

Assessing the Determinants of Customer Loyalty under the Framework of Digital Customer Journey and Customer Lifetime Value

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Determinants of
Customer Loyalty

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ABSTRACT

Digitalization has changed how hotel customers interact with services, making the digital customer journey increasingly important. The purpose of this study is to examine the influence of the digital customer journey, customer lifetime value, and customer loyalty. Theoretical contributions include providing an empirical understanding of the relationship between the digital customer journey, customer lifetime value, and customer loyalty within the hotel industry context. Meanwhile, practical contributions are provided by designing a digital strategy focused on improving the customer experience at every stage of the digital journey. Quantitative methods were used in this study. Purposive sampling was the sampling technique, involving 212 respondents who were Artotel customers. The data source was primary data using an online questionnaire. The data analysis technique used was partial least squares, processed using the SmartPLS version 4.1.0.0 analysis tool. The results show that the digital customer journey positively and significantly influences both customer lifetime value and customer loyalty. Customer lifetime value has a positive and significant influence on customer loyalty. The managerial implications of this study are that companies need to optimize long-term relationships with customers through data-driven loyalty programs and personalized services relevant to customer preferences.

Submitted:
November 27, 2025

Revised:
January 6, 2026

Accepted:
January 28, 2026

Published Online:
January 31, 2026

Keywords: Customer Lifetime Value, Customer Loyalty, Digital Customer Journey, Hospitality Industry, Online Travel Agent.

INTRODUCTION

The hotel industry plays a vital role in tourism revenue, employment, and regional development, with Indonesian hotels supporting local economies through accommodation services, job creation, and tourist spending (Santa et al., 2023; Vardakastani et al., 2025). As a service sector that depends heavily on customer interactions, digital technology has reshaped hotel operations, value creation, and competitiveness (Abdel-Hamid et al., 2022; Chotisarn et al., 2025). Nevertheless, digital adoption also brings challenges related to investment, workforce readiness, and data security, making organizational digital capability essential for success (Jewapatarakul & Ueasangkomsate, 2024).

The hotel industry is growing due to digital transformation, where customer experience extends beyond physical interactions to the entire digital journey. Hotels must therefore optimize digital channels, from awareness to loyalty, to enhance customer perception, satisfaction, and long-term value (Bolton et al., 2018). Current booking trends show a shift from conventional to digital methods, driven by changing customer behavior and technological advances, increasing interactions and app-based bookings (Chakraborty, 2025). Sumawidari et al. (2025) note that most Indonesians prefer booking hotel rooms through Online Travel Agents (OTAs) due to the convenience of comparing options and prices online. In 2024, Booking.com led OTA sales in Indonesia with USD

JIMKES

Jurnal Ilmiah Manajemen
Kesatuan
Vol. 14 No. 1, 2026
pp. 333-346
IBI Kesatuan
ISSN 2337 – 7860
E-ISSN 2721 – 169X
DOI: 10.37641/jimkes.v14i1.4629

130 billion, followed by Agoda (USD 14 billion), Traveloka (USD 10 billion), and Tiket.com (USD 1.8 billion) (Statista, 2025).

The hotel industry faces intensifying competition in the digital era, requiring continuous innovation in marketing, pricing, and service quality (Liu, 2025). Pressure comes not only from traditional competitors but also from digital platforms like Airbnb, which offer flexible pricing and personalized experiences (Guttentag, 2019). Consumer behavior refers to the actions and decisions of individuals related to the acquisition, consumption, and disposal of goods, services, and ideas (Natalia & Sutawidjaya, 2024). Shifting consumer behavior, particularly reliance on online price and review comparisons, has reduced occupancy rates and increased revenue volatility (Alisa & Agus, 2025). Heavy dependence on OTAs such as Agoda, Booking.com, and Traveloka erodes profit margins through high commissions (Manousakis & Mattas, 2020), while aggressive price competition triggers price wars that depress ADR and RevPAR, weaken service value perception, and undermine customer loyalty. Indonesia's hotel market is dominated by Accor (22–25% market share), Marriott International (15–18%), and InterContinental Hotels Group (10–12%), with mid-tier brands like Santika (8–10%), Horison (6–8%), and Aston (5–7%) facing particularly intense competitive pressure (STR Global, 2025).

