BRAND EXPERIENCE ON DINERS' BRAND LOYALTY IN CHINA'S SMART HOTELS

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ABSTRACT

In today's volatile and globally interconnected market, the hotel industry is facing immense competition. To obtain a competitive advantage, hotels may adopt a completely new branding strategy. The integration of brand experience into marketing strategies has brought about a lot of interest in the hotel industry. With the rise of smart technology in the hospitality business, it is crucial to recognise the impact of brand experience on customer pleasure, commitment, and general hotel performance. Using a quantitative technique, the study surveyed 649 people from different parts of China. Hotel performance indicators like rate of occupancy and profitability are improved because of increased guest satisfaction and loyalty brought about by a pleasant brand experience. According to the research, smart technologies can only gain momentum if they are easy to use, secure users' personal information and provide tailored experiences that cater to individual tastes. However, the findings also provided insight into challenges that are already being experienced such as failures in smart devices and an inability to meet the particular needs of some customers. Smart hotels' future prosperity is contingent upon their capacity to improve the customer experience. Core issues like value, quality service delivery, and environmental responsibility are non-negotiable, and responding to educated consumer feedback through ear-to-the-ground listening might be crucial to achieving this goal. Studies carried out by the Chinese industry further develop prevailing smart hotel knowledge and highlight their brand experiences. The managers of hotels can benefit from strategic branding strategies and smart technology suggestions to enhance the guest experience and the hotel's financial performance.

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

1. INTRODUCTION

Hotels are integrating smart technologies into their facilities and services to varying degrees in response to the rapid pace at which technology is advancing. "Smart hotels" aim to achieve more than just improving service quality by using technological advances. They strive to accomplish this by combining the hospitality industry with information technology. Smart hotels are influencing customers' feelings and thinking in more complicated and different ways. The services that a hotel offers depend on what customers want, which in turn depends on the hotel's attributes. The theory behind "smart hotels" is that people can better figure out what they want when they think about a lot of different things at once. Smart hotels provide a more simplified and profitable service that meets the needs of customers at specific times. They also reduce the likelihood of spreading viruses by reducing interactions between people due to their advanced automated service, non-contact environments, and supplementary personal hygiene and sanitation controls (Tan et al., 2021). One possible way for smart hotels to grow in the future is to start by collecting and evaluating data about guests' habits and interests so that they can provide personalised service. This may involve things like designing events, themed rooms, cuisines and more. Smart hotels may also do well with the way they design and build things to make them more human-friendly. This will make visitors feel more at home, help them feel like they belong, and make their stay better overall. Smart hotels integrate technology like chatbots, facial recognition, delivery robots, voice-activated instructions and data-driven automation to make their customers' stays more efficient, comfortable, and customised. However, if technology is overused without improving service quality or protecting privacy at the same time, ethical issues and unhappy consumers may result. With the ability to both enhance and disrupt guest experiences, smart hotel technologies must be evaluated not just for their presence but also for their alignment with human-centric service objectives. One trend in modern hotels is the increasing use of technology in the kitchen. One may have these kinds of encounters with smart tableside ordering systems, robotic food delivery systems, and computers that recommend meals to customers. Therefore, customers may recall a robot serving them, which is an AI system suggesting their food or a dining area decorated with digital decor and smart lighting (Ismail et al., 2022).

2. BACKGROUND OF THE STUDY

To stay above the curve and impress guests in the highly competitive hospitality sector of today, hotels are gradually increasing their investments in contemporary service models. An excellent illustration of this kind of innovation is the utilisation of AI including service robots to enhance customer interactions. In smart hotels, the significance of previous experiences and feelings cannot be overstated in any way. These significant elements have a considerable influence on the satisfaction of customers as well as their dedication to the brand. Intelligent hotels can perceive and respond to the emotional states of their guests using flexible and adaptable technology that is essential for transforming a pleasant stay into an unforgettable experience. By accurately understanding and satisfying these emotional needs, five-star hotels may establish an environment where guests feel connected and fulfilled. This can then lead to referral advertising and eventual return visits (Wong et al., 2022). A detailed examination of the most commonly used terms in brand experience illustrates a succinct summary of the customer experience landscape in smart hotels. Although customers acknowledge the importance of having an environment that is technologically advanced, the human component and the quality of the service that is provided are still the most significant variables in ensuring that they are satisfied. In addition, the hospitality industry has been charged with the responsibility of addressing the shortcomings of intelligent devices that have been identified and ensuring that these innovative solutions not only meet but also exceed the high expectations that consumers have for them. This research aims to determine if customer loyalty serves as a connection between the brand experience, smart hotel operations, and holistic impression.

