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THE EFFECT OF BRAND EXPERIENCE ON THE BRAND LOYALTY OF DINERS TO SMART HOTELS IN CHINA

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ABSTRACT

The hotel industry remains highly competitive in the current unpredictable and globally interconnected economy. In an attempt to get a competitive advantage, hotels could consider using a novel branding strategy. How the hotel industry intends to integrate brand experience into its marketing strategies is a topic of much interest. Acknowledging the impact of the brand experience on customer retention, loyalty, and overall efficiency of hotels is essential as smart technologies enter the hospitality industry. In a quantitative study, 649 people from different parts of China were questioned. To improve hotel performance measures like room occupancy and profitability, smart hotels must provide great customer service by boosting customer satisfaction and loyalty. The research that has been conducted on the subject indicates that smart technologies will only be able to gain popularity if they are user-friendly, if they guarantee the safety of users' data and if they are capable of providing experiences that are tailored to each individual's tastes. The findings of the study brought attention to a number of difficulties, including problems with smart devices and the inability to meet the individual needs of some customers. The success of smart hotels in the future depends on how well they can improve the experience of their guests. Responding to informed customer input by keeping an ear to the ground could be important in reaching this objective which includes essentials like value, excellent service delivery and sustainability. Research conducted in Chinese businesses sheds insight into brand loyalty of diners and enhance the existing body of information about smart hotels. Hotel management may improve both the guest experience and the hotel's bottom line by using smart branding tactics and implementing suggested technological upgrades.

KEYWORDS: *Brand Loyalty; Smart Hotels; Artificial Intelligence (AI); Customer Satisfaction; Brand Experience.*

1. INTRODUCTION

Since technology is developing at such a fast rate, hotels are incorporating smart technologies to varying degrees into their offerings. The goal of "smart hotels" is to use advanced technology to achieve more than simply a basic increase in the quality of service they provide. In order to achieve this goal, they want to integrate the hotel and information technology (IT) sectors. Using more complex and creative methods, hotels that have embraced smart technology are influencing the thoughts and feelings of their guests. Customers' tastes, which are influenced by the hotel's attributes, determine the services that a hotel provides. The theory behind the "smart hotels" theory is that individuals are more likely to recognise their needs and wants while they are multitasking. Customers' needs are met at certain times in smart hotels, making the service simpler and more likely to be successful. Additionally, its better automated services, locations that don't need human contact, and greater sanitation and personal hygiene practices lessen the chance of viruses spreading by reducing the frequency of human-to-human encounters (Akel & Noyan, 2024). Through data gathering and analysis, future smart hotels may be able to learn about the habits and preferences of their customers and customise their offerings accordingly. This might include events, themed spaces, cuisines and more. Another area where smart hotels may succeed is in making their design and construction more user-friendly. This will ultimately make visitors feel more comfortable and as if they belong, which will enhance the quality of their stay. Smart hotels use technology like chatbots, facial recognition, delivery robots, voice-activated instructions, and data-driven automation to improve the effectiveness, comfort, and personalisation of their visitors' stays (Dalgic & Birdir, 2020). When technology is overused without improving service quality and protecting privacy at the same time, it may result in ethical dilemmas and unhappy clients. It is critical to evaluate how effectively smart hotel technologies align with customer service objectives and if they have the ability to enhance or diminish guest experiences. A growing trend in hotel kitchens is the use of more sophisticated equipment.

