

Event and relationship marketing strategies in the post-COVID Bali tourism industry: Exploring the mediating effect of satisfaction on loyalty

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Abstract

Purpose: This study investigates how event marketing and relationship marketing influence customer loyalty in Bali's tourism industry during the post-COVID recovery period. Satisfaction is tested as a mediating variable to explore the mechanism through which these marketing strategies impact loyalty.

Methods: A quantitative research design was used with a survey distributed to 200 tourists who participated in tourism-related events in Bali. Structural Equation Modeling (SEM) was employed to analyze the direct and indirect effects between variables, using satisfaction as a mediator.

Results: The results indicate that both event marketing and relationship marketing significantly and positively affect customer satisfaction and loyalty. Satisfaction was found to partially mediate the relationship between marketing strategies and loyalty, confirming its strategic role in post-crisis recovery efforts.

Conclusion: Strategic marketing through events and long-term relationships contributes to the enhancement of tourist loyalty, with satisfaction acting as a critical driver. The findings highlight the importance of personalized and memorable experiences in rebuilding tourism post-pandemic.

Limitations: The study is limited to event-based tourists in Bali and may not be generalizable to other sectors or regions.

Contribution: This study contributes empirical evidence on the integrated effects of event marketing and relationship marketing on loyalty in a post-crisis tourism context. By confirming satisfaction as a partial mediator, the research strengthens theoretical understanding of experiential and relational strategies in hospitality marketing and offers practical insights for tourism businesses seeking to improve loyalty through customer-centered experiences.

Keywords: *Bali Tourism, Customer Loyalty, Customer Satisfaction, Event Marketing, Hospitality Marketing, Relationship Marketing*

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1. Introduction

Bali is globally recognized as a premier tourist destination, renowned for its natural beauty, rich cultural heritage, and hospitality. These attributes make Bali a favored destination for both domestic and international tourists (Suryawan, Purwati, Handayani, & Meryawan, 2024). Its status as a leading tourism hub is further supported by a variety of attractions, including pristine beaches, historical temples, and eco-tourism spots, as well as well-developed infrastructure, such as accommodations,

transportation, shopping centers, and culinary destinations catering to diverse tourist segments (Wisnawa et al., 2023). Cultural festivals, traditional dance performances, art exhibitions, and religious ceremonies also enhance Bali's image as a destination offering not only natural beauty but also authentic cultural experiences (Setiawan, Wibisono, & Purwanegara, 2022).

The tourism sector plays a strategic role in Bali's economy, contributing significantly to the Gross Regional Domestic Product (GRDP) and serving as a primary source of income and employment for the local community. However, the industry faces various challenges, including fluctuations in tourist arrivals due to external factors such as international travel policies, shifting tourism trends, and global economic dynamics (Kirillova & Zyk, 2023). Bali's dependence on tourism renders it particularly vulnerable to external shocks, as evidenced during the COVID-19 pandemic. According to the Indonesian Central Bureau of Statistics (BPS), international tourist arrivals in Bali reached over six million in 2019 but saw a drastic decline during the pandemic due to travel restrictions. This decline affected not only the hospitality and restaurant sectors but also related industries such as travel agencies, tourist transportation, and small and medium enterprises dependent on tourism (Abdul, Budi, Rivaldi, & Khoirun, 2022).

As part of post-pandemic recovery, marketing strategies play a crucial role in revitalizing Bali's appeal as a global tourist destination. Ubud, known as one of Bali's leading cultural tourism areas, stands out because of its wealth of arts, traditions, and community-based cultural activities. Events such as traditional dance performances, art exhibitions, yoga sessions, and cultural community engagement strengthen Ubud's brand as a center of cultural and spiritual tourism. Among the emerging strategies, event marketing has gained traction as a means of offering tourists more engaging and memorable experiences (Chen & Wu, 2022).

Event marketing, as defined by Kim and Sullivan (2019), refers to a self-designed marketing communication tool that uses special events to foster deep emotional and cognitive engagement between consumers and brands. In an increasingly competitive business environment, event marketing has been shown to effectively create direct interaction and brand awareness through exhibitions, seminars, product launches, concerts, and social activities (Setiawan et al., 2022). However, observational research conducted over the past two years in Ubud revealed that most restaurants tend to focus primarily on product differentiation and ambiance rather than actively leveraging event marketing strategies. La Luz Ubud stands out as a unique case that implements community-based event marketing strategies, resulting in increased customer engagement and loyalty (Suryawan et al., 2024).

In addition to event marketing, relationship marketing is an essential approach to building long-term customer loyalty. Relationship marketing emphasizes establishing mutually beneficial long-term relationships between businesses and customers, focusing on consistent interactions, customer satisfaction, and trust (Santi Diwyarthi et al., 2024). Recent studies Nashih, Al Idrus, and Prajawati (2024) confirmed that relationship marketing positively influences customer satisfaction, which subsequently impacts customer loyalty.

