# DESTINATION POSITIONING AND GENERATION Z LOYALTY IN TOURISM: THE MEDIATING INFLUENCE OF DESTINATION EXPERIENCE AND DESTINATION IMAGE

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*Abstract : This research investigates the interaction between destination positioning, destination experience, destination image and loyalty among Generation Z travelers, who have emerged as a significant force in the tourism industry. Given their distinct preferences influenced by digital and and social media influences, this research aims to analyze how destination experience and destination image mediate the relationship between destination positioning and Generation Z loyalty. Using non-probability purposive sampling technique, data was distributed through a survey to 200 Generation Z respondents in Indonesia. Structural Equation Modeling with AMOS was used to examine the relationships between variables in the study. Discovering revealed that a positive brand experience significantly improves destination image, which in turn fosters loyalty among young travelers. The implications of these insights suggest that tourism stakeholders should innovate their marketing strategies to create immersive experiences that align with Generation Z values, ultimately driving engagement and repeat visits in a competitive market.*
*Keywords: Destination positioning, destination expeience, destination image, destination loyalty*

**Abstrak**: Penelitian ini menyelidiki interaksi antara penentuan posisi destinasi, pengalaman destinasi, citra destinasi, dan loyalitas di antara wisatawan Generasi Z, yang telah muncul sebagai kekuatan signifikan dalam industri pariwisata. Mengingat preferensi mereka yang berbeda yang dipengaruhi oleh pengaruh digital dan media sosial, penelitian ini bertujuan untuk menganalisis bagaimana pengalaman destinasi dan citra destinasi memediasi hubungan antara pemosisian destinasi dan loyalitas Generasi Z. Dengan menggunakan teknik non-probability purposive sampling, data disebarkan melalui survei kepada 200 responden Generasi Z di Indonesia. Structural Equation Modeling dengan AMOS digunakan untuk menguji hubungan antar variabel dalam penelitian ini. Temuan menunjukkan bahwa pengalaman merek yang positif secara signifikan meningkatkan citra destinasi, yang pada gilirannya menumbuhkan loyalitas di kalangan wisatawan muda. Implikasi dari wawasan ini menunjukkan bahwa para pemangku kepentingan pariwisata harus berinovasi dalam strategi pemasaran mereka untuk menciptakan pengalaman mendalam yang selaras dengan nilai-nilai Generasi Z, yang pada akhirnya mendorong keterlibatan dan kunjungan berulang di pasar yang kompetitif.
**Kata kunci**: Pemosisian destinasi, pengalaman destinasi, citra destinasi, loyalitas destinasi

## INTRODUCTION

The tourism industry has experienced a major shift, especially as Generation Z has become the primary market segment. This generation not only has different

preferences in choosing destinations, but also demands unique and authentic experiences (Dimitriou & Abou Elgheit, 2019). This phenomenon shows that brands that are able to position themselves well in the minds of consumers can influence destination image and visitor loyalty (Liu et al., 2021). In the context of tourist attractions destination positioning helps build a distinctive identity, thereby creating a specific attraction for tourists.

Previous research by (Ong et al., 2018) identified limitations in the model, which only explored the direct link between brand experience and loyalty. A more profound insight into the connection between destination experience and loyalty requires exploring additional factors or mediators. Certain studies have indicated that brand experience directly influences both brand image and customer loyalty (Liu et al., 2021). Many studies focus more on the elements of destination experience and destination image, without considering how they may serve as mediators in influencing loyalty (Ong et al., 2018). Overall, brand positioning and brand image are interrelated, where effective positioning helps create and maintain a positive brand image in the minds of consumers (Prihananto et al., 2024)

Companies use positioning strategies to transfer their identity to customers and establish a favorable brand position, which can ultimately lead to brand loyalty (Lundmark et al., 2009). However, despite the awareness of the importance of brand positioning, there is still a scarcity of studies exploring the link between brand positioning and consumer loyalty in the tourism sector. This creates a need to investigate how effective destination positioning can influence Generation Z loyalty, as well as how destination experience and destination image contribute to the process. Brand positioning forms strong brand associations in the minds of target customers that are used to differentiate a brand from its competitors(Liu & Hu, 2022). In the world of tourism, brand positioning can create a unique perception of a tourist destination, such as Bali being known as an exotic destination with a rich culture or Yogyakarta often associated with traditional and historical nuances.

Based on the Central Statistics Agency's 2020 population census findings (BPS), Gen Z is the largest age group, reaching 27.94 percent of the total 270.2 million Indonesian population. Accordingly, Generation Z is a key and strategic player in shaping a sustainable future (Yamane & Kaneko, 2021). This study aims to develop a framework that connects destination positioning to the loyalty of Generation Z in Indonesia, exploring the intervening roles of destination experience and impression of the location. The underlying assumption related to this analysis is that a positive destination image can result from a successful positioning strategy (Alzate et al., 2022). In addition, research shows that the destination experience perceived by hotel guests can influence their perception of the destination's standing. In other words, a positive experience with the destination can help form a strong destination image in the minds of visitors, which in turn can increase their loyalty to the destination (Liu & Hu, 2022).