2. BACKGROUND OF THE STUDY

The hospitality industry has been more competitive in recent years and hotels attempt to stand out from the competition by progressively increasing the amount of funds they spend on their current service models. The way businesses engage with their customers is being drastically altered by AI and related technologies like service robots. The significance of both emotion and prior knowledge in smart hotels cannot be emphasised enough. Customer satisfaction and brand loyalty are significantly influenced by these key attributes. Customers staying at smart hotels may expect more than simply a comfortable stay since these businesses are outfitted with strong and flexible technology that can recognise and respond to the emotional states of their customers. To create a space where visitors feel connected and satisfied, five-star hotels need to initially comprehend these emotional demands and then appropriately provide them. In the long term, it might result in word-of-mouth promotion (Kim & Han, 2020). A thorough analysis of the terms used most frequently in brand experience might provide an overview of the state of customer experience in smart hotels. The human element and the quality of service remain the most important components in guaranteeing customer satisfaction, even when clients recognise the value of a technologically enhanced environment (Yen et al., 2024). Furthermore, it is the hotel industry's responsibility to address the highlighted problems with smart devices and make sure that these innovative solutions not only satisfy but also surpass the high standards of customers. This study aims to examine the potential relationship between brand experience, customer loyalty and smart hotel operations as well as the general perception of the business among consumers.

3. PURPOSE OF THE RESEARCH

This study's purpose was to investigate the relationship between brand experience and Chinese smart hotels. It is critical to comprehend how AI, the Internet of Things (IoT), and automated service technologies affect human behaviour and thought processes as they continue to spread across the hospitality industry. The purpose of this research was to investigate the effects of technical advancements, tailored services, and frictionless interactions on customers' brand experiences and, therefore, their degree of brand loyalty. Furthermore, it examines the possibility that loyal customers might have positive brand experiences, which could lead to revenue. This research differs from previous studies in the hotel industry that have mostly focused on technology utilisation, service quality, and customer happiness. However, there is a dearth of literature on the social and psychological impacts of dining at smart hotels. From the vantage point of the brand experience, this study intends to illuminate how modern hospitality services provide unique encounters that contribute to the formation of enduring connections. The information will be useful for the management of Chinese hotels in creating customer-centric experiences that make use of technology. This will assist smart hotels in increasing their repeat business and maintaining a steady growth rate.

4. LITERATURE REVIEW

Although a lot of research has explored the concept of smart hotels and how they might enhance the experiences of visitors, the majority of these studies have focused on two main areas: how smart services can boost hotels' operational effectiveness and how happy customers would be with the upgrades. Researchers have already discovered some of the fundamental elements of smart hotel amenities. These elements were quantified using the behaviour and standards of study participants as well as photographic evidence from smart hotel rooms. Nevertheless, these customers' needs and demands for smart hotels have changed significantly over time (Liu et al., 2024). The importance of the psychological effects of interactions with guests is essential to hotels' ability to adapt and evolve. Smart hotels need to customise their offerings to meet the unique needs of every patron. By developing thorough profiles of each client, hotels may discover their individual preferences and use that information to suggest items and amenities that would best suit their requirements (Qi & Mo, 2021). A smart hotel's performance may be measured by the level of satisfaction its guests experience after

their stay. Smart hotel rooms provide much more to their guests than simply extra convenience. By including several extra advantages in their design, they achieve this. The focus is on how customers perceive their senses to find ways to make their whole experience better. It is generally accepted among researchers that hotels may improve their visitors' overall quality of life by incorporating intelligent service infrastructure into every facet of their stay (Kapogianni, 2025). Businesses in the Chinese tourist and hospitality sectors have begun using robots because of new developments in artificial intelligence (AI), miniaturisation, and other related fields. China is home to around 300 hotels, ranging from affordable to luxury hotels that use robots. Robots are used only to manage the FlyZoo Hotel that is owned by Alibaba, a massive Chinese e-commerce company. Robot.He and Haidilao were two robots working in the restaurant industry. In addition to serving their cuisine to customers, they would also provide entertainment (Chang et al., 2022). Additionally, customers who used FlyZoo Hotel's smart services across a range of platforms said that about 25% of them were unhappy with their experience which might influence their decision to stay there again in the future, according to a 2022 research. In this case study, the importance of consumers fully understanding the complex effects of AI on customer service is highlighted. Beyond that, he offers some insight into the next generation of smart hotels and stresses that creative tourism and smart hotels still are not working together to make a big impact (Sthapit et al., 2024).

