The Impact of Recession on Customer Unethical Behavior in Sharm El Sheikh Hotels: The Role of Customer Loyalty

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Abstract

Keywords: Recession, customer unethical behavior, inhibitors, customer loyalty

Given the harmful consequences of customer unethical behavior, the study's goal is to investigate the function of customer loyalty in moderating the association between recession and unethical customer behavior.

Research Methods – In this study, quantitative research methodology was used. In addition to semi structured interview with hotels managers and team members who witnessed the recession in addition to customers accommodated in the study destination. The research data was analyzed using Smart PLS 3.

Findings – It was revealed that hotels in question have experienced severe recession during the last decade that caused unethical behavior such as receiving an illegitimate complaint, problem fabrication, dictating the hotels and illegitimately fraudulent returning payment. Unlike the previous studies, customer loyalty was not able to alleviate the effect of the recession on customer unethical behavior, this calls for conducting more research to address this gap.

Research value – This study investigation results adds value to better understanding of the tourist recession and the emerged customer unethical behavior. Hotels can benefit from this study by developing more effective inhibitors and training programs to manage customer unethical behavior.

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Introduction

The severity of the tourist recession continued to have an impact on the global economy, and the recession had an undesirable influence on the lodging industry. This tourism downturn also affects tourist behavior and tastes (Prabhakar, 2016).

A recession has many attributes that can occur simultaneously and includes declines in component measures of economic activity such as consumption, investment, government spending and net export activity. These summary measures reflect underlying drivers such as employment levels and skills, household savings rates, corporate investment decisions, interest rates, demographics, and government policies (Radulescu and Pele, 2015).

The consequences of recession on customer ranged from consequences on customer health due to the stress caused by direct negative impact on customers’ businesses or their basic source of income (Wilkinson et al., 2020) to consequence of on the customer financial status which decrease in spending power and caused more price comparisons (Azabagaoglu and Oraman 2011) to consequences on the workforce which increased unemployment and caused fewer work hours with cut in real wages (Ola, 2020).

Negative consequences of recession on customer unethical behavior, such as cheating on customer service guarantee, receiving an illegitimate complaint, and problem fabrication has totally affected the hotels profitability (Wilkinson et al., 2020).

Despite the risky nature of unethical customer behavior, it’s one of the critically neglected areas of customer behavior (Dootson et al., 2022).

Previous studies of (Wirtz and Kum, 2004; Saini and Singh, 2020; Kaur, 2021) indicated that achieving customer loyalty may prevent such unethical behaviors. On the other hand, customers become disloyal, with high demands in quality and more bargaining to get better price due to the decrease in purchase power (Jayaraman et al., 2011).

Asd hotels in the study destination endured significant recession over the last decade, which resulted in unethical behavior such as receiving an illegal complaint, fabricating problems, dictating the hotels, and fraudulently returning funds. Therefore, this study aims to figure out the moderation level of customer loyalty in the connection between recession and unethical customer behavior. The result showed insignificant moderation effect between recession and unethical customer behavior. Therefore, future research may include other regions and duration as this may yield different results.

Literature Review

Recession

Hussein, (2016) defined the tourist recession as a sudden and rapid decline in the number of tourists arriving from outside the country for the purpose of entertainment, recreation, and mental and physical enjoyment. Recession occurs due to undesirable or unplanned political or economic events, whether by a person, an entity, or an organization. It results from natural disasters such as floods, hurricanes, volcanoes, and other natural disasters.

During tourist recession, customers’ purchase power decreases, job losses grow, financial liquidity decreases, corporate competition for market share intensifies, and investment wallet capability shrinks. Customers become disloyal, with high demands in quality and more bargaining to get better price (Bhatnagar et al., 2019).
During the recession, customers modify their shopping habits to deal with the cost-of-living increases. In the US, UK and Eurozone countries, as the main market supplying the destination of the study, 94% of customers will remain cautious and money wise (Sheth, 2020). Additionally, the stress caused by direct negative impact on customers’ businesses or their basic source of income, the recession had a direct impact on customers’ health (Wilkinson et al., 2020).

At the same time, under the current recessionary pressure, it had direct effects for families in Europe and impacted the tourism industry in Egypt. (The Eurozone is an important tourism customer market for Egypt). In the light of the collapse of property prices, layoffs, and plummeting earnings, plenty of families have encountered increased financial stress and uncertainty. Customers’ spending and savings rates fell drastically as unemployment rose across Europe (Thompson et al., 2019).

