

# Service-dominant logic in the hotel industry: Pathway to brand awareness and loyalty

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## Abstract

This study aims to analyze the influence of service-dominant logic (SDL) on brand attitude, emotional brand attachment, and brand engagement and the impact of these three variables on brand awareness and brand loyalty among hotel users in Bandung City. A quantitative approach was used in this study with data collection techniques through questionnaires distributed to 230 respondents, namely hotel users in Bandung. The structural equation modeling method based on partial least squares (SEM-PLS) was used to test the relationship between variables in the research model. The results of the study indicate that SDL has a significant positive effect on brand attitude, emotional brand attachment, and brand engagement. In addition, brand attitude, emotional brand attachment, and brand engagement also have a positive effect on brand awareness and brand loyalty. These findings indicate that the SDL approach implemented by hotels can strengthen emotional relationships and consumer engagement with the brand, which ultimately increases customer awareness and loyalty to the hotel brand.

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## Introduction

The development of the internet and mobile technology has contributed to the rapid growth of today's brand communities (Calderón-Monge & Ramírez-Hurtado, 2022). With increased access to digital platforms, customers can now easily share experiences, provide reviews, and interact online (Clarence & Keni, 2022). In the hospitality industry, online interactions are not just about sharing information but have also become an important means of increasing customer engagement and brand loyalty (Clarence & Keni, 2022). Service-dominant logic (SDL) is a conceptual framework emphasizing value co-creation between businesses and customers. It offers a powerful perspective for understanding these dynamics (Lusch & Vargo, 2010). It provides a lens through which customer interactions, particularly in service-based industries, can be seen as critical for fostering deeper customer-brand relationships.

According to Vargo et al. (2010), the service-dominant orientation (SDO), which is rooted in the SDL approach, can be one factor that increases brand awareness and loyalty. The SDL approach states that a service must receive an exchange to create shared value (Wilden & Gudergan, 2017). This idea is the basis of a strategy to gain a competitive advantage (Wilden & Gudergan, 2017). Using platforms such as social media to like pages, give positive reviews, and share content or recommendations with others can help companies build a positive image.

Although the managerial benefits of various ideas about shared value creation have been discussed in previous studies, their impact on brand awareness and brand loyalty still requires a deeper understanding, especially in implementing customer engagement-based strategies in the hospitality industry (Shaw et al., 2011). Unlike prior studies, which predominantly focus on either consumer behavior or operational outcomes, this study integrates SDO with brand-related constructs, such as brand attitude, emotional brand attachment, and brand engagement. These relationships are particularly understudied in the hospitality industry (Machi et al., 2022), where brands compete intensely to differentiate themselves and create lasting emotional connections with their customers.

With the increasing popularity of social media use among various age groups, companies are currently directing their business activities to increase the intensity of encouraging interaction with consumers as an effort to create brand awareness and build stronger relationships to build loyalty and trust in the brand (Abd El-Jalil et al., 2023). Pai et al. (2024) stated that a strong brand can increase trust and build an emotional bond, increasing loyalty. However, this is not easy, as it requires a comprehensive understanding of the factors that influence how to build brand awareness and brand loyalty (Machi et al., 2022). Therefore, it is essential for companies, especially in the hospitality industry sector, to recognize customer preferences, service quality, and effective marketing strategies in order to build and maintain a strong brand image (Mostafa & Kasamani, 2021).

The presence of social media platforms today has made it possible for consumers to explore more information and connect with brands, where information about brands can be shared, commented on, and recommended (Calderón-Monge & Ramírez-Hurtado, 2022). In the hotel industry, brands are crucial to creating experiences that differentiate hotels. According to Lee (2023), a brand is not just a name or logo; it can reflect reputation, quality of service, and value. Building a strong brand in the hotel industry is not only an important goal but also a key strategy for hotels to differentiate themselves from competitors (Hsu et al., 2024). Nevertheless, several studies have explored the relationship between hotel brand image and customer loyalty, but studies that deeply investigate the relationship between SDO and brand loyalty development in the hospitality context are still relatively lacking (Krisnawati et al., 2016).

As argued by Cheung et al. (2021), that the concept of SDL plays an important role in shaping brand attitude, emotional brand attachment, and brand engagement by focusing on co-creation value or value creation that involves customers as active partners in the service process. Currently, value creation built from the concept of SDL involves the role of social media and various e-commerce platforms to create a more personal and interactive customer experience (Katsifaraki & Theodosiou, 2024). The results of previous studies showed differences in findings between brand attitude and brand awareness, as well as emotional brand attachment and brand loyalty (Wang et al., 2023). These differences in results may be due to the varying characteristics of customers, especially in the context of the hospitality industry (Lecki et al., 2019). Hotel customers have different preferences depending on their travel purposes. Additionally, this study introduces modifications to existing research models by incorporating SDO to examine emotional and cognitive branding dimensions, offering a novel integration of these constructs.

