

Perception of Service Quality in Hotel Industry: A Case of Five Star Hotels of Jaipur City

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Abstract

Service quality is increasingly being emphasized by industries today as it not only offers a competitive advantage but also ensures a sustainable advantage for them. The present study uses the SERVQUAL instrument for measuring service quality in the various 5 star hotels of Jaipur city and tries to identify the various dimensions which contribute to customer satisfaction. The results reveal that the correlation of tangibility and reliability was low (.110) and between responsiveness and empathy was also less (.059). The results show a positive statistical significance between customer satisfaction and the dimensions of assurance and responsiveness while there was found to be less correlation between customer satisfaction and the dimensions of tangibility and empathy. The standard deviation also ranges between 0.189 to 0.458. The results reveal that the relative relationship between the various dimensions and customer satisfaction vary and that the total service quality also varies from service to service. Hence the specific impact of each quality element should be taken into account before designing the services processes.

Keywords: Service Quality, SERVQUAL, Customer Satisfaction, Services Processes

Introduction

India has become one of the most important players of the tourism industry worldwide. The attention to service quality from the customer's perspective is considered as the most important developments in the tourism industry (Fache et.al., 2000; Nadiri and Hussain, 2005).

To achieve this hoteliers must understand their consumer needs and then set out to meet these needs (Nadiri and Hussain, 2005). During the last two decades there has been an increasing interest in service quality based on the assumption that quality offers organizations a competitive and sustainable advantage (Hernandez et. al., 2009). The attention to service quality from the customers' perspective is considered as the most important developments in the tourism industry (Fache, 2000, Nadiri and Hussain, 2005). Measuring service quality is a very complex task because of the peculiarities embodied in the service product itself. In fact a service is hardly reproduced consistently and exactly, because of the variability of service from time to time and from one customer to another (Ghobadian et. al., 1994). The literature provides many methods to measure service quality (e.g. Cronin and Taylor, 1992, 1994; Parasuraman et. al., 1988, 1991; Teas, 1994). A vast majority of studies have used SERVQUAL approach in the research on service quality (Bigne et. al., 2003; Harline and Jones, 1996; Martin, 1995; Sahney et. al., 2006; Simon and Woo, 1997; Van Dyke et. al., 1999). The present study also aims to use SERVQUAL for effective measurement of service quality dimensions in hotels of Jaipur and examine their relationship with customer satisfaction. It is believed that the findings will provide an insight for effective measurement and management of service quality in the hotel sector of Jaipur city.

Literature Review

Among all customer demands, quality service has been increasingly recognized as a critical factor in the success

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of any business (Gronoos, 1990, Parasuraman et. al., 1988. Anderson et. al. (1994). Various studies have discussed the relative importance of service quality, customer satisfaction and customer value as the most important factors of business success for both manufacturers and service providers. Several studies on quality management have demonstrated that delivering superior service quality enhances productivity, reduces costs, increase loyalty, improves market share and brings other general benefits to a service organization (Thompson et. al., 1985; Zeithmal et. al., 1988; Kadampully, 1988).

Service quality is a topic of crucial importance for the hotel industry. The unique characteristics of service make its definition and measure difficult. Edvardsson et.al. (2000) define the services concept as a group of various activities whose common characteristics is that they are abstract. Parasuraman and colleagues define service quality as a type of altitude that reflects the excellence or superiority of a service. Service quality is a difficult concept and it is almost impossible to have one single measure to assess its level. Much literature suggests the customer is the only real arbiter of service quality. However this approach can be criticized as it fails to take into account the differing perceptions of customers. As the services possess the element of intangibility it is very difficult to have a standard and scientific tool for measurement (Carman, 1990; Parasuraman et.al., 1985, 1988). The list of service attributes to include in a service quality evaluation questionnaire is commonly developed through literature reviews, qualitative research as well as pilot surveys (Chu, 2002; Imerie et. al. 2002; Suresh chander et. al., 2002).

The most widely accepted measurement scale for service quality is SERVQUAL (Parasuraman et. al., 1985; 1988) which consists of five essential service quality dimensions

Tangibles: Include physical installations, equipment and personal appearance.

Reliability: Ability to deliver the service in a correct and reliable form.

Responsiveness: Willingness to help customers and provide prompt service.

Assurance: Knowledge and courtesy of employees and their ability to inspire trust and confidence.

Empathy: Individualized attention that the firm provides to its customers.