As customer behavior is affected by these conditions, deviation occurs due to these conditions which is called unethical behavior, the coming subsection will present the customer unethical behavior in more details for more investigation.

**Customer Unethical Behavior**

Unethically behaving customers are defined as benefit seekers who create or exaggerate issues to gain compensation (Salehi-Esfahani and Ozturk, 2018). In simple terms, these people file false complaints to secure reimbursement for fictitious problems with service (Kim and Baker, 2020), the customer unethical behavior includes: 1) Ignoring customer who tends to disregard the company's regulations and standards and then complain about the inconvenience that results from doing so (Stevens et al., 2018); 2) Exhorting customer who requests that a product be served in a manner that he/she considers appropriate regardless of the service standard of quality (Hua et al., 2021); 3) Whining customer who consistently expresses grievance over almost everything. The main motivation for this kind of behavior is the pursuit of financial gain (Hua et al., 2021); 4) Fabricating customer who fabricates stories and misrepresent facts to hotel personnel to obtain the financial rewards they seek (Singh et al., 2019); 5) Scheming customer who knowingly harms premises or items and then uses the fabricated damages to seek reimbursement in money (Davidow, 2015); 6) Dictating customer who wrongly disputes his/her false claims for further advantages are denied, these unlawful solicitations are typically motivated by monetary gain (McCorry et al., 2017) and Opportunistic customers who complain to receive material gain by exaggerating, altering lying about the fact or situation or abusing service guarantees. The opportunists don’t require a service failure to act (Kasaian et al., 2023).

To understand and manage customer behavior, the theory of planned behavior (TPB) (Ajzen, 2020) can be used. Regarding this theory, customer unethical behavior is affected and directed by attitudes, demographic characteristics, and customer perceptions of unfairness. TPB was utilized by previous studies to guide customer unethical behavior (Al-Msallam and Abdelhadi, 2022)

A person’s attitude towards the behavior can be elaborated as a person’s general feeling of positiveness or un-positiveness for that behavior. This can be reflected in the form of customer loyalty. Trying to manage customer unethical behavior, the current study concentrated on customer loyalty as a director of behavior.
Customer loyalty

Customer loyalty refers to a customer's desire to continually purchase a given product or service. As a result, customer loyalty is an important indicator of mutual company health. Customer loyalty is characterized as returning to the same hotel, having a substantial amount of favorable word of mouth, intending to repurchase frequently, and being prepared to pay more to receive the same service (El-Adly, 2019).

Loyal people are less likely to participate in unethical behavior than less loyal people. As a result, a devoted customer may be less hesitant to jeopardize his or her relationship with a service provider by compromising on a guaranteed service and acting unethically. As a result, a client who intends to return to a hotel and has future encounters with that hotel is less likely to cheat than a consumer who has no future connections with the hotel (Kiseleva et al., 2016; Worsfold et al., 2016).

The loyal customer might engage in favorable activities such as: 1) Positive word of mouth: is the exchange of information between customers that ultimately results in a change of attitude and behavior towards hotel products or services. It plays a crucial role in customer behavior adoption, whether fair behavior or unfair behavior, as the positive word of mouth from a customer regarding a certain experience may diminish the unfair or unethical customer behavior (Kaur, 2021); 2) Rate Sensitivity: the loyal customers do not perceive the prices of hotel brands to which they are attitudinally loyal to be higher, although they are in fact higher (Umashankar et al., 2017) and 3) Hotels Recommendation: includes promoting the hotel/company, making positive comments and business referrals (Chen, 2021).

Customer loyalty composed can be achieved via different ways such as 1) Familiarity with the hotel: is regarded as how much the customer knows about the attributes of various choice of services that hotels offer (Olya, 2021); 2) Trust: as hoteliers develop customer-business ties through brand recognition, previous interactions, online feedback, and rewards programs (Lu et al., 2020); 3) Relationship and Tie Strength: hotels can promote this tool by the regular communication with their customers, starting from arrival and during the stay cycle, engagement play an important role in strengthening the relationship, special preferences and needs is the primary phase of tie strength (Lu et al., 2020); 3) Service recovery, these steps are taken by a hotel in response to a client complaint over a perceived service problem. The service recovery attempt of hotels can restore client happiness, strengthen customer connections, and finally gain consumer engagement (Hewagama et al., 2019) and 4) complaint management, Ogbeide et al., (2017) posit that customer loyalty and future retained clients are positively associated to excellent complaint management, which finally contributes to profitability over time.

