

MINISTRY OF FINANCE

UNIVERSITY OF FINANCE – MARKETING

---

**THE IMPACT OF MEMORABLE TOURISM  
EXPERIENCES ON DESTINATION LOYALTY: THE  
MEDIATING ROLE OF DESTINATION  
SATISFACTION AND THE MODERATING EFFECT  
OF CROWDING — A CASE STUDY OF FESTIVAL  
TOURISM IN HO CHI MINH CITY.**

Speciality: Business Administration

Code: 9340101

**PHD DISSERTATION ABSTRACT**

**Thành phố Hồ Chí Minh - Năm 2025**



The dissertation was completed at:

University of Finance – Marketing

Scientific Supervisor 1: Assoc.

Scientific Supervisor 2: Assoc.

Independent Reviewer 1:

Independent Reviewer 2:

Reviewer 1:

Reviewer 2:

Reviewer 3:

The dissertation will be defended before the University level  
Dissertation Evaluation Council at the University of Finance – Marketing

At:

**The dissertation can be accessed at:**

1. The Library of the University of Finance – Marketing
- 2.

# TABLE OF CONTENTS

<b>TABLE OF CONTENTS</b> .....	<b>I</b>
<b>CHAPTER 1: OVERVIEW OF THE RESEARCH</b> .....	<b>1</b>
1.1. Research Necessity and Justification .....	1
1.1.1. Practical Perspective .....	1
1.1.2. Theoretical Perspective .....	2
1.1.3. Analysis of Research Trends .....	5
1.2. Proposed Research Gaps .....	7
1.3. Research Objectives .....	8
1.4. Research Questions .....	8
1.5. Research Subjects and Research Scope.....	9
1.5.1. Research Subjects.....	9
1.5.2. Research Scope .....	10
1.6. Research Methodology.....	11
1.6.1. Qualitative Research .....	11
1.6.2. Quantitative Research .....	12
1.7. Novel Contributions of the Dissertation.....	14
<b>CHAPTER 2: THEORETICAL BACKGROUND AND RESEARCH MODEL</b> .....	<b>15</b>
2.1 Memorable tourism experiences (MTE) .....	15
2.1.1 Concept of Memorable Tourism Experiences .....	15
2.1.2 Components of Memorable Tourism Experiences .....	15
2.2 Destination loyalty (DL) .....	16
2.2.1 Concept of Destination Loyalty .....	16
2.2.2 Destination loyalty (DL) .....	17
2.3 Destination satisfaction (DS) .....	17
2.4 Crowding (CD).....	18
2.5 Festival Tourism.....	18
2.6 Theoretical Foundations.....	19
2.6.1 Cognition-Affect-Conation, C-A-C model (Lavidge & Steiner, 1961).....	19
2.6.2 Stimulus–Organism–Response (S–O–R) Model (Mehrabian & Russell, 1974)	19
2.6.3 Optimal Stimulation Theory (OST) and Its Application in Tourist Behavior Research	20
2.7 Previous Studies.....	20
2.7.1 Previous Studies on Memorable Tourism Experiences, Destination Satisfaction, and Destination Loyalty.....	20
2.7.2 Previous Studies on Crowding in Tourism.....	21

2.8	Hypotheses Development and Research Model .....	22
<b>CHAPTER 3: RESEARCH DESIGN.....</b>		<b>23</b>
3.1	Developing the Research Process.....	23
3.2	Qualitative Research .....	23
3.2.1	Data Collection Design and In-Depth Interview Findings .....	23
3.2.2	Focus Group Data Collection Design.....	24
3.2.3	Scale Development and Refinement Results .....	24
3.3	Preliminary Reliability Assessment.....	25
3.4	Main Study Sample Design.....	26
3.5	Data Collection for the Main Study .....	26
3.6	Data Analysis Methods .....	26
<b>CHAPTER 4: RESEARCH RESULTS.....</b>		<b>28</b>
4.1	Sample Description .....	28
4.2	Reliability Assessment Using Cronbach’s Alpha .....	28
4.3	Preliminary Scale Assessment Using Exploratory Factor Analysis (EFA).....	29
4.4	Measurement Model Validation Using Confirmatory Factor Analysis (CFA) .....	29
4.4.1	Results of the Critical Model Analysis.....	29
4.4.2	Results of Discriminant Validity Testing among Research Constructs.....	30
4.5	Testing the Official Theoretical Model .....	31
4.5.1	Multicollinearity Assessment .....	31
4.5.2	Model 1: Destination Satisfaction (DS) as a Mediator between MTE and DL .....	31
4.5.3	Model 2: The Moderating Effect of Crowding on the Relationship between MTE and DS .....	32
4.5.4	The Moderating Effect of Crowding on the Relationship between DS and DL .....	33
4.5.5	Differences in Factors Affecting Destination Loyalty across Demographic Characteristics .....	33
4.6	Discussion of Research Findings .....	34
<b>CHAPTER 5: CONCLUSIONS AND MANAGERIAL IMPLICATIONS .....</b>		<b>35</b>
5.1	Conclusions .....	35
5.2	Managerial Implications.....	35
5.3	Research Contributions .....	36
5.4	Limitations and Directions for Future Research .....	36

# CHAPTER 1: OVERVIEW OF THE RESEARCH

## 1.1. Research Necessity and Justification

### *1.1.1. Practical Perspective*

Statistics from 2019–2024 indicate that the service sector has consistently served as a pillar of Vietnam’s economy, accounting for over 42% of national GDP, with tourism, accommodation, and food services being among the most significant contributors. In 2023 alone, this group represented 44.13% of total retail sales and consumer service revenue, underscoring the increasingly important role of tourism in economic growth. Ho Chi Minh City (HCMC) remains the national leader in travel revenue, contributing on average more than 70% of total national earnings during the 2019–2024 period.

The city has actively enhanced its destination quality by developing core tourism products (culture–arts, waterways, gastronomy, MICE, medical tourism, etc.), while simultaneously promoting digital transformation and regional linkages. Large-scale festivals have emerged as new engines of growth. The 2024 River Festival attracted 4.5 million participants and generated VND 4,250 billion in revenue; the Tet Book Street Festival welcomed over one million visitors. As a result, in the first six months of 2024, HCMC’s tourism sector generated nearly VND 27,710 billion, with more than 4.39 million domestic and international arrivals; both average length of stay and visitor spending increased notably.

However, festival tourism still faces several limitations: organization remains fragmented and spontaneous, long-term strategic planning is lacking, infrastructure is not yet synchronized, products have not reached international standards and repeat visitation among international tourists is only 25%. Many visitors also report concerns regarding service quality, traffic congestion, sanitation, and the lack of unique or signature experiences.

In the context of global competition, conducting an in-depth study on festival tourism in HCMC holds practical significance. It allows for a systematic assessment of tourists’ experiences, satisfaction, and destination loyalty, thereby

providing evidence-based policy implications to support sustainable development and enhance the city's positioning as a leading festival destination in the region.

### ***1.1.2. Theoretical Perspective***

Over the past decade, the concept of the Memorable Tourism Experience (MTE) has become a central theme in research on tourist behavior and destination competitiveness. Unlike traditional competitive advantages such as price, infrastructure, or natural resources - MTE is increasingly recognized as a strategic lever that enables destinations to create sustainable differentiation in an increasingly competitive tourism market. Numerous scholars argue that providing visitors with emotionally rich, personally meaningful, and deeply memorable experiences is a decisive factor in a destination's long-term success (Kim, Hallab & Huh, 2012; Kim, Ritchie & McCormick, 2012; Azis et al., 2020; Brochado et al., 2022; Shin et al., 2023; Yabo et al., 2024). While traditional studies primarily focused on tangible attributes such as pricing advantages, destination image, service quality, environmental conditions, or marketing (Dwyer, Forsyth & Rao, 2002; Go & Govers, 2000; Buhalis, 2000; Mihalič, 2000), the MTE approach shifts attention toward emotional value and memory formation—intangible elements that are difficult to imitate yet highly influential in fostering psychological attachment and stimulating revisitation or positive word-of-mouth. Accordingly, MTE is increasingly viewed as an “intangible asset” that reflects the cultural depth, identity, and soft competitiveness of contemporary destinations.

