

ABSTRACT

This study investigates the factors influencing customer satisfaction in the hospitality industry in Sri Lanka and its impact in order to maintain Sri Lanka's competitive advantage as a much sought-after tourist destination. Based on a sample of 371 tourists that are accommodated at three-four star hotels in the Colombo, Kandy, Gampaha and Galle in Sri Lanka. The sample is selected on convenient sampling method. Data collection was done by using semi structured questionnaire method as a survey tool. The data were analyzed using the Structural Equation Method (SEM) to determine the effect of how consumer loyalty varies based on key factors; Service quality, Perceived value, Behavioral intentions, and Physical attributes. Normality Test were conducted and identified the data were normally distributed. Sample adequacy was tested by using KMO and Bartlet Test and the test satisfied the sample adequacy. Reliability was tested using Cronbach alpha, and all the variables had the Cronbach alpha over 80 percent indicating sufficient reliability. In case of validity, expert validity was used with the help of supervisor. Model fit was measured by using CMIN/DF which make sure the value less than five in order to secure better model fit as indicated by SEM. Goodness of Fitness (R^2) was made sure from GFI, AGFI and PGFI ranging the value over 50 percent. The study concludes that there is a positive effect from Service quality, Perceived value, Behavioral intentions, and Physical attributes to Consumer loyalty with an acceptable significance.

Key Words: *Service Quality, Perceived Value, Behavioral Intentions, Physical Attributes and Consumer Loyalty*