5. RESEARCH QUESTION

- What is the impact of brand loyalty of diners on smart hotels in China?

6. RESEARCH METHODOLOGY

6.1 RESEARCH DESIGN

The purpose of this quantitative study is to investigate the relationship between diners' brand experiences and their loyalty to that brand. After gathering all of the necessary data, the researcher ran the analysis using SPSS 25. In this research, demographic and project-related data were integrated using descriptive statistics. Researchers better understood the associations and their severity using inferential statistics, such as probability ratios with 95% confidence intervals. Statistical significance is established when the p-value is less than 0.05. Data validation and meaningful statistical categorisation were accomplished via the use of several ANOVA and component analyses.

6.2 SAMPLING

The researcher used a random sample technique. The sample in question was determined to consist of 587 participants using the Rao-soft tool. The researcher had distributed 780 surveys to people for their study. The researcher received 673 sets of questionnaires; 24 sets were eliminated because they were incomplete. Therefore, 649 people made up the final sample.

6.3 DATA AND MEASUREMENT:

The primary means of gathering information was the distribution of printed survey forms. At the outset of the survey, the researcher asked for the participants' names, addresses, and occupations. Researchers asked participants to score their opinions on several research-related topics using a five-point Likert scale in the second part of the survey. The inclusion of a diverse range of endeavours and initiatives was made possible by the random sampling approach. Secondary data for the research were mostly culled from academic journals, business records, and internet sources.

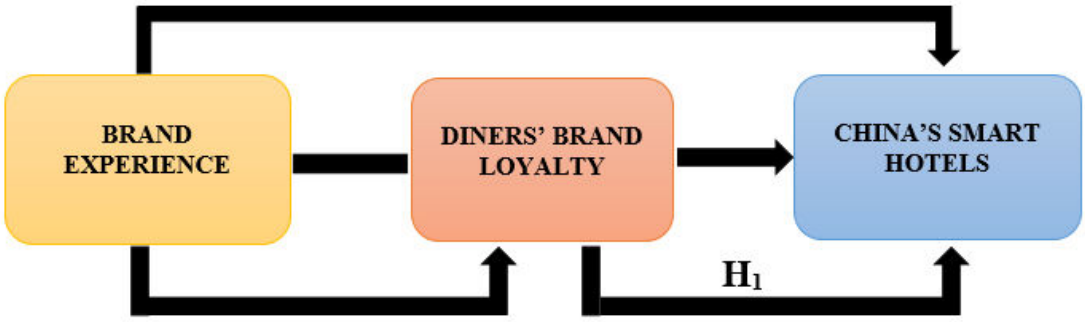
6.4 STATISTICAL SOFTWARE:

The statistical analysis was carried out by the researcher using SPSS 25 and Microsoft Excel.

6.5 STATISTICAL TOOLS:

Many demographic and level-specific aspects of the many programs have been illuminated by descriptive research. To measure validity and theoretical reliability, in inductive statistical investigations, methods including 95% confidence intervals for odds ratios, analysis of variance (ANOVA) for group comparisons, and factor analysis are used.

7. CONCEPTUAL FRAMEWORK



8. RESULT

- **FACTOR ANALYSIS**

Factor Analysis (FA) may be used to discover latent variables using publicly accessible data. It is generally accepted to use regression findings in evaluations when there are no obvious psychological or visual markers. Simulations may help find possible weak spots, evident links, and gaps. Researchers evaluate the results of several regression experiments using Kaiser-Meyer-Olkin (KMO) tests. With the dependent variables in the statistical model, highly accurate estimates of the dependent variable are generated. There are instances of data duplication that might be seen. Reducing proportions makes data more readable. Any number between zero and one may be relied upon by investigators when they ask KMO for it. A suitably big sample population is defined as one with a KMO score between 0.8 and 1. According to Kaiser, certification is contingent upon meeting the following criteria: Quite low, ranging from 0.050 to 0.059, which is far lower than the typical range of 0.60 to 0.69. A score between 0.70 and 0.79 is considered typical for middle school. Great quality, in my opinion. On a scale from zero to one, this is it. Surprisingly, it is somewhere in 0.90 and 1.00.