Hypotheses and Conceptual Framework

Tourist recession and customer unethical behavior

The tourism collapse had a significant influence on the hotel business and was regarded as a period of unfavorable change in customer behavior (Thompson et al., 2019). Customer behavior is the set of processes involved when customers purchase, use, or dispose of products, services to satisfy needs and desires of tangible products and intangible ones including the service sector (Salehi-Esfahani and Ozturk 2018).
There is still consistent evidence regarding the effect of recession on customer behavior which led to customer unethical behavior. Misbehaving clients are classified as opportunists who demand compensation by creating or exaggerating difficulties. (Kim and Baker, 2020). Meaning, these clients file fake claims to receive compensation for fictitious issues with services (Olivos et al., 2023).

H1: There is a significant positive effect of recession on customer unethical behavior in hotels in Sharm El-Sheikh.

**Customer loyalty as a Moderator**

Denying the existence and impact of unethically behaving customers can diminish the ethics of fairness upon which great service companies grow well. Thus, companies must acknowledge the unethical behavior of certain customers and manage them effectively (Bolton and Tarasi, 2017)

Customers may make illegitimate complaints either purposefully or accidentally. Illegitimate customer complaining behavior does not always come from service failures; it can occur for reasons other than monetary gain/rewards (Arora and Chakraborty, 2020)

Marketing specialists in hotels recognize the importance of customer loyalty as a strategic objective in all service industries. Loyal customers are critical assets in the lodging industry where customers are involved in comparatively deeper and long-term relationships with the firm (Nyadzayo and Khajehzadeh, 2016)

Given that unethical customer behavior can be controlled using some factors including attitudes. Therefore, customer loyalty as a part of attitudes may hinder unethical behavior.

H2: Customer loyalty moderates the relationship between recession and customer unethical behavior in hotels in Sharm El-Sheikh.

**Methods**

Additional information was gathered through publications as well as web sites, and relevant textbooks. Initial data was collected via inquiry forms and semi structured interview. Data was collected during the period of June 2022 until the end of August 2022. This study concentrated on four-star and five-star hotels and resorts in Sharm El Sheikh as it contains the largest hotel compounds in Egypt, in addition to the available guests from different nationalities accommodated in these hotels.

**Measurement Instrument**

The questionnaire distributed to hotel managers and team managers aimed to assess the severity of recession and its impact on customer unethical behavior in the light of customer loyalty. The questions of recession severity construct were adopted from the previous studies of (Prabhakar, 2016; Hussein, 2016; Wilkinson et al., 2020). The construct of unethical behavior was adopted from the studies of (Salehi-Esfahani and Ozturk 2018; Kim and Baker, 2020; Hua et al., 2021). While guest loyalty questions were adopted from previous studies of (Nyadzayo and Khajehzadeh, 2016; Lu et al., 2020; Kaur, 2021). Besides, face to face interview were conducted with managers to better investigate the research variables and figure out practices that hotels can follow to cope with such circumstances in addition to the solution that can be employed to fill the research gap.
Sample and Data Collection

A sum of 400 forms were distributed to managers and team members from 30 hotels located in Sharm El Sheikh; among them only 289 forms (72.25%) were valid and a sum of 425 forms were distributed to hotels customers, among them only 289 forms (68%) were valid.

Data Analysis

To evaluate the interrelations amongst the study variables, the data from the questionnaires was investigated employing the Partial Least Squares Structural Equation Modelling (PLS-SEM) method utilizing the Smart PLS 3.0 software.

The research model was evaluated in two steps: the evaluation of the measurement model and the structural model. Overall, the goal of model validation is to determine whether the measurement and structural model both match the quality standards for empirical research (Urbach and Ahlemann, 2010).

Results

Measurement Model Assessment

Analyzing variable’s reliability, Cronbach’s alpha and composite reliability were utilized. Additionally, validity was ensured using convergent validity, discriminant validity, outer loading and cross loading. The fitness of data collection instrument for the purpose was proved. Because of its ability to determine the causal correlations between the manifest variables, structural equation modelling (SEM) was used to examine the interrelationships between the research variables (Byrne, 2013).

