

## **Unperplexing the nexus between physical evidence and guest retention at beach resorts: multiple sequential mediation models**

SELEM, Kareem M <<http://orcid.org/0000-0003-2987-4134>>, SIGALA, Marianna <<http://orcid.org/0000-0001-8997-2292>>, SHOUKAT, Muhammad Haroon <<http://orcid.org/0000-0003-1992-6180>>, SHEHATA, Ali Elsayed <<http://orcid.org/0000-0002-8280-3418>> and MKHEIMER, Ibrahim M <<http://orcid.org/0000-0002-0305-1060>>

Available from Sheffield Hallam University Research Archive (SHURA) at:

<https://shura.shu.ac.uk/31918/>

---

This document is the Accepted Version [AM]

### **Citation:**

SELEM, Kareem M, SIGALA, Marianna, SHOUKAT, Muhammad Haroon, SHEHATA, Ali Elsayed and MKHEIMER, Ibrahim M (2023). Unperplexing the nexus between physical evidence and guest retention at beach resorts: multiple sequential mediation models. *Journal of Hospitality Marketing & Management*. [Article]

---

### **Copyright and re-use policy**

See <http://shura.shu.ac.uk/information.html>

# **Unperplexing the nexus between physical evidence and guest retention at beach resorts: Multiple sequential mediation models**

**Kareem M. Selem**

Hotel Management Department, Faculty of Tourism and Hotels, Suez Canal University,  
41522, Ismailia, Egypt

[karim.ibrahim@tourism.suez.edu.eg](mailto:karim.ibrahim@tourism.suez.edu.eg)  
<https://orcid.org/0000-0003-2987-4134>

**Marianna Sigala**

Sheffield Business School, Sheffield Hallam University, UK

[m.sigala@shu.ac.uk](mailto:m.sigala@shu.ac.uk)  
<https://orcid.org/0000-0001-8997-2292>

**Muhammad Haroon Shoukat\***

Department of Management Sciences, COMSATS University Islamabad, Attock Campus,  
43600, Pakistan

[haroonshaukat29@gmail.com](mailto:haroonshaukat29@gmail.com)  
<https://orcid.org/0000-0003-1992-6180>

**Ali Elsayed Shehata**

Marketing Department, Faculty of Business Administration, Shaqra University,  
Saudi Arabia

Hotel Management Department, Faculty of Tourism and Hotels, Suez Canal University,  
41522, Ismailia, Egypt

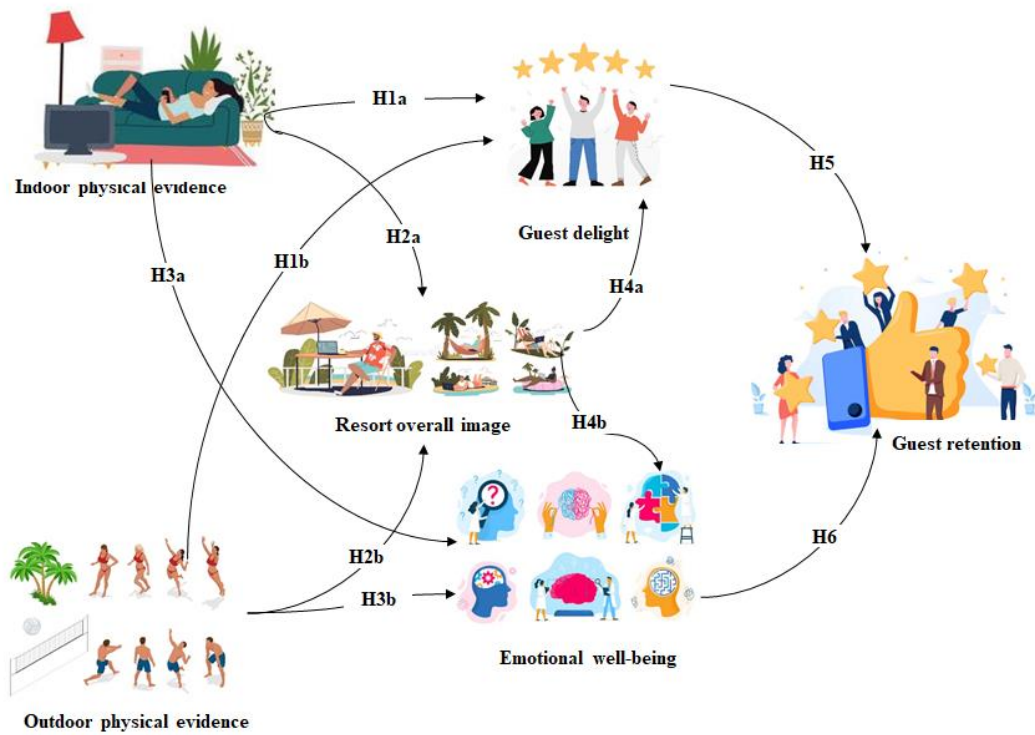
[alishahata@su.edu.sa](mailto:alishahata@su.edu.sa)  
<https://orcid.org/0000-0002-8280-3418>

**Ibrahim M. Mkhaimer**

Economics and Management Sciences School, University of Sultan Zainal Abidin,  
Terengganu,  
Malaysia

[amkhiemer@yahoo.com](mailto:amkhiemer@yahoo.com)  
<https://orcid.org/0000-0002-0305-1060>

*Graphical abstract*



**Abstract**

Although there is research evidence showing the link between physical evidence and guest retention, we have limited knowledge about why and how this relationship works and is activated. To untangle this association, this paper examines how physical evidence influences three psychological factors (i.e., guest delight, emotional well-being, and overall image), as well as mediating the relationship between indoor and outdoor physical evidence and guest retention. The cognitive appraisal theory and the stimulus-organism-response model were employed in the study model. Data was gathered from 428 guests staying at seven five-star beach resorts in Sharm El-Sheikh. The Smart-PLS findings show that overall resort image, guest delight, and emotional well-being partially and serially mediate between physical evidence and guest retention. The findings offer theoretical and practical contributions to manage the guest experience journey in beach resorts.

**Keywords**

Physical evidence; stimuli-organism-response; emotional well-being; guest retention; beach resorts

## **Introduction**

Increased accessibility to global destinations has made tourists more sophisticated, experienced, and demanding consumers. The highly competitive international industry and market also make customer retention and satisfaction essential factors for achieving competitiveness in tourism and hospitality (Kim & Han, 2022). For example, tourists increasingly seek destinations with offerings featuring delicate elements, including sensorial experiences, exceptional product quality, and destination image (Sorokina et al., 2022). Nowadays, due to the repercussions of COVID-19 on human behavior and decision-making (Selem et al., 2023), the tourists also increasingly demand and expect safe destination environments and meaningful experiences that can enhance their well-being (Sigala, 2020). Thus, to ensure service quality and customer retention, tourism companies should provide aesthetically and emotionally appealing servicescapes and tourism experiences that can not only enhance tourists' delight, but they also provide meaningful experiences (Hyeon-Cheol et al., 2016).

Despite the increasing demand for meaningful tourism experiences and servicescapes, we have limited knowledge about the impact of physical evidence on tourists' emotional well-being and the latter's consequences on critical variables of tourists' behavior such as, guest retention. Most past research has mainly focused on collecting evidence about the impact of physical evidence on consumer behavior variables (including customer retention, length of stay, and spending at a service property), and it has failed to investigate the underlying mechanisms of this relation (Han et al., 2019). Recently, a stream of research started investigating how physical evidence can influence the guests' emotional and psychological behavior, including the guests' sense of well-being, brand loyalty, and place attachment (e.g., Han et al., 2019; Sigala, 2020). However, no study has yet examined the role of physical evidence on customers' psychological factors, namely overall image, emotional well-being, and guest delight, as well as their moderation role (as partial or serial mediators) in the relation between physical evidence and guest retention.

On the other hand, research about guest retention includes numerous studies exploring the antecedents of guest retention from various perspectives and contexts, such as culture (Fam et al., 2023) and hospitality (Kim & Han, 2022). However, this research has also failed to investigate any theoretical underpinning explaining the relation between the antecedent factors and guest retention. In addition, there are few studies looking into how some psychological factors may influence post-consumption behavior, such as retention (Roberts-Lombard & Petzer, 2018; Shoukat & Ramkissoon, 2022).

Overall, it appears that neither physical evidence nor guest retention research have been able to provide a theoretical underpinning or evidence of the relationship between these two constructs. However, research aimed at exploring and clarifying this relationship is timely and important, because it can provide a theoretical explanation for the impact of physical evidence on a critical post-purchase behavior (i.e., guest retention) as well as assist managers in understanding how to manage physical evidence to achieve positive business results.

To fill these gaps, this study examined how physical evidence influences the psychological factors of guest delight, emotional well-being, and overall image, as well as their mediating role in the relationship between physical evidence and guest retention. By doing this, the current paper connected and contributed to the two abovementioned disparate but interconnected fields of inquiry in order to unperplex and explain the link between physical evidence and guest retention. This study collected data from beach resort guests to test these relationships. The conceptualization of the study variables and model was based on the stimuli-organism-response (SOR) model (Jacoby, 2002) and the cognitive appraisal theory (CAT) (Bagozzi et al., 1999).

CAT asserts that a series of events involving a stimulus, thoughts, and feelings results in the simultaneous experience of psychological emotions. For several reasons, beach resorts are an appropriate setting for investigating the aforementioned relationships. First, beach resorts represent purposefully constructed and used multi-sensorial and multi-dimensional servicescapes whereby guests seek to obtain various psychological advantages and elevate their relaxation, socialization, and eudaimonia levels (Channoi et al., 2018).

Past research also shows that indoor/outdoor physical evidence and guest retention are topical and critical factors for improving the competitiveness of beach resorts (Han et al., 2019). However, while we know that physical evidence can influence guest retention, we do not know why or how this relationship is activated or what psychological mechanisms may moderate it. Finally, there is evidence that guest delight, emotional well-being, and perceived overall image are critical competitive factors within the beach resort industry because they significantly affect guests' decision-making (Han et al., 2020). Nonetheless, there is limited knowledge about whether these psychological factors are affected by indoor/outdoor physical evidence and whether they play a mediation role between indoor/outdoor physical evidence and guest retention.

The study's findings have numerous theoretical and practical implications. The paper expands the CAT (Shoukat & Ramkissoon, 2022; Zheng et al., 2019) by incorporating the SOR (Jacoby, 2002), which has been previously employed to explain and predict certain behaviors. The paper not only provides evidence of the impact of physical evidence on psychological factors (namely, guest delight and emotional well-being), but it also advances our knowledge about their mediating role on guest retention. In other words, the study connects the two research fields of physical evidence and guest retention by using psychological factors to provide and test a theoretical underpinning for untangling and explaining the relationship between these two constructs. As a result, by focusing on guest delight and emotional well-being, the study findings contribute to the emerging literature on how psychological factors may influence consumer behavior, as well as advance our understanding of their mediating role in the relationship between physical evidence and guest retention.

