

Luxury hospitality values regarding luxury hotels and the role of religious values in the Islamic market

Dr. Ali H Al-hajla
Assistant Professor of Marketing
*Marketing Department, College of Business Administrations, Taibah University,
Al Mandina Al Munawwarah
Saudi Arabia
P.O.Box 344
Tell: +966 0 14861 8888
Email: Ahajla@taibahu.edu.sa*

Abstract:

With about one and a half billion Muslim consumers who are greatly concerned about their religious values when buying products, it is surprising that there has been only limited attention to Muslims' consumption behaviour. Due to distinctive cultures and consumer values, consumption behaviour has become heterogeneous, and this has caused more attention to be paid to understanding the influence of cultural dimensions, such as religious values, on luxury consumption behaviour. This study aims to further empirically validate the luxury value framework in a luxury hospitality context and assess additional influential values such as the religious values of the consumer. Thus, a questionnaire was formed to pursue this paper's aim; this was statistically evaluated by a partial least square (PLS) confirmatory factor analysis (CFA). The four dimensions of the luxury value framework were confirmed and validated, and the influential role of religious values was empirically confirmed. Therefore, to the best of the author's knowledge, this study is the first to re-examine the luxury value framework in a different context, the first to empirically examine the luxury value framework in an Islamic context, and the first to empirically assess the impact of religious values on luxury consumption intention.

Keywords: Luxury value, Muslims' consumption, Religious values, Islamic luxury market, Luxury hotel, Religious impact.

1 Introduction

Luxury consumption is not limited to fulfilling common physiological desires but also acts to enhance the reflection of desired characteristics as well as to present consumers' individualities within society. Accordingly, consumers have begun to consume the symbolic definition of luxury products (Aaker et al., 2001; Huang, 2009). Hanzae and Sadeghian (2014) stated that luxury consumption is a unique subject of consumption behaviour, even though luxury products are not necessary for survival; nevertheless, consumers are highly involved in luxury product consumption. It is largely agreed by practitioners and researchers that hospitality services, such as luxury hotels, are continuing to expand. The luxury hospitality sector within the Muslim market is no exception, since in the Gulf Cooperation Council (GCC) region alone the market is anticipated to rise by 7.6% CAGR from an expected US\$ 25.4 billion in 2015 to US\$ 36.7 billion in 2020 (Clare, 2017). Therefore, the GCC region is witnessing the entry of several high-end luxury hotels, such as the Armani hotel and St Regis, into the GCC region, with new identities that comply with Islamic values (Alami, 2011). As a consequence of the growing value of the luxury hotel sector in the Muslim market, there has recently been extensive attention from researchers directed at this phenomenon to underpin purchasing behaviour among Muslims (Alami, 2011; Mamat et al., 2016; Pueschel et al., 2017; Teimourpour & Hanzae, 2014; Teimourpour & Heidarzadeh Hanzae, 2011). For instance, Hanzae and Sadeghian (2014) examined how luxury consumption is influenced by cultural factors, such as religion, among Iranians. Kassim and Zain (2016) explored the potential impact of quality of lifestyle (QoL) on wealthy Muslims' purchasing behaviour of luxury products in the GCC region. Mamat et al. (2016) showed how the purchase of luxury branded handbags is differently motivated among Kuala Lumpur consumers, and they explored the influential role of income along with the motivational factors of specific functional, experiential and symbolic values as well as social influence and vanity. Nevertheless, the concept of perceived luxury values remains under-investigated due to the lack of researchers' attention (Yang et al., 2016). Consequently, investigations into purchasing behaviour of luxury hospitality products can be found abroad, but not within the Islamic world in general nor within Saudi Arabia. Thus, the current study adopts luxury hotels as a form of a luxury hospitality product in order to attain the objective of determining the values that motivate Muslims' consumption of luxury hospitality products, and the extent to which religious values influence such a consumption.

The literature on luxury consumption largely presents the disagreement of scholars regarding the number and categories of luxury values (Yang et al., 2016). The study by Vigneron and Johnson (1999) related to luxury values' dimensionality was among the earliest to introduce a luxury measurement, which consisted of five dimensions and was titled the 'brand luxury index'. This was followed by a confirmation study conducted by Wiedmann et al. (2007), which aimed to reassess the brand luxury index introduced by Vigneron and Johnson (1999), whereby they proposed a luxury value framework consisting of four dimensions instead of five. Some additional studies related to the luxury value index have also been conducted (e.g. Shukla, 2012; Tynan et al., 2010; Vigneron & Johnson, 2017; Yang et al., 2016). Due to the fact that most prior studies concerning luxury values have been conducted in a western or far eastern context, and have had limited focus regarding empirical validation and reliability, few scholars have suggested that luxury purchasing behaviour is likely to differ across cultures (e.g. Kastanakis & Balabanis, 2012; Shukla, 2012). Nevertheless, prior studies mostly examined tangible products (Yang et al., 2016) and neglected such intangible products as hospitality characteristics and uniqueness. Therefore, it is vital to examine the phenomenon of luxury hotel consumption in the Islamic market as a unique context.