Thus, this study aims to explore how SDO is applied to brand attitude, emotional brand attachment, and brand engagement, as well as its impact on brand awareness and brand loyalty. This study seeks to understand the role of customer interactions as active partners in the value creation process and how these interactions strengthen emotional attachment and positive attitudes towards the brand, ultimately contributing to higher brand awareness and brand loyalty. It examines the interrelationship of these variables through the lens of SDL, and it aims to advance the understanding of value co-creation in the hospitality industry. Doing so provides theoretical contributions to the SDL literature and practical insights for hotel managers striving to build stronger customer relationships.

## Literature Review and Hypotheses Development

### Service-Dominant Logic

Service-dominant logic (SDL) provides a theoretical framework emphasizing value co-creation between businesses and customers through collaborative and interactive processes (Hollebeek et al., 2019). In the hospitality industry context, SDL emphasizes customers' active role as co-creators of value rather than passive recipients of services. This perspective is relevant for understanding modern consumer engagement, where digital platforms and personalized service allow for richer customer-brand interactions (Katsifaraki & Theodosiou, 2024). Determinants of SDL, such as value co-creation, customer-centric processes, and the use of resources to create mutually beneficial outcomes, directly influence key branding constructs like brand attitude, emotional attachment, and engagement (Blazquez-Resino et al., 2015). This study applies SDL as the theoretical approach

to analyze how customer-brand interactions under SDO drive brand loyalty and awareness, offering an understanding of value creation in the hospitality industry.

### **Service-Dominant Orientation, Brand Image, Emotional Brand Attachment, and Brand Engagement**

The important point in the marketing context is how companies can create shared value between the company and consumers (Kotler et al., 2020). Service-dominant orientation (SDO) refers to a firm's focus on prioritizing value co-creation, customer-centric processes, and resource integration to enhance customer engagement and organizational outcomes (Leckie et al., 2019). The main principle of SDO is that a service must provide reciprocity that creates shared value, thus producing services that are exchanged for other services (Vargo et al., 2010). Today, the paradigm of marketing practice is faced with creating interaction and collaboration between providers and consumers. The co-creation that occurs is realized through involvement that can provide significant added value for all parties involved (Prahalad & Ramaswamy, 2004). Shared value creation can occur when customers engage positively, such as liking pages on social media platforms, giving positive reviews, and sharing content or recommendations with others. Prahalad and Ramaswamy (2004) explains that some companies can leverage co-creation capabilities to shape value propositions by engaging customers and organizations. Vargo et al. (2010) found that the application of SDO positively influences brand user attitudes on-platform engagement. Likewise, the study conducted Cheung et al. (2021) that the stimulus from the dominant service directly influences the internal consumers (attitudes and tendencies towards the company). Thus, the hypothesis is proposed as follows:

H<sub>1</sub>: Service dominant orientation has a positive influence on brand attitude.

Rather and Camilleri (2019) stated that a strong bond between consumers and a brand can create high loyalty. With SDO, brands are not only seen as product providers but as partners in creating shared value through ongoing interactions and relationships (Vargo et al., 2010). Mujica-Luna et al. (2021) emotional brand attachment is a psychological relationship formed when customers associate with a brand through positive feelings. Emotional brand attachment reflects how the service experience and interaction between customers and brands contribute to creating shared value. Vargo et al. (2010) found that the application of SDO positively influences consumer attitudes and engagement with platforms as it creates a deeper emotional connection. Similarly, Ashraf and Thongpapanl (2015) emphasized that the stimuli provided by a dominant service approach directly impact consumers' internal states, including their emotional tendencies and attitudes toward the brand. By positioning the brand as a co-creator of value that understands and fulfills customers' emotional needs, SDO fosters mutually beneficial and sustainable relationships that enhance emotional brand attachment (Ansari et al., 2019). Thus, the hypothesis is proposed as follows:

H<sub>2</sub>: Service dominant orientation has a positive effect on emotional brand attachment.

In their study, Leckie et al. (2019) found that companies that implement the SDO correlate with the level of engagement with consumers because this approach focuses on co-creation value, where consumers are seen as partners in creating service value. Brand engagement refers to the emotional, cognitive, and behavioral investment customers make in their interactions with a brand (Mujica-Luna et al., 2021). According to Yiu et al. (2020), SDO can be applied to the hospitality industry to create shared value between companies and visitors through online platforms. In this condition, consumers not only receive products or services but also play an active role in creating value by providing feedback, participating in product development, and sharing their experiences to improve service quality through platform engagement. According to Karpen et al. (2012), SDO plays a vital role in creating deeper relationships between brands and consumers, as the focus is no longer just on what is being sold but on the value created together with consumers through interactions and experiences.

