *12*(4), 5-11.

Jallat, F., & Shultz, C. J. (2011). Lebanon: From cataclysm to opportunity—Crisis management lessons for MNCs in the tourism sector of the Middle East. *Journal of World Business*, *46*(4), 476-486.

Joshi, R., & Yadav, R. (2018). Exploring the mediating effect of parent brand reputation on brand equity. *Paradigm*, *22*(2), 125-142.

Keh, H. T., & Xie, Y. (2009). Corporate reputation and customer behavioral intentions: The roles of trust, identification and commitment. *Industrial marketing management*, *38*(7), 732-742.

Lai, I. K. W. (2019). Hotel image and reputation on building customer loyalty: An empirical study in Macau. *Journal of Hospitality and Tourism Management*, *38*, 111-121.

Lange, D., Lee, P. M., & Dai, Y. (2011). Organizational reputation: A review. *Journal of management*, *37*(1), 153-184.

Li, M. W., Teng, H. Y., & Chen, C. Y. (2020). Unlocking the customer engagement-brand loyalty relationship in tourism social media: The roles of brand attachment and customer trust. *Journal of Hospitality and Tourism Management*, *44*, 184-192.

Loureiro, S. M. C., & Kastenholz, E. (2011). Corporate reputation, satisfaction, delight, and loyalty towards rural lodging units in Portugal. *International Journal of Hospitality Management*, *30*(3), 575-583.

Marakanon, L., & Panjakajornsak, V. (2017). Perceived quality, perceived risk and customer trust affecting customer loyalty of environmentally friendly electronics products. *Kasetsart Journal of Social Sciences*, *38*(1), 24-30.

Money, K., Saraeva, A., Garnelo-Gomez, I., Pain, S., & Hillenbrand, C. (2017). Corporate reputation past and future: A review and integration of existing literature and a framework for future research. *Corporate Reputation Review*, *20*(3-4), 193-211.

Nguyen, N., Leclerc, A., & LeBlanc, G. (2013). The mediating role of customer trust on customer loyalty. *Journal of Service Science and Management*, *6*(1), Article ID: 28959.

Oliver, C. (1997). Sustainable competitive advantage: combining institutional and resource-based views. *Strategic management journal*, *18*(9), 697-713.

Ponzi, L. J., Fombrun, C. J., & Gardberg, N. A. (2011). RepTrak™ pulse: Conceptualizing and validating a short-form measure of corporate reputation. *Corporate reputation review*, *14*(1), 15-35.

Qoura, O., & Khalifa, G. S. (2016). The impact of reputation management on hotel image among internal customers: The Case of Egyptian hotels. *International Journal of Heritage, Tourism, and Hospitality*, *7*(2), 261-274.

Rindova, V. P., Williamson, I. O., Petkova, A. P., & Sever, J. M. (2005). Being good or being known: An empirical examination of the dimensions, antecedents, and consequences of organizational reputation. *Academy of management journal*, *48*(6), 1033-1049.

Ruiz, B., García, J. A., & Revilla, A. J. (2016). Antecedents and consequences of bank reputation: a comparison of the United Kingdom and Spain. *International Marketing Review*, *33*(6), 781-805.

Saxton, T. (1997). The effects of partner and relationship characteristics on alliance outcomes. *Academy of management journal*, *40*(2), 443-461.

Saxton, T., & Dollinger, M. (2004). Target reputation and appropriability: Picking and deploying resources in acquisitions. *Journal of Management*, *30*(1), 123-147.

Selnes, F. (1993). An examination of the effect of product performance on brand reputation, satisfaction and loyalty. *European Journal of marketing*, *27*(9), 19-35.

Sengupta, A. S., Balaji, M. S., & Krishnan, B. C. (2015). How customers cope with service failure? A study of brand reputation and customer satisfaction. *Journal of Business Research*, *68*(3), 665-674.

Shamsie, J. (2003). The context of dominance: an industry-driven framework for exploiting reputation. *Strategic management journal*, *24*(3), 199-215.

Sitorus, T., & Yustisia, M. (2018). The influence of service quality and customer trust toward customer loyalty: the role of customer satisfaction. *International Journal for Quality Research*, *12*(3), 639.

Song, H., Ruan, W., & Park, Y. (2019). Effects of service quality, corporate image, and customer trust on the corporate reputation of airlines. *Sustainability*, *11*(12), 3302.

Su, L., Swanson, S. R., Chinchanachokchai, S., Hsu, M. K., & Chen, X. (2016). Reputation and intentions: The role of satisfaction, identification, and commitment. *Journal of Business Research*, *69*(9), 3261-3269.

Walsh, G., Dinnie, K., & Wiedmann, K. P. (2006). How do corporate reputation and customer satisfaction impact customer defection? A study of private energy customers in Germany. *Journal of Services Marketing*, *20*(6), 412-420.

Walsh, G., Mitchell, V. W., Jackson, P. R., & Beatty, S. E. (2009). Examining the antecedents and consequences of corporate reputation: A customer perspective. *British journal of management*, *20*(2), 187-203.

Weigelt, K., & Camerer, C. (1988). Reputation and corporate strategy: A review of recent theory and applications. *Strategic management journal*, *9*(5), 443-454.

Yacoub, L., & ElHajjar, S. (2021). How do hotels in developing countries manage the impact of COVID-19? The case of Lebanese hotels. *International Journal of Contemporary Hospitality Management*, *33*(3), 929-948,

Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of marketing*, *60*(2), 31-46.