2 Literature review

2.1 Defining luxury values

Despite the fact that there is no definition of luxury goods that is largely agreed upon by scholars, practitioners often employ the word luxury to present certain characters of goods or services that motivate consumers to pay a high amount (Yang et al., 2016). A reasonably recognised definition of luxury was proposed by Tynan et al. (2010), which was based on key identifiers of luxury brands, namely "expensive, high quality and non-essential...that appear to be rare, exclusive, prestigious, authentic and offer high levels of symbolic and emotional/hedonic values through customer experiences" (p.1158). This definition is based on the evidence of luxury brands via each of the brand's perceptions of symbolic, functional, psychological, and experiential values (Tynan et al., 2010). A luxury hotel is defined in this study thus: *'a luxury hotel refers to a hotel rated five stars/diamonds on a rating scheme which provides an excellent location, has customised and expensive serviced rooms, a uniquely decorated interior, and distinctive furniture, lighting and facilities, and presents high quality foods and drinks'*. Accordingly, it is vital to determine the critical luxury values in accordance with the perspectives of Muslim consumers in Saudi Arabia regarding luxury hotel consumption behaviour.

2.2 Luxury values

It is crucial to understand what drives luxury consumption and some scholars claim that among these drivers, desire and pleasure are those that can be most satisfied by luxury products (Kemp, 1998). Vigneron and Johnson (1999) argued that prestige-seeking is considered to be a second driver of luxury consumption, due to the fact that luxury products are at the extreme end of the prestige scale. This brings up the importance of the perspective that luxury values and drivers establish each other. However, they remain dissimilar aspects of consumer brand affiliation: values are product-centric as they emphasise luxury product characteristics, while drivers are consumer-centric as they focus on motives that direct consumers to desire specific values (Roux et al., 2017). The study of luxury values began as early as 1899, when Veblen (1899) argued that consumers seek expensive products to noticeably signal wealth, which results in obtaining the desired social status as a key motivator of luxury consumption. In other words, consumers tend to acquire overpriced brands to represent their affluent status. Veblen's work was advanced by Leibenstein (1950), who added the snob effect value and the bandwagon effect value. The snob effect indicates a circumstance where the desire for a product drops as the total number of consumers rises, as wealthy consumers tend to seek to distinguish themselves from bourgeois consumers. In the bandwagon effect, an impersonator stands for a circumstance where bourgeois consumers aim to copy the consumption behaviour of affluent consumers.

Later scholars considered additional values of luxury consumption such as high quality, creativity, craftsmanship, self-indulgence and hedonism (Dubois & Czellar, 2002; Kapferer, 1997). Following on from prior research, a luxury brand values measurement was proposed by Vigneron and Johnson (1999), which included observations of the personal values of hedonism and quality as well as of the non-personal values of uniqueness, social value and conspicuousness. Accordingly, it was argued that social value refers to a consumer's persuasion to reflect a certain prestige that is favoured by a valued reference group. Emotional satisfaction gained through luxury consumption, either as pleasure or indulgence, was referred to as hedonism. Uniqueness represents the rarity and distinctiveness of a luxury product. Quality focuses on an obtainable, reliable and excellent performance when consuming luxury products. Recently, the luxury values index was enhanced by the contribution by Wiedmann et al. (2007) through the addition of a critical value, namely

financial value, which represents the cost value of luxury products. Therefore, Wiedmann et al. (2007) introduced an original luxury values measure that included the four constructs of social values, individual values, functional values and financial values. Despite the clear disagreement among scholars regarding the number and dimensionality of luxury values, the applicability of the former luxury values index to intangible luxury products, such as hospitality amenities, remains ambiguous (Smith & Colgate, 2007; Yang et al., 2016). Consequently, this research employs the luxury values model proposed by Smith and Colgate (2007), which is the only conceptually reliable model that has been developed to capture intangible luxury products such as hotels.

3 Theoretical framework

Luxury values are defined by scholars such as Smith and Colgate (2007) as those values a customer obtains (benefits) comparative to what he/she has to give (pay). Yang et al. (2016) proposed a model for assessing intangible luxury product values, which was fundamentally an extension of existing tangible luxury products. Accordingly, they produced a model consisting of four value dimensions, namely hedonic, functional, financial and symbolic, and they stated that the first three value dimensions are the key influential dimensions on luxury intangible products purchasing intention, at least according to their study's specific conditions. As Yang et al. (2016) used the extended luxury value model, it is logically vital to discuss each dimension in relation to the context of the present study, as presented below.