Despite extensive research on marketing strategies, there are still several gaps. Prior studies have predominantly explored the impact of event marketing on purchase intention and customer satisfaction, leaving the direct relationship between event marketing and customer loyalty underexplored (Nuraeni & Hadita, 2022). Additionally, empirical findings on the influence of relationship marketing on customer loyalty present inconsistencies, with some studies showing significant effects while others do not (Akbar, Siregar, & Asnawi, 2024; Nashih et al., 2024). Furthermore, the mediating role of customer satisfaction in connecting event and relationship marketing to customer loyalty has not been widely examined.

Given these gaps, this study aims to investigate the influence of event marketing and relationship marketing on customer loyalty, with customer satisfaction as a mediator. This study focuses on La Luz Ubud, which provides a relevant case due to its successful integration of community-based event marketing and relationship marketing. Academically, this study is expected to enrich the literature on

marketing strategies in the hospitality industry, particularly in the post-pandemic recovery context. Practically, it offers insights for industry practitioners seeking to enhance customer satisfaction and loyalty through strategic marketing.

Based on the challenges of post-pandemic tourism recovery in Bali and the importance of retaining loyal customers through effective marketing strategies, this study explores the influence of event and relationship marketing on customer loyalty, with satisfaction as a mediating variable.

To guide this investigation, the following research questions were formulated:

- (1) To what extent do event and relationship marketing influence customer satisfaction in the Bali tourism sector?
- (2) How does customer satisfaction influence customer loyalty in this context?
- (3) Does customer satisfaction mediate the relationship between event/relationship marketing and customer loyalty

2. Literature Review

2.1 Theoretical Background

2.1.1 Expectation Disconfirmation Theory (EDT)

Expectation Disconfirmation Theory (EDT) has been widely used to explain consumer behavior, particularly in evaluating satisfaction and repurchase intention. According to R.L. Oliver (2010), EDT consists of five key elements: performance perception, expectations, confirmation, satisfaction, and repurchase intention. Customers form expectations prior to consuming a product or service and subsequently compare actual performance with these expectations. Positive disconfirmation occurs when performance exceeds expectations, leading to a high level of satisfaction. Conversely, negative disconfirmation results in dissatisfaction when performance falls short of expectations (Richard L. Oliver, 2014). In the context of event and relationship marketing, customers' direct experiences during interactive events or sustained interactions can create positive disconfirmation, enhancing satisfaction and, subsequently, customer loyalty (Suryawan et al., 2024).

2.1.2 Customer Loyalty

2.1.2.1 Definition of Customer Loyalty

Customer loyalty refers to a customer's consistent preference and commitment to repurchasing a product or service despite the availability of alternatives (Kirillova & Zyk, 2023). R.L. Oliver (2010) emphasizes that loyalty is achieved when the customer's experience meets or surpasses their expectations, resulting in satisfaction and long-term commitment. Loyal customers tend to demonstrate repeated purchase behavior, emotional attachment, and trust in a brand's quality and reliability.

2.1.2.2 Indicators of Customer Loyalty

According to Supriyanto, Wiyono, and Burhanuddin (2021), customer loyalty can be measured using four indicators.

1. Cognitive Loyalty: Based on customers' belief in the superiority of a product/service.
2. Affective Loyalty: Emotional attachment to the brand due to positive experiences.
3. Conative Loyalty: Behavioral intention to repurchase and recommend the brand.
4. Action Loyalty: Consistent purchase behavior despite market competition.

2.1.3 Customer Satisfaction

2.1.3.1 Definition of Customer Satisfaction

Customer satisfaction is defined as the feeling of pleasure or disappointment resulting from comparing the perceived product performance with expectations (Kotler & Keller, 2016). High satisfaction strengthens customer loyalty, emotional attachment, and positive word of mouth (Abdul et al., 2022).

2.1.3.2 Indicators of Customer Satisfaction

Goodman (2014) identified four key indicators:

1. Expectation Confirmation
2. Perceived Performance
3. Overall Satisfaction

4. Comparison with Ideal

2.1.4 Event marketing

2.1.4.1 Definition of Event Marketing

Event marketing is defined as a marketing communication tool designed through special events to foster deep emotional and cognitive engagement between consumers and brands (Kim & Sullivan, 2019). This strategy strengthens brand awareness, creates a positive brand image, and fosters customer loyalty through memorable experiences.

2.1.4.2 Indicators of Event Marketing

Lungu (2020) outlined seven indicators:

1. Emotional Engagement
2. Visitor Interaction
3. Deep Engagement
4. Sustainability
5. Uniqueness
6. Customer-Based Innovation
7. Integrity and Added Value

2.1.5 Relationship Marketing

2.1.5.1 Definition of Relationship Marketing

Relationship marketing focuses on building long-term, mutually beneficial relationships between companies and customers through continuous interactions (Kotler & Keller, 2016).

