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FOREWORD

Alhamdulillah, praise be to Allah Subhanahu Wa Ta'ala for granting us the opportunity to organize and publish the proceedings of the 3rd International Conference on Business and Banking Innovations (ICOBBI) with the topic "Unlocking New Marketing Strategies on ASEAN After Covid-19 Pandemic". This proceeding contains several researches articles from many fields in Business & Marketing, Banking & Sharia Banking, Accounting & Financial Management, Human Resources Management, Operations Management, Investasi, Insurance & Capital Market, Strategic Management, Technology Management, and Information System.

The 3rd International Conference on Business and Banking Innovations was held on 6th – 7th March 2021 by virtual (online) meeting and organized by the Master Management Study Program of STIE PERBANAS Surabaya in Collaboration with three Higher Education Institutions in Indonesia and two Universities from Asia countries. Keynote speakers in this conference were: Prof. Jessa Frida T Festijo (Lyceum of the Philippines University), Prof. Krisda Tanchaisak, Ph.D (Ramkhamhaeng University Thailand) and Burhanudin, Ph.D (Head of Undergraduate Program In Management of STIE Perbanas Surabaya, Indonesia).

I would like to give high appreciation to the Rector of STIE Perbanas Surabaya for his support at this event. Acknowledgments and thank you to all the steering and organizing committees of the ICOBBI for the extra ordinary effort during the conference until this proceeding published. Thank you very much to all presenter and delegates from various Universities. Beside it, I would like to express our gratitude to the three universities, namely Universitas 17 Agustus Surabaya, STIE 66 Kendari, Institut Institut Bisnis dan Keuangan Nitro Makassar which has been the co-host of this event.

Hopefully, the proceeding will become a reference for academics and practitioners, especially the business and banking industry to get benefit from the various results of the research field of Business and Banking associated with Information Technology. Proceedings also can be accessed online on the website <https://pascasarjana.perbanas.ac.id>.

Chair of the Master Management Study Program
STIE Perbanas Surabaya

Prof. Dr. Tatik Suryani, M.M.



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ANALYSIS INFLUENCE BETWEEN CUSTOMER PERCEIVE VALUE ON CUSTOMER ENGAGEMENT THROUGH MEDIATION AFFECTIVE COMMITMENT AND TRUST AT BUSINESS HOTEL CUSTOMERS IN NEW NORMAL ERA

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ABSTRACT

Business Hotel with 80% of occupants has actually succeeded in adapting and understanding on the right strategy to make friends with a crisis situation which can actually make the best opportunity to compete in Pandemy. This study was conducted to examines factor that may drive customers to engage Business Hotel. TheResearch build on the theory of Customer Engagement. 150 online questionare for Customers Aston Inn Batu 19 to 53 years old have transaction during pandemy were eligible for participation. Analyzing by descriptive andstatistic using PLS-SEM . Between direct path without mediation between Customer Perceive Value andCustomer Engagement has a significant impact, also indirect path within partial mediation role to have positive significant impact . Marketing element and absolute effect on customer engagement so that it played big role to solve pandemic problem in hospitality industry which have slumped greatly in new normal. Further the study find develops CVP build CE Implication study was proof that Customer Engagement can give a big probability to increasing revenue in Pandemic Condition.

Keywords: *Perceive Value, Customer Engagement, Trust, and Affective Commitment.*

1. INTRODUCTION

Technology was develop rapidly make it easier for people to reach their needs. People need some information to determine their needs. The marketing function will make people easier for the public in this determination. As explained, according to Kotler & Armstrong (in Priansa, 2017) marketing is a social and managerial process in which individuals and groups fulfill their needs and desires by creating, offering, and exchanging something of value with other parties. The community needs a marketing role to determine where they are positioned to meet their needs.

Thus, business people always maximize the role of marketing to fulfill Customer Engagement. The current business development is almost entirely affected by the effects of the Covid-19 pandemic, creating many problems that actually make tourism accommodation businesses, especially hotels, have to be more creative to maintain their income, or at least be able to turnover the company cash flow. Otherwise company should make

decision between reduce their Employees or reduce operational budgeting by decreasing capacity, But the fact Aston Inn Batu realize that those answer isn't a good solution so solve pandemic problem, because Aston Inn has a good strategy and find that the fiscal regulation by the government creating big opportunity to fulfil marketing strategy as well.

Despite the vital role CE is playing in the hospitality sector, specifically Hotel, only little empirical research has been conducted in related area (Romero, 2017). The need for more research to understand the CE phenomenon is highlighted in the literature (Bowden, 2009a; Chathoth et al., 2016; Romero, 2017). According to a recent study by Marketo conducted in 2017, eighty two percent of marketers believe that they totally understand how customers want to be engaged while most customers think that marketers are trying to engage customers primarily on the basis of the transactions taken place and not taking the time to understand how to build relationships with customers and recognize well the appropriate engagement practices. While marketing



requires firms to engage customers and manage profitable relationships with them (Kotler and Armstrong, 2010), planning, implementing, and measuring CE tactics could hold different challenges and problems to firms (Kumar and Pansari, 2016).