## THEORETICAL REVIEW

### Characteristics of Generation Z

According to the Theory of Generations (Mannheim, 1952), each generation is characterized by specific things related to the environment they grew up in and Gen Z does not break those rules. People of this generation are often described as digital

natives, who are responsible, committed, and intelligent (Nuyken et al., 2022). Generation Z, born from the mid-1990s to the early 2010s, possesses distinct traits that differentiate it from earlier generations (Rebecca C. Slepian, 2024). Generation Z grew up in the digital age, connected to technology and social media (Seemiller & Grace, 2017). They tend to seek authentic and valuable experiences, and value transparency from brands (Francis, 2018). When choosing a travel destination, they do not only consider price or location, but also how the experience can connect with their identity and values. This makes their loyalty to brands more volatile; they will be more loyal to brands that are able to provide experiences that match their expectations (Pinto & Paramita, 2021).

A deeper understanding of Generation Z's loyalty can help marketers refine their strategies, identifying the most influential aspects and prioritizing their efforts to achieve specific loyalty goals (Cagnin et al., 2022).

**Destination Positioning and Generation Z Loyalty in Tourism**

Strategic destination branding can differentiate a place from its competitors. Destination positioning significantly affects the destination experience by shaping visitors' perceptions and expectations, which in turn affects their satisfaction and loyalty to the destination (Milivoj, Teodorović., Jovan, Popesku 2016). A place position plays a crucial involvement in creating memorable traveler experiences. Destination position significantly influences the traveler experience by shaping perceptions and expectations, which in turn affects satisfaction and the likelihood of repeat visits (Lin & Huang, 2009). Destination position significantly influences destination image by shaping perceptions and associations over time, which in turn influences traveler preferences and choices (Pike, 2017). To stand out in the crowded tourism landscape, destinations must position themselves strategically. According to (Susanto A.B & Wijanarko Himawan, 2004) there are five principles that can be used to see the effectiveness of positioning, namely value, uniqueness, credibility, sustainability, and alignment. Research shows that clear and relevant destination positioning can increase consumer loyalty(Akbari et al., 2021) especially among Generation Z, who seek experiences that match their values. (Kang, 2015) states that consumer loyalty is related to the way consumers buy the same product or service without thinking or making judgments about it. Indicators of brand loyalty are word of mouth, intention to visit again, and desire to stay longer (Hasan, 2015; He et al., 2012; Ong et al., 2018)

**H1** : Destination positioning has a positive affects on Generation Z's destination experience.

**H2** : Destination positioning has a positive affects on Generation Z's destination image.

**H3** : Destination positioning has a positive affects on loyalty of Generation Z.

**Destination Experience**

Brand experience is becoming increasingly important in product branding because of its crucial role in evaluating consumers' overall reaction to a brand (Kumar & Kaushal, 2021). Attributed to this research by including tourist destinations, destination experience is defined as the emotions and significance that tourists associate with pleasant experiences while visiting a destination (Singh, 2018). These brand-related stimuli are central to subjective internal consumer responses, which we

refer to as "brand experience"These brand-related stimuli are central to subjective internal consumer responses, which we refer to as "brand experience" (Jo ˇ Sko Brakus et al., 2009). Brand experience evokes sensations, cognitions, thoughts, and actions triggered by various stimuli, which arise when customers engage with a particular brand directly or indirectly (Jo ˇ Sko Brakus et al., 2009). According to (Schmitt, 2016) there are 5 indicators that can be measured in brand experience, namely sense (approach), feel (feeling), think (thinking), act (behavior and habits) and relate (connecting).

Brand experience refers to a consumer's interaction with a brand that creates certain impressions and emotions. (Jing, 2011) observed that experiences that stand out from various factors (safety, and enhanced self-esteem experienced by frequent business travelers can contribute to the creation of a hotel brand image for customers (Liu et al., 2021). The experience that tourists feel while visiting a destination has a significant effect on destination's image. The analysis confirms that unforgettable gastronomic experiences positively affect traveler satisfaction and enhance the destination brand image, establishing a direct relationship between experience and image (Kovalenko et al., 2023). Destination experiences significantly influence destination image among Generation Z. This generation, which is highly connected to social media, often shares their experiences, so positive brand experiences can serve as a powerful marketing tool (Pinto & Paramita, 2021). Gen Z's preference for unique and culturally rich experiences, especially in rural tourism, underscores their desire for authenticity, which further shapes their destination image (Tănase et al., 2023). In addition, generation Z also has high loyalty to destinations that provide positive experiences. This is in line with that generation Z tends to be loyal to destinations that provide positive experiences, especially those related to emotional and epistemic values. Numerous researchers contend that travelers often have enduring, memorable experiences that can impact their loyalty (Liu et al., 2021). This indicates that consumer behavior is closely tied to the brand experience.