In the digitally driven hospitality industry, the Digital Customer Journey (DCJ) and Customer Lifetime Value (CLV) are closely interconnected concepts that shape sustainable loyalty, profitability, and competitive advantage, as DCJ captures customers' digital interactions while CLV reflects the long-term economic value of these relationships. Digital transformation has reshaped consumer–brand interactions, making DCJ research essential for understanding the full digital experience from information search and booking to post-service engagement, as well as for identifying critical touchpoints that influence satisfaction and repurchase intentions (Chakraborty, 2025). CLV further emphasizes customers as long-term assets, supporting managerial decision-making focused on value maximization, efficiency, and retention-driven profitability. Customer loyalty, which extends beyond repeat purchases to include emotional commitment and trust, is increasingly built through consistent and relevant digital experiences rather than short-term promotions (Saputra & Kolamadewi, 2025; Ziliani & Ieva, 2025). Consequently, examining the relationships among DCJ, CLV, and customer loyalty is essential to understanding how digital experiences translate into long-term customer value and loyalty outcomes.

Although prior studies emphasize customer experience and loyalty in hospitality, significant research gaps remain in the context of digital transformation and long-term relationship management. Existing research largely focuses on traditional loyalty drivers such as service quality, perceived value, and satisfaction, while empirical studies linking the DCJ across digital touchpoints to customer loyalty are still limited, despite the growing reliance on digital platforms (Han & Hyun, 2015). In addition, the integration of CLV into hotel loyalty research remains scarce, particularly in developing countries such as Indonesia, as most CLV studies are concentrated in e-commerce, banking, and retail sectors rather than experience-based hospitality contexts (Reinartz & Kumar, 2003; Gupta et al., 2006). Moreover, although DCJ and CLV have been examined separately, their combined influence on customer loyalty has not been empirically tested. This gap underscores the need to investigate how DCJ enhances CLV and how CLV subsequently drives sustainable customer loyalty in the hotel industry.

Based on the above background, the purpose of this study is to examine the influence of the digital customer journey, customer lifetime value, and customer loyalty. Previous research has not found good partial testing. Therefore, this research is novel. This research is beneficial for hospitality industry players in improving the effectiveness of digital marketing strategies, strengthening long-term relationships with customers, and ultimately driving sustainable business growth amidst the dynamics of global competition and digital transformation.

LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT

The Influence of Digital Customer Journey on Customer Lifetime Value

The digital customer journey represents a series of customer interactions with a brand through digital channels, from awareness to loyalty, shaping perception, satisfaction, and long-term value (Pellegrino, 2024; Oumaima & Lamari, 2024). In the hotel industry, this concept is crucial for three key reasons. First, consumer behavior has shifted toward digital platforms such as hotel websites, online travel agents, social media, and mobile applications for decision-making, with research showing that digital journeys significantly influence brand perception and repeat purchases (Lemon & Verhoef, 2016). Second, analyzing the digital customer journey enables hotels to identify the most influential touchpoints for customer conversion, allowing personalized marketing strategies that enhance customer experience and strengthen emotional brand connections (Zabjesky et al., 2025). Third, it helps optimize the overall experience by identifying potential issues at each stage, such as online response speed, website navigation ease, and digital communication quality, all of which directly impact service quality perception and customer satisfaction (Loureiro & Kastenholz, 2011).

Customers who have a good digital experience are more likely to make repeat purchases, have high retention rates, and provide greater long-term value to the company (Dandis et al., 2021; Sun et al., 2023). Effective customer segmentation for focused marketing campaigns and customized product offerings and pricing is made possible by customer lifetime value information. Predicting client lifetime value enables firms to assess the success of customer relationship management programs, assess the efficacy of customer support and service initiatives, and make data-driven resource allocation decisions. By providing valuable insights, customer lifetime value can help companies build stronger customer relationships, increase revenue, and remain competitive in today's fast-paced marketplace (Norouzi, 2024).