2.1.5.2 Indicators of Relationship Marketing

Japutra, Ekinci, and Simkin (2014) presented three indicators:

1. Emotional Bonding
2. Empathy
3. Trust

2.2 Previous Studies

Table 1. Summary of Prior Studies

AUTHOR(S)	TITLE	VARIABLES	RESULTS
(Akbar et al., 2024)	The Effects of Relationship Marketing On Customer Loyalty Through Customer Retention In Layer Feed Customers in South Sulawesi, Indonesia	Independent Variable: Relationship Marketing (X1) Dependent Variable: Customer Loyalty (Y) Mediating Variable: Customer Retention (Z)	H1: Relationship marketing has a significant influence on increasing customer retention. H2: Relationship marketing does not have a significant influence on increasing customer loyalty. H3: Customer retention has a strong impact on increasing customer loyalty.
(Nashih et al., 2024)	The Mediating Role Of Customer Satisfaction On The Influence	Independent Variables: Service Quality (X1), Relationship	H1: The influence of Service Quality on Customer Loyalty H2: The influence of Service Quality on Customer Satisfaction

	Of Service Quality And Relationship Marketing On Customer Loyalty	Marketing (X2) Dependent Variable: Customer Loyalty (Y) Mediating Variable: Customer Satisfaction (Z)	H3: The influence of Relationship Marketing on Customer Loyalty H4: The influence of Relationship Marketing on Customer Satisfaction H5: The influence of Customer Satisfaction on Customer Loyalty H6: The influence of Service Quality on Customer Loyalty through Customer Satisfaction H7: The influence of Relationship Marketing on Customer Loyalty through Customer Satisfaction
(Nuraeni & Hadita, 2022)	The Effect of Event Marketing on Purchase Decisions Through Purchase Interest in Tokopedia Marketplace (Case Study on Tokopedia Event Photocard Program)	Independent Variable: Event Marketing (X1) Dependent Variable: Purchase Decision (Y) Mediating Variable: Purchase Interest (Z)	H1 : The effect of event marketing on purchase decision H2: The effect of event marketing on purchase interest H3: The effect of purchase interest on purchase decision H4: The effect of event marketing on purchase decision through purchase interest
(Setyawan & Saputra, 2024)	Impact Of Marketing Events On Customer Satisfaction Mediated By Digital Marketing And Moderate Green Marketing On MSMEs In Banyumas District	Independent Variable: Event Marketing (X1) Dependent Variable: Customer Satisfaction (Y) Mediating and Moderating Variables: Digital Marketing (Mediating Variable / Z1) Green Marketing (Moderating Variable / Z2)	H1: Event Marketing has an effect on Customer Satisfaction. H2: Digital Marketing mediates the relationship between Event Marketing and Customer Satisfaction. H3: Green Marketing moderates the relationship between Event Marketing and Customer Satisfaction.

As summarized in Table 1, although several studies have examined the effects of event marketing and relationship marketing individually, few have investigated both strategies simultaneously in the context of post-pandemic tourism in India. Moreover, the mediating role of satisfaction remains underexplored and inconsistently addressed. This study aims to fill these gaps by integrating both marketing approaches and testing satisfaction as a mediator in the context of Bali tourism.

Numerous studies have explored the relationships among relationship marketing, customer satisfaction, customer loyalty, customer trust, and other mediating factors. Hidayat and Idrus (2023) investigated the effects of relationship marketing on switching barriers, customer satisfaction, and customer trust in the

banking sector. Their study utilized PLS-SEM analysis with a sample of 141 bank customers, concluding that relationship marketing positively and significantly affects switching barriers, customer satisfaction, and customer trust but does not have a direct significant effect on customer retention. Instead, customer trust and satisfaction mediate the effect of relationship marketing on customer retention. Similarly, Albarq (2023) conducted research on the Saudi banking sector and analyzed the impact of Customer Knowledge Management (CKM) and customer satisfaction on customer loyalty, mediated by customer trust. Using PLS-SEM with 600 respondents, this study confirmed a significant relationship between CKM, customer satisfaction, customer trust, and customer loyalty, highlighting the mediating role of trust in strengthening loyalty.

In the context of the retail industry, Alajarmeh et al. (2024) focused on product quality, employee efficiency, and commitment as antecedents of customer loyalty through relationship marketing. This study surveyed 360 retailers in Jordan and demonstrated that relationship marketing successfully mediates the influence of commitment on customer loyalty, supporting the importance of relationship marketing strategies in enhancing loyalty. Meanwhile, Akbar et al. (2024) analyzed the poultry industry in South Sulawesi, Indonesia, and examined the role of relationship marketing and customer retention in customer loyalty. The results showed that while relationship marketing has a strong influence on customer retention, it does not directly affect customer loyalty; however, customer retention plays a crucial role in increasing this loyalty. Nashih et al. (2024) analyzed the mediating role of customer satisfaction in the relationship between service quality, relationship marketing, and customer loyalty among customers of BMT Maslahah, Malang. Their findings confirmed that both service quality and relationship marketing positively influenced customer loyalty, with customer satisfaction being a significant mediator.