**H4** : Destination experience has a positive effect on Generation Z's destination image.

**H5** : Destination experience has a positive affects on Generation Z loyalty

**Destination Image**

Brand image refers to the perceptions and beliefs that consumers have regarding a specific brand (Prihananto et al., 2024). The majority of researchers concur that destination image consists of a collection of impressions, ideas, expectations, and emotional responses that an individual holds about a specific location (Assaker, 2014);(Baloglu & Mccleary, 1999);(Beerli & Martín, 2004);(Kim & Richardson, 2003); Stylos et al., 2016). The image of a destination is an important factor in the choice of tourists to travel (Mayo, 2015). (Stylos et al., 2016) determined that conative image significantly affects tourists' willingness to return to the destination. Research shows that a strong image can strengthen the influence of brand experience on loyalty (Liu et al., 2021). Destination positioning is a strategy aimed at enhancing the company's image. When executed effectively, brand image and brand positioning will align consumer perceptions with the company's objectives (Prihananto et al., 2024). According to (Suryati, 2015) Brand image is evaluated using three indicators: the favorability of brand associations, the strength of those associations, and their uniqueness.

**H6**: Destination image has a positive affects on Generati on Z loyalty

**The Role of Mediators**

Destination experience and destination image serve as important mediators between destination positioning and Generation Z loyalty. The relationship between destination positioning and Generation Z loyalty is significantly mediated by destination experience. Research shows that creative tourism experiences (CTEs) increase traveler engagement and satisfaction, which in turn positively influence recommendation intentions among Gen Z travelers (Ishani, 2024). Consistent positive experiences associated with brand positioning will strengthen loyalty (Akbari et al., 2021). Destination image significantly influences how Generation Z perceives destination positioning, thereby increasing their loyalty to the destination (Camprubí & Gassiot-Melian, 2023). (Afshardoost & Eshaghi, 2020) When a positive experience is delivered through strong interactions with the brand and supported by an attractive destination image, consumer loyalty tends to increase. Certain studies have indicated that brand experience directly influences both brand image and brand loyalty (Liu et al., 2021). For example, (Martín-Santana et al., 2017) Found that the way travelers engage with tourism products and services can be the primary factor in determining how a destination is perceived. Generation Z travelers who have a pleasant experience are more inclined to return and advocate for the destination about the destination. A strong attachment to a destination has the potential to influence their intention to return and recommend the place (Jiang & Hong, 2023).

**H7:** Destination experience mediates the relationship between destination positioning and Generation Z loyalty.

**H8**: Destination image mediates the relationship between destination positioning and Generation Z loyalty.

**H9:** Destination experience and destination image mediate the relationship between brand positioning and Generation Z loyalty.

## RESEARCH METHODS

This research uses a verification research design. According to (Sekaran, Uma & Bougie, 2016) verification research is a study conducted to establish cause and effect relationships between variables. Verification research is conducted to test hypotheses. Population and sample. The research studied is Generation Z. This quantitative research utilizes cross-sectional primary data collected from 200 Indonesian Generation Z individualsA Likert scale survey was conducted to explore how destination positioning influences the loyalty of Generation Z, with a focus on the intermediary roles of destination experience and destination image. The data collection method uses a questionnaire with a Likert scale as an instrument measure.

Structural Equation Modeling using AMOS software was employed to analyze the research data. Non-probability purposive sampling was employed, targeting Indonesian Generation Z individuals aged 18-27 who had visited a tourist destination.

**Figure 1. Research Model**
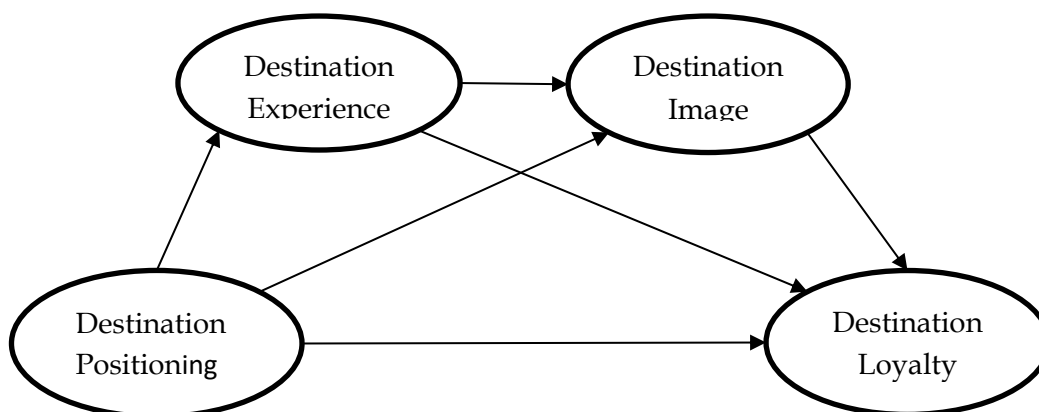


Source: Research results, 2024

## RESULT AND DISCUSSION

The data obtained through online questionnaires in this study were 200 respondents who are generation Z in Indonesia. The respondents in this study were characterized by a range of attributes.