H<sub>3</sub>: Service-dominant orientation has a positive effect on brand engagement.

### **Brand Attitude, Brand Awareness, and Brand Loyalty**

According to Kumar (2020), brand attitude refers to the internal attitude of customers towards a brand that the perceived experience can influence. In hospitality, attitude indicates customers' psychological tendencies by evaluating what they feel through services or facilities provided. Previous studies have widely studied the relationship between brand attitude and brand awareness, so both are considered important components in creating a strong brand position in the minds of consumers (Yazid & Kawiryan, 2023). Brand awareness is defined as the extent to which consumers can recognize or recall a brand under different conditions, and it can form the foundation for building strong customer-brand relationships (Singh et al., 2023). As the development of digitalization has increased globally, the presence of platforms and other social media plays an important role in expanding the reach of consumer interaction, thus becoming a key element in building a strong brand identity. This identity includes the quality of service that includes offerings, transaction reliability, and efficiency (Sung & Lee, 2023b). Thus, developing a positive attitude towards a brand is very important because it can increase consumer loyalty, strengthen brand image, and ultimately contribute to brand awareness, which makes the brand more easily recognized and remembered by consumers.

H<sub>4</sub>: Brand attitude has a positive effect on brand awareness.

Prior studies have found that satisfied consumers can increase brand awareness and loyalty (Choirisa et al., 2024). Weiger et al. (2017) stated that brand loyalty is an individual's commitment to the brand itself, which is formed through attitudes, while attitudes are assessments that support or do not support behavior (Ajzen, 1991). In addition, attitude toward a brand refers to the degree to which consumers typically have a positive or negative evaluation of a particular brand (Foroudi et al., 2014). Previous studies have shown that brand attitude has a positive impact on brand awareness (Choirisa et al., 2024). In hospitality, attitudes are formed based on consumers' perceptions and experiences of trust in the services or facilities, increasing brand awareness through strong emotional connections. When consumers have positive attitudes, they are more likely to remember, recognize, and spread information about the brand, ultimately leading to brand awareness.

H<sub>5</sub>: Brand attitude has a positive effect on brand loyalty.

### **Emotional Attachment, Brand Awareness, and Brand Loyalty**

Brand loyalty is a psychological commitment held firmly to buy and reuse a product/service in the future (Weiger et al., 2017). Consumers' emotional attachment to a hotel brand occurs when consumers feel satisfied with the services and facilities provided, resulting in a strong personal bond that can be seen from brand affection, brand passion, and self-connection (Sung & Lee, 2023b). This emotional attachment develops through positive perceived experiences, identification with brand values, and a high sense of trust and loyalty toward the brand (Ma et al., 2023). This can encourage consumers to play an active role in spreading information, recommending products, and doing other things that make it easy to recognize the brand, ultimately increasing brand awareness. This emotional attachment can also influence future purchasing behavior and brand awareness (Sung & Lee, 2023a). Lee (2023) strong emotional attachment can expand a brand's reach among consumers, increasing brand awareness. Thus, the hypothesis is proposed as follows:

H<sub>6</sub>: Emotional brand attachment has a positive effect on brand awareness.

The study from Sung and Lee (2023b) stated that emotional brand attachment is a deep attachment between consumers and a brand formed through experience. This emotional attachment drives strong emotional involvement and a sense of ownership of the brand, thus influencing consumer behavior in the long term. Shimul (2022) stated that emotional attachment to a brand is considered one of the most effective indicators of positive consumer behavior, such as brand trust, commitment, and loyalty. In addition, Emini and Zeqiri (2021) also suggested that emotional attachment can create commitment and support the brand through their choices. Loyalty to the brand will be stronger when consumers have a high attachment. Therefore, emotionally attached consumers

are more likely to be loyal to the brand because they feel the relationship is more personal and meaningful. Based on this, the following hypothesis is proposed:

H<sub>7</sub>: Emotional brand attachment has a positive effect on brand loyalty.

### Brand Engagement, Brand Awareness, and Brand Loyalty

Brand engagement reflects the psychological state of consumer motivation that manifests in their interaction experience with the brand (Mujica-Luna et al., 2021). Shin et al. (2020) states that brand engagement is also a fundamental mechanism consumers can use to maintain loyalty. Brand engagement can show how much consumers feel attached to and interact with a brand in various ways, such as giving positive reviews and recommendations and sharing experiences through social media or online communities (Emini & Zeqiri, 2021). High levels of engagement create more frequent and meaningful interactions, which enhance consumers' familiarity with the brand (Foroudi, 2019). Through repeated interactions, consumers develop a stronger association with the brand, making it easier to recall and recognize (Rather et al., 2018). This suggests that brand engagement is critical in fostering brand awareness by ensuring the brand remains top-of-mind for consumers. In the context of SDL, brand engagement is not only limited to product usage but also includes active participation in supporting the brand, such as providing positive reviews and sharing experiences on social media, leading to brand awareness. Thus, a high level of engagement can increase brand awareness.