Nuraeni and Hadita (2022) explored the impact of event marketing on purchase decisions in the Tokopedia marketplace. The study indicated that event marketing significantly influences purchase interest and decisions, with purchase interest mediating this relationship (Nuraeni & Hadita, 2022). Setyawan and Saputra (2024) examined the effects of marketing events on customer satisfaction, mediated by digital marketing and moderated by green marketing among MSMEs in the Banyumas District. Their findings support the role of digital marketing as a mediator and green marketing as a moderator in the relationship between event marketing and customer satisfaction. While these studies have provided valuable insights, a research gap remains concerning the integrated effect of event marketing and relationship marketing on customer loyalty, especially when mediated by customer satisfaction in the hospitality and tourism sectors, such as local cafés and event-based businesses. Most prior studies focus on the banking, retail, or MSME sectors, leaving a limited understanding of how experiential marketing events coupled with relationship strategies influence customer loyalty behavior holistically. Therefore, this study aims to fill this gap by examining the simultaneous impact of event and relationship marketing on customer loyalty, with customer satisfaction as a mediator.

2.3 Hypotheses Development

Table 2. Research Hypotheses

HYPOTHESIS	STATEMENT
H1	Event marketing has a positive and significant effect on customer loyalty.
H2	Relationship marketing has a positive and significant effect on customer loyalty.
H3	Event marketing has a positive and significant effect on customer satisfaction.
H4	Relationship marketing has a positive and significant effect on customer satisfaction.
H5	Customer satisfaction has a positive and significant effect on customer loyalty.
H6	Event marketing affects customer loyalty through the mediation of customer satisfaction.
H7	Relationship marketing affects customer loyalty through the mediation of customer satisfaction.

2.3.1 The Relationship between Event Marketing and Customer Loyalty

Event marketing is designed to create emotional and cognitive engagement between consumers and brands through unique and memorable experiences (Kim & Sullivan, 2019). These experiences enhance brand image, encourage customer interaction, and build long-term loyalty. Positive emotional responses during events strengthen customer satisfaction and attachment, leading to repeated patronage despite competitors' offerings (Kirillova & Zyk, 2023). R.L. Oliver (2010) states that customer loyalty emerges when actual experiences meet or exceed expectations. However, previous studies have primarily focused on the effects of event marketing on purchase intention and satisfaction (Nuraeni & Hadita, 2022), while its direct impact on loyalty remains unexplored. Based on the literature, we hypothesized that event marketing has a positive and significant effect on customer loyalty (H1).

2.3.2 The Relationship between Relationship Marketing and Customer Loyalty

Relationship marketing focuses on building long-term, mutually beneficial relationships between businesses and customers through consistent and personalized communication (Kotler & Keller, 2016). The use of digital platforms, such as WhatsApp and social media, enhances this strategy by enabling companies to maintain engagement before, during, and after service encounters. These sustained interactions directly address customer needs, strengthen emotional bonds, and contribute to loyalty over time (Kirillova & Zyk, 2023). Loyalty refers to a customer's ongoing commitment to repurchase from a brand despite alternative options, which is often shaped by repeated positive experiences (R.L. Oliver, 2010). Although the findings vary, Akbar et al. (2024) found no significant relationship between relationship marketing and loyalty, whereas Nashih et al. (2024) reported a strong positive link. The consensus suggests that personalized and trust-based interactions foster greater customer loyalty. Based on the literature, it is hypothesized that relationship marketing has a positive and significant effect on customer loyalty (H2).

2.3.3 The Relationship between Event Marketing and Customer Satisfaction

Event marketing, delivered through interactive events, goes beyond its promotional function by fostering long-term relationships and emotional engagement between customers and brands. Positive experiences during these events significantly influence customer perceptions and contribute to increased satisfaction. Satisfaction is defined as the level of pleasure or disappointment resulting from a comparison between expectations and actual experiences (Kotler & Keller, 2016). When events are effectively designed and executed, they fulfill or exceed customer expectations, thereby enhancing satisfaction. Conversely, poorly executed events may lead to dissatisfaction and decreased brand engagement. Setyawan and Saputra (2024) found that well-managed event marketing positively affects customer satisfaction by improving their perception of brand value. Furthermore, direct interactions during events strengthen emotional bonds, and satisfied customers are more likely to share positive word-of-mouth both offline and online. Based on the literature, event marketing has a positive and significant effect on customer satisfaction (H3).

