

ABSTRACT

Customers are known to play a key role in creating value by having their individual preferences shape their experiences. Therefore, companies should adopt a customer-centric strategy to enhance their performance. However, the inconsistency in results regarding the impact of a customer-centric strategy on marketing performance is a problem that underlies this research, as not all studies provide conclusive evidence of a direct link. To address this issue, Service-Dominant Logic was selected as the theoretical framework, because it can eloquently elucidate the concept of value co-creation.

This research aimed to develop a conceptual model to address the gaps in previous reports regarding the impact of customer-centric strategy on marketing performance, with empirical research in the hotel industry. To bridge the relationship between customer-centric strategy and marketing performance, additional factors are needed as mediating variables. The development of Service-Dominant Logic resulted in a new variable called Service Experience Reconfiguration. To align with the research objectives, variables such as Big Data Analytics Capability and Competitive Value Advantage were included to enhance marketing performance. This research was conducted during the pandemic, necessitating the inclusion of the COVID-19 pressure as a moderating variable.

The respondents included Managers and Supervisors from three, four, and five-star hotels. A total of 332 samples were processed using the Structural Equation Model (SEM) procedure with SPSS and AMOS 23 for analysis. All assumptions required by SEM were met, with seven out of the eight hypotheses proposed being accepted, and only one was rejected. Based on the hypothesis testing, it can be concluded that companies implementing a customer-centric strategy and service experience reconfiguration tend to enhance competitive value advantage and marketing performance. The pressure of the COVID-19 pandemic also affected all marketing instruments examined. This research provides theoretical implications by offering a new perspective on Service-Dominant Logic.

Keywords: *customer-centric strategy, COVID-19, hotel, hospitality, marketing performance, service-dominant logic, service experience.*