3. PURPOSE OF THE RESEARCH

The purpose of this investigation was to investigate the relationship that exists between Chinese smart hotels and brand experience. It is essential to comprehend how automated service technologies, AI and IoT influence individual behaviours and cognitive functions, particularly since these technologies are becoming increasingly prevalent in the hospitality industry. The objective of this research was to investigate the extent to which customers' brand experiences, which are affected by advancements in technology, individualised services, and interactions that are devoid of any friction affect the degree of brand loyalty that they develop. It also seeks the possibility that customer loyalty could lead to positive brand experiences which could then lead to profitable results like keeping customers getting an edge over competitors and running hotels better. This study diverges from prior research in the hospitality sector, which has predominantly concentrated on customer satisfaction, service quality, and technology utilisation. There has not been a lot of research on the psychological and social effects of eating in smart hotels yet. This research project aims to shed new light on how current hospitality services create memorable interactions that help build lasting relationships when looked at from the perspective of brand experience. The data will help Chinese hotel management produce experiences that are focused on the guest and use technology. This will help smart hotels get more repeat business and keep growing steadily.

4. LITERATURE REVIEW

Although researchers have investigated the concept of smart hotels and how they can enhance the experiences of guests, a significant number of studies have focused on two main areas: how smart services can enhance the functional productivity of hotels and the degree to which guests will be satisfied with the improvements. Researchers have already identified the initial fundamental components of smart hotel characteristics. The researchers using customer behaviour and experience expectations in addition to videos from smart hotels have measured these elements. However, the assumptions and criteria those customers have for smart hotels have undergone significant changes over this period (Dai

et al., 2025). The adaptive development of hotels is heavily dependent on the importance of the psychological effects that interactions with guests have. The amenities provided by smart hotels ought to be customised to meet the particular needs of each guest. By developing comprehensive profiles of each of their visitors and using that information to suggest products and services that will satisfy their particular requirements, hotels are able to identify the individual preferences of their guests (Wang, 2023). The quality of life experienced by guests can be used as a metric to determine the achievement of a smart hotel. Smart hotel rooms go far beyond simply offering additional convenience as their designs also incorporate several other benefits. It focuses on the sensory perception of the consumer and examines methods by which their overall experience can be improved. Researchers also subscribe to this opinion, suggesting that hotels have the ability to enhance their guests' quality of life by integrating intelligent service facilities into all elements of their stay (Ye & Zeng, 2022). The FlyZoo Hotel which is owned by Alibaba and opened its doors in 2018 is a revolutionary example of a facility that has been totally automated. Core operations are powered by artificial intelligence and clever robotic technology which handle everything from guest check-in and assistance services to dining and hotel room service delivery. In addition, an investigation into the opinions of clients who made use of the intelligent services offered by FlyZoo Hotel on a variety of platforms in 2022 revealed that around 25.4% of customers expressed that they were unhappy with their experience which may have an impact on their choice to visit again in the future. This case study emphasises the necessity of having a comprehension of the complicated implications that AI has on the customer service that consumers receive (Lei, 2022). Moreover, a study conducted a thorough assessment of the evolution of smart hotels drawing attention to problems such as an absence of cognitive execution and an insufficient utilisation of smart facilities. Additionally, he provides a perspective on the upcoming generation of smart hotels and emphasises the fact that smart hotels and innovative tourism have not yet managed to generate a significant scale impact through effective synergy (Guo et al., 2022).

5. RESEARCH QUESTION
• What is the impact of brand experience on the performance of China's smart hotels?

6. RESEARCH METHODOLOGY
6.1 RESEARCH DESIGN
This study employs a quantitative research approach in an attempt to understand how brand experience affects smart hotels in China. The researcher used SPSS 25 to conduct the analyses after data collection was complete. Descriptive statistics were utilised in this study to integrate demographic and project-related data. Using inferential statistics, such as probability ratios with 95% confidence intervals, researchers were able to understand the relationships and the severity of them. When the p-value is smaller than 0.05, statistical significance is declared. Using a variety of ANOVA and component analyses, researchers verified the data and organised it into meaningful statistical categories.

6.2 SAMPLING
The researcher employed a random sampling approach. The Rao-soft program was utilised to determine that 587 individuals formed the sample in question. The study the researcher performed required the delivery of 780 questionnaires to the subjects. A total of 673 questionnaire sets were received; 24 of those sets were discarded due to incompleteness. Hence, the final sample size became 649.

6.3 DATA AND MEASUREMENT:
The giveaway of printed survey forms was the main method of data collection. In the initial stage of the survey, the researcher sought the names, addresses, and professions of the participants. Phase two of the survey included the researcher asking respondents to use a five-point Likert scale to rate their thoughts on various subjects relevant to the research. The random sample method allowed for the inclusion of a wide variety of projects and activities. The majority of the study's secondary data came from scholarly articles, company records, and online databases.

