

A Study of Guest Satisfaction toward Service Quality of Hotel Industry in Yangon, Myanmar

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Abstract: The review of literature discussed what service means to the hospitality industry. Also it discussed about the importance of training program in hospitality industry and recognition of training that increased a lot of benefits to the organization. In addition, the training motivates employees to have a better attitude toward guest service. Finally it looked into what would be better contents of service quality training program. The purpose of this study was to assess and describe the perception of service quality of the hotel. So a researcher distributed 590 survey questionnaires to a selected hotel and 94 of usable survey questionnaires were collected. Data for this study were applied descriptive statistics (frequency, means, and standard deviations) to all the questions and cross tabulation and ANOVA (Analysis of Variance) to gain an understanding of the nature of responses. As the result of the research from demographic data found that, the majority of the respondents were male 71.3% and 30.9% of the respondents were between the ages of 36 to 45 years old, and 45.7% of them indicated their job was professional while other 25.5% of the results refer to income earning of \$11,001 or higher. The finding indicated that where the training program should focus on and encouraged hotel management in determining whether to develop and improve their guest service training to their employees. Satisfied guests tend to be return customers; guest service training program may impact on that satisfaction. The recommendation has been shown that hospitality industry needs to evaluate the level of their service quality and to improve and develop training program as the result derived by the assessment to give better service to guests and the management team of this hotel needs to focus on training their employees for reliability, responsiveness and empathy and also attitude and assurance to increase guest's satisfaction scores although hospitality industry should invest time to train their employees in order to decrease turnover costs and motivated their employees.

Keywords: hospitality, impact, satisfaction, responsiveness.

1. INTRODUCTION

The single largest trend in business in the US over the past 45 years has been the increased emphasis on service and service-related industries. (Davidoff, 1994) Service has not traditionally been viewed as being as important as manufacturing. But service is no longer merely a by-product of an industrial society. According to Davidoff, many companies start to be engaged in efforts to improve the quality of service to their customers. However, improving service quality has not received the same attention and favor as has improving manufacturing quality. This is probably true because it is much harder to quantify the judge service. Davidoff mentioned, "Service grows on its own strength, as more people require its products independent of manufacturing. The number of well-paying service jobs continues to grow. The numerous and high productivity service jobs require highly skilled and trained workers with the variety of opportunity for advancement."

Evan (1998) discussed about poor customer service and worst customer satisfaction in the hotel industry. She stated that the hotel industry scored 71 out of 100 points in the industry's best-known customer satisfaction survey, compared with drop from 75 points in 1994 when lodging companies were struggling to pull themselves out of recession. The year of 1998's score was the lowest since Adersen began its American customer satisfaction index five years ago. The survey found that guests don't believe hotels are providing services that justify the rising room costs, giving the hotels a score 73 in the category, the lowest in five years.

PROBLEM STATEMENT:

The purpost of this study was to asseess and examine hotel guests' perception of service quality in relation to hospitality training program. This study investigated how to improve service quality through the perception of hotel guests who stay at the hotel and determined what a trainer has to train hotel employees to improve service quality in the hotel. A questionnaire was given to hotel guest staying at particular hotel. The questionnaire focused on five dimensions which were reliability, responsiveness, assurance, empathy according to SERVQUAL scale of Berry, Parasuraman, (1990) and attitude of employees.

THE SIGNIFICANCE OF THE STUDY:

This study was to assess guests' satisfaction of service quality of hotel. This study was significant because it would impact on future for service quality, and delivery of service to guest. There was lack of sufficient data to design and develop training program for the hotel that responds to service perceptions of guests so far. So, on behalf of this study, hotel management would develop and improve their training program.

DEFINITION OF TERM:

The following key terms would be used throughout this research, these were obtained by Webster's Third New International Dictionary (1971).

Customer	One that purchase some commodity of service
Guest	A person, who ledges, boards or services refreshment for pay whether permanently or transiently.
Guarantee	An expressed or implied assurance of the quality of goods offered for sale or the length of satisfactory use to be expected from a product.
Hospitality	The cordial and generous reception and entertainment of guests or strangers socially of commercially.
Manufacturing	To make from raw materials by hand or by machinery.
Quality	Degree of grade of excellence.
Satisfaction	Complete fulfillment of a need or want.
Service	Useful labor that does not produce a tangible commodity
Training	The teaching, drill or discipline by which powers of mind or body are developed.

OBJECTIVES OF STUDY:

The three major objectives of this study were:

1. To understand the relationship of service quality and training in hotel industry through the literature review
2. To assess the perception of service quality of selected hotel using SERVQUAL Scale from Berry, Parasuraman and Zeithaml (1990)
3. To provide data that would be useful to management in designing and developing training program in the hotel through assessment of service quality of the hotel

2. LITERATURE REVIEW

In strongly service-based hospitality industry, human resource management plays an important role to hire and train its employees because company's success will depend on its employees' service-based attitude. Dealing with people is what hospitality business is all about. When providing services to guests, primary resource is employees. Successful hospitality managers need to ability to work with those people who will contribute success.

