The Mediating Role of Perceived Value in the Relationship between Marketing Mix and Guests' Word of Mouth in Hotels

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Keywords

1. Marketing Mix,  
2. Perceived Value,  
3. Word of Mouth,  
4. Egyptian Hotels.

Abstract

The purpose of this paper is to investigate the mediating role of perceived value between the relationships between marketing mix (7Ps) (MM) and guest word of mouth (WOM) at Red Sea, Sinai, Luxor, and Aswan governorates. Data were obtained from a pre-tested self-administrated questionnaire with 424 guests from five and four star hotels in Red Sea, Sinai, Luxor, and Aswan. This research uses smart PLS-SEM to test the model to examine how MM practices promote WOM among hotel guests and the mediation effect of perceived value. The results revealed that guests' perception of MM quality contribute, significantly to increasing guest levels of perceived value and WOM. This research proposes that the hotel sector should focus extensively on the importance of WOM and that the monitoring and evaluation of MM (7Ps) are essential. Findings assist hotel managers in developing a practical framework to enhance the levels of perceived value and WOM for the effective promotion of hotels. The research also highlights the significant managerial implications of optimizing marketing mix strategies to boost perceived value and subsequent WOM.
1. Introduction

The hospitality industry is significantly impacted by rapid changes in guest behaviors, preferences, opportunities, and purchasing decisions (Kim et al., 2020; Hossain et al., 2023). Recent shifts in consumer demands emphasize the search for goods and services offering enhanced value, reflecting the dynamic nature of business marketplaces (Jalal, 2024). Guest satisfaction holds substantial importance due to its influence on market share and revenue generation (Liao et al., 2022). Evaluating the effectiveness of a hotel's marketing strategies heavily relies on guest satisfaction as it directly affects recommendations and intentions to revisit (Barthélemy et al., 2021). Scholars in the hospitality field have increasingly focused on factors impacting guest satisfaction (Kim et al., 2020). Previous research has explored the effects of hotel amenities, guest perceptions, demographic characteristics, and perceived value (Rasoolimanesh et al., 2023; Li et al., 2023). Moreover, Hasan and Islam (2020) define the marketing mix as the combination of factors that businesses must consider to meet the needs of their target audiences and assert that the marketing mix represents a business's actions to influence consumer demand for its products. Purchase frequency has been associated with several benefits, as highlighted in numerous studies. These benefits include the lower cost of retaining existing customers compared to acquiring new ones, a significant increase in purchase value ranging from 25% to 85% with only a 5% increase in purchase frequency, and notably, the establishment of a positive brand or destination image, which fosters word-of-mouth recommendations and favorable perceptions of products and services (Esmaili et al., 2017).

Perceived value, as highlighted by Damanik and Yusuf (2022), stands as a crucial element in understanding consumer behavior. This construct is subjective and is prone to change over time, across different customer segments, geographical locations, and cultural contexts. Numerous scholars have delved into the study of consumers' perceived value (Barrutia and Gilsanz, 2013; Kim et al., 2019; Novela et al., 2020; Yue et al., 2021), recognizing its significance in commercial and marketing contexts (Permatasari, 2020; Zhang, 2021). Singh et al. (2021) define perceived value as the overall utility a customer attributes to a product or service, considering both its benefits and drawbacks. The decision of customers to pursue new experiences is heavily influenced by perceived value, with the extent of this influence on willingness to pay (WTP) varying depending on consumption patterns (Kung et al., 2021).

Perceived value emerges as a superior predictor of repurchase intentions compared to quality or satisfaction (Zhang et al., 2020). Preceding both contentment and the formation of behavioral intentions, perceived value stands pivotal (Ahn, 2020; Zhang et al., 2020). The scholarly interest in perceived value has surged in recent times due to its predictive capacity regarding traveler behavior (Rasoolimanesh et al., 2023). Additionally, the experience marketing theory asserts that brands can significantly enhance positive word-of-mouth by delivering superior value, as a positive customer experience remains essential for fostering favorable word-of-mouth sentiments about the brand (Haikel et al., 2019). Effective value creation by brands can lead to enhanced word-of-mouth promotion (Abbas et al., 2021). More than half of customer purchasing decisions are influenced by word-of-mouth recommendations, underscoring its critical role in business success (Tjahjaningsih et al., 2022). Perceived value’s significance in service marketing research has been underscored by numerous academics (Vargo and Lusch, 2017; Kelleher et al., 2019; Zeithaml et al., 2020). Word-of-mouth has been highlighted by scholars as a crucial outcome of perceived value, among other factors (Babić Rosario et al., 2020). Word-of-mouth is increasingly shaping and influencing individuals' future behavioral intentions, both at individual and collective levels (Liu et al., 2021; Ali and Gaber, 2022).
It is consistent with the theoretical foundations of the Stimulus-Organism-Response (SOR) model and extant literature that the study employs this model to illustrate the relationship between marketing mix (MM) aspects (Stimuli), customer perceived value (Organism), and its effect on word-of-mouth (WOM) behavioral intention (Response). Additionally, the Theory of Reasoned Action (TRA) by Ajzen and Fishbein (1977), and the conceptual framework also draws upon the Expectation-Confirmation Theory also known as Disconfirmation Theory by Oliver (1977).

While numerous studies have explored the concepts of the marketing mix (Loo & Leung, 2018; Zhang et al., 2020; Asdi and Putra, 2020; Xie, 2020; Matura et al., 2021; Kim and So, 2022; Chinelato et al., 2023), perceived value (El Sheikh et al., 2020; Slack et al., 2020; Ashraf et al., 2021; Pratiwi et al., 2021; Yin et al., 2023; Elshaer and Huang, 2023; Yu et al., 2024), and word of mouth (Liao et al., 2019; Chua et al., 2020; Rajput and Gahfoor, 2020; Kumar et al., 2020; Hidayat and Kawiana, 2021; Lee et al., 2022; Souki et al., 2023), there is a notable absence of studies in developing countries, particularly in Egypt, that explain the relationship between these three variables. According to the authors' understanding, no studies have investigated the mediating role of perceived value between marketing mix and word of mouth in this context, highlighting the need for this research. The importance of this research lies in bridging this research gap identified through the literature review. It aims to contribute to the marketing literature within the hospitality industry by developing a conceptual framework that incorporates the three variables: marketing mix, perceived value, and word of mouth. The primary objective of this research is to explore the influence of marketing mix on guests' word of mouth in the Egyptian hospitality industry, with perceived value serving as a mediator.

2. Literature review

2.1. Marketing Mix (7Ps)

Font and McCabe (2017) define the marketing mix as the primary strategy employed to target and enhance specific guest categories through improved positioning. Asdi et al. (2020) elaborate that the marketing mix, a set of elements managed to achieve target market objectives, aims to enhance customer satisfaction. The 7Ps marketing mix, as described by Somocor (2017), is widely accepted in the hospitality industry. Singh (2012) defines a product as tangible and intangible items that satisfy market needs. Perceived quality, as defined by Souki et al. (2020), refers to customers' perceptions of the performance of goods and services compared to competitors. Loo and Leung (2018) assert that service-related items, such as breakfast, are considered hotel products, including amenities offered to guests.

Price emerges as the second most significant factor in the marketing mix model (Somocor, 2017). Prices represent the amount of money customers pay for goods and services (Teng et al., 2020). Ferreira et al. (2017) argue that buyers are highly selective in their pricing preferences, requiring prices to align with their desired and anticipated outcomes. Promotion, as a marketing strategy, is utilized by businesses to communicate with customers through various channels, such as sponsorship, public relations, and direct sales (Khan, 2014), to remind consumers about their products and services, ensuring successful marketing efforts (Matura et al., 2021).

The term "place" highlights the geographic location of a business, representing the fourth "P" factor in the marketing mix (Somocor, 2017). Najib et al. (2020) contend that a well-located place is easily accessible and convenient, contributing to customer satisfaction and expanding business opportunities. In the service sector, such as hotels, services are provided to guests through location or distribution channels (Nguyen and Nguyen, 2021).

Employees involved in service production are referred to as "people" in the marketing mix (Magatef, 2015). Administrative arrangements, delivery processes, and the quality of
service providers are crucial factors influencing guests' decisions (Loo and Leung, 2018). Magatef's (2015) study on a Jordanian hotel revealed that the quality and effectiveness of customer service significantly impact the performance of the hotel industry. Service staff are considered front-liners who directly interact with guests, influencing their emotional, mental, physical, and social reactions to these interactions (Kim and So, 2022). Effective process management and technology are vital for organizations to maintain high-quality services before delivery to guests, ensuring efficient and effective service delivery (Matura et al., 2021). Physical evidence, sometimes referred to as the exterior environment (Teng et al., 2020), encompasses physical characteristics such as facilities, hallway layouts, and guest room furnishings, which are significant in shaping guests' perceptions and experiences (Xie, 2020).