H1: Digital customer journey has a positive influence on customer lifetime value.

The Influence of Digital Customer Journey on Customer Loyalty

Karim and Rabiul (2024) argue that customer loyalty has high strategic relevance in the hospitality industry because it is one of the key factors determining a company's long-term sustainability and profitability. In the context of service businesses such as hotels, customer loyalty not only reflects repeat purchasing behavior but also indicates emotional attachment, trust, and customer commitment to a brand or service provider (Rather et al., 2021; Aldulaimi et al., 2024; Fatrisia et al., 2024). Loyal customers not only make repeat bookings more often but also tend to use various additional services provided by the hotel, such as restaurants, spas, or recreational facilities, thus making a greater economic contribution than new customers (Soeswoyo et al., 2024).

Positive experiences across all stages of the digital journey strengthen customers' emotional attachment to the Artotel brand and increase long-term commitment (Wided, 2022). The capacity of a business to gather, analyze, and ultimately act upon the information gathered determines its capacity to actively manage the customer journey. An integrated trip network connected by consumer digital signals linked to various journeys might be considered a technology-enabled customer journey. For instance, a customer may post on social media following a purchase of a specific brand, either tagging a social media link or mentioning the buy location. In addition to serving as a post-purchase signal relevant to the purchased brand, the post can serve as a series of pre-purchase signals for other brands in the same or different categories based on similarities identified between consumers who have been observed interacting with various brands (Schweidel et al., 2022). A partial study of the relationship between the digital customer journey and customer loyalty has not been found in previous research.

H2: Digital customer journey has a positive influence on customer loyalty.

The Influence of Customer Lifetime Value on Customer Loyalty

The total economic value generated by customers during their relationship with the company, which reflects the level of retention, purchase frequency, and the value of customer transactions to the company in the long term (Sun et al., 2023). The context of customer lifetime value in the case study concerns customer perceptions and behavior related to how often, how much, and how long they continue to use Artotel Group products or services through digital and offline channels. There are five indicators in customer lifetime value, including first, frequency, and recency, which is how often customers interact or make their last reservation with Artotel. Second, frequency, which is how often customers make repeat reservations or stay overnight. Third, monetary, which is the amount of customer spending on Artotel services. Fourth, retention intention, which is the customer's desire to continue using Artotel services. Finally, referral intention, which is the customer's willingness to recommend Artotel to others (Dandis et al., 2021).

Customers with high lifetime value tend to demonstrate strong loyalty, both behaviorally and affectively (Ali & Shabn, 2024). Maximizing customer lifetime value requires implementing effective marketing strategies and tactics that foster long-term relationships with customers and drive revenue growth (Jasek et al., 2019). Businesses can boost customer lifetime value and generate long-term value for clients by employing customer relationship management, upselling/cross-selling strategies, customer retention initiatives, and tailored marketing strategies. Previous studies have not conducted any research on the connection between customer loyalty and customer lifetime value.

H3: Customer lifetime value has a positive influence on customer loyalty.

In this study, the digital customer journey will look at how customers perceive simplicity, convenience, relevance, and pleasure when dealing with Artotel Group via digital channels such as websites, apps, social media, and online booking platforms. The Digital customer journey consists of five stages, including First, the awareness stage, exposure to hotel information through digital channels (advertising, social media). Second, the consideration stage, ease of obtaining information and comparing services. Third, the purchase stage, ease of online reservation process, and transaction security. Fourth, the retention stage, ease of access to post-purchase services and digital loyalty programs. Finally, the advocacy stage. Customer willingness to recommend Artotel through social media or online reviews (Cesconi & Franzoni, 2020).