H<sub>8</sub>: Brand engagement has a positive effect on brand awareness.

When consumers engage in cognitive, emotional, and behavioral activities related to a brand, they are likely to develop a stronger bond with that brand (Wang et al., 2023). This can lead to brand loyalty, strengthen brand preference, and encourage repeat purchasing behavior in the future. Emotional brand engagement requires a deep bond between the consumer and the brand (Pai et al., 2024). Previous studies have found that consumers who are engaged and satisfied with a brand can lead to their loyalty and commitment (Sung & Lee, 2023a). Rather and Camilleri (2019) stated that brand engagement and loyalty confirm accurate marketing, especially in hospitality. This can encourage consumers to remain loyal, even when faced with competition or other choices. Thus, consumer engagement can build a relationship that strengthens perceptions and thus increases their loyalty to the brand.

H<sub>9</sub>: Brand engagement has a positive effect on brand loyalty.

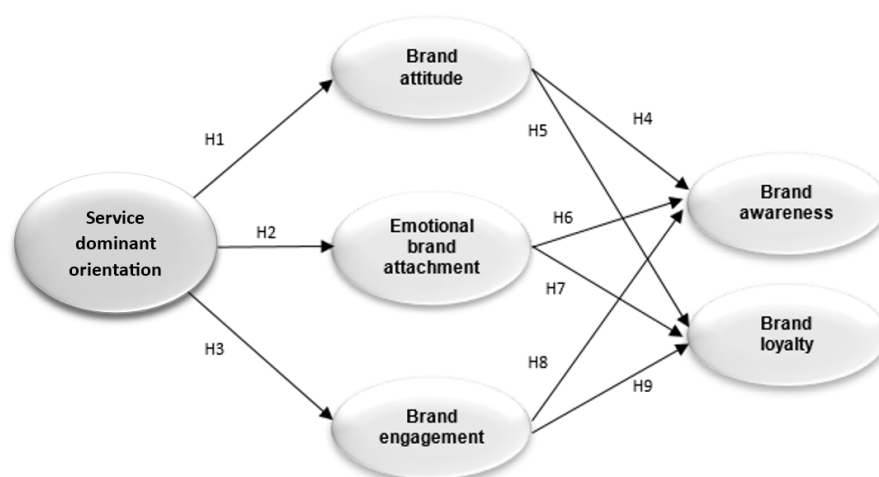


Figure 1. Conceptual Framework

### Research Methods

This study uses a quantitative approach with a survey as a data collection tool to examine the relationship between SDO and key brand outcomes such as brand attitude, emotional brand attachment, and engagement. This study also explores how these variables influence brand

awareness and loyalty. The quantitative approach was chosen because it allows researchers to determine the strength and direction of the causal relationship of each variable studied (Hair et al., 2021). According to Creswell et al. (2006), survey research can be used to describe and measure the relationship between multiple variables.

This study's population includes consumers who actively use hotel booking applications in Bandung City. The sample was selected through purposive sampling, consisting of 230 respondents who meet the criteria of being current users of hotel booking apps in the region. The logic behind this sample is that hotel app users are the primary audience for brand engagement, awareness, and loyalty within the hospitality industry. These consumers' perceptions directly contribute to the brand dynamics explored in this research, making them relevant to the research model.

Data collection was conducted using a self-report survey. Several strategies addressed the potential for common method bias (CMB) introduced by self-reported perceptual information. First, the survey was anonymized to reduce social desirability bias and to ensure that participants felt comfortable providing honest responses. Additionally, item randomization and using different scale formats were employed to minimize any bias related to response styles (MacKenzie & Podsakoff, 2012). Data were analyzed using the SEM-PLS approach, which allows for a comprehensive understanding of the relationships between the variables in the research model.

