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Service Quality and Customer Satisfaction in Hospitality Industry

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ABSTRACT: In the hospitality industry, service quality is a key driver of customer satisfaction and loyalty. Service quality refers to the overall level of service provided to customers, including the quality of the product or service, the reliability and responsiveness of the staff, and the overall customer experience.

The Importance of Service Quality

Service quality is important for a number of reasons:

- It is a key driver of customer satisfaction and loyalty.
- It can differentiate a hotel or other business from the competition.
- It can lead to positive word-of-mouth and online reviews, which can attract new customers.
- It can help to build a strong brand reputation and image

KEYWORDS: service, quality, customer, satisfaction, hospitality, industry

I.INTRODUCTION

Key Factors of Service Quality

There are several key factors that contribute to service quality in the hospitality industry:

1. Tangibles

Tangibles refer to the physical appearance and amenities of a hotel or other business, such as the cleanliness and condition of the facilities, the quality of the furnishings and décor, and the range of amenities and services offered.

2. Reliability

Reliability refers to the ability of a hotel or other business to deliver its products and services consistently and dependably, without errors or delays.

3. Responsiveness

Responsiveness refers to the willingness and ability of staff to respond quickly and efficiently to customer needs and requests.

4. Assurance

Assurance refers to the knowledge, competence, and professionalism of staff, as well as the trust and confidence customers have in the hotel or other business.

5. Empathy

Empathy refers to the ability of staff to understand and respond to the needs and feelings of customers, and to provide personalized attention and care.

Strategies for Improving Service Quality

Here are some strategies for improving service quality in hotels and other businesses in the hospitality industry:

1. Train and Empower Staff

Staff training and empowerment are essential for delivering high-quality service in the hospitality industry. By providing staff with the knowledge, skills, and authority they need to deliver exceptional service, hotels and other businesses can improve customer satisfaction and loyalty.

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2. Solicit Customer Feedback[1,2,3]

Customer feedback is essential for improving service quality. Hotels and other businesses should regularly solicit customer feedback through surveys, focus groups, and online reviews, and use this feedback to identify areas for improvement.

3. Set Service Standards

Setting clear service standards is essential for ensuring consistent and high-quality service. Hotels and other businesses should develop and communicate clear service standards for all staff to follow, and regularly monitor and evaluate performance against these standards.

4. Use Technology

Technology can be a powerful tool for improving service quality in the hospitality industry. Hotels and other businesses can use technology to streamline processes, improve communication, and enhance the overall customer experience.

Service quality is a critical aspect of the hospitality industry. By understanding the key factors that contribute to service quality, and implementing strategies for improving service quality, hotels and other businesses can enhance customer satisfaction and loyalty, differentiate themselves from the competition, and build a strong brand reputation and image. Staff training and empowerment, soliciting customer feedback, setting service standards, and using technology are all essential for improving service quality in the hospitality industry.

II.DISCUSSION

Hospitality industry is a billion dollars industry, which includes many activities, from which main is hotel business, tourism services, event planning and transportation. This industry is a quick growing industry, where main factors are service quality and customer satisfaction. No any hospitality industry property will not survive if they are not oriented on their consumers, notably, to meet their needs, requirements and expectations, so that the image of the company will enhance. The hospitality industry faces with different difficulties than organizations which produce products due to the dissimilar nature of service in comparison with a product. In service industry there is a greater probability to fail, rather than in product sales. Service quality has been revealed as a key factor in search for sustainable competitive advantage. Satisfying and retaining customer has been recognized as an important factor in hospitality industry. Nowadays like never before, fulfilling consumers' requests remains the greatest challenge. In the hospitality industry, the consumer is not only the part of the actual consumption process, but moreover often has preset service and quality perspectives. Today's hospitality industry customer is increasing time poor, more sophisticated and more demanding. The main purpose of this study is to reveal the impact of service quality on customer satisfaction. The findings of the study will show influence of different service quality dimensions on satisfaction level in Hotels. A quantitative method used to analyze this study. A random sampling method used to distribute and gather data. 111 participants were involved in this study. This study proved that four of service quality dimensions (empathy, responsiveness, assurance and tangible) have positive relation with customer satisfaction, except reliability had negative relation with customer satisfaction.[4,5,6]