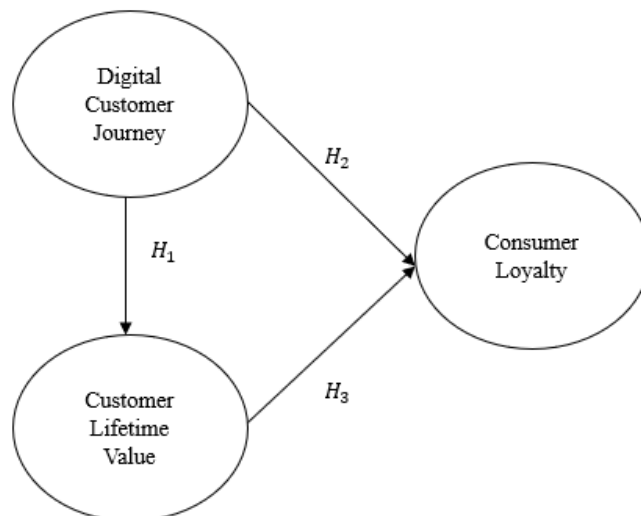


Figure 1. Conceptual Research

Figure 1 illustrates the conceptual structure of the study and shows the relationships between customer lifetime value, customer loyalty, and the digital customer journey. It is believed that customer lifetime value (H1) will directly benefit from the digital customer journey. Additionally, it is suggested to have a direct impact on customer loyalty (H2). Additionally, it is anticipated that customer lifetime value will have a favorable effect on customer loyalty (H3). This paradigm highlights how long-term client value and digital interactions work together to shape loyalty in the hospitality sector.

RESEARCH METHODS

The quantitative descriptive research method was selected. Purposive sampling was the method of sampling. Hair et al. (2021) state that the sample size requirement is five to ten times the number of indicators. This survey comprised 212 respondents in total. Men and women who were Artotel patrons and who lived in Indonesia and were at least 20 to 70 years old were the respondents. By using Google Forms to distribute questionnaires, the data source obtained primary data. Partial Least Squares using the SmartPLS tool version 4.1.0.0 was the method chosen for data analysis. The Partial Least Squares (PLS) approach is suitable for studies with small sample sizes, has the benefit of handling complex data, and does not require rigorous normal distribution assumptions.

In contrast to lengthier or shorter scales, this study combines complexity with depth of data by offering answers in the form of a Likert scale with a range of 1 to 5, which is intended to make it easier to provide a neutral choice for respondents who are unsure. Because it can summarize a wide range of responses with simpler options, this scale is seen to be perfect for enabling respondents to provide enough rich information that is still simple to understand. The first construct, digital customer journey, is measured across five stages: awareness, consideration, purchase, retention, and advocacy. Awareness includes learning about the Artotel brand through digital channels, ease of finding information online, and digital content stimulating interest. Consideration focuses on the clarity and completeness of information, ease of comparing services, and the influence of digital visuals on decision-making (Lundin & Kindström, 2023). The Purchase stage assesses the ease of online booking, payment security, and satisfaction with booking confirmation speed (Padilla et al., 2025). Retention measures revisit intentions, loyalty program engagement, and the impact of digital experiences on brand preference (Olabode, 2024). Finally, Advocacy evaluates sharing positive experiences and recommending Artotel through digital channels.

The second construct, customer lifetime value, is measured using recency & frequency, monetary value, and retention intention. Recency & Frequency capture customers' regular use of Artotel services and preference for the brand (Dandis et al., 2021; Sun et al., 2023; Ali & Shabn, 2024). Monetary Value reflects customers' willingness to pay for quality and perceived value for money. Retention intention measures plans to continue using Artotel, preference over competitors, and willingness to recommend or share positive experiences.

The third construct, customer loyalty, is assessed using three indicators: repeat purchase, affective loyalty, and trust and commitment. Repeat purchase measures customers' intention to continue using Artotel services and their reluctance to switch to other hotels (Olabode, 2024). Affective loyalty captures emotional attachment and pride in being an Artotel customer. Trust and commitment assess confidence in the consistency of service quality and the brand's prioritization of customer satisfaction. Together, these constructs provide a comprehensive framework to evaluate how the digital customer journey and customer lifetime value influence customer loyalty.

RESULTS

The information on study participants is shown in Table 1. The majority of responders were women, according to gender. Jakarta was home to the majority of responders who were employed. The majority of responders were between the ages of 30 and 39, according to age demographics. The majority of respondents chose Artotel as

their accommodation for fewer than five visits. Information from social media was the most frequently used source for Artotel information. Mangkuluhur Artotel Suite and Artotel Gelora Senayan were the locations most frequently visited by study respondents.