Aston Inn Batu has recently creating such decision to avoid to reduce employees with strategy to focus increasing CVP in favor of successfully engaging customers in pandemic. The platform allows customers to experience exceptional service, engage in referral program, and participate in bands social media actions. The outcomes evaluated have shown that Aston Inn Batu sales occupancy have increased because of such strategy until 80%. Measuring CE allows firms to evade overvaluation and undervaluation of customers (Kumar et al., 2017) and better evaluate their marketing efforts.

2. THEORITICAL BACKGROUND

2.1 Customer Preceived Value

identified as an overall assessment of the benefits of the product, which is limited by perceptions of what is received and what is given. Zeithaml (1988, p. 14) in the journal Omar S. Itani et al 2019. Similar to other relationship marketing factors that were investigated in this study, that the Customer Perceived Value of customers can also help in contributing to a sustainable competitive advantage for service firms Dootson et al (2016, p. 13). Indicators of the Value that Customers Feel Customers in this context include:

- a. *The perception of the benefits received for the price paid* is About the benefits received for services in accordance with the price paid by the customer.
- b. *Aesthetic Value*, is a value that is sensory in nature and can be felt so that it becomes a separate attraction objectively.
- c. *Efficiency Value*, is the value where the services provided are deemed sufficiently organized and well-organized in accommodating customers to enjoy hotel services.
- d. *Transaction Value*, is the value given to what is sacrificed (money) in accordance with what is obtained.
- e. *Post-Service Value*, is the Value obtained for the output after receiving the service.
- f. *Personnel Quality Value*, is the perceived value of how the service management personnel provide the best service to customers.
- g. *Expertise Value*, is the value that is felt for the convenience of facilities including access to orders, fulfillment of service standards and also determining the standard of services provided.
- h. *Psychological value*, is a value that is directly related to customer psychology such as feelings of being valued and served well.
- i. *Value of Social Interaction*, is the value that is felt when conducting social interactions in the hotel area both with hotel employees and other visitors.

- j. *Self-Satisfaction Value*, is the value obtained for the satisfaction received by customers for the services obtained.

2.2 Customer Engagement

Based on customer responses to the items they get, Gallup in his research explains that Customer Engagement can be divided into three, namely:

Fully Engaged, which means that the customer is emotionally bound and loyal rationally. The customer will try hard to find a product that they like even if the customer does not receive a replacement product. You can say like the brand ambassador and can be said as a valued customer in a business context.

Indifferent, Can be interpreted as a customer who is emotionally and rationally in a neutral position, this customer responds to any offer by taking it or leaving it without taking anything into account for the product or service.

Actively Disengaged, defined as a customer who is emotionally detached from the products and services the company offers. Customers of this type will easily change brands, behave antagonistically to the offers given, even they are very sensitive to the shortcomings of the product or service offered.

Hospitality sector, customers with fully engaged category account for more than 40% per year compared to customers from the actively disengaged category. Customer Engagement is an abstract concept and is defined as the construction of Repurchasing which consists of four dimensions, including : Customer Purchases, Customer References, Customer Influenceand Customer Knowledge / Feedback Kumar and Pansari (2016). Kumar et al (2010) argue that it will greatly determine the company's reputation to be favored or underestimated by customers, if Customer Engagement is not taken into account. Through actual reports and forecasting future spending, customer engagement directly contributes to company performance. Kumar and Pansari (2016). Also, binding customers can indirectly contribute to business success through referrals between customers, activities that are influenced by social, knowledge and feedback that are returned to the company Pansari and Kumar (2017).

Recently research has suggested that Customer Engagement holds a fairly favorable influence on the outcome of the key. Thus, Customer Engagement explains that to encourage long-term reputation Verhoef *et al.*, (2010) and help reduce customer reduction Chathoth *et al.*, (2016); Hollebeek, (2011), Restaurant, Café, and Hotel desperately need customer engagement encouragement. Romero, (2017) for the benefits held for operating activities in the service sector. So *et al* (2014). Engagement is considered an extension to creating relationship by marketing area So *et al* (2016) and gaining to reach a advantage by differentiation. Islam andRahman (2016, p. 2019), consider customer engagement as a dimension but the multidimensional nature of this

concept have acknowledged by the most authors. Pansari and Kumar (2017) define CE as 'a mechanism for adding customer value to the company, either through direct or indirect contributions, whereas according to sources van Doorn et al. (2010) argue that Customer Engagement is a manifestation of customer behavior towards a brand or company, outside of purchases, resulting from motivational drivers.

Results Customer engagement is a motivational driver and is manifested in the behavior that the customer takes towards the company Van Doorn et al (2010). Engagement behavior including customer retention, updates and repeat purchases as suggested by the 63% of marketers surveyed by Marketo. The six engagement theories provide a multidimensional conceptualization of CE to capture the complexities associated with these constructs Kumar and Pansari (2016). This conceptualization includes: Customer Purchasing, Customer Referral, Customer Social Influence, and Customer Knowledge Dissemination, in line with the previous theory which agrees with the multidimensional conceptualization of CE constructs for example, Brodie et al., (2011); So et al (2014). CE includes non-transactional (relational) customers and transactional interactions with companies, other customers, and / or prospects. Pansari and Kumar (2017). Pansari and Kumar (2017) define CE as 'a mechanism for adding customer value to the company, either through direct or indirect contributions, whereas according to sources van Doorn et al. (2010) argue that Customer Engagement is a manifestation of customer behavior towards a brand or company, outside of purchases, resulting from motivational drivers.