2.3.4 The Relationship between Relationship Marketing and Customer Satisfaction

Relationship marketing is a strategic approach that focuses on establishing and maintaining long-term, mutually beneficial relationships through continuous interaction, trust, commitment, and effective communication (Kotler & Keller, 2016). These elements not only build emotional bonds but also enhance customer satisfaction by delivering personalized services and engaging consistently. In this context, satisfaction reflects the extent to which actual experiences meet or exceed customer expectations (Kotler & Keller, 2016). Empirical findings support this link—Hidayat and Idrus (2023) showed that relationship marketing significantly affects satisfaction, while Nashih et al. (2024) emphasized its contribution to building trust and emotional connection. Customers who feel cared for and engaged are more likely to be satisfied. Based on the literature, it is hypothesized that relationship marketing has a positive and significant effect on customer satisfaction (H4).

2.3.5 The Relationship between Customer Satisfaction and Customer Loyalty

Customer satisfaction is defined as the emotional response—either pleasurable or disappointing—that results from the comparison between customer expectations and actual service experiences (Kotler & Keller, 2016). When expectations are met or exceeded, customers are more likely to develop brand

loyalty, which manifests as repeated purchases, brand preference, and positive word-of-mouth (Kirillova & Zyk, 2023). This loyalty is further strengthened by the emotional bonds formed through consistent and satisfying interactions. Prior empirical studies have confirmed this link: Nashih et al. (2024) found that customer satisfaction significantly influences loyalty, and Albarq (2023) emphasized that satisfied customers tend to remain loyal despite competitive alternatives. Based on the literature, we hypothesized that customer satisfaction has a positive and significant effect on customer loyalty (H5).

2.3.6 Customer Satisfaction as Mediator between Event Marketing and Customer Loyalty

Event marketing is a promotional strategy that involves organizing interactive and engaging experiences to capture attention, build emotional connections, and strengthen long-term relationships between customers and brands (Kim & Sullivan, 2019). These events provide direct brand experiences that enhance customer perception and foster deeper attachment. In this context, customer satisfaction plays a key mediating role in translating positive event experiences into favorable post-event attitudes. Satisfaction, defined as the degree to which customer expectations are fulfilled or exceeded (Kotler & Keller, 2016), strengthens loyalty through emotional engagement and repeated positive impressions. Although few studies have directly examined the mediating effect of satisfaction between event marketing and loyalty, theoretical perspectives and empirical patterns suggest a strong linkage. Based on the literature, we hypothesized that event marketing positively affects customer loyalty through the mediating role of customer satisfaction (H6).

2.3.7 Customer Satisfaction as Mediator between Relationship Marketing and Customer Loyalty

Relationship marketing is a strategic approach focused on building and maintaining long-term relationships with customers through trust, commitment, personalized communication, and consistent interactions (Kotler & Keller, 2016). These ongoing efforts enhance customer experience and strengthen emotional bonds and long-term loyalty. Customer satisfaction plays a crucial mediating role in this process, acting as the emotional response customers feel when their expectations are met or exceeded by the actual experiences (Kotler & Keller, 2016). When relationship marketing is perceived as valuable, responsive, and sincere, customers are more likely to feel satisfied, which, in turn, enhances their loyalty. Empirical studies support this relationship; for example, Nashih et al. (2024) found that customer satisfaction mediates the effect of relationship marketing on customer loyalty, confirming the significance of emotional and relational value. Based on the literature, we hypothesized that relationship marketing positively affects customer loyalty through the mediating role of customer satisfaction (H7).

3. Research Methodology

3.1 Research Design

This study adopts a quantitative research approach, focusing on measuring the relationships between variables using numerical data that are analyzed statistically. According to Kim and Sullivan (2019), quantitative research emphasizes objective measurement and statistical analysis of data collected through structured instruments, such as questionnaires. This survey-based research investigates the influence of event and relationship marketing on customer loyalty, mediated by customer satisfaction, among La Luz Ubud customers.

3.2 Research Object

The object of this study consists of La Luz Ubud customers who have participated in events organized by the restaurant. These customers were selected because of their direct experience with the events, ensuring accurate data on the effectiveness of event marketing and relationship marketing strategies (Bougie & Sekaran, 2019).

3.3 Population and Sampling Technique

The population included all La Luz Ubud customers who participated in the events. Sampling was conducted using non-probability purposive sampling, selecting respondents based on their experience of attending La Luz Ubud events. This method ensured that only relevant respondents contributed to the study (Jeong & Kim, 2020). The sample size was determined using the 10-times rule in PLS-SEM, requiring a minimum of 190 respondents because of the 19 indicators used in the model (Hair, Hult,

Ringle, & Sarstedt, 2022). To enhance reliability and validity, a total sample of 200 respondents was used, comprising individuals from Generation Z, Millennials, Generation X, and Baby Boomers.