Table 1. Respondent Demographic

Characteristic	Respondent Criteria	Number of Respondents	Percentage
Age	17 – 29	67	31.6%
	30 – 39	117	55.2%
	40 – 49	23	10.8%
	50 – 59	4	1.9%
	60 – 70	1	0.5%
Gender	Male	100	47.2%
	Female	112	52.8%
Occupation	Entrepreneur	42	19.8%
	Professional	22	10.4%
	Public Figure	14	6.6%
	Employee	93	43.9%
	Teacher/Lecturer	7	3.3%
	Students	13	6.1%
	Unemployed	6	2.8%
	Others	15	7.1%
Domicile	Jakarta	136	64.2%
	Bogor	13	6.1%
	Depok	10	4.7%
	Tangerang	17	8%
	Bekasi	8	3.8%
	Yogyakarta	6	2.8%
	Surabaya	2	0.9%
	Bandung	16	7.5%
	Semarang	0	0%
	Batam	1	0.5%
Frequency of Staying at Artotel	Karawang	1	0.5%
	Others	2	1%
	< 5 times	108	50.9%
	5 – 50 times	88	41.5%
Information about Artotel	More than 10 times	16	7.5%
	Relatives and Family	46	21.7%
	Social Media	149	70.3%
	Print Media	0	0%
	Promotions and Memberships	13	6.1%
	Other	4	2%
Artotel that I Have Stayed At	Artotel Gelora Senayan	54	25.5%
	Mangkuluhur Artotel Suite	65	30.7%
	Artotel Living World Kota Wisata	7	3.3%
	Artotel Casa Kuningan	14	6.6%
	Artotel Yogyakarta	22	10.4%
	Artotel Suites Bianti	6	2.8%
	Artotel TS Suites Surabaya	2	0.9%
	Artotel Gajah Mada Semarang	5	2.4%
	De Braga by Artotel	13	6.1%
	Dafam Express Jakarta	13	6.1%
	Others	11	5.1%

Table 1 indicates that the majority of respondents (55.2%) were between the ages of 30 and 39, with somewhat more females (52.8%) than males (47.2%). The majority of respondents lived in Jakarta (64.2%), with employees making up the largest occupational category (43.9%), followed by entrepreneurs (19.8%). More than half of them stayed at Artotel fewer than five times (50.9%), and most of them found out about it via social

media (70.3%). Mangkuluhur Artotel Suite (30.7%) and Artotel Gelora Senayan (25.5%) were the most popular accommodations, suggesting a young, urban, and tech-savvy clientele. According to Bagaiⁿⁱ et al. (2025), convergent validity testing is essential in quantitative research when examining measures with a positive connection and the same construct utilizing different stages. As a result, the factor loadings, which are necessary to fulfill the value and the Average Variance Extracted (AVE) value, have been determined. Table 2 displays the values derived from the processed validity test results.

Table 2. Validity, Reliability, and AVE Test

Variable	Indicator	Outer Loading	AVE	Reliability
Customer Loyalty	CL 1	0.869	0.689	0.930
	CL 2	0.813		
	CL 3	0.833		
	CL 4	0.860		
	CL 5	0.799		
	CL 6	0.804		
Customer Lifetime Value	CLV 1	0.756	0.684	0.945
	CLV 2	0.797		
	CLV 3	0.832		
	CLV 4	0.820		
	CLV 5	0.849		
	CLV 6	0.861		
	CLV 7	0.853		
	CLV 8	0.845		
Digital Customer Journey	DCJ 1	0.788	0.661	0.967
	DCJ 10	0.772		
	DCJ 11	0.824		
	DCJ 12	0.820		
	DCJ 13	0.790		
	DCJ 14	0.864		
	DCJ 15	0.850		
	DCJ 2	0.766		
	DCJ 3	0.819		
	DCJ 4	0.823		
	DCJ 5	0.786		
	DCJ 6	0.804		
	DCJ 7	0.814		
	DCJ 8	0.841		
	DCJ 9	0.828		

Significant similarities between the connected indicators are indicated by a high construct outer loading score. According to the established criteria, the latent variable must account for at least 5% of the variance in each indicator. As a result, the optimal value for outer loading is 0.7 or higher, while the expected standard value is 0.5 or higher. All indicators in this study satisfied the feasibility aspect, with all outer loading values exceeding 0.7, according to the validity test results. This offers a solid basis for study data.