Regarding table (1), the scales reliability using Cronbach Alpha ranged from 0.805 to 0.906, this is satisfactory to fulfill internal consistency (Hair et al., 2021). As soon as composite reliability (CR) of each construct reaches the outset value of (0.7), the measurement model is considered sufficient internal consistency reliability (ICR). Table (1) displays the (CR) of every construct for the study, ranging from (0.868 to 0.922). The findings suggest that the elements utilized to illustrate the constructs had acceptable internal consistency reliability (Alnakhli, 2019).

To obtain measurement model validity, outer loadings that elaborate the saturation amount of exhibited variables of hidden variables should be greater than 0.5. Table (1) shows that saturation performance values are more than 0.5 (P<0.001), ranging from (0.623) to (0.855). These findings suggest that the items utilized demonstrated model validity.

To guarantee that the variables are hypothetically and practically connected, the convergent validity of the measurement model is determined by assessing its average variance extracted value (AVE). Convergent validity is sufficient when the average variance extracted value (AVE) of the construct is 0.5 or greater (Alnakhli, 2019). Table (1) reveals that the AVE for all structures ranges from (0.542) to (0.644). Thus, the measurement model has appropriate convergent validity.
Assessment of Measurement Model

Table (1): Assessment of the formative measurement model.

<table>
<thead>
<tr>
<th>Latent Variable</th>
<th>Indicator</th>
<th>Customer loyalty</th>
<th>Recession</th>
<th>Unethical behavior</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer loyalty</td>
<td>L1</td>
<td>0.873</td>
<td>0.047</td>
<td>0.152</td>
<td>0.805</td>
<td>0.868</td>
<td>0.624</td>
</tr>
<tr>
<td></td>
<td>L2</td>
<td>0.823</td>
<td>0.029</td>
<td>0.092</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>L3</td>
<td>0.747</td>
<td>-0.016</td>
<td>0.067</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>L4</td>
<td>0.706</td>
<td>-0.042</td>
<td>0.099</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recession</td>
<td>R1</td>
<td>0.043</td>
<td>0.797</td>
<td>0.339</td>
<td>0.862</td>
<td>0.900</td>
<td>0.644</td>
</tr>
<tr>
<td></td>
<td>R2</td>
<td>-0.003</td>
<td>0.765</td>
<td>0.351</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>R3</td>
<td>0.037</td>
<td>0.780</td>
<td>0.359</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>R4</td>
<td>0.000</td>
<td>0.812</td>
<td>0.386</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>R5</td>
<td>-0.011</td>
<td>0.855</td>
<td>0.472</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unethical behavior</td>
<td>UEB1</td>
<td>0.004</td>
<td>0.471</td>
<td>0.623</td>
<td>0.906</td>
<td>0.922</td>
<td>0.542</td>
</tr>
<tr>
<td></td>
<td>UEB2</td>
<td>0.117</td>
<td>0.278</td>
<td>0.708</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UEB3</td>
<td>0.050</td>
<td>0.293</td>
<td>0.740</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UEB4</td>
<td>0.175</td>
<td>0.403</td>
<td>0.734</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UEB5</td>
<td>0.180</td>
<td>0.375</td>
<td>0.789</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UEB6</td>
<td>0.095</td>
<td>0.279</td>
<td>0.770</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UEB7</td>
<td>0.159</td>
<td>0.388</td>
<td>0.786</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UEB8</td>
<td>0.064</td>
<td>0.278</td>
<td>0.738</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UEB9</td>
<td>0.127</td>
<td>0.277</td>
<td>0.712</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>UEB10</td>
<td>0.031</td>
<td>0.377</td>
<td>0.744</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The discriminant validity of the measurement model is examined utilizing couple instruments: 1) Fornell and Larcker's standard; and 2) cross loadings. When: 1) the square root of the AVE surpasses the correlations among the measure and all other measures; and 2) an indicator's loading is higher for its respective construct than for any constructs, a measurement model has appropriate discriminant validity.