2.2. Perceived value
The literature on hospitality, as evidenced by studies conducted by Hakim and Susanti (2017), and Sharma and Nayak (2020) underscores the significance of value as a fundamental construct. Li and Zhang (2023) assert that value serves as the primary objective of consumer consumption, with travelers seeking to maximize value by obtaining more benefits while paying less money (Lin et al., 2018). Researchers in the hospitality field, such as Chen and Hu (2010) and Hallak et al. (2018), have established that perceived value directly and positively influences tourists' satisfaction and behavioral intentions.

According to Paulose and Shakeel (2022), perceived value encompasses the consumer's holistic evaluation of the value of a good or service based on opinions about what is offered and received. Strong identification with service offerings is likely to result in favorable customer outcomes, including increased brand loyalty and greater price tolerance, given the emotional nuances that predominantly drive satisfaction in the hospitality sector (Shah et al., 2020; Rather, 2022). Consequently, patrons who strongly identify with a hotel brand tend to experience higher contentment and perceive greater value (Rather and Hollebeek, 2019). Rasoolimanesh et al. (2023) define perceived value as the balance between perceived benefits and perceived costs. Purwanto and Prayuda (2024) describe perceived value as the gap between the price the consumer desires to pay and the actual amount paid for the good or service. In the hospitality sector, perceived value significantly influences consumer satisfaction (Ahn & Thomas, 2020). Perceived value may serve as a better predictor of repurchase intentions than quality or satisfaction (Zhang et al., 2021).

2.2.1. Relationship between Marketing Mix and Perceived Value
According to Nasar et al. (2022), perceived value is the outcome of the marketing mix components of a hotel, which should be focused on creating value for guests. Research has also indicated a positive correlation between place and promotion and perceived value (Cengiz & Yayla, 2007; Nasar et al., 2022). Through brand commercials and promotional events, consumers are informed about items, influencing their perception of the products, their expectations of them, and their decision to purchase (Kung et al., 2021). Hanaysha et al. (2021) stated that promotion was the primary element in enhancing brand recognition and providing consumers with useful information regarding the benefits of the product or service in meeting a need. Place refers to a location where customers can easily purchase a product (Hemmerling et al., 2015), playing a significant role in consumers' product choices (Shan et al., 2020). A vendor's service is considered a product (Raewf et al., 2021), offering features, packaging, labeling, and added value that consumers seek to receive benefits and value (Hemmerling et al., 2015). When evaluating a product, buyers consider elements such as safety regulations, product type or unique selling proposition, packaging, range of uses, ingredient labeling, and brand (Konuk, 2019). Based on these findings, the research posits the following hypothesis:

\[(H1): \text{Marketing mix has a positive impact on Perceived value.}\]
2.3. Word of Mouth (WOM)

According to Tjahjaningsih et al. (2022), word-of-mouth (WOM) has acquired significant attention recently due to its crucial role in influencing consumer behavior. WOM entails the exchange of information about goods and services through channels perceived to be independent of the hotel among individuals also considered independent of the hotel offering the goods or services (Gildin, 2022). It encompasses the process through which consumers share their experiences and knowledge about specific goods, brands, or services (Ashan and Fernando, 2021). Yasvari et al. (2012) define WOM as the information that satisfied customers disseminate about a particular brand’s offerings. WOM is the term used to describe any informal interactions that users have with one another, either directly or indirectly, to share their thoughts, ideas, and experiences about a product or service quality with friends and family or to remark on webpages, social network sites, forums, and mobile applications (Xu et al., 2020). Satisfied customers are more likely to promote a product or service and share its benefits with others (Liu et al., 2021; Bae et al., 2023; Šerić et al., 2023; Koseoglu et al., 2024).

Numerous studies have demonstrated that WOM is expressively influenced by satisfaction as an essential (Atito et al., 2023; Bae et al., 2023; Camilleri and Filieri, 2023; Jain et al., 2023). In service sectors like hotels, where objective evaluations are challenging, customers often rely on subjective assessments from friends, family, and acquaintances (Lee et al., 2020). User opinions and recommendations hold particular significance for hotels (Jain et al., 2023). El-Manstrly et al. (2020) and Chen and Zhang (2024) observed that many hotel guests read and discuss their experiences. Line and Hanks (2019) investigated how customers’ perceptions of the dining experience, satisfaction, WOM, and intention to return were significantly influenced by sharing the consuming space with other actors, including other customers, service personnel, and their companions.

Research indicates that favorable WOM significantly influences customers' willingness to pay (WTP) a premium price (Nieto-García et al., 2017; Xu et al., 2020; Chahal et al., 2022). Similarly, brand awareness and image have a positive effect on WOM (Oppong et al., 2022; Upamannyu et al., 2023). To aid other travelers, hoteliers, and service providers in improving operations, guests often write online comments and reviews about their experiences. These reviews and comments serve as genuine expressions of satisfaction or dissatisfaction with a hotel's services (Chinelato et al., 2023). Positive WOM is considered inspiring for brand choice, while negative WOM discourages brand choice (Jung and Hwang, 2023; Souki et al., 2023; Chinelato et al., 2023). As a result, research in hospitality and tourism sectors has shown that word-of-mouth (WOM) is a crucial information source that influences consumer purchase decisions (Kumar et al., 2020; Liu et al., 2021).

2.3.1. Relationship between marketing mix and WOM

Guests often rely on subjective evaluations from friends, family, and acquaintances because there are no objective ways to evaluate services in service sectors such as restaurants and hotels (Chua et al., 2020). Hasan and Islam (2020) argue that word-of-mouth refers to recommendations, praises, and remarks made by customers about the goods and services they have used, significantly impacting their purchasing decisions. Similarly, Bahri-Ammari (2018) found that ethical frontline staff members could increase customer satisfaction and, consequently, encourage repeat business. Rajput and Gahfoor (2020) and Liao et al. (2019) further examined the effects of restaurant characteristics on word-of-mouth, demonstrating that food and beverages, as well as physical surroundings and service excellence, influence guest satisfaction and word-of-mouth recommendations. Previous research indicates that favorable word-of-mouth is generated by customer loyalty (Saleem et al., 2017; Hameed et
al., 2022). Rajput and Gahfoor (2020) observed that customer happiness drives intention to word-of-mouth and repurchase behavior. High-loyalty customers in the service industry generate positive information through word-of-mouth behavior, influencing their emotional responses to perceived quality during consumption experiences (Chinelato et al., 2023; Souki et al., 2023; Jung & Hwang, 2023).

The marketing mix significantly and positively influences word-of-mouth in the hospitality and tourism services sectors (Hidayat & Kawiana, 2021). Song et al. (2022) and Kumar et al. (2020) addressed the variables influencing word-of-mouth communication. Murpraptomo et al. (2019) found that word-of-mouth is positively impacted by the marketing mix. Saleem et al. (2018) also suggest that guests who perceive equitable treatment and exceptional hotel services as acts of kindness from hotel employees are more likely to recommend the hotel to others. Visitors' perceptions of the quality of their experiences at tourism destinations influence their word-of-mouth communication (WOM) (Chen and Zhang, 2024). Positive WOM and customer satisfaction are influenced by perceived quality and the physical environment, facility designs and ambient conditions have a major favorable impact on WOM and brand prestige (Seung-woo et al., 2012). Various components of the marketing mix, including price, product, promotion, and place, impact word-of-mouth communication (Cengiz and Yayla, 2007). Moreover, place alone affects word-of-mouth, as demonstrated by Ridhonie et al. (2022). Muzamil et al. (2018) found that the production of word-of-mouth (WOM) is significantly influenced by the quality of food and services provided, while atmosphere or pricing does not affect WOM. Considering these earlier findings, the research posits the following hypothesis:

\( (H_2): \text{Marketing mix has a positive impact on WOM.} \)

2.3.2. Relationship between Perceived Value and WOM

According to Ryu et al. (2008), perceived value (PV) can be defined as the difference a consumer perceives between the perceived value of the product and the perceived sacrifice associated with paying the price. Similarly, Zhang et al. (2021) argue that PV represents a compromise between perceived benefits and sacrifices made by customers in exchange for goods and/or services. Perceived value is a customer's overall evaluation of a product or service's usefulness based on their impressions of what they receive and are provided with (Zeithaml et al., 2020). A product can satisfy a customer's demands and expectations, with particular attention drawn to the owner's status in the case of luxury products (Wen & Huang, 2021). Academics widely acknowledge that travelers' behavioral intentions are significantly influenced by perceived value (Libre et al., 2022). Choi and Kandampully (2019) and Sukhu et al. (2019) demonstrated that hotel visitor satisfaction positively increases word-of-mouth (WOM), indicating the impact of perceived value on revisit intention.