Pansari and Kumar (2017) define CE as 'a mechanism for adding customer value to the company, either through direct or indirect contributions, whereas according to sources van Doorn et al. (2010) argue that Customer Engagement is a manifestation of customer behavior towards a brand or company, outside of purchases, resulting from motivational drivers.

- a. *Identification*, In accordance with the level of customer relationship with the attached object, which in this study is applied to Business Hotel customers. service providers are identified by customers, service providers may view customer criticism as a personal evaluation of them, and position themselves as part of the company. in effect, these consumers tend to identify themselves as elements of the service provider's success .
- b. *Enthusiasm*, Concerning The extent to which consumers are interested in being involved. Confident that enthusiastic consumers will be attracted by the services.
- c. *Attention*, measuring the level object of engagement focused on the customer. Provider focused customers may wish to learn and curious about it, pay attention to any aspect associated with it, and concentrate on the service provider.

- d. *Absorption*, considered a more progressive state of attention. Customers who are engaged by service providers and more tend to forget other things when service providers interact with customers. Because of ambience, it will be hard to lose the bonds between the customer and will be sustainable.
- e. *Interaction*, ascertaining the extent to which customers participate at online or offline action beyond purchase situations So et al (2014). Customers able to talk with other customers and engaging with consumers in tune with those who are equally interested in the service provider.

The customers involved interact with the company with the possibility of creating value which is redirected the company. Customer purchases, repeat purchases, renewals, over-selling and cross-selling are types of transactional interactions that have a direct effect on sales and business profits Kumar and Pansari (2016). Whether through their purchases or other indirect activities, engaging customers is essential to the company's future performance and growth. The referral program generates a more satisfied customer base due to some of the benefits targeted to current customers participating in the program. The indicators that can be measured in the context of the Customer Engagement acquisition strategy are as follows:

- a. Informing what is obtained, output on customer engagement to inform people around him for the services obtained.
- b. Bound to existing services, customers feel tied to the services provided by the service provider.
- c. Recommend, as a result of being attached to customers voluntarily providing recommendations to others.
- d. Interaction, Customers can talk with other customers about the provider, and enjoy engaging with consumers in tune with those who are equally interested in the service provider
- e. Attention, a customer focused provider may wish to learn more about it, pay attention to any aspect related to it, and concentrate extensively on the service provider.
- f. Absorption, Customers absorb various forms of comfort for the atmosphere, joy and satisfaction with the services provided.
- g. Identification, Customers who identify service providers, which service providers may see criticism of customers as personal insult to them, and view themselves as part of the service provider company.
- h. Enthusiasm. Concerning the extent to which consumers are interested in involvement. It is believed that enthusiastic consumers are attracted and excited about service providers.

2.3 Trust

Trust in credibility indicates customer trust as an ability of a service company will provide until high quality service, while in benevolence is associated with



customer confidence take a role as company's ability to offer competent and reliable service Kandampully, Zhang & Bilgihan (2015). Trust Perceptions are evolving rapidly over time and based on develop interactions with service providers Shukla, Banerjee, & Singh (2016). Mutual trust among stakeholders can behave in sharing output tacitly, inopportune behavior and foster long-term partnerships Chen, Wu, & Chien (2016).

Trust credibility indicates customer trust in the ability of a service company to provide high-quality service, while Benevolence Trust is associated with customer trust in a company's ability to offer competent and reliable service Kandampully, Zhang, & Bilgihan (2015). The perception of trust develops over time and is based on repeated interactions with service providers Shukla, Banerjee, & Singh (2016).

Trust between stakeholders has an impact on information dissemination behavior, inopportune behavior and maintaining long-term partnerships Chen, Wu, & Chien (2016). Similar to customer satisfaction, consumer trust has also been identified as an interest in fostering sustainable relationships with customers in the financial services industry Sekhon, Ennew, Kharouf, & Devlin (2014). Indicators of Trust in this context are:

- a. *Integrity*, is belief that arises from what is informed and is realized as informed.
- b. *Reliable*, is one component of commitment from customers who entrust their accommodation needs to hotels.
- c. *Customer First*, The trust that comes to the mind of the customer over the feeling of being prioritized by the service provider.

2.4 Affective Commitment

Morgan and Hunt (1994) in the journal Shukla et al (2016), define that commitment as an exchange believes that ongoing relationships each others are essential to ensure maximum efforts to maintain and clarify that commitment is related with a discouragement to change relationship partners. In general, commitment is considered as a complex construct developed by industrial organization literature and psychology literature, it is natural attitude and related to feel of a person and taking role in several behaviors. Fullerton (2014).

