



ISSN Print: 2394-7500
ISSN Online: 2394-5869
Impact Factor: 5.2
IJAR 2017; 3(1): 302-305
www.allresearchjournal.com
Received: 12-11-2016
Accepted: 13-12-2016

Ankita Gupta
Research Scholar
Department of Commerce
MDU, Rohtak, Haryana, India

Customer satisfaction in relation to service quality- A conceptual study on Indian hotels

Ankita Gupta

Abstract

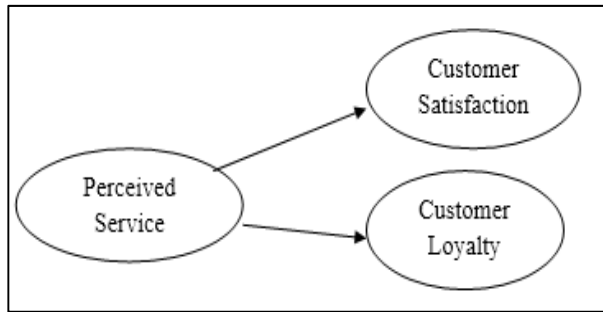
Service sector has important role in Indian economy. India is the second fastest growing sector after China. The tourism and hospitality sector is among the top 10 sectors in India to attract the highest foreign direct investment (FDI). Tourism in India contributed 7.5% in GDP and third largest foreign exchange earner in India. History of the Indian hotel industry is as old as the history of travel and tourism industry in India. In fact, both are the sides of same coin. India is a place where religious-spiritual ancestors speak "atithi devo bhaav." Service quality and customer satisfaction is the key factor of success in the recent competitive world. Customer satisfaction, loyalty and retention are very important for all type of organizations. If a firm want to survive in today competitive world then it becomes necessary to provide good service quality to satisfy their customer and retain them with the organization. The main aim of the paper is to find out the impact of service quality on customer satisfaction and future of hotel industry in India. Secondary data is used in the study for data collection. Research is descriptive in nature. The results show that tourism industry is the fast growing industry of India. Hotel industry is the main product of the tourism industry. Service quality plays very important role in customer satisfaction. Customer satisfaction is very important for the growth of any industry.

Keywords: Service quality, customer satisfaction, tourism, service sector

Introduction

Customer satisfaction is necessary for the success in today's competitive world. Customer satisfaction means meet or surpass customer expectation. Customer expectation can be fulfilled by providing them excellent service quality. Service quality and customer satisfaction is interlinked. If an organization provides good services to their customer's then customer's feels satisfaction and if an organization fails to provide good services then customer feels dissatisfaction and this will lead to customer turnover. Customer satisfaction leads to customer retention and loyalty which results in high profit and large market share for the organization. Hotel industry is also not exempted from the same concept. In hotel industry too there is need to provide excellent service which can lead to customer attraction. India is a beautiful place and attraction of tourist from all over the world. India has a unique culture, heritage which attracts tourist every year from India and the world. India is a place where people believe in 'Atithi Devo Bhava' means Indian treat guest as God ^[2] With this hotel industry is the part of service sector in India which contributing a great share in GDP which leads to economic growth of a country. The tourism and hospitality sector is among the top 10 sectors in India to attract the highest foreign direct investment (FDI). Tourism in India contributed 7.5% in GDP and third largest foreign exchange earner in India ^[1] For the quality management SERVQUAL model was developed by Valarie Zeithaml, A. Parasuraman & Leonard Berry to measure quality in service sector. There are 5 factors reliability, assurance, tangibles, empathy and responsiveness on which service quality and customer satisfaction can be judged. Cronin and Taylor (1992) developed a model based on model of Parasuraman (Servqual) named SERVPERF model which is a performance based model is also helpful to measure service quality provided. Service quality is divided into two parts first is tangible services (furniture, building, rooms, décor etc) and second is intangible services (personal touch, surprise, felling special). In today's world all hotels are almost same in their tangible factor the thing which impress the consumers are the intangible services which attract them.

