A STUDY ON GUEST PERCEPTION ABOUT SERVICE QUALITY WITH REFERENCE TO HOTEL INDUSTRY

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ABSTRACT

Service quality is the bond that the delivery with the Customer Satisfaction. It is a strong desire to stay as a member of a particular hotel industry and they maintain (or) exercise high levels of efforts on behalf of the PLA hotel. It is also termed as the individual’s psychological attachment to the hotel industry. The study is basically to customer satisfaction and providing products or services with high quality. The service quality is a major challenge for the service industry. The objective of the study is to find out the factors that vary between demographic variables of the respondents and independent factors. The researchers have taken the independent factors, it was chosen on both primary and secondary data. It also projects a relationship between those independent factors and demographic factors. The primary data has been collected using the questionnaire and has been analyzed using statistical tools with the help of descriptive analysis, chi-square test, correlation & multiple regression for data analysis in this study. The results indicate that the customer satisfaction and priority of service quality.

1. SERVICE QUALITY – AN OVERVIEW

Service quality has drawn on ‘the delivery of excellent or superior service relative to customer expectation’. Service quality has found one of the significant factors in distinguishing services and products. Service quality is an important tool to measure customer satisfaction. There is a close relationship between service quality and customer satisfaction. Customer satisfaction can be protected by providing products or services with high quality. The concept of service quality emerges as a major challenge for service industries. This is because of the characteristics of services; especially in the encounter between the provider and customer in the service process, service quality is a more complex construct than the product quality. Indeed, the most fundamental definition of a quality product is the one that meets the expectations of the customer. In the hotel industry, quality is defined simply as product conformation to specifications while meeting the expectations of the customer.

2. CUSTOMER LOYALTY

Customer loyalty is an important aspect of service provision because maintaining existing customers may generate a higher profit than attracting new ones. Consequently, creating customer loyalty has become a major goal of many businesses, particularly for those in the service sector loyalty are associated with high levels of repurchase. Loyalty can also be classified into four categories according to the level of satisfaction, loyalty and repurchase intention. These categories are loyalist; defector; mercenary; and hostage. Consequently, the measurement of customer loyalty should involve not only the intention to repurchase but also such other favorable consumer responses as an intention to spread a positive word-of-mouth communication.
3. STATEMENT OF PROBLEM

Service quality is defined as the outcome of a comparison between expectations of a service and what is perceived to have been received. The hotel industry in Kumbakonam has seen increased growth in recent years, however, despite this growth; the industry continues to encounter problems with regard to service quality. Such service failures include low service quality, poor coordination between departments, and poor food quality and communication problem with the employees. The impact of factors such as physical environment, interaction & employee behavior quality and outcome variables viz., service quality which leads to customer loyalty. Out of more factors, which factor is playing the significant role to measure the service quality? With this question, the researchers have made an attempt to study the factors influencing service quality.

4. OBJECTIVES OF STUDY

The main objectives of this research are

- To study the association between the demographic variables of the respondents and service quality of PL.A Residency in Kumbakonam
- To study the variation between demographic variables of the respondents and independent factors
- To study the relationship between the independent factors and service quality.
- To study the effect of independent factors on service quality
- To study the association between the service quality and outcome variables viz., customer loyalty
- To study the effect of service quality and customer loyalty.

5. HYPOTHESSES OF THE STUDY

Based on the review of literature and objectives of the study, the hypothesis was formulated and examined in this study.

- Ho1: There is no association between demographic factors of respondents and the service quality.
- Ho2: Independent factor does not vary with the demographic characteristics of the respondents.
- H03: There is a significant relationship between the independent factors and the service quality of PL.A Residency in Kumbakonam
- H04: There is no significant effect of independent factors on service quality.
- H05: There is no association between the service quality and outcome variables viz., customer loyalty
- H06: There is no significant effect of service quality and customer loyalty.