Customer commitment assumed by Allen and Meyer (1990) building by three elements : affective commitment, continuity commitment and normative commitment. Affective Commitment measures the feelings and emotional attachments, how customer can develop towards Affective Commitment measures the feelings and emotional attachments a customer can develop towards a company that provides a service. Contingency or calculative commitment assesses the tendency of customers to stay with the service company, due to the lack of a more profitable alternative. Customers who are normatively committed to service

companies have a sense of obligation to remain in the relationship Shukla et al (2016).

The indicators of Affective Commitment in this context are as follows:

- a. Loyal, is a feeling that arises to customers for the commitment formed from the services received.
- b. There is a stickiness, there is a commitment to want to become a customer of the service provider
- c. strong feeling of ownership of the service is the feeling that arises in wanting to become a regular customer of a service provider.

3. HYPOTHETICAL DEVELOPMENT

The relation effects between customer perceived value, Engagement, trust, and commitment define in various studies supported by empirical research. Believed that customers who have experienced satisfactory performances by engage will remain loyal to the business organisation (Johnson, Sivadas, & Garbarino, 2008). The extent to which customers are engage with the service contribute for future commitment to the service provider. However, for the purpose of this study, only the affective commitment as acknowledged in marketing literature and being strong in establishing consumer behaviour (Curth, Uhrich, & Benkenstein, 2014) Hence, the following replication is presented concerning Business Hotel.

H1: Customer Perceive Value has a positive and significant impact on affective commitment.

Based on the research results, Affective Commitment is formed from Perceived Value, so it can be said that the better the Value Felt by the customer can increase the Affective Commitment that arises from the customer's Psychology. Making Aston Inn Batu Hotel customers tend to have a strong memory to entrust travel accommodation during the pandemic to Batu city to be accommodated by the Aston Inn Batu Hotel. The results of this study also support previous research from Estelle van Tonder (2018) which explains the results of the study that Perceived Value has a significant positive effect on Affective Commitment.

H2: Customer Perceive Value has a positive and significant impact on Trust

The result of the second hypothesis test states that the value felt has a significant positive effect on trust. The results of this study support and are connected with previous research from Estelle van Tonder (2018) which explains that Perceived Value has a significant positive effect on Trust.

Based on the research results, the Perceived Value is the customer's perception of the services provided by taking into account the fees that must be paid by the customer for the service. Hotel Aston Inn Batu can make

customers feel that the money paid is in accordance with the quality of service obtained, so that it can grow trust in the minds of customers based on information about the hotel, integrity of service and customer priorities such as event information, service standards, and hotel cleanliness standards that are adjusted to the regulations. Health protocol enforcement is always applied to Archipelago International Group's standards.

Previous studies have found a positive and significant relationship between trust and customer commitment within the luxury motor vehicle (Van Tonder *et al*), the business-to-business (Morgan & Hunt, 1994) and the hospitality industries (Li & Chang, 2016). Trust can reduce perceived risk and thereby increasing a customer's commitment to the provider. Especially in pandemic situation Customers are confident that problems will be resolved in time, which subsequently reduces the transaction cost involved (So *et al.*, 2014). Thus, the following replication is presented concerning Business Hotel :

H3 : Trust has a positive and significant impact on affective commitment.

Considering the relationship between commitment and customer engagement, it has been established that committed customers may become engaged with the organisation (Islam & Rahman, 2016). However, individual relationships between affective commitment and the various sub-dimensions of customer engagement have not been explored before. Brodie *et al.* (2011) profess that a unidimensional approach to the customer engagement construct allows for straightforwardness; while studying customer engagement from a multidimensional perspective allows for richer insight into customer engagement

The results of testing the third hypothesis. Trust has a significant positive effect on Affective Commitment. The results of this study support research from Estelle van Tonder (2018) which explains that trust has a significant positive effect on Affective Commitment. The results of the study explain that affective commitment is also formed from trust in the minds of customers. service providers describe in informing the promo program, long stay package, wedding package, and other services that can be realized according to or even exceed what is perceived by the customer, so that it can be more memory in the customer's memory that the Aston Inn Batu Hotel is in their mind when going to visit to the Stone Town. Thus, it can support the assumption of the previous General Manager of Aston Inn Batu Hotel if the Aston Inn Batu Hotel can still maintain 80% of the room occupancy sold every day during the pandemic period caused by these variables.

H4 : Affective Commitment has a positive and significant impact on Customer Engagement

Attachment theory explains that "if the company has achieved trust, commitment and a satisfaction which are included in the three pillars of Relationship Quality

accompanied by an emotional relationship with customers, it can be said that the company and its customers are bound to one another." Pansari and Kumar (2017). Engagement is considered as the aspect where the customer relationship with the company changes. Referring to Pansari and Kumar (2017) Customer engagement with the company is formed after the relationship has been established.