According to table (2), all square roots of AVE surpassed the off-diagonal elements in their respective row and column. Table (2) bolded elements reflect the square roots of the AVE, whereas the non-bolded numbers explain the inter-relationship value among constructs. Table (2) shows that all off-diagonal numbers are less than the square roots of AVE, demonstrating that Fornell and Larker's condition is achieved (Hair et al., 2014). The second component of discriminant validity was accomplished by the study variables' cross loadings, as shown in table (1). The outer loading levels were clearly visible for every variable (bold and underlined) exceeding the cross-loading values, clearly grouping each latent variable according to the conceptual model's theories. The discriminant validity is thus obtained.

In general, the measurement model's validity and reliability investigations are satisfactory, pointing out that the components utilized to examine the study's constructs are reliable and appropriate for use in guessing the structural model's parameters.

**Inter-construct correlations, the square root of AVE (Fornell-Larcker) Table (2) Criterion**

<table>
<thead>
<tr>
<th></th>
<th>AVE</th>
<th>Customer loyalty</th>
<th>Recession</th>
<th>Un ethical behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer loyalty</td>
<td>0.624</td>
<td>0.790</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recession</td>
<td>0.644</td>
<td>0.014</td>
<td>0.802</td>
<td></td>
</tr>
<tr>
<td>Unethical behavior</td>
<td>0.542</td>
<td>0.140</td>
<td>0.481</td>
<td>0.736</td>
</tr>
</tbody>
</table>

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Assessment of Structural Model

The structural equation analysis was employed to test the hypotheses, and the model’s predictive capacity and explanatory power were evaluated. $R^2$ was used to assess the model’s explanatory power. According to Quinino et al., (2013), $R^2$ value should be at least 0.10. Consequently, the study’s variables $R^2$ value is satisfactory (0.283) indicating that the independent variables represent the degree of variation in a dependent variable. Additionally, the predictive capacity of the model was evaluated using the Stone-Geisser $Q^2$ test, where the variables value is larger than zero ($Q^2=0.132$), as illustrated in table (3), according to Henseler et al., (2010), this yields appropriate predictive validity for the model. As a result, it is obvious that the structural model has sufficient projecting validity.

Table (3) Coefficient of determination ($R^2$) and ($Q^2$) of the model

<table>
<thead>
<tr>
<th>Endogenous latent construct</th>
<th>($R^2$)</th>
<th>($Q^2$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer unethical behavior</td>
<td>0.283</td>
<td>0.132</td>
</tr>
</tbody>
</table>

Figure (1) the structural model

Results and analysis

The introductory methodology has been employed to calculate the $t$-value of the assumed relationship and the path coefficient. Path coefficients amongst latent variables are examined to assess the structural model in addition to the provided hypotheses.

As shown in table (4) and figure (1), the impact of recession on customer unethical behavior is significant ($\beta=0.458$, $P=0.000$), therefore the hypothesis (1) is accepted. Regarding the moderating effect of loyalty on the relationship between the recession and customer unethical behavior, it was insignificant ($\beta=0.014$, $P=0.974$), therefore hypothesis (2) is not accepted.

Table (4) Path Coefficient of Research Hypotheses

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Beta $\beta$</th>
<th>T Value</th>
<th>P Values</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 Recession * Unethical behavior</td>
<td>0.458</td>
<td>8.862</td>
<td>0.000 **</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2 Recession*Customer loyalty * Unethical behavior</td>
<td>0.014</td>
<td>0.261</td>
<td>0.794 (n.s)</td>
<td>Rejected</td>
</tr>
</tbody>
</table>
Discussion and implications

The results show that the hotel industry in the studied destination was in a bad situation as a result of the recession and travel slump. This was agreed with Papatheodorou and Pappas, (2017) who posit that every market has experienced recession. Demand was down, and average rates were down. The drop in the number of travelers and changes in potential customers' purchasing habits had a direct impact on occupancy rates in the Egyptian hotel business. Because the drop in business happens following the downturn begins, an increase in costs that is not equal to the increase in predicted hotel revenues. The ongoing slump ceases development, and as investments diminish, consumer interest in goods also diminishes (Prabhakar, 2016).

As a result, the recession's impact on older persons' retirement savings, investments, and real estate prices seems to have had a significant influence upon their physiological well-being and general well-being (Boen and Yang, 2016). When there is a recession, consumers get more price-conscious and are not as eager to pay for excellence; this is reflected in purchasing patterns across an organization's cycle, as buyers prefer to move to inexpensive items and expand cheaper good agreement during recessionary periods (Cha et al., 2015).