3.4 Data Type and Data Collection Procedure

This study utilized primary data collected directly from the respondents. The data collection process employed a structured questionnaire distributed online via Google Forms, which was accessed through QR codes shared with customers immediately after participating in La Luz Ubud's events. Respondents were given approximately 40 minutes to complete the questionnaire, ensuring that their responses reflected their immediate experience. This method facilitated efficient data gathering while maintaining response validity (Trimurti & Utama, 2021).

3.5 Research Variables

This study involved four key variables.

1. Independent Variables: Event Marketing (X_1) and Relationship Marketing (X_2)
2. Mediating Variable: Customer Satisfaction (Z)
3. Dependent Variable: Customer Loyalty (Y)

3.6 Measurement Scale

This study utilized a 4-point Likert scale to assess the respondents' perceptions of each questionnaire item. The scale included four response options: Strongly Disagree (1), Disagree (2), Agree (3), and Strongly Agree (4). Unlike the more commonly used 5- or 7-point scales, this even-numbered scale does not have a neutral midpoint. This scale was chosen to implement a forced-choice approach, encouraging respondents to take a definitive stance on each statement. By removing the neutral option, the data collected became more explicit and reduced central tendency bias. This method also enhances the clarity of measuring respondents' attitudes, making the interpretation more precise. According to Gerald, Obianuju, and Chukwunonso (2020), even-point Likert scales offer high reliability in social research contexts. They help minimize ambiguity and reduce the likelihood of socially desirable or indecisive responses that may distort the findings of the study.

3.7 Instrument Testing

Before being used in the main data collection, the questionnaire in this study underwent a pre-test phase involving 30 respondents who shared characteristics similar to the target population. The purpose of this pre-test was to ensure that each questionnaire item could be easily understood, was unambiguous, and relevant to the context of the research topic. Furthermore, the researcher conducted content validity by consulting two academic experts in marketing management and tourism. These experts were asked to review each indicator and item to assess the alignment between the questions and the theoretical concepts intended to be measured in the study. Revisions based on the pre-test results and expert feedback were used to refine the instrument to ensure both conceptual clarity and linguistic accuracy. Subsequently, the revised instrument was statistically tested through validity and reliability analyses using SPSS software. The results indicated that all indicators met the validity requirements (r -value > 0.361 and $\text{sig.} < 0.05$) and reliability standards (Cronbach's $\alpha > 0.7$).

3.8 Data Analysis Technique

The collected data were analyzed using Structural Equation Modeling (SEM) based on the Partial Least Squares (PLS) technique, employing SmartPLS 4.0 software. This method was chosen because of its suitability for complex models and small to medium sample sizes (Ghozali, 2018). The analysis procedures included the evaluation of the measurement model (outer model) and the structural model (inner model) to test reliability, validity, and hypothesis relationships. In conducting this study, ethical considerations were strictly observed in accordance with the social research standards involving human participants. Before completing the questionnaire, all respondents were provided with clear information regarding the objectives, scope, and benefits of this study. After receiving this explanation, the respondents voluntarily provided their informed consent, signifying their willingness to participate in the study on a voluntary basis.

3.8.1 Descriptive Analysis

Descriptive statistics were used to summarize the respondents' demographic characteristics and response patterns.

3.8.1 Quantitative Analysis

The quantitative analysis consisted of the following:

1. Outer Model Evaluation

This evaluated convergent validity, discriminant validity, Average Variance Extracted (AVE), and composite reliability to assess the measurement model.

2. Inner Model Evaluation

This assessed the structural relationships between variables using:

- a. R-squared (R^2) to determine the model's explanatory power.
- b. Q-square (Q^2) through a blindfolding procedure to evaluate predictive relevance.

3. Hypothesis Testing

Hypothesis testing was conducted using the bootstrapping method in SmartPLS software. A t-statistic > 1.65 and p-value < 0.05 indicate significant relationships (Hair et al., 2022). All the research conditions were standardized to ensure replicability.

3.9 Software and Hardware

Data analysis utilized SmartPLS 4.0 and IBM SPSS Statistics Version 26.0 for pre-analysis instrument testing. Data collection was facilitated using Google Forms, which were accessible via smartphones, tablets, and computers.

4. Results and Discussion

The analysis indicates that event marketing has a positive and significant effect on customer loyalty among La Luz Ubud's customers. The path coefficient analysis revealed a p-value of 0.016 (< 0.05) and a t-statistic of 2.406 (> 1.66), confirming the significance of this relationship. The positive influence of event marketing on customer loyalty is quantified by a coefficient of 0.226. This finding aligns with the experiential marketing framework, which posits that engaging and memorable events can enhance customer loyalty by creating positive brand associations and emotional connections with the brand.