However several researchers stress that the SERVQUAL instrument needs to be customized to the phenomenon unique to individual service industry (DeMoranville and Beinstock, 2003; Llosa et. al., 1998). This includes the addition or deletion of steps to capture the domain of the service under investigation. Modification steps have been encouraged for items that will be used for the measurement of hotel service (Getty and Thompson, 1994; Ingram and Daskalakis, 1999; Lee and Hing, 1995). However so far the SERVQUAL scale remain unchanged in the majority of replication studies in the hospitality sector (Bojanic and Rosen, 1994; Lam et. al., 1997; Ryan and Cliff, 1997) and only a few explicitly raised the domain issue in their empirical work (Richard et. al.,1994; Johns and Tyas, 1996).

Some scholars have indicated that the SERVQUAL scale concentrates the efforts on measuring functional aspects of the service encounter between the employees and customers, while relational facets of service quality are superficially assessed. (Price et. al.,1995).

Service quality data are frequently analyzed using regression analysis (Hill, 1986; Bolton and Drew, 1994; Desarbo et. al., 1994; Liljander and Strandvik, 1995). With this approach the key drivers of satisfaction are identified by analyzing an overall measure of customer satisfaction against performance ratings of the various service attributes. Since the relative importance of the service attributes in determining customer satisfaction is implicit, it is sometimes referred to as the derived importance method. Gaps between service importance/expectation and performance scores reveal where improvements can be made to the service mix. Both the explicit importance/expectation methods and the implicit service quality evaluation approaches have their supporters and detractors and much literature has been produced in this regard (Cronin and Taylor, 1992; Desarbo et. al., 1994; Buttle, 1996; Newman, 2001).

Methodology

Research Population and Sample

The population of study consisted of customers visiting three five star hotels located in Jaipur city. The respondents were selected on the basis of a non probability

convenience sampling technique. The respondents were requested to fill out the questionnaires after their checkout transactions. The questionnaire was in two main parts. Part one was designed to examine the quality service perception through five dimensions (tangibility, reliability, responsiveness, assurance and empathy). In addition part one includes one dimension for measuring customer satisfaction. Part two was designed to get the information regarding the respondents. A total of 150 questionnaires were distributed and collected personally throughout the year. Of these 110 were found to be valid for analysis. The response rate was therefore 73% from the original sample of 150.

Measures

Table 1: Demographic Characteristics

Characteristics	Frequency	Percentage
Age		
25-34	7	6
35-44	23	20
45-54	70	67
55 and above	10	8
Gender		
Male	68	62
Female	32	38
Education Level		
Sr.Secondary	2	1
Graduate	74	67
Post Graduate	34	32
No. of visit to the same hotel		
Once	27	25
Twice	34	31
Three and more	49	44
Length of stay at the hotel		
1 -2 Days	32	29
2-4 Days	54	49
4-6 days	15	14
More than a week	6	8

The questionnaire consists of twenty three items related to service quality (adopted from Parasuraman et. al. 1988) data collection and four items related to customer satisfaction. A five point likert type scales was used for data collection ranging from “strongly agree” to “strongly disagree”. MINITAB software was employed in order

to gain the results required for scale measurement. Descriptive analysis such as frequencies, means and standard deviation are calculated. Reliability of the scale and is tested and Pearson correlation analysis was used.

Profile of respondents

The results indicate that 62 % of the respondents were male and 38 % were female. With regard to the category of educational level, it has been found that most of customers hold a Graduate Degree (67%) and 32% of the respondents were postgraduates. While the age category represented that 20% of the respondents were between the age group 35-44 and 67% were between 45-54 years. 55 years and above represented 8 % of respondents. 25% of the respondents had visited the hotel for the first time while 31% of the respondents had experienced the hotel services twice. 44% of the respondents had visited the hotel thrice and more than three times.

Data Analysis and Discussion

The results as computed in Table 3 and 4 indicate a descriptive statistics of the data. The mean values of the dimensions of Tangibility, Reliability, Responsiveness, Assurance and Empathy are 3.60, 3.56, 3.58, 3.75 and 3.70 respectively. The cronbach alpha for the various dimensions as indicated in Table 2 are .850, .705, .797, .928, .805 and .847 respectively. The standard deviation also range between 0.189 to 0.458 which is appropriate for the quantity of data collected. The standard deviation also suggests a normally distributed data for the sample population. The variance for the various dimensions also range from .035 to .210.

Pearson correlation was used to assess the relationships between the quality service dimensions and customer satisfaction. Correlation was also computed among the various dimensions of service quality also. The correlation of tangibility and reliability was low (.110) and between responsiveness and empathy was also less (.059). The results show a positive statistical significance between customer satisfaction and the dimensions of assurance and responsiveness while there was found to be less correlation between customer satisfaction and the dimensions of tangibility and empathy. The findings support the claims of various studies and support the claim that service quality dimensions vary depending on the particular service being offered and that different

Table 2: Cronbach Alpha for each dimension

Dimension	No. of items	Cronbach Alpha
Tangibles	4	.856
Reliability	6	.705
Responsiveness	4	.797
Assurance	4	.928
Empathy	5	.805
Satisfaction	4	.845

Table 3: Descriptive Statistics: Tangibility, Reliability, Empathy, Responsivene.