6. SCOPE OF THE STUDY

- To study the customers’ perception of the service quality at the hotels, and to gain a greater knowledge of their expectations in order to satisfy them. This will help to indicate which service areas need to be improved.
- To study the customer’s loyalty towards a particular hotel and try to discover what are the key points that attract them to the hotel.
- To study the perception of the customers of the hotel, and gain in-depth knowledge of how a hotel wants to be remembered and which factors will influence the customers to return business.
- To study whether the customer will change (decrease or increase) their level of customer loyalty if the hotel changed their service quality.
7. LIMITATIONS OF STUDY

The opinion is expressed by the tourists visited in the Hotel PL. A Residency; Kumbakonam may not be fully applicable to other hotels industry. The sample size is confined to the concentrated hotel, Kumbakonam destination. Opinion exposed by tourists about a particular place at a particular point of time may not be applicable to all the places and all times.

8. RESEARCH METHODOLOGY

This study is carried out by adopting the explanatory research design. The researcher has used both primary and secondary data. The primary data were collected from the 180 respondents in PL.A Residency, Kumbakonam through a structured questionnaire which has reliability value of 0.892 (89%) by applying Cronbach’s Alpha Test. The respondents were chosen from all levels of customers in a hotel by applying random sampling method. The researcher has used statistical tools such as descriptive analysis, chi-square test, correlation & multiple regression analysis for data analysis in this study.

9. CONCEPTUAL FRAMEWORK

These issues present barriers to the development of Hotel PL.A Residency and therefore require attention.

![Conceptual Framework](Image)

10. LITERATURE REVIEW

1. Ineson et al. (2011) pointed out those key indicators for excellent service includes employees passion, employee honesty, trustworthiness and capability to deal with emergencies.

2. Al Khattab and Aldehayyat (2011) concluded that customers gave the lowest ranking of quality due to the physical aspects of the service equipment and facilities, the appearance of employees, materials associated with the service and operating hours in the hotels.

3. Boon-Liat, C., & Zabid, A. R. (2013) stated that the higher the class of the hotel, the greater will be the quality. So more the customer pays the greater will be their expectation and loyalty towards the hotel. The suggestion for the improvement of hotel service quality was to
carry it out across three levels, taking into account the improvement of process quality, result quality and structural quality throughout the influence of ‘soft’ and ‘hard’ service segments and the environment, or impact on them.

4. Kariru (2014) has made a research on the customers’ perceptions and expectations of service quality in hotels in Western tourism circuit, in Kenya indicated that the customer satisfaction can be increased by improving their expected service quality standard of hotels.

5. G/egziabher ππ 2 (2015) examined the service quality and customers satisfaction in hotel industry in Addis Ababa, Ethiopia on three star hotels stated that the combination of embodiment, authenticity, responsiveness, confidence and communication together has significant and positive effect on customer satisfaction. And also, the hotel guests’ perceptions of service quality provided by the hotel industry were lower than their expectations.

6. Andargie (2013) conducted a study on foreign customer satisfaction in Ethiopian five-star hotels Sheraton Addis and Hilton intercontinental hotels reported that foreign customers are not satisfied by the services of the hotels, and all services quality dimension of the hotel created a gap in their customer's expectation and perception.

7. Balciunas, Jasinskas, & Koisova, 2014 & Dabija, Dinu, Tâchiciu, & Pop, 2014 stated that the loyalty of existing customers is very important because the attraction of new customers is much more expensive than the retention of existing ones.

8. Arrifin and Magzhi, 2012 stated that since responsiveness is related to the willingness of the staffs, hotel establishments are responsible to provide a better experience to the customers so that the level of hospitality will determine continuing patronage.

9. Brunner-Sperdin, Peters, and Strobl, 2012, Customers usually compare their expectation towards the service because they will always expect a high-quality service in front office department. Therefore, the front office should create a desirable atmosphere to meet the customer expectations.

10. Tsiotsou & Goldsmith, 2012, stated that the customer loyalty is the main reason why some hotels lag behind. To achieve greater heights of customer satisfaction and loyalty, the management must show the willingness to adapt to the needs of customers so that they can their existing customers rather than attracting the new customers.