The AVE, which is the square of the loadings whose indicators are connected to the construct, has a high average value. AVE values must be at least 0.5. This condition means that more than half of the variance in its indicators may be explained by the average construct. The variables digital customer journey, customer lifetime value, and customer loyalty all have AVE values more than 0.5, indicating their validity. With a score of 0.689, the customer loyalty variable has the highest AVE value.

Reliability test to test the instrument in the study, the next step is SmartPLS 4.1.0.0, which is used by selecting the PLS-Algorithm procedure. The reliability test is applied to every variable as shown in Table 2 using Cronbach's Alpha and Composite Reliability values. The suggested AVE value needs to be higher than 0.5, meaning that the construct's indicators account for more than half of its variance. Additionally, based on all respondents' responses, the reliability findings' value is above 0.7, which may be

considered consistent. Thus, the instrument in this study can be trusted or considered reliable.

Table 3. Fornell-Larcker Criterion Discriminant Validity Test

Variable	Customer Lifetime Value	Customer Loyalty	Digital Customer Journey
Customer Lifetime Value	0.827		
Customer Loyalty	0.931	0.830	
Digital Customer Journey	0.906	0.889	0.813

According to the Fornell-Larcker Criterion, each construct exhibits sufficient discriminant validity, as Table 3 illustrates. Digital customer journey (0.813), customer lifetime value (0.827), and customer loyalty (0.830) have the highest square root of the AVE values, all of which are higher than their corresponding correlations with other dimensions. This finding demonstrates that each construct has a stronger correlation with its own indicators than with other latent variables. As a result, the results show that every construct in this study has effectively satisfied the criterion for discriminant validity.

Table 4. R Square and Q-square Predict

Variable	R-square	R-square adjusted	SSO	SSE	Q ² (=1-SSE/SSO)
Customer Lifetime Value	0.822	0.822	1.632.000	1.632.000	0.000
Customer Loyalty	0.878	0.877	1.224.000	493.150	0.597
Digital Customer Journey			3.060.000	3.060.000	0.000

The R-square values, as displayed in Table 4, demonstrate the study model's significant explanatory ability. With an R-square of 0.822, the digital customer journey can account for 82.2% of the variation in customer lifetime value, placing it in the strong category. Furthermore, a high level of explanatory capability is demonstrated by the R-square value of 0.878, which shows that digital customer journey and customer lifetime value together explain 87.8% of the variance in customer loyalty. Additionally, the model's predictive significance is confirmed by the Q-square (Q²) results, since customer loyalty's Q² value is 0.597, which is significantly above zero and shows strong predictive ability. The final dependent variable, customer loyalty, is the main focus of predictive relevance in our model. Even though the Q² value for customer lifetime value is 0, this is okay. These results imply that the model's capacity to explain customer loyalty is both powerful and predictive.

Table 5. Model Fit

Items	Saturated Model	Estimated Model
SRMR	0.049	0.049
d_ ULS	1.026	1.026
d_ G	0.935	0.935
Chi-square	1.013.442	1.013.442
NFI	0.831	0.831

This model is used to assess the entire model's ability to replicate the observed sample data, including both the measurement model and the structural model. The requirements are extremely good (good fit) if the Standardized Root Mean Square Residual (SRMR) is less than 0.08. The criteria are extremely good (good fit) if the Normed Fit Index (NFI) is more than 0.09. According to Table 5, this test's SRMR value is 0.049. The average difference between the observed and model-predicted correlations is measured by SRMR. A number of less than 0.08 is typically considered a good fit. With a value of 0.049, this model shows an excellent fit to the data. The NFI value for this test is 0.831. The NFI compares this model to the null model (a model with no relationship). A common standard for a good fit is a value above 0.90. With a value of 0.831, this model again shows a marginal fit.