## Measurement of Variables

**Table 1.** Measurement Item

Variables	Item Codes	Item Measurements
Service-Dominant Orientation	SDO1	The hotel staff makes me feel at ease during my stay.
	SDO2	The hotel encourages two-way communication to understand my preferences better.
	SDO3	The hotel staff ensures my needs are met without misleading practices.
	SDO4	The hotel invites me to provide feedback to improve my experience.
	SDO5	The hotel shares helpful information to enhance my stay and provides expert advice on the service offered.
	SDO6	The hotel encourages two-way communication to understand my preferences better.
Brand Attitude	BAT1	My attitude towards visiting a hotel with a brand name and logo is favorable.
	BAT2	I think it is favorable to stay at a hotel with a brand name and logo.
	BAT3	I am pleased to have the service of a hotel with a brand name and logo.
Emotional Brand Attachment	EBA1	I am passionate about this hotel brand.
	EBA2	I feel close to this hotel brand and its services.
	EBA3	This hotel brand embodies what I believe in and the values I care about.
	EBA4	I feel a strong sense of belonging to this hotel brand.
Brand Engagement	BE1	Using this hotel's services makes me think about the brand.
	BE2	I think about this hotel brand a lot when I am using their services.
	BE3	Using this hotel's services stimulates my interest in learning more about the brand.
Brand Awareness	BAW1	I am very familiar with this brand.
	BAW2	I can recognize the brand among other competing brands.
	BAW3	Some brand characteristics come to my mind quickly if I think about the brand.
	BAW4	I can quickly recall the symbol or logo of this brand.
	BAW5	It is not very difficult for me to imagine this brand.
Brand Loyalty	BL1	I will not use service from another hotel if my favorite hotel brand is unavailable.
	BL2	I am committed to this hotel brand.
	BL3	I will likely use the service of this hotel the next time.
	BL4	I would be willing to pay a higher price for this hotel brand over other brands.

This study uses a scale adopted from previous research. Respondents responded to statements on each item using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Service-dominant orientation is measured by five items adopted from previous research (Karpen et al., 2012). Brand attitude is measured by three items adopted from the research (Pai et al., 2024). Emotional brand attachment was measured by five items adopted by Mostafa and Kasamani (2021). On the other hand, brand engagement is measured by three items adopted from Wang et al. (2023). Then, brand

awareness is measured by five items adopted from the research Choirisa et al. (2024). Finally, brand loyalty was measured by four items adopted by Washburn and Plank (2002).

## Results and Discussion

### Respondents' Characteristics

Based on the data obtained from a sample of 230 respondents, there were more male respondents than female respondents, 129 respondents, and the majority of respondents were aged between 30 and 39 years, 112. Based on education, most respondents had a bachelor's degree, 120. Finally, most respondents' income was IDR 4 to 5 million per month, 117 respondents. Finally, based on their purpose, most respondents aimed for recreation (see Table 2).

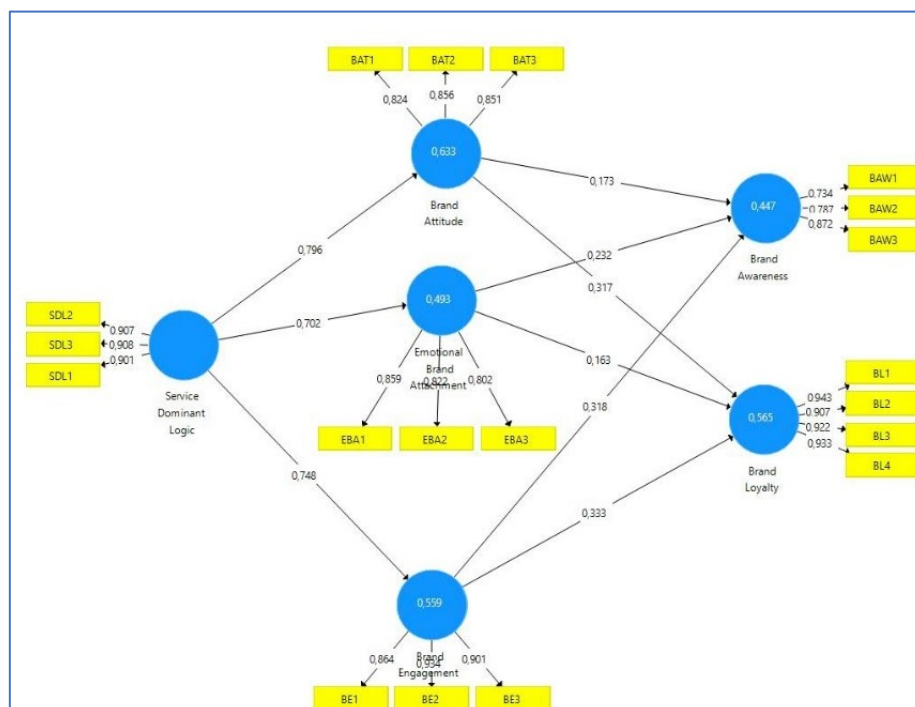
**Table 2.** Profile of the Respondents

Respondent Characteristics	Categories	Frequency (N=230)
<i>Gender</i>	Male	129
	Female	101
<i>Age (years old)</i>	20-29	81
	30-39	112
	40-49	37
	50-59	10
<i>Education background</i>	Bachelor	120
	Master	93
	PhD	17
	Others	0
<i>Monthly income (IDR)</i>	2-3 million	97
	4-5 million	117
	Above 5 million	16
	Others	0
<i>Purpose of using the hotel</i>	Business	103
	Recreation	127

Source: Data processing, 2024

### Convergent Validity Testing

Based on Figure 2 below, it presents the results of the outer loading test.