With respect to mechanisms of influence, empirical studies consistently demonstrate strong links among MTE, Destination Satisfaction (DS), and Destination Loyalty (DL). Unique, emotionally engaging, and meaningful experiences have been shown to enhance visitor satisfaction with the destination (Prayag et al., 2017; Kim, 2018; Li et al., 2021), and satisfaction is a well-established antecedent of loyalty expressed through intentions to return, attachment, and positive word-of-mouth (Bloemer & Kasper, 1995; Beerli & Martín, 2004; Yoon & Uysal, 2005; Olsen, 2007; Chi & Qu, 2008; Truong & King, 2009; Bowen & Chen, 2015). Studies by Kim and Ritchie (2014) and

Adongo et al. (2015) further confirm that MTE influences DL indirectly through DS, meaning that memorable experiences generate positive emotions that enhance satisfaction, which subsequently fosters loyalty. From a behavioral psychology perspective, emotions form the basis of satisfaction: positive emotions elevate satisfaction, whereas negative emotions diminish it (Lazarus, 1982; Lee & Cunningham, 2001). Empirical evidence by Lee & Cunningham (2001) demonstrates that positive vacation memories at Myrtle Beach strongly predict revisit intentions, reinforcing the view that both memory and emotion serve as essential intermediaries in the progression from experience to loyalty. More recent studies by Kim and Chen (2019, 2021) show that MTE activates memory functions—such as social, self-related, and behavioral orientation—which help explain the enduring behavioral impact of deeply meaningful experiences. Thus, MTE is not only a precursor to satisfaction but also a foundational driver of long-term loyalty by embedding emotional traces in a visitor’s memory.

Two theoretical frameworks are typically used to explain these relationships: the Cognition–Affect–Conation (C–A–C) model and the Stimulus–Organism–Response (S–O–R) model. The C–A–C model posits that human behavior unfolds in a sequence from cognition → affect → behavioral intention. In tourism, this progression reflects the transformation from cognitive evaluations of destination attributes to emotional satisfaction and ultimately to revisit intentions (Yoon & Uysal, 2005; Chi & Qu, 2008). Meanwhile, the S–O–R framework suggests that environmental stimuli (S) influence internal organismic states (O)—including emotions, psychological responses, and satisfaction—which then lead to behavioral outcomes (R) such as revisitation and word-of-mouth. The S–O–R model is especially relevant in tourism because it captures environmental influences not sufficiently addressed by C–A–C. When integrating both models, MTE and contextual factors (e.g., crowding) are conceptualized as stimuli (S), DS as the organismic response (O), and DL as the behavioral response (R). Such integration resolves limitations of earlier linear models and expands their explanatory power by simultaneously examining both mediation (DS) and moderation (crowding) mechanisms.

Among contextual variables, crowding has emerged as a particularly important yet underexplored factor. Crowding is defined as the subjective perception of density or congestion in a tourism space (Shelby & Vaske, 2008; Zehrer & Raich, 2016). Its influence is dual: when exceeding tolerance thresholds, crowding creates discomfort, reduces privacy, and lowers satisfaction (Huang et al., 2018; Moharana & Pradhan, 2020). Conversely, in festivals or events, crowding can generate excitement, social energy, and a sense of community—enhancing emotional responses (Neuts et al., 2012; Kim & Jamal, 2007). Thus, crowding may act either as positive social arousal or as a stressor depending on visitor perceptions. Although prior studies have examined perceived risk (Sohn & Yoon, 2016), weather (Štumpf et al., 2022), or infrastructure (Seetanah et al., 2020) as environmental factors affecting DS and DL, the moderating role of crowding in the MTE–DS–DL relationship remains largely unexplored. This gap is particularly relevant in urban festival tourism, where high visitor density, limited spatial capacity, and concentrated activities make crowding both a defining characteristic and a managerial challenge.

Given this theoretical foundation, it is evident that although many studies confirm direct relationships among MTE, DS, and DL, most remain at a linear level and rarely test mediation and moderation mechanisms in an integrated framework. Some scholars suggest that the DS–DL link may be nonlinear or highly context-dependent (Bowen & Chen, 2015), indicating a need for more complex, context-aware models. Additionally, prior research largely focuses on heritage, coastal, or nature-based destinations, leaving urban festival tourism—which inherently encompasses elements of novelty, social interaction, and cultural expression—under-studied. Extending MTE research to urban contexts not only enhances theoretical understanding of tourist behavior but also yields practical implications for crowd management, experience design, and loyalty cultivation. In Ho Chi Minh City—a major festival hub with high visitor density and year-round event activities—testing an integrated model of MTE → DS → DL, moderated by crowding, offers both scholarly value and managerial relevance for sustainable destination management.

Based on the above theoretical arguments, this study aims to empirically test the mediating role of Destination Satisfaction (DS) and the moderating role

of crowding in the relationship between Memorable Tourism Experience (MTE) and Destination Loyalty (DL). The proposed model not only expands the integrated theoretical framework between C–A–C and S–O–R but also provides deeper insights into how memorable experiences translate into loyalty within an urban tourism context. Accordingly, the dissertation topic may be proposed as: **“The Impact of Memorable Tourism Experiences on Destination Loyalty: The Mediating Role of Destination Satisfaction and the Moderating Role of Crowding in Urban Festival Tourism in Ho Chi Minh City.”**

This title clearly conveys three layers of meaning: (1) positioning MTE as the primary antecedent of loyalty; (2) examining DS as the psychological transmission mechanism; and (3) introducing crowding as a boundary condition influencing loyalty formation—thereby addressing theoretical gaps and offering practical guidance for experience design and sustainable urban tourism development.

### ***1.1.3. Analysis of Research Trends***

Drawing from the theoretical arguments, practical context, and emerging research trends, three primary research gaps can be identified—pertaining to theoretical mechanisms, empirical evidence, and contextual relevance.

First, a gap exists concerning the mediating mechanism of Destination Satisfaction (DS) in the relationship between Memorable Tourism Experience (MTE) and Destination Loyalty (DL). Most prior studies have tested only dyadic relationships—either  $MTE \rightarrow DS$  or  $DS \rightarrow DL$  without systematically examining the indirect pathway  $MTE \rightarrow DS \rightarrow DL$ . Although studies by Gohary et al. (2020), Lee et al. (2004), Yoon & Uysal (2005), and Tsai (2016) provide credible evidence for these individual paths, empirical confirmation of DS as a “psychological bridge” remains limited. In the context of urban festival tourism—where visitors are simultaneously influenced by emotional stimuli and environmental factors it is theoretically and practically valuable to determine whether DS genuinely mediates the transformation of memorable experiences into loyalty. Clarifying this mechanism will help explain how MTE exerts sustained influence on loyal behavior and illuminate the extent to which positive

emotions generated from experiences translate into long-term destination attachment.

Second, a notable gap concerns the moderating role of crowding within the MTE–DS–DL model. Although crowding is a prevalent characteristic of urban tourist destinations, it has seldom been integrated systematically into behavioral models. Previous research has established that crowding can produce dual effects: excessive levels lead to discomfort and reduced experience quality (Huang et al., 2018; Moharana & Pradhan, 2020), whereas moderate levels—particularly in festivals and communal events—generate social energy and excitement, enhancing emotional responses (Neuts et al., 2012; Kim & Jamal, 2007). However, existing studies focus primarily on its direct effect on satisfaction and seldom examine its moderating influence on the strength and direction of relationships between MTE and DS, or between DS and DL. Testing crowding as a moderator will help identify when and under what conditions memorable experiences translate into satisfaction and loyalty. This is particularly relevant in urban festivals, where crowding may serve either as a catalyst for enjoyment or as a factor diminishing experience quality if it exceeds visitors' tolerance thresholds.

Third, a contextual gap exists regarding research on urban festival tourism, particularly in Ho Chi Minh City. Most studies on MTE, DS, and DL have focused on beach, heritage, nature-based, or culinary tourism. Urban festival tourism an inherently hybrid form combining cultural, social, and entertainment dimensions with high visitor density—remains underexplored despite its theoretical richness and practical importance. Ho Chi Minh City represents a compelling case, as it hosts numerous large-scale festivals that attract dense flows of domestic and international visitors. This setting encompasses key MTE components such as novelty, social interaction, local cultural elements, and elevated crowding levels. Thus, it provides an ideal environment to empirically test both the mediating role of DS and the moderating effect of crowding, generating valuable evidence for developing a multidimensional and context-sensitive behavioral model. Moreover, findings from this context carry significant practical implications for festival

management, crowd regulation, and sustainable experience design in major cities.

In summary, this study aims to develop and empirically test an integrated model in which MTE influences DL through DS, while crowding moderates these relationships. This approach not only expands tourism behavior theory by integrating the Cognition–Affect–Conation (C–A–C) and Stimulus–Organism–Response (S–O–R) frameworks, but also contributes new empirical insights to the domain of urban festival tourism. Theoretically, the proposed model fills existing gaps concerning mediation mechanisms and boundary conditions in visitor behavior. Practically, the findings offer important implications for experience management, crowd optimization, and fostering sustainable destination loyalty—especially as Ho Chi Minh City seeks to position itself as a “city of events” and a leading festival tourism hub in Vietnam.

## **1.2. Proposed Research Gaps**

Based on the theoretical foundation, practical context, and current research trends, three key research gaps can be identified.

First, there is a gap concerning the mediating role of destination satisfaction (DS) in the relationship between memorable tourism experiences (MTE) and destination loyalty (DL). Most prior studies have examined only dyadic relationships (MTE→DS or DS→DL), lacking systematic evidence for the indirect pathway MTE→DS→DL, especially in urban festival settings where emotional and environmental stimuli strongly influence tourist behavior.

