

EXPERIENCE MARKETING IN HALAL TOURISM MODEL: A COMPARISON STUDY BETWEEN INDONESIA AND MALAYSIA

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ABSTRACT: This study examines the effect of experiential marketing on customer loyalty, with customer satisfaction as a mediating variable, in tourist destinations in Indonesia and Malaysia. Using purposive sampling, data were analyzed through Structural Equation Modeling with AMOS 24. The findings show that experiential marketing consistently improves customer satisfaction in both countries, while customer satisfaction significantly enhances customer loyalty. Cross-country differences emerge in the direct relationship between experiential marketing and loyalty, which is significant in Indonesia but not in Malaysia. Customer satisfaction partially mediates this relationship in Indonesia and fully mediates it in Malaysia. The study contributes to the experiential marketing literature by demonstrating how satisfaction explains cross-country variations in the formation of customer loyalty. The findings suggest that destination managers should prioritize memorable customer experiences that strengthen satisfaction to build sustainable tourist loyalty.

Keywords: Experiential Marketing; Customer Satisfaction; Customer Loyalty; Cross-Country Analysis

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INTRODUCTION

Halal tourism known as Halal-friendly and Islamic tourism is a facet of the tourism industry that offers activities, products, and services that are in line with the principles and values of Islam (Boğan & Sarışık, 2019.; Rahman et al., 2019). This tourism segment appeals to Muslim travelers as it provides them with the opportunity to satisfy their recreational and leisure needs while still following their religious commitments (Jia & Chaozhi, 2020). The nature of their demands, Muslim or Halal tourists as opposed to normal tourists, are more selective and have specific tastes for tourism products and services (Vargas-Sánchez & Moral-Moral, 2020). When traveling, halal tourists look for tourism products and services that provide them with fun leisure experiences while not going against their religious commitments (Eid & El-Gohary, 2015). As a research domain, Halal tourism remains relatively nascent (Vargas-Sánchez & Moral-Moral, 2020). So far, the specific determinants of loyalty among Halal tourists have not been thoroughly pinpointed (Han et al., 2019; Rahman et al., 2019). In tourism literature, the significance of tourist loyalty and its preceding factors has been extensively deliberated (Liu et al., 2020). Most of the views support the idea that tourist experience and satisfaction are the key elements of loyalty growth (Suhartanto et al., 2021). Within the context of Halal tourism, the role of tourist experience has been mentioned less frequently in comparison to perceived value and satisfaction, which have been well researched (Vargas-Sánchez & Moral-Moral, 2020). Halal as well as conventional tourists have similar leisure motives and both of them are looking for high-quality experiences at tourism destinations (Rahman et al., 2019). On the other hand, Halal tourists need to be sure that their religious requirements are properly fulfilled, especially when it comes to the consumption of products and services (Eid & El-Gohary, 2015). Although earlier research has been less clear about the relative importance of religious and recreational needs of tourists, recent studies have clearly demonstrated that they both should be. Eid & El-Gohary (2015) mentions that a considerable shortage of empirical studies exists which investigate tourists' experiential, Halal experiential, and overall experiential dimensions conjointly in one conceptual model.

In the modern business era, numerous marketing strategies are employed by entrepreneurs to achieve optimal sales performance. This situation arises from the intense competition among businesses within various industries, making the adoption of an appropriate marketing strategy a critical determinant of sales growth. One such approach involves providing consumers with memorable experiences that evoke emotions, foster satisfaction, and create lasting impressions of the offered products. Experiential marketing is a strategy designed to deliver engaging experiences to consumers, enabling them to form strong emotional connections with a brand or product. These experiences are expected to generate satisfaction and, subsequently, encourage customer loyalty and repurchase behavior, including within the context of Halal experiences. Through experiential marketing, marketers aim to understand consumer desires and consistently fulfill their needs, allowing consumers to feel recognized and valued through personalized and memorable interactions. This approach enables marketers to effectively appeal to consumers' emotions and create a deeper sense of attachment. The primary objective of experiential marketing is to build long-term customer loyalty by offering experiences that are distinctive from those of competitors and remain memorable throughout product usage (Rosanti et al., 2014). According to Smilansky (2009) experiential marketing is characterized as a two-way communication approach focused on discovering and satisfying both the needs and aspirations of consumers. Based on the background of the problem above, the research questions to be answered in this study are: first, whether experiential marketing influences customer loyalty. Second, whether experiential marketing influences customer satisfaction. Third, whether customer satisfaction influences customer loyalty. Finally, whether experiential marketing influences customer loyalty through customer satisfaction as an intervening variable. The goal is to seamlessly integrate the brand into the consumer's cognitive space. This integration is achieved through the practical implementation of five essential dimensions: sense, feel, think, act, and relate.