11. Kinderis et al. (2011), who had assessed service quality in the hotel business found that the service quality fails to surpass customers’ expectations. Their expectations were sociability, safety, understanding, tangibility criteria, and the experienced service quality was the best evaluated under the following criteria: safety, tangibility, confidence, and sociability.

12. Mohsin and Lockyer, 2010 the researcher found that though there are many hotels, the survival of hotel depends upon the delivery of service quality resulting in customer retention.
13. Gunaratne (2014), most important factor in predicting tourism service quality evaluation was tangibility, followed by empathy, reliability, and responsiveness.

14. Kuo, Chang, Cheng, and Lai 2013 performed the research in China and Spain and found the significance of service quality for the loyalty of the customers and determined that the evaluation of service quality is higher by the customers who are more loyal.

15. Kotler and Armstrong (2011) defined service quality as the ability to fulfill stated and implied needs. Based on the conceptualizations of service quality there are some models in the literature that have been used to measure the quality of the services.

16. Rahaman et al, 2011, he studied that Service quality is an approach to manage business processes in order to ensure full satisfaction of the customers which will help to increase competitiveness and effectiveness of the service industry. He concluded that Quality of service is very important especially for the growth and development of service sector business enterprises.

17. According to Markovic and Raspor (2010), he studied the main dimensions of perceived service quality in hotels like reliability, empathy and competencies of staff, accessibility, and tangibles.

18. Asirifi et al. 2014, he stated that Service responsiveness in terms of responsive attitude and prompt response to customer’s request have an adverse effect on service quality which leads to customer loyalty and profitability.


20. Deng Yingru (2013) studied the relationship between service quality and customer loyalty of catering group-buying. The research proves that group buying will produce a positive effect on catering enterprises and also has a positive effect on customer loyalty in catering enterprises through customer satisfaction.

11. Results & Discussion

**TABLE 1**

DEMOGRAPHIC PROFILE OF THE RESPONDENTS

<table>
<thead>
<tr>
<th>S. No</th>
<th>Demographic Factors</th>
<th>Age (Yrs)</th>
<th>Gender</th>
<th>Monthly Income (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Age (Yrs)</td>
<td>&gt;25</td>
<td>Male</td>
<td>&lt;5 lakhs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>50/27.8%</td>
<td></td>
<td>6-10 lakhs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>78/43.3%</td>
<td></td>
<td>&gt;11 lakhs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>32/17.8%</td>
<td>Female</td>
<td>56.7%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10/5.6%</td>
<td></td>
<td>43.3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10/5.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Gender</td>
<td></td>
<td>102</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>56.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Monthly Income (Rs.)</td>
<td>&lt;5 lakhs</td>
<td>78</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>6-10 lakhs</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>&gt;11 lakhs</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The above table depicts that 27.8% of respondents were in the age group of below 25 years, 43.3% of respondents were in the age group of 26-35 years, 17.8% of respondents were in the age group of 36-45 years, 5.6% of respondents were in the age group of 45-55 years, 5.6% of respondents were in the age group of above 56 years of which 56.7% of respondents were male and 43.3% of respondents were female. The table also shows that 55% of respondents are drawing a monthly income group of above 5 lakhs, 34.4% of respondents are drawing a monthly income group of 6-10 lakhs, and 10.6% of respondents are drawing a monthly income group of above 11 lakhs.

Table 4.2 also depicts that 42.8% of the respondents were qualified with a UG Degree, 35.8% of the respondents were qualified with a PG Degree, 21.6% of the respondents were qualified with other courses, of which the occupation of the respondents salaried was 44.4%, student was 17.8%, self-employed was 25% and others were 12.8%. The table also shows that 50.6% of the respondents were experiencing the first visit to the hotel and 49.4% of the respondents were not experiencing the first visit to the hotel respectively.