Second, a gap exists regarding the moderating role of crowding. Although crowding has been shown to exert both positive and negative effects on tourist experiences and satisfaction, existing studies focus primarily on its direct impact and rarely explore whether crowding alters the strength of the MTE–DS and DS–DL relationships. This gap is critical in festival tourism, where high density can either enhance excitement or diminish perceived quality.

Third, there is a contextual gap: urban festival tourism—particularly in Ho Chi Minh City—remains underexplored, despite its rich combination of

MTE attributes such as novelty, social interaction, local cultural elements, and high visitor density.

Accordingly, this study proposes an integrated model linking MTE→DS→DL with crowding as a moderating variable, contributing both to theoretical advancement and to sustainable destination management.

### **1.3. Research Objectives**

#### **❖ *General Objective:***

The general objective of this dissertation is to investigate the impact of memorable tourism experiences (MTE) on destination loyalty (DL), with a particular emphasis on examining the moderating role of perceived crowding in the context of festival tourism in Ho Chi Minh City. Based on the empirical findings, the study aims to propose managerial and policy implications that can support the development of festival tourism in Ho Chi Minh City, enabling it to realize its inherent potential and enhance its competitiveness at both regional and global levels.

#### **❖ *Specific Objectives:***

(1) To develop and empirically validate a structural model examining the relationships among memorable tourism experiences (MTE), destination satisfaction (DS), destination loyalty (DL), and perceived crowding in the context of festival tourism in Ho Chi Minh City.

(2) To assess the moderating role of perceived crowding in the relationships between memorable tourism experiences, destination satisfaction, and destination loyalty within the festival tourism setting of Ho Chi Minh City.

(3) To propose managerial and policy implications aimed at enhancing tourists' destination loyalty and improving the competitiveness of festival tourism in Ho Chi Minh City.

### **1.4. Research Questions**

To achieve the aforementioned research objectives, this dissertation addresses the following research questions:

(1) Does Destination Satisfaction (DS) mediate the relationship between Memorable Tourism Experiences (MTE) and Destination Loyalty (DL) at festival tourism destinations in Ho Chi Minh City?

(2) Does crowding function as a moderating variable in the relationships among MTE, DS, and DL?

(3) To what extent does crowding moderate the relationship between MTE and Destination Loyalty (DL) at festival tourism destinations in Ho Chi Minh City?

(4) How can Ho Chi Minh City develop festival tourism in a manner that fully leverages its inherent capacities and enhances its competitiveness with other cities in the region and worldwide?

## **1.5. Research Subjects and Research Scope**

### ***1.5.1. Research Subjects***

#### **❖ *Research Subjects***

To achieve research outcomes that are consistent with the stated objectives, this dissertation focuses on the following research subjects: Destination Satisfaction, Destination Loyalty, Memorable Tourism Experiences, crowding, and the relationships among these constructs.

#### **❖ *Research Participants***

This study conducts in-depth interviews with the following groups of participants:

- Representatives of the Ho Chi Minh City Department of Tourism and tourism-related enterprises, with the aim of obtaining practical insights from policy and business strategy perspectives;
- Domestic and international tourists visiting Ho Chi Minh City, in order to examine the appropriateness and relevance of the measurement scales and to refine and supplement the scales prior to the quantitative analysis. The results of this qualitative phase are subsequently incorporated into the quantitative research stage.

In addition, the quantitative survey targets repeat visitors to Ho Chi Minh City, including both domestic and international tourists who have participated in festival tourism activities in Ho Chi Minh City at least once.

### **1.5.2. Research Scope**

#### **❖ *Scope of Research Content:***

This study adopts the perspective of domestic and international tourists participating in festival tourism in Ho Chi Minh City, aiming to accurately capture tourists' emotions and behavioral responses within a high-density urban context. The research examines the relationships among Memorable Tourism Experiences (MTE), Destination Satisfaction (DS), Destination Loyalty (DL), and crowding, with a particular focus on two underlying mechanisms:

(i) Destination Satisfaction (DS) as a mediating variable in the relationship between MTE and DL, and

(ii) crowding as a moderating variable in the relationships between MTE–DS and DS–DL.

The findings are expected to contribute to the refinement of tourism behavior theory and to provide managerial implications for experience management and crowd regulation in urban festival tourism destinations.

#### **❖ *Spatial and Temporal Scope of the Study***

Temporal scope: The study reviews and synthesizes academic publications collected from major scholarly databases, including Scopus, Google Scholar, and ScienceDirect, covering the period from 1980 to March 20, 2024, as tourism experience research began to emerge in the early 1980s. Empirical investigations focus on the evaluation of Ho Chi Minh City's destination image and festival tourism development in recent years, particularly from 2016 onward, with implications projected to the current period. The overall research duration extends from January 2023 to December 2025.

Spatial scope: According to data from the General Statistics Office of Vietnam, Ho Chi Minh City has consistently recorded the highest tourism

revenue at current prices nationwide from 2013 to 2021, accounting for nearly 50% of total national tourism revenue on average (Appendix 1.1). Ho Chi Minh City has also remained the most attractive tourism destination in Vietnam for many consecutive years and serves as a major hub for tourism festivals. Therefore, the primary spatial scope of this study is festival tourism activities in Ho Chi Minh City.

## **1.6. Research Methodology**

This study adopts a mixed methods approach, integrating qualitative and quantitative methods to ensure comprehensiveness, objectivity, and depth in exploring, measuring, and empirically testing the relationships among Memorable Tourism Experiences (MTE), Destination Satisfaction (DS), Destination Loyalty (DL), and crowding within the context of urban festival tourism in Ho Chi Minh City. The mixed-methods approach enables the study to both develop a theoretically grounded research model and rigorously test the proposed hypotheses using empirical data.

### **1.6.1. Qualitative Research**

The qualitative approach is employed to explore and validate the theoretical framework, as well as to develop, refine, and contextualize the measurement scales to ensure their suitability for the specific research setting.

First, a comprehensive systematic literature review is conducted on MTE, DS, DL, and crowding using reputable academic databases such as Scopus, ScienceDirect, and Google Scholar. The selected publications include keywords such as “*Memorable Tourism Experience*,” “*Destination Satisfaction*,” and “*Destination Loyalty*,” with the literature collected up to March 2024. The bibliographic data are analyzed using bibliometric analysis with VOSviewer version 1.6.18, allowing the identification of research trends, thematic clusters, influential authors, and highly cited publications. Co-citation analysis and keyword co-occurrence analysis are applied to uncover major research streams and theoretical gaps. Combined with content analysis, these results provide the foundation for proposing the conceptual model and preliminary research hypotheses.

Subsequently, semi-structured in-depth interviews are conducted with 21 participants, including tourism and marketing experts, government officials (Department of Tourism), representatives from travel agencies, hotels, restaurants, entertainment venues, and both domestic and international tourists. The interview data are analyzed using NVivo version 15, which facilitates coding, theme classification, and the identification of relationships among key constructs. The interview questions focus on: (i) how tourists perceive and evaluate memorable tourism experiences; (ii) factors shaping destination satisfaction and destination loyalty; and (iii) the effects of crowding on tourists' experiences, emotions, and behavioral responses.

To further enhance the content validity of the measurement scales, the study conducts a focus group discussion involving eight participants, including experts, managers, and tourists with experience in festival tourism in Ho Chi Minh City. The focus group provides feedback on the clarity, cultural and linguistic appropriateness of the observed variables, as well as the representativeness of the research constructs. The outcomes of the qualitative phase contribute to the refinement of the preliminary measurement scales and ensure that the proposed theoretical model is well aligned with the practical context of the study.

### ***1.6.2. Quantitative Research***

The quantitative approach is employed to test the proposed theoretical model and research hypotheses. Data are collected through a structured questionnaire developed based on the findings of the qualitative phase. The questionnaire uses a five-point Likert scale to measure four groups of variables:

- (1) Memorable Tourism Experiences (MTE);
- (2) Destination Satisfaction (DS);
- (3) Destination Loyalty (DL);
- (4) perceived crowding.

A pilot survey involving 100 tourists is conducted to assess the reliability and preliminary factor structure of the measurement scales. Cronbach's Alpha and Exploratory Factor Analysis (EFA) are performed using SPSS version 26.0. The results are used to eliminate inappropriate observed variables, ensuring that the scales achieve acceptable reliability and content validity prior to the main survey.

In the main quantitative survey, data are collected from 450 domestic and international tourists participating in tourism activities in Ho Chi Minh City using face-to-face interviews combined with stratified convenience sampling. The sample is distributed across hotels, restaurants, entertainment venues, shopping malls, and festival sites to accurately reflect the characteristics of a high-density urban tourism environment. Each questionnaire requires approximately 10–15 minutes to complete.