To find out if the variables in the study have a substantial impact on one another, hypothesis testing is done. A hypothesis's acceptance or rejection is determined by the t-statistic and p-values. At a 5% significance level, a hypothesis is deemed statistically significant if the t-statistic is greater than 1.965 and the p-value is less than 0.05. Table 6 displays the information that follows.

Table 6. Hypothesis Result

Relationship	Original Sample (O)	Sample Mean (M)	STDEV	T-Statistic (O/STDEV)	P-Values
Digital Customer Journey -> Customer Lifetime Value	0.907	0.906	0.018	49.227	0.000
Digital Customer Journey -> Customer Loyalty	0.252	0.262	0.110	2.288	0.022
Customer Lifetime Value -> Customer Loyalty	0.702	0.693	0.102	6.868	0.000

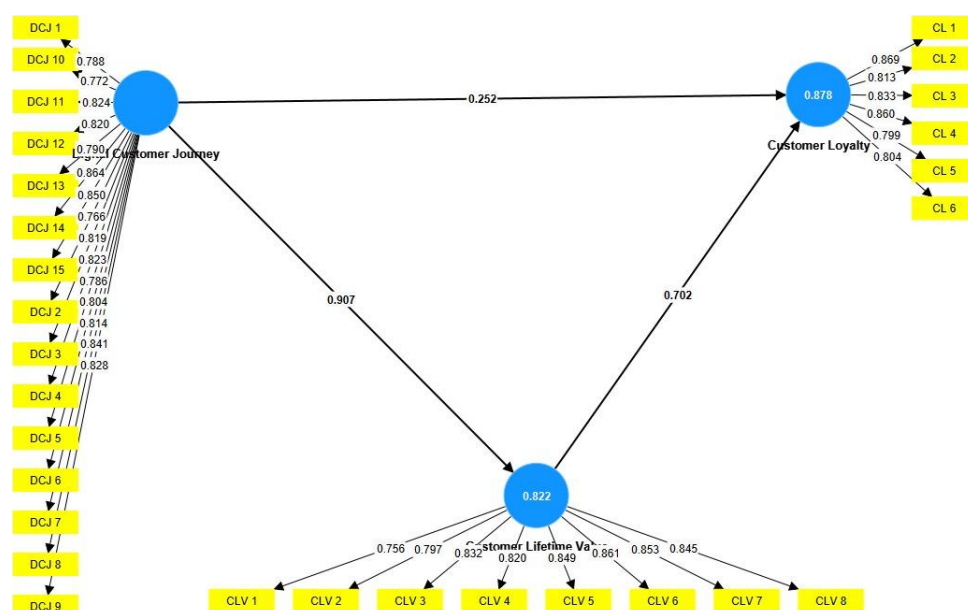


Figure 2. Results of data processing using SmartPLS

The findings of the hypothesis testing suggest that the digital customer journey significantly affects customer lifetime value (H1), as seen in Table 6 and Figure 2. A t-statistic of 26.216 and a p-value of 0.000, which satisfy the acceptance criteria, demonstrate this. These findings show that enhancing the digital customer journey can greatly raise customer lifetime value. Additionally, the findings corroborate H2, which asserts that the digital customer journey significantly influences customer loyalty. This association is statistically significant, with a t-statistic of 2.288 and a p-value of 0.000, indicating that successful digital interactions across consumer touchpoints directly lead to higher customer loyalty. Furthermore, the results support H3, which suggests that customer lifetime value significantly influences customer loyalty. A t-statistic value of 6.868 and a p-value of 0.000 support this association, showing that better customer loyalty is correlated with higher customer lifetime value.

DISCUSSION

The first hypothesis is supported, indicating that the digital customer journey has a positive and significant effect on customer lifetime value, as integrated and positive digital experiences across touchpoints enhance customers' long-term economic value. This finding is consistent with Dandis et al. (2021) and Sun et al. (2023), who argue that convenient, relevant, and personalized digital experiences increase customer retention and long-term value creation. Strategically, this relationship strengthens competitiveness

and supports sustainable development, particularly SDG 9 through service technology innovation and SDG 8 by enhancing revenue sustainability. By developing an efficient and adaptive digital service ecosystem, companies can move beyond short-term satisfaction toward sustained customer relationships and operational efficiency (Wided, 2022).