Several studies attest to the direct and favorable effects of perceived value by customers throughout their WOM experiences (Kuppelwieser et al., 2022), particularly in the hospitality industry (Moise et al., 2021; Jiang et al., 2022). Considering these earlier findings, the research posits the following hypothesis:

\( (H_3): \text{Perceived value has a positive impact on WOM.} \)

2.4. PV Mediating role

Based on the literature, further research is deemed necessary to ascertain whether perceived value (PV) can mediate the relationship between satisfaction and the marketing mix (MMS) factors of product, place, price, and promotion, as suggested by Li and Green (2011). According to Gunawan (2019) and Uddin and Akhter (2012), further study is required to determine how PV influences satisfaction across a range of businesses. These claims are supported by recent study by Uddin and Akhter (2012), which indicates that perceived price value (PPV) positively affects the connection between fair pricing and satisfaction. This study aligns with the perspectives of Cengiz and Yayla (2007) and Nasar
et al. (2022), who argue that the mediating effect of PV on word-of-mouth (WOM) can be enhanced by marketing mix elements (e.g., price and place). It also resonates with the findings of Faryabi et al. (2012), who conceptualized that marketing mix elements (4Ps) ensure customer satisfaction (CS) and serve as precursors of PV. Saleem et al. (2018) suggest that treating consumers fairly can lead to positive word-of-mouth (WOM). Additionally, numerous studies, particularly in the hospitality sector (Zhang et al., 2021; Moise et al., 2021), highlight the positive and direct effects of PV on customers throughout their WOM experiences (Kuppelwieser et al., 2022). Based on these earlier findings, the research posits the following hypothesis:

\[(H_4): \text{Perceived value mediates the relationship between marketing mix and WOM.}\]

2.5. Theoretical framework

The study’s utilization of the Stimulus-Organism-Response (SOR) model contributes to the expansion of consumer behavior research by emphasizing that people's perceptions, feelings, and responsive behaviors are influenced by environmental stimuli (Chao et al., 2021; Kim and Kim, 2012). The conceptual model depicting the relationship between marketing mix (MM) aspects (Stimuli), customer perceived value (Organism), and its effect on word-of-mouth (WOM) behavioral intention (Response) aligns with the theoretical foundations of the SOR model and existing literature. Customers' behavioral responses based on their hotel experience pleasure support this model (Line and Hanks, 2019; Li and Wei, 2021).

The Stimulus-Organism-Response theory, which evaluates the quality of personnel service, physical environment quality, and service quality, provides further support for the study's research framework (Carranza et al., 2018; Shahzadi et al., 2018). It demonstrates how the MM components significantly impact a customer’s decision-making and behavioral intentions. Additionally, the Theory of Reasoned Action (TRA) by Fishbein and Ajzen (1977) is utilized to predict and explain customer behaviors (Baggozi et al., 2000; Ryu & Han, 2010b; Ghasrodashti, 2018). The conceptual framework also draws upon the Expectation-Confirmation Theory (also known as Disconfirmation Theory) by Oliver (1977) and the Theory of Planned Behavior by Ajzen (1991) to explore how WOM is influenced by MM efficacy (stimuli) and how this influence is mediated by perceived value (organism). Figure 1 illustrates the theoretical framework and the hypothesized relationships between the study variables: marketing mix (MM), customers' perceived value (CS), and customers' word-of-mouth (WOM).

![Figure 1: Theoretical Framework](image-url)
3. Research Methodology

3.1. Research Sample and Data Collection

This research used the Thompson formula to obtain the appropriate random sample size of the guests from the hotels in the research population, where the population size is infinite or unknown (Thompson, 2012; Lohr, 2021), as the following:

\[ n = \frac{Z^2 \times p(1-p)}{\varepsilon^2} \]

Where: \( Z \): Standard Degree (\( Z = 1.96 \) at Sig. Level of 0.05), \( \hat{p} \): Sample Proportion and Neutral (\( \hat{p} = 0.5 \)), \( \varepsilon \): Maximum Allowed Error (\( \varepsilon = 0.05 \) at Sig. Level of 0.05). \( n \): Size of Sample (\( n = 385 \)). When the previous values are entered into the Thompson formula, the appropriate size of sample for this research was 385 participants. The researchers distributed 500 questionnaires and ultimately received 424 responses, resulting in a high response rate of 84.8%, which provides a high degree of statistical power (Bowden-Everson et al., 2013). The data gathering period extended from January to April 2024 and targeted Egyptians, Arab, and Foreigners hotel guests in Hurghada, Sharm El Sheikh, Luxor, and Aswan, specifically those who had stayed at a luxury four and five star hotel brand in 2024. Because they are the most appealing tourist destinations, these locations were picked, particularly during the winter months of January through April of 2024, when the survey was carried out. The proposed hypotheses were experimentally evaluated through a self-completion survey analysis, considered one of the most successful techniques for measuring guests' behavioral intentions (Istanbulluoglu, 2017). Additionally, the research instrument was modified based on a pilot Research involving 60 customers.

3.2. Research Instrument

All constructs in this Research were measured using measures from earlier studies. Initially, five academics and experts evaluated the initial questionnaire to ensure that the items effectively measured the research variables, and adjustments were made to the language and descriptions of the items. In addition to demographic characteristics covered in the first phase, the self-report questionnaire analyzed consumers' perceptions of marketing mix (MM) practices, perceptions of perceived value (PV), and their word-of-mouth (WOM) recommendations. The measures were based on a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

The Marketing Mix construct was measured using the scale developed by Akroush (2011), encompassing the 7Ps of MM conceptualized through a formative model: Product (6 items), Price (6 items), Promotion (6 items), Place (5 items), Physical evidence (4 items), Process (4 items), and People (5 items). Guest Perceived Value (PV) was measured using a five-item scale adapted from studies by Ryu et al. (2008) and Souki et al. (2020). Positive Word-of-Mouth (WOM) intentions were evaluated using a five-item scale adopted from Bridson et al. (2008).

3.3. Data Analysis

To analyze the data, dimensions, frequencies, and descriptive statistics were investigated, and assumptions were checked using the statistical software SPSS version 24.0 and The Partial Least Squares Structural Equation Modeling (PLS-SEM) method was used to analyze the collected data. Initially, factor analysis was employed to validate the measurement model. In the second step, the structural model was estimated, and causal links were studied using maximum likelihood estimation. Convergent and discriminant validity were tested using the average variance extracted (AVE). Composite reliability (CR) and Cronbach's alpha were utilized to assess the construct's dependability, following the
approach outlined by Hair et al. (2013). Mediation tests with bootstrapped standard errors were conducted using 10,000 resamples to examine the mediation effects.

4. Results

4.1. Profile of the Respondents

Table 1 presents the demographic characteristics of the survey respondents, who were hotel guests from Egypt aged 18 and above. Of the 424 legitimate survey respondents, 46.2% were male and 35.8% were female. The majority of respondents (51.4%) fell into the age group of 18 to 30, with 44.3% in their twenties and 27.4% in their thirties. Furthermore, 67.5% of respondents were married, while 25% were single, and the majority (46.2%) had completed an undergraduate degree. In terms of visit frequency, 34.1% reported visiting once, 40.1% visited twice or up to six times, 21.7% visited from seven to ten times, and 6.1% visited more than ten times. Egyptians made up 65.8% of the respondents, followed by Arabs (from Saudi Arabia, Lebanon, Kuwait, Oman, Morocco, Tunisia, and Jordan) at 8.2%, and foreigners (26%), who came from Poland, Russia, Ukraine, Czech, Switzerland, Hungary, Belgium, Serbia, UK, Slovakia, Italy, Belarus, Holland, and the United States (see Table 1).

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Number</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Gender</td>
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<tr>
<td>Male</td>
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<tr>
<td>Female</td>
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<tr>
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<tr>
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<td>Widowed</td>
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<tr>
<td>&lt;20</td>
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<tr>
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<td>40s</td>
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<td>High-school degree</td>
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<td>3–6</td>
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<td>7–10</td>
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<td>&gt;10</td>
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<td>Five star hotels</td>
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<td>Aswan</td>
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4.2. Measurement Model Results

The descriptive statistics reveal that all items have high mean scores exceeding 3, are above the scale's midpoint (3). Skewness and kurtosis coefficients for each item meet the acceptable standards. Additionally, all factor loadings show significance, confirming convergent validity (see Table 2). The empirical data adequately fit the model in which 36 items were reflective of one latent variable (i.e., MM). The first-order model for MM provided a better fit to the data than the second-order model (AVE = 0.50, CR = 0.851). The specified model for MM revealed that the data fit the model well, with major model misspecification resolved by deleting the item (PH5).