**Figure 2.** PLS Algorithm  
Source: Data processing, 2024

Table 3 below presents the results of convergent validity testing. Based on Table 3, it can be seen that all indicators have met the criteria above the criteria ( $>0.50$ ). So, based on that, it can be interpreted that all indicators have good loading factor values. In Table 3, the average variance extracted (AVE) above is more significant than 0.50. As for the discriminant validity, the test is carried out by analyzing the values of all variable items. So, this result is good from the average variance extracted (AVE) aspect.

**Table 3.** Results of Convergent Validity Testing

Variables	Items	Convergent Validity	
		Loading Factor	AVE
Brand Attitude/BAT	3	0.824 – 0.851	0.712
Brand Awareness/BAW	3	0.734 – 0.872	0.840
Brand Engagement/BE	3	0.864 – 0.934	0.810
Brand Loyalty/BL	3	0.907 – 0.943	0.739
Emotional Brand Attachment/EBA	3	0.802 – 0.859	0.786
Service-Dominant Orientation/SDO	4	0.901 – 0.908	0.819

Source: Data processing, 2024

### Discriminant Validity Test

To assess the discriminant validity of the model, we have used both the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) ratio. In Table 4 below, the Fornell-Larcker criterion shows that the square root of the average variance extracted (AVE) for each construct is greater than the correlations between the constructs, indicating satisfactory discriminant validity. For example, the value of brand attitude (BAT) is 0.844, which is greater than all correlations with the other variables, such as 0.597 with brand awareness (BAW), 0.787 with brand engagement (BE), and 0.701 with brand loyalty (BL), etc. Similarly, all other variables in the model meet the Fornell-Larcker criterion for discriminant validity.

**Table 4.** Fornell-Larcker Criterion

	BAT	BAW	BE	BL	EBA	SDO
Brand Attitude/BAT	0.844					
Brand Awareness/BAW	0.597	0.800				
Brand Engagement/BE	0.787	0.635	0.900			
Brand Loyalty/BL	0.701	0.603	0.709	0.860		
Emotional Brand Attachment/EBA	0.744	0.608	0.776	0.657	0.828	
Service-Dominant Orientation/SDO	0.796	0.590	0.748	0.703	0.702	0.905

Source: Data processing, (2024)

In addition, Table 5 presents the results of the HTMT ratio. As per the HTMT analysis, all values are below the threshold of 0.90, which confirms the model's discriminant validity. Specifically, the highest HTMT value is 0.885 between brand engagement (BE) and emotional brand attachment (EBA), but this is still below the critical threshold of 0.90, suggesting that these constructs are distinct. The HTMT ratio further supports the findings from the Fornell-Larcker test, providing robust evidence of discriminant validity.

**Table 5.** HTMT Ratio

	BAT	BAW	BE	BL	EBA	SDO
Brand Attitude/BAT	1	0.723	0.803	0.757	0.765	0.813
Brand Awareness/BAW	0.723	1	0.752	0.739	0.712	0.755
Brand Engagement/BE	0.803	0.752	1	0.830	0.758	0.885
Brand Loyalty/BL	0.757	0.739	0.830	1	0.714	0.764
Emotional Brand Attachment/EBA	0.765	0.712	0.758	0.714	1	0.789
Service-Dominant Orientation/SDO	0.813	0.755	0.885	0.764	0.789	1

Source: Data processing, (2024)



The HTMT results in Table 5 reveal that all values are well below the threshold of 0.90, confirming no multicollinearity between the constructs. For instance, the HTMT value between brand engagement (BE) and emotional brand attachment (EBA) is 0.885, the highest ratio but still below the critical limit. Similarly, other pairs, such as brand attitude (BAT) and brand awareness (BAW), show an HTMT ratio of 0.723, further ensuring that the constructs are distinct and do not overlap significantly. This provides further support for the validity of the measurement model.

### Reliability Testing

Table 6 below presents the reliability testing results. The analysis results show that all variables are reliable because they have Cronbach's alpha and composite reliability values >0.6.