**Table 1**. **Individual Characteristics of Characteristics**

| Profile | Category | Frequency | Percentage |
|---------|----------|-----------|------------|
| Gender | Male | 90 | 45% |
| | Famale | 110 | 55% |
| Age | 18 – 27 years old | 200 | 100% |
| Occupation | Student | 186 | 93% |
| | ASN | 1 | 0,5% |
| | Private Employee/Contract Employee | 8 | 4% |
| | Self-employed | 3 | 1,5% |
| | Educator | 1 | 0,5% |
| | Entrepreneur | 1 | 0,5% |
| Domicile | Java Island and Java Islands Region | 98 | 49% |
| | Sumatra Island Region, Batam, Riau Islands, Bangka Belitung Islands | 28 | 14% |
| | Bali and NusaTenggara Island Region | 20 | 10% |
| | Sulawesi Island and Sulawesi Islands Region | 11 | 5,5% |
| | Papua and Papua Islands Region | 13 | 6,5% |
| | Maluku Island and Maluku Islands Region | 11 | 5,5% |
| | Kalimantan Island and Kalimantan Islands Region | 19 | 9,5% |

Source: Research results, 2024

As per the results of questionnaire data collection, respondents are dominated by Generation Z women as much as 55%. Meanwhile, based on occupation, the number of respondents is dominated by students as much as 93%. Other results also show that most respondents come from almost all regions of Indonesia with the largest composition coming from Java and Java Islands as much as 49%, Sumatra Island Region, Batam, Riau Islands, Bangka Belitung Islands 14%, Bali and Nusa Tenggara Island Region 10%.

**SEM Assumption Evaluation**

In Structural Equation Modeling (SEM) that employs Maximum Likelihood Estimation (MLE), it is assumed that the data follows a normal distribution, both univariate and multivariate (Ullman, 2006). The normality of the data was evaluated using the Critical Ratio (CR) values for skewness and kurtosis. If the CR value is between -2.58 and 2.58 (±2.58) at a 1% significance level (0.01), the data is deemed to be normally distributed in both univariate and multivariate contexts. The results indicate that the research data is normally distributed, with all univariate kurtosis values within the interval <2.58. Additionally, the multivariate kurtosis value of -8.020 with a CR value of -2.517 Indicates that the data follows a multivariate normal distribution.

**Table 2. Measurement, Loadings, CR, and AVE**

| No | Questionnaire Statements | Variabel | Indicator | Loading Factor | CR | AVE |
|---|---|---|---|---|---|---|
| 1 | I feel loyal to travel that matches my values. | Destination Positioning | Value | 0,776 | 0,861 | 0,609 |
| 2 | I feel loyal to travel that has reputation and credibility. | | Credibility | 0,812 | | |
| 3 | I feel loyal to tourism that implements environmentally friendly practices. | | Sustainability | 0,760 | | |
| 4 | I feel loyal to travelers who share my lifestyle. | | Suitability | 0,774 | | |
| 5 | I feel loyal to tours that have a good physical experience (facilities, transportation, etc) | Destination Experience | Sense | 0,777 | 0,882 | 0,599 |
| 6 | I feel loyal to travel that provides meaningful and personalized experiences. | | Feel | 0,777 | | |

| 7 | I feel loyal to tours that educate or enrich my knowledge. | | Think | 0,791 | | |
| 8 | My experiences in a destination influence my lifestyle and behavioral decisions. | | Act | 0,755 | | |
| 9 | I feel loyal to travel that has a social experience. | | Relate | 0,771 | | |
| 10 | I feel a destination should have a good reputation. | Destinasi Image | Favorability of brand association | 0,778 | 0,809 | 0,586 |
| 11 | feel that positive interactions on a destination's social media influence my loyalty | | Strength of brand association | 0,735 | | |
| 12 | I feel loyal to destinations that are unique. | | Uniqueness of brand association | 0,783 | | |
| 13 | I would revisit a tourist destination that has the same value as me | Destinasi Loyalty | Revisiting | 0,854 | 0,803 | 0,580 |
| 14 | I would like to stay longer at a travel destination that has the same value as me. | | Desire to stay longer | 0,622 | | |
| 15 | I would recommend travel that matches my values to others. | | Word of mouth | 0,790 | | |

Source: Research results, 2024

Validity and reliability tests are two important steps in the assessment of research instruments to ensure the quality of the data produced. Validity is related to how well the measures define the concept, while reliability is related to the consistency of the measures. According to Table 2, all indicators of the research variables are reliable measures of their constructs. This is supported by AVE values exceeding 0.4 and CR values exceeding 0.70, indicating the reliability of the instruments used in this research.

