

PERCEIVED SERVICE QUALITY OF THE GUESTS IN SELECT HOTELS IN SALEM CITY: AN EMPIRICAL STUDY

C. NATARAJAN¹ & P. MARISHKUMAR²

¹Assistant Professor, Department of Commerce, Directorate of Distance, Annamalai University, Chidambaram,
Tamil Nadu, India

²Assistant Professor, Department of Management Studies, VMKV Engineering College, Vinayaka Missions University,
Salem, Tamil Nadu, India

ABSTRACT

In today's economy, changing customer demands, increased expectations for superior quality of products or services and the global competition have created a competitive situation among different industrial sectors. Quality has become an icon for customers while selecting a service or product and at the same time it has been considered a strategic advantage for the organizations to gain success and to sustain in the business world. Service organizations are now well aware about the facts that they need to take preventive quality measures to gain customer satisfaction and retention. The hotel operators, therefore, make a start on training programs, which are now usually referred to as front line staff in service and performance improvements. At this juncture, the researchers have made an attempt to study the perception of the customers towards service quality of the select hotels in Salem city. This study is restricted to 5 hotels, which include Park Plaza, Salem Castle, GRT Grand, LRN Excellency and Hotel Cenneys Gateway. The service quality is a vast subject consisting of a number of dimensions. The most common service quality dimensions namely, assurance, empathy, reliability, responsiveness, and tangibility only are studied in the present study. In the present study, the sampling involves two stages. In the first stage, out of the 27 star hotels in Salem city, 5 hotels are selected on random basis. In the second stage, by adopting quota sampling, 100 respondents are selected from each hotel. As an essential part of the study, the primary data were collected from 500 guests with the help of questionnaire. In order to study the perception of the guests towards service quality, various statistical tools such as chi square test, student t test, paired t test, analysis of one-way variance, co-efficient of variation, multiple regression analysis and percentage analysis were employed. The results of the study showed that lack of staff involvement, delay in service, absence of innovativeness, higher fee and lack of detailed disclosures, reducing rate of reliability, absence of guest compliant monitoring cell, absence of feedback from guests, absence of transparency and lack of quality improvement initiatives are the problems of the respondents in the select hotels. Recommendations are made to improve the service quality of the select hotels in Salem city.

KEYWORDS: Service Gap, Hotel Services, Guest Satisfaction, Service Quality

INTRODUCTION

In today's economy, changing customer demands, increased expectations for superior quality of products or services and the global competition have created a competitive situation among different industrial sectors. The ability to identify profitable customers and then customize marketing on the basis of customer value has enabled many companies to punch above their credence. Quality has become an icon for customers while selecting a service or product and at the same

time it has been considered a strategic advantage for the organizations to gain success and to sustain in the business world. Service organizations are now well aware about the facts that they need to take preventive quality measures to gain customer satisfaction and retention. The world has never been so interdependent. All trends point to co-operation as a fundamental, growing force in business. Today marketing is not just developing, delivering and selling, it is moving towards developing and maintaining mutually long-term relationships with customers. This new business philosophy is called "relationship marketing", which has attracted considerable interest both from marketing academics and practitioners.

CONCEPT OF SERVICE QUALITY

Service quality refers to the collective effort of service performance, which determines the degree of satisfaction of users of all the services. The degree of customer satisfaction bears a direct relation to quality of service where good quality of service gives better customer satisfaction and the bad one leads to dissatisfaction of the customers. Service quality can be defined as the personal experience of the customer with the service provider. Researchers divide service quality into two components: technical quality and functional quality. Technical quality is defined primarily on the basis of technical accuracy and procedures. Functional quality refers to the manner in which service is delivered to the customer. While much debate has revolved around the precise measurement of service quality, the most common approach to measurement is based on the five dimensions identified by Parasuraman, Zeithaml and Berry namely, tangibles, assurance, reliability, responsiveness, and empathy.

STATEMENT OF THE PROBLEM

Hotels play the role of providing guests a home away from home. And it is this facility that facilitates the further attraction of guests towards a place because it makes their visit more convenient. In the last few years the hotel industry has changed and developed considerably in terms of the services it provides. India is an attractive destination for tourists because of its rich heritage. Also there are a lot of businessmen and officials who visit India for business purposes because of the trade relations that our country has with the world. Similarly within our country also there are people who travel from one state to another or from one city to another for business or leisure. All the hotels vary in the kind and extent of services they provide like accommodation, food and beverage services, entertainment, recreation, communication, transportation, room service, laundry service, conference and meeting arrangements, first aid, etc. The hotel market is highly competitive and like any other industry that markets a product in a highly competitive market, competing for the consumer's disposable income, it has to be aware of the quality issues. Hotels have to improve their service quality in order to stay competitive. The management of quality is a key issue in the management of any hotel property. It has been described as one of three key areas underpinning corporate success in the hospitality field. The profitability of the operation is seen as being supported by the quality of hospitality services, management and the market. In addition, hotels quite properly proclaimed themselves as leaders in the service industry but has been lacking in training applied to the actual techniques of service itself. They trained in kitchen crafts, computer skills, accounting procedures, sales training, management development, but there is an obvious lack of documentation on the fusing of guest contact skills and service techniques, the social needs of the hotel guest, his sensitivity threshold and the use of body language and speech skills in service interactions. The hotel operator must, therefore, make a start on training programs, which are now usually referred to as front line staff in service and performance improvements. Therefore, an analysis pertaining the customer's perception on the hotel service quality and their satisfaction is needed in order to establish strategies and to ascertain steps to be taken in maximizing consumer's satisfaction which, hopefully, can form a positive image of the hotel industry. At this juncture,

the researchers have made an attempt to study the perception of the customers towards service quality of the select hotels in Salem city.