THEORETICAL REVIEW

The main theoretical basis of this research is Schmitt (1999) "Experiential Marketing: How to Get Consumers to Sense, Think, Act and Relate to Your Company and Brands", as in

experiential marketing, customer satisfaction, and customer loyalty. Customer loyalty according to Tjiptono (2014) is the repeated buying behavior which only refers to the buying of the same brand over and over again and the generation of satisfaction can yield several advantages the creation of customer satisfaction offers several distinct advantages, such as cultivating stronger, more amicable relationships between the company and its patrons. Furthermore, satisfaction serves as the necessary basis for repeat purchases and is instrumental in generating both enduring customer loyalty and beneficial word-of-mouth recommendations (Fatmawati & Fauzan, 2021). This repeat purchasing behavior results from various factors that influence consumers' purchasing decisions (Solikhah et al., 2022).

According to Christian and Dharmayanti (2013), consumer loyalty can be measured by three different indicators: a). continuing purchase, which reflects a consumer's consistent intention to repurchase from the same service provider, driven by a sense of loyalty. b) positive word-of-mouth, referring to consumers sharing favorable opinions about a company or its employees by providing testimonials or recounting positive service experiences. c) recommendation to others, which involves encouraging friends or acquaintances to use the company's services based on positive personal experiences. A company that successfully cultivates customer loyalty will likely experience more stable sales growth and greater brand recognition. Loyal customers not only remain committed to the company but also actively promote its products to relatives and others. Such behavior occurs because loyal customers perceive the company's products as superior and, consequently, act as informal advocates or spokespersons for the brand (Tjiptono, 2014). Customer satisfaction, on the other hand, represents the emotional response that emerges after consumers evaluate their purchase decisions regarding a product or service. Satisfaction constitutes a post-purchase evaluation in which the perceived performance of the chosen alternative either meets or exceeds consumer expectations. Thus, customer satisfaction can be conceptualized as a psychological state expressed through words or actions reflecting feelings of fulfillment or disappointment. Christian and Dharmayanti, (2013), identifies three main components of customer satisfaction: expectation, performance, and comparison. a). Expectation refers to a consumer's anticipation of a product or service prior to purchase, shaped by personal needs, prior experiences, and trust in the provider. b). Performance denotes the consumer's actual experience during product or service consumption, assessed independently of prior expectations. c). Comparison occurs when consumers evaluate post-consumption performance relative to their pre-purchase expectations. The concept of experiential marketing derives from two key terms "experiential" and "marketing." According to (Schmitt, 1999) experiential refers to the consumer's personal experience resulting from the use of a product promoted by a company. Meanwhile Kotler and Keller (2009) define marketing as the process by which producers introduce goods or services to consumers. Dewi (2015), describes experiential marketing as a marketing approach aimed at transforming potential customers into loyal markets by appealing to their emotions through the creation of positive feelings and memorable experiences associated with a product or service. Accordingly, experiential marketing can be viewed as a strategy in which marketers engage consumers emotionally, providing enjoyable and memorable experiences that leave a lasting impression. Schmitt (1999) further emphasizes that experiential marketing consists of five essential dimensions of consumer experience, namely: a) Sense, which relates to sensory perceptions such as sound, taste, sight, touch, and smell that stimulate human senses; and b) Feel, which concerns consumers' emotional responses, moods, and feelings (Fatmawati & Dinar, 2021). When companies successfully elicit positive emotions, they are more likely to achieve higher levels of customer satisfaction and loyalty. The hypotheses are constructed, and displayed in path model as in Figure 1.