6.4 STATISTICAL SOFTWARE:
The researcher used SPSS 25 and Microsoft Excel to perform statistical analysis.

6.5 STATISTICAL TOOLS:
Descriptive research has provided light on various demographic and level-specific features of the many projects. In inductive statistical studies, tools such as 95% confidence intervals for odds ratios, analysis of variance (ANOVA) for group comparisons, and factor analysis for measuring validity and theoretical reliability are utilised.

7. CONCEPTUAL FRAMEWORK
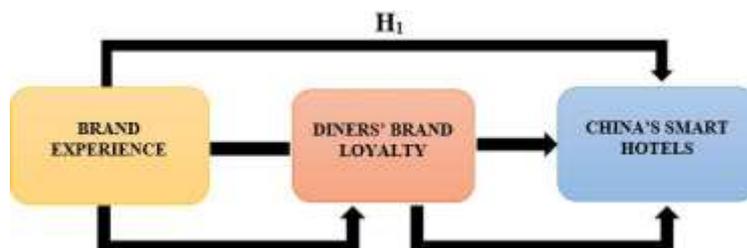
8. RESULT
- ## FACTOR ANALYSIS

Publicly available data can be used to uncover latent variables through Factor Analysis (FA). When there is a lack of obvious visual or psychological indicators, regression results are frequently utilised in assessments. The use of simulations has the potential to reveal potential weak points, obvious connections, and holes. Kaiser-Meyer-Olkin (KMO) tests are used to assess the outcomes of multiple regression studies. Estimates of the dependent variable are produced with high accuracy by the statistical model and its dependent variables. Potentially visible examples of data duplication exist. Data becomes more legible when proportions are reduced. Investigators can trust KMO to give them any integer from zero to one. It is considered a sufficiently large sample population when the KMO score is between 0.8 and 1. The following requirements must be satisfied in order to receive certification, as stated by Kaiser: Extremely low, falling somewhere between 0.050 and 0.059, significantly lower than the usual range of 0.60 to 0.69. A normal middle school score falls somewhere between 0.70 and 0.79. I would rate this as excellent quality on a scale from 0 to 1. Astoundingly, it falls somewhere between 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 effectively allows claims about sampling. The researcher utilised Bartlett's Test of Sphericity to determine if the correlation matrices were statistically significant. With a value of 0.897, the Kaiser-Meyer-Olkin statistic suggests that the sample size is appropriate. A p-value of 0.00 was the result of Bartlett's Sphericity test. A positive result from Bartlett's Sphericity test suggests that the correlation matrix is not an identity matrix.

❖ **INDEPENDENT VARIABLE**
- **BRAND EXPERIENCE:**

The term "brand experience" describes the various impressions that customers maintain over time from their initial encounter with a brand. The brand experience is made up of this. Every encounter a person has with a brand is included in their brand experience. The brand experience in China's smart hotels encompasses more than just the food service; it also involves the integration of technology, personalisation and psychological connections that affect consumers' perceptions and memories of the brand. A strong brand experience is essential for hotels to stand out in the increasingly competitive smart hotel market. The rapid advancement of technology has led to a sharp rise in the number of hotels implementing services that make use of AI or the IoT (Joshi & Garg, 2021). Nonetheless, the manner in which these technological characteristics are generated and implemented to provide customers with a complete and satisfactory experience is what distinguishes one brand from another. The distinction would lie in the additional features that go beyond simple efficiency, such as individualised greetings, customised food recommendations and dining amusement that is interactive, even though AI waiters could be employed in both hotels (Koo et al., 2023). Intake goes up because of this. This brings people greater happiness. The imagery of modern magnificence and uniqueness is more likely to come to mind for a smart hotel in the thoughts and actions of its intended audience.

❖ **DEPENDENT VARIABLE**
- **CHINA'S SMART HOTELS:**

The phrase "smart hotel" is relatively new in the Chinese hospitality sector. The innovative and captivating aspects of these hotels' operations set them apart from their rivals. Many factors have led to the current state of affairs but two of the most important ones are the rapid advancement of technology in China and the growing demands of consumers. Both of