From a practical perspective, this study provides hospitality managers with the practical evidence and the theoretical explanation of why to invest and how to best design their physical evidence to achieve guest delight and retention. The paper findings also help managers identify physical evidence elements that they should use when developing the creative of online and offline advertising campaigns in order to attract and retain guests.

### **Literature review**

Beach tourism is a dynamic and very competitive industry, and so, resorts should implement effective marketing and communication strategies to differentiate themselves and retain guests (Brey, 2010). This is especially true in resort settings, whereby guests have limited cues for evaluating the indoor/outdoor physical environments and facilitating their decision-making either at the pre-trip stage (selecting resorts) and/or at the post-purchase stage (e.g., decision to return and/or recommend). Past research (e.g., Han et al., 2020; Yu et al., 2021) investigating the impact of physical evidence on consumer behavior reveals that emotional well-being, physical environment quality, and guest delight are significant drivers of guest retention. Bitner (1992) also argued that physical evidence (including exterior and interior atmospherics) can significantly influence the consumer assessment process and purchase behavior.

In this vein, resort managers focus on making indoor/outdoor environments as pleasant and comfortable as possible in order to delight guests (Han et al., 2019), because delighted guests tend to give positive service quality evaluations and demonstrate intentions to return (Hsiao et al., 2023). In the hospitality industry, guest delight has also received much attention

as a strong predictor of guest retention (Roberts-Lombard & Petzer, 2018). Guest delight is achieved when services exceed customers' expectations, and it critically affects survival and competitiveness within the hotel sector (Lee & Park, 2019). Delight is also considered a feeling that may be classified as an emotional consumer response to their service evaluations (Tsaur & Lo, 2020).

There has been no research into the role of guest delight in guest retention in the context of a beach/tourism resort. However, overall resort image is an outcome of its physical evidence and is a vital factor determining guests' perceptions of the resort because it helps them visualize, evaluate, and differentiate one resort from another (Beach & Mitchell, 1987). Indeed, physical evidence can significantly communicate the resort's image to its guests (Han & Hyun, 2017). A resort's physical evidence encompasses its general layout, design, decorating, and aesthetics.

Research has also shown that emotional well-being generated when consuming a product or service is another important factor influencing consumer retention (Hyeon-Cheol et al., 2016). Indeed, guest retention is found to be strongly predicted by emotional well-being, which is defined as the guest's emotional responses to a product or service (Han et al., 2019). The concept of "well-being" is generally related to how much a guest feels that a product or service adds to his/her emotional pattern. Consumption of a good or a service can help guests feel peaceful, rejuvenated, and pleased (Song et al., 2022). Since emotional well-being is a critical determinant of guest retention, it is important to better understand how service consumption can generate guests' positive feelings of emotional well-being.

Overall, studies confirm the role of overall resort image, guest delight, and emotional well-being as antecedents of guest retention. Research also shows the impact of physical evidence on overall image, guest delight, and emotional well-being. What is lacking is an overall model that integrates these two disparate fields of study by examining the interrelationships between these constructs. Research done in this area can provide a theoretical underpinning and explanation of the mechanisms through which physical evidence can lead to guest retention. To that end, the model shown in Figure 1 is developed with the goal of investigating the mediated links of overall resort image, guest delight, and emotional well-being in parallel or serial in the nexus of physical evidence with guest retention.

[Insert Figure 1 here]

### ***Theoretical underpinning***

Past studies have heavily used both the CAT and S-O-R theories in order to explain the consumer retention process (Fam et al., 2023; Han et al., 2019). This study model is also based on these theories. We first applied CAT in order to understand how consumption situations can generate emotions that in turn lead to psychological responses. Then, we applied the SOR to identify which specific contextual conditions can generate emotional and behavioral intentions. The CAT theory (Bagozzi et al., 1999) primarily examines the underlying emotions and motives triggering human behaviors and it explains the relationship between consumption emotions and acceptable behaviors. This approach assumes that the evaluation of consumption situations includes the consideration of various emotions and leads to various psychological responses (Shoukat & Ramkissoon, 2022).

CAT implies that the marketers need to identify and understand the situations or events that can evoke emotions that, in turn, will generate positive consumers' responses towards the firm (Zheng et al., 2019). In the marketing literature, the CAT has been primarily used to understand the psychological effects evoked by consumption (Akgün et al., 2020), as well as to explain and predict the impact of psychological factors (i.e., guest emotional well-being and delight) on consumer attitudes and behavioral intentions. The SOR model was applied in order to identify and explain how specific contextual conditions affect behavioral intentions.

The literature frequently refers to the SOR model to explain the relation between physical evidence and guest emotions (Song et al., 2022). This model proposes that atmospheric cues (stimulus) have an impact on the internal state (organism), which then drives an individual behavioral response (response). Past studies contend that stimuli cause cognitive, emotional, and psychological responses in organisms (Bitner, 1992; Han et al., 2019).

Studies have also expanded the SOR model by showing the effect of psychological characteristics such as satisfaction (e.g., Assaker et al., 2020; Chen et al., 2021) on various consumer responses such as corporate image, attitudes, and delight (Song et al., 2022). Past research shows that humans use their relation with nature as prior knowledge (Hon et al., 2022), which is retained within their cognitive and emotional systems (organisms) and which in turn affects their responses (Jacoby, 2002). In this vein, according to the SOR model and in the context of beach resorts, consumer experience of their natural conditions (e.g., physical evidence) can generate psychological reactions, which in turn can generate guests' intentions to return (Shoukat & Ramkissoon, 2022).

### ***Physical evidence-servicescape***

Research investigating physical evidence in services is mainly based on the tenets of environmental psychology, and it uses the term "atmosphere" to refer to it as a major marketing technique (Kotler & Armstrong, 2010). Physical evidence is generally defined as "*the design of the purchase environment to induce certain emotional impacts on the consumers to increase their likelihood of purchasing*" (Ryu & Jang, 2008, p. 1156). Bitner (1992) proposed the concept of "servicescape" to describe physical environments where the services are provided (p. 52). Physical evidence refers to the physical appearance of the service context, which includes the combined elements of both the exterior and interior appearances, including, for example, the building design, parking, colors, interior lighting, the frontline office setting, cleanliness, temperature, and other tangibles like employee dress and guest gifts (Moon et al., 2016).

The term "interior," sometimes known as "internal physical evidence," refers to the different aspects and qualities of a building's interaction with its surroundings (Ali et al., 2016, p. 215). It does not only include the common elements of indoor performance (e.g., temperature and cleanliness conditions), but it also encompasses different issues like equipment and the design of surrounding areas, which is called "indoor physical evidence" (Han et al., 2019, p. 2765).

On the other hand, the outdoor or external physical evidence includes the external atmospheric features influencing guests' experience (Han et al., 2019). In beach resorts, the "external physical environment," or else called "outdoor physical evidence," is associated with the facilities and areas surrounding the hotel building, which are also critical "atmosphere" elements influencing guests' experiences and decisions to select a resort (Han et al., 2019, p. 2765). Aspects like architectural style, exterior decoration, and outdoor recreational facilities are also found to critically influence guests' experiences and service evaluations (Song et al., 2022).

Overall, physical evidence is a major element of "intangible" service, and it significantly impacts people (e.g., consumers and employees) and their cognitive, emotional, and physical states within it (Han et al., 2020). Thus, physical clues from a service firm set and influenced consumers' expectations about the service and/or assisted them in selecting or evaluating a service before consuming it (Bitner, 1992, p. 58).

### ***Hypotheses development***

Torres et al. (2020) defined "delight" as the emotional response to a specific consumption that results from surprise, joy, and a perceived positive attitude with a higher level of performance. The literature claimed various types of delight (verbal and nonverbal responses)

even if the individuals were not surprised (Roberts-Lombard & Petzer, 2018). Similarly, Goswami and Sarma (2011) defined delight as "great pleasures" or "joyful satisfaction" that an individual can feel as a result of consuming a product or service and experiencing an encounter. Nikolić and Mitrović (2021) suggested that "guest delight" refers to intensely pleasant emotional states that are the outcome of personal expectations compared to what actually occurs. The term "guest delight" also refers to the positive surprise that arises from an extreme performance of a service/product with high satisfaction.

The SOR model is used to explain the linkage between physical evidence and guest delight. According to the former, the multi-dimensional elements of physical evidence stimulate behaviors and influence how guests perceive the surrounding (indoors/outdoors) physical evidence (Ali et al., 2016). Guests' perceptions of physical evidence can significantly influence their behavioral response to the service firm (Tuerlan et al., 2021). Physical evidence plays a crucial role in molding positive views and experiences for consumers, which in turn stimulate enhanced psychological processes (Han et al., 2019). This is in line with CAT's argument that the cognitive assessment of the physical evidence elements stimulates psychological processes and emotional reactions in consumers (Zheng et al., 2019).

Hospitality research has identified the following physical elements of hotels that can significantly affect guests' delight (Hsiao et al., 2023): atmosphere, interior accessibility, and guest adaptation as a culture of delight that plays a role in the psychological process (Roberts-Lombard & Petzer, 2018). However, research in beach resorts has not yet investigated the effect of indoor/outdoor physical evidence on guests' delight and service evaluations (Han & Hyun, 2017; Song et al., 2022). Thus, this paper proposes that:

*H1<sub>a</sub>: Indoor physical evidence positively affects guest delight.*

*H1<sub>b</sub>: Outdoor physical evidence positively affects guest delight.*

Various definitions of image are found in the literature. For example, "destination image" is described as the individuals' overall perceptions or impressions of a place (Adnan et al., 2021). The overall destination image is also seen as the individuals' mental representations of knowledge, feelings, and perceptions of a particular place. In general, the term "image" indicates "how customers think of a place, brand, firm, or object." It can be defined as "the perception of the object in the customers' minds" (Beach & Mitchell, 1987, p. 211). Guests create the overall image of a service or product based on their core encounters and experiences (Sorokina et al., 2022). In a similar vein, the overall resort image indicates the total impressions guests have of a beach resort (Han & Hyun, 2017).

Physical evidence elicits guests' emotions and provides guests with additional evidence of the service's identity (Song et al., 2022), which in turn creates the service place image (Han & Hyun, 2017). According to the image theory (Beach & Mitchell, 1987), physical evidence affects the way the human mind operates in creating an image through visual clues and symbols. Indeed, Han and Hyun (2017) explored that guests' perceptions of a service's image are significantly influenced by its physical evidence. Therefore, we expect the various aspects of physical evidence (interior and outdoor environments) to significantly influence the overall resort image. Thus, this paper proposes that:

*H2<sub>a</sub>: Indoor physical evidence positively affects overall resort image.*

*H2<sub>b</sub>: Outdoor physical evidence positively affects overall resort image.*

Many studies confirm emotions as a significant factor affecting customer decisions (Akgün et al., 2020; Ortony, 2022). Ali et al. (2016) noted that emotions are physiological processes that frequently manifest physically. They argue that emotions reflect the status of the human body and are associated with a particular behavior resulting from the person's

assessment. Furthermore, the SOR model indicates that emotions associated with specific behaviors are retained within cognitive and emotional systems (organisms) (Jacoby, 2002).