Table 2 presents the means, standard deviations, and standard factor loadings. The data indicate that customers' positive perceptions of MM dimensions are strong, with high mean scores exceeding 3: Product (M = 3.776), Price (M = 3.788), Promotion (M = 3.761), Place (M = 3.915), Physical Evidence (M = 3.886), Process (M = 3.741), and People (M = 3.888). These dimensions collectively form the MM (M = 3.818), leading to higher PV (M = 3.832) and superior WOM (M = 3.941). Hair et al. (2006) noted a factor loading of 0.40 is considered appropriate for a sample size of 200, 0.35 for 250 and 0.30 for a 350-sample size. To ensure a high significance factor level, it was decided that 0.40 is appropriate for the sample size (N = 424) of the present research. Additionally, Hair et al. (2013) suggest that the items with factor loadings between 0.40 and 0.70 should be considered for removal from the scale only when deleting the indicator leads to an increase in composite reliability or AVE above the suggested threshold value. In case of the present sample, the values of the four items are marginally below 0.70 and above 0.60 (PM6, PH3, PH4, PC1) and the composite reliability and AVE were already above the recommended values, in addition, an inspection of the modification indices suggests that the four items were not highly correlated with the other items and did not load highly on other factors, so it was decided to retain these four items. It can be concluded that all constructs exhibited good internal consistency based on composite reliability, Cronbach’s alpha and AVE.

The construct reliability (CR) and average variance extracted (AVE) values exceed the suggested levels of 0.7 and 0.5, respectively, across all dimensions (Fornell and Larcker, 1981). Reliability analysis shows strong internal consistency for each item, with all latent values exceeding 0.6, indicating good reliability. Table 2 presents Cronbach's alpha, composite reliability values, and AVE for each construct. Cronbach's Alpha values range from 0.848 to 0.967, indicating acceptability, while CR values range from 0.795 to 0.968. All constructs' AVEs align with the suggested level of 0.50, ranging from 0.50 (MM) to 0.622 (PV), indicating strong discriminant validity (see Table 2).

### Table 2: The research instrument

<table>
<thead>
<tr>
<th>Const.</th>
<th>Item Description</th>
<th>Mean</th>
<th>Sd.</th>
<th>SFL</th>
</tr>
</thead>
<tbody>
<tr>
<td>MM</td>
<td>Marketing Mix (MM) (7Ps) (Akroush 2011); (C.R. = 0.851; AVE = 0.50; a = 0.848)</td>
<td>3.818</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MM1</td>
<td>Product</td>
<td>3.776</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PR1</td>
<td>The hotel rooms are large and equipped with amenities as well as additional services.</td>
<td>3.744</td>
<td>0.823</td>
<td>0.765</td>
</tr>
<tr>
<td>PR2</td>
<td>The hotel provides first-rate, superior services.</td>
<td>3.532</td>
<td>0.995</td>
<td>0.745</td>
</tr>
<tr>
<td>PR3</td>
<td>The hotel offers a multiplicity of services to meet the requirements of the guests</td>
<td>3.783</td>
<td>0.850</td>
<td>0.812</td>
</tr>
<tr>
<td>PR4</td>
<td>Guests feel safe in the hotel</td>
<td>3.849</td>
<td>0.947</td>
<td>0.712</td>
</tr>
<tr>
<td>PR5</td>
<td>The hotel offers food and beverage, entertainment, recreation</td>
<td>3.915</td>
<td>0.936</td>
<td>0.761</td>
</tr>
<tr>
<td>PR6</td>
<td>The hotel provides a range of services for events.</td>
<td>3.830</td>
<td>1.043</td>
<td>0.724</td>
</tr>
<tr>
<td><strong>MM2</strong></td>
<td><strong>Price</strong></td>
<td>3.788</td>
<td></td>
<td></td>
</tr>
<tr>
<td>P11</td>
<td>The quality of the hotel services you receive is adequate with the <strong>pricing</strong>.</td>
<td>3.730</td>
<td>0.992</td>
<td>0.739</td>
</tr>
<tr>
<td>P12</td>
<td>The benefits you receive from a hotel stay are proportional to the price.</td>
<td>3.768</td>
<td>0.997</td>
<td>0.769</td>
</tr>
<tr>
<td>P13</td>
<td>The cost of hotel services is affordable.</td>
<td>3.778</td>
<td>0.961</td>
<td>0.718</td>
</tr>
<tr>
<td>P14</td>
<td>The hotel offers excellent prices for the services of food, beverage, entertainment, recreation</td>
<td>3.839</td>
<td>0.970</td>
<td>0.766</td>
</tr>
<tr>
<td>P15</td>
<td>The hotel has a variable and seasonal pricing plan.</td>
<td>3.773</td>
<td>0.952</td>
<td>0.825</td>
</tr>
<tr>
<td>P16</td>
<td>The hotel offers competitive prices in comparison with other competitor hotels</td>
<td>3.839</td>
<td>1.008</td>
<td>0.714</td>
</tr>
<tr>
<td><strong>MM3</strong></td>
<td><strong>Promotion</strong></td>
<td>3.761</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM1</td>
<td>The hotel uses effective means of promotion and advertising.</td>
<td>3.716</td>
<td>0.808</td>
<td>0.737</td>
</tr>
<tr>
<td>PM2</td>
<td>The Hotel focuses on personal selling as an effective means of</td>
<td>3.640</td>
<td>0.951</td>
<td>0.766</td>
</tr>
<tr>
<td>PM3</td>
<td>The Hotel allocates a promotional budget to support the promotional activity.</td>
<td>3.697</td>
<td>0.890</td>
<td>0.781</td>
</tr>
<tr>
<td>PM4</td>
<td>The hotel has a distinctive brand compared to competitors.</td>
<td>3.796</td>
<td>1.022</td>
<td>0.795</td>
</tr>
<tr>
<td>PM5</td>
<td>I can get rich information and data about the hotel from the Internet.</td>
<td>3.905</td>
<td>1.007</td>
<td>0.783</td>
</tr>
<tr>
<td>PM6</td>
<td>I get promotional prices from the hotel in comparison with the competition hotels</td>
<td>3.809</td>
<td>0.894</td>
<td>0.655</td>
</tr>
<tr>
<td><strong>MM4</strong></td>
<td><strong>Place</strong></td>
<td>3.915</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL1</td>
<td>The hotel look for to apply recent technology in the booking.</td>
<td>3.905</td>
<td>1.007</td>
<td>0.808</td>
</tr>
<tr>
<td>PL2</td>
<td>The hotel is concerned in canceling the role of intermediaries and direct contact with guests.</td>
<td>3.924</td>
<td>0.894</td>
<td>0.812</td>
</tr>
<tr>
<td>PL3</td>
<td>To make reservations easier, the hotel maintains positive relationships with travel companies.</td>
<td>3.891</td>
<td>0.956</td>
<td>0.808</td>
</tr>
<tr>
<td>PL4</td>
<td>The hotel is connected to a global reservation system with Chain hotels.</td>
<td>3.910</td>
<td>0.938</td>
<td>0.791</td>
</tr>
<tr>
<td>PL5</td>
<td>The hotel's electronic booking system works well.</td>
<td>3.943</td>
<td>0.886</td>
<td>0.853</td>
</tr>
<tr>
<td><strong>MM5</strong></td>
<td><strong>Physical Evidence</strong></td>
<td>3.886</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PH1</td>
<td>The rooms, lounges, and furniture of the hotel have gravity and psychological comfort for the guests.</td>
<td>3.942</td>
<td>0.870</td>
<td>0.730</td>
</tr>
<tr>
<td>PH2</td>
<td>The hotel has contemporary furnishings and other facilities.</td>
<td>3.985</td>
<td>0.995</td>
<td>0.773</td>
</tr>
<tr>
<td>PH3</td>
<td>The hotel has rules about safety and security.</td>
<td>3.796</td>
<td>0.940</td>
<td>0.658</td>
</tr>
<tr>
<td>PH4</td>
<td>I help maintain the hotel concept's environmentally friendly atmosphere.</td>
<td>3.820</td>
<td>1.051</td>
<td>0.685</td>
</tr>
<tr>
<td><strong>MM6</strong></td>
<td><strong>Process</strong></td>
<td>3.741</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PC1</td>
<td>The hotel offers services like international hotels.</td>
<td>3.566</td>
<td>1.113</td>
<td>0.625</td>
</tr>
<tr>
<td>PC2</td>
<td>I collaborate with the hotel's staff and management to establish mutually beneficial relationships with the guests.</td>
<td>3.749</td>
<td>0.968</td>
<td>0.825</td>
</tr>
<tr>
<td>PC3</td>
<td>The hotel offers high-class quality services in comparison</td>
<td>3.819</td>
<td>0.981</td>
<td>0.833</td>
</tr>
<tr>
<td>PC4</td>
<td>The bookings, payment, and stay at the hotel be done Conveniently</td>
<td>3.829</td>
<td>0.872</td>
<td>0.846</td>
</tr>
<tr>
<td><strong>MM7</strong></td>
<td><strong>People</strong></td>
<td>3.888</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PP1</td>
<td>The hotel has skilled and able personnel and</td>
<td>3.848</td>
<td>0.937</td>
<td>0.816</td>
</tr>
<tr>
<td>PP2</td>
<td>Personnel seek to build good relations with the guests based on friendship and respect.</td>
<td>3.915</td>
<td>0.926</td>
<td>0.812</td>
</tr>
<tr>
<td>PP3</td>
<td>I feel that service providers seek to offer excellent services to meet my needs and desires.</td>
<td>3.873</td>
<td>0.892</td>
<td>0.824</td>
</tr>
<tr>
<td>PP4</td>
<td>I feel that the Personnel at the hotel understand the service culture.</td>
<td>3.844</td>
<td>0.983</td>
<td>0.826</td>
</tr>
<tr>
<td>PP5</td>
<td>Personnel seek to resolve the problems that I meet Speedily and satisfactorily.</td>
<td>3.962</td>
<td>0.882</td>
<td></td>
</tr>
<tr>
<td><strong>PV</strong></td>
<td>Perceived Value (Ryu et al., 2008 &amp; Souki et al., 2020) ; (C.R. = 0.851 ; AVE = 0.622 ; t = 0.848)</td>
<td>3.832</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PV1</td>
<td>The hotel provides excellent value for the money.</td>
<td>3.877</td>
<td>0.646</td>
<td>0.783</td>
</tr>
<tr>
<td>PV2</td>
<td>The stay at the hotel was well worth the cost.</td>
<td>3.744</td>
<td>0.925</td>
<td>0.792</td>
</tr>
</tbody>
</table>
The hotel provides me with great value as compared to other food options 3.769 0.882 0.789
This hotel offers a quality of services compatible (fair) considering the value it charges its customers 3.811 0.905 0.780
This hotel charges a fee for its services that is worth paying 3.957 0.890 0.800
Positive word-of-mouth (WOM) (Bridson et al., 2008); (C.R. = 0.900 ; AVE = 0.706 ; α = 0.895) 3.941
I would tell people about the positive experiences I have had at this hotel 4.009 0.613 0.753
Because of my experiences with this hotel, I would convince others to try this hotel 3.858 0.855 0.842
I would say positive things about this hotel to other people. 3.891 0.900 0.864
I would recommend this hotel to someone who seeks my advice 3.975 0.937 0.851
I would encourage others to eat and stay at this hotel 3.971 0.969 0.885