After data collection, the analysis is conducted at two levels. First, preliminary analyses are performed using SPSS 26.0 to examine scale reliability via Cronbach's Alpha and to conduct EFA for identifying latent factor structures. Second, Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM) are conducted using AMOS version 24.0 to assess convergent validity, discriminant validity, overall model fit, and to test the causal hypotheses among the constructs.

Additionally, multi-group analysis is employed to examine differences in the structural relationships across tourist segments based on demographic characteristics (gender, age, nationality) and levels of perceived crowding. This approach enables the identification of boundary conditions affecting the MTE–DS–DL relationships, thereby assessing the stability of the model across different tourist groups.

The quantitative results are used to test the research hypotheses, evaluate the direct and indirect effects of MTE on DL through DS, and to determine the moderating role of crowding. These findings are compared with prior studies to clarify the study's theoretical contributions, before being synthesized into managerial implications for destination management and the sustainable development of urban festival tourism.

In summary, the integration of qualitative and quantitative methods within a single research design allows the study to both explore the underlying mechanisms of tourist behavior and empirically validate the theoretical model, ensuring scientific rigor, generalizability, and strong practical relevance for tourism management in Ho Chi Minh City.

### **1.7. Novel Contributions of the Dissertation**

This dissertation makes three major contributions to the tourism and hospitality literature.

First, it develops and empirically tests a multidimensional integrated model of Memorable Tourism Experiences (MTE), Destination Satisfaction (DS), and Destination Loyalty (DL) by simultaneously examining direct effects, indirect (mediating) effects, and moderating effects, thereby providing robust empirical evidence within the Vietnamese tourism context.

Second, the study extends the Stimulus–Organism–Response (S–O–R) and Cognition–Affect–Conation (C–A–C) theoretical frameworks by integrating MTE, DS, and DL into a unified stimulus–internal response–behavioral outcome chain, which is particularly appropriate for the urban festival tourism context.

Third, the dissertation is among the first to conceptualize crowding as a moderating variable, clarifying its dual effects and enhancing the practical relevance of the findings for experience management and urban festival tourism management.

## **CHAPTER 2: THEORETICAL BACKGROUND AND RESEARCH MODEL**

### **2.1 Memorable tourism experiences (MTE)**

#### ***2.1.1 Concept of Memorable Tourism Experiences***

According to Tsai (2016), tourism experience research has shifted its focus from managerial objectives toward how tourists subjectively interpret and construct their experiences. Numerous scholars (Cohen, 1979; Ryan, 1998; Larsen, 2007; Kim et al., 2012) have attempted to conceptualize tourism experiences, emphasizing the central role of memory and emotion. Pine and Gilmore (1998) argue that an experience is meaningful only when it is remembered, and that positive memories generate favorable attitudes toward a destination. Similarly, Schmitt (1999) asserts that experiences stimulate the senses, emotions, and actions, thereby forming unforgettable memories.

Kim et al. (2012) define Memorable Tourism Experiences (MTE) as experiences that are remembered and recalled after the trip, and identify seven dimensions: hedonism, novelty, local culture, refreshment, meaningfulness, involvement, and knowledge. MTEs are inherently personal and selective, shaped by individual tourists' perceptions. Therefore, tourism providers do not directly create MTEs; rather, they facilitate conditions that enable such experiences to emerge (Tung & Ritchie, 2011).

In summary, MTE represents the ultimate and most valued form of tourism experience that tourists seek to retain, serving as a critical foundation for subsequent tourism-related attitudes and behaviors.

#### ***2.1.2 Components of Memorable Tourism Experiences***

Research on Memorable Tourism Experiences has developed substantially from the foundational work of Tung and Ritchie (2011), who were among the first to conceptualize MTE based on in-depth interviews with international tourists. They argue that MTEs emerge from the interaction of personal factors, contextual conditions, emotions, and social meanings. Building on this foundation, Kim et al. (2012) refined the MTE scale into 24 items across seven core dimensions: hedonism, novelty, knowledge,

meaningfulness, involvement, local culture, and refreshment. These dimensions collectively reflect the emotional–cognitive nature of tourism experiences, where hedonism and novelty trigger strong emotions, while meaningfulness and social interaction contribute to long-lasting memories.

Subsequent studies have extended MTE research by adopting a dual-emotion perspective, emphasizing that both positive and negative experiences can be deeply embedded in memory (Dewhurst & Parry, 2000; Kensinger & Corkin, 2003). Coudounaris and Sthapit (2017) further introduced authenticity and social interaction as additional components, while Yin et al. (2023) conceptualize MTE as a continuous process before, during, and after travel, influenced by cultural context and collective memory.

The seven dimensions of MTE can be described as follows:

- Hedonism: feelings of pleasure and enjoyment; a strong emotional factor that reinforces memory (Bohanek et al., 2005).
- Refreshment: escape and psychological recovery; a primary travel motivation that enhances memorability (Kim, 2010).
- Novelty: exploration of new and different experiences; a fundamental driver of tourism behavior (Pearce, 1987).
- Local culture: interaction with local customs and people; enhances memorability and depth of experience (Tung & Ritchie, 2011).
- Involvement: the extent to which tourists actively engage in activities; higher involvement leads to stronger memories.
- Meaningfulness: experiences that provide spiritual value and personal growth, remaining enduringly memorable.
- Knowledge: learning about culture and history, contributing to personal cognitive enrichment.

In conclusion, MTE is a multidimensional construct integrating emotional and cognitive elements, enabling tourists to form durable memories that subsequently shape destination satisfaction and destination loyalty.

## **2.2 Destination loyalty (DL)**

### **2.2.1 *Concept of Destination Loyalty***

Loyalty is commonly viewed as a long-term attachment between customers and a brand or destination, manifested through two dimensions: behavioral loyalty (repeat purchase or revisit behavior) and attitudinal loyalty

(psychological commitment, preference, and intention to recommend). According to Oliver (1999) and Rundle-Thiele (2005), loyalty encompasses both intentions and actual repeat behaviors.

In the tourism context, destination loyalty is typically measured through tourists' intentions to revisit and to recommend the destination to others (Toyama & Yamada, 2012). Due to the difficulty of directly observing repeat visitation behavior, empirical studies often rely on self-reported measures. Overall, destination loyalty reflects the outcome of positive attitudes and sustained emotional attachment between tourists and a destination.

### **2.2.2 Destination loyalty (DL)**

Previous research suggests that loyalty cannot be fully explained by examining behavioral or attitudinal dimensions in isolation. Accordingly, Day (1984) and Rundle-Thiele (2005) emphasize that loyalty should be approached as a two-dimensional construct, consisting of behavioral loyalty (revisit or repeat purchase behavior) and attitudinal loyalty (commitment and intention to recommend).

In tourism studies, destination loyalty is commonly measured through revisit intention and positive word-of-mouth. A growing body of research has further extended the investigation of destination loyalty by considering influencing factors such as destination image, emotions, perceived value, nostalgia, and memorable tourism experiences.

In this dissertation, Destination Loyalty (DL) is defined as tourists' commitment and intentions to revisit and recommend a destination, based on their positive attitudes toward the destination.

### **2.3 Destination satisfaction (DS)**

According to Kotler (1999), satisfaction is an emotional state arising from the comparison between expectations and actual performance. In tourism, satisfaction reflects the degree of congruence between tourists' expectations and their experiences at a destination (Chon, 1989). Destination Satisfaction (DS) is commonly measured at two levels: attribute satisfaction and overall satisfaction (Chi & Qu, 2008).

Previous studies indicate that DS directly influences revisit intention and destination recommendation (Yoon & Uysal, 2005) and serves as a mediating variable between tourism experiences and destination loyalty (Antón et al., 2017). Therefore, in this study, DS is considered a key construct in explaining the relationship between Memorable Tourism Experiences (MTE) and Destination Loyalty (DL).

## **2.4 Crowding (CD)**

Crowding, originating from environmental psychology, is commonly understood as a subjective perception of human density exceeding acceptable or expected levels (Stokols, 1972). However, recent studies suggest that crowding is not solely negative but can also generate positive emotional and social value, particularly in the context of festival tourism. According to Urry (1990), crowding contributes to the formation of a “collective gaze,” through which tourists experience excitement, shared energy, and a sense of community belonging. Popp (2012) further argues that tourists may simultaneously experience excitement, enjoyment, and social connectedness when crowds are perceived as evidence of a destination’s attractiveness.

Empirical studies (Kim et al., 2016; Ruiz et al., 2021; Xue et al., 2024) indicate that moderate levels of crowding can enhance satisfaction by creating a vibrant atmosphere, increasing social interaction, and enriching experiential value. When effectively managed, crowds can function as a form of “collective energy,” intensifying positive emotions, improving experiential quality, and strengthening destination image.

Therefore, in the context of festival tourism, crowding can be regarded as a positive experiential factor that contributes to memorability, enhances tourist satisfaction, and fosters destination loyalty.