The results of the study explain that Affective Commitment will trigger Customer Engagement. However, basically this Customer Engagement cannot be achieved prematurely because the elements that make up this Customer Engagement are quite complex compared to other variables. On the other hand, it was also found when this research was conducted that this attachment was very influential in determining the marketing strategy of the Aston Inn Batu Hotel in anticipating the worst that would occur during the pandemic. Meanwhile, Aston Inn Batu Hotel was only established in 2016, meaning that for just 4 years, the Aston Inn Batu Hotel has paid attention in detail to market share and long-term marketing strategies and built public relations programs including joining various associations which turned out that the association's networking could also provide deep penetration. Marketing of Hotel Aston Inn Batu.

H5 : Customer Perceived Value has a positive and significant impact on Customer Engagement through mediation Trust and Commitmen Affective.

The results of testing the hypothesis of Perceived Value have a significant positive effect on Customer Engagement mediated by the variables of Trust and Affective Commitment. However, in the results of this study, affective trust and commitment as a partial mediation in the effect of perceived value and customer engagement remains significant. As supported by Dootson Beatson *et al* (2016), Customers will base decisions on the most valuable product offerings will maximize value of transaction and enable provider to reap the highest profit. So it can be seen that the determination of how much affective commitment and trust as a mediation also has a considerable influence in convincing customers to be able to judge the money spent for each service available in proportion to the services offered. van Doorn *et al.* (2010) in the journal Chang *et al* (2017) argue that customer attachment is a manifestation of customer behavior towards a brand or company, outside of purchases by controlling customer motivation to make transactions.

the determination of how much affective commitment and trust as a mediation also have a considerable influence in convincing customers to be able to judge whether the money spent for each service available is comparable to the services offered. Because sometimes customers tend to demand that the information on the services to be provided must not be exaggerated from the services provided to customers. In simple terms, customers definitely expect to get service that exceeds the imagined perception of the information

provided, so that the perception of the perceived value can contribute to the formation of trust mediation and affective commitment. Furthermore, the engagement will be perfectly formed which can improve the relationship between customers and service providers. van Doorn et al. (2010) in the journal Chang et al (2017) argue that customer attachment is a manifestation of customer behavior towards a brand or company, outside of purchases by controlling customer motivation to make transactions.

The results of testing the hypothesis of Perceived Value have a significant positive effect on Customer Engagement mediated by the variables of Trust and Affective Commitment. However, in the results of this study, affective trust and commitment as a partial mediation in the effect of perceived value and customer engagement remains significant. As supported by Dootson Beatson et al. (2016), van Doorn et al. (2010) in the journal Chang et al (2017) assume that customer attachment is a manifestation of customer behavior towards a brand or company, outside of purchases by controlling customer motivation to make transactions.

4. METHODOLOGY

The study followed an Descriptive research design that is quantitative, as relationships between several variables were investigated. The sample size of 150 respondents was elected and the determinant population only customers of Business Hotel providers who live in East Java, Indonesia. A research frame of the target population was not available. Subsequently, a multiple non-probability sampling technique was followed to select the sample.

Respondents were approached on the basis of convenience, while aiming to fill quotas based on age and gender. Filling these quotas allowed the sample to include an equal number of male and female respondents and for respondents to be of different age categories, ranging from 19 to 24 years old, 24 to 29 years old, 29 to 34 years old, 34 to 39 years old, 39 to 44 years old, 44 to 49 years old, 49 to 53 years old and older than 53 years old. Furthermore, it is acknowledged in this study that the selection of a convenience sample method affected the external validity of the research findings, referring to the extent to which the findings are representative of the entire population and can't be generalised to other samples, time zones and settings Ihantola & Kihn (2011).

the execution of the field using questionnaire, was presented to the respondent with characteristics inside to this study's target population. The panel was in agreement that the previously validated measurement scales adapted for this study were suitable for inclusion in the investigation. Networking by various profession from 19 – 53 years old were then used to identify and screen possible respondents, and to ensure only customers Aston Inn Batu, who still do transaction in

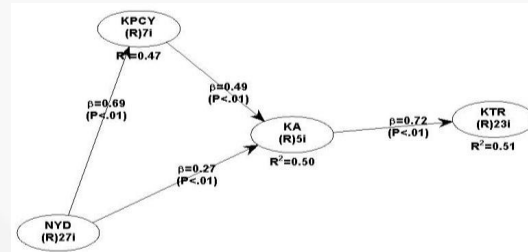
pandemic condition and live in East Java, Indonesia, participate in the study. Respondents were approached by the several background from business networking until some respondents by Aston Inn database and invited to participate in the study. Those who were eligible to partake in the study were asked to complete the self-administered questionnaire once the nature of the study and the rights of the respondents, as contained in the introduction of the questionnaire, were explained by the fieldworker.

WarpPLS version 7.0 was initially used to analyse the data. After the data were entered and cleaned, frequencies and descriptive statistics (means and standard deviations) were calculated to describe the demographics and patronage habits of respondents. Means and standard deviations were also calculated and the reliability statistics (Cronbach's alphas) were determined. R-Square, Stone Geißer, Average Variance Extraced. Maximum likelihood estimation was used to calculate the model parameters.