3.1 Hedonic values

Luxury intangible products such as luxury hotels improve the ability to provide an expressive value in addition to their functional performance (Guido et al., 2008; Kim & Moon, 2009; Malär et al., 2011). Dubois and Czellar (2002) argue that luxury products are capable of providing individual and intangible satisfaction by giving consumers feelings of indulgence and pleasure. Lately, some studies have suggested that the consumption of luxury products is critically motivated by hedonic values (HVs), since affluent consumers seek to please themselves by consuming extremely unique products that can increase their pleasant emotions and happiness (Roux et al., 2017; Shukla, 2012; Wiedmann et al., 2007). For instance, corporations such as Disney concentrate on epistemic value (Smith & Colgate, 2007), while more Islamic examples, such as Saudi Airlines, focus on experience while flying in accordance with Islamic values, which represents an appropriate experience. Hedonic values are certainly significant in hospitality intangible products due to the key role of experience and pleasure in the consumption of luxury intangibles (Wiedmann et al., 2007). In relation to this, it was formerly argued that luxury hotels and other hospitality industries mainly emphasise hedonism-related features via emotional reflections in their promotional activities (Yang et al., 2016). Although luxury hotels as a hospitality sector still receives scarce attention, other hospitality sectors, such as restaurants, have received some attention. Accordingly, a few diners' context-related studies analyse the effect of functional values and hedonic values on consumers' gratification and purchasing intention. It was found that consumers commonly link functional values to intangible product quality according to the amount of money they are charged for a certain service or good (Stanforth & Lee, 2011). Therefore, the following hypothesis is proposed:

H1: The hedonic value (HV) of luxury hotels has a significant influence on purchase intention of luxury hotels (PILH).

3.2 Financial values

The significance of the potential economic risk from a consumers' perspective was initially introduced by Wiedmann et al. (2007) under a new dimension, named financial values (FIVs), which refers to the financial sacrifices that consumers are considering when purchasing luxury products relative to the benefits that they are seeking. Such a dimension was later theoretically supported by Smith and Colgate (2007), based comprehensively on an examination of both tangible and intangible luxury products. Smith and Colgate concluded that consumers are likely to amplify the benefits and reduce the costs and other economical risks during the purchasing process of luxury products. Tynan et al. (2010) argued that affluent consumers tend to raise their expectations regarding the likely gain in satisfactory value from luxury consumption compared to the expensive cost they paid. The influential role of luxury products' cost towards luxury purchasing intentional behaviour, either positive or negative, was recently evidenced by Shukla (2012). In relation to this, it was determined by a few former studies in the hospitality context that proper cost and reasonable value for the charged amount of money are key factors in an intangible context, such as luxury restaurants or hotels (Kim &

Moon, 2009; Lee & Hwang, 2011). Accordingly, the following hypothesis is proposed:

H2: The financial value (FIV) of luxury hotels has a significant influence on purchase intention of luxury hotels (PILH).

3.3 Functional value

Functional value (FUV) refers to extent to which a product has the necessary features, is convenient, and performs a necessary function (Smith & Colgate, 2007). Woodruff (1997) argued that instrumental value is formed from three major aspects. The first is correct, perfect, functions, qualities and individualities. The second is being particularly reliable as well as possessing good quality execution and service-support results. The third encompasses accurate results or consequences (e.g. tactical value, efficiency, functioning assistance and environmental interest). Some of these key aspects of functional values can be seen in many iconic brands, such as Apple, which focus on values of tactical, reliability and efficiency. In contrast, the remaining intangible luxury value index dimensions concern societal and expressive values, whereby the instrumental/functional dimension emphasises the key gains and fundamental functions expected from a luxury product (Yang et al., 2016). Hotels, as a mainly intangible product sector, offer an extremely complex array of services and consumption environments (e.g. Islamic complying luxury hotel services and utilities) (Alami, 2011; Lee & Back, 2010). Thus, luxury hotel consumption is not limited to tangible products such as food and room decor, but is also influenced by intangible products such as hotel reception services, surroundings and staff helpfulness. Accordingly, this study evaluates the functional values in regard to both intangible and tangible aspects of luxury hotel products. Therefore, the following hypothesis is proposed:

H3: The functional value (FUV) of luxury hotels has a significant influence on purchase intention of luxury hotels (PILH).

3.4 Symbolic values

It is commonly argued that luxury consumption is motivated by the need to reflect a certain prestigious value and to display a particular symbolism/expression favoured by reference groups (Dubois & Czellar, 2002; Kastanakis & Balabanis, 2012; Tynan et al., 2010; Vigneron & Johnson, 1999; Wiedmann et al., 2007). Affluent consumers tend to purchase luxury products so that they can illustrate their wealth and to increase their symbolic values (SVs) as well as to differentiate themselves from other social classes' lifestyles (Hennigs et al., 2015). Additionally, consumers are likely to purchase luxury products to signal their beliefs and self-identity distinctiveness (Tynan et al., 2010; Wiedmann et al., 2007). Despite the strong theoretical argument that symbolic value is a key indicator of luxury purchase in former tangible luxury products, Yang et al. (2016) concluded that symbolic value is not a key indicator of intangible luxury products, specifically luxury hospitality. This conclusion was explained by the fact that consumers are likely to prefer highly visible products (e.g. Mercedes-Benz cars or LV bags), due to the fact that intangible products (e.g. five-star hotels or first-class airline tickets) are much less visible (Yang et al., 2016). Mamat et al. (2016) stated that Malaysian consumers prefer to own luxury handbags due to the highly conspicuous benefits. Based on the above, the following hypothesis is proposed:

H4: The symbolic value (SVs) of luxury hotels has a significant influence on purchase intention of luxury hotels (PILH).