## **2.5 Festival Tourism**

Festivals are regarded as distinctive cultural and social events that are non-routine in nature, aiming to celebrate community values and attract visitors (Online et al., 2009; Getz, 2008). Many scholars consider festivals as valuable assets or distinctive tourism products (Cudny, 2011). Accordingly, festival tourism is understood as a form of tourism in which tourists participate in cultural, religious, and artistic events to experience, explore, and co-create

cultural value, while simultaneously contributing to local socio-economic development.

## **2.6 Theoretical Foundations**

### **2.6.1 *Cognition–Affect–Conation, C–A–C model (Lavidge & Steiner, 1961)***

The Cognition–Affect–Conation (C–A–C) model, originally proposed by Lavidge and Steiner (1961) and later developed within cognitive psychology (Hilgard, 1980), describes the decision-making process through three sequential stages: cognition (beliefs and knowledge about an object), affect (emotional responses formed based on cognition), and conation (behavioral intentions or action tendencies). The model posits that cognition activates affect, which in turn leads to behavior, thereby forming attitudes that serve as a bridge between external stimuli and individual responses.

The C–A–C model has been widely applied in tourism research to explain destination attachment, destination image, and destination loyalty (Baloglu, 1998; Chen et al., 2021; Tran et al., 2023). In this context, tourists' cognitive evaluations of a destination influence their emotional responses, which subsequently shape revisit and recommendation intentions.

This dissertation adopts the C–A–C model as a core theoretical framework to explain the relationship  $MTE \rightarrow DS \rightarrow DL$ , demonstrating how tourism experiences (cognitive–affective processes) lead to satisfaction and ultimately foster tourists' destination loyalty.

### **2.6.2 *Stimulus–Organism–Response (S–O–R) Model (Mehrabian & Russell, 1974)***

The Stimulus–Organism–Response (S–O–R) model proposed by Mehrabian and Russell (1974) explains how environmental stimuli (S) influence individuals' internal cognitive and emotional states (O), which subsequently lead to behavioral responses (R). In tourism research, Memorable Tourism Experiences (MTE) are conceptualized as high-order stimuli encompassing both cognitive and emotional experiential elements. These stimuli influence tourists' satisfaction states (O), which in turn lead to behavioral responses such as revisit intention and destination loyalty (R).

This dissertation applies the S–O–R framework to elucidate the causal chain  $MTE \rightarrow DS \rightarrow DL$ . Notably, perceived crowding is conceptualized as a moderating variable that may strengthen the impact of MTE on DS when

crowding is perceived positively (e.g., vibrancy, social connectedness), or weaken this relationship when crowding is perceived negatively (e.g., fatigue, congestion). This framework provides a robust explanation of tourists' emotional and behavioral mechanisms within the context of festival tourism.

### **2.6.3 *Optimal Stimulation Theory (OST) and Its Application in Tourist Behavior Research***

According to Optimal Stimulation Theory (OST) (Zuckerman, 1979), crowding is not inherently negative but can generate positive social stimulation when maintained at an optimal level of density. Empirical studies by Kim et al. (2016) and Jacobsen et al. (2019) indicate that moderate crowding enhances perceptions of vibrancy, community connectedness, and tourist satisfaction.

In the context of festivals, crowding is often interpreted as a form of collective energy that signifies a destination's attractiveness. Therefore, this dissertation conceptualizes crowding as a positive moderating factor in the relationships among MTE, DS, and DL, contributing to the enhancement of tourism experiential value.

## **2.7 Previous Studies**

### **2.7.1 Previous Studies on Memorable Tourism Experiences, Destination Satisfaction, and Destination Loyalty**

Research on Memorable Tourism Experiences (MTE), Destination Satisfaction (DS), and Destination Loyalty (DL) has developed substantially over the past two decades, with extensive empirical evidence confirming the central role of MTE in predicting post-trip behaviors. Early studies such as Castañeda et al. (2007) and Mendes et al. (2010) demonstrated that satisfaction and loyalty are influenced by online experiences, prior travel experience, and tourist segment characteristics. Since 2010, research attention has increasingly shifted toward a deeper understanding of the mechanisms underlying tourism memory formation, with Kim (2010) showing that factors such as involvement, novelty, and local culture enhance recall and the vividness of personal memories.

From 2016 onward, studies have continued to highlight both direct and indirect relationships among MTE, DS, and DL. Huang et al. (2016) emphasized the moderating role of destination knowledge; Tsai (2016) clarified the influence of gastronomy and place attachment; while Turki and Amara (2017) confirmed

the role of emotional–cognitive components in generating destination satisfaction, attachment, and word-of-mouth (WOM). More recent studies (Kim & Chen, 2019; Gohary et al., 2020; Li et al., 2021; Mohammad et al., 2021) have further expanded this line of inquiry, demonstrating that MTE strongly influences destination image, emotional value, revisit intention, and WOM, with DS frequently acting as a mediating variable.

The period from 2022 to 2024 has witnessed increasing thematic diversification, ranging from psychological mechanisms (e.g., mindfulness and reminiscence) to value co-creation and meaningful experiences. Despite variations in research approaches, a consistent conclusion emerges: MTE is a fundamental antecedent of both DS and DL. Accordingly, this study focuses on examining the direct and indirect effects of MTE on DL through DS, with the aim of clarifying the influence of individual MTE components on tourists' overall destination loyalty.

### ***2.7.2 Previous Studies on Crowding in Tourism***

Research on crowding in tourism has shifted markedly from a predominantly negative perspective to a more nuanced and positive interpretation. In the early phase (1970–1990), crowding was primarily viewed as a source of stress that reduced satisfaction (Stokols, 1972; Eroglu & Machleit, 1990). During the sociological phase (1990–2010), scholars such as Urry (1990) and Podilchak (1991) conceptualized crowds as a cultural phenomenon that reinforces a destination's attractiveness and social value.

From 2010 to 2020, studies by Popp (2012) and Kim et al. (2016) demonstrated the dual nature of crowding, showing that while it may generate discomfort, it can also foster excitement and community bonding when maintained at a moderate level. In the most recent phase (2021–2024), research has increasingly focused on social crowding, highlighting crowds as a source of positive social energy that enhances excitement, satisfaction, and revisit intention (Jacobsen et al., 2019; Ruiz et al., 2021; Xue et al., 2024). Consequently, in contemporary tourism research, crowding is increasingly understood as a factor that reinforces MTE and DL, rather than serving solely as a barrier to tourist experiences.

## 2.8 Hypotheses Development and Research Model

*H1: Memorable Tourism Experiences (MTE) have a positive effect on Destination Satisfaction (DS).*

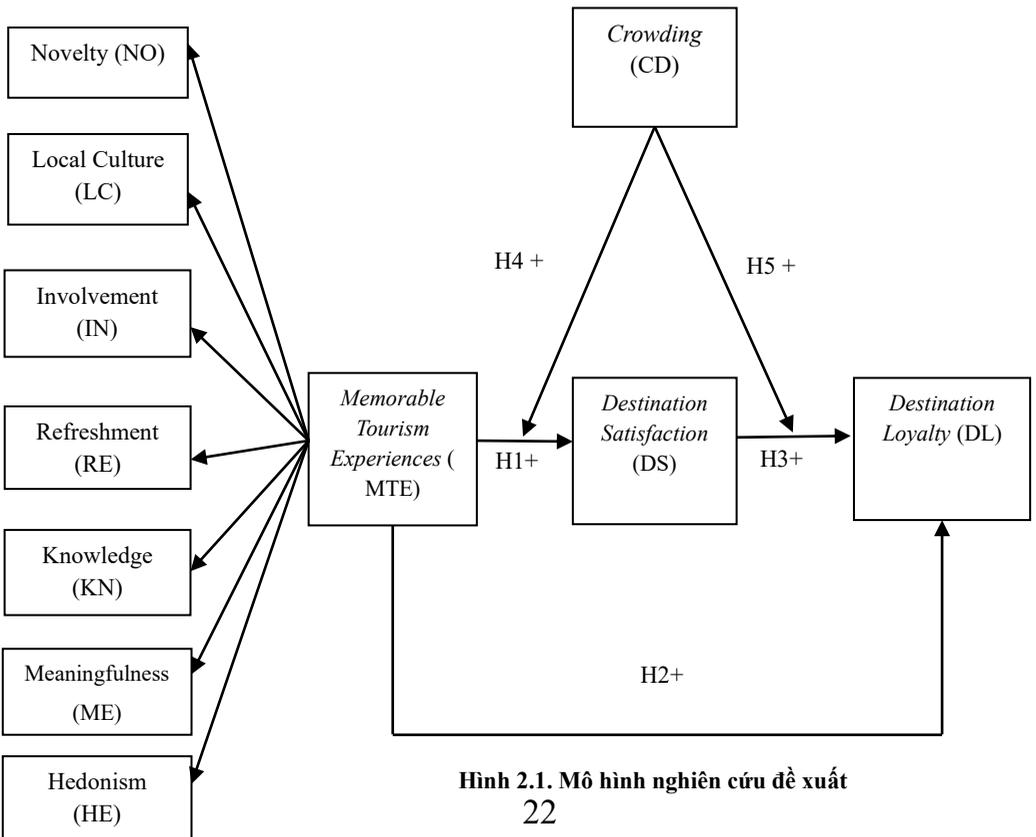
*H2: Memorable Tourism Experiences (MTE) have a positive effect on Destination Loyalty (DL).*