**Figure 2. Structural Model Godness of Fit**
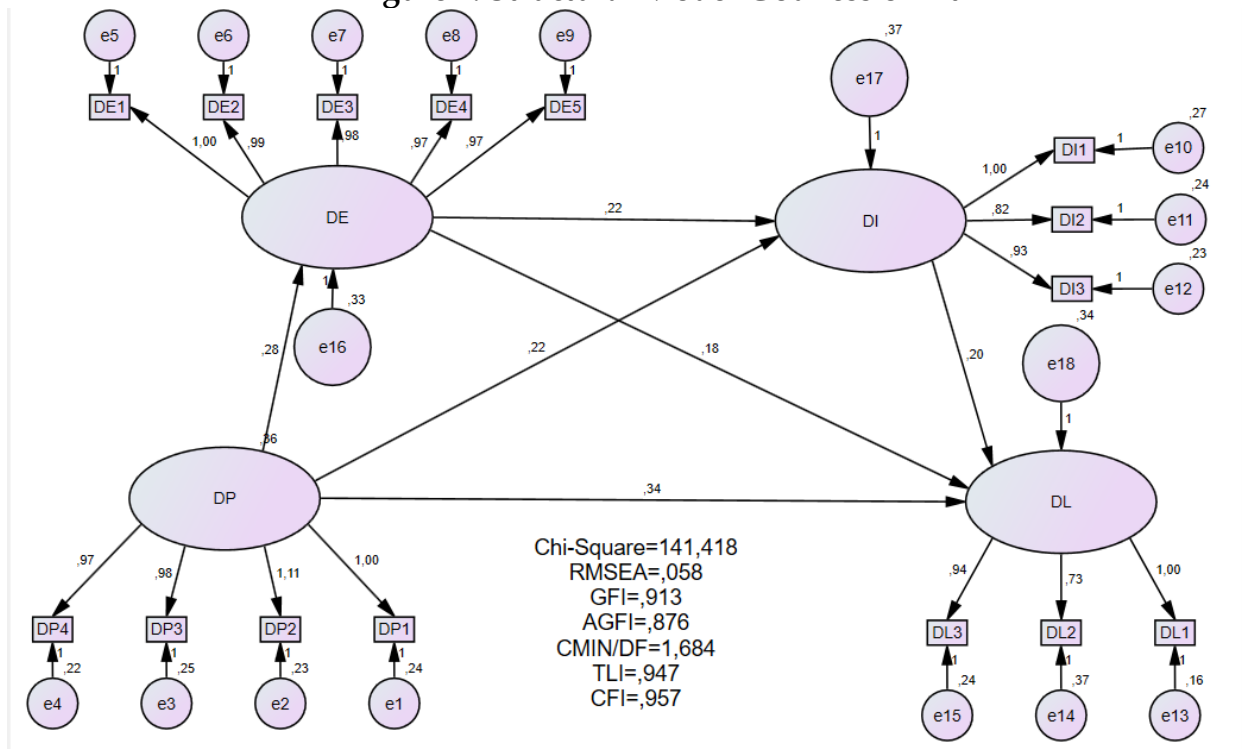


Source: Research results, 2024

Model goodness of fit in Structural Equation Modeling (SEM) is essential to determine how well a particular model aligns with empirical data, and is assessed using various fit indices. Commonly used indices include the Chi-Square test, which evaluates the difference between observed and expected data, and fit indices such as Root Mean Square Error of Approximation (RMSEA) and Comparative Fit Index (CFI), which provide insight into model adequacy and comparative fit (S & Mohanasundaram, 2024).

**Table 3. Godness of Fit Test Results**

| Goodness of Fit Index | Analysis Result | Cut-off Value | Model Evaluation |
|---|---|---|---|
| CMIN/DF | 1.684 | < 2.000 | Good Fit |
| Chi-Square | 141.418 | Expected to be small | Good Fit |
| GFI | 0.913 | > 0.9 | Good Fit |
| AGFI | 0.876 | > 0.9 | Marginal |
| TLI | 0.947 | > 90 | Good Fit |
| CFI | 0.957 | > 95 | Good Fit |
| **RMSEA** | **0.058** | **< 0.08** | **Good Fit** |

Source: Research results, 2024

The model feasibility test is carried out by reviewing the goodness of fit value displayed in Table 3. According to (Suliyanto, 2011) a model is suitable for use as a research model even if only one of the seven criteria falls into the fit category. Based on the table above, almost all the fit criteria are good fit with CMIN/DF of 1.684, Chi-

square of 141.418, GFI of 0.913, TLI of 0.947, CFI of 0.957, RMSEA of 0.058, but there is only one criterion that has a value of 0.876, which means poor fit so that it falls into the marginal category.

**Hypothesis Testing**

Hypothesis testing aims to analyze the relationship between latent variables in the research model (Hair, 2019). In Structural Equation Modeling (SEM), hypothesis testing is carried out using path analysis with the help of AMOS 24 software. Indicators for testing hypotheses through this path analysis are determined by looking at the output critical ratio or t value and p-value. A p-value less than 0.05 reveals that the hypothesis is statistically relevant. In addition, the correlation between variables can be seen from the positive or negative sign on the critical ratio or t value (Hair, 2019).