According to Stadlthanner et al. (2022), emotions include more than just feedback reactions; they also involve attitudes. The emotions may be positive (happy and comfortable) or negative (nervousness and inconvenience). Prior research also confirms that positive-emotional people take their decisions less seriously than negative-emotional people (Akgün et al., 2020; Ortony, 2022).

When "well-being" is combined with emotion, it expresses the consumer's view of the surrounding environment (Han et al., 2019). Emotional well-being is essential to holistic wellness, and it can produce positive feelings and moods that help people adapt to challenging situations (Hyeon-Cheol et al., 2016). Emotional well-being is recognized as a crucial feature determining resort guest behavior. Guests' well-being reflects their assessment of how much a particular product or service contributed to their dazzling experience (Baloglu et al., 2019). Consequentially, the guest's emotional wellbeing can also be described as the individuals' perceptions and appraisals of the luxurious resort hotel context in which a particular product can enhance their emotional aspects (Han et al., 2019).

According to Han et al. (2019), indoor and outdoor physical surroundings have an impact on guests' cognitive and emotional well-being at luxury resorts. Prior research also confirmed that physical evidence stimulates consumer sentiment and well-being (Lee & Park, 2019). Sigala (2022) showed how physical evidence of adopting a biophilic design (e.g., use of natural light, green areas, and running water) can significantly uplift people's emotional states and have profound restorative effects in improving people's well-being. Overall, the literature shows that physical evidence can have a positive impact on emotional well-being by reducing stress and increasing customer pleasure (Ryu & Jang, 2008). Thus, this paper proposes that:

*H3<sub>a</sub>: Indoor physical evidence positively affects emotional well-being.*

*H3<sub>b</sub>: Outdoor physical evidence positively affects emotional well-being.*

Image is a key element of the marketing mix of a resort that significantly influences consumer behavior. For example, the hotel sector focuses on developing a positive overall image of its location and surroundings because the former can critically shape customer expectations, influence guest satisfaction, and influence post-purchase guest behavior (Han & Hyun, 2017). Loureiro and Kastenholtz (2011) gave evidence of the direct effect of the airport's overall image on fostering guest delight in the Portuguese service sector.

The surrounding atmosphere of a resort does not only form its image, but it also enhances guests' emotional well-being (Han et al., 2019). It is therefore not surprising that many hotels and resorts around the world base their impact on an emotional well-being value proposition delivered and provided through harmonious resort design, a serenity ritual, and hedonic experiences (Lee & Park, 2019). By using the SOR model, a few studies (e.g., Assaker et al. 2020; Han et al. 2019) also provide evidence of the relation between overall image and emotional well-being in luxury resorts and upscale hotels. Consequently, this paper proposes that:

*H4<sub>a</sub>: Overall resort image positively affects guest delight.*

*H4<sub>b</sub>: Overall resort image positively affects emotional well-being.*

The business importance and value of customer retention is undeniable (Kim & Han, 2022); for example, guest retention is seven times less expensive than acquiring a new customer (Syaqirah & Faizurrahman, 2014). Customer retention refers to guests' intentions to revisit a place, which usually happens when guests experience pleasure and satisfaction after service consumption (Syaqirah & Faizurrahman, 2014). However, Kotler et al. (2019) argued that customer satisfaction is not enough to achieve customer retention; instead, customer

retention is achieved when service exceeds normal expectations and customers reach a high level of surprise and admiration that is usually referred to as "customer delight." For example, Kotler et al. (2019) advocated that guest satisfaction does not directly lead to his/her retention, but the customer must first feel delight, dazzle, and loyalty so that two important outcomes are achieved, namely, retention and advocacy.

Prior research has also confirmed that the guest retention process necessitates an advanced stage of customer happiness that can increase customer satisfaction (Syaqirah & Faizurrahman, 2014; Yu et al., 2021). In this vein, a study in luxury resorts (Han et al. 2019) found that guest satisfaction and emotional well-being do not lead to guest retention. To explain this finding, Han et al. (2019) claimed that to achieve guest retention, the service and physical environment of the resorts should not only provide high quality but also generate a positive emotional experience, which in turn can lead to guest retention. However, they had not collected any evidence about this claim.

Based on the CAT theory (Bagozzi et al., 1999), we also hypothesize in this study that satisfaction and positive emotions are necessary for guests to make a positive outcome appraisal after their stay and demonstrate retention intentions. A positive outcome appraisal is achieved when guests feel delight and feel that their set expectations and benchmarks are met (Shoukat & Ramkissoon, 2022). Thus, this paper proposes that:

*H5: Guest delight positively affects guest retention.*

*H6: Emotional well-being positively affects guest retention.*

A plethora of studies show how physical evidence, or "servicescape," directly influences the customers' evaluation of services (Han et al., 2019). Guest delight and emotional wellbeing are directly affected by tangible evidence (Jin et al. 2023). Physical evidence, either indoors or outdoors, also significantly impacts the overall image of beach resorts. These relationships would also explain why customers are happy and emotional well-being is related to physical evidence (Assaker et al., 2020). Overall, studies in customer behavior, hospitality, and marketing have concluded that the overall image of customers through their emotional well-being is critical for customer retention (Han & Hyun, 2017). Thus, this paper proposes that:

*H7<sub>a</sub>: Overall resort image mediates the nexus of indoor physical evidence with guest delight.*

*H7<sub>b</sub>: Overall resort image mediates the nexus of outdoor physical evidence with guest delight.*

*H7<sub>c</sub>: Overall resort image mediates the nexus of indoor physical evidence with emotional well-being.*

*H7<sub>d</sub>: Overall resort image mediates the nexus of outdoor physical evidence with emotional well-being.*

Guest delight is a vital factor influencing customer purchasing behavior (Song et al., 2022). Prior research shows that customer delight mediates between physical evidence (indoor and outdoor) and customer retention (Han et al., 2019). Customer retention is only achieved if the customer is happy with the services provided (Kim & Han, 2022). Barnes and Krallman (2019) pointed out that the linkage between a destination's overall image and guest delight is well-known in the marketing literature; they also claimed that a positive image is also a purposeful impression that raises guest delight.

By collecting data in Asian luxury resorts, Han and Hyun (2017) found a mediation effect of guest satisfaction in the overall image-guest retention linkage, which they explained by advocating that a good overall image makes the consumers happy, boosts their retention rates, and makes them recommend the resort to others as well (Channoi et al., 2018).

However, past studies investigated these constructs in isolation, and there is no research testing these constructs within a single framework (Kim & Park, 2019). Past research has also failed to consider how resort image can raise guest delight, which ultimately, can lead to guest retention. Thus, this paper proposes that:

*H8<sub>a</sub>: Guest delight mediates the nexus of indoor physical evidence with guest retention.*

*H8<sub>b</sub>: Guest delight mediates the nexus of outdoor physical evidence with guest retention.*

*H8<sub>c</sub>: Guest delight mediates the nexus of overall resort image with guest retention.*

Emotional well-being has also been a focal construct in many studies. Feelings are formed by specific things expressing tendencies and attitudes (Ortony, 2022). Prior research indicates that emotional well-being depends on physical evidence (Han et al., 2019). The few studies focusing on explaining customer retention have concluded that the quality, attractiveness, and charm of indoor/outdoor physical evidence would influence emotional well-being (Ryu & Jang, 2008), which in turn would affect customer retention (Han et al., 2019). Thus, it is expected that emotional well-being mediates the relationship between indoor/outdoor physical evidence and guest retention. Thus, this paper proposes that:

*H9<sub>a</sub>: Emotional well-being mediates the nexus of indoor physical evidence with guest retention.*

*H9<sub>b</sub>: Emotional well-being mediates the nexus of outdoor physical evidence with guest retention.*

*H9<sub>c</sub>: Emotional well-being mediates the nexus of overall resort image with guest retention.*

Indoor and outdoor physical evidence has been found to influence guests' emotional and cognitive behavior as well as the overall resort image via positive emotional assessments (Han & Hyun 2017). Assaker et al. (2020) showed that customer satisfaction would be related to their happiness if an overall positive image was achieved. However, the importance of overall image and guest delight is seldom examined by hospitality research. Wong et al. (2023) argued that when guests are delighted, they demonstrate a greater degree of retention and the presence of a positive overall image.

Scholars have proposed that physical evidence and guest retention have sequential relationships. For instance, Han et al. (2019) revealed that the nexus of overall image and emotional well-being has a positive and significant effect on guest retention. They also advocated that research should explore the sequential effect because when customers' feelings and attitudes are already formed and they possess a positive image, maintaining emotional well-being is easier. In general, the sequential effects of the overall image on guest delight and emotional well-being between physical evidence and guest retention are still unexplored. Thus, this paper proposes that:

*H10<sub>a</sub>: The association between indoor physical evidence and guest retention will be serially mediated by resort image and guest delight.*

*H10<sub>b</sub>: The association between indoor physical evidence and guest retention will be serially mediated by resort image and emotional well-being.*

*H10<sub>c</sub>: The association between outdoor physical evidence and guest retention will be serially mediated by resort image and guest delight.*

*H10<sub>d</sub>: The association between outdoor physical evidence and guest retention will be serially mediated by resort image and emotional well-being.*

## **Methods**

### **Research context**

This paper collected empirical evidence from guests staying in beach resorts in Sharm El-Sheikh, which is an appropriate research context to investigate the study's model, given the

importance of physical evidence on achieving resort competitiveness, customer delight, and retention. Beach resorts, for example, are typically located in areas of exceptional physical beauty and provide access to luxurious facilities and emotionally triggering servicescapes that make the resorts themselves a destination, enticing guests to spend the majority of their time and money within their physical evidence of terror (Channoi et al., 2018). Sharm El-Sheikh is an international destination well known for its numerous luxurious beach resorts (Shehata et al., 2023).

Research investigating guest behavior and indoor/outdoor physical evidence within the beach resort context has also received minimal interest. Hence, the findings do not only address literature gaps, but they also provide contextual evidence that can be used to develop useful implications for resort/destination stakeholders (Sorokina et al., 2022). Given the ongoing crises affecting tourism destinations, conducting research to guide resort/destination managers on how to improve guest retention is critical right now. Resorts in Sharm El-Sheikh specifically have gone through various crises and it is critically important to increase guest retention and resort resilience.