Correspondence
Ankita Gupta
Research Scholar
Department of Commerce
MDU, Rohtak, Haryana, India



Customers always compare the service they think they should received and the services which provided to them and if they get what they expected then they feel good about the hotel and satisfied but if they not received services according to their expectation then they feel dissatisfaction. Satisfied customers have become loyal and even do publicity which attracts more customers. Customer satisfaction is vital for the survival of the hotels becomes competition is increased a lot due to globalization. The main aim of the paper is to study service quality in hotel industry.

Review of Literature

Khong, Ngan & Phoung (2015) ^[3] in their combined work for factors affecting customer satisfaction and loyalty performed a study on luxury hotels of Ho Chi Minh City of Vietnam. The main aim of the paper was to evaluate the effect of tangibility, reliability, assurance, responsiveness and empathy, price and hotel image on customer satisfaction and loyalty. 3-5 stars hotels were selected for the study. Total 300 respondents were selected on random basis as sample. Quantitative approach was applied for the study. They found that there was a positive direct relationship between the empathy, assurance, tangibility and hotel image with customer loyalty and price had indirect negative effect because of the 15% extra charges due to 10% VAT (value added tax) and 5% service charge.

In the year 2015, a study was conducted by Debasish & Dey ^[4] on customer perception about the service quality provided by the luxury hotel in Odisha. The main purpose of was to analyze the gap between the expectation and perception of customers in the selected hotels Odisha. In this study both primary and secondary data were used. The questionnaire was based on SERVQUAL method. 8 luxury hotels (3 star, 4 star and 5 star) were selected under the study. Total 194 respondents were selected as sample on the basis of convenience sampling. This was an empirical study. T-test and factor analysis were used in the study. They found that managers of the hotels should know what customer want if they don't know then they can't meet and surpass the customers' expectations.

In the year 2014, a work done by the Mazumder & Hasan ^[5] on the topic of service quality and customer satisfaction on the National Bangladeshi guest's and international guest's. The main aim of the paper was to find out the difference between perception and expectation of Bangladeshi guest's and international guests. Service quality model SERVQUAL applied in the study. Both primary and secondary data were used under the study. Questionnaire divided into four parts in the study first part about the expectation of the guest, second part about the perception of guest, third part about the service quality affects on customer satisfaction and four part about the demographic and travelling characteristics of the customer's. Total hotel

were 124 from big cities to small towns. Total 200 respondents were selected as sample on the basis of systematic random sampling. Mean, standard deviation and t-test were used to analyze the data. They found that Bangladeshi customers give lowest score to responsiveness and international customer give lowest score to assurance. Both Bangladeshi and international customer give highest score to the empathy dimension. Perception and expectation of Bangladeshi customers were higher than the international customers.

Borkar & Koranne (2014) ^[6] studied the title "service quality management in hotel industry". Descriptive cum exploratory research design were followed in the study. The main purpose of the paper was to find out the service quality influence on customer satisfaction. Both primary and secondary data were used in the study. For the purpose of primary data collection questionnaire and observation method were used. Hoteliers, front office staff and management executive was respondent. Total sample size was 30 selected from the purposive sampling method. Data was presented in the forms of tables. They found that every customer who visits to hotel was different so it was difficult for the hotel to measure customer perception.

Batra (2014) ^[7] in his study analyzed service quality of five star hotels in national capital region from customer viewpoint conducted research on 3 five star hotels named hotel park in New Delhi, Country Inn in Ghaziabad, and Leela in Gurgaon. Total 600 customers were taken as sample, 200 from each hotel. Sample was selected on random basis. Service parameters in this study was service bonding, service security, service impressiveness, service customization, service scape, service competence, service communication, service recovery, service standardization, service accessibility, service competence, service timeliness etc. They found that service scape; service impressiveness and service competence was able to satisfied their customers. Service bonding, service timeliness, service communication and service availability was not able to satisfied customers.