3.5 Religious values effects

Chang (2005) argues that individuals' purchasing and consuming drives are strongly manipulated by their culture. Kotler (2000) claims that religious principles, as a cultural factor, can shape consumer behaviour. Religious values (RVs) are defined by Shachar et al. (2011: 2) as "the centrality of religion to the individual as reflected in his or her attitude and behaviour towards life." It was further argued by Shachar et al. (2011) that the notion of RVs varies according to the level to which a believer is complying to his/her RVs. Religious individuals are likely to respect specific RVs that are capable of affecting their consumption behaviour (Alam et al., 2011; Delener, 1990). Consumers with dissimilar cultures are likely to reflect a dissimilar extent of luxury consumption (Teimourpour & Heidarzadeh Hanzae, 2011). Contradictorily, Lysonski and Durvasula (2013) conclude that economic and social surroundings have a very limited influence on luxury consumption behaviour, which led them to conclude that luxury consumption is mostly idem cross-cultures. Additionally, the existing literature mostly considers RVs to have a significant impact on dietary consumption behaviour, which contributes to the continued lack of literature in relation to the influential role of RVs in luxury hospitality sectors such as luxury hotels. Thus, since Muslims' consumption of luxury hotels has been shown to be

significant, as discussed above in the introduction section, a need for an empirical investigation into the influential role of RVs on hedonic, financial, functional and symbolic values in relation to luxury hotel consumption intention is included in the research objectives. Accordingly, the following hypotheses are proposed:

H1a: Religious values (RVs) of consumers mediate the relationship between hedonic values (HVs) and purchase intention of luxury hotels (PILH).

H2a: Religious values (RVs) of consumers mediate the relationship between financial values (FIVs) and purchase intention of luxury hotels (PILH).

H3a: Religious values (RVs) of consumers mediate the relationship between functional values (FUVs) and purchase intention of luxury hotels (PILH).

H4a: Religious values (RVs) of consumers mediate the relationship between symbolic values (SVs) and purchase intention of luxury hotels (PILH).

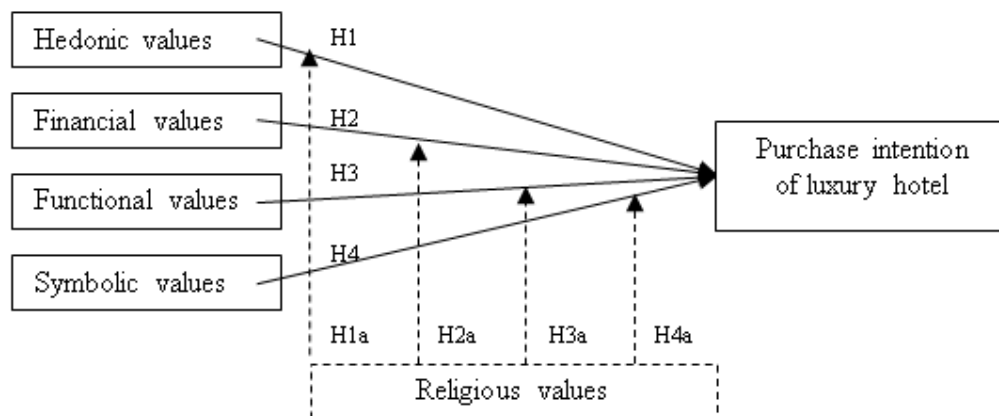


Figure 1. Theoretical framework of luxury values and mediation role of religious values.

4 Research methods

4.1 Sampling and data collection

A survey was designed and distributed personally to ensure that participants fit the main criteria, namely that they were a current/loyal consumer of luxury hotels and were fully aware of the examined hotel's products and utilities. Thus, it was a necessity to employ a non-random approach. An introduction that clarified the purpose and the definition of luxury hotels adopted by this study as well as the context of the study was offered in the first section of the survey. Accordingly, the author managed to obtain 187 usable questionnaires out of 350 questionnaires distributed during an extremely busy session for the Saudi hospitality sector, namely the few days of the Hajj. The questionnaires were mainly collected from the cities of Al-Madinah, Makkah and Jeddah. The participants' demographical data are as follows; 81 were females, 106 were males, 79 were from the GCC region and 108 were from other regions. The annual income of the participants was found to be \$150,000 and above, which logically matches the luxury hotels segmentation criteria as put forward by Kim and Lee (2015).

4.2 Measures

The self-distributed questionnaire consisted of three sections. The first contained an introduction to the study context and purpose. In the second there were the six constructs of the luxury value items, purchase behaviour and religious items. The third part encompassed the demographic details. The study items used to evaluate the variables in this examination were grounded on a seven-point Likert scale, which was adapted from previous confirmed dimensions. The data collection was conducted based on the improved measurements produced by Yang et al. (2016) for luxury intangible products, which were fundamentally formed from former luxury goods