**Table 6.** Reliability Test Results

Variables	Cronbach's Alpha	Composite Reliability
Brand Attitude	0.797	0.881
Brand Awareness	0.722	0.841
Brand Engagement	0.882	0.927
Brand Loyalty	0.874	0.917
Emotional Brand Attachment	0.774	0.867
Service-Dominant Orientation	0.890	0.932

Source: Data processing, 2024

### Collinearity Test

The collinearity test is one approach to conducting structural model tests, which tests the relationship between latent variables in the context of PLS-SEM with a tolerance value of 0.20 or lower than the VIF value of 5. If it is higher, each indicates a potential collinearity problem. When the level of collinearity is very high, or the VIF value is five or more, it is necessary to consider removing one of the appropriate indicators (Hair et al., 2021). In this study, the relationship between the brand attitude and SDO variables has a value of 1.000; the brand awareness and brand attitude variables have a value of 2.980. The brand loyalty variable, related to the brand engagement variable, has a value of 3.342, while the relationship between brand awareness and emotional brand attachment has a value of 2.849. More detailed results can be seen in Table 7 below.

**Table 7.** Inner VIF Value

	BAT	BAW	BE	BL	EBA	SDO
Brand Attitude/BAT		2.980		2.980		
Brand Awareness/BAW						
Brand Engagement/BE		3.342		3.342		
Brand Loyalty/BL						
Emotional Brand Attachment/EBA		2.849		2.849		
Service-Dominant Orientation/SDO	1.000		1.000		1.000	

Source: Data processing, 2024

### R-Square

**Table 8.** R-Square

	R Square	Adjusted R Square
Brand Attitude	0.633	0.632
Brand Awareness	0.447	0.440
Brand Engagement	0.559	0.557
Brand Loyalty	0.565	0.559
Emotional Brand Attachment	0.493	0.490

Source: Data processing, 2024

Table 8 presents the R-Square results. These values indicate that the model explains most of the variance in brand attitude (63.2%) while explaining some variance in brand awareness, engagement, loyalty, and emotional brand attachment (44%; 55.7%; 55.9%; 49%). The close agreement between R-Square and adjusted R-Square for the five variables supports the robustness of the model.

### Q-Square

Table 9 below presents the Q-Square results. Table 9 shows that the brand attitude variable has a Q-square value of 0.440, and brand awareness is worth 0.268. The brand engagement variable is worth 0.446; brand loyalty is worth 0.409; emotional brand attachment is worth 0.317; and the SDO Q-square is worth 0. Although religiosity has a value of 0, the results are expected because the SDO variable is independent.

**Table 9.** Q-Square

	SSO	SSE	Q <sup>2</sup> (=1-SSE/SSO)
Brand Attitude	675.000	377.861	0.440
Brand Awareness	675.000	493.949	0.268
Brand Engagement	675.000	373.991	0.446
Brand Loyalty	900.000	531.572	0.409
Emotional Brand Attachment	675.000	460.900	0.317
Service-Dominant Orientation	675.000	675.000	0

Source: Data processing, 2024

### Hypothesis Testing

The path coefficient is a step to test the results of the hypothesis, which is calculated using the SmartPLS application using the bootstrapping technique. The bootstrapping results in Table 10 show that all hypotheses are supported. This is because it is in line with the principle from Hair et al. (2016) The t-statistics value must be more than 1.96, and the p-value must be less than 0.05. Therefore, all hypotheses are supported. Table 10 explains the results of the path coefficient test in detail.

**Table 10.** Hypothesis Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	t-Statistics ( O/STDEV )	p-value
SDO → BAT	0.796	0.792	0.038	20.796	0.000***
SDO → EBA	0.702	0.696	0.052	13.432	0.000***
SDO → BE	0.748	0.744	0.044	17.029	0.000***
BAT → BAW	0.173	0.177	0.097	3.790	0.007**
BAT → BL	0.317	0.315	0.089	3.564	0.000***
EBA → BAW	0.232	0.230	0.095	2.456	0.014*
EBA → BL	0.163	0.163	0.081	2.000	0.046*
BE → BAW	0.318	0.316	0.093	3.435	0.001**
BE → BL	0.333	0.333	0.090	3.680	0.000***

Note. Brand Attitude (BAT); Brand Awareness (BAW); Brand Engagement (BE); Brand Loyalty (BL); Emotional Brand Attachment (EBA); Service-Dominant Orientation (SDO).

\*p<0.05; \*\*p<0.01; \*\*\*p<0.000.

Source: Data processing, 2024

### Discussion

Based on the SDL perspective of Vargo and Lusch (2010), this study offers a comprehensive theoretical view to empirically examine how SDO influences brand attitude, emotional brand attachment, and brand engagement toward brand awareness and brand loyalty. The research findings show that SDO positively and significantly affects brand attitude, emotional brand

attachment, and brand engagement (H1, H2, and H3). SDO can emphasize the importance of interaction and value formation between consumers and service providers, which actively involves customers in the value creation (Vargo & Lusch, 2010). In the context of the hospitality industry, the SDO shows how value is not only generated from the products or services offered but also from relationships built through the experience and active participation of consumers.