* Sd., standard deviation; SFL, standardized factor loading (significant at ≤ 0.001)

The results demonstrate good discriminant validity as assessed through the Fornell-Larcker approach (1981). Discriminant validity, which elucidates the differences in constructs’ measurements, is confirmed by comparing the square root of the average variance extracted (AVE) to the inter-construct correlations. In this case, the AVE root square values exceed the inter-structure correlations, indicating that discriminant validity requirements are met. All Research variables exhibit significant positive correlations, ranging between .604 and .762 (p < .01), as shown in Table 3. These findings provide initial support for the hypotheses. According to Henseler et al. (2009), Harmon’s one-theta (HTMT) value below 1 ensures discriminant validity. Additionally, cross-loading values higher than all loading values of other constructs further confirm discriminant validity (see Table 3).

** Correlation is statistically significant with p<0.01. Diagonal entries (in bold) are the square root of AVE; sub-diagonal entries are the latent construct inter-correlations.

### Table 3: Fornell-Larcker and Heterotrait-Monotrait ratio (HTMT) - matrix results

<table>
<thead>
<tr>
<th>Variables</th>
<th>Fornell-Larcker criterion</th>
<th>HTMT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MM</td>
<td>PV</td>
</tr>
<tr>
<td>MM</td>
<td>0.699</td>
<td>-</td>
</tr>
<tr>
<td>PV</td>
<td>0.604</td>
<td>0.789</td>
</tr>
<tr>
<td>WOM</td>
<td>0.641</td>
<td>0.762</td>
</tr>
</tbody>
</table>

4.3. Test of Research Hypotheses

The assessment of multicollinearity between variables was conducted using the Variance Inflation Factor (VIF), where all constructs’ VIF scores ranged between 1.353 and 3.935, indicating the absence of multicollinearity (see Table 4). The coefficient of determination $R^2$ is utilized to ascertain the extent of variation in the dependent variable explained by the independent variable. Hair et al. (2019) suggested that $R^2$ values for PV and WOM of 0.846 and 0.728, respectively, indicate a high level of variance accounted for by MM.

The predictive relevance of the model is evaluated through cross-validated redundancy (Q2), as recommended by Henseler and Sarstedt (2013). Hair et al. (2019) suggested that $Q^2$ values greater than zero indicate that the paths of the independent variables have predictive relevance on the dependent variables, signifying sufficient model estimation level. Additionally, the effect size ($F^2$) quantifies the impact of the stimulus variables on the organism variables concerning the variation in $R^2$. Table 4 illustrates that the effect size of MM on PV and PV on WOM are 1.826 and 0.077, respectively. Furthermore, the effect size of MM on WOM is 0.542, indicating a small effect size. Cohen (1988) recommended that values of 0.02, 0.15, and 0.35 or above represent small, medium, and large effect sizes, respectively, and values higher than zero are considered meaningful according to Hair et al.
(2019). Regarding the mediating variable of PV, the $f^2$ values suggest that MM has a low effect on WOM, while it has a high effect on PV (see Table 4).

Table 4: Structural model results

<table>
<thead>
<tr>
<th>Variables</th>
<th>MM</th>
<th>PV</th>
<th>MM</th>
<th>PV</th>
<th>$R^2$</th>
<th>$Q^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>PV</td>
<td>1.000</td>
<td>1.826</td>
<td>-</td>
<td>0.846</td>
<td>0.643</td>
<td></td>
</tr>
<tr>
<td>WOM</td>
<td>2.826</td>
<td>2.826</td>
<td>0.542</td>
<td>0.077</td>
<td>0.728</td>
<td>0.704</td>
</tr>
</tbody>
</table>

The results indicate that MM significantly influences PV ($\beta=0.804, t=24.322, p<0.000$), supporting H1. This suggests that the dimensions of MM in hotels play a crucial role in shaping higher PV. Additionally, the significant relationship between MM and WOM ($\beta=0.841, t=8.945, p<0.000$) supports H2, indicating that customers are more likely to exhibit loyalty to hotels due to their effective MM. Moreover, the path between PV and WOM was found to be significant ($\beta=0.244, t=3.452, p<0.000$), supporting H3 (see Figure 2 and Table 5).

All hypothesized relationships were statistically significant ($p<.001$), as shown in Table 5. Figure 2 presents the conceptual model with the path coefficients, supporting each of the proposed links. Considering Figure 2, it is evident that the significance level and effect size of MM on WOM ($\beta=0.841$) were more pronounced compared to the other paths, while the significance level and effect size of MM on PV ($\beta=0.804$) were relatively lower compared to the other variables. Similarly, the influence of PV on WOM is significant ($\beta=0.244$).

The goodness-of-fit values of the research model indicate that the Standard Root Mean Square (SRMR) value was less than 0.08 (Hu & Bentler, 1998), indicating a good fit. The $X^2$ value and the Norm Fit Index (NFI) above 0.9 also suggest sufficient model fit (Lohmoller, 1989). Overall, the relevant values provide a good fit (SRMR = 0.076; d_ULS (Euclidean distance) = 0.764; d_G (geodetic distance) = 0.771; $X^2 = 1.912$; NFI = 0.932).

Regarding the mediation of PV in the MM-WOM relationship, it can be concluded that PV partially mediates the link between MM and WOM. The size of the indirect effect of MM was 0.196 and statistically significant at $t=3.355 (p<0.000)$. The results revealed that PV partially mediated the relationship between MM practices and WOM (see Figure 2). This confirms that PV had mediation effect on the relationship between MM practices and WOM. There was partial mediation, but the direct path predominated, this suggests that there are other important mediator variables awaiting discovery. Thus, hypotheses 4 was supported (see Table 5).

Table 5: Path coefficients and hypotheses testing

| Hypothesis | Hypothesized Relationships | Standardized Coefficient | T-statistics (|O/STDEV|)/Sobel | Result |
|------------|----------------------------|--------------------------|---------------------|--------|
| H1         | MM --- PV                  | 0.804***                 | 24.322              | Supported |
| H2         | MM --- WOM                 | 0.841***                 | 8.945               | Supported |
| H3         | PV ---- WOM                | 0.244***                 | 3.452               | Supported |
| **Ratio of Indirect-to-Total Effects (Partial Mediation)** | **MM - PV - WOM** | **0.196*** | **3.355** | **Supported** |

***$p<0.001$
5. Discussion and Implications

5.1. Discussion

The findings supported the current research objective, which exploring the performance of the MM as an antecedent to PV and WOM. The relationships were in the hypothesized direction, the paths were significant (p < .001), and perceptions of PV and WOM were strongly supported (p < .001), suggesting that the more satisfied the customers; the more they will show loyalty according to the MM performance. Thus, by utilizing the S-O-R theory to show the direct effects of MM as a stimulus in hotels on the inclination to PV and WOM (reactions), the current work makes an academic contribution.