measurements (e.g. Vigneron & Johnson, 1999; Wiedmann et al., 2007). As has been commonly done in former luxury value related studies (e.g. Kim & Lee, 2015; Teimourpour & Heidarzadeh Hanzae, 2011; Tynan et al., 2010; Yang et al., 2016), a seven-point Likert scale varying from 1 (strongly disagree) to 7 (strongly agree) was employed to evaluate each item of the luxury values dimensions. The eight statements of Shabbir (2010), which were developed to measure religious values, were adopted and evaluated using a seven-point Likert scale varying from 1 (strongly disagree) to 7 (strongly agree). In regard to purchase behaviour measures, the items designed by Wang et al. (2008) were adapted due the fact that they are amongst the most modern and most appropriate for the purpose of this study. These items of purchase behaviour were assessed using a seven-point Likert scale varying from 1 (strongly disagree) to 7 (strongly agree) (refer to Table 1). The principal component approach of an exploratory factor analysis was applied to assess the dimensionality of the two variables of religious values and purchase intention. Accordingly, Yang et al. (2016)'s luxury hospitality dimensionality and validity were assessed in the context of luxury hotels by using a confirmatory factor analysis via partial least square (PLS) software.

4.3 Data screening

Screening the data for any possible undesirable effects due to multicollinearity, singularity and non-normal items is a strongly recommended step before examining the hypothesised conceptual model (e.g. Banerjee et al., 2008; Hair et al., 1998). The multicollinearity effects can be assessed by examining the R-matrix followed by the tolerance and variance inflation factor (VIF) means (Field, 2009). Multicollinearity refers to items with commonly very high correlations (e.g. 0.9), whereas singularity refers to items with often significantly low correlations (e.g. 0.2). SPSS 22 was used to produce the R-Matrix, and according to the yielded R- Matrix no multicollinearity was detected amongst this study's measures. Consequently, the means of VIF and tolerance were determined. The tolerances ranged from 0.26 to 0.79, which are under 0.9, and the VIF values ranged between 1.3 and 3.8, which are significantly under the standard value (10.00). Thus, it is argued that no multicollinearity or singularity effects are detected in the statistics. Next, the normality was assessed in accordance with the findings of the skewness and kurtosis tests. Furthermore, the recommendations of Kline (2010) regarding skewness and kurtosis are that their values must range from +/- 3.0 and +/- 10.0. Due to the findings, which showed the skewness and kurtosis of the present data ranged from 1.32 to 7.10, the data of the current study are observed to be normally distributed according to Kline (2010).

5 Results and hypothesis testing

5.1 CFA and validity

An invariance-based structural equation modelling (IB-SEM) by the partial least square technique (PLS) by means of the Smart-PLS 3.2.6 software was employed. The present study uses PLS-SEM to evaluate the conceptual model's hypothesised relationships for a number of factors, as follows. First, according to Hair et al. (2006) the sample size should be 200 or more in order to obtain a good model-fit, which is considered a restriction of employing the covariance-based SEM methods such as AMOS. Thus, the author was limited to using a method that overcomes the fairly low sample number of 187 participants and the most suitable method is PLS-SEM. Second, to the best of the author's knowledge, it appears that there has been very limited usage of the PLS-SEM technique in research concerning Islamic marketing issues; subsequently, its usage here adds to the current study's contribution. The results of the confirmatory factor analysis (CFA) conducted on this study's constructs after refining in accordance to the factor loadings are illustrated in Table 1 in a descriptive manner. All factor loadings were significant at $p = 0.01$. Hair et al. (2006) suggested factor loadings ≥ 0.70 standard, which is largely recognised in social science-related studies that employ PLS-SEM. Consequently, the structural equation modelling method was used to test the eight hypotheses proposed above.

To assess the hypothesised associations of this study's model, a two-stage tactic by PLS-SEM was applied. This includes an inner model that concerns the measurement model, which associates observed items with their dimensions, and an outer model that concerns the structural model, which associates the independent and dependent constructs according to the hypothesised paths. These stages were completed correspondingly (Chin, 1997). By conducting the analysis outlined above, the theoretical framework fit was determined according to the values of the following estimations: path coefficient (β), effect size (f^2), coefficient of determination, (R^2) and predication relevance (q^2) (Hair et al., 2012; Sarstedt et al., 2011).

Table 1. Sub-dimensions' standardised loadings, GoF, R², RSMS, Chi-Square, CR, AVE, \sqrt{AVE} , Cronbach's alpha, f^2 .

Dimensions/ Items	LF	CR	AVE/ \sqrt{AVE}	α	f^2
RVs: R2. I always pray Friday's prayer. R5. I regularly study and read the Holy Quran. R6. I always try to keep myself from minor and major sin. R8: I do my best to follow the teachings of Islam in all matters of life.	.767 .810 .763 .601	.83	.50 / .70	.74	n/a
SVs: SV1. Dining at luxury restaurants is considered a symbol of social status. SV2. Dining at luxury restaurants helps me to express myself. S23. Dining at luxury restaurants helps me communicate my self-identity.	.830 .710 .806	.82	.61 / .78	.70	.14
HVs: HV1. I dine at luxury restaurants for the pure enjoyment of it. HV2. Dining at luxury restaurants gives me a lot of pleasure. HV3. I dine at luxury restaurants for self-indulgence.	.868 .804 .762	.85	.66 / .81	.74	.33
FIVs: FIV1. Dining at luxury restaurants is worth its high price. FIV2. It is worth the economic investment to dine at luxury restaurants. FIV3. Luxury restaurants usually offer value for money.	.861 .821 .787	.86	.70 / .84	.76	.23
FUVs: FUV2. Luxury restaurants are aesthetically appealing. FUV3. The service provided in the luxury restaurant is attentive.	.917 .886	.89	.81 / .90	.77	.02
PILH: PILH1. I prefer to buy <i>Halal</i> cosmetics PILH3. I choose to buy <i>Halal</i> cosmetics even if not familiar with the brand. PILH4. I choose to buy <i>Halal</i> cosmetics even if it is quite expensive.	.897 .783 .892	.84	.61 / .78	.73	n/a
R ²	.47				
GoF	.78				
SRMR estimated model	.103				
Chi-Square estimated model	540.505				