### TABLE 2

CHI-SQUARE TEST BETWEEN DEMOGRAPHIC FACTORS AND HIGH-QUALITY SERVICES

<table>
<thead>
<tr>
<th>S. No</th>
<th>Factors</th>
<th>$\chi^2$ Value</th>
<th>Sig.</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Gender</td>
<td>5.409</td>
<td>0.144</td>
<td>Accept</td>
</tr>
<tr>
<td>2.</td>
<td>Age</td>
<td>55.241</td>
<td>0.000*</td>
<td>Reject</td>
</tr>
<tr>
<td>3.</td>
<td>Marital</td>
<td>13.563</td>
<td>0.103</td>
<td>Accept</td>
</tr>
<tr>
<td>4.</td>
<td>Coming from</td>
<td>22.230</td>
<td>0.026*</td>
<td>Reject</td>
</tr>
<tr>
<td>5.</td>
<td>Education</td>
<td>37.198</td>
<td>0.000*</td>
<td>Reject</td>
</tr>
<tr>
<td>6.</td>
<td>Occupation</td>
<td>51.514</td>
<td>0.000*</td>
<td>Reject</td>
</tr>
<tr>
<td>7.</td>
<td>Income</td>
<td>45.912</td>
<td>0.000*</td>
<td>Reject</td>
</tr>
<tr>
<td>8.</td>
<td>Purpose of visit</td>
<td>32.951</td>
<td>0.000*</td>
<td>Reject</td>
</tr>
</tbody>
</table>
9. Re-booking 47.861 0.000* Reject
10. No-of-days stay 54.871 0.001* Reject
11. First visit to hotel 59.004 0.000* Reject

(* = $H_0$ accepted at 5% significance level)

**Hypothesis ($H_0$):** There is no association between demographic factors of respondents and the high-quality services.

From the table, the results show that there is no significant association between demographic factors such as gender and marital of the respondents and high-quality services, since null hypothesis is accepted ($p>0.05$). The results also show that there is a significant relationship between demographic factors such as age, coming from, education, occupation, income, the *purpose* of visit, re-booking, No.of. days stay, first visit hotel, since null hypothesis is rejected ($p<0.05$).

**TABLE NO: 3**

INDEPENDENT FACTORS AND THE DEMOGRAPHIC VARIABLES OF THE RESPONDENTS – ONE WAY ANOVA

<table>
<thead>
<tr>
<th>S. No</th>
<th>Independent Factors</th>
<th>F</th>
<th>Sig.</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ambience</td>
<td>0.7843</td>
<td>0.4585*</td>
<td>Accepted</td>
</tr>
<tr>
<td>2</td>
<td>Location</td>
<td>9.3186</td>
<td>0.0002</td>
<td>Rejected</td>
</tr>
<tr>
<td>3</td>
<td>Cleanliness</td>
<td>3.0374</td>
<td>0.0513*</td>
<td>Accepted</td>
</tr>
<tr>
<td>4</td>
<td>Food and beverages</td>
<td>1.3676</td>
<td>0.2582*</td>
<td>Accepted</td>
</tr>
<tr>
<td>5</td>
<td>Safety and security</td>
<td>2.4805</td>
<td>0.0875*</td>
<td>Accepted</td>
</tr>
<tr>
<td>6</td>
<td>Interaction and employee behavior</td>
<td>6.9340</td>
<td>0.0014</td>
<td>Rejected</td>
</tr>
<tr>
<td>7</td>
<td>Waiting time</td>
<td>14.1262</td>
<td>0.0000</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

(*=H$_0$ accepted at 5% significance level)

**Hypothesis ($H_0$):** There is no significant difference between demographic variables and independent factors of service quality.