Table1: KMO and Bartlett's Test

Testing for KMO and Bartlett's

Sampling Adequacy Measured by Kaiser-Meyer-Olkin .897

The results of Bartlett's test of Sphericity are as follows:

Approx. chi-square = 3252.968

df = 190

sig =.000

Table 1: KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.897
Bartlett's Test of Sphericity	**Approx. Chi-Square**	3252.968
	df	190
	Sig.	.000

This enables assumptions about sampling to be made. To check for statistical significance, the researcher used Bartlett's Test of Sphericity on the correlation matrices. The Kaiser-Meyer-Olkin statistic indicates that the sample size is suitable with a value of 0.897. According to Bartlett's Sphericity test, the p-value is 0.00. If Bartlett's Sphericity test returns a positive result, it means the correlation matrix is not an identity matrix.

❖ MEDIATING VARIABLE

• BRAND LOYALTY OF DINERS:

The repeated transactions that diners do with a certain hotel chain as well as their psychological, emotional, and behavioural attachment to that chain make up brand loyalty among diners. A partial knowledge of how connections function may be gained by seeing how individuals interact with one another. One technique for gathering the necessary data is behavioural analysis that may help to understand this connection. Customers' brand loyalty is growing beyond simple satisfaction with service due to the introduction of tech-driven services like AI-powered service robots, automated ordering platforms and IoT dining systems in China's smart hotels. Several other factors go beyond simply being happy with the service. These new technologies are causing people's eating patterns to shift more quickly. It takes more than merely visiting the same hotel to be loyal to a place (Kim et al., 2024). Loyalty is essential due to this bond. Customers are more likely to remain loyal to the company if they recognise smart hotel tech as improving their experience in several ways such as by improving service speed, value, personalisation, and happiness. People are more likely to enjoy themselves when they are able to make reservations using smartphones, get personalised menu recommendations from AI, and then be waited on by a robot waiter. However, when these encounters are seen as reliable, consistent and engaging from start to finish, true loyalty is developed (Nyamekye et al., 2021).

❖ DEPENDENT VARIABLE

• SMART HOTELS IN CHINA:

Chinese hoteliers have only recently started to experiment with the idea of the "smart hotel." Since they run their businesses in unique and interesting ways, these hotels set themselves apart from their rivals. Many causes have contributed to the present situation, but the two most important ones are China's fast technological improvement and the expanding wants of its consumers. Both of these considerations have affected the way things are now set up. Contemporary hospitality is a refined setting that strongly values convenience, profitability, and personalisation. This smart atmosphere has supplanted all previous possibilities in the hotel business. This ecosystem's integration of AI has allowed it to self-

manage. The transition has been made easier by so-called intelligent technologies including big data analytics, machine learning, AI, face recognition, and IoT (Yonghan & Lv, 2021). The introduction of these technical innovations allows for the observation of the shift's course. Chinese smart hotels are using more technology than is customary in Chinese restaurants to enhance the dining experience. To meet the requirements of those receiving assistance, a wide variety of meal choices are offered. There are several examples of how technological advancements are increasing productivity while simultaneously giving consumers the appearance of novelty and originality. Among them are robot servers, electronic payment options, smartphone ordering, and menus that are recommended by AI in response to the meals that customers have selected. The grand inauguration of Hangzhou's first autonomous FlyZoo Hotel, which is also Alibaba's first, demonstrates both the rapid advancement of technology and the enormous demand for smart hotels in China. People in the hotel sector are spending further resources on smart technology in order to meet the needs of modern guests and provide them with better service. Robots will be able to provide information and instructions to visitors to Hangzhou's West Lake. Therefore, it would seem that the main goal of robots in China is to provide customers with a more distinctive experience that will allow them to differentiate themselves from their rivals and transform the conventional customer service setting (Zhou et al., 2025).