The results show that the hotels witnessed server change in customer behavior, these results matched with Sarmento et al., (2019) who posit that the Tourist behavior and preferences alter because of the economic crisis. Short-distance travel, short vacations, and even short preventive expenditures during a trip are examples of such shifts. Bossuyt et al., (2017) also referred that the idea that normal (non-criminal) customers engage in unethical behavior because they are temporarily in a mindset that facilitates such behavior. Many otherwise normal customers commit unethical behavior occasionally. Many of these customers are not professional criminals but ordinary individuals who were tempted to violate a rule they respect most of the time. In numerous instances, untrue complainers develop problems despite being satisfied with the service (Huang et al., 2014).

To manage customer behavior, Ajzen, (2020) determined the antecedents of behavior including customers' attitudes. Similarly, Mayr et al., (2022) indicates that the following characteristics are key determinants of unethical consumer behavior, readiness of the customer, emotional, demographic, and social/group effects are among them. Additionally, emotional attributes include abundance of features such as personal traits, approaches, The level to which moral development has occurred, aspiration achievement and the wish for adventure. This study adopted the approach of controlling behavior via affecting customer attitudes positively.

Unlike the research literature review, the results according to table (4) and figure (1) show that loyalty had no moderation effect on alleviating the unethical behavior caused by the recession due to several factors. Bhatnagar et al., (2019) referred that during the recession, business, corporate clients and hotels customer have an intense tendency for feeling disloyal, a high desire for quality, a change in purchasing habits, and more negotiating leverage to obtain cheaper prices.

The research field study was conducted during an actual tourist recession due to the ongoing war between Russia and Ukraine, these countries consider the main supplying markets for Sharm El Sheikh, this negatively impacted the overall demand and might be one of the reasons behind the insignificance relationship of loyalty between the recession and the unethical behavior. Unlike the normal circumstances where loyalty can significantly impact that relationship.

Despite loyalty level is satisfactory with an overall mean of (4.19), unethical behavior exists with overall mean of (4.26). This confirms that loyalty isn’t the only factor to inhibit customer
unethical behavior, other variables might be investigated to test the moderation effect between tourist recession and customer unethical behavior such as rules and regulation.

Behavioral customer loyalty alone is not enough to improve a hotel business. Since regular guests’ stay can be influenced by individual and emotional circumstances and marketing campaigns. A customer who purchases within interest, friendship, special promotions, location preference, trademark preference or other reasons may be prevented from forming true loyalty to a hotel. Additionally, a customer's emotional engagement to a brand validates hidden loyalty but not genuine commitment, confirming that the loyal customer may still act unethically (Shafiee and Bazargan, 2018).

Nevertheless, out of the open-ended questions (additional comments) which the respondents have been asked, some hotels added other factors that might weaken the moderation effect of loyalty between the recession and customer unethical behavior. From the additional comments, changes occurred in the international customer ethics and behavior made the loyalty useless, the financial troubles instigate customer to continue the unethical behavior relating to monetary refund to decreasing the travel expenses, customer isolate loyalty from unethical behavior and loyalty might not benefit when customer tended and planned to unethically behave, loyal customers might breach the terms and conditions of loyalty programs to allegedly complain, loyal customers exploit the service guarantee and unethically behave seeking for more advantages. Additionally, as soon as the recession is ongoing, the loyalty will not be able to alleviate the impact on the unethical behavior, so hotels need to cope with the recession firstly and consequently the unethical behavior will diminish, the low-cost package seeking customers might be the main source of unethical behavior such as cheating and package return, some loyal customers abuse the loyalty programs privileges and tend not to pay the value of products alleging they are preferred customers.

As customer loyalty results showed insignificance in the moderation role between recession and customer unethical behavior, some of the investigated hotels also highlighted the role of rules and regulation in controlling and alleviating the customer unethical behavior, this can help in the continuation of the investigation of the moderator between tourist recession and the customer unethical behavior. These rules and regulation might include and not limited to check in and check out procedures, customer data collection, settlement of bills, swimming pools rules.