To keep up with the changing market, beach resort managers are constantly looking for new ways to quickly understand and address emerging trends as well as engage with tourists (Sorokina et al., 2022). Physical evidence can offer managers of beach resorts and destinations a new way to (re)establish their beach resort image, actively connect with guests, and influence their decision-making processes. Overall, indoor/outdoor physical evidence is increasingly used as a strategic factor for developing beach resort brands and increasing resort differentiation and competitiveness.

### ***Sampling and data collection***

Resorts located in Naqb Bay (i.e., Steigenberger Alcazar resort, Albatros Laguna Vista resort, and Rixos Premium Seagate resort), Sharks Bay (Sunrise Arabian Beach resort, Four Seasons resort), and Hadabat Om El Sid (i.e., Sunrise Diamond Beach resort, Sunrise Montemar resort) are the most prominent resorts in Sharm El-Sheikh. By using the non-probability sampling approach, seven out of the 12 five-star beach resorts in Sharm El-Sheikh were approached for data collection. These resorts in Sharm El-Sheikh were chosen for several reasons. First, tourists visit Sharm El-Sheikh because of the various regional and international sports and tourism events, festivals, and conferences taking place (Salem et al., 2023; Shehata et al., 2023). The selected resorts offered several sponsorship company-related sports events (e.g., the Africa Triathlon Championships) that guests had access to watch, attend, or engage in.

When selecting resort guests to collect data, we used inclusion/exclusion criteria: guests who stayed at the targeted resorts for one night were not eligible to fill out the questionnaire, while guests staying at the resorts through a timeshare system were included in the paper targeted sample. Target guests were approached after obtaining the permission and help of the resort management. Hardcopies of the research questionnaire were distributed to guests while they were dining.

Most guests stayed more than 35 days in the city because the Egyptian government grants a residence visa to expatriates for 90 days (VisaGuide.World, 2021). In addition, many young (25–30-year-old) guests participating in the study came to the city in order to participate in the diving competitions at Blue Hole. This enabled us to collect data over two periods during the summer of 2021. Overall, 700 hard copies of the research questionnaire were distributed in two stages with an interval of four weeks.

In Time 1 (from 17–26 July 2021), we collected data about guests' perceptions of indoor/outdoor physical evidence and the overall image of the resort, and we received 521 responses (72.42% response rate). Incentives were provided to all respondents to encourage them to complete the first survey (such as hand sanitizer, chocolate energy bars, and coated

medical masks). The same respondents were reached by asking them to write the first letters of their name followed by their country name.

In Time 2 (from 5–13 August), we asked guests participating in the first survey to share their emotional well-being, delight, and intentions to return. To motivate guests to participate, we offered them a free sauna session, which was sponsored by the Resorts Administration in cooperation with the Egyptian Ministry of Tourism as a way to enrich the destination's image and boost guests' positive word-of-mouth about Egypt. We received 462 responses (88.67% response rate).

After removing the 34 incomplete questionnaires, 428 questionnaires were finally analyzed. Typically, partial least squares structural equation modeling (PLS-SEM) necessitates a sample size 10 times the number of latent construct indicators (Hair et al., 2012). To conduct the PLS-SEM in a reliable way despite the study's small size, we conducted a power analysis based on the greatest number of observations pointing to a construct by using G\*Power. F tests were also performed when multiple linear regressions were used with a fixed model and the  $R^2$  deviation was not zero. Consequently, it is believed that the sample size of this study is sufficient for testing its model.

### ***Measurement***

The study constructs were measured using scales from previous studies (see Appendix A). The scale items were pre-tested by surveying 56 out of the 64 guests at five beach resorts in Sharm El-Sheikh to check their understanding of the questionnaire (Podsakoff et al., 2012). Based on the pre-test feedback, some notes were added to some scale items to increase the clarity of the questionnaire. Questionnaires were written in English and distributed to guests from Australia, Asia, Europe, and North America.

Indoor/outdoor physical evidence was measured by adapting eight and four items from Bitner (1992). Six items were adopted from Hyeon-Cheol et al. (2016) to measure emotional well-being; these items include some hedonic aspects such as emotional stability, engagement, and self-esteem. Overall resort image was measured by using three items taken from Han and Hyun (2017). Guest delight is measured by three items, which were modified from Song et al. (2022). Lastly, three items were used to measure guest retention, taken from Hennig-Thurau (2004). All item scales were measured on a 7-point Likert scale.

### ***Common method variance***

The questionnaire was developed by utilizing pre-existing and tested constructs, and data was collected through self-reported surveys. As this creates a threat to common method variance (CMV) (Podsakoff et al., 2012), the CMV was checked. To achieve this, five hospitality department professors and two hospitality practitioners (the director of the room sector in one of the targeted resorts and the deputy director of the tourism development department in the Egyptian Tourism Authority) were invited to investigate their understanding of each scale item. All the items were well understood, except for the third and fifth items referring to the indoor physical evidence, which were rephrased to better clarify their meaning. They also confirmed that none of the constructs' items are similar to other items with the same variable name and/or show similar evidence in their items' content with the items used. Then, the Harman single factor test (HSFT) was also calculated to check the CMV statistically. Six constructs were identified by the exploratory factor analysis results, with the first component accounting for 33.2% of the total variance (50%) in the dataset.

According to Lindell and Whitney (2001), the HSFT test is inaccurate for examining the CMV problem, so the marker-based correlation test was also conducted. Specifically, we examined how the marker variable "work-family balance" connected or did not relate to the other variables in the study model. The findings indicated that the original model and the marker-based model are different. Furthermore, the VIF values were also used in the PLS-

SEM in order to evaluate the CMV, since all VIF readings (Appendix A) were below 3.3 (Kock, 2018). This demonstrates that the dataset has no CMV issues.

### ***Analytical technique***

The PLS-SEM approach can be used as an analytical technique when the following conditions apply: First, normally distributed data are not necessary for employing PLS-SEM (Hair et al., 2017). Second, Sarstedt and Cheah (2019) confirmed that PLS-SEM offers a broad reach, is adaptable in theory and practice, and can predict the constructs' principal purpose. It can also be utilized when the sample size is limited in a hospitality setting (Khalilzadeh & Tasci, 2017).

Third, the PLS approach may examine the potential correlations between a collection of constructs in tourism research (Nunkoo & Ramkissoon, 2012). Lastly, when a theoretical framework is being tested in an investigation from a prediction standpoint, this approach is better than covariance-based SEM (Hair et al., 2019). Hence, SmartPLS v. 3.3.9 software was run in the current paper to extract the overall model assessment and test the research hypotheses.

## **Findings**

### ***Respondents' profile***

Most of the respondents (Table 1) were male (66.1%), single (63.3%), and under 30 years old (47.7%). This is because most of the respondents were participants in or members of the fan club for sporting events in Sharm El-Sheikh. Africans made up the majority of respondents (44.6%), followed by Australians (23.1%) and Europeans (17.5%). Regarding the respondent's income, 36% reported a monthly income between \$2400 and \$3199, and 31.8% earned less than \$1600 per month.

[Insert Table 1 here]

### ***Measurement model***

All constructs' reliability and validity were gauged (Hair et al., 2019; Sarstedt & Cheah, 2019). According to Table 2, all factor loadings exceeded .708, the composite reliability (CR) and Cronbach's alpha (CA) values are higher than the .70 thresholds, and the AVE values are higher than the permitted maximum of .50. Moreover, discriminant validity was evaluated based the heterotrait-monotrait (HTMT) ratio method (Henseler et al., 2015). Hence, all values were below the suggested cutoff point of .85 (see Table 3), demonstrating the model's strong convergent and discriminant validity.

[Insert Tables 2 and 3 here]

### ***Structural model***

Model fit, effect size ( $f^2$ ), and predictive relevance ( $Q^2$ ) were all evaluated in this paper. This paper's effect sizes ( $f^2$ ) ranged from medium to large. Using Stone-Geisser's  $Q^2$  value, the model's predictive relevance was calculated (Hair et al., 2019). The proposed model was accurate when all  $Q^2$  values were greater than zero. As a result, overall resort image, guest delight, emotional well-being, and guest retention received  $Q^2$  scores of .349, .256, .353, and .369, respectively (see Table 4), proving the model's predictive validity.

Lastly, Cohen (1992) defines  $R^2$  values as strong, moderate, and weak, with values of 60%, 33%, and 19%, respectively. The model (see Table 4) explains 50.5% of overall resort image, 41.2% of guest delight, 62.4% of emotional well-being, and 55.7% of guest retention in the overall variance, indicating a robust model fit.

[Insert Table 4 here]

Table 5 and Figure 2 show that all direct hypotheses had significant and beneficial impacts, validating hypotheses H1<sub>a</sub>–H6. Furthermore, as advised by Williams and MacKinnon (2008), the confidence interval technique was utilized to determine the indirect paths' significance. Hence, all indirect hypotheses were partially mediated; confirming hypotheses H7<sub>a</sub>–H9<sub>c</sub> (see Table 5).

[Insert Table 5 here]

[Insert Figure 2 here]

Further, the findings showed a set of serial paths between both indoor physical evidence and outdoor physical evidence on guest retention through overall resort image as mediator 1 (M<sub>1</sub>), guest delight as mediator 2a (M<sub>2a</sub>), and emotional well-being as mediator 2b (M<sub>2b</sub>) (see Figure 3 and Table 5). As such, indoor physical evidence significantly and positively affected guest retention via overall resort image and guest delight ( $\beta = .040$ ;  $t = 2.557$ ,  $p < .05$ ,  $CI = [.013; .074]$ ) and via overall resort image and emotional well-being ( $\beta = .049$ ,  $t = 3.150$ ,  $p < .01$ ,  $CI = [.021, .079]$ ), supporting H10<sub>a</sub> and H10<sub>b</sub>. Thereby, serial mediation was achieved.

Moreover, outdoor physical evidence significantly and positively affected guest retention via overall resort image and guest delight ( $\beta = .037$ ,  $t = 3.103$ ,  $p < .01$ ,  $CI = [.015; .061]$ ) and via overall resort image and emotional well-being ( $\beta = .045$ ;  $t = 3.761$ ,  $p < .001$ ,  $CI = [.023; .068]$ ), supporting H10<sub>c</sub> and H10<sub>d</sub>. Thereby, serial mediation was achieved.

[Insert Figure 3 here]

### **Discussion of the findings**

This paper aimed to empirically evaluate the focal effect of indoor/outdoor physical evidence in boosting beach resort guest retention in Sharm El-Sheikh, while also considering and measuring the parallel and serial mediation roles of resort image, guest delight, and emotional well-being. Hence, the study addresses several theoretical gaps:

- Unperplexing the relationship between (resort) physical evidence in terms of its indoor and outdoor aspects and guest retention (Han et al., 2019; Song et al., 2022);
- Exploring the mediation effect that overall (resort) image plays in the relation between physical evidence, guest delight and emotional well-being (Han & Hyun, 2017);
- Examining the serial mediation effect of overall resort image, guest delight and emotional well-being in the relation between physical evidence and guest retention.