**Table 4. Hypothesis Testing**

| | Estimate | C.R. | P-Value | Result | Decision |
|---|---|---|---|---|---|
| Destination Experience ← Pestination Positioning | 0.276 | 3.350 | 0.00 | Sig | H1 Accepted |
| Destination Image ← Destination Experience | 0.219 | 2.374 | 0.018 | Sig | H2 Accepted |
| Destination Image ← Destination Positioning | 0.220 | 2.326 | 0.020 | Sig | H3 Accepted |
| Destination Loyalty ← Destination Image | 0.201 | 2.295 | 0.022 | Sig | H4 Accepted |
| Destination Loyalty ← Destination Positioning | 0.340 | 3.655 | 0.00 | Sig | H5 Accepted |
| Destination Loyalty ← Destoination Experience | 0.183 | 2.021 | 0.043 | Sig | H6 Accepted |

Source: Research results, 2024

The analysis demonstrates a strong positive association between destination experience and destination positioning, with an estimated coefficient of 0.276 and a p-value of 0.00. This suggests that a strong destination experience is a key factor in achieving effective positioning. In addition, destination image is shown to be influenced by destination experience (estimate 0.219, p-value 0.018) and destination position (estimate 0.220, p-value 0.020), signifying that a positive image is correlated with effective experience and positioning strategies. Furthermore, destination loyalty is also influenced by destination image (estimate 0.201, p-value 0.022), destination position (estimate 0.340, p-value 0.000), and destination experience (estimate 0.183, p-value 0.043). Overall, these results suggest that destination experience, image, and position are interrelated and contribute significantly to increasing traveler loyalty

**Parallel and Serial Indirect Effect Test**

Mediating variables are variables that affect the connection between independent and dependent variables (Baron, 1986). In parallel, the indirect effect looks to analyze how strongly a variable influences other variables, both exogenous and endogenous (Haryono, 2016).

**Tabel 5. Parallel and Serial Indirect Effect Test**

| Parameter | Estimate | Lower | Upper | P-Value | Result | Decision |
|-----------|----------|-------|-------|---------|--------|----------|
| **PIE 1** | ,050 | ,002 | ,130 | 0.039 | Significant | H7 Accepted |
| **PIE 2** | ,044 | ,005 | ,119 | 0.021 | Significant | H8 Accepted |
| **SIE** | ,012 | ,001 | ,045 | 0.035 | Significant | H9 Accepted |

Source: Research results, 2024

Table 5. presents the analysis of significant parallel and serial mediation effects, which are assessed using three main parameters: PIE 1, PIE 2, and SIE. PIE 1 has an estimated value of 0.050 with a p-value of 0.039, indicating a significant mediation effect and accepting hypothesis H7. This suggests that the first mediator plays a significant Effect on the correlation in the connection between independent and dependent variables. Similarly, PIE 2 shows an estimate of 0.044 and a p-value of 0.021, which also shows significance and supports the acceptance of H8, so the second mediator contributes significantly to the relationship. In addition, SIE with an estimate of 0.012 and p-value of 0.035 shows that the serial mediation effect is also significant, so H9 is accepted. Overall, the results of this analysis confirm that both parallel and serial mediation effects contribute greatly to explaining the the analysis indicates that multiple mediation pathways exist between the variables in this research model, Indicating that multiple factors contribute to the overall effect of the predictor variables on the outcome variable.

**Discussion**

These findings highlight the importance of a well-defined placemaking strategy to earn Generation Z's loyalty. This generation, characterized by their technological prowess and preference for unique and authentic experiences, responds positively to destinations that present a clear and compelling brand identity. In this study, nine hypotheses are proposed regarding the influence of destination positioning, destination experience, and destination image on Generation Z loyalty.

**Destination positioning has a positive affect on Generation Z's destination experience**

The findings indicate that destination positioning positively affects Generation Z's experience of the destination. This generation, known for their digital connectedness and high interest in authenticity and cultural diversity, tends to value destinations that have a clear identity and are relevant to their values. When a destination is positioned effectively, for example by highlighting cultural uniqueness, environmental sustainability or ease of digital access, it can increase their satisfaction, engagement and emotional connection to the destination. Thus, proper positioning not only attracts Generation Z's attention but also enriches their overall experience, encouraging loyalty and potential return visits.

This is supported by the results of previous research conducted by (Martins et al., 2023) showing that emotional bonds formed through DBEs are critical to fostering place attachment, further reinforcing the importance of strategic destination positioning in improving the overall brand experience. The difference in the place of

research conducted by (Martins et al., 2023) is in the country of Portugal. Meanwhile, this research was conducted in Indonesia. Although there are differences in research places, the results of both show that destination positioning has a positive relationship where destination positioning is crucial in shaping the visitor experience, influencing how tourists perceive a destination.

**Destination positioning has a positive affects on Generation Z's destination image**

The results of this study emphasize that proper positioning can shape destination image among Generation Z. Effective destination positioning can positively influence destination image, as this generation is highly responsive to relevant values, such as sustainability, inclusivity and authenticity. By highlighting attributes that match Generation Z's preferences and expectations, destinations can build a more attractive and trustworthy image. This positive image not only increases the attractiveness of the destination for Generation Z but also strengthens the identity of the destination, creates deep associations, and increases the chances of recommendations and repeat visits.