H1: Experiential marketing has a significant positive effect on customer loyalty

H2: Experiential marketing has a significant positive effect on customer satisfaction

H3: Customer satisfaction has a significant positive effect on customer loyalty

H4: Experiential marketing has a significant positive effect on customer loyalty through customer satisfaction as intervening variable

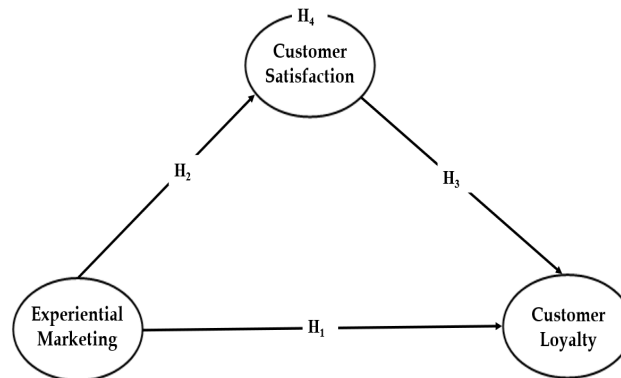


Figure 1. Conceptual Framework

RESEARCH METHOD

This study employed a quantitative, cross-sectional causal research design to examine the effect of experiential marketing on customer loyalty, with customer satisfaction serving as a mediating variable. A comparative research design was adopted to evaluate whether the structural relationships differ between Sharia-compliant hotel customers in Indonesia and Malaysia. The conceptual model specified experiential marketing as the exogenous construct, customer satisfaction as the mediator, and customer loyalty as the endogenous construct. Four hypotheses were formulated a priori and tested using covariance-based Structural Equation Modelling (CB-SEM), enabling simultaneous estimation of the measurement and structural models.

Primary data were collected through a structured questionnaire administered to customers of Sharia-compliant (halal) hotels in Indonesia and Malaysia. Respondents were selected using purposive non-probability sampling to ensure adequate experience with the research context. Eligible participants were required to have stayed in a Sharia-compliant hotel at least twice and be at least 17 years of age. A total of 600 valid responses were included in the analysis, comprising 300 respondents from Indonesia and 300 respondents from Malaysia. Maintaining equal sample sizes across countries facilitated balanced model estimation and strengthened the comparability of the cross-country analysis.

The questionnaire measured three latent constructs: experiential marketing, customer satisfaction, and customer loyalty. All constructs were operationalized as reflective measures using multiple indicators assessed on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The measurement model was evaluated through first-order Confirmatory Factor Analysis (CFA). Indicator validity was established using standardized factor loadings with a minimum acceptable threshold of 0.50. Internal consistency reliability was assessed using Construct Reliability (CR), while convergent validity was evaluated using the Average Variance Extracted (AVE). Constructs were considered acceptable when CR and AVE exceeded 0.50, indicating satisfactory reliability and convergent validity.

Data analysis was performed using IBM SPSS and AMOS version 24 following a predetermined analytical sequence. First, multivariate outliers were assessed using Mahalanobis distance, with observations exceeding the chi-square critical value at $*p* < .001$ considered potential outliers. No observations exceeded the critical threshold; therefore, all responses were retained. Second, multivariate normality was examined using skewness, kurtosis, and critical ratio statistics. Although several multivariate critical ratios exceeded the conventional threshold (± 2.58), the sample size of 300 observations per country satisfied the large-sample requirement for maximum likelihood estimation in SEM, allowing the data to be treated as approximately normal. Third, overall model adequacy was evaluated using multiple goodness-of-fit indices, including χ^2 , CMIN/DF, GFI, AGFI, CFI, TLI, NFI, IFI, and RMR. Model evaluation relied on the collective evidence from these indices because the chi-square statistic is sensitive to sample size. Finally, the structural model was estimated using maximum likelihood estimation to test the proposed direct and mediated relationships. Statistical significance was evaluated at the 5% level, and mediation was determined by comparing the magnitude and significance of direct and indirect effects, thereby distinguishing partial from full mediation. This predefined analytical

protocol enables independent replication of the study and permits empirical falsification of each proposed hypothesis under equivalent sampling and estimation conditions.