Overall, our findings offer significant support to all the research hypotheses. H1<sub>a</sub> and H1<sub>b</sub> are accepted, providing evidence that indoor/outdoor physical evidence positively affects guest delight, which is in line with previous research (Ali et al., 2016; Han et al., 2019). However, past studies used guest satisfaction as a proxy to measure guest retention, but guest delight is different from guest satisfaction. Guest delight is the process of exceeding guest expectations to build a strong relationship with a product/service, as opposed to guest satisfaction, which simply requires meeting guests' expectations. In the hypercompetitive tourism industry, customer delight is vitally important, because delighted guests are less likely to switch brands and are less interested in going to competitors (Shoukat & Ramkissoon, 2022).

H2<sub>a</sub> and H2<sub>b</sub>, propose that indoor/outdoor physical evidence have a significant and positive impact on overall resort image. Our findings show that both hypotheses are supported by medium effect sizes, which is in line with past research (Han & Hyun, 2017). This finding is also consistent with image theory, which states that an image is composed of sets of human core ideas, values, and ethics about the elements comprising the surrounding environment. Researchers have explored the effect of physical evidence on overall image

(e.g., Akgün et al., 2020), but they have not separated and measured the impact of indoor and outdoor physical evidence. The findings show how both the interior and outdoor settings play an essential role in forming the overall resort image.

The focal role of physical evidence in hospitality decision-making is critical. However, research investigating the nexus of indoor/outdoor physical evidence and overall image is lacking within the beach resort context. Our findings provide a contextual foundation and evidence for understanding the nature of the relationship between these two concepts in beach resort settings.

H3<sub>a</sub> and H3<sub>b</sub> show that indoor/outdoor physical evidence positively relates to emotional well-being with medium and small effect sizes. Our findings are consistent with previous research (Han & Hyun, 2017; Hyeon-Cheol et al., 2016). Hyeon-Cheol et al. (2016) argue that well-designed and comfortable physical evidence could assist tourists' sense of emotional well-being. Similarly, Moon et al. (2016) suggest that hotels can provide guests with healthy and calm feelings, which can elevate guests' emotional well-being, by improving indoor/outdoor physical evidence.

H4<sub>a</sub> and H4<sub>b</sub> propose that overall resort image is significantly related to guest delight and emotional well-being. Our results supported these hypotheses with a small effect size. H5 proposed a relationship between guest delight and retention, indicating that guest delight positively affects guest retention. Our hypothesis is supported by a medium effect size and is consistent with earlier studies (e.g., Han et al., 2019; Torres et al., 2020). H6 was accepted, which confirms past research (Han et al., 2020) that emotional well-being positively affects guest retention.

Prior research, however, has investigated the mediation effects of these constructs separately, ignoring any inter-relationship effects between these constructs. Hence, the need to develop and test a single model for unperplexing such inter-relations and better understanding the mechanisms through which physical evidence can influence guest retention. By combining the SOR and CAT theories (which see stimuli and emotions as antecedents of human behavior), the study model identified and confirmed three underlying mechanisms that mediate the relationship between indoor/outdoor physical evidence and guest retention: overall resort image, emotional well-being, and guest delight (H7<sub>a,b,c,d</sub>, and H8<sub>a,b,c</sub> and H9<sub>a,b,c</sub>). The study model is groundbreaking, because it investigates overall resort image, guest delight, and emotional well-being in various mediation roles. Prior research looked at these constructs separately, but not with a single model. Moreover, as there is limited research about the role of physical evidence within the beach resort context, the study findings also provide valuable contextual insights to resort managers.

The findings confirming the mediation effect of overall resort image are consistent with image theory (Beach & Mitchell, 1987). Image theory is a descriptive theory that advocates that consumers make decisions because individual choices of a more than routine nature are usually made as personal retention decisions. The H10<sub>a,b,c,d</sub> studies investigated the serial mediating roles of overall resort image, guest delight, and emotional well-being in the relationship between indoor and outdoor physical environments and guest retention. Serial mediation describes how both mediators influence the dependent construct sequentially. Moreover, it also implies a direct relationship between indoor/outdoor physical evidence and guest retention (Baron & Kenny, 1986). Our findings show that overall resort image, guest delight, and emotional well-being mediate indoor/outdoor the relationship between physical evidence and guest retention with small effect sizes, and so, all hypotheses are accepted.

### ***Theoretical contributions***

By collecting contextual data from the hospitality industry, we added and tested new facets to unperplex the relationship between indoor/outdoor physical evidence and guest retention. First, this study contributes to and advances knowledge about the CAT by integrating it with

the SOR model. By doing this, this paper also simultaneously tests and unravels the inter-relationships between different psychological and behavioral constructs. This also adds a new knowledge insight in relation to past research that has solely focused on examining the impact of a single construct (e.g., delight and well-being).

The study model also combined two interrelated but disparate fields of research, namely, research looking at the impact of physical evidence on consumer behavior and research focusing on the antecedents of guest retention. Analytically, the study model investigated the psychological impacts of indoor/outdoor physical evidence on guest delight and emotional well-being and then, how these psychological processes affect guest retention. The study model also looked into the role of guest delight and emotional well-being in mediating the relationship between indoor/outdoor physical evidence and guest retention. In this vein, we helped advance psychological theory, specifically the CAT theory (Zheng et al., 2019).

Second, our study contributes to research on beach resort settings by demonstrating the previously unknown mediation effect of overall resort image in the relationship between the physical evidence of the resort and guest retention (Han & Hyun, 2017). The SOR theory was used to underpin and explain this relationship, because it provides deep insights into how the overall resort image (as a stimulus) can influence beach resort guest retention (as a response). This is a timely research question, because tourists increasingly seek and expect to travel and stay in touristic servicescapes that can provide them with appealing experiential, emotional, and healing effects. However, there is limited evidence and understanding about the impact of the beach resorts' physical evidence on guests' perceptions of image, emotions, and retention. Prior research has emphasized the need to develop a tourist resort's cognitive image system (including service, security, and landscape images) to facilitate tourists in forming a positive overall resort image (Han & Hyun, 2017). However, the literature has paid limited attention in explaining the psychological and behavioral outcomes that the tourists' cognitive processes can instill and generate for them.

Third, beach resorts have played an important role in the development of international tourism destinations (e.g., island economies) and specifically in Egypt (Sharm El-Sheikh). The current situation has elevated the importance of the setting and design of the physical evidence at beach resorts even further; this is because the former gives and promises tourists the opportunity to restore and uplift their mental health, which has been critically affected by lockdowns, as well as provide low risks of virus contamination due to the ease with which one can easily control social distancing and reduce crowded spaces within the spacious and controlled layout of beach resorts. Hence, the importance of beach resorts to attract tourists and re-start the tourism economy has been magnified due to COVID-19 (Shehata et al., 2023). However, there has been a lack of research investigating and helping us understand the role of physical evidence of beach resorts on guest behavior (Radwan & Radwan, 2017).

Our paper is the first to propose and test a single model investigating the mediation role of various psychological and behavioral mechanisms in order to unperplex the relation between physical evidence and guest retention within a beach resort setting. Past hospitality studies (Han et al. 2019) have used and tested guest satisfaction as a proxy for guest delight. However, guest satisfaction is not the same as guest delight, and guest satisfaction is not found to be a sufficient determinant of guest retention. By directly measuring guest delight, this study contributes to hospitality research by providing a more accurate insight into the determinant processes and antecedents of guest retention.

### ***Practical implications***

For beach resort managers hoping to increase guest retention, the study findings provide a couple of implications. First, indoor/outdoor physical evidence significantly predicted guest retention through the mediation effects of psychological factors, namely overall resort image,

guest delight, and emotional well-being. Consequently, resort managers are provided with the evidence and the need to secure and invest resources for building but also maintaining and updating/upgrading the indoor (e.g., ventilation, lighting, furniture, pictures, rest area, temperature) and outdoor (e.g., exterior décor, recreation facilities, beach benches, beach rest area) physical environments.

When selecting and designing elements of physical evidence, the study model emphasizes that the beach managers need to consider their psychological impacts on guests' emotions, and in particular the affordance and the design characteristics of physical evidence elements that can: uplift the psychological state of guests; influence the cognitive process shaping guests' perceptions of the resort image (e.g., the symbolic meaning of elements). Indeed, the elements of the resort's interior/exterior design significantly represent the resort's identity and style, and so they should be carefully selected. For example, a Pharaonic-style resort could use servicescape elements reflecting the Pharaonic style (e.g., music, decorations, employee uniforms, corridors, and other architectural structures) to provide guests with a one-of-a-kind experience and narratively transport them to the Pharaonic era. This thematically based physical evidence can create a distinctive and memorable mental image of the resort that the customer can recall long after their stay, recognize during future decision-making processes, and prompt them to re-select.

Overall, the study's findings provide resort managers with useful insights about the following issues: 1) how to design physical evidence that can contribute to a positive resort image and generate guest delight and retention; and 2) how to identify physical evidence elements that they can use for developing the creative of marketing campaigns that can communicate the resort image and the well-being benefits that campaigns should highlight and promote to guests for influencing their decision-making processes.

### ***Limitations and future research directions***

As with all studies, this has some limitations, but also identify opportunities for future research. First, we examined indoor/outdoor physical evidence of beach resorts located in Sharm El-Sheikh. As a result, our sample did not include other types of resorts (e.g., ski resorts, island resorts, and golf resorts). Depending on their theme and destination locations, the physical evidence of resorts greatly differs in terms of its elements, structure, and design, such as guests' activities (such as swimming, sunbathing, and water sports) and amenities (i.e., spas and fitness centers). Hence, future research should aim to re-test and refine the study model by collecting data from a wider sample of resort types and locations (e.g., destination resorts, coastal resorts, and historic resorts).

The study findings are also limited to the young guest population. In this vein, future research should also widen the target population in order to get insights from other market segments that may also feature special needs and, therefore, require special physical elements and design, such as elder tourists and tourists with various disabilities (e.g., mobility, hearing, or impaired sight). Given the ageing of the global population and the growing number of people with disabilities travelling internationally, the former is an important and timely area of study. Finally, customer expectations and needs for resort experiences continually change (e.g., guests increasingly seek technological innovations and safer hospitality servicescapes). Therefore, future studies can further enhance and refine the study model by including and testing the role of guests' continuously changing expectations and experiences at the nexus of physical evidence and guest retention.