Research by (Prihananto et al., 2024) supports this by showing that a positive image results from an effective positioning strategy. Brand positioning is the way a brand is situated in the minds of customers, prospects, and other stakeholders when compared to its rivals. The difference in respondents in previous research (Prihananto et al., 2024) is smartphone respondents. Whereas in this study using tourist destination respondents. Nonetheless, the research findings show no variation; both studies highlight that the relationship between brand position and brand image is crucial for understanding how consumers perceive and engage with brands.

**Destination positioning has a positive affects on loyalty of Generation Z**

The findings indicate that strategic destination positioning can directly and positively impact the loyalty of Generation Z. By designing positioning that matches this generation's preferences such as authentic experiences, technology engagement and sustainability. Destinations are able to create stronger emotional attachments. Generation Z tends to show higher loyalty towards destinations that reflect their values and offer relevant experiences. This positive impact is reflected in their intention to return to visit the destination in the future as well as in the tendency to provide recommendations to their social networks.

This is supported by research ((Kusumaningrum, 2021)) which shows that Generation Z places significant value on destination brand awareness and perceived quality, which directly affects their loyalty to a destination. While the research conducted by (Kusumaningrum, 2021) did not directly address destination positioning, The results indicate a strong correlation between how destinations are positioned and Generation Z loyalty. Effective brand image, perceived quality, and awareness are important factors that can increase loyalty among this demographic. Whereas this study shows the direct influence of destination positioning on the loyalty of Generation Z in Indonesia.

**Destination experience has a positive effect on Generation Z's destination image**

The results show that a strategically designed destination experience has a positive impact on the destination's image in the eyes of Generation Z. When the experiences offered by the destination successfully reflect their specific expectations

and needs, this will strengthen the positive image of the destination. When the experiences offered by a destination successfully reflect their specific expectations and needs, it reinforces the positive image of the destination. Interesting and memorable experiences not only enrich their perception of the destination, but also add symbolic and emotional value, thus creating a deeper impression and increasing the overall appeal of the destination for Generation Z.

This is supported by previous research by (Tănase et al., 2023) which states that positive experiences during a visit, such as interactions with local people, natural beauty, and service quality, can form a positive image of the destination. Conversely, negative experiences can damage the destination's image. The difference between previous research and the current one lies in the object of the research site where the one conducted by (Tănase et al., 2023) the object of this study seeks to offer insight into the behavior and preferences of generation Z in the context of rural tourism in Romania. While this study focuses on the preferences of generation Z in the context of nature tourism as a whole in Indonesia. But even though there are differences in the context of tourism, the results of these two studies both state that destination experience contributes towards the creation of destination image

**Destination experience has a positive affects on Generation Z loyalty**

The consequence show that destination experiences designed to meet Generation Z's preferences and values have a positive direct influence on their loyalty. This generation tends to be more loyal to destinations that offer experiences that are authentic, unique and aligned with their concerns on issues such as sustainability and social responsibility. When destinations successfully deliver immersive and relevant experiences, it builds a strong emotional bond with visitors from Generation Z, which in turn drives their intention to make a repeat visit and increases their likelihood of recommending the destination to others.

This is supported by previous research conducted by (Jo ˇ Sko Brakus et al., 2009) the findings of this study reveal that an enjoyable brand experience is vital for establishing consumer loyalty. The study used generalized and cross-age characteristics of respondents, without paying special attention to generational differences. In contrast, this recent study specializes in generation Z as the main respondent group. This approach was taken to delve deeper into the unique aspects that differentiate generation Z from previous generations, such as the influence of technological advancements, social media, and social values developed in the digital era. Nonetheless, the consistent findings between the two studies suggest that destination experiences play an important role in increasing gen z loyalty.

**Destination image has a positive affects on Generation Z loyalty**

The results showed that positive destination image has a direct influence on Generation Z loyalty. Destination image encompasses the overall perception of the quality, value and unique characteristics of a place as perceived by travelers. For Generation Z, who are strongly influenced by authenticity, environmental responsibility, and digital appeal, a strong destination image that matches these values can increase their emotional attachment. When a destination is perceived

positively, it drives Generation Z's interest in returning and recommending it to others, which significantly strengthens their long-term loyalty to the destination.

Other research shows that a strong destination image significantly influences traveler loyalty, especially among Gen Z, who are attracted to destinations that reflect their values, such as environmental awareness and cultural authenticity (Yu & Hwang, 2019). This study conducted a comparison between two analysis approaches in Structural Equation Modeling (SEM), namely Partial Least Squares (PLS) and Analysis of Moment Structures (AMOS). The SEM-PLS method shows greater flexibility in handling data with non-normal distributions and is suitable for small to medium sample sizes, while SEM-AMOS is more suitable for analyzing normally distributed data with larger sample sizes. Despite the differences in methodological approaches, the results of this study remain consistent with previous findings, which empirically corroborate the argument that destination image has a significant influence on loyalty formation among Generation Z. The findings highlight the importance of selecting the right destination image for loyalty formation. The findings highlight the importance of selecting appropriate analytical methods in similar studies, and provide insights into the methodological impact on results and interpretations in terms of marketing and consumer behavior.