- **RELATIONSHIP BETWEEN BRAND LOYALTY OF DINERS AND SMART HOTELS IN CHINA:**

In China, smart hotels are growing in popularity as more hotels embrace digital transformation and customer satisfaction. The relationship between Chinese diners' brand loyalty and the nation's smart hotels is becoming more significant as a result. When offered a choice, brand-loyal diners will always choose and remain with their preferred brand. This is crucial to China's progress in building smart hotels. When visitors stay at a smart hotel, they are assured of high-quality, dependably clean accommodations and delicious food. Trusting the system and the cuisine is equally important at China's smart hotels that rely heavily on technology (Tuan et al., 2024). The need to trust automated procedures to maintain hygiene and guarantee the security of mobile payment methods is evident to everyone who has ever dined at a restaurant. If customers have faith in a dependable brand, they are more willing to overlook service errors. This demonstrates how brand loyalty allows smart hotels to be free to develop innovative solutions, protecting them from potential catastrophes that disgruntled guests may trigger. For example, combining AI-driven personalisation with human elements, like attentive customer care representatives, may result in a brand experience that meets both emotional and logical needs. Even if they are aware that they may get a better deal elsewhere, customers who have strong sentiments for a restaurant are less likely to shop around (Xu et al., 2025).

Based on the preceding discussion, the researcher developed the following hypothesis to examine the impact of brand loyalty of diners on smart hotels in China.

- ***"H_{01}: There is no significant relationship between brand loyalty of diners and smart hotels in China."***
- ***"H_1: There is a significant relationship between brand loyalty of diners and smart hotels in China."***

Table 2: H_1 ANOVA Test

ANOVA					
Sum					
	Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
Between Groups	46253.214	227	2689.523	942.369	.000
Within Groups	965.397	421	2.854		
Total	47218.611	648			

The study produced some noteworthy findings. If the 942.369 F-value is less than the.05 alpha threshold, then a p-value of 0.000 is considered statistically significant. This denotes that the ***"H_1: There is a significant relationship between brand loyalty of diners and smart hotels in China"*** is accepted, and the null hypothesis is rejected.

9. DISCUSSION

The study's findings provide important, crucial information on how China's smart hotels may boost the financial impact of patrons' brand loyalty. Personalised service and modern technology must be used to provide the business with an enduring and memorable image. A deeper comprehension of guests' tastes and the capacity to provide individualised dining services via analysis of data may lead to stronger interpersonal relationships and higher levels of guest satisfaction. It could be beneficial to make investments in user-friendly platforms and make the privacy safeguards that are in place obvious in order to promote the usage of technology. Another strategy for raising customer satisfaction and confidence is to educate employees to help customers use smart features. The results also highlight how important it is to keep taking into account a range of ideas. In addition to using client input, hotels should upgrade their smart technology on a regular basis to stay current and competitive. Continuous development is a method that helps guarantee that guests get consistently excellent service and that their experience is enhanced.

10. CONCLUSION

The hospitality industry in China is transforming because of the arrival of intelligent properties. The goal of these hotels is to give tourists experiences that go beyond the confines of traditional hospitality by using advanced technology and

innovative methods of capturing and keeping customers' attention. Smart hotels have expanded because they participated in this transformation. This procedure has become much easier due to the introduction of smart hotels. To some extent, it is important to consider how the brand loyalty of diners is changing in reaction to the current change. At the end of the day, the whole experience that a consumer has with a hotel brand is influenced by their behaviours, thoughts, emotions and perceptions. From this perspective, the concept of brand loyalty includes all of the media that are accessible to today's customers. A few illustrations of what may soon be accessible including digital virtual assistants, robotic meal delivery and computerised check-ins and food options driven by AI. This kind of integration additionally makes things simpler for consumers but it also gives the brand a personality, stimulates engagement and fosters a personal connection, all of which change the way people view it. In addition, the customers profit from the simplifying process.

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