RESULT

Confirmatory Factor Analysis (CFA)

Confirmatory Factor Analysis (CFA) or factor analysis is the method of measuring the facets of a theoretical construct which is also referred to as verifying the theoretical construct. The researchers in this study implemented a first-order CFA model. Likewise, in a first-order CFA model, the indicators are the items that show direct measurement of the construction. When performed with CFA, an indicator is considered valid if the loading factor is ≥ 0.50 (Ghozali, 2017). Table 1 consolidates the confirmatory factor analysis (CFA) and reliability indices for the three latent constructs — Experiential Marketing (EM), Customer Satisfaction (CS), and Customer Loyalty (CL) — across the Indonesian and Malaysian samples.

Table 1. Measurement Model Results: Standardized Loadings, Composite Reliability, and Average Variance Extracted

Construct	Item	Indonesia (λ)	Malaysia (λ)
Experiential Marketing (EM)	EM1	.547	.839
	EM2	.533	.775
	EM3	.596	.866
	CR / AVE	.576 / .669	.866 / .855
Customer Satisfaction (CS)	CS1	.522	.866
	CS2	.600	.886
	CS3	.508	.916
	CR / AVE	.557 / .660	.922 / .900
Customer Loyalty (CL)	CL1	.558	.708
	CL2	.521	.824
	CL3	.558	.915
	CR / AVE	.572 / .667	.859 / .844

Source: Primary data processed (2025)

The measurement model raises a preliminary question before any structural relationship can be tested: does the same set of indicators represent EM, CS, and CL adequately in two samples drawn from culturally distinct markets. Convergent validity requires that each item's standardized loading exceed .50, and construct reliability requires that both composite reliability (CR) and average variance extracted (AVE) exceed .50 (Fornell & Larcker, 1981; Hair et al., 2019).

All eighteen item loadings clear this threshold in both samples, and all six CR/AVE pairs do the same. This establishes that the measurement model is adequate for structural testing in each national context taken separately. A second observation qualifies the first. The Malaysian loadings and reliability indices are uniformly and substantially higher than the Indonesian ones — EM loadings range from .53–.60 in Indonesia against .78–.87 in Malaysia; CR/AVE for CL reach only .57/.67 in Indonesia against .86/.84 in Malaysia. Both samples satisfy the conventional cutoff, but satisfying a cutoff is not equivalent to equivalent measurement quality. The Indonesian indicators sit close to the minimum acceptable boundary, while the Malaysian indicators sit well above it.

This asymmetry implies a constraint on subsequent interpretation. Meeting the validity and reliability threshold licenses within-country structural analysis; it does not by itself license a direct magnitude comparison of path coefficients between the two countries, since a comparison of that kind presupposes measurement invariance rather than mere convergent validity within each group separately (Hair et al., 2019). The results reported here therefore support proceeding to

the structural model in each national sample, while any cross-country comparison of effect sizes should be read as provisional pending formal invariance testing.

Test Outliers

Outliers are detected using the Mahalanobis distance output generated by AMOS, with the p value <0.001 serving as the criterion to confirm their presence in the study (see Table 2). The distance is measured through X in degrees of freedom corresponding to the number of variables measured. In this study the number of measured variables is 19. Then the CHIINV function is calculated and produces a few 27.877. This means that all data that has a value exceeding 27,877 is an outlier and must be removed from the initial input data before being re-run on AMOS (Ghozali, 2017).

Table 2. Result of Outlier Test

Indonesia		Malaysia	
Observation Number	Mahalanobis Distance	Observation Number	Mahalanobis Distance
203	27.554	110	24.024
210	26.570	194	23.159
212	25.555	127	22.067
195	25.204	75	21.203

Source: Primary data processed (2025)

Based on Table 5 above, the data results from respondents in Indonesia show that there is no data that exceeds 27,877 on the Mahalanobis distance value, so it can be concluded that the research data is free from outliers. Respondents in Malaysia showed that there was no data that exceeded 27,877 on the Mahalanobis distance value, Therefore, one can say that the research data do not have any outliers.

Data Normality Test

Maximum likelihood estimation in structural equation modeling presupposes that the observed indicators approximate a multivariate normal distribution. Table 3 reports the critical ratio (c.r.) of skewness and kurtosis for each indicator of Experiential Marketing (EM), Customer Satisfaction (CS), and Customer Loyalty (CL) in the Indonesian and Malaysian samples, together with Mardia's multivariate coefficient.