**Destination experience mediates the relationship between destination positioning and Generation Z loyalty**

The results show that destination experience acts as a mediator in the relationship between destination positioning and Generation Z loyalty. This means that strategically designed destination positioning can increase Generation Z's loyalty indirectly through the experience presented. When destination positioning successfully reflects values relevant to Generation Z, such as authenticity and sustainability, it shapes a more meaningful and memorable destination experience for them. These positive experiences, in turn, strengthen emotional attachment and satisfaction, which in turn drives long-term loyalty.

This is supported by previous research (Jiang & Hong, 2023) that destination experience serves as a mediator between destination placements and loyalty. That is, good placement can enhance tourists' positive experiences, which in turn will increase their loyalty to the destination. The analytical tool used in this study is partial least squares based structural equation modeling (PLS-SEM), which was chosen for its ability to handle complex models and test the connection between latent variables. Whereas in this research using SEM-AMOS for the analysis of normally distributed data with a larger sample size. Despite the differences in methodological approaches between these two methods, the outcomes of this research are in agreement with previous studies, empirically reinforcing the idea that destination experience mediates the link between destination positioning and loyalty among Generation Z These findings emphasize the importance of choosing the right analytical method in similar studies and provide insights into the methodological impact on results and Interpretations concerning marketing and consumer behavior.

**Destination image mediates the relationship between destination positioning and Generation Z loyalty**

The results suggest that destination image mediates the relationship between destination positioning and loyalty among Generation. With effective positioning, destinations can build positive perceptions in the minds of Generation Z, creating a relevant and attractive image. This positive image then plays a role in strengthening Generation Z's loyalty by increasing their emotional attachment to the destination. In this context, destination image becomes the connecting element that turns positioning into long-term loyalty, as a strong image that aligns with Generation Z's values, such as sustainability and uniqueness, increases their propensity to revisit and recommend.

This is supported by previous research (Camprubí & Gassiot-Melian, 2023) stating that goal imagery significantly affects how Generation Z perceives the position of the goal, thus increasing their loyalty to the goal. The main analytical tool used in this study is path analysis. It allows for the examination of the dynamic nature of the destination image by integrating various variables into a path analytic model. Whereas in this study, the SEM analysis tool AMOS was used. Despite the differences in methodological approaches between these two methods, the results of this study remain consistent with previous findings, which empirically support the argument that destination image acts as a mediator in the relationship between destination positioning and generation Z loyalty. The findings highlight the significance of selecting an appropriate analytical method for similar studies, shedding light on how methodological choices can influence both the outcomes and interpretations in the fields of marketing and consumer behavior.

**Destination experience and destination image mediate the relationship between brand positioning and Generation Z loyalty**

Experience and destination image jointly act as mediators in the relationship between destination positioning and Generation Z loyalty. Proper destination positioning can shape positive perceptions (destination image) and create meaningful and relevant experiences for Generation Z. These positive images and satisfying experiences then strengthen Generation Z's emotional attachment, leading to increased loyalty. This positive image and satisfying experience then strengthens Generation Z's emotional attachment, leading to an increase in their loyalty.

Other research supports this hypothesis, stating that an effective destination marketing strategy should prioritize the creation of positive brand experiences and an appealing destination image in order to increase loyalty among Generation Z travelers (Sönmez et al., 2002). The respondent demographics in the previous study were primarily male (63%) and mostly over the age of 35 (79.1%), with an average age of 42. In contrast, this study's respondents were predominantly female (55%) and aged between 18 and 27, representing Generation Z. Despite the demographic differences among respondents, these two elements play a significant role in increasing Generation Z's propensity to make repeat visits and provide positive recommendations for the destination.

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## CONCLUSIONS

The implications of destination positioning for Generation Z loyalty in tourism highlight the need for customized marketing strategies that align with the unique preferences of this demographic. Destinations should prioritize offering memorable and authentic experiences, emphasizing sustainability and value for money, as these factors are increasingly important to Gen Z travelers. When making travel plans, Generation Z heavily relies on social media, highlighting the need for visually striking content to attract their interest. In addition, ensuring safety and comfort is paramount, as these travelers seek a safe environment during their adventures. Ultimately, a holistic approach that combines experiential marketing with a strong online presence will foster deeper emotional connections and loyalty among Generation Z, positioning destinations favorably in the competitive tourism landscape.

An investigation into the travel patterns and attitudes of Post-Millennials behavior and preferences presents some limitations that need to be considered. A significant number of previous studies depend largely on self-reported data, which can be subject to social desirability bias or memory lapses, potentially limiting the reliability of insights into true motivations and experiences. Furthermore, the rapid evolution of social media platforms and technology means that findings can quickly become outdated, as Generation Z's preferences shift in response to new trends and tools. Furthermore, there is a lack of comprehensive studies examining intersectionality within Generation Z, such as how factors like socioeconomic status, cultural background and geographic location influence their travel choices. These gaps in research limit the ability to generalize findings across this generational segment, which requires further investigation to capture A more detailed understanding of their behaviors and expectations within the tourism industry.

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