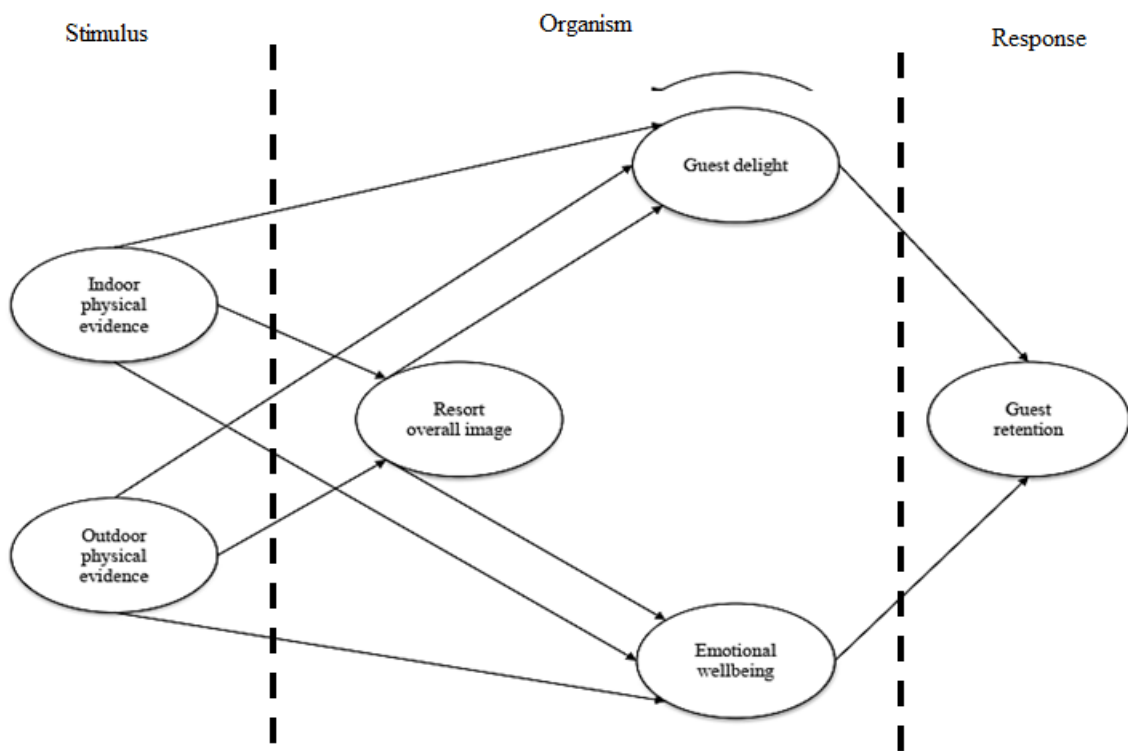
## References

- Adnan, M., Ahmad, N., Scholz, M., Khalique, M., Naveed, R. T., & Han, H. (2021). Impact of substantive staging and communicative staging of sustainable servicescape on behavioral intentions of hotel customers through overall perceived image: A case of boutique hotels. *International Journal of Environmental Research and Public Health*, *18*(17), 9123.
- Akgün, A. E., Senturk, H. A., Keskin, H., & Onal, I. (2020). The relationships among nostalgic emotion, destination images and tourist behaviors: An empirical study of Istanbul. *Journal of Destination Marketing & Management*, *16*, 100-355.
- Ali, F., Kim, W. G., & Ryu, K. (2016). The effect of physical environment on passenger delight and satisfaction: Moderating effect of national identity. *Tourism Management*, *57*, 213-224.
- Assaker, G., O'Connor, P., & El-Haddad, R. (2020). Examining an integrated model of green image, perceived quality, satisfaction, trust, and loyalty in upscale hotels. *Journal of Hospitality Marketing & Management*, *29*(8), 934-955.
- Assaker, G., O'Connor, P., & El-Haddad, R. (2020). Examining an integrated model of green image, perceived quality, satisfaction, trust, and loyalty in upscale hotels. *Journal of Hospitality Marketing & Management*, *29*(8), 934-955.
- Bagozzi, R. P., Gopinath, M., & Nyer, P. U. (1999). The role of emotions in marketing. *Journal of the Academy of Marketing Science*, *27*(2), 184-206.
- Baloglu, S., Busser, J., & Cain, L. (2019). Impact of experience on emotional well-being and loyalty. *Journal of Hospitality Marketing & Management*, *28*(4), 427-445.
- Barnes, D. C., & Krallman, A. (2019). Customer delight: A review and agenda for research. *Journal of Marketing Theory and Practice*, *27*(2), 174-195.
- Baron, R. M., & Kenny, D. A. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology*, *51*(6), 1173-1182.
- Beach, L. R., & Mitchell, T. R. (1987). Image theory: Principles, goals, and plans in decision making. *Acta Psychologica*, *66*(3), 201-220.
- Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing*, *56*(2), 57-71.
- Brey, E. T. (2010). Developing a better understanding of resort management: An inquiry into industry practices. *Journal of Hospitality Marketing & Management*, *20*(1), 79-102.
- Brislin, R. W. (1970). Back-translation for cross-cultural research. *Journal of cross-cultural psychology*, *1*(3), 185-216.
- Channoi, R., Clemes, M. D., & Dean, D. L. (2018). A comprehensive hierarchical model of beach resort hotel stays. *Journal of Hospitality and Tourism Management*, *37*, 107-116.
- Chen, S. H., Tzeng, S. Y., Tham, A., & Chu, P. X. (2021). Hospitality services in the post COVID-19 era: are we ready for high-tech and no touch service delivery in smart hotels? *Journal of Hospitality Marketing & Management*, *30*(8), 905-928.
- Fam, K. S., Liat Cheng, B., Cham, T. H., Tan Chia Yi, M., & Ting, H. (2023). The role of cultural differences in customer retention: Evidence from the high-contact service industry. *Journal of Hospitality & Tourism Research*, *47*(1), 257-288.
- Goswami, S., & Sarma, M. K. (2011). Guest delight: Its significance in the hotel industry. *IUP Journal of Marketing Management*, *10*(2), 64-84.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., & Thiele, K. O. (2017). Mirror, mirror on the wall: A comparative evaluation of composite-based structural equation modeling methods. *Journal of the Academy of Marketing Science*, *45*(5), 616-632.

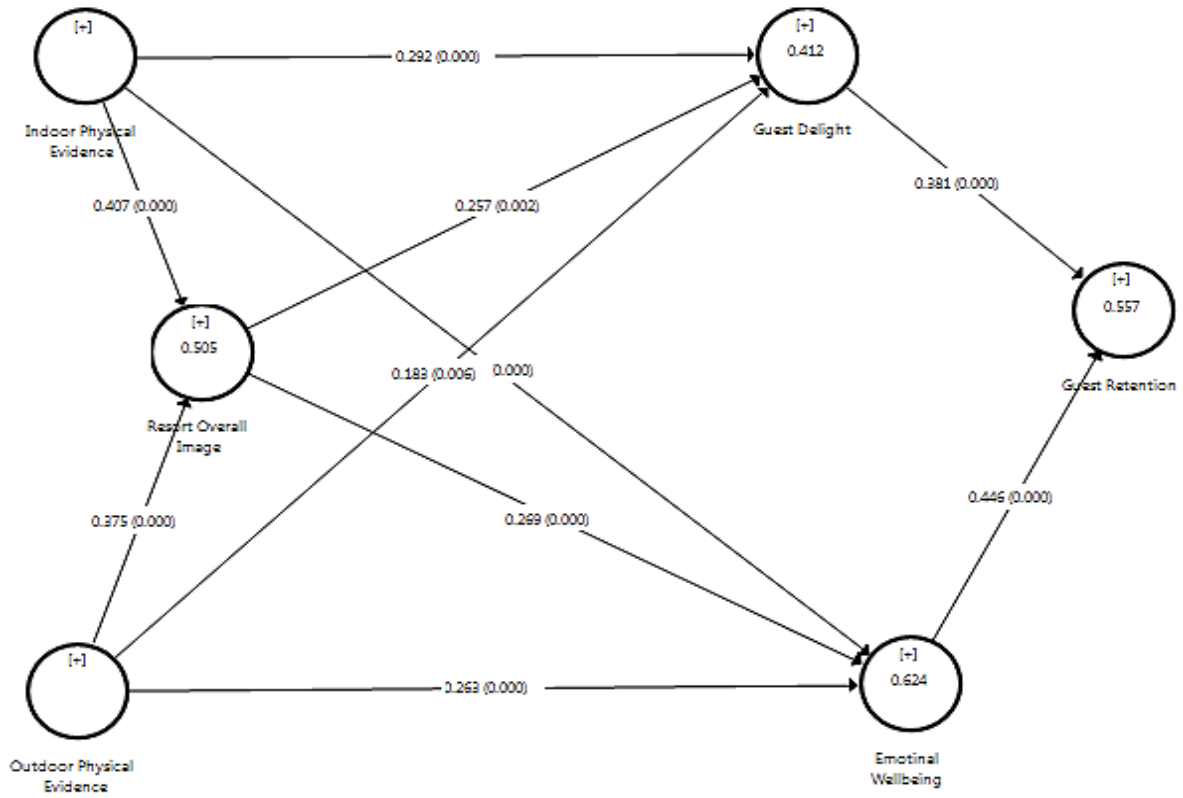
- Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, 31(1), 2-24.
- Hair, J. F., Sarstedt, M., Ringle, C. M., & Mena, J. A. (2012). An assessment of the use of partial least squares structural equation modeling in marketing research. *Journal of the Academy of Marketing Science*, 40(3), 414-433.
- Han, H., & Hyun, S. S. (2017). Impact of hotel-restaurant image and quality of physical-environment, service, and food on satisfaction and intention. *International Journal of Hospitality Management*, 63, 82-92.
- Han, H., Jongsik, Y., & Hyun, S. S. (2020). Nature based solutions and customer retention strategy: Eliciting customer well-being experiences and self-rated mental health. *International Journal of Hospitality Management*, 86, 102446.
- Han, H., Moon, H., & Hyun, S. S. (2019). Indoor and outdoor physical surroundings and guests' emotional well-being: A luxury resort hotel context. *International Journal of Contemporary Hospitality Management*, 31(7), 2759-2775.
- Hennig-Thurau, T. (2004). Customer orientation of service employees. *International Journal of Service Industry Management*, 15(5), 460-478.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, 43(1), 115-135.
- Hon, A. H. Y., Fung, C. P. Y., & Senbeto, D. L. (2022). Willingness to share or not to share? Understanding the motivation mechanism of knowledge sharing for hospitality workforce. *Journal of Hospitality Marketing & Management*, 31(1), 77-96.
- Hon, A. H. Y., Fung, C. P. Y., & Senbeto, D. L. (2022). Willingness to share or not to share? Understanding the motivation mechanism of knowledge sharing for hospitality workforce. *Journal of Hospitality Marketing & Management*, 31(1), 77-96.
- Hsiao, A., Ma, E., Manfreda, A., Baker, M., & Xu, J. (2023). A social exchange perspective on boosting customer loyalty through culturally competent servers. *Journal of Hospitality Marketing & Management*, 1-23.
- Hyeon-Cheol, K., Chua, B.-L., Lee, S., Boo, H.-C., & Han, H. (2016). Understanding airline travelers' perceptions of well-being: The role of cognition, emotion, and sensory experiences in airline lounges. *Journal of Travel & Tourism Marketing*, 33(9), 1213-1234.
- Jacoby, J. (2002). Stimulus-organism-response reconsidered: An evolutionary step in modeling (consumer) behavior. *Journal of Consumer Psychology*, 12(1), 51-57.
- Jin, D., DiPietro, R. B., Kim, K., Meng, F., & Torries, E. N. (2023). Influence of customer value mind-set on affective and behavioral service outcomes: role of the scope and scale of service offerings at various touchpoints. *Journal of Hospitality Marketing & Management*, 1-23.
- Khalilzadeh, J., & Tasci, A. D. A. (2017). Large sample size, significance level, and the effect size: Solutions to perils of using big data for academic research. *Tourism Management*, 62, 89-96.
- Kim, J. J., & Han, H. (2022). Saving the hotel industry: Strategic response to the COVID-19 pandemic, hotel selection analysis, and customer retention. *International Journal of Hospitality Management*, 102, 103163.
- Kim, M. J., & Park, C. J. (2019). Does customer delight matter in the customer satisfaction-loyalty linkage? *The Journal of Asian Finance, Economics and Business*, 6(3), 235-245.
- Kock, N. (2018). *Minimum sample size estimation in PLS-SEM: An application in tourism and hospitality research*. In F. Ali, S. M. Rasoolimanesh, & C. Cobanoglu (Eds.),