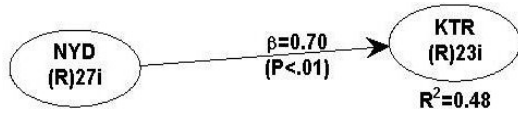
4.1. Data Analysis

Respondents are equally distributed regarding gender: 50% male and 50% female. The respondents are spread across different age categories with most of them belonging to the 19 – 24 years old category (54.7%), followed by the 24 – 29 years old category (24.7%). In total, the respondents selected several different transaction as customers in Aston Inn Batu in pandemic. Current Activity are domination by Students and privat employees. Trust to feel confidence to stay in Aston Inn Batu are The statement that was used the most as the respondent's reason for choosing the Aston Inn Batu hotel as the respondent's accommodation provider.

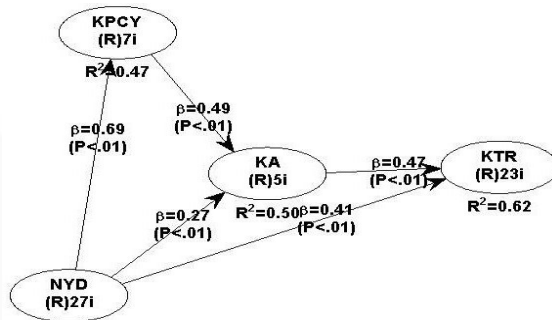
To examine the hypothesized relationships models were analyzed using PLS-SEM. The first two models (direct effects model and mediated effects model) were used to examine hypotheses (H1 , H2 , H3 , H4 and H5)



Testing the data on the mediation model was carried out in two different ways, namely first, testing the direct effect of NYD on KTR. From the analysis of the data results, the direct effect of 0.70 is significant (p <0.01).



According to (Baron & Kenny, 1986), testing the effect of mediation can be done to have a significant direct effect. Therefore, this first step, the effect of NYD on KTR shows a significant effect, then the second step can be done, namely heating the indirect effect using the PLS SEM Model triangle and seeing the effect of NYD on KTR (after the mediating variable), which refers to the results of the analysis. data that NYD has a significant effect on KTR, supported by a coefficient of 0.41 with a significance of <0.01.



The conclusions on the mediating variables are:

- If in the second step, the direct effect of NYD's path coefficient on KTR remains significant and unchanged, then the mediation hypothesis is not supported.
- If the coefficient on the NYD to KTR line results decreases and the results become insignificant, it can be said that the form of mediation is full mediation.
- If the value of the NYD to KTR path coefficient decreases and remains significant, it can be said that the mediation is partial mediation (Mahfud Sholihin, 2013).

The results of the data analysis show that the value of the NYD to KTR path coefficient has decreased from 0.70 to 0.41 with a significance of <0.01 and becomes significant at $p < 0.05$, so the form of mediation is partial mediation.

Description	Criteria	Point	Explanation
APC	$P < 0.001$	0.543 ($P < 0.001$)	Baik
ARS	$P < 0.001$	0.496 ($P < 0.001$)	Baik
AARS	$P < 0.001$	0.492 ($P < 0.001$)	Baik
AVIF	Acceptable if < 5 Ideally if < 3.3	1.855	Baik
GoF	Small: ≥ 0.1 ; medium: ≥ 0.25 ; large: ≥ 0.36	0.485	Besar
SPR	≥ 0.7 , ideal= 1	1.000	Baik
RSC	≥ 0.9 , ideal= 1	1.000	Baik
SSR	≥ 0.7	1.000	Baik
NLBCCR	≥ 0.7	1.000	Baik

Based on the results of the analysis using WarpPLS 7.0, it is generally described, that the final structural model is in accordance with empirical data because the Average Path Coefficient (APC) value is 0.543, the Average R-squared (ARS) is 0.496, the Average adjusted R-squared (AARS) is 0.492 significant is less than 0.001 ($p < 0.001$). The model does not contain multicollinearity because the average VIF block (AVIF) value is 1.855 below 5. The GoF of 0.485 is in the large category, the Symson's paradox ratio (SPR) is 1,000, the R-squared contribution ratio (RSCR) is 1,000, statistical suppression ratio (SSR) amounting to 1,000 and nonlinear bivariate causality direction ratio (NLBCDR) each of 1,000 and considered good.

The parameter other than the loading factor used to see the convergent validity test is AVE (Average Variance Extraced) with the assessment criteria must be greater than 0.4. The AVE values contained in this study are presented as follows :

Indicator	AVE	Explanation
Perceived Value	0.659	Valid
Trust	0.665	Valid
Affective Commitment	0.693	Valid
Customer Engagement	0.732	Valid

In the research sample, there are variables of Perceived Value with twenty-eight indicators, Trust with eight indicators, Affective Commitment with six indicators and Customer Engagement with twenty-four indicators. The results in the discriminant validity test table show that all variables in this study are valid.

The test aims to show consistency and stability on the measurement scale and as a questionnaire measurement which is an indicator of each variable. In the reliability test using the Cronbach's alpha method with the criteria for a value of more than 0.600, it is said to be valid. In this study each variable is said to be valid if the coefficient value of Cronbach's alpha is more than 0.600 and it can be seen that each variable in this study is more than 0.600 and can be declared reliable.