*H3: Destination Satisfaction (DS) has a positive effect on Destination Loyalty (DL).*

*H4: Higher levels of perceived crowding strengthen the positive effect of Memorable Tourism Experiences (MTE) on Destination Satisfaction (DS).*

*H5: Higher levels of perceived crowding strengthen the positive effect of Destination Satisfaction (DS) on Destination Loyalty (DL).*

**Based on the above hypotheses, the proposed research model is illustrated as follows:**



Hình 2.1. Mô hình nghiên cứu đề xuất

# CHAPTER 3: RESEARCH DESIGN

## 3.1 Developing the Research Process

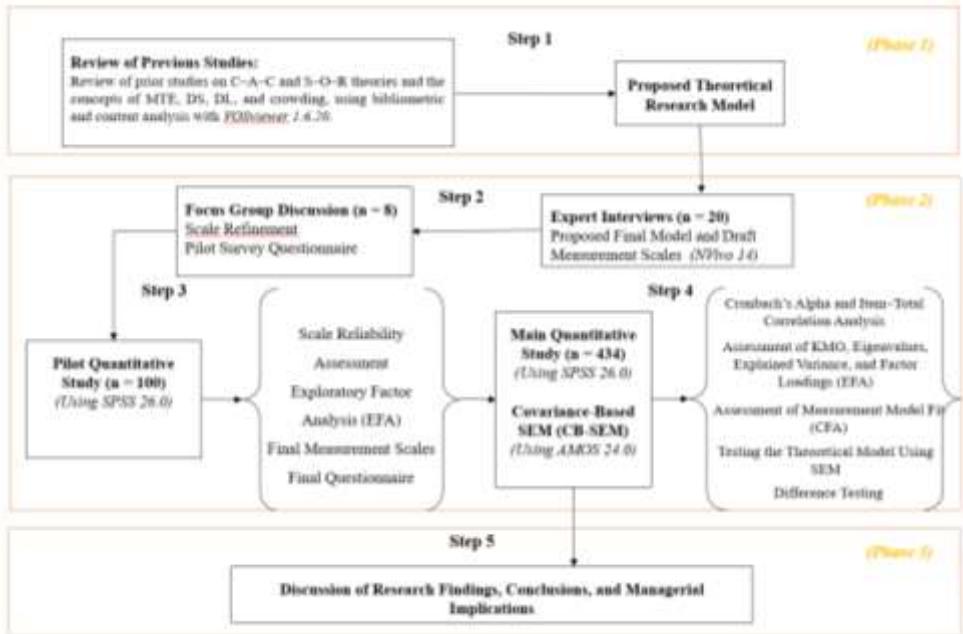


Figure 3.1. Research Process

(Source: Author's proposal)

## 3.2 Qualitative Research

### 3.2.1 Data Collection Design and In-Depth Interview Findings

This study employs an exploratory qualitative approach to clarify the components of Memorable Tourism Experiences (MTE), Destination Satisfaction (DS), Destination Loyalty (DL), and the moderating role of crowding in Ho Chi Minh City. A total of 20 semi-structured in-depth interviews were conducted between December 2024 and February 2025 with representatives from government authorities, tourism enterprises, repeat international and domestic tourists, and operators of public spaces. The data were coded and analyzed using NVivo version 15 following an inductive

approach, resulting in a thematic coding system aligned with the seven MTE dimensions proposed by Kim et al. (2012): hedonism, novelty, refreshment, meaningfulness, local culture, involvement, and knowledge.

The findings indicate that MTE serves as the central axis shaping destination perceptions, with local culture, involvement, and refreshment emerging as the most salient factors. Destination Satisfaction (DS) appears as a mediating variable between MTE and DL, whereby positive experiences enhance satisfaction, which in turn increases revisit intention and word-of-mouth. However, a portion of Destination Loyalty (DL) is also formed directly from outstanding MTEs. Crowding exhibits a bidirectional moderating effect: when effectively managed, it creates a festive atmosphere that amplifies the MTE → DS → DL chain; when exceeding capacity, it reduces comfort and weakens these relationships. These findings reinforce the theoretical model and suggest priorities for developing distinctive experiential attributes, innovating festival products, and implementing context-appropriate crowd management aligned with cultural settings.

### ***3.2.2 Focus Group Data Collection Design***

A focus group discussion involving eight participants was conducted to refine the measurement scales and to assess their clarity, contextual relevance, and content validity. The results of the focus group were used to supplement and adjust the measurement items for MTE, DS, and DL, and to confirm crowding as a positive moderating factor prior to the implementation of the quantitative survey.

### ***3.2.3 Scale Development and Refinement Results***

Based on previous studies on Memorable Tourism Experiences (MTE), Destination Satisfaction (DS), and Destination Loyalty (DL), this dissertation adopts and adapts measurement scales from Kim et al. (2012), Oliver (1997, 1999), and other related scholars. These scales were further refined through in-depth interviews and focus group discussions to ensure their suitability for the urban festival tourism context in Ho Chi Minh City. For the Knowledge dimension, the scale was expanded beyond information, skills, and challenges to emphasize tourists' understanding of local culture, history, and

people in Ho Chi Minh City. The Hedonism dimension was supplemented with items reflecting feelings of enjoyment, relaxation, and the extent to which the trip satisfied tourists' needs for entertainment and pleasure. Novelty, in addition to capturing uniqueness and difference, was refined to highlight elements of pleasant surprise, which are particularly characteristic of dynamic urban tourism products and spaces.

The Local Culture dimension was broadened from general impressions and friendliness to include local cuisine, lifestyle, and direct interaction with residents. Refreshment was expanded to include items reflecting temporary escape from daily concerns, emphasizing the psychological rejuvenation function of urban tourism. Meaningfulness was measured not only in terms of personal value but also in relation to festival–community connectedness and reflective considerations of what is “truly important” in life. The Involvement dimension was supplemented with items capturing active engagement in festival activities and the extent to which tourists were guided and facilitated to participate, highlighting the role of experience co-creation. Crowding was approached from a positive perspective, measuring perceptions of being “crowded but enjoyable,” including appropriate density, a vibrant atmosphere, emotional connectedness, and interaction with the crowd.

Destination Satisfaction was linguistically adjusted to enhance clarity and accessibility, with the addition of an item reflecting an “attractive travel experience.” Destination Loyalty retained four items related to revisit intention and positive word-of-mouth, encompassing both behavioral and attitudinal loyalty. Overall, this process strengthened the content validity and contextualization of the measurement scales for Ho Chi Minh City

### **3.3 Preliminary Reliability Assessment**

The pilot survey of 100 respondents indicates that all measurement scales demonstrate satisfactory reliability (Cronbach's Alpha > 0.8). Exploratory Factor Analysis (EFA) confirms both convergent and discriminant validity (KMO = 0.876; factor loadings > 0.5; total variance explained =

67.42%). No items were eliminated. The measurement scales are therefore considered sufficiently reliable for use in the main survey.

### **3.4 Main Study Sample Design**

The study employs stratified random sampling to ensure representativeness across tourist type, age, gender, and income. The required sample size is determined using Cochran's formula, with  $N = 44$  million,  $p = 50\%$ , and  $d = 5\%$ , yielding a minimum sample size of 385 observations. To account for potential invalid responses, a total of 450 observations were collected.

### **3.5 Data Collection for the Main Study**

Data were collected using a structured questionnaire through stratified convenience sampling. A total of 450 questionnaires were distributed, of which 434 valid responses were retained after data cleaning. The survey was conducted from February to June 2025 at major festivals in Ho Chi Minh City, including the Vietnamese Tet Festival, Ao Dai Festival, Banh Mi Festival, Nguyen Tieu Festival, and Hung Kings Commemoration Festival. The data were entered and processed using SPSS version 26.0, with distributional assumptions assessed through skewness and kurtosis prior to conducting Cronbach's Alpha, EFA, CFA, and SEM analyses. The sample consists of 21% international tourists and 53.5% female respondents, with a relatively balanced age distribution, ensuring sample representativeness.