The study demonstrates that relationship marketing significantly and positively influences customer loyalty. The path coefficient analysis yielded a p-value of 0.001 (< 0.05) and a t-statistic of 3.200 (> 1.66), with a positive coefficient of 0.308. This outcome supports the notion that personalized interactions and effective communication strategies foster stronger customer-brand relationships, leading to increased loyalty. This finding is consistent with recent studies that have highlighted the critical role of relationship marketing in enhancing customer loyalty through trust and commitment.

The analysis revealed that event marketing significantly affects customer satisfaction, with a p-value of 0.000 (< 0.05) and a t-statistic of 4.046 (> 1.66). The coefficient value was 0.435, indicating a strong positive relationship. This supports the idea that well-executed events provide value and enjoyable experiences, leading to higher levels of satisfaction. Engaging customers through events that resonate with their interests and preferences enhances their overall brand satisfaction.

The relationship marketing strategy also had a positive and significant effect on customer satisfaction. The analysis results indicate a p-value of 0.000 (< 0.05) and a t-statistic of 4.257 (> 1.66) with a coefficient of 0.443. This suggests that relationship marketing practices, such as personalized communication and attentive service, build customer trust and satisfaction. These findings are consistent with recent research emphasizing that continuous interaction and tailored services improve customer satisfaction levels, strengthening relational ties. Customer satisfaction positively and significantly affected customer loyalty, as evidenced by a p-value of 0.003 (< 0.05) and a t-statistic of 3.015 (> 1.66), with a coefficient of 0.347. This finding reinforces the understanding that satisfied customers are more likely to remain loyal and engage in repeated patronage. High levels of satisfaction contribute to stronger emotional bonds with the brand, leading to loyal customers.

The mediation analysis demonstrated that customer satisfaction partially mediated the relationship between event marketing and customer loyalty. The indirect effect presents a p-value of 0.027 (<0.05) and a t-statistic of 2.218 (>1.66). Both direct (p = 0.016) and indirect (p = 0.027) effects were significant, confirming partial mediation. This finding underscores the importance of customer satisfaction as a pathway through which event marketing influences consumer loyalty. Effective event marketing enhances customer satisfaction, which, in turn, strengthens loyalty.

Similarly, the study found that customer satisfaction partially mediates the effect of relationship marketing on customer loyalty. The mediation analysis showed a p-value of 0.011 (<0.05) and a t-statistic of 2.538 (>1.66). Both the direct (p = 0.001) and indirect effects (p = 0.011) were significant. This suggests that relationship marketing enhances customer satisfaction, which subsequently leads to increased customer loyalty. The mediating role of satisfaction highlights its critical function in translating relationship marketing efforts into loyalty.

Table 3. Direct Effect Results of Path Coefficient between Variables

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Event Marketing -> Customer Loyalty	0.226	0.225	0.094	2.406	0.016
Relationship Marketing -> Customer Loyalty	0.308	0.312	0.096	3.200	0.001
Event Marketing -> Customer Satisfaction	0.435	0.435	0.108	4.046	0.000
Relationship Marketing -> Customer Satisfaction	0.443	0.442	0.104	4.257	0.000
Customer Satisfaction -> Customer Loyalty	0.347	0.342	0.115	3.015	0.003

Source: Processed data by SmartPLS 4.0 (2025)

All direct relationships tested in the model were statistically significant (p < 0.05), as indicated by t-statistics above 1.66. Event and relationship marketing positively influence customer satisfaction and loyalty. Additionally, customer satisfaction has a strong positive impact on customer loyalty. These findings suggest that both marketing strategies play a crucial role in building loyalty, directly and indirectly through the mediating role of satisfaction.

Table 4.2 Specific Indirect Effect Results or Indirect Effect of Independent Variables on Dependent Variables

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Event Marketing -> Customer Satisfaction -> Customer Loyalty	0.151	0.151	0.068	2.218	0.027
Relationship Marketing -> -> Customer Satisfaction -> Customer Loyalty	0.154	0.150	0.061	2.538	0.011

Source: Processed data by SmartPLS 4.0 (2025)