Note: factors' loadings were ≥ 0.70 except for RV8 (Hair et al., 2011), religious values 'RVs', symbolic values 'SVs', hedonic values 'HVs', functional values 'FUVs', financial values 'FIVs', purchase intention of luxury hotels 'PILH', LF (Factor loading).

The present theoretical model CFA yielded a good fit in accordance with the determined values of the β and estimates ranged between 0.500 and -0.148, f^2 ranged between 0.006 to 0.205, and R² was 0.706. All items' loadings are higher than 0.7, which is a standard recommended by Hair et al. (1998) to enhance the validity of social science-related frameworks. The CFA calculation resulted in Cronbach's alpha coefficients of all dimensions that ranged between 0.70 and 0.80, Composite reliability ranged between 0.82 and 0.89, and the average variance extracted (AVE) ranged between 0.50 and 0.81 (refer to Table 1), which all fall within the recommended standards. Additionally, the discriminant validity of the conceptual framework was assessed in accordance with approaches by both Bagozzi and Phillips (1982) and Fornell and Larcker (1981), thus it is claimed by this study that the discriminant validity has been obtained and supported. Lastly, the nomological validity represents the capability of a framework to perform as theoretically anticipated amongst related constructs; thus, it was assessed by this study to further support the validation of the investigated theoretical

model (d'Astous & Lévesque, 2003; Hair et al., 2006). Consequently, it is hypothesised by this study that religious values have a mediation effect on luxury values' relationship towards purchase intention of luxury hotels. Accordingly, it is concluded by this study that religious values mediate the relationships between symbolic values, functional values, financial values and hedonic values and purchase intention, and it has been statistically found that all the above relationships are mediated by religious values. Therefore, it can be stated that the nomological validity is achieved.

5.2 Hypothesis testing

The proposed hypotheses of this research were calculated according to the β results between the dependent and independent constructs, and the β values that exceeded the T value of 1.96 with $\rho \leq 0.05$ are regarded as significant and the hypotheses are accepted respectively. Thus, the hypothesised significant correlation between hedonic values and PILH in H1 is accepted on due to its significance at $p < 0.01$ and a T-value of 6.229. Next, the assumed significant relationship between financial values and PILH (H2) was accepted since it was found to be significant at $p < 0.01$ and a T-value of 5.227. The influence of functional values on PILH in H3 was found to be not significant at $p < 0.05$ and a T-value of 1.554, thus it was not accepted. The next hypothesis was based on the significant influence of symbolic values on PILH (H4), and it was accepted due to the indicated significant T-value of 3.848 at $p < 0.01$.