From the table, the results show that there is no significant difference between demographic variables of the respondents and independent factors of service quality such as ambiance, cleanliness, food and beverages and safety and security at 5% significance level ($p>0.05$). The result also shows that there is a significant difference between the position of the respondents and some independent factors like Location, Interaction, and employee behavior and Waiting time.
TABLE NO: 4
UNSTANDARDIZED COEFFICIENTS OF REGRESSION MODEL – SERVICE QUALITY

<table>
<thead>
<tr>
<th>S. No</th>
<th>Predictors</th>
<th>Unstandardized Coefficients</th>
<th>Sig.</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Constant)</td>
<td>0.384</td>
<td>0.135</td>
<td>0.047</td>
</tr>
<tr>
<td>1.</td>
<td>Ambience</td>
<td>0.334</td>
<td>0.094</td>
<td>0.008*</td>
</tr>
<tr>
<td>2.</td>
<td>Location</td>
<td>0.085</td>
<td>0.077</td>
<td>0.370</td>
</tr>
<tr>
<td>3.</td>
<td>Cleanliness</td>
<td>0.062</td>
<td>0.087</td>
<td>0.615</td>
</tr>
<tr>
<td>4.</td>
<td>Food and beverage</td>
<td>0.316</td>
<td>0.080</td>
<td>0.021*</td>
</tr>
<tr>
<td>5.</td>
<td>Safety and security</td>
<td>0.379</td>
<td>0.079</td>
<td>0.001*</td>
</tr>
<tr>
<td>6.</td>
<td>Interaction &amp; employee behavior</td>
<td>0.393</td>
<td>0.083</td>
<td>0.021*</td>
</tr>
<tr>
<td>7.</td>
<td>Waiting time</td>
<td>0.041</td>
<td>0.080</td>
<td>0.817</td>
</tr>
</tbody>
</table>

R = 0.805  \( R^2 = 0.648 \)

* = significance at 5% level

Hypothesis (H₀): There is no significant effect of independent factors on service quality.

The R value represents the simple correlation and is 0.805, which indicated a high degree of correlation between the individual factors and service quality. The \( R^2 \) value indicated that 64.8% (0.648) of the variance independent variable “service quality” is explained by the independent variables.

The above table shows that the predictor variables such as ambience, location, food and beverages, safety and security, interaction and employee behavior (\( p<0.05 \)) are statistically significant towards service quality. The regression result also shows that the variable, i.e., cleanliness, waiting time are not statistically significant (\( p>0.05 \)). Since the P value is greater than 0.05 and the table also depicted the R and \( R^2 \) values of the model. From the above table, it can be inferred that there are significant effects of independent factors viz., ambience, location, food and beverages, safety and security, Interaction and employee behavior. The table also inferred that there is no significant effect of factor viz., cleanliness and waiting time for service quality.
TABLE: 5
CHI-SQUARE TEST BETWEEN SERVICE QUALITY AND OUTCOME VARIABLE
– (GUEST LOYALTY)

<table>
<thead>
<tr>
<th>S.No</th>
<th>Factors</th>
<th>$\chi^2$ Value</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>High quality services</td>
<td>67.620</td>
<td>0.000*</td>
<td>Reject</td>
</tr>
<tr>
<td>2.</td>
<td>Superior quality consideration</td>
<td>51.060</td>
<td>0.000*</td>
<td>Reject</td>
</tr>
<tr>
<td>3.</td>
<td>Convenient operating hours</td>
<td>55.143</td>
<td>0.000*</td>
<td>Reject</td>
</tr>
<tr>
<td>4.</td>
<td>The overall experience of the hotel</td>
<td>78.196</td>
<td>0.000*</td>
<td>Reject</td>
</tr>
</tbody>
</table>

(* = Ho accepted at 5% significance level)

**Hypothesis (H₀):** There is no significant association between the service quality and outcome variable.

The above table shows that there is a significant association between service quality viz., High-quality services, Superior quality consideration, Convenient operating hours & Overall experience of the hotel and Guest loyalty as the outcome variable, since the null hypothesis is rejected (p<0.05).
FINDINGS & SUGGESTIONS

Findings

- From the study it was found that 44% of respondents were in the age group of 26-35 years, 17% of respondents were in the age group of 36-45 years of which 56.7% of respondents were male and 43.3% of respondents were female. This table also shows that 34.4% of respondents are drawing a monthly income group of 6-10 lakhs, and 10.6% of respondents are drawing a monthly income group of above 11 lakhs.