Table 3. Univariate and Multivariate Normality Indices (Critical Ratios)

Variable	Indonesia c.r. (skewness)	Indonesia c.r. (kurtosis)	Malaysia c.r. (skewness)	Malaysia c.r. (kurtosis)
EM1	-5.638	1.954	3.228	-1.959
EM2	-4.868	1.868	2.835	-2.362
EM3	-4.803	1.101	2.675	-2.713
CS1	-5.661	1.827	1.199	-2.945
CS2	-5.454	2.148	0.854	-3.418
CS3	-5.270	1.709	1.248	-3.535
CL1	-4.210	0.934	-0.600	-2.824
CL2	-4.585	0.644	-0.932	-2.568
CL3	-5.308	0.041	-1.475	-2.939
Multivariate	—	7.380	—	4.161

Note. Item range = 2.000–5.000 (Likert scale) in both samples, except CS1 and CL3 in Malaysia (3.000–5.000).

Source: Primary data processed (2025)

A conventional decision rule treats data as normally distributed at the .01 level when the c.r. of skewness and kurtosis, whether taken item by item or in aggregate, does not exceed ± 2.58 (Hair et al., 2019). Applied literally, this rule fails here: the multivariate c.r. reaches 7.380 in the Indonesian sample and 4.161 in the Malaysian sample, and several univariate c.r. values for skewness exceed the same threshold by a wide margin in both samples.

A strict reading of the normality criterion would therefore reject the data as unsuitable for maximum likelihood estimation. This reading, however, treats the ± 2.58 threshold as a fixed property of the data rather than as a function of sample size. The critical ratio is itself scaled by the standard error of skewness and kurtosis, and that standard error shrinks as sample size grows; the same underlying distribution produces a larger c.r. in a larger sample even when the degree of non-normality is unchanged (Hair et al., 2019).

This distinction reframes the interpretive question. The relevant criterion is not whether the c.r. exceeds ± 2.58 in absolute terms, but whether the sample is large enough that maximum likelihood estimation remains robust to the non-normality the c.r. detects. A sample exceeding 200 observations is generally sufficient to sustain this robustness, and both national samples in the present study exceed that threshold. On this basis, the non-normality registered by the c.r. values in Table 2 is treated as a large-sample artifact rather than as a disqualifying property of the data. The Indonesian and Malaysian samples are accordingly retained for structural model estimation without transformation, subject to the standard caveat that estimates derived under departures from normality should be corroborated by a scale-invariant fit index or a bootstrap procedure (Hair et al., 2019).

Goodness of Fit Model Test

Once the measurement assumptions are established, the adequacy of the proposed structural model must itself be evaluated. This evaluation does not rest on a single statistic; it requires an index set that captures absolute fit, incremental fit, and parsimony jointly, since each type of index penalizes a different way in which a model can misrepresent the data (Hair et al., 2019). Table 3 reports the ten conventional goodness-of-fit indices for the Indonesian and Malaysian structural models against their standard cut-off values.

Table 3. Goodness-of-Fit Indices for the Indonesian and Malaysian Structural Models

Fit Index	Cut-off Value	Indonesia	Evaluation	Malaysia	Evaluation
χ^2 (Chi-square)	< 32.670	110.481	Unfit	64.255	Unfit
Significance probability	$\geq .05$	.000	Unfit	.000	Unfit
CMIN/DF	≤ 2.00	5.261	Unfit	2.667	Unfit
GFI	$\geq .90$	.907	Good fit	.967	Good fit
AGFI	$\geq .90$	.800	Marginal fit	.882	Marginal fit
CFI	$\geq .90$	.897	Marginal fit	.971	Good fit
TLI	$\geq .90$	.823	Marginal fit	.956	Good fit
NFI	$\geq .90$	.878	Marginal fit	.954	Good fit
IFI	$\geq .90$	.899	Marginal fit	.971	Good fit
RMR	$\leq .05$	.038	Good fit	.037	Good fit

Source: Primary data processed (2025)

The two national models diverge on the incremental fit indices while converging on the absolute fit indices. In both samples, χ^2 , the associated significance probability, and CMIN/DF fail their cut-off values, and this failure is joint rather than incidental: CMIN/DF is a normalization of χ^2 by degrees of freedom, so a large χ^2 and a large CMIN/DF register the same underlying discrepancy between the observed and implied covariance matrices, not two independent problems.