Variable	Coefficient Cronbach's Alpha	Decision
Nilai Yang Dirasakan	0.948	Reliabel
Kepercayaan	0.789	Reliabel
Komitmen Afektif	0.718	Reliabel
Keterikatan Pelanggan	0.960	Reliabel

Based on the results of the r-squared value, it shows that the relationship between the Perceived Value and Trustworthiness variable is 0.474, the relationship between the Perceived Value and Affective Commitment is 0.501 and the relationship between Affective Commitment to Customer Engagement is 0.514. These results explain that the value felt has an effect on trust by 47.4%, the value felt on affective commitment has an effect of 50.1%. Affective Commitment has 51.4% effect on Customer Engagement. Each variable produces a value less than 0.60, which states that the relationship between Perceived Value, Trust, Affective Commitment and Customer Engagement is less influential to one another.

4.2. Discussion

The Influence of Perceived Value on Affective Commitment to Aston Inn Batu Hotel's customers is proven to be true. The results of this study support previous research from Estelle van Tonder (2018) which explains the results of the study that Perceived Value has a significant positive effect on Affective Commitment.

Based on the research results, Affective Commitment is formed from Perceived Value, so it can be said that the better the Value Felt by the customer can increase the Affective Commitment that arises from the customer's Psychology. Making Aston Inn Batu Hotel customers tend to have a strong memory to entrust travel accommodation during the pandemic to the city of Batu to be accommodated by the Aston Inn Batu Hotel.

The result of the second hypothesis test states that the value felt has a significant positive effect on trust. The results of this study support and are connected with previous research from Estelle van Tonder (2018) which explains that Perceived Value has a significant positive effect on Trust.

Based on the research results, the Perceived Value is the customer's perception of the services provided by taking into account the fees that must be paid by the customer for the service. Hotel Aston Inn Batu can make customers feel that the money paid is in accordance with the quality of service obtained, so that it can grow trust in the minds of customers based on information about the hotel, integrity of service and customer priorities such as event information, service standards, and hotel cleanliness standards that are adjusted to the regulations. Health protocol enforcement is always applied to Archipelago International Group's standards.

In General, the segment of customers that looks for more benefits compared to costs or the 'value-conscious segment' is big relatively to other segments. Serving this segment may come with certain risks as this segment is more likely to demand extra amount of resources from Hospitality. This study opens the debate of whether serving high value-conscious customers is applicable and feasible for all firms. This is important as some restaurants might find that the investment required to serve high value-conscious customers is much more than the return.

The results of testing the third hypothesis. Trust has a significant positive effect on Affective Commitment. The results of this study support research from Estelle van Tonder (2018) which explains that trust has a significant positive effect on Affective Commitment.

Study explain that affective commitment is also formed from trust in the minds of customers. service providers describe in informing the promo program, long stay package, wedding package, and other services that can be realized according to or even exceed what is perceived by the customer, so that it can be more memory in the customer's memory that the Aston Inn Batu Hotel is in their mind when going to visit to the Stone Town. Thus, it can support the assumption of the previous

General Manager of Aston Inn Batu Hotel if the Aston Inn Batu Hotel can still maintain 80% of the occupancy of rooms sold every day during the pandemic period caused by these variables.

The results of testing the third hypothesis. Trust has a significant positive effect on Affective Commitment. The results of this study support research from Estelle van Tonder (2018) which explains that trust has a significant positive effect on Affective Commitment. The fourth hypothesis about Affective Commitment has a significant positive effect on Customer Engagement, which supports the research of Chen et al (2020) which explains that Affective Commitment has a significant positive effect on Customer Engagement and Estelle van Tonder (2018) which explains Affective Commitment is included as a partial mediation of Value Perceived by Attachment Customer.

The results of the study explain that Affective Commitment will trigger Customer Engagement. However, basically this Customer Engagement cannot be achieved prematurely because the elements that make up this Customer Engagement are quite complex compared to other variables. On the other hand, it was also found when this research was conducted that this attachment was very influential in determining the marketing strategy of the Aston Inn Batu Hotel in anticipating the worst that would occur during the pandemic. Meanwhile, Aston Inn Batu Hotel was only established in 2016, meaning that for just 4 years, the Aston Inn Batu Hotel has paid attention in detail to market share and long-term marketing strategies and built public relations programs including joining various associations which turned out that the association's networking could also provide deep penetration. Marketing of Hotel Aston Inn Batu.

The results of testing the hypothesis of Perceived Value have a significant positive effect on Customer Engagement mediated by the variables of Trust and Affective Commitment. However, in the results of this study, affective trust and commitment as a partial mediation in the effect of perceived value and customer engagement remains significant. As supported by Dootson Beatson et al (2016). So it can be seen that the determination of how much affective commitment and trust as a mediation also has a considerable influence in convincing customers to be able to judge the money spent for each service available in proportion to the services offered. van Doorn et al. (2010, p. 253) in the journal Chang et al (2017) argue that customer attachment is a manifestation of customer behavior towards a brand or company, outside of purchases by controlling customer motivation to make transactions.