The second hypothesis is supported, indicating that the digital customer journey has a positive and significant effect on customer loyalty, confirming the critical role of digital experiences in shaping customer commitment. This finding is consistent with Olabode (2024), who argues that positive interactions across all stages of the digital journey strengthen emotional attachment and long-term loyalty. Strategically, this relationship supports SDG 9 by emphasizing digital innovation in service quality and SDG 8 through the creation of stable, loyalty-driven revenue streams. An integrated digital customer journey also reflects modern hospitality values and reinforces Artotel Group's brand identity through engaging digital interactions. Moreover, effective digital experience management enhances repeat purchases, engagement, and positive word of mouth, reduces acquisition costs, and strengthens long-term competitive advantage (Zabjesky et al., 2025).

The third hypothesis, which states that customer lifetime value has a positive and significant effect on customer loyalty, is supported. This finding indicates that customers who generate higher economic value also tend to exhibit stronger loyalty. The result is consistent with Ali and Shabn (2024), who found that high-lifetime-value customers demonstrate both behavioral loyalty through repeat purchases and affective loyalty through emotional attachment. This relationship supports the objectives of the SDGs, particularly SDG 8 (decent work and economic growth) and SDG 12 (responsible consumption and production), as nurturing high-value customers promotes stable economic growth, reduces reliance on excessive promotions, and supports more efficient and sustainable use of marketing resources.

Within the hospitality service culture, customers with high customer lifetime value tend to form strong emotional bonds with the brand through consistent and personalized experiences. At Artotel, this is reflected in service practices that emphasize friendliness, warm interactions, and respect for individual preferences, reinforcing a human-centered brand identity. Economically, these customers contribute to revenue stability through repeat purchases, higher transaction values, and positive word of mouth, thereby expanding market reach without increasing marketing costs. Thus, the acceptance of this hypothesis confirms that customer lifetime value management supports both long-term profitability and sustainable service culture. This study contributes theoretically by providing empirical evidence on the relationship between the digital customer journey, customer lifetime value, and customer loyalty within the hospitality context of Artotel Group, where such research remains limited. It also offers a conceptual model explaining how digital customer experiences shape perceived value and loyalty. The study contributes by informing digital strategies that enhance customer experience across all stages of the journey and by identifying high-value customer segments to support more effective and efficient retention strategies.

CONCLUSION

Based on the results and discussion, it can be concluded that the digital customer journey has a positive and significant effect on customer lifetime value, the digital customer journey also has a positive and significant effect on customer loyalty, and customer lifetime value positively and significantly influences customer loyalty. These findings confirm that well-managed digital customer experiences play a crucial role in increasing long-term customer value and strengthening loyalty.

The theoretical implication of this study lies in integrating digital customer behavior concepts with a long-term customer value management perspective, thereby enriching the understanding of loyalty formation in the digital era. From a managerial perspective, the results highlight the importance for companies to optimize long-term customer

relationships through data-driven loyalty programs and personalized services that align with customer preferences. In addition, this study supports the development of digital marketing strategies that focus on customer value creation and long-term profitability. Despite these contributions, this study has limitations as it only examines three variables digital customer journey, customer lifetime value, and customer loyalty. Future research is therefore encouraged to incorporate additional variables, such as customer happiness and social network marketing, to provide a more comprehensive understanding of customer behavior and loyalty in digital and hospitality contexts.

FUNDING STATEMENT: This research did not receive any specific grant from funding agencies in the public, commercial, or not - for - profit sectors.

CONFLICTS OF INTEREST: The author declares no conflict of interest.

DECLARATION OF GENERATIVE AI STATEMENT: During the preparation of this work the author(s) used Turnitin in order to to check for plagiarism. After using this tool/service, the author(s) reviewed and edited the content as needed and take(s) full responsibility for the content of the publication.

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