The incremental fit indices — CFI, TLI, NFI, and IFI — tell a different story in each country. In Indonesia, all four sit in the marginal range below .90, alongside a marginal AGFI; only GFI and RMR clear the good-fit threshold. In Malaysia, the same four indices clear .90 and in most cases approach or exceed .95, so only AGFI remains marginal and only χ^2 , its significance probability, and CMIN/DF remain unfit.

This pattern implies that model adequacy is not a single verdict but a graded one, and that the grade differs by country even though both models share the same specification. The Indonesian model does not achieve incremental fit while still achieving absolute fit on GFI and RMR; the Malaysian model achieves both, with the sole exception of AGFI, an index long recognized as biased toward rejection in models with unequal degrees of freedom relative to sample size.

The joint failure of χ^2 , its probability, and CMIN/DF in both samples does not by itself disqualify either model. Chi-square is asymptotically sensitive to sample size, so that a trivial discrepancy between the observed and model-implied covariance matrices can register as statistically significant once the sample is moderately large; this is precisely why the remaining indices in Table 3 exist as a supplement to, not a replacement for, the chi-square test (Hair et al., 2019). Read against this qualification, the Malaysian model is retained as an adequate representation of the data on the strength of its incremental and absolute fit indices, while the Indonesian model, with a majority of its incremental indices in the marginal range, is retained provisionally and treated as a candidate for specification rather than as a fully confirmed structure.

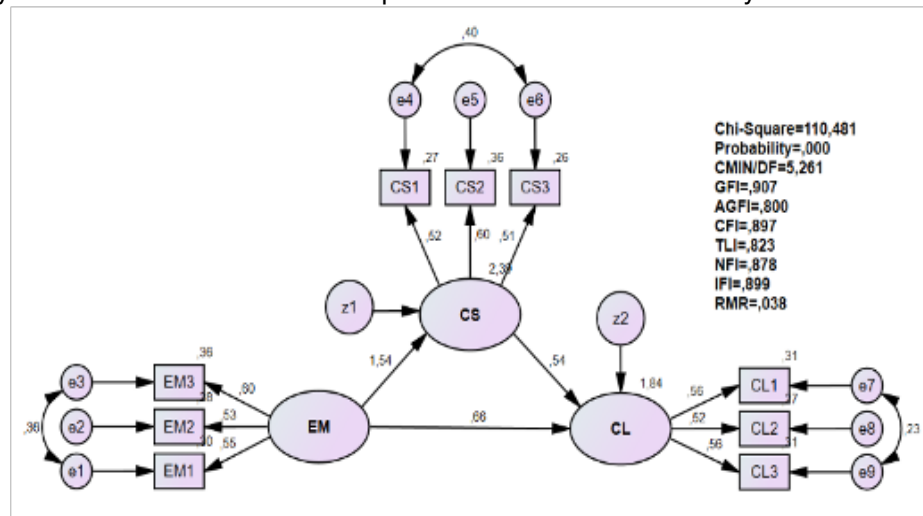


Figure 2. Full Model Structural Equation Modelling (Indonesia)
Source: Primary data processed (2025)

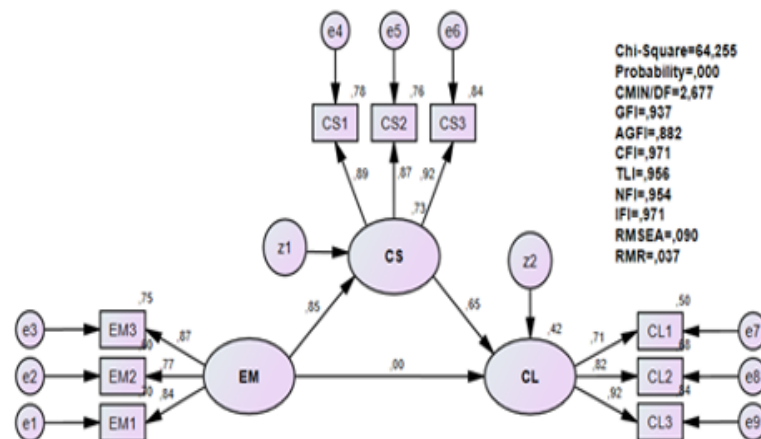


Figure 3. Full Model Structural Equation Modelling (Malaysia)
Source: Primary data processed (2025)

Hypothesis Test

Table 4 reports the structural path coefficients and the standardized direct and indirect effects underlying the mediation test.