According to the hypothesis testing, all of the SMM's dimensions are favorable and significantly affect PV. There was a substantial association between SMM and PV (p <
0.001), according to the Smart PLS result. PV has the potential to create excessive WOM and an emotional attachment to a provider. Strong PV and WOM development is facilitated by hotels that care about their guests and have infrastructure and amenities that are easily accessible. The assertion emphasized that cultivating word-of-mouth (WOM) necessitates leveraging all the dimensions included in the service marketing mix.

The results were in line with the prior studies which revealed that the elements of MM (M = 3.818) have positive effects on customers' PV (Sukamto and Lumintan, 2015; Kadhim et al., 2016; Wahab et al., 2016; Alipour et al., 2018). Customers' PV received a high mean score (M = 3.832). The respondents agree that they are satisfied with the on-time service, and the handling procedures of hotel services, where services are delivered in high quality.

This research goal was to investigate how various elements of the marketing mix impacted how value was perceived in the Egyptian hotel sector. According to the findings, which are consistent with other studies (Chi et al., 2011; Hyun, Kim, & Lee, 2011), Components of MM greatly raise customers' views of value. Using an unprecedented application of the S-O-R theory, this research showed the direct impacts of MM perceived by hotel visitors (stimulus) on their PV (organism) and the implications of satisfaction on the desire to recommend hotel services through WOM (responses). Additionally, this research demonstrated that PV mediates the connection between MM and WOM. The results of the research validated the use of the SOR framework to research hospitality services. Services provided by hotels were discovered to be a potent stimulus that both directly and indirectly affected consumer word-of-mouth through PV, an organism. This research demonstrates that marketing techniques that effectively target end customers with higher advantages can generate value for them (Bilington & Nie, 2009; Murshid, Mohaidin, Nee, & Fernando, 2016).

Similar findings were observed in this research, indicating that the service marketing mix's seven components have a significant role in fostering the development of high-quality hotel services in Egypt. To operate to their best capacity, hotels, in particular, should concentrate on, balance, and grow all seven points of performance. Consumers are eager to recommend the hotel to others and spread good word of mouth. Analyzing the indicator's results showed that the resort's marketing mix strategies have competent staff, as evidenced by the second-highest mean score of 3.888 for people; the product score, at 3.776, indicates that the resort's rooms are roomy and comfortable. Offer high-class quality services and ensure guest safety; the resort's place, 3.915, indicates that it has contemporary technology for booking payments and providing consumers with easy access to information; Physical evidence (3.886) indicates that the resort's rooms, lounges, and furniture provide guests with a sense of gravity, psychological comfort, and modern furnishings and other amenities; price (3.788) indicates that the cost is commensurate with the quality of resort services guests receive during their stay and offers excellent prices for food, beverage, entertainment, and recreational services; promotion is 3.761, indicating that the resort employs efficient advertising and marketing strategies; and the process got a lowest mean of 3.741 were resorts offers services like the international resorts and offer high-class quality services in comparison with the competitor resorts.

These results showed that the MM image of a hotel as a stimulus had a substantial impact on the PV (an organism) of hotel guests, resulting in favorable word-of-mouth (reaction). The results of the research also aligned with those of Rajput and Gahfoor (2020), who saw customer satisfaction as an organism and revisit intention as a reaction, and food quality, service quality, and physical environment as stimuli. The findings also imply that hotels need to give their patrons experiences that pique their interest in high quality and impact their feelings, contentment, and inclination toward loyalty. Customers who are happy
with their hotel experiences, however, could spread the word about them via favorable WOM.

This research supports previous research (Souki et al., 2020; Leung and Wen, 2021; Jung et al., 2021; Oliveira et al., 2023) that make the case for the inclusion of unique and targeted items for assessing consumers' sentiments, both positive and negative, about their experiences. According to this research, guests who have a favorable overall impression of their hotel experiences (stimulus) are more likely to have pleasant emotions than negative ones (organism).

Furthermore, positive and negative emotions contribute to the explanatory power of WOM (behavioral responses). Price was also considered by several studies (Li & Green, 2011; Murshid et al., 2016) to be the most significant element influencing customer-brand interactions, which arise from comparing the costs and qualities of various companies' products. The findings of this research also indicated that MM has a significant positive effect on customer perceived value and this is consistent with past research (Qadri & Khan, 2014). The courtesy of the employees of hotels and their attitude in responding to the customer needs contributed to their PV. Moreover, the customers are satisfied with the ease of communication with the hotels’ style in handling complaints and responding to requests. Generally, the customers are satisfied and are pleased with the service offered by hotels, which meets their expectations. Regarding the WOM (M = 3.941), the respondents are willing to recommend and give positive comments and feedback about hotels. The findings show that MM and PV substantially predicted WOM's intentional behavior.

Overall, the findings suggest that MM significantly influences the PV of hotel guests, leading to favorable WOM intentions. This research underscores the importance of providing hotel experiences that evoke positive emotions, contentment, and loyalty among customers. Satisfied customers are more likely to engage in positive WOM, contributing to the hotel's reputation and success in the competitive hospitality industry.

5.1.1. The relationship between customer perceptions of Marketing Mix elements and Perceived Value (H₁)

The findings show a strong link and show that the performance of bundled marketing mix tactics has a favorable effect on PV. Customers' satisfaction is positively and significantly impacted by MM, with an effect size of 0.892 on PV. The findings corroborated the first hypothesis and are in line with previous research (Kadhim et al., 2016; Verma and Singh, 2017; Alipour et al., 2018) that found a positive relationship between the MM (7 Ps) and customer satisfaction. According to the findings, providing consumers with prompt and effective service or product delivery increases their level of satisfaction (Jie et al., 2015; Gil-Saura et al., 2018). The findings support the previous MM literature which revealed that improving the product and service quality performance will significantly enhance customer satisfaction and PV (Niharika, 2015; Nuseir and Madanat, 2015; Sukamto and Lumintan, 2015; Kadhim et al., 2016; Wahab et al., 2016; Verma and Singh, 2017; Kotler and Armstrong, 2017; Alipour et al., 2018; Alipour et al., 2018).

The results imply that customers' impressions of PV are preceded by MM. The results of this Research and earlier studies show that MM practices have an impact on perceived value favorably (coefficient = 804; p .001). The first hypothesis is therefore accepted.

Several researchers (Li & Green, 2011; Murshid et al., 2016) who discovered that store location had a major impact on perceived value corroborated the findings. Managers should also link their pricing strategies to the quality aspects that customers perceive throughout their visits to produce high PVM, which will favorably influence their attitudes and behaviors, including WOM (Souki et al., 2020) and loyalty propensity (Thielemann et al., 2018). Additionally, it was discovered that WOM is significantly positively impacted by the
physical environment, which is consistent with the findings of several researchers (Jeong & Jang, 2011; Taghizadeh et al., 2013; Han & Yoon, 2014; Mojarrad & Lakanie, 2015).

Overall, the Research highlights the importance of bundled marketing mix practices in enhancing perceived value and customer satisfaction in the hospitality industry. By effectively managing various components of the marketing mix and focusing on improving product and service quality, managers can create positive customer experiences that lead to increased perceived value, loyalty, and positive word-of-mouth recommendations.

5.1.2. The relationship between customer perceptions of Marketing Mix elements and Customers' Word of Mouth (H₂)

As previously noted, the MM had a positive effect on customers' WOM with a coefficient of 0.245 (p < 0.001). The findings support the previous literature, and the second hypothesis is accepted, where the independent variables of MM elements have a real impact on customers' loyalty in Egypt's hotel sector.

This notion is supported by the Research of Allen (2017) which revealed the influence of hotel service quality on customer repeated visits and willingness to recommend in the field of hotels.

The results are in line with the previous studies which revealed that MM has a positive and significant influence on customers' loyalty (Wahab et al., 2016; Wu and Li, 2017; Kasiri et al., 2017; Vidyastuti, 2018; Daulay, 2021; Erlina and Hermawan, 2021). The result is in the same line with the Research of Mahmood and Khan, (2014) who found that past experiences influence customers’ choices and the Research of Satit et al. (2012) who showed that MM affects tourists’ decisions. According to Išoraitė (2016) and Kotler and Armstrong (2017), selling price is the most critical contributor to customers' loyalty.

The results showed that MM practices increase positive word-of-mouth (WOM) (coefficient = 0.841; p < 0.001). This implies that an MM has the power to influence consumers' feelings and purchasing decisions. Previous studies shown that the physical surroundings of hotels positively impacted guest behavior (Hwang, 2011).

The mean scores of measurement items showed that guests were generally happy with various aspects of the hotel’s services and the overall experience; they would also recommend the hotel to others (Ali et al., 2020).