### **3.6 Data Analysis Methods**

The measurement scales were initially assessed using Cronbach's Alpha and Exploratory Factor Analysis (EFA) in SPSS 26.0. Scales were considered acceptable when Cronbach's Alpha  $\geq 0.7$ , item-total correlations  $\geq 0.3$ , and factor loadings  $\geq 0.5$ . EFA was used to examine unidimensionality, convergent validity, and discriminant validity, with  $KMO > 0.5$  and total variance explained  $\geq 50\%$ . Subsequently, Confirmatory Factor Analysis (CFA) was conducted using AMOS version 24.0 to validate the measurement model based on goodness-of-fit indices such as CFI and  $TLI \geq 0.9$ , and RMSEA and  $SRMR \leq 0.08$ . Finally, Structural Equation Modeling (SEM) was employed to

test the proposed research model and hypotheses, examining direct, indirect, and mediating effects using Maximum Likelihood (ML) estimation and bootstrapping procedures

## CHAPTER 4: RESEARCH RESULTS

### 4.1 Sample Description

The study is based on 434 valid questionnaires collected from tourists participating in festivals in Ho Chi Minh City. The sample consists exclusively of tourists (0% local residents of Ho Chi Minh City), including 21% international tourists and 79% domestic tourists. All respondents had visited Ho Chi Minh City at least twice, which enhances the accuracy of their evaluations of Memorable Tourism Experiences (MTE), Destination Satisfaction (DS), and Destination Loyalty (DL). None of the respondents were employed in the tourism industry, thereby minimizing potential professional bias.

The sample exhibits a balanced gender distribution (53.5% female), with monthly income predominantly ranging from VND 10 to 40 million, and a diverse composition in terms of occupation and educational background. The data satisfy normal distribution assumptions, with skewness and kurtosis values below 1. These characteristics ensure the representativeness, reliability, and suitability of the sample for subsequent EFA, CFA, and SEM analyses.

### 4.2 Reliability Assessment Using Cronbach's Alpha

The Cronbach's Alpha results for the MTE scales indicate that all dimensions achieve acceptable reliability. The highest reliability coefficients are observed for Knowledge (KN = 0.955) and Involvement (IN = 0.952), while the lowest value is found for Local Culture (LC = 0.795), which remains acceptable. Three items (NO5, LC5, and ME5) exhibit item–total correlations below 0.3 and were therefore removed to improve internal consistency. The scales for Destination Satisfaction (DS = 0.966), Destination Loyalty (DL = 0.928), and Crowding (CD = 0.957) all demonstrate very high reliability, with item–total correlations exceeding 0.3. Overall, all measurement scales (except NO5, LC5, and ME5) meet the required reliability standards and are retained for subsequent Exploratory Factor Analysis (EFA), ensuring measurement reliability and validity.

### **4.3 Preliminary Scale Assessment Using Exploratory Factor Analysis (EFA)**

The EFA results for the independent variables (IN, KN, RE, HE, NO, LC, ME) reveal the extraction of seven factors, fully consistent with the proposed theoretical structure. The analysis yields  $KMO = 0.941$ ,  $Sig. = 0.000$ , and a total variance explained of 81.41%. All factor loadings exceed 0.6, with no cross-loadings detected, confirming strong convergent and discriminant validity. The prior removal of items NO5, LC5, and ME5 is justified, as it does not compromise factor stability.

For the mediating variable Destination Satisfaction (DS), EFA identifies a single factor with an Eigenvalue of 5.130, variance explained of 85.495%, factor loadings above 0.81, and Cronbach's Alpha of 0.966. All six DS items are retained.

Similarly, the dependent variable Destination Loyalty (DL) yields a single-factor structure, with an Eigenvalue of 3.287, variance explained of 82.174%, factor loadings above 0.887, and Cronbach's Alpha of 0.928. All four DL items are retained for Confirmatory Factor Analysis (CFA).

Overall, the EFA results confirm that all measurement scales meet the required standards and are ready for CFA and SEM analyses.

### **4.4 Measurement Model Validation Using Confirmatory Factor Analysis (CFA)**

#### **4.4.1 Results of the Critical Model Analysis**

The CFA results for the critical measurement model indicate a good fit to the data:  $\text{Chi-square/df} = 2.114 (< 3)$ ,  $CFI = 0.951$ ,  $TLI = 0.946 (> 0.9)$ ,  $RMSEA = 0.051 (< 0.08)$ , and  $GFI = 0.835$  (acceptable). All factor loadings are statistically significant ( $p < 0.001$ ), ranging from 0.51 to 0.91. All constructs achieve Composite Reliability (CR) values above 0.7 and Average Variance Extracted (AVE) values above 0.5, confirming measurement reliability and convergent validity.

Item RE1 is removed due to a relatively low factor loading (0.597), while LC4 is retained as the overall CR and AVE values remain satisfactory. The constructs satisfy discriminant validity based on the Fornell–Larcker criterion, thereby justifying the continuation of Structural Equation Modeling (SEM) analysis.

**Table 4.1. Composite Reliability (CR) and Average Variance Extracted (AVE)**

Item Numbers	Latent Variables	Number of Observed Variables	AVE	CR
1	HE	5	0,796	0,951
2	NO	4	0,769	0,930
3	LC	4	0,663	0,887
4	RE	5	0,779	0,934
5	ME	4	0,667	0,908
6	IN	5	0,799	0,952
7	KN	5	0,811	0,955
8	DS	6	0,826	0,966
9	DL	4	0,767	0,929
10	CD	6	0,817	0,957

*(Nguồn: Kết quả điều tra của tác giả dữ liệu Amos 24.0)*

#### **4.4.2 Results of Discriminant Validity Testing among Research Constructs**

The CFA results for the critical model indicate that the constructs achieve discriminant validity, as most correlation coefficients are below 0.9 and satisfy the Fornell–Larcker and HTMT (< 0.85) criteria. Although some relationships (KN–DL, KN–DS, DS–DL) show relatively high correlations, they remain within acceptable thresholds. The Local Culture (LC) construct is statistically insignificant with several variables and is therefore proposed for removal; item RE1 is also eliminated due to a low factor loading. The remaining scales demonstrate adequate convergent validity, discriminant validity, and reliability, allowing the analysis to proceed to SEM testing.

## 4.5 Testing the Official Theoretical Model

### 4.5.1 Multicollinearity Assessment

The model demonstrates good explanatory power ( $R^2 = 0.493$ ). No multicollinearity is detected, as  $VIF < 3.1$  and  $Tolerance > 0.33$ . The Condition Index = 23.6 ( $< 30$ ) further confirms model stability. Therefore, the regression estimates are reliable for explaining destination loyalty.

### 4.5.2 Model 1: Destination Satisfaction (DS) as a Mediator between MTE and DL

The SEM model, after EFA and CFA, shows good fit ( $\chi^2/df = 2.238$ ;  $CFI = 0.957$ ;  $TLI = 0.954$ ;  $RMSEA = 0.053$ ), allowing causal testing. Results indicate that MTE significantly affects DS ( $\beta = 0.773$ ) and DL ( $\beta = 0.574$ ), while DS significantly affects DL ( $\beta = 0.398$ ), confirming the partial mediating role of DS. The dimensions HE, NO, RE, ME, IN, and KN significantly load on MTE, whereas LC is not statistically significant. Bootstrap results (5,000 samples) confirm model stability with small standard errors and low discrepancy between the hypothesized model and the data. K–L overoptimism remains within a narrow range, supporting the model’s reliability and generalizability.

**Table 4.2. Structural Path Estimates – SEM Model**

Relationships	Hypotheses	Standardized Estimate	S.E.	C.R	P	Results
DS <--- MTE	H1	0,897	0,059	15,280	***	Significant
HE <--- MTE		0,885	1,000	N/A	N/A	Significant
NO <--- MTE		0,256	0,058	4,447	***	Significant
RE <--- MTE		0,743	0,058	12,764	***	Significant
ME <--- MTE		0,848	0,056	15,084	***	Significant
IN <--- MTE		0,950	0,063	15,121	***	Significant
KN <--- MTE		1,131	0,066	17,151	***	Significant
DL <--- MTE	H2	0,597	0,057	10,544	***	Significant
DL <--- DS	H3	0,357	0,042	8,400	***	Significant

Note: "\*\*\*" indicates  $p < .001$ . "N/A" (Not Applicable) for the path  $HE_n \leftarrow MTE$  indicates that the standardized estimate was fixed at 1.000 to identify the measurement scale of the higher-order latent construct MTE.