Shafiq, Shafiq, Din & Cheema (2014) ^[8] studied about the service quality impact on customer satisfaction. This study was performed in the Faisalabad, Pakistan. The main aim of the paper was to find out the service quality impact on customer satisfaction. They applied SERVERF model of service quality for the measurement and questionnaire development. The sample selection basis was non-probability convenience method. Total sample size of the respondents was 100. Primary data collected through questionnaire. Questionnaire was divided into two parts first part included demographic information of the respondents and second part included questions about service quality and satisfaction of customers. Likert scale (strongly disagree to strongly agree) were used. Descriptive statistics, standard deviation and mean were used to analyze the data. They found that customers are dissatisfied with the empathy and tangible factors. Customers are satisfied with responsiveness, assurance and reliability dimensions.

Banga, Kumar & Goyal (2013) ^[9] studied about the customer relationship management in the hotel industry of India. The main aim of the paper was to evaluate the how customer relationship management in hotel industry affects customer satisfaction and customer loyalty. All hotels in Ludhiana were the population under the study. Total 10 hotels were selected 5 hotels were high/medium tariff and 5

hotels were low tariff on the basis of random sampling. The respondent in the study was managers of the hotels. Structured, non-disguised questionnaire were used for the purpose of data collection. Percentage, mean and two mean t-tests were used to analyze the collect data. They found that all managers know about the customer relationship management and high/medium tariff hotel contributed a lot for the satisfaction of the customers in the other side low tariff hotel contributed according to their convenience. They concluded that with customer relationship management hotels can leads to customer satisfaction. Customer satisfaction leads to customer's loyalty and retention. This results in high profit and large market share for the hotels.

Purohit & Purohit (2013) ^[10] studied about the customer satisfaction to customer delight in hotel industry. This paper covers how customer satisfaction concept changed in this competitive market due to globalization and becomes customer delight. Customer loyalty was vital for the every organization for success and customer loyalty can only be achieved when the customer delight. Customer can be delighted when they get something extra what they expected then this will leads to the positivity of the hotel industry.

Abukhalifeh & Son (2012) ^[11] studied about the service quality management. This study was done on food and beverage (F&B) department of hotels. The main aim of the paper was to review service quality management effectiveness, service quality model and process for achieving customer satisfaction. This paper was based on secondary data. They concluded that when customers are satisfied with 5 dimension of service quality (tangibility, responsiveness, empathy, assurance and reliability) then customers are satisfied and become loyal for the hotel.

Karunarathe & Jayawardena (2010) ^[12] target their study on five star hotel of Kandy districts, Srilanka to know customer satisfaction. The main aim of the paper was to examine the customer satisfaction and factor affecting customer satisfaction. They applied SERVQUAL model of Parasuraman (5 dimensions tangibility, reliability, assurance, responsiveness and empathy) to judge the service quality. The total sample size was 60 who were selected randomly. Data was analyzed through descriptive statistics, Minitab version 14 and two sample t-test. Both primary and secondary data were used in the study. They found that customers are dissatisfied with the reliability and empathy dimension. Customers are satisfied with tangibility, responsiveness and assurance.

Objective of Study

The main objective of study is to find out the influence of service quality on customer satisfaction. The sub objectives are:

- To study the impact of service quality on customer satisfaction in hotel industry of India.
- To find out the opportunities and future available for hotel industry in India.

Research Methodology

Data collection is based on secondary data and research is descriptive in nature. Secondary data is collected from books, journals, magazines, publications, newspapers, internet, Incredible India, Ministry of tourism website.

Discussion of Finding

Objective 1: Impact of service quality on customer satisfaction

In most of the research conducted in hotel industry used Servqual model of service quality developed by Parasuraman to judge service quality influence on customer satisfaction, loyalty and retention. Servqual model works on 5 dimensions reliability, assurance, tangibles, empathy and responsiveness. In very few research Servperf model of service quality developed by Cronin and Taylor (1992) were used to judge service quality. In Servqual method there is 44 statement 22 statement of perception and 22 statement of expectation. Servperf model consist 22 statement on the basis customer satisfaction can be judged. Most of the studies concluded that there is a positive relation of service quality with customer satisfaction, loyalty and retention. If customer received services according to their expectation then they satisfied and if hotel surpass the expectation of the customers then customers become loyal for the hotel and even do publicity for the hotel. But studies also proved that every customer who visited to hotel is different and it's very difficult to impress all customers with same services. Customization of services according to customers is the key of success for the hotel industry.