III.RESULTS

Tangibles are defined "as the appearance of physical facilities, equipment, personnel, and communication materials" Physical appearance is the appearance of the equipment, appearance of the personnel, the look of building and renovation. Tangibility refers to the cleanness of the rooms, restaurants and other areas, the clean and proper uniform, used by the employees, usage of disposable gloves and etc (Abdulla et al. 2015). Tangibles, amongst all other five dimensions, think over the most significant element for the consumer. It gives physical representation of pictures of the services that clients, especially new clients, will use to assess the quality. In spite of the fact that tangibles are frequently utilized by service providers to reinforce their reputation, give congruity, and sign quality to client, most organizations unite together tangibles with other in order to establish a service quality technique for the company (Anwar & Balcioglu, 2015). Reliability depicts whether a service supplier follows assured promises and how precious

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it is in the actions. The significant importance lies in fulfilling promptly the customer's requests (Hameed & Anwar, 2014). Reliability "reflects the service provider's ability to perform service dependably and accurately". It includes "doing it right the first time" and as for the customer it is one of the most significant dimension Berry and Parasuraman, (1991) as cited in (Anwar & Ghafoor, 2015). In detail, reliability implies that the organization conveys on its guarantees - guarantees about conveyance, service supply, issue determination and pricing policy. Clients prefer to work with organizations that keep their guarantees about the service outcomes (Anwar & Climis, 2015). Responsiveness – "being willing to help" - refers to the organization's readiness to settle happened issues and availability to provide fast service. It is important to respond to all customer requests, otherwise the request can turn into a complaint. Service suppliers' capability to ensure that they are providing with a service on time is a basic part of service quality for major customers. This dimension underscores mindfulness and immediacy in managing customers appeals, questions, complaints and other issues. Responsiveness is conveyed to clients by the length of time they need to wait for the reply for inquiries. Responsiveness likewise catches the idea of adaptability and capability to redo the service to client needs. Standards for promptness that indicates requirements in the internal policy of the company might be dissimilar to what the consumers require or expect. Front-line staffs, in hotels they are receptions, waitress, hostess, guest relation, have to be very well trained as well as should be responsive towards customers (Anwar & Qadir, 2015). Assurance indicates "the knowledge and courtesy of employees and their ability to inspire trust and confidence". It is important for the hotel to prove that it's trustable and worth the money, the customer is paying. The consumer should feel safe when he or she consumes different services from a hotel and would like to feel secure during his stay (Anwar & Louis, 2015).[7,8,9] Also based on the study of (Cronin & Taylor, 1992) consumers should feel safe in all financial transactions; therefore employees should be trustworthy. This dimension is especially critical for services that consumers see as high hazard or for the services where the outcome seems uncertain for the customer (Anwar & Abdullah, 2014). Assurance and empathy comprise originally developed seven dimensions, which are communication, security, credibility, competence, understanding/knowing customers, courtesy, and access (Anwar & Abdullah, 2014). Above mentioned dimensions depict how customers sort out data about service quality in their opinions. Sometimes clients will utilize each of the five dimensions to focus on service quality recognitions, but sometimes they will use just part of them (Anwar & Shukur, 2015). Customer Satisfaction It can be seen that today a lot of researchers are discussing the topic of total satisfaction. Proposers of above mentioned tend to accentuate the significance of corresponding to specifications, satisfying requirements, providing consumers with the desirable quality of services (Anwar & Abd Zebari, 2015). The thing which is seriously count nowadays is a customer satisfaction. If a client is dissatisfied, he will not come back and will not purchase your service for the second time. All the things which the company does in order to increase service quality can be counted as a zero if the customer left the hotel without being satisfied. Nowadays like never before, fulfilling consumers' requests remains the greatest challenge (Anwar & Surarchith, 2015). In the hospitality industry, the consumer is not only the part of the actual consumption process, but moreover often has preset service and quality perspectives. Today's hospitality industry customer is increasing time poor, more sophisticated and more demanding (Anwar, 2015). Before applying management strategies for service quality improvement, it is essential to comprehend where the clients are originating from and what satisfaction level they are expecting. According to Anwar, (2015) "satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance or outcome in relation to his or her expectation". In the other words, if service quality matches consumer's expectation, the customer will be satisfied. Nevertheless in the hospitality industry to meet customer's expectations is hard enough. Kotler & Armstrong (2001) discussed the successful modern customer-oriented (Abdulla et al. 2015). It is seen from the chart, customers are at the top; second importance going to front-line staff, who greet, meet, serve and satisfy the consumer; third importance is in the middle management, whose responsibility to support front-line employees, thus they provide expected service quality and last is top management, who should support the middle management (Anwar & Balcioglu, 2015). In many industries speed has become the most valued and the new competitive advantage. Speed is shortening the product life cycle from years to weeks. Speed is expected in real-time responsiveness, 24 hours a day and seven days a week. Speed is what the hospitality industry consumer wants. Those who can fulfill are going to win, those who can't, will be passed by. When a manager knows the real needs of a client that help to focus on a major point for the encounter (Hameed & Anwar, 2014). Consumers have control of information with anytime and anyplace access. Increased use of the internet to shop,