The results are in a similar vein to the Research of Vesel and Zabkar (2009) discovered that ethical frontline staff members could increase customer satisfaction and, in turn, encourage repeat business. The effects of restaurant characteristics on word-of-mouth were further examined by Rajput & Gahfoor (2020) and To & Chung (2019). They demonstrated that food and beverages had an impact on guest satisfaction and word-of-mouth recommendations in addition to physical surroundings and service excellence. The marketing mix significantly and favorably influences word-of-mouth in the hospitality and tourism services sectors (Hidayat & Kawiana, 2021). According to Murpraptomo et al. (2019), word-of-mouth is positively impacted by the marketing mix. According to Saleem et al. (2018), guests who view equitable treatment and exceptional hotel services as acts of kindness from hotel employees are more likely to recommend the hotel to others. Place affects word-of-mouth, as demonstrated by Ridhonie et al. (2022). Furthermore, Muzamil et al. (2018) found that the production of word-of-mouth (WOM) is significantly influenced by the quality of food and services provided, atmosphere, and pricing. Overall, the research offers insightful information about how MM practices affect word-of-mouth and client loyalty in the hotel sector. Hotel managers may improve client happiness, loyalty, and good word-of-mouth (WOM) by grasping and skillfully handling marketing factors. This will ultimately help their businesses succeed and build their reputations.
5.1.3 The relationship between Customers' Perceived Value and Customers' Word of Mouth (H3)

The results were comparable to those of Babin et al. (2005), who found that satisfaction in South Korean chain restaurants positively and indirectly impacted word-of-mouth due to perceived value. Specifically, this Research found support for the positive influence of customers' PV on customers' WOM, which is in line with the findings from previous studies (Iqbal and Shah, 2016; Wahab et al., 2016; Kasiri et al., 2017; Rahi et al., 2017; Nguyen et al., 2018; Sudari et al., 2019; Fachmi et al., 2020). Ikraman and Syah (2020) recommended keeping improving services and increasing customer's satisfaction as satisfied customers will repurchase the product and recommend it to others. Moreover, this ensures the success of the model to capture elements of MM and customers' PV, which could make it easier to reflect customers' loyalty. For this reason, hypothesis (3) is accepted.

The results indicate that WOM is influenced by PV and showed a strong positive association with a coefficient of 0.244 (p < .001). These findings imply that pricing strategy is a crucial factor in figuring out if clients are prepared to stick with service providers for the long run or break them off, to sustain positive word-of-mouth (WOM), officials in the hotel sector can control how consumers perceive their prices and focus their efforts on offering more value to their patrons. Since the physical surroundings are thought to play a significant role in determining customer happiness, happy guests are more likely to spread good word of mouth about their hotel experiences. Nevertheless, we also discovered some evidence for the association between pleasure and the quality of interpersonal interactions in earlier research (Vesel and Zabkar, 2010). The Research's findings also showed that food quality significantly improves word-of-mouth and brand esteem. More evidence supporting the beneficial impact of food quality on WOM was found in a few earlier research (Longart, 2010; Jeong & Jang, 2011). In a similar vein, our findings demonstrated a strong and substantial correlation between perceived value and WOM. This result is in line with previous research (Wu, 2014; Jalilvand et al., 2017).

The results are consistent with the view of Choi and Kandampully (2019) and Sukhu et al. (2019) who found that hotel visitors' satisfaction favorably increases WOM, demonstrating the impact of perceived value on revisit intention (Quintal & Polczynski, 2010). Lastly, several studies attest to the direct and favorable effects of PV on customers throughout their WOM experiences (Kuppelwieser et al., 2022), particularly in the hospitality industry (Zhang et al., 2022; Moise et al., 2021). Consequently, in line with the S-O-R Theory, the PVM (organism) in this Research affects guests' WOM on their hotel experiences (response). One of the main factors influencing WOM prediction is price fairness (Nazwirman & Kom, 2015).

Overall, the research contributes to the understanding of the variables influencing word-of-mouth in the hotel industry, by emphasizing the role that customer satisfaction, perceived value, and high-quality service have in encouraging loyalty and good recommendations. By addressing these factors, hotel managers can enhance customer experiences and drive positive word-of-mouth, ultimately contributing to the success and reputation of their establishments.

5.1.4 Mediation role of Perceived Value (H4)

The results showed that there is a positive significant effect from the MM and customers' PV on customers' WOM with standardized coefficients of 0.245, and 0.369 respectively. These results support the fourth hypothesis that there is a significant impact and indirect effect of the MM variable on customers' WOM through the mediating role of customers' PV, with a positive regression coefficient value (0.196). The results are consistent with the previous researches which revealed that customer satisfaction mediates the relationship between MM and customer's loyalty (Sukamto and Lumintan, 2015; Saneva
and Chortoseva 2020; Thanabordeekij and Syers, 2020; Xie, 2020; Hutauruk et al., 2020; Grace et al., 2021; Risal and Aqsa, 2021; Mukarromah et al., 2021; Raharjo and Digdowiseiso, 2022).

In the same vein as the results, Mokhtar and Sjahruddin (2019) illustrated that customer' satisfaction plays a mediating role in the influence of service quality on customers' loyalty. Pi and Huang (2011) revealed that promotions significantly impact satisfaction and trust which are affecting the customers' loyalty. Sudari et al., (2019) revealed that MM components have positive effects on customers' loyalty through customers' satisfaction with food and beverage products. Price can impact the level of satisfaction and satisfaction in turn leads to WOM (Wahab et al., 2016). Additionally, attractive promotion has a positive impact on customers' satisfaction and customers' loyalty (Verma and Singh, 2017).

The results revealed that customers' PV partially mediates the relationship between MM elements and customers' loyalty, physical evidence may impact customers' satisfaction (Kotler et al., 2008), and customers’ loyalty is closely related to customers’ satisfaction (Kasiri et al., 2017). Gil-Saura et al. (2018) found that customer loyalty is influenced by perceived value and service quality, which are elements that determine satisfaction.

PV was proposed as a potential mediating component in the connection between WOM and MMS elements. PV completely reduces the impact of SMM on WOM. The results demonstrate that offering experiences with a high standard of quality as judged by visitors and cheap perceived pricing yields a high PV, favorably enhancing WOM, which is compatible with the concepts of SOR theory. This outcome is consistent with previous findings of Wu (2014), Ali and Raza (2017), and Han and Hyun (2017), who found that Customer happiness is directly impacted by the quality of services provided. The results show that the more likely a consumer is to exhibit loyal behavior as good word-of-mouth (WOM), the sooner they are happy.

Positive word-of-mouth advertising has the potential to be a very effective tool for promoting the hotel and raising its chances of success and profitability. Within the setting of hotels, the Research looked at how guests' behavioral intentions and word-of-mouth (WOM) practices were influenced by their subjective norm levels, behavioral attitudes, and sense of belonging. After that, these impressions will become behavioral intents, which will be carried out via word-of-mouth and a follow-up visit.

This Research is also consistent with the view of Cengiz and Yayla (2007) and Faryabi et al. (2012), who posited that MM elements (such as price and place) can enhance the mediating effect of PV on word-of-mouth (WOM). Additionally, the findings of Faryabi et al. (2012) suggest that MM elements (4Ps) are the precursors of PV. According to Saleem et al. (2018), treating consumers fairly can produce positive WOM. Numerous studies, especially in the hospitality sector (Moise et al., 2021; Zhang et al., 2022), attest to the positive and direct effects of PV on customers throughout their WOM experiences (Kuppelwieser et al., 2022).

Overall, the findings contribute to our understanding of the factors influencing customers' word-of-mouth behavior in the hotel industry. By recognizing the mediating role of perceived value and the importance of customer satisfaction, hotel managers can tailor their marketing strategies to enhance customer experiences, promote positive word-of-mouth, and ultimately drive success and profitability.

5.2. Implications

5.2.1. Theoretical Contributions

This Research represents a important contribution to the literature on the relationship between the marketing mix, perceived value, and word-of-mouth in the Egyptian hotel sector. By employing sophisticated analytical tools like Partial Least Squares Structural
Equation Modeling (PLS-SEM), it delves deeper into the causal relationships between these variables and provides valuable insights for both academics and practitioners.

The Research builds upon previous research by investigating the mediating role of perceived value in the relationship between the MM and WOM. By doing so, it sheds light on the underlying mechanisms through which marketing strategies influence customers' word-of-mouth behavior. Moreover, it extends the scope of previous literature by examining these relationships within the context of the Upper Egypt hotel sector, thereby enriching our understanding of cross-cultural variations in consumer behavior.

Furthermore, the Research contributes to theoretical advancements by applying the Stimulus-Organism-Response (SOR) framework to the hotel industry. This framework provides a useful lens through which to analyze how marketing stimuli influence customers' perceptions and behaviors, ultimately impacting their word-of-mouth intentions. By validating this theoretical model in the Egyptian context, the Research broadens the applicability of SOR theory and provides a foundation for future research in similar settings.