- 36% of the respondents were qualified with a PG Degree, 43% of the respondents were qualified with a UG Degree of which 51% of the respondents were experiencing the first visit to the hotel and 50% of the respondents were not experiencing the first visit to the hotel.

- 38% of respondents came here to stay for a business visit, 31% of respondents came here to stay for the holiday of which 37% of the respondents coming from Tamilnadu and 23% of the respondents were coming from Kerala. This table also shows that 33% of the respondents usual booking the hotel through phone and 27% of the respondents usual booking the hotel through Mail.

- 45% of the respondents were salaried, 25% of the respondents were self-employed. The table also shows that 56% of the respondents were married and 24% of the respondents were not married of which the 57% of the respondents stay for 1 day and 30% of the respondents stay for 2-3 days.

- From the analysis, the results show that null hypothesis is rejected and it was concluded that there is a significant relationship between demographic factors such as age, coming from, education, occupation, income, purpose of visit, re-booking, No.of.days stay, first visit hotel of the respondents with the service quality, it is also concluded that there is no significant association between gender and marital of the respondents with that of the service quality, since null hypothesis is accepted.

- The analysis of ANOVA shows that there is no significant difference between demographic variables of the respondents and independent factors of service quality such as ambiance, cleanliness, food and beverages and safety and security. The result also shows that there is a significant difference between the position of the respondents and some independent factors like Location, Interaction, and employee behavior and Waiting time.

- From the analysis of correlation, it is found that there is a positive correlation between independent factors and service quality. It is also found that there is a statistically strong correlation between service quality and food & beverage and Interaction & employee behavior and the statistically significant positive correlation between independent factor and service quality and waiting time.

- Regression analysis shows that the independent factors viz., ambiance, location, food and beverages, safety and security, interaction and employee behavior (p<0.05) are statistically significant towards service quality. The regression result also shows that the variable, i.e., cleanliness, waiting time are not statistically significant (p>0.05). Since the P value is greater than 0.05. The R value represents the simple correlation and is 0.805, which indicated a high degree of correlation between the individual factors and service quality. The R² value indicated that 79.8% (0.798) of the variance in dependent variable “service quality” is explained by the independent variables.

- The researcher found that the chi-square values inferred that there is a significant relationship between the service quality and outcome variables – Customer loyalty.
Also, R value which represents the simple correlation and is 0.798 which indicated a high degree of correlation between the outcome factors and service quality. The $R^2$ value indicated that 59% (0.594) of variance in dependent variables “customer loyalty” is explained by the independent variable viz., service quality.

**Suggestions**

- The hotel can improve the level of by concentrating on ambiance, location, cleanliness, food and beverage, safety and security, interaction and behavior quality, waiting time, service quality
- Since cleanliness has a greater influence on customer loyalty the hotel need to concentrate more on cleanliness factor.
- Interaction and Behavior Quality will also have a greater influence on service quality so it is recommended that the employees of the hotel should be trained properly to interact with the guests of the hotel. The hotel can have a periodical evaluation on the training process.
- The waiting time for service delivery process should be properly maintained to satisfy the customers and to make them loyal to the hotel.
- Since all the factors considered in the study have a positive relationship with service quality, customer loyalty the hotel should consider these factors as important for the overall development.

**Conclusion**

In the current scenario, Cleanliness is an important factor for the development of the hotel. It is the main factor that leads to service quality and customer loyalty. So the hotel should maintain cleanliness which is an important factor for creating a brand image. From the study, it is found that waiting time is one of the most important factors for a service delivery process. Interaction and behavior quality is also an important factor that leads to customer loyalty and service quality. So, the hotel management must take a keen interest in training the employees about their behavior and interaction with the guests. From the study, it is clear that ambiance and food & beverage are positively correlated to service quality and customer loyalty which mean that if ambiance and food & beverage are improved it would improve service quality that leads to customer loyalty for the hotel.

**References**