- Applying Partial Least Squares in Tourism and Hospitality Research (pp. 1-16). Emerald Publishing Limited.
- Kotler, P., & Armstrong, G. (2010). *Principles of marketing*. Pearson education.
- Kotler, P., Keller, K., Brady, M., Goodman, M., & Hansen, T. (2019). *Marketing Management: 4<sup>th</sup> European Edition*: Pearson UK.
- Lee, B. Y., & Park, S. Y. (2019). The role of customer delight and customer equity for loyalty in upscale hotels. *Journal of Hospitality and Tourism Management*, 39, 175-184.
- Lindell, M. K., & Whitney, D. J. (2001). Accounting for common method variance in cross-sectional research designs. *Journal of Applied Psychology*, 86(1), 114-121.
- Loureiro, S. M. C., & Kastenholtz, E. (2011). Corporate reputation, satisfaction, delight, and loyalty towards rural lodging units in Portugal. *International Journal of Hospitality Management*, 30(3), 575-583.
- Moon, H., Yoon, H. J., & Han, H. (2016). Role of airport physical environments in the satisfaction generation process: mediating the impact of traveller emotion. *Asia Pacific Journal of Tourism Research*, 21(2), 193-211.
- Nikolić, D., & Mitrović, A. (2021). How guest delight affected hotel pricing before and during covid-19 pandemic. *International Journal of Management, Knowledge and Learning*, 10.
- Nunkoo, R., & Ramkissoon, H. (2012). Structural equation modelling and regression analysis in tourism research. *Current Issues in Tourism*, 15(8), 777-802.
- Ortony, A. (2022). Are all "basic emotions" emotions? A problem for the (basic) emotions construct. *Perspectives on Psychological Science*, 17(1), 41-61.
- Podsakoff, P. M., MacKenzie, S. B., & Podsakoff, N. P. (2012). Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology*, 63, 539-569.
- Radwan, H. R. I., & Radwan, I. (2017). Managing hotels during economic challenges: A case study on hotels in Sharm El-Sheikh and Hurghada, Egypt. *Journal of Tourism and Hospitality Management*, 5(2), 84-100.
- Roberts-Lombard, M., & Petzer, D. J. (2018). Customer satisfaction/delight and behavioural intentions of cell phone network customers—An emerging market perspective. *European Business Review*, 30(4), 427-445.
- Ryu, K., & Jang, S. (2008). Retracted Article: Influence of restaurants' physical environments on emotion and behavioral intention. *The Service Industries Journal*, 28(8), 1151-1165.
- Salem, M. H., Selem, K. M., Khalid, R., Raza, M., & Valeri, M. (2023). Humorous leadership, upward voice and resistance to change in the hotel context: from affective events theory perspective. *European Business Review*.
- Sarstedt, M., & Cheah, J.-H. (2019). *Partial least squares structural equation modeling using SmartPLS: A software review*. Springer.
- Selem, K. M., Sinha, R., Khalid, R., Raza, M., & Shahidul, M. I. (2023). Trade-off between future travel avoidance and self-protectiveness: Role of adventurousness and safety-seeking tendency of tourists. *Journal of Hospitality and Tourism Insights*.
- Shehata, A. E., Khan, M. A., Khalid, R., Raza, M., & Selem, K. M. (2023). Consequences of paradoxical leadership in the hotel setting: Moderating role of work environment. *Journal of Hospitality Marketing & Management*, 1-24.
- Shoukat, M. H., & Ramkissoon, H. (2022). Customer delight, engagement, experience, value co-creation, place identity, and revisit intention: A new conceptual framework. *Journal of Hospitality Marketing & Management*, 1-19.

- Shoukat, M. H., & Ramkissoon, H. (2022). Customer delight, engagement, experience, value co-creation, place identity, and revisit intention: A new conceptual framework. *Journal of Hospitality Marketing & Management*, 1-19.
- Sigala, M. (2020). Tourism and COVID-19: Impacts and implications for advancing and resetting industry and research. *Journal of Business Research*, 117, 312-321.
- Sigala, M. (2022). Designing servicescape and experience with art: Learnings from The d'Arenberg Cube, Australia. In M. Sigala, A. Yeark, R. Presbury, M. Fang, & K. A. Smith (Eds.), *Case Based Research in Tourism, Travel, Hospitality and Events* (pp. 13-36). Singapore: Springer Nature Singapore.
- Song, C., Ali, F., Cobanoglu, C., Nanu, L., & Lee, S. H. J. (2022). The effect of biophilic design on customer's subjective well-being in the hotel lobbies. *Journal of Hospitality and Tourism Management*, 52, 264-274.
- Sorokina, E., Wang, Y., Fyall, A., Lugosi, P., Torres, E., & Jung, T. (2022). Constructing a smart destination framework: A destination marketing organization perspective. *Journal of Destination Marketing & Management*, 23, 100-688.
- Stadlthanner, K. A., Andreu, L., Ribeiro, M. A., Font, X., & Mattila, A. S. (2022). The effects of message framing in CSR advertising on consumers' emotions, attitudes, and behavioral intentions. *Journal of Hospitality Marketing & Management*, 31(7), 777-796.
- Syaqirah, Z. N., & Faizurrahman, Z. P. (2014). Managing customer retention of hotel industry in Malaysia. *Procedia - Social and Behavioral Sciences*, 130, 379-389.
- Torres, E. N., Zhang, T., & Ronzoni, G. (2020). Measuring delightful customer experiences: The validation and testing of a customer delight scale along with its antecedents and effects. *International Journal of Hospitality Management*, 87, 102380.
- Tsaur, S. H., & Lo, P. C. (2020). Measuring memorable dining experiences and related emotions in fine dining restaurants. *Journal of Hospitality Marketing & Management*, 29(8), 887-910.
- Tuerlan, T., Li, S., & Scott, N. (2021). Customer emotion research in hospitality and tourism: Conceptualization, measurements, antecedents and consequences. *International Journal of Contemporary Hospitality Management*, 33(8), 2741-2772.
- VisaGuide.World (2021). *Egypt visa types, requirements, and application*. Available at: <https://visaguide.world/africa/egypt-visa/> [Accessed on 27 November 2021]
- Williams, J., & MacKinnon, D. P. (2008). Resampling and distribution of the product methods for testing indirect effects in complex models. *Structural Equation Modeling: A Multidisciplinary Journal*, 15(1), 23-51.
- Wong, I. A., Wan, Y. K. P., & Sun, D. (2023). Understanding hospitality service aesthetics through the lens of aesthetic theory. *Journal of Hospitality Marketing & Management*, 1-35.
- Yu, J., Seo, J., & Hyun, S. S. (2021). Perceived hygiene attributes in the hotel industry: Customer retention amid the COVID-19 crisis. *International Journal of Hospitality Management*, 93, 102-768.
- Zheng, D., Ritchie, B. W., Benckendorff, P. J., & Bao, J. (2019). The role of cognitive appraisal, emotion and commitment in affecting resident support toward tourism performing arts development. *Journal of Sustainable Tourism*, 27(11), 1725-1744.