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make informed decisions, and purchase reinforces the role of speed and connectivity in customer satisfaction and service expectations. Consumers are savvier, with the difference the expert seller and the educated buyer becoming increasingly smaller (Anwar & Ghafoor, 2015)[10,11,12]

Existence of a business rely on its customers (Valdani, 2009). In case of hotel industry, it's even more important to anticipate and deliver quality service to make the customers loyal as it is said that hotels which provide quality service have a number of satisfied customer base (Gilbert et al., 2004; Gilbert and Veloutsou, 2006). It's not easy to define customer satisfaction in words because satisfaction may vary from person to person. The satisfaction level is judged by different customers, therefore, it is very much possible that a service which was excellent for a customer can be of low quality service for another customer. O'Neill and Palmer, 2003 have mentioned that a customer's perception about the level of service will depend upon their prior experience with a particular service. Howard, 1977 has referred satisfaction as the mental status of an individual customer instigated by the comparison of the costs and benefits received, where, William et al, 2003 have said that customers are considered to be satisfied when their expected service performance matches with the delivered service performance. Probably the result-oriented meanings of satisfaction are directly related to the demand of a certain product or specific feelings induced by the experience (Yi, 1990). Many authors (Schmidt-Atzert and Strohm, 1983; Ulich and Mayring, 1992) have grouped the feelings induced by the experience as enthusiasm, joy, happiness, relief, well-being where Hunt, 1997 stated that satisfaction is an evaluation process which produces a positive experience as expected by the customer and not an emotional feeling. Satisfaction can be measured in relation to a company very well for a product (Meffert and Bruhn, 1981). Anton, 1996 has stated that "customer satisfaction as a state of mind in which the customers' needs, wants and expectations throughout the product or service life have been met or exceeded, resulting in subsequent repurchase and loyalty". A customer is considered to be satisfied when perceived services of a hotel exceeds the customer's expectations, with this feeling customer would like to re-visit the hotel and automatically become loyal to the hotel. These customers will even recommend it to their acquaintances because of the delightful experience (Kandampully and Suhartano, 2000).

Many researchers have used SERVQUAL method to find out the impact of service quality on the customer satisfaction in the hotel industry (Vijay & Selvaraj, 2012; Chinh, 2008; Aborampah, 2011; Wilkins et al., 2010; Gordon, 2006; Taylor, et al., 2004) and observed a significant positive relationship between customer satisfaction, loyalty and quality service. Where, authors (Tessera, Hussain and Ahmad, 2015) have mentioned that out of five dimensions of SERVQUAL, only three dimensions (tangibles, responsiveness and empathy) have direct impact on the customer satisfaction. Chung and Chen, 2015 came out with the conclusion that high quality service has a significantly positive effect on the customer satisfaction and it is directly proportionate to each other. Akbar, 2013 found that the strength of relationship between service quality and customer loyalty has a sturdy bonding influenced by socio demographic characteristics of customer. Hon Tat et al., 2013 have found that assurance has the maximum influence on the customer satisfaction amongst all the five dimensions of SERVQUAL. Zeleke, 2012 has observed that service quality has an impact on customer satisfaction with all the five dimensions of SERVQUAL. Jamal and Anastasiadou, 2009 have described that reliability, tangibility and empathy have direct relationship with customer satisfaction but other two are not related. Above authors have discussed the results of SERVQUAL method for their research and found that this method is very useful to measure the service quality of the hotels w.r.t. customer satisfaction considering five dimensions. Hotels can analyze the result and work on the dimensions which do not have impact on the customer satisfaction and improvise the level of service quality