Variable	N	Mean	SE	Mean	StDev	Minimum	Q1	Median
Tangibility	110	3.6000	0.0379	0.1893	3.2000	3.4500	3.6000	
Reliability	110	3.5600	0.0440	0.2198	3.2000	3.4000	3.5000	
Empathy	110	3.5840	0.0916	0.4580	2.4000	3.4500	3.7000	
Responsiveness	110	3.7504	0.0772	0.3858	3.0000	3.4000	3.8000	
Assurance	110	3.7080	0.0678	0.3390	2.9000	3.4500	3.8000	

Variable	Q3	Maximum
Tangibility	3.7500	3.9000
Reliability	3.7000	4.1000
Empathy	3.9000	4.3000
Responsiveness	3.9000	4.8000
Assurance	3.9000	4.2000

Table 4:

Variable	Variance
Tangibility	0.0358
Reliability	0.0483
Empathy	0.210
Responsiveness	0.149
Assurance	0.115

Table 5: Correlations and p value: Tangibility, Reliability, Empathy, Responsiveness, Assurance, ...

	Tangibility	Reliability	Empathy	Responsiveness	Assurance	Customer satisfa
Tangibility	1.00					
Reliability	.110	1.00				
Empathy	.240	.242	1.00			
Responsiveness	.283	-.315	-.059	1.00		
Assurance	.292	-.163	-.088	-.088	1.00	
Customer satisfaction	-.040	-.057	-.264	-.264	.105	1.00

measures need to be developed for different service context (Carman, 1990; Finn and Lamb, 1991; Babakus and Boiler, 1992; Bouman).

The findings indicate that while service quality is an important driver of customer satisfaction and behavioral intention, the managers should give more importance not only on their customer's satisfaction but their delight (Vijayadurai, 2008). This study also provides hotel service quality researchers with useful guidelines for future research that would result in more rigorous theoretical and methodological processes.

Conclusion

The study concludes that service quality is a core component of the marketing strategy of any industry. More effective and efficient ways of measuring service quality could be the evaluation of the variables which create services and the characteristic of the main services being provided to the consumers. The specific impact of each quality element should be taken into account before designing the processes for services. The effectiveness of the quality element will depend on the extent to which it fulfills the desires of the customers.

Limitations

Although the findings of this research have some generality; they do have limitation. The choice of population was limited to a single industry, named hospitality, which has a tendency to limit the generalizability of the findings in the context of other industries. Therefore future research could be conducted on multiple industries.

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Annexure1

Questionnaire

Name

Age

Gender

Marital Status

No. of Visits to this hotel

<i>Tangible</i>	<i>Strongly Agree</i>	<i>Agree</i>	<i>Neither agree nor disagree</i>	<i>Disagree</i>	<i>Strongly Disagree</i>
The hotel has modern looking equipment					
The hotel's physical facilities are visually appealing					
The hotel's employees are neat appearing					
Materials associated with the service are visually appealing at the hotel					
Reliability					
When the hotel promises to do something by a certain time ,it does so					
When you have a problem, the hotel shows a sincere interest in solving it					
The hotel performs the service right the first time					
The hotel provides its services at the time it promises to do so					
Employees of the hotel tell you exactly when services will be performed					
The hotel insists on error free records					
Responsiveness					
Employees of the hotel are never too busy to respond to your requests					
Employees of the hotel give you prompt service					
Employees of the hotel are always willing to help you					
You are not hesitant in inquiring about any problem from the hotel employees					
Assurance					
The behavior of employees of the hotel instills confidence in customers					
Employees of the hotel are consistently courteous with you					
Employees of the hotel have the knowledge to answer your questions					
The hotel has operating hours convenient to all its customers					
Empathy					
Employees of the hotel have the knowledge to answer your questions					

<i>Tangible</i>	<i>Strongly Agree</i>	<i>Agree</i>	<i>Neither agree nor disagree</i>	<i>Disagree</i>	<i>Strongly Disagree</i>
The hotel has employees who give you a personal attention					
The hotel has your best interest at heart					
Employees of the hotel understand your specific needs					
The hotel has employees who are competent					
Customer Satisfaction					
Overall, I am satisfied with the hotel service					
Satisfied with the decision to visit this hotel					
I have a positive opinion about this hotel					
My choice of this hotel is a wise one					