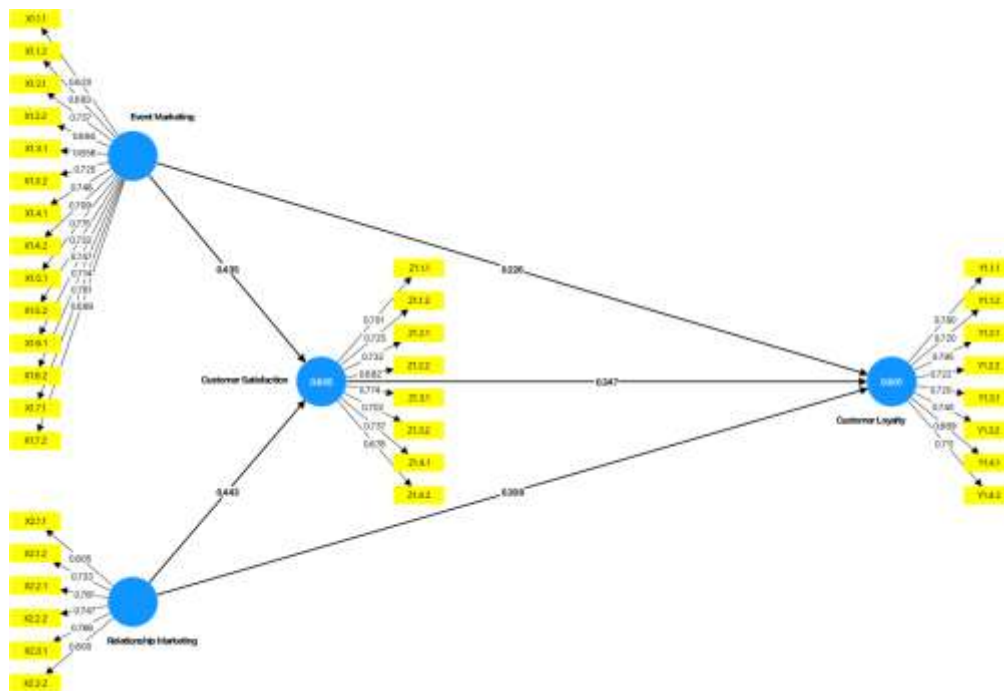


Figure 1. Outer Model Test Results for 200 Respondents
Source: Processed data by SmartPLS 4.0 (2025)

The results show that customer satisfaction significantly mediates the effects of event and relationship marketing on customer loyalty. For event marketing, the indirect effect was significant, with a t-statistic of 2.218 and a p-value of 0.027 (< 0.05), indicating partial mediation. Similarly, relationship marketing also shows a significant indirect effect, with a t-statistic of 2.538 and a p-value of 0.011. These findings confirm that customer satisfaction is an important pathway through which marketing strategies influence loyalty.

5. Conclusion

5.1 Conclusion

Based on the results of the data analysis regarding the influence of event marketing and relationship marketing on customer loyalty—mediated by customer satisfaction—for La Luz Ubud customers who have participated in various events, several key conclusions can be drawn.

1. Event marketing contributes meaningfully to strengthening customer loyalty by fostering memorable experiences that build emotional connections and positive brand perceptions.
2. Relationship marketing enhances customer loyalty by cultivating long-term engagement, trust, and personalized interactions between brands and customers.
3. Event and relationship marketing play important roles in increasing customer satisfaction, indicating that value-rich experiences and relational approaches positively shape customer perceptions.
4. Customer satisfaction acts as a critical bridge that reinforces loyalty, suggesting that when customers feel satisfied with their overall experience, they are more likely to remain loyal and return.
5. The study confirms that customer satisfaction partially mediates the impact of both event marketing and relationship marketing on loyalty, highlighting the importance of maintaining consistent service quality and emotional engagement.

These findings suggest that La Luz Ubud can further optimize customer loyalty by integrating experiential and relational marketing strategies with a strong focus on ensuring customer satisfaction throughout the event experience journey.

5.2. Limitation

This study had several limitations. First, the research was conducted exclusively on La Luz Ubud customers in the hospitality and event-based marketing industry, which limits the generalizability of the findings to other sectors. Second, the research approach used is quantitative with the Partial Least

Squares-Structural Equation Modeling (PLS-SEM) method, which, while effective for testing relationships between variables, may not fully capture the subjective experiences of customers during event marketing and relationship marketing activities. Third, the research model includes only four variables: event marketing, relationship marketing, customer satisfaction, and customer loyalty, without considering other potential influencing variables such as brand trust, customer engagement, perceived value, and brand experience.

5.3. Suggestions

Based on the findings and limitations of this study, several suggestions are proposed.

1. Future research should re-examine the direct impact of event marketing on customer loyalty using larger samples and diverse analytical approaches, including moderating variables such as customer engagement and brand trust.
2. Conduct studies in other industries (e.g., retail, tourism, and startups) to test the generalizability of the findings beyond the hospitality sector.
3. Qualitative or mixed-method approaches (e.g., interviews and focus groups) can be used to explore customer experiences and perceptions more deeply.
4. The theoretical model can be expanded by including additional mediators or moderators, such as brand experience, customer perceived value, or digital engagement.

5.3.1 Managerial Implications

1. Design immersive and emotionally engaging events to boost satisfaction and loyalty of customers.
2. Maintain consistent and personalized communication before and after events to build trust.
3. Monitor satisfaction at every touchpoint and respond promptly to customer feedback.
4. Integrate event and relationship marketing strategies for a stronger long-term impact.
5. Develop tiered loyalty programs or exclusive offers for repeat customers to enhance customer retention.
6. Leverage customer data to personalize future marketing campaigns.
7. Apply this integrated marketing approach across various sectors to strengthen customer retention

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