(Source: Author's survey results, AMOS 24.0)

### 4.5.3 Model 2: The Moderating Effect of Crowding on the Relationship between MTE and DS

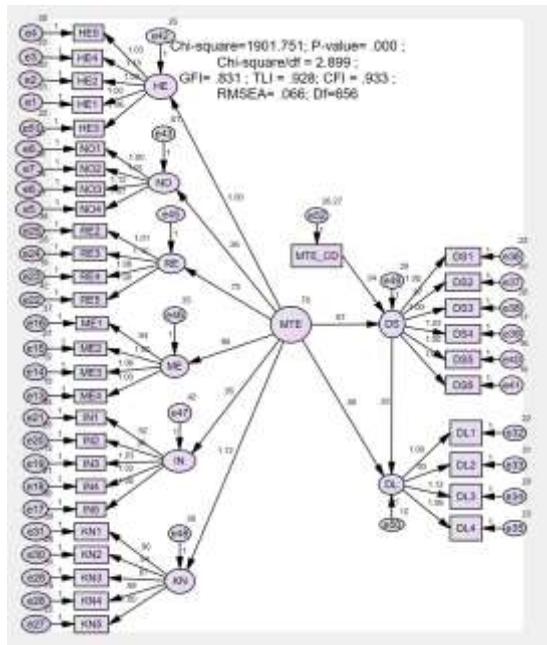
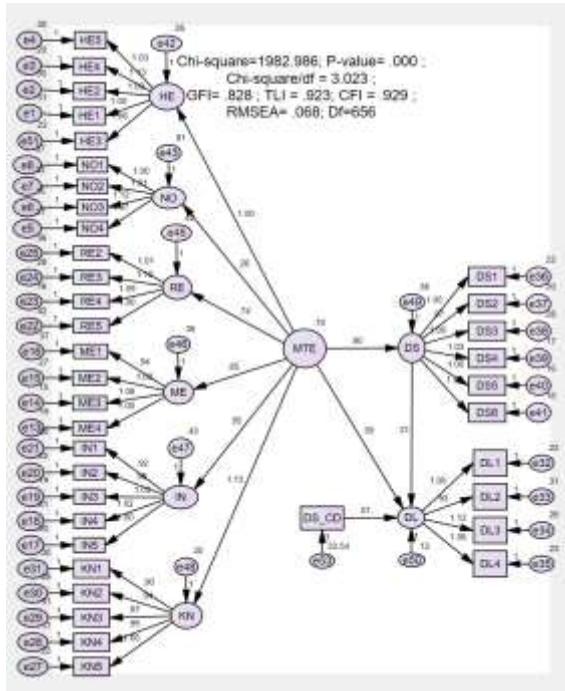


Figure 4.1. Diagram of Model 2

(Source: Author's survey results, AMOS 24.0)

The SEM model testing the moderating role of crowding shows a good fit ( $\chi^2/df = 2.899$ ; CFI = 0.933; RMSEA = 0.066). MTE has strong effects on DS ( $\beta = 0.644$ ) and DL ( $\beta = 0.562$ ), while DS continues to significantly affect DL ( $\beta = 0.393$ ). The interaction effect  $MTE \times CR$  is significant ( $\beta = 0.250$ ), confirming that crowding amplifies the effect of MTE on DS. Bootstrap results (5,000 samples) indicate low standard errors, stable distributions, and good model generalizability.

#### 4.5.4 The Moderating Effect of Crowding on the Relationship between DS and DL



**Figure 4.2. Diagram of Model 3**

(Source: Author's survey results, AMOS 24.0)

SEM Model (3) demonstrates a good fit ( $\chi^2/df = 3.023$ ; CFI = 0.929; RMSEA = 0.068). MTE has strong effects on DS ( $\beta = 0.774$ ) and DL ( $\beta = 0.589$ ), while DS also significantly affects DL ( $\beta = 0.307$ ), confirming a partial mediating role. Crowding positively moderates the relationship between DS and DL ( $\beta = 0.076$ ). Bootstrap results (5,000 samples) indicate small standard errors, stable distributions, and high model generalizability, further supporting the robustness and reliability of the research model in practice.

#### 4.5.5 Differences in Factors Affecting Destination Loyalty across Demographic Characteristics

The results reveal that several demographic characteristics significantly influence Destination Satisfaction (DS) and Destination Loyalty (DL) in Ho Chi

Minh City. Visit frequency shows clear differences: tourists visiting 2–3 times report lower DS and DL than those visiting 4–5 times or more, indicating that repeated experiences enhance attachment. Income also creates significant variation: tourists earning VND 30–40 million report the lowest DS and DL due to higher expectations, whereas lower-income or no-income groups report more positive evaluations, consistent with expectation–disconfirmation theory (Oliver, 1999). Regarding age, tourists aged 50 and above show lower DS and DL, while the 26–42 age group reports the highest levels. In contrast, gender, education level, and occupation show no statistically significant differences. These findings suggest that destination management and marketing strategies should prioritize age, income, and revisit frequency rather than traditional demographic variables.

#### **4.6 Discussion of Research Findings**

Based on 434 valid responses collected between April and June 2025, the study confirms that the SEM model demonstrates a good fit and that all proposed hypotheses are supported. Memorable Tourism Experiences (MTE) exert strong effects on Destination Satisfaction (DS) and Destination Loyalty (DL), with DS acting as a partial mediator. Crowding (CR) exhibits a positive moderating effect, amplifying the relationships  $MTE \rightarrow DS$  and  $DS \rightarrow DL$  within a vibrant urban context. The Local Culture (LC) dimension does not significantly influence MTE, which is consistent with the modern and dynamic characteristics of Ho Chi Minh City.

Difference tests highlight three key factors influencing DS and DL: visit frequency (repeat visitation enhances satisfaction and loyalty), income (tourists earning VND 30–40 million report lower satisfaction due to higher expectations), and age (the 26–42 age group reports the highest evaluations). These findings are consistent with and extend prior studies, providing clearer insights into the mechanisms underlying destination loyalty in urban festival tourism contexts.

## CHAPTER 5: CONCLUSIONS AND MANAGERIAL IMPLICATIONS

### 5.1 Conclusions

Based on a sample of 434 festival tourists in Ho Chi Minh City, this study achieves its overall objective of examining the impact of Memorable Tourism Experiences (MTE) on Destination Loyalty (DL), while testing the mediating role of Destination Satisfaction (DS) and the moderating role of Crowding (CR) within the S–O–R and C–A–C theoretical frameworks. The SEM results show that MTE exerts both direct and indirect effects (via DS) on DL, confirming the “MTE → DS → DL” chain as the central mechanism underlying destination loyalty in an urban tourism context. DS functions as a statistically significant mediator, while CR positively moderates both the MTE → DS and DS → DL relationships, demonstrating that crowding, when maintained at an appropriate level, can amplify tourism experiences and strengthen destination loyalty. The dimensions HE, NO, RE, ME, IN, and KN all contribute positively to MTE, whereas Local Culture (LC) is not statistically significant, reflecting the modern urban characteristics of Ho Chi Minh City. In addition, the findings reveal differences by visit frequency, income, and age, suggesting more refined segmentation and experience management strategies for different tourist groups.

### 5.2 Managerial Implications

This study proposes key managerial implications centered on Memorable Tourism Experiences (MTE), Destination Satisfaction (DS), Destination Loyalty (DL), crowding (CR), and demographic characteristics within the context of festival tourism in Ho Chi Minh City. Destination managers should prioritize the development of knowledge-rich experiences (KN), enhance tourist involvement (IN) and hedonistic enjoyment (HE), and integrate meaningfulness (ME), novelty (NO), and selective local cultural elements (LC) into tourism products, events, and urban spaces to create distinctive experiences that encourage revisit intention and positive word-of-mouth. To strengthen the DS–DL relationship, the city should optimize the entire tourist journey (pre-, during-, and post-trip), enhance service ecosystem coordination, and leverage digital technologies to manage expectations, respond

to feedback, and build long-term relationships with visitors. Crowding should be managed as positive “festival energy” through spatial design, visitor flow control, and interactive activities that create a “crowded but enjoyable” atmosphere, thereby amplifying the MTE → DS → DL mechanism. Finally, destination strategies should emphasize segmentation by visit frequency, income, and age, aligning loyalty programs and product offerings with the vision of positioning Ho Chi Minh City as a regional festival city.

### **5.3 Research Contributions**

This study makes important contributions to MTE theory by demonstrating that the multidimensional structure of MTE remains robust in a globalized urban context such as Ho Chi Minh City, although the influence of individual dimensions varies according to destination characteristics. Six dimensions (HE, NO, RE, ME, IN, KN) significantly influence DS and DL, while Local Culture (LC) does not, suggesting that experiential stimulation in modern urban destinations is driven more by convenience and dynamism than by traditional cultural elements. From a theoretical perspective, the study extends the C–A–C model by conceptualizing MTE as a multi-layered cognitive–affective construct and refines the S–O–R framework by demonstrating that crowding can function as a positive social stimulus, amplifying the MTE → DS → DL pathway. Practically, the findings assist destination managers in prioritizing resources toward the most influential MTE dimensions, restructuring cultural products, and optimizing experience design to enhance tourist loyalty.

### **5.4 Limitations and Directions for Future Research**

This dissertation is limited by its focus on Ho Chi Minh City, a cross-sectional design, and a sample that does not fully represent all tourist segments. Future studies should examine other destinations, adopt longitudinal designs, include moderators such as age, gender, and income, integrate qualitative methods to explore experiential mechanisms, and refine the Local Culture scale to better fit urban tourism contexts.