Table 4. Structural Path Coefficients and Mediation Test Results

	Indonesia				Malaysia			
	Est.	C.R.	p	Result	Est.	C.R.	p	Result
Structural path (hypothesis test)								
EM → CS (H1)	1.634	5.990	< .001	Significant	.928	12.531	< .001	Significant
CS → CL (H2)	.503	4.916	< .001	Significant	.539	4.099	< .001	Significant
EM → CL (H3)	.655	5.967	< .001	Significant	.003	.022	.982	Not significant
Standardized effect of EM on CL (mediation test)								
Direct effect	.664	—	—	H4: Partial mediation	.003	—	—	H4: Full mediation
Indirect effect (via CS)	.833	—	—		.553	—	—	

Source: Primary data processed (2025)

Experiential Marketing (EM) raises Customer Satisfaction (CS), and CS in turn raises Customer Loyalty (CL), in both Indonesia and Malaysia (H1, H2). The two markets diverge on the direct path from EM to CL (H3): significant in Indonesia, non-significant in Malaysia. This divergence gives the two markets a different mediation structure. In Indonesia, EM's direct effect on CL remains significant alongside a larger indirect effect through CS, so CS partially mediates the relationship: EM builds loyalty both on its own and through the satisfaction it creates. In Malaysia, EM's direct effect on CL is statistically indistinguishable from zero, so CS fully mediates the relationship: EM builds loyalty only by first building satisfaction. The practical consequence follows the same line. In Malaysia, an experiential marketing program that fails to raise satisfaction has no other route to loyalty. In Indonesia, experiential marketing retains value even where satisfaction gains are limited, since it also acts on loyalty directly.

DISCUSSION

The findings demonstrate that experiential marketing consistently enhances customer satisfaction across Indonesia and Malaysia, suggesting that memorable service experiences constitute a universal mechanism for creating customer value within halal hospitality. This finding reinforces experiential marketing theory, which argues that sensory, emotional, cognitive, behavioral, and relational experiences shape customers' evaluations beyond functional service attributes (Schmitt, 1999). In halal tourism, where service encounters encompass both functional quality and religious values, experiential elements become increasingly important in producing meaningful travel experiences (Boğan & Sarıışık, 2019; Vargas-Sánchez & Moral-Moral, 2020). The result is also consistent with previous studies showing that positive tourism experiences increase satisfaction because customers perceive greater value, authenticity, and emotional engagement throughout the service journey (Eid & El-Gohary, 2015; Suhartanto et al., 2021). The consistency across both countries further indicates that experiential marketing remains an effective strategy despite differences in market characteristics and service environments.

Customer satisfaction also emerged as a key antecedent of customer loyalty, supporting the expectation-confirmation perspective that favorable service evaluations encourage long-term commitment. Satisfaction strengthens customers' confidence that service providers can consistently fulfil their expectations, thereby fostering repeat patronage and positive word-of-mouth. This finding corroborates hospitality research demonstrating that satisfaction is one of the strongest determinants of hotel loyalty because it transforms favorable service experiences into enduring customer relationships (Han et al., 2019). Within halal tourism, satisfaction extends beyond service performance to include confidence that religious values and customer expectations are consistently respected throughout the travel experience (Eid & El-Gohary, 2015; Rahman et al., 2019). Consequently, sustainable loyalty depends not merely on memorable experiences but on customers' overall evaluation of those experiences.