OBJECTIVES OF THE STUDY

The study has the following objectives:

- To study the various services offered by the select hotels in Salem city.
- To study the perception of the guests towards service quality of the select hotels in Salem city.
- To suggest measures to improve the service quality of the select hotels in Salem city based on findings of the study.

TESTING OF HYPOTHESES

The study is based on the following null hypotheses.

H₀₁: There is no significant association in the satisfaction level of the guests belonging to different socio-economic profiles towards the services of the select hotels.

H₀₂: There is no significant relationship among the acceptance levels of the respondents belonging to different demographic profiles towards the perceived level of service quality in the select hotels.

H₀₃: There is no significant difference in the acceptance levels of the guests between the expected and perceived levels towards various service quality dimensions in the select hotels in Salem city.

SCOPE OF THE STUDY

The scope of the study is assessing the perception of the guests towards service quality of the select star hotels in Salem city. This study is restricted to 5 hotels, which include Park Plaza, Salem Castle, GRT Grand, LRN Excellency and Hotel Cenneys Gateway. The service quality is a vast subject consisting of a number of dimensions. The most common service quality dimensions namely, assurance, empathy, reliability, responsiveness, and tangibility only are studied in the present study.

SAMPLING DESIGN

This study is confined to the guests of the select star hotels in Salem city. There are around 27 star hotels in Salem city and these hotels are considered the universe of the study. In the present study, the sampling involves two stages. In the first stage, out of the 27 star hotels, 5 hotels are selected on random basis. In the second stage, by adopting quota sampling, 100 respondents are selected from each hotel. The sampling details are given in the following table.

Table 1: Sampling Distribution

Name of the Hotels	No. of Samples
Park Plaza	100
GRT Grand	100
LRN Excellency	100
Salem Castle	100
Hotel Cenneys Gateway	100
Total	500

TOOLS FOR DATA COLLECTION

This study is empirical in nature based on survey method. The first-hand information for this study was collected from the front office of the select hotels. As an essential part of the study, the primary data were collected from 500 guests with the help of questionnaire. A pilot study was conducted with 25 guests. In the light of the experience gained from the pilot study, few changes were incorporated in the revised questionnaire. The secondary data were collected mainly from journals, reports, books and records. The data so collected have been entered into a master table and tabulated to arrive at useful conclusions.

FRAMEWORK OF ANALYSIS

In order to study the perception of the guests towards service quality, various statistical tools such as chi square test, student t test, paired t test, analysis of one-way variance, co-efficient of variation, multiple regression analysis and percentage analysis were employed.

FINDINGS OF THE STUDY

- A significant association is found among the satisfaction levels of the respondents belonging to different genders, age groups, educational status, income groups, occupations, and hospitals they belong to towards services of the select hotels in Salem city.
- Male respondents, respondents in the age group 41-50 years, respondents having upto H.Sc qualification, employed persons, respondents whose monthly family income is above Rs.35000, guests of the LRN Excellency are more satisfied towards services of the select hotels in Salem city.
- There is no significant relationship among the acceptance levels of the respondents belonging to different genders, age groups and occupations towards perceived service quality in the select hotels in Salem city. A significant relationship is found among the acceptance levels of the respondents belonging to different educational status, income groups, and hotels they belong to towards perceived service quality.
- Female respondents, respondents in the age group upto 30 years, respondents having upto H.Sc qualification, retired persons, respondents whose monthly family income is upto Rs.15000, and guests of the LRN have higher acceptance level towards perceived service quality in the select hotels in Salem city.
- There exists consistency among the acceptance levels of male respondents, among the respondents in the age group 41-50 years, among the respondents who have upto H.Sc qualification, among the employed respondents, among the respondents whose monthly family income is upto Rs.15000, and among the guests of the LRN Excellency towards perceived service quality in the select hotels.
- The gender, age and education of the guests have no significant effect on the perceived service quality in the select hotels. Monthly family income of the respondents has significant effect on the perceived service quality at 5% level of significance.
- There is a significant difference in the acceptance level of the guests between expected and perceived levels towards assurance, reliability, empathy, responsiveness and tangibility dimensions of the service quality in the select hotels in Salem. Hence, there exists service performance gap in all the dimensions of service quality in the

select hotels.