Objective 2: Opportunities and future available for hotel industry in India

There is very bright future of hotel industry in India. Hotel industry contribution in GDP is rising. In the current scenario tourism industry contributes 7.5% of GDP and the third largest foreign exchange earner of the country. Tourism in India is increasing very fast. Hotel industry is the main product of the tourism industry. If travelers are not satisfied with the hotel where they stay they are dissatisfied with their tour. In India both domestic travelers and foreign travelers are increasing. Domestic travelers and foreign travelers are increasing due to rising disposable income and promotion of tourism in India by the government of India schemes like Incredible India. It is important for the hotel industry to satisfy their customers with service quality for the future growth of hotel industry.

Conclusion

In conclusion there is a positive relation between the service quality and customer satisfaction. If hotel meets or surpass the customer expectation about quality provided to them they fell satisfied. If there is positive gap between the perception and expectation of the customers for hotel it means hotel is doing well, but if there is negative gap between the perception and expectation of the customers for hotel it means there is a need of improvement in the service quality level. There are two types of services tangible and intangible. Almost all hotels are similar in tangible services according to their rating but the service which can win the heart of the customers is intangible services. If a customer fell special in the hotel then this thing contributes a lot in the satisfaction of the customer. Hotels should try to provide customized services to their customers. Tourism industry is very fast growing industry of the recent time. This industry is contributing a large share in GDP, provides employment, earns foreign exchange, attracts foreign investment etc. So by providing good service quality there is great scope of future development in this industry.

Limitation of the Study

Research is never ending process. It is not possible to cover all the things in a single study. There are certain limitations of the study:

1. This study is only based on secondary data because of the time and cost constraints.
2. This study deals with only hotel industry in service sector other service sector is out of scope.

References

- 1 www.ibef.org/industry/tourism-hospitality-india.aspx
www.incredibleindia.com/
- 2 Khuong MN, Ngan PLH, Phuong NTM. Factor of Affecting Guests' Satisfaction and their Loyalty- A Study of Luxury Hotels in Ho Chi Minh City, Vietnam, International Journal of Innovation, Management and Technology. 2015; 6(3):186-190.
- 3 Debasish DSS, Dey M. Customer Perception of Service Quality Towards Luxury Hotels in Odisha Using Servqual Model, International Journal of Research in Business Studies and Management. 2015; 2(9):1-9. ISSN-2394-5923,
- 4 Mazumder S, Hasan ABMR. Measuring Service Quality and Customer Satisfaction of Hotels in Bangladesh: A Study on National and International hotel Guest, Journal of Tourism and Hospitality Management. 2014; 2(1):95-111. ISSN.2372-5125.
- 5 Borkar S, Koranne S. Study of Service Quality Management in Hotel Industry, Pacific Business Review International. 2014; 6(9):21-25.
- 6 Batra M. Analysis Service Quality of Five Star Hotels in National Capital Region from Customer Perspective, Journal of Management Science and Technology. 2014; 3(1):20-29. ISSN 2347-5005,
- 7 Shafiq Y, Shafiq I, Din MS, Cheema KUR. Impact of Service Quality on Customer Satisfaction: A Study of Hotel Industry of Faisalabad, Pakistan., International Journal of Management & Organizational Studies. 2013; 2(1):55-59.
- 8 Banga G, Kumar B, Goyal H. Customer Relationship Management in Hotel Industry, Pacific Business Review International. 2013; 5(12):71-81.
- 9 Purohit D, Purohit G. From Customer Satisfaction to Customer Delight: A New Trend in Hospitality Industry, Global Journal of Business and Management Studies. 2013; 3(5):545-548. ISSN 2248-9878,
- 10 Abukhalifeh AAN, Som APM. Service Quality Management in Hotel Industry: A Conceptual Framework for Food and Beverage Department, International Journal of Research in Business and Management. 2012; 7(14):1-9. ISSN 1883-3850,
- 11 Karunarathe WMKK, Jayawardena LNAC. Assessment of Customer Satisfaction in Five Star Hotel- A Case Study, Tropical agriculture Research. 2010; 21(3):258-265.