The direct effect of experiential marketing on customer loyalty differs between Indonesia and Malaysia, suggesting that market context influences how experiential value is translated into loyalty. In Indonesia, experiential marketing directly reinforces customer loyalty, implying that emotionally engaging service encounters can generate attachment without requiring extensive cognitive evaluation. This finding aligns with studies indicating that tourism experiences can directly strengthen destination attachment and brand loyalty when customers perceive distinctive and memorable interactions (Liu et al., 2020; Suhartanto et al., 2021). Conversely, the absence of a direct effect in Malaysia suggests that customers in a relatively more mature market evaluate experiential initiatives through their overall service outcomes before committing to future patronage. This observation supports the argument that halal tourism operates differently across destinations because customer expectations and market maturity shape how experiential value is interpreted (Jia & Chaozhi, 2020; Vargas-Sánchez & Moral-Moral, 2020).

The mediation analysis further explains these contextual differences. Customer satisfaction partially mediates the relationship between experiential marketing and loyalty in Indonesia, indicating that experiential value influences loyalty through both immediate emotional attachment and post-consumption evaluation. In contrast, customer satisfaction fully mediates the relationship in Malaysia, implying that experiential initiatives generate loyalty only after customers perceive that the overall service experience has met their expectations. These findings extend previous halal tourism research by demonstrating that customer satisfaction is not merely an outcome of experiential marketing but the principal mechanism through which experiential value is converted into enduring loyalty (Rahman et al., 2019; Suhartanto et al., 2021). They also suggest that experiential marketing should be viewed as a strategic capability whose effectiveness depends on its ability to deliver meaningful customer satisfaction while accommodating the characteristics of different tourism markets.

CONCLUSION AND FURTHER STUDY

This research offers a detailed understanding of how the implementation of experiential marketing, customer satisfaction, and customer loyalty are interrelated by contrasting the scenarios of Indonesia and Malaysia. The findings of the analysis reveal that experiential marketing is a significant factor that leads to customer satisfaction in both countries. This confirms that strategically designed experiences, whether in the form of emotional stimulation, enjoyable interactions, or personalized services, can strengthen customers' positive evaluations of a brand. Thus, experiential marketing cannot be viewed merely as an addition, but rather as a foundation that binds customers' emotional and rational relationships with companies. Customer satisfaction has also been proven to be an important variable that directly drives loyalty. In Indonesia and Malaysia, satisfaction has a significant influence on retention, repurchase, and advocacy. These results reinforce the classic theory that loyalty arises from the alignment between expectations and the realization of consumption experiences. Satisfied customers tend to form emotional bonds with brands, reduce their tendency to switch, and demonstrate long-term commitment. Consistent findings in two markets with different levels of maturity confirm satisfaction as a universal factor in building loyalty. A striking difference emerges in the direct relationship between experiential marketing and loyalty. In Indonesia, experiential marketing can significantly increase loyalty even if it does not always lead to satisfaction. This shows that emotional experiences, novelty, and an appealing atmosphere can be a fast track to creating brand attachment. Conversely, in Malaysia, experience alone is insufficient to drive loyalty if it is not accompanied by genuine satisfaction. Customers in more mature markets demand proof of service consistency, so experiences only function effectively when they contribute to satisfaction evaluations. Findings on the mediating role of satisfaction reinforce this distinction. In Indonesia, satisfaction mediates partially, so that experience can influence loyalty both directly and indirectly. This indicates two paths to loyalty formation: instant emotional loyalty and evaluative loyalty rooted in value confirmation. In contrast, in Malaysia, satisfaction acts as a full mediator, meaning that loyalty is only formed when experience results in satisfaction. This difference in patterns emphasizes the importance of understanding local dynamics when designing marketing strategies.

For future research, there are several recommendations: First, studies could include moderator variables such as trust, cultural values, or level of digital engagement to explain cross-

context variations. Second, cross-industry research, for example in the tourism, digital retail, or banking sectors, would enrich the generalization of findings. Third, longitudinal research is needed to understand how loyalty is formed repeatedly and sustainably. Finally, qualitative approaches can add depth to the analysis by exploring the narratives and meanings that customers construct from their experiences. By expanding the scope of variables, contexts, and methods, future research is expected to provide richer insights and support adaptive and sustainable experience-based marketing practices.

ETHICAL DISCLOSURE

All participants provided written informed consent prior to participation. They were informed about the study's purpose, their voluntary participation, the right to withdraw at any time, and the confidentiality of their responses.

CONFLICT OF INTERESTS

The authors declare no conflict of interest.

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