According to Katsifaraki and Theodosiou (2024), SDO upholds the principle that service providers, such as hotels, are not just about providing accommodation or services but creating meaningful experiences for guests by engaging them in enriching interactions. With this approach, SDO can positively and significantly influence brand attitude, emotional brand attachment, and engagement, strengthening them through social media and e-commerce platforms.

Then this study also found that brand attitude influences brand awareness and loyalty (H4 and H5). As stated by Kumar (2020), a positive brand attitude strengthens consumer awareness of the brand, making it more recognizable and memorable in the minds of consumers. This can create a stronger relationship between consumers and the brand, thus encouraging long-term loyalty. With a good brand attitude, consumers are more likely to recommend the brand to others, repurchase, and choose the brand even though there are many choices (Hollebeek et al., 2019). The findings show that high brand awareness strengthens loyalty because consumers familiar with the brand feel more comfortable and trusting. Thus, the relationship between brand attitude, awareness, and loyalty is important in retaining consumers and building a strong brand. The results of the study are following previous studies conducted by Singh et al. (2023) that brand attitude refers to the attitude or perception of consumers towards a positive or negative brand. This attitude is formed from various factors such as personal experience, brand image, and interactions provided through services. In the context of hospitality, brand loyalty, according to Cuong et al. (2020) is more than repeat purchases; it can be in the form of trust and commitment felt by consumers. The results of the study support Krisnawati et al. (2016) that guests who experience good service quality are more likely to show loyalty.

Then the results of this study also show that emotional brand attachment influences brand awareness and brand loyalty (H6 and H7). The findings show that when consumers have a strong emotional attachment to a brand, they tend to be more aware and pay attention to the existence of the brand. This attachment also drives higher loyalty, where consumers feel emotionally connected and want to continue using or supporting the brand long-term. Thus, emotional brand attachment is important in building brand awareness and increasing consumer loyalty. In the context of hospitality, Shin et al. (2020) suggested that emotional attachment between guests and brands plays a critical role. Consumers or guests who emotionally connect with the hotel are highly aware of it. The results of this study are based on previous studies presented by Foroudi (2019), which show that consumers who have a high emotional attachment to a hotel show high loyalty. Likewise, the results from Shimul (2022) found that emotional brand attachment was a determining factor in building long-term relationships.

Finally, this study also found that brand engagement positively affects brand awareness and brand loyalty (H8 and H9). The findings show that consumers who have direct involvement with a brand can lead to awareness and loyalty. As mentioned by Rather et al. (2018), consumers who are involved and have an emotional bond with a brand tend to be more loyal and consistent when choosing the brand's products or services. In addition, Emini and Zeqiri (2021) also, consumer involvement with a brand can strengthen their loyalty, especially if a high emotional attachment accompanies this relationship.

## Implication and Conclusion

Building upon service-dominant logic (SDL) principles, this study advances our understanding by demonstrating its significant positive effects on brand attitude, emotional brand attachment, and brand engagement within the hospitality industry. Companies can foster deeper emotional connections and enhance customer loyalty by emphasizing shared value creation through active consumer-brand interactions, particularly via social media and hotel reservation platforms. This research expands SDL theory by illustrating its pivotal role in influencing consumer perceptions

and behaviors beyond transactional relationships. It confirms that brand attitude and engagement are two powerful drivers of brand loyalty and awareness. Future research could explore mediating variables such as customer satisfaction, trust, or emotional involvement that elucidate how SDO pathways directly impact brand loyalty and awareness.

For organizational practices, this study underscores the strategic importance of integrating SDL principles into service design and marketing strategies. Companies are encouraged to prioritize initiatives that enhance emotional engagement and cultivate positive brand attitudes among consumers. Organizations can strengthen brand awareness and loyalty by leveraging SDO to foster meaningful consumer interactions. Practical implications include tailoring services to facilitate ongoing dialogue and personalized experiences that resonate with consumers' emotional and functional needs.

Despite its contributions, this study acknowledges several methodological limitations. Self-reported survey data may introduce common method bias, influencing the reliability of findings. Future studies could mitigate this by employing diverse data collection methods or longitudinal designs to validate causal relationships over time. Additionally, expanding the scope to include broader demographic and cultural contexts would enhance the generalizability of findings. Further investigations could also delve into how varying consumer segments respond differently to SDL strategies, offering nuanced insights into practical implementation strategies.

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