Conclusions and Recommendations

The hotels in the study destination have experienced severe recession during the last decade with negative impact on the business demand and overall profitability and less capital investment as hotels fall in a state of distress during the recession. The recession emerged unethical behavior from the customers such as receiving an illegitimate complaint, problem fabrication, dictating guest, illegitimately fraudulent returning payment claim, property damage, cheating on service guarantees and exploiting service recovery policies.

The hotel customers tended to be loyal to the chosen hotels as they agreed to encourage/recommend their friends and relatives to use the services of hotels. They also tend to pay more to select the same hotels.

A pilot study has been conducted which revealed that some hotels comply with the rules and regulations and others do not comply. It was clear that some hotels comply with those policies for the sake of controlling such a phenomenon of unethical customer behavior. Therefore, a later test should be conducted to measure the impact of those rules and regulations on reducing unethical customer behavior.

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As customer loyalty shows insignificance, loyalty was not able only to alleviate the impact of recession on the customer unethical behavior.

In the light of the results reached, loyalty alone is not sufficient to hinder unethical behavior in times of recession. So, it may be beneficial for hotels to employ other tools in parallel with loyalty to inhibit customer unethical behavior and illegitimate complaint behavior or at least limiting them like adhering to rules and regulations such as check in procedures and customer data collection, settlement of bills, carrying of weapons and government rules and regulations and application of laws.

Limitations and Future Research

Data was collected from Sharm El-Sheikh city, future research may include other regions. This may yield different results. Besides, the current research was conducted in times of recession, results may become different if future research conducted away from recession times.

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تأثير أوقات الركود في السلوكات غير المرغوبة للعملاء بفنادق شرم الشيخ:
دور ولاء العملاء

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ملخص باللغة العربية
نظراً لتأثير فترات الركود السياحى على السلوكات السلبية للعملاء، فقد شهدت الفنادق المصرية بالآونة الأخيرة، وفي مدينة شرم الشيخ، بمحافظة جنوب سيناء، زيادة كبيرة في تغير سلوكيات العملاء بشكل سلبي في صور الشكاوى غير المبررة، اختلاف المشاكل، وزيادة مطالب العملاء بعد إقاماتهم للحصول على تعويض مالي، مما أثر سلباً في القوائم المالية لتلك الفنادق.

تهدف هذه الدراسة إلى طرح حلول للحد من هذه السلوكات غير المرغوبة للعملاء، ومن ثم الحفاظ على حقوق الفنادق. لذا فقد تم اختيار فترات الركود كمصدر للسلوكات غير المرغوبة في فترات الركود. تم تجميع البيانات من خلال استمارات الاستبيان التي تم توزيعها في شرم الشيخ، جنوب سيناء، مصر حيث تم توزيع استمارة خاصة بالعملاء وأخرى خاصة بالمدربين والعاملين بالفنادق. فضلاً عن عقد مقابلات شخصية مع المدراء لاستطلاع آرائهم في كيفية الحد من هذه السلوكات. كشف تحليل البيانات أن الفنادق في وجهة الدراسة قد شهدت ركوداً حاداً خلال العقد الماضي، مقترناً بسلوك غير أخلاقي مثل تلقى الشكاوى غير المشروعة، وتلفيق المشكلات، وإعادة المدفوعات بشكل غير قانوني. وخلافاً للدراسات السابقة، لم يكن ولاء العملاء قادرًاً على التخفيف من هذه السلوكات، الأمر الذي يستدعي إجراء المزيد من الأبحاث لمعالجة هذه الفجوة.

توصى الدراسة بعدم الاعتماد فقط على تحقيق ولاء العملاء لمنع حدوث السلوكات غير المرغوبة. بالإضافة إلى الولاء ينبغي التأكد على استخدام القواعد المنظمة للمعايير داخل الفنادق مثل إجراءات تسجيل الوصول وجمع بيانات العملاء، تسوية الفواتير، حماية الأثاث والفرعيات والقوانين الحكومية وذلك ضماناً لعدم حدوث تلك السلوكات.

تشاهم نتائج هذه الدراسة في فهم أفضل لسلوك السياحي، وسلوك العملاء غير المرغوب، ويمكن للفنادق استخدام هذه النتائج لتطوير برامج تدريب أكثر فعالية لضمان إجراءات السلوكات غير الأخلاقية ومراقبتها.

الكلمات المفتاحية: الركود السياحي، السلوك غير المرغوب، ولاء العملاء، مطالب العملاء

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