The hypothesised mediation effect of religious values on the influential relationships of luxury hotel values towards purchase intention of luxury hotels was determined based on the β s, standard errors (se) and the t-test values that were obtained for each separate hypothesised relationship, which facilitated the indication of mediation types and the changes between the direct and indirect paths' results. Subsequently, the PLS algorithm was constantly conducted on constructs, demonstrating every path and its mediator construct, which resulted in obtaining the data required to conduct the Sobel test online through <http://www.danielsoper.com/statcalc>. The mediation assessment was completed through two phases. In the first phase, the PLS algorithm was conducted on the proposed relationship with and without the mediator included. This phase enabled the investigator to acquire the β for the direct relationship with and without the mediator. In the second phase, the PLS bootstrapping technique was done, which resulted in acquiring the β and the SE for the paths from 1 to 2 and from 2 to 3 (Soper, 2013). Thus, the mediation effect was evaluated in accordance with the statement made by Bontis et al. (2007: p.11) that "Mediation exists if the coefficient of the direct path between the independent variable and the dependent variable is reduced when the indirect path via the mediator is introduced into the model." Accordingly, the hypothesised mediation effect of RVs on luxury values' influence on PILH was evaluated as follows. First, the mediation effects hypothesised in H1a amongst HVs towards PILH, produced β and SE values between HVs towards RVs, respectively, equal 0.316 and 0.104, β and SE values between RVs towards PILH, respectively, equal 0.213 and 0.089; accordingly, the Sobel test statistic was = 1.88 with a two-tailed $p = 0.06$. Thus, it was concluded that RVs do mediate the influential relationship of HVs towards PILH. Such a conclusion was supported by the noticeable reduction of β between HVs and PILH when the mediator RVs is introduced into the model (Bontis et al., 2007). Second, the mediation effects of RVs, as hypothesised in H2a, amongst FIVs towards PILH yielded in β and SE values between FIVs towards RVs, respectively, equal 0.434 and 0.080, the β and SE values between RVs towards PILH, respectively, equal 0.129 and 0.085; accordingly, the Sobel test statistic was = 1.46 with a two-tailed $p = 0.14$. Consequently, it is argued that RVs do not mediate the influential relationship of FIVs towards PILH. However, it was observed that the β between FIVs and PILH reduced from 0.725 to 0.667 when the mediator RVs was introduced to the model (Bontis et al., 2007); thus, it can be stated that RVs do mediate the relationship between FIVs and PILH according to the approach by Bontis et al. (2007). Third, the mediation effects of RVs as hypothesised in H3a among FUVs towards PILH, yielded in β and SE values between FUVs towards RVs, respectively, equal 0.281 and 0.100, and β and SE values between RVs towards PILH, respectively, equal 0.489 and 0.086, so the Sobel test value was = 2.52 with a two-tailed $p = 0.012$. Thus, it is stated that RVs do mediate the influential relationship of FUVs towards PILH. Additionally, it was observed that the β between FUVs and PILH reduced from 0.568 to 0.483 when the mediator RVs was included in the model, which is supported by the above findings that illustrate a mediation effect caused by RVs on the relationship between FUVs and PILH (Bontis et al., 2007). Fourth, the mediation effects of RVs as hypothesised in H4a between SVs towards PILH generated β and SE values between SVs towards RVs, respectively, equal 0.394 and 0.074, β and SE values between RVs towards PILH, respectively, equal 0.172 and 0.094; accordingly, the Sobel test value was = 1.73 with a two-tailed $p = 0.083$. Thus, it is stated that RVs do lightly mediate the influential relationship of SVs towards PILH. Moreover, it was detected that the β between SVs and PILH decreased from 0.684 to 0.613 when the mediator RVs was added in the model, which supports the above outcomes that represent a mediation effects produced by RVs on the relationship between SVs and PILH (Bontis et al., 2007).

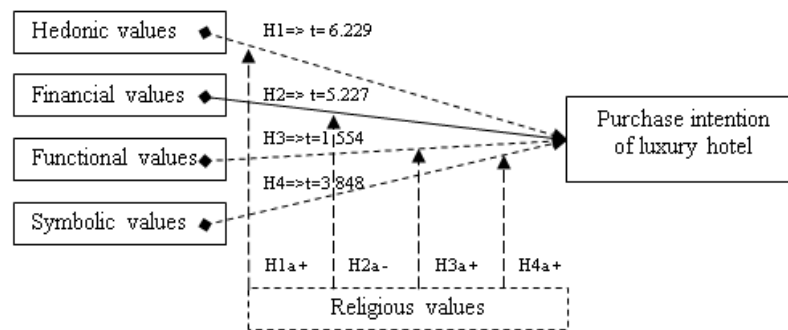


Figure 2. Hypothesis evaluation of luxury hotel values and the mediation role of religious values.

Note: ---- lines and (+) signs illustrates the mediated paths as hypothesised, and solid lines and (-) signs illustrates the not mediated paths. The (t) stands for the t-test value.

6 Discussion and conclusion

Theoretically founded on the hospitality luxury values instrument proposed by Yang et al. (2016), this research has investigated the luxury values, namely hedonic values, symbolic values, functional values and financial values, and their relationships towards the purchase intention of luxury hotels as well as the effect of religious values on such theoretical relationships in the Islamic context of Saudi Arabia. The results determined by this study's theoretical model represent about 60% of explained variance in regard to the luxury values' impact on purchasing intention of luxury hotels and the effect of religious values. The investigated model of luxury values yielded statistically acceptable figures, which further practically validates the performance of the luxury values framework developed by Yang et al. (2016). This research found that of all the luxury consumption antecedents, 'luxury values' positively influence the purchase intention of luxury hotels in the Islamic context, which is consistent with the conclusions of earlier studies in non-Islamic contexts, such Alami (2011); Yang et al. (2016). Although all the luxury values framework antecedents were observed to be impacting the purchase intention of luxury hotels in Saudi Arabia and the symbolic, financial and hedonic values were statistically significant with T-values of 3.85, 5.23 and 6.23, respectively, the luxury functional value was found to be not significantly influencing the purchase intention, with a T-value of 1.55. Such findings can be interpreted in accordance with former studies, whereby hedonic values were expected to be the measure of influence on luxury hotels purchase intention due to the consumers' need for pleasure, excitement and essential enjoyment (Alami, 2011; Shukla, 2012), which are what most Muslims tend to seek when visiting the two holy cities of Makkah and Madinah to satisfy their faith. Therefore, the remarkable expansion of luxury hotels operating in the Islamic market in general, as well as in the two holy cities of Makkah and Madinah, can be reasoned by the growing demand for luxury hotels from both local and foreigner consumers. The surprisingly insignificant impact of functional value on Muslims' purchase intention of luxury hotels is explained by the fact that about 60% of the data were collected from the two most holy cities of Makkah and Madinah during the time of the Hajj of 2017, as mentioned previously, as well as by the fact that consumers during that time tend to spend most of their time praying in the Haram (the holy mosque 'Majid' in Makkah and Madinah) and in places inhabited by the Prophet Mohammed peace be up on him and thus do not consume much of the luxury hotels' daytime services (e.g. food, dining environment and personalised services). Nevertheless, the financial values were found to be significantly impacting Muslims' luxury hotel purchasing, due to the fact that all the currently operating luxury hotels in both cities of Makkah and Madinah do provide the most convenient location and views of the two holy Masjid, Haram Makki and Haram Nabawy, which represents that necessary balance for consumers to spend money. Lastly, Muslims were found to prefer to consume luxury hotels due to the self-image and the ability to signal social status, which is coherent with former studies' findings on non-Muslim related luxury consumption behaviour (e.g. Roux et al., 2017; Soh et al., 2017; Wu et al., 2015). Accordingly, this study contradicts the conclusion made by Yang et al. (2016) that symbolic/expressive values and consumers' luxury values are not significantly correlated in the hospitality context, and offers practical evidence of a statistically significant correlation between hospitality luxury symbolic/expressive value and consumers' consumption in the hospitality context.