5. CONCLUSION, IMPLICATION, SUGGESTIONS, AND LIMITATIONS

In this study, only trust and commitment affective was tested as a mediation through which CPV drives CE at Hospitality Sector. CVP in these reseach spend their contribution so great at the point of Estetic

value to build differentiation in marketing strategy, Researchers are encouraged to examine additional mechanisms through which CPV can impact CE. This could be done by discovering new outcomes of CPV. Also, the focus on one type of CPV limits the findings. While CPV is found to play a key role in driving CE by the Hotels, it is vital to further examine this role in detail while testing different types of customer value (e.g., utilitarian and hedonic) that can be related to CE, From the results of data processing, it is clear that CVP is the main element in forming CE which is mediated by various variables outside the study, even this study explains that the effect is very essential between CVP on CE.

Outcomes of different customer value types take place at the customers cognitive, conative, and affective states. Some of these outcomes (e.g, arousal, customer identification, brand love, and switching barriers) can be said to mediate the relationship between CPV and CE. provides many research ideas, specifically, when it comes to possible outcomes of customer value. Moreover, researchers examining CE are asked to find additional drivers (e.g., customer self-expression) and outcomes (e.g., psychological ownership) of CE. The relationships found should be tested in different settings, countries, and cultures for generalizability. Despite that, we believe that the relationships found will hold in major services settings. CVP in this research also has a role as a key for sustainable business in pandemic condition, because actually hotels need to create a good attention and information to their customers if they are able to give such as good hospitality service and avoid the risk by Virus Covid-19.

The study has defined CE based on the theory of engagement (Pansari and Kumar, 2017). We encourage researchers on CE to try to unify the different definitions and conceptualizations found within the literature. This is very important for the advancement of CE literature. Researchers are required to think about CE as a multifaceted construct that can't be explained using a single dimension scale. In addition to the four dimensions examined here, there still an opportunity to find new ones. Some respondents are not careful to reading the statements in the questionnaire and tend to fill in Neutral which causes the researcher to experience obstacles in processing the data. Therefore, in data processing, the researcher checks the questionnaire, to ensure that the data processed is data related to the research variables completely filled in and to anticipate data errors or invalid data, the researcher adds the number of respondents targeted to only 150 respondents to 175 respondents with the aim of helping to anticipate respondents who tend to fill in neutral on the questionnaire and are expected to be more equitable in testing various vulnerabilities. age so that it can cause bias that occurs when the research process takes place.

Pandemics and health protocol policies make researchers unable to meet face to face and communicate directly, so they cannot assess or guide respondents in understanding the statement items presented, but researchers have anticipated by providing image assistance on the questionnaire, providing unfavorable items to see consistency in seriousness respondent's answer.

The distance of the research location is quite far causing the researcher to prepare files such as the required Rapid Test and determine the schedule to meet with the General Manager of Aston Inn Batu, Mr. Didik Rocky to conduct field surveys to obtain information and data needed for research, because the researcher also adjusts the schedule from the General Manager. Aston Inn Batu Hotel to visit Aston Inn Batu.

The research is conducted only on the object of the Aston Inn Batu hotel which uses a non-probability approach by means of purposive sampling, and provides which may not yet be completely perfect. and can still be generalized to other hospitality objects. On the other hand, it would be better if the sampling technique in similar research uses Snowball because the object of hospitality can be said that the respondent also maintains his privacy so that direct interviews are also needed to assess the answers of the respondents.

This study has examined antecedents of CE that are mutual between customers and restaurants. For that, it is beneficial that future studies examine customers' psychological factors that can affect CE such as personality traits, mindset, and beliefs of customers. In general, literature has overlooked customer self-role in CE. The many differences between customers should be looked at as drivers of the variation between engaged and disengaged customers.

Based on the results of the research described in the previous chapter regarding the variables of Perceived Value, Trust, Affective Commitment and Customer Engagement, this study concludes that The model of the influence of the relationship between Perceived Value, Trust, Affective Commitment and Customer Engagement is a fit model.

There is a relationship between variables contained in the hypotheses therein. Perceived value has a significant positive effect on Affective Commitment of Aston Inn Batu Hotel customers in the New Normal Era, otherside Perceived value has a significant positive effect on customer trust at Aston Inn Batu Hotels in the New Normal Era, Trust has a significant positive effect on customer affective commitment at Aston Inn Batu Hotel in the New Normal Era, Affective commitment has a significant positive effect on Customer Engagement at Aston Inn Batu Hotels in the New Normal Era, Trust and Affective Commitment as mediation on the independent variable, namely Perceived Value and the dependent variable is Customer Engagement. It has a partial effect which is basically significant from both direct and



indirect channels. So as to support the achievement of Customer Engagement at the Aston Inn Batu Hotel.

AUTHORS' CONTRIBUTIONS

ABI DARIN WIDODO contributed to CARRIED OUT THE QUANTITATIVE RESEARCH and TJAHJANI PRAWITOWATI contributed to HELPED SUPERVISE THE PROJECT. The Both ware contributed to the DESIGN and DEVELOPING MODEL of the research, to the analysis of the results and to the writing of the manuscript.

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