The present Research expanded previous research by investigating what SMM is all about and how it influences PV and word of mouth. Great service could be done and performed by using the service marketing mix 7Ps by Bitner and Booms (1981) because this model was accepted and applied by several authors and markets to bring success to their organizations. Many found successful results in service business by using the service marketing mix 7Ps (Loo & Leung, 2018).

This Research aims to extend the existing literature on the relationship between marketing mix and word of mouth by testing the mediating effect of perceived value. Furthermore, one of the major contributions of this Research is to re-examine the validity of the MM model in a different context, the Upper Egypt's hotels sector. Specifically, the findings contribute to the literature by illustrating how the SOR framework can be applied to the hotel industry. The findings indicate that MM has a significant role in encouraging customers to demonstrate positive WOM. This Research creates and validates a theoretical research model in Egypt, extending the scope of cross-cultural research on MM and broadening the scope of practical measures. This Research advances the body of knowledge on MM by providing a helpful mediator to clarify how MM improves WOM. To our knowledge, this research represents the first effort to investigate the subject of influencing factors on WOM intentions with an emphasis on the crucial function of MM. It is predictable that researchers find this research as a contribution to the WOM literature, in the context of the hotels sector. It is also found that there is a research gap in WOM literature for hotel industry, particularly in Egypt.

The Research explores the role of MM in enhancing PV and WOM in the Egyptian hotel industry, presenting major studies linking MM, PV, and WOM. As a result, by showing that PV and WOM have a robust and positive association, this Research enhances relationship marketing theory. These measurements of perceived quality by hotel guests and their sources are from earlier research (Radojevic et al., 2018; Souki et al., 2020). The hypothetical model used in this Research assesses the effects on PV (organism) of perceived MM (stimulus) and assesses quality by visitors concerning their hotel experiences. Additionally, this Research looks at how PV (organism) affects WOM (reactions). The results of this Research have a broad impact on the subject of MM management in service industries, particularly the hotel sector. This Research looked at the direct and beneficial effects of MM on PV, which in turn affected word-of-mouth. This aligns with other research that found management and frontline staff had moral duties to customers throughout the contact stage (Balmer 2010; Y. Kim 2017). The Research contributes to the literature on the applicability of SOR and RAT in tourism by pinpointing the precise parameters impacting intention and WOM communication in the setting of neighborhood hotel enterprises.
(Tavitiyaman et al., 2021). Future studies can apply this methodology to determine the most important variables in various sectors and situations.

Using a sample from the hotel industry in the upper region of Egypt—a nation with a notably different business culture from that of its Western counterparts and has been under-researched is another theoretical addition. Having achieved success in testing the proposed model and the scales in a different cultural context, Egypt generalizes the application of these theoretical constructs. Overall, this Research contributes to both theoretical and practical knowledge in the field of marketing and hospitality management. Examining the intricate relationships between marketing strategies, perceived value, and word-of-mouth in the unique context of the Egyptian hotel industry, advances our understanding of consumer behavior and provides actionable insights for industry practitioners.

5.2.2. Practical Implications

From a managerial perspective, this research results contribute to understanding how MM strategies are essential to enhance PV and make customers more loyal. This Research has some practical implications for local hotel businesses. It recommends that they should enhance consumers' opinions of local products and their attitudes toward them, as well as cultivate a favorable view of local products (Prayogo et al., 2016). The Research's findings may be used to determine how much hotel services impact word-of-mouth and customer satisfaction. They may assist hotel managers and owners in concentrating on the key elements that patrons find most valuable in developing a favorable opinion of their establishments. To expand their clientele and promote their goods, they should also encourage patrons to tell others about their great experiences and suggestions. The Research also demonstrates how subjective standards and consumer sentiments have an indirect impact on WOM. Using this tool can help businesses focus their efforts on the most important aspects influencing the word-of-mouth behaviors of their consumers.

Managers could ask customers directly for input on how they view MM performance, for instance, through a PV survey. Periodic workshops should be conducted to recognize and evaluate the MM performance which could be supported by performance management systems. Because it affects both the choice of hotel and the likelihood that a client would stay there again, customer happiness is crucial to the effectiveness of hotel marketing (Olivar, 2017). Better marketing techniques (such as place, promotion, pricing, product, people, market positioning, and physical evidence) will increase customer satisfaction. It suggests that more clients will be happy and successful the better the services offered and the approach used. The Research discovered that MM had a good and substantial impact on PV.

The hotel's prices and discounts should be competitive, reasonable, and equivalent largely to the quality of service provided. Moreover, Hotels could extend the network of their well-equipped and well-organized destinations covering the market needs in other accessible locations. Hotels should keep on sending regular emails announcing competitive seasonal promotional rates and to offer remarkable discounts for loyal customers. According to the findings, local hotel companies should concentrate on enhancing patrons' attitudes toward their offerings in order to foster a favorable opinion of local products and foster a feeling of community among their customers in order to foster positive word-of-mouth (WOM) communication.

The findings aid managers in gaining a better knowledge of the marketing mix, word-of-mouth influence, perceived quality, perceived value, and how customer feedback affects service quality. Furthermore, Jalilvand et al. (2017) noted that the literature on word-of-mouth in the food industry is quite limited and that further research is necessary as a tactic. Training programs that are likely to encourage client-oriented behavior and relational contact should also be implemented, as should involving frontline staff in the relational
procedure and training them to improve the communication interface. Third, strong attention to perceived value is required, it is expected that customers who receive better services will decide their meals had been more enjoyable and will pay more money for achieved value and help generate more positive WOM.

To build constructive WOM and loyalty, promotional activities should be effective and attractive to encourage the customer's purchase decisions. The Research recommends that marketing managers should focus on the strategic promotional mix to adopt creative and aggressive tactics to enhance PV, loyalty, and retention. The Research suggested that hotels should foster effective MM components, improve engagement, and communication marketing, and build trust with customers which will increase their PV and WOM and will result in positive WOM. to sustain customer loyalty and boost customer confidence in the service delivery process, hotel managers should endeavor to give the finest possible service. This will ultimately result in word-of-mouth (WOM) behavior.

A user-friendly website with smooth handling of various types of orders from receiving to delivery with responding quickly to service failures will ensure PV. Additionally, hotel employees ought to receive training on maintaining a professional demeanor, a welcoming demeanor, professional understanding, a high standard of professionalism while resolving inconsistencies, and a willingness to promptly and honestly provide services.

The practical implications of these results indicate that hotel management should place a heavy emphasis on the physical environment to draw guests and establish a strong sense of brand reputation. The results indicate that hotel managers have to concentrate on augmenting the assortment and caliber of their cuisine by taking into account the subsequent factors: flavor, freshness, and individual presentation. According to this research, this will improve consumer satisfaction and generate favorable word-of-mouth. To control word-of-mouth (WOM), hotels should encourage guests to recommend them to their friends. Apart from providing excellent service and creating a nice ambiance, hotel operators should ensure that their menu regularly reflects high quality, since this has a significant impact on customers' satisfaction levels. As a result, offer offer hotels must offer their culinary staff the necessary training to serve guests delectable, healthful cuisine that is presented consistently and attractively.

6. Limitations and Scope for Future Research

To collect Research data from customers in the Egyptian hotel sectors, a convenience sample was used. Future empirical studies may rely on information gathered from hotels in broader categories. The many kinds of hotel hotels, such as local, regional, and worldwide, were not distinguished in this Research. As a result, similar research may be done in the future using various sectors of the hospitality industry. The sample size should be increased for better validity and reliability, and future studies could address additional demographic effects.

In order to better understand the causal relationships, complex models that incorporate financial and economic variables should be created. These models should also look at other variables like perceived value, customer trust, service quality, and other customers' behavioral attitudes in order to identify the mediating mechanisms, future research may present additional mediating variables and conduct a longitudinal Research to establish causality among the research variables examined. This Research suggests that future investigations that recur to the S-O-R Theory should consider variables that potentially moderate the relationship between stimuli and organism and between organism and responses. Future studies should also examine other HRM strategies that might have unique effects on PV and WOM and use control factors, like as demographic data, if there are variations in guests' perceptions of PV.
A logical step for future studies would be to test these measures with varying samples and different variables in a longitudinal Research. Future studies could search more geographically diverse samples from various industries and should consider international markets using a similar methodology to determine if the relationships found in the Egyptian hotel sector hold for hotel services in other countries.

Future studies could build on our model by looking at how MM affects other customers' behaviors like WOM behavior and other behavioral outcomes that would add to the literature on hospitality. Future research may investigate how MM is perceived in other hospitality sectors and how it affects PV and word of mouth. Similarly, we also suggest future researchers test the mediation and moderating effect of loyalty between PV and WOM. The effect of demographic variables would be a worthwhile avenue for future studies.

7. References


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