- Out of 500 respondents, 31.60%, 42.20%, 16.40%, 8% and 1.80% of the respondents strongly agree, agree, neither agree nor disagree, disagree and strongly disagree respectively towards assurance dimension of the service quality in the select hotels.
- About 18%, 36.20%, 33.60%, 11.80% and 0.40% of the respondents strongly agree, agree, neither agree nor disagree, disagree and strongly disagree respectively towards empathy service quality dimension in the select hotels in Salem city.
- Out of 500 respondents, 27.40%, 37.80%, 22.80%, 9.40% and 2.60% of the respondents strongly agree, agree, neither agree nor disagree, disagree and strongly disagree respectively towards reliability dimension of service quality in the select hotels in Salem city.
- About 28.40%, 39%, 24%, 8.40% and 0.20% of the respondents strongly agree, agree, neither agree nor disagree, disagree and strongly disagree respectively towards responsiveness dimension of the service quality in the select hotels.
- Out of 500 respondents, 34%, 39.20%, 22.80%, 3% and 1% of the respondents strongly agree, agree, neither agree nor disagree, disagree and strongly disagree respectively towards tangibility dimension of the service quality in the select hotels in Salem city.
- Respondents ranging from 38.20 per cent to 45.40 per cent state that lack of staff involvement, delay in service, absence of innovativeness, higher fee and lack of detailed disclosures are the problems with the select hotels in Salem city. About 46.40% and 47.60% of the respondents' problems with respect to the select hotels are reducing rate of reliability, and absence of guest compliant monitoring cell. Absence of feedback from guests, absence of transparency and lack of quality improvement initiatives are the problems of the respondents in the select hotels at 50.60%, 53.60% and 56.40% respectively.

SUGGESTIONS

- The select hotels should have reliable and dependable staff that is honest and diligent. Therefore, the select hotels may identify fail points in service processes which are most vulnerable to mishap by soliciting inputs from employees, by analyzing customer complaints, and by mapping the service process itself blueprinting. Such points should include not only customer contact points, but also places where one functional unit is dependent upon another functional unit for processing.
- The select hotels must make promises which it knows it can easily achieve and must perform all its services at the promised time.
- The select hotels lack in terms of the privacy they provide. Therefore, it is suggested that care should be taken to make sure that the guests don't get disturbed and are given proper privacy.
- The staff of the select hotels should be kept aware about the latest developments in and around the hotel so that they have enough knowledge to be able to answer their guests' queries.
- The staff of the select hotels should be regularly made to realize what the hotel's main aim is. They must be told

about the importance a customer holds for their hotel so that the staff is more willing to serve the guests well.

- Some sort of entertainment services should be introduced e.g. video games for the children in the select hotels.
- The hotel operators influence customers' expectation levels by the explicit and implicit service promises they make, a key approach to managing expectations is to manage the promises. Thus, hotel operators have a better chance of meeting customer expectations when their promises reflect the service actually delivered rather than an idealized version of the service.

CONCLUSIONS

Consumers will make a decision and taking an action based on their perceptions. Good service here infers the customer's perception of a service presented by the employee, in which if the perceived service equal to the expected service, they perceived that there is a quality in the service. In hotel industry, service quality, as an extremely subjective category, is crucial to the satisfaction of the client. It is therefore imperative for managers in hotel industry to apply the service quality model for the measurement of service quality in their own hotel company, in order to satisfy the guest's expectations and ensure a position on the growing global tourist market. Lack of staff involvement, delay in service, absence of innovativeness, higher fee and lack of detailed disclosures, reducing rate of reliability, absence of guest compliant monitoring cell, absence of feedback from guests, absence of transparency and lack of quality improvement initiatives are the problems of the respondents in the select hotels. Recommendations are made to improve the service quality of the select hotels in Salem city.

REFERENCES

1. Buttle, F (1996). *Relationship Marketing: Theory and Practice*, London, Paul Chapman Publishing, pp.1-16.
2. Gronroos, C (1984). "A Service Quality Model and its Marketing Implications", *European Journal of Marketing*, Vol.18, No.4, pp.36-44.
3. Gronroos, Christian (1990). "Relationship Approach to Marketing in Service Contexts: The Marketing and Organizational Behaviour Interface", *Journal of Business Research*, No.20, pp.3-11.
4. Ladhari, R (2008). Alternative Measures of Service Quality: A Review", *Managing Service Quality*, Vol.18, No.1, pp.65-86.
5. Lewis, J. D (1991). "Competitive Alliances Redefine Companies", *Management Review*, Vol.80, No.4, pp.14-19.
6. Mosad Zineldin (2005). "Quality and Customer Relationship Management (CRM) as Competitive Strategy in the Swedish Banking Industry", *The TQM Magazine*, Vol.17, No.4, pp.329-344.
7. Nusair, K and Kandampully, J (2008). "The Antecedents of Customer Satisfaction with Online Travel Services: A Conceptual Model," *European Business Review*, Vol.20, No.1, pp.4-19.
8. Parasuraman, A, Berry, L. L and Zeithaml, V. A (1985). "A Conceptual Model of Service Quality and its Implications for Future Research. *Journal of Marketing*, Vol.49, No.4, pp.41-50.
9. Reichheld, F and Sasser, W. E (1990). "Zero Defecting: Quality Comes to Services", *Harvard Business Review*, Vol.68, pp.105-111.