**Figure 1.** The research model.



**Figure 2.** The structural model and hypothesis test results.

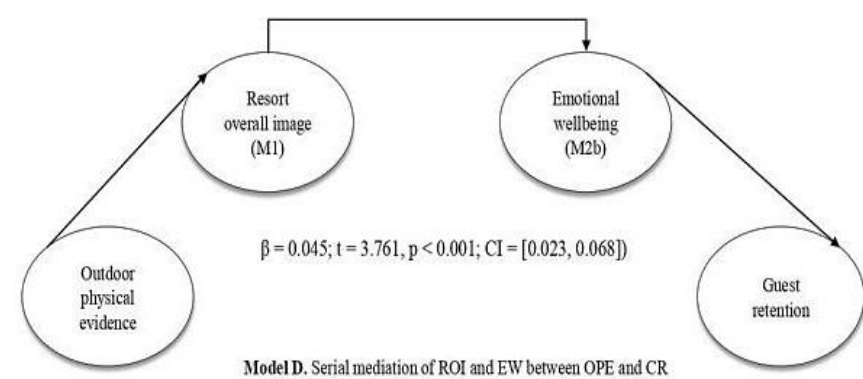
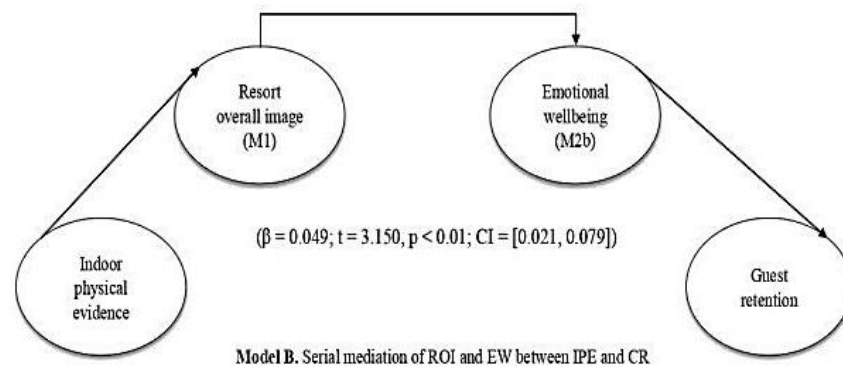
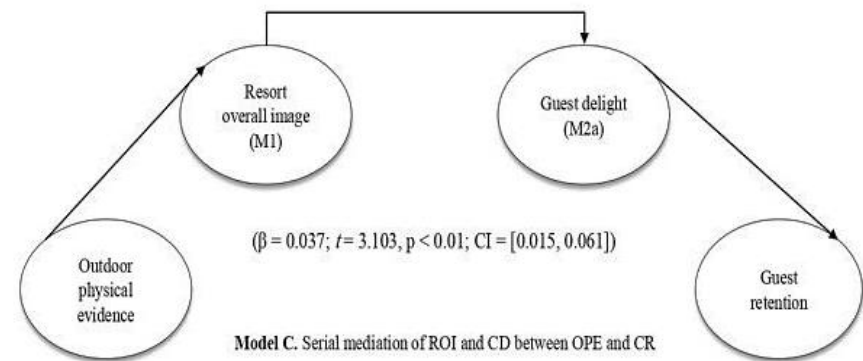
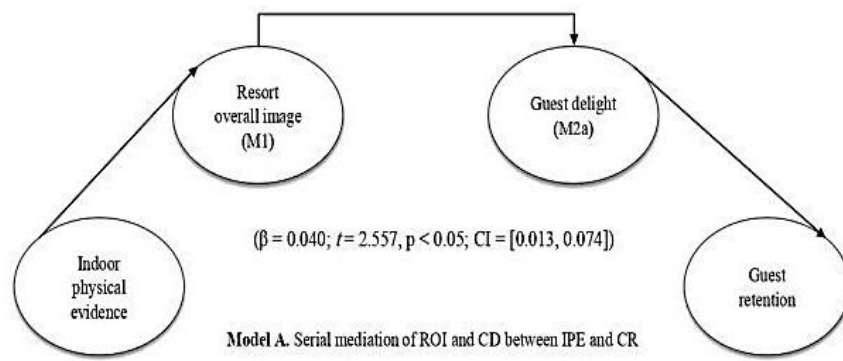


Figure 3. Serial mediation results.

**Table 1.** Respondents' profile.

Category	Frequency (n= 428)	Percentage %
<i>Gender</i>		
Male	283	66.1
Female	145	33.9
<i>Marital status</i>		
Single	271	63.3
Married	157	36.7
<i>Age (Years)</i>		
< 30	204	47.7
30 to < 40	118	27.6
40 to < 50	68	15.9
≥ 50	38	8.9
<i>Continental affiliation</i>		
Africa	191	44.6
Asia	35	8.2
Australia	99	23.1
Europe	75	17.5
North America	16	3.7
South America	12	2.8
<i>Monthly income</i>		
Less than 1600\$	136	31.8
1600\$ - 2399\$	73	17.1
2400\$ - 3199\$	154	36.0
3200\$ or more	65	15.2

**Table 2.** Consistency reliability and convergent validity.

Constructs	Items	Loadings	CA	CR	AVE
Indoor physical evidence	IPE1	0.719	0.880	0.905	0.583
	IPE2	0.744			
	IPE3	0.745			
	IPE4	0.749			
	IPE5	0.722			
	IPE6	0.768			
	IPE7	0.731			
	IPE8	0.716			
Outdoor physical evidence	OPE1	0.732	0.791	0.865	0.615
	OPE2	0.843			
	OPE3	0.790			
	OPE4	0.769			
Resort overall image	ROI1	0.843	0.786	0.875	0.700
	ROI2	0.838			
	ROI3	0.828			
Guest delight	GD1	0.816	0.729	0.847	0.649
	GD2	0.835			
	GD3	0.763			
Emotional well-being	EW1	0.732	0.853	0.891	0.577
	EW2	0.773			
	EW3	0.765			
	EW4	0.738			
	EW5	0.808			
	EW6	0.739			
Guest retention	GR1	0.802	0.841	0.894	0.677
	GR2	0.845			
	GR3	0.809			
	GR4	0.836			

Note: CA = Cronbach's alpha; CR = Composite reliability; AVE = Average variance extracted.

**Table 3.** Discriminant validity (HTMT).

Constructs	1	2	3	4	5	6
1 Emotional well-being						
2 Guest delight	0.587					
3 Guest retention	0.604	0.536				
4 Resort overall image	0.522	0.516	0.502			
5 Indoor physical evidence	0.518	0.598	0.574	0.575		
6 Outdoor physical evidence	0.556	0.441	0.591	0.480	0.549	

**Table 4.** Overall model evaluation.

Constructs	R <sup>2</sup>	f <sup>2</sup>				Q <sup>2</sup>
		Resort overall image	Emotional well-being	Guest delight	Guest retention	
Indoor physical evidence		0.193	0.176	0.070		
Outdoor physical evidence		0.164	0.091	0.028		
Resort overall image	0.505		0.095	0.055		0.349
Guest delight	0.412				0.199	0.256
Emotional well-being	0.624				0.273	0.353
Guest retention	0.557					0.369

**Table 5.** Structural model assessment results.

Paths	Beta	SD	t-value	p-value	BC 95% Bootstrap CI		Supported?	
					LL	UL		
<b>Direct effects</b>								
H1a	IPE → GD	0.292***	0.068	4.313	0.000	0.156	0.425	Yes
H1b	OPE → GD	0.183**	0.067	2.750	0.006	0.057	0.321	Yes
H2a	IPE → ROI	0.407***	0.064	6.324	0.000	0.278	0.528	Yes
H2b	OPE → ROI	0.375***	0.062	6.038	0.000	0.258	0.494	Yes
H3a	IPE → EW	0.370***	0.052	7.118	0.000	0.264	0.472	Yes
H3b	OPE → EW	0.263***	0.050	5.303	0.000	0.166	0.360	Yes
H4a	ROI → GD	0.257**	0.078	3.275	0.001	0.104	0.413	Yes
H4b	ROI → EW	0.269***	0.065	4.149	0.000	0.146	0.388	Yes
H5	GD → GR	0.381***	0.066	5.774	0.000	0.257	0.507	Yes
H6	EW → GR	0.446***	0.060	7.451	0.000	0.337	0.557	Yes
<b>Mediating effects</b>								
H7a	IPE → ROI → GD	0.104**	0.039	2.663	0.008	0.038	0.191	Yes(Partial)
H7b	OPE → ROI → GD	0.096**	0.031	3.139	0.002	0.039	0.156	Yes (Partial)
H7c	IPE → ROI → EW	0.109**	0.034	3.222	0.001	0.048	0.179	Yes (Partial)
H7d	OPE → ROI → EW	0.101***	0.028	3.635	0.000	0.052	0.165	Yes (Partial)
H8a	IPE → GD → GR	0.111***	0.030	3.766	0.000	0.051	0.173	Yes (Partial)
H8b	OPE → GD → GR	0.070*	0.034	2.050	0.041	0.018	0.146	Yes (Partial)
H8c	ROI → GD → GR	0.098**	0.029	3.338	0.001	0.038	0.154	Yes (Partial)
H9a	IPE → EW → GR	0.165***	0.033	5.007	0.000	0.110	0.235	Yes (Partial)
H9b	OPE → EW → GR	0.117***	0.030	3.893	0.000	0.067	0.186	Yes (Partial)
H9c	ROI → EW → GR	0.120***	0.031	3.855	0.000	0.067	0.182	Yes (Partial)
H10a	IPE → ROI → GD → GR	0.040*	0.016	2.557	0.011	0.013	0.074	Yes(Serial)
H10b	IPE → ROI → EW → GR	0.049**	0.015	3.150	0.002	0.021	0.079	Yes(Serial)
H10c	OPE → ROI → GD → GR	0.037**	0.012	3.103	0.002	0.015	0.061	Yes(Serial)
H10d	OPE → ROI → EW → GR	0.045***	0.012	3.761	0.000	0.023	0.068	Yes(Serial)

Notes: \*\*\*p< 0.001, \*\*p< 0.01, \*p< 0.05, LL= lower level, UL= upper level, CI= confidence interval; EW= emotional well-being; GD= guest retention; GR= guest delight; ROI= resort overall image; IPE= indoor physical evidence; OPE= outdoor physical evidence; SD = standard deviation.

**Appendix A.** Construct measurements and descriptive statistics.

Constructs	Items		M	SD	VIF
Indoor physical evidence	IPE1	This resort has a pleasant temperature.	4.90	1.427	1.721
	IPE2	This resort's air quality was adequate.	4.94	1.404	1.790
	IPE3	This resort's natural and artificial lighting was suitable.	4.95	1.403	1.799
	IPE4	This resort's layout made it simple for me to go about.	4.81	1.491	1.934
	IPE5	The audio/video display devices were arranged in an acceptable spatial layout.	4.81	1.450	1.970
	IPE6	There was adequate space set out for meeting halls and swimming pools.	4.99	1.440	2.071
	IPE7	The signs and descriptions were placed correctly.	5.02	1.368	1.874
	IPE8	The décor was of excellent quality.	4.97	1.447	1.909
Outdoor physical evidence	OPE1	The architectural style of this resort was aesthetically appealing.	4.77	1.444	1.554
	OPE2	The outside décor and signs of this resort were eye-catching.	4.69	1.486	1.976
	OPE3	This resort's surroundings were aesthetically attractive (e.g., landscaping, entrances, surrounding area).	4.66	1.396	1.574
	OPE4	This resort's beach was easily accessible.	4.84	1.536	1.568
Resort overall Image	ROI1	When compared to competitors, this resort has a superior image.	4.69	1.333	1.753
	ROI2	In my view, this resort has an excellent reputation among guests.	4.81	1.380	1.633
	ROI3	This resort gave me a favorable impression.	4.86	1.385	1.573
Guest Delight	GD1	Elated.	4.85	1.356	1.654
	GD2	Delighted.	4.91	1.435	1.760
	GD3	Gleeful.	4.97	1.398	1.254
Emotional well-being	EW1	Relaxed.	4.87	1.494	1.860
	EW2	Peaceful.	4.69	1.458	1.993
	EW3	Refreshed.	4.89	1.465	2.001
	EW4	Happy.	4.76	1.415	1.774
	EW5	Joyful.	4.88	1.487	2.031
	EW6	Rejuvenated.	4.92	1.431	1.781
Guest retention	GR1	I will stay at this resort.	4.86	1.416	1.804
	GR2	I will make a reservation at this resort.	4.79	1.396	1.985
	GR3	This resort will be my first option for accommodation.	4.67	1.492	1.732
	GR4	This resort will always be one of my favorites.	5.04	1.450	1.917