Additionally, this research, to the best of the author's knowledge, is the first to address the potential effect of non-luxurious values, such as religious values, which are widely recognised to be among the most impacting

factors in individuals' consumption behaviour. Consequently, it was observed by this research that the religious values, as anticipated, do mediate the influential relationship between luxury values and luxury hotel purchase intention. In other words, the level of religiosity does play an important impacting role on luxury hotels consumption in a religious context, such as the Islamic market.

7 Implications and limitations

7.1 Implications

The fact that the existing luxury marketing literature lacks a reasonable amount of investigation in regard to intangible luxury products such as luxury hospitality products is where this study gains its significance. Most former studies related to luxury marketing considered tangible products (Dubois & Czellar, 2002; Kim & Lee, 2015; Mamat et al., 2016; Roux et al., 2017; Shukla, 2012; Teimourpour & Heidarzadeh Hanzae, 2011; Tynan et al., 2010; Wiedmann et al., 2007; Wu et al., 2015). Thus, a very recently validated instrument proposed to evaluate luxury values in the hospitality context was introduced by Yang et al. (2016), which they justified when they stated that "customer value perceptions are conditional, and value framework may vary in different context" (Yang et al. (2016):15).

Accordingly, this study contributes theoretically via a practical assessment of the conditional perceptions of the consumer and evaluates the proposed luxury values framework for hospitality in a very distinctive context as well as evaluates the effects of an external factor such as religious values. Thus, this research experientially evaluates the hospitality luxury values model during a very unique season, namely the season of the Hajj, which enhances the observation of the quite conditional perceptions of consumers. Furthermore, to the best of the author's knowledge, this study is possibly the first to re-examine the hospitality luxury values framework in a different context, namely Saudi Arabia, which overcomes one of the limitations faced by Yang et al. (2016). In addition, religious values play a very significant role in hospitality luxury consumption behaviour. Accordingly, to the best of the author's knowledge, this research is an original, practical investigation into how religious values impact consumers' luxury values influencing purchasing intention of luxury hotels.

7.2 Limitations and future research

Although this research offers a few contributions, a number of limitations must be recognised. Firstly, the data used by this study were mainly collected from two cities with quite distinctive features, therefore this could possibly not be very representative of the investigated context, which is the Islamic market. Thus, it is vital that this developed conceptual framework, which is based on Yang et al. (2016)'s framework of luxury values, be further examined in other Islamic contexts. Second, it was clearly mentioned that this study's context of investigation is the Islamic market. Therefore, although this study's findings are limited to the Islamic market as a religious context, there are other major religious markets that should be considered to better understand the religious values' role in luxury consumption behaviour. Consequently, it is essential that future studies consider the impact of different religious consumers' luxury values and their luxury consumption behaviour. Such studies should help to provide more depth on how luxury purchasing behaviour differs across distinctive contexts with unique cultures and values (Shukla, 2012; Yang et al., 2016). Lastly, this research has only investigated external influential factors related to luxury purchasing intention, namely religious values. Thus, considering other possible external influential factors in luxury purchasing behaviour would advance the body of knowledge by providing a much broader understanding.

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Author Biography

Ali Homaid Al-Hajla is a Lecturer in Marketing, at the Management and Business Administration College, at the Taibah University, K.S.A. He is currently a PhD researcher at the Hull University Business School, UK. His research area is a combination of consumers' behaviour, brand personality, religion, as well as adoption behaviour. He has attended the BAM Conference (Sept, 2012); SIC (Oct, 2012); Hull University PhD Experience (Mar 2013); Aston Marketing Research Camp (May, 2013); Hull University PhD Marketing and Business Strategy Conference (11th Dec, 2013); and he has participated in the 2nd International Colloquium on Design, Branding and Marketing (9th-10th December, 2014), at Nottingham Trent University. He has participated as an external examiner for Bas level students' research projects that were submitted to the Third Students' Scientific Conference (2015) at the Taibah University. He has published a few papers in relation to sport marketing, Islamic marketing, as well as branding.