these factors have contributed to the current configuration to some degree. A smart environment that prioritises convenience, profitability and customisation has supplanted the conventional concept of hospitality. In the hospitality industry, this smart setting has become the main model. This ecosystem can now regulate itself via the incorporation of AI. Intelligent technologies like AI, facial recognition (FR), mobile applications (MA), IoT and big data analytics have been responsible for this change (Lu & Bang, 2021). These technological advancements allowed for the tracking of the shift's development. Beyond what is typically offered in Chinese restaurants, technology is employed in Chinese smart hotels to improve the dining experience. To satisfy the needs of individuals receiving services, a wide variety of restaurants have been made available. Technological advancements like electronic payment methods, robot servers, mobile ordering, and AI-driven suggested menus based on food choices provide customers with the impression of novelty and innovation while also increasing efficiency. This is an example of a technological device. The recent opening of Alibaba's first automated Flyzoo Hotel in Hangzhou shows how quickly technology is changing and how much people in China want smart hotels. To fulfil the needs of contemporary tourists and provide them better experiences, people in the hotel industry are investing greater resources into smart technology (Liu et al., 2024).

• RELATIONSHIP BETWEEN BRAND EXPERIENCE AND CHINA'S SMART HOTELS:

As China's hospitality industry adapts to rapid shifts in consumer behaviour and technology, the relationship between brand experience and smart hotels grows increasingly crucial. The popularity of "smart hotels" has unexpectedly increased in a nation where electronic communication and broadband access are mainstream. These hotels have the power to alter how their patrons view comfort, value, and satisfaction. One of the many things that sets smart hotels apart from their rivals is the brand experience they provide. From the first impression to subsequent interactions, the customer journey includes every connection and encounter a customer has with a brand (Yu, 2023). Chinese smart hotels offer equal weight to the psychological and emotional components of the brand experience. One excellent manner that people can use technology to connect with one another is through customisation. When hotel staff remembers details like the guest's favourite TV channels, lighting, and temperature, they are an essential part of the hotel's brand and create an experience that makes guests feel valued. Having the ability to enter without touching anything and exit without using any cash makes people feel much more at ease. The Chinese hotel industry is extremely competitive and creating a memorable brand experience is essential. Even though these hotels' rivals may have similar technology, it is their inventive applications of these technologies that allow them to stand out to visitors. A user-friendly app that offers personalised recommendations and thorough follow-up will improve the customer's experience with the company, particularly if the smart hotels offer mobile applications (Zhao, 2020).

Based on the preceding discussion, the researcher developed the following hypothesis to examine the impact of brand experience on the performance of China's smart hotels.

- *"H_{01}: There is no significant relationship between brand experience and China's smart hotels."*
- *"H_1: There is a significant relationship between brand experience and China's smart hotels."*

Table 2: H_1 ANOVA Test

ANOVA					
Sum					
	Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
Between Groups	42563.221	216	2795.634	1108.059	.000
Within Groups	984.236	432	2.523		
Total	43547.457	648			

Several significant conclusions have been drawn from the research. A p-value of 0.000 is deemed statistically significant if the 1108.059 F-value is lower than the.05 alpha level. This denotes that the *"H_1: There is a significant relationship between brand experience and China's smart hotels"* is accepted, and the null hypothesis is rejected.

9. DISCUSSION

The findings of the research offer several important insights on the ways in which smart hotels in China may amplify the impact of brand experience on their bottom lines. The combination of customised service and modern technology is essential in order to create a coherent and memorable experience for the business. It is possible that a deeper awareness of the interests of visitors and the capacity to provide customised services via the analysis of information would result in stronger emotional ties and higher levels of satisfaction among guests. Investing in platforms that are straightforward for visitors to navigate and properly articulating the privacy safeguards that are in place may go a long way towards promoting the use of technology. Training staff members to assist clients in making use of smart features is an additional method to increase both their confidence and enjoyment. The findings also show how essential it is to continue coming up with new ideas. By constantly upgrading smart technology and leveraging customers' feedback, hotels can remain ahead of the competition and keep up with changing trends. This ongoing improvement helps keep the quality of service consistent and improves the overall experience for visitors.

10. CONCLUSION

The Chinese hospitality industry has been transformed by the emergence of intelligent properties. These hotels seek to provide guests with experiences that challenge conventional perceptions of hospitality by incorporating innovative technology and new methods of customer service. Smart hotels have been able to grow because of their influence on this transformation. Smart hotels have made this transition much simpler. The belief that brand experience is developing in tandem with the ongoing shift that is currently taking place is important to some extent. Customers interact with a hotel's brand in four ways: through their conduct, thoughts, emotions and perceptions. From this viewpoint, the various media accessible to modern customers are all part of the concept of brand experience. For instance, there may be robotic delivery of meals, digital personal assistants, computerised check-ins and food options powered by AI Not only does this kind of integration simplify things for consumers, but it also provides the brand with individuality, engagement, and a personal connection changing its perception. Additionally, it simplifies matters for the customers.

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