Discussion on the relationship between level of service quality and customer satisfaction has been a concern of many researchers and practitioners (Parasuraman, 1988; Cronin, 2000; Taylor et al, 2004; Vijayadurai, 2008; Aamna et al, 2010). The purpose of this research was to explore the relationship between the service quality and customer satisfaction in hotel industry.[13,14,15] It was observed that to improve the company's performance, both high service quality and customers' satisfaction are important (Opperman, 1998; Dominici and Guzzo, 2010). Customer satisfaction is referred to the degree of achieving or exceeding customers' needs and expectations by receiving a service or a product by the hotel employees (Schiffman et al., 2010; Levens, 2012). The study found that it is utmost important for

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any hotel to understand and recognize the customers' need to satisfy them by providing personal and high quality service. Customer satisfaction is highly depended on quality service (Harr, 2008; Krishna et al, 2010 and Janet, 2011). Even Parasuraman, 1988; Brady et al., and Bei and Chiao, 2006 have mentioned that when perceived service quality is recognized by the customers' then it will result to the increased customer satisfaction. In today's competitive world service quality and customer satisfaction are important factors to retain customers. This study suggests that SERVQUAL method can be applied to the hotel industry to measure the customer satisfaction on the basis of five factors known as assurance, empathy, reliability, and tangibility, which will further lead the hoteliers to improvise their service elements.

IV.CONCLUSION

The purpose of this section to find out if the research objectives achieved, research questions were answered, research hypothesis were supported and if the research had contributions. Therefore, this section starts with a conclusion, then to the recommendations, followed by suggestions for future. The research objective is to investigate the impact of service quality on customer satisfaction in hotel industries. The research questions were "what are the main dimensions of service quality that lead to guest satisfaction?" and "what are the determinants of customer's resolution to switch a hotel". The design of this study gave strange however interesting findings. The findings seemed to be different in the two ways of analysis. Consequently, whether the research objective was achieved or the research questions were answered relied on the results of this research. From the descriptive analysis it can be seen that the research questions were answered. This study contributed to the academic topic as well as business. The researcher proposed to study theoretical foundations on customer satisfaction and service quality dimensions, SERVQUAL to investigate the impact of service quality dimensions on customer satisfaction to meet the research objective. The association between service quality and customer satisfaction will assist hotel management to clarify what these service quality dimensions mean to the hotel guests and to hotel itself. This research tested the effect of service quality dimensions on customer satisfaction and found out that most of these dimensions had positive impact except reliability factor had negative impact on guest satisfaction. Consequently the findings of this study could be useful to hotel managers with respect to how to deal with guests, to maintain and improve the hotel's main objective of revenue maximization and minimizing the cost. Also, the findings show good strategic planning for hotel industries.[16,17,18] Hotel manager can investigate reasons for negative factor that lead to dissatisfied guests and improve their current service to meet guest's needs and expectations. Manager should constantly adjust on those factors in order to be able to provide its guests with the best values and also state the significant dimensions to lay more emphasis on to enhance service quality leading increasing level of customer satisfaction. The research results are related to academic marketing research and consumer research classification or categories. At the present time, satisfaction research became very essential, due to most of businesses currently are trying to increase their quantity of customers by satisfying their current or old customers. All these can be done through provide the value that hotel guest's desire, as resulting guests will be satisfied.[19]

Few issues related with the cost and limited time in this research need further research considerations. Even though this research dealt with the guest perception towards service quality and its impact on satisfaction in hotel industries, the sample size considered is very small. The findings might not be very suitable as having guests with different background such as, educational background, age, income, marital status and so on. Empirical studies should be conducted moderately with other hotels or other industries so that investigative the service quality dimensions and customer satisfaction across the various contexts or business could be measured and could be useful for future growth and enhancement. Also, future study should focus on a larger sample size.[20]

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