This chapter will discuss, first of all, how service is different from manufacturing. Moreover, it will support hospitality industry started to recognize the importance of service training program. In addition, it will give an explanation why people do not want to be trained and why managers do not want to provide a training program to their employees. In contrast, it will definitely show evidences of the benefits of a training program in both employer and employee.

Furthermore, the researcher will introduce service quality dimension for training program from SERVQUAL from Parasuraman, Zeithaml and Berry (1990) and staff support area from Kennedy and Young (1988).

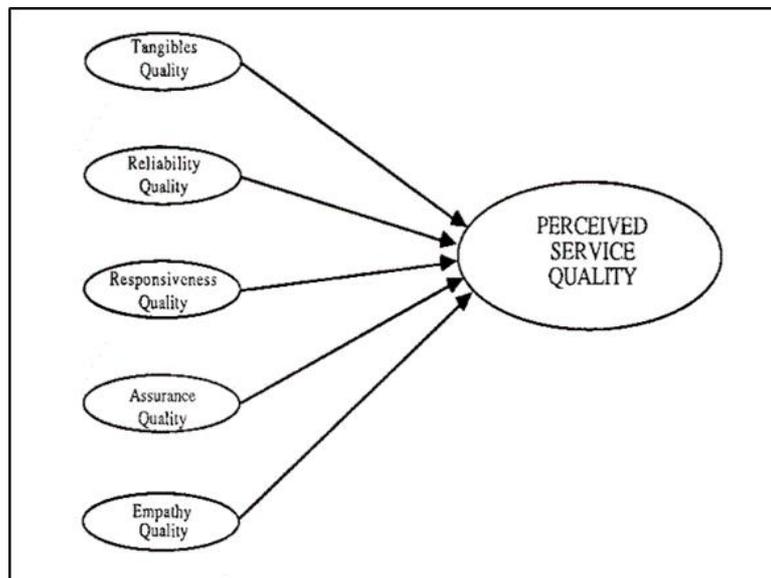
CUSTOMER SATISFACTION:

The definition of satisfaction concept appeared in a classic research by Cardozo (1965) as a positive evaluation post-purchase and Kotler & Keller (2012) classified as a feeling of pleasure or disappointment resulting from comparing the expected product or service in relation to the customers' performance expectations. Cronin & Taylor, 1992; Zeithaml, et al. (1996) identified the concept of satisfaction as a relation to customer's overall evaluation based in consumption experience of product or service. Customer satisfaction is the level of customer felt state resulting from comparing a perceived performance of service or product in relation to customers' expectations (Bala,2013), it means, if the perceived performance is less than expected, can result in a dissatisfaction by customer, and if the perceived performance exceeds expectations, can result in satisfaction by customer (Lin, 2003) cited in (Sakhaei, et al., 2014).

SERVQUAL:

Parasuraman, et al. (1988) introduced the model of measurement service quality with 22 items scale, called SERVQUAL, and this model has been widely adopted across industries (Oh, 1999). The SERVQUAL instrument was based on the satisfaction model proposed by Oliver (1980) and approaches the customer satisfaction as a result of expectation and performance of service offered.

The dimensions of the model SERVQUAL have the objective to identify the customer perceptions based expectation and performance of service offered (Parasuraman, et al., 1988), including to evaluate the appearance of physical facilities, equipment, personnel and communication materials (tangible); the ability to perform the promised service dependably and accurately (reliability); the willingness to help customers and to provide prompt service (responsiveness); the knowledge and courtesy of employees and their ability to convey trust and confidence (assurance) and empathy-the provision of caring, individualized attention to customers (Soteriou & Zenios, 1997).



Source: Parasuraman, et al. (1988)

SERVICE QUALITY AND CUSTOMER SATISFACTION:

The relationship between service quality and customer satisfaction has received considerable attention in the marketing literature (Brady & Cronin, 2001;2002; Cronin & Taylor, 1992; Meuter, et al., 2000; Oliva, et al., 1992; Al-Hawary; et al., 2011; Kordnaeij; et al., 2013)

The concepts service quality and customer satisfaction appears in the literature as a separated constructs (Bitner, 1994; Sprengel et al., 1996); sharing a close relationship (Cronin & Taylor, 1992), being necessary to identify the differences between them. The quality perception do not require experience with the service and its dimension are specific while the concept satisfaction judgments require experience with the service of provider and also can result from any dimension, not even related to quality. According by the relationship between service quality and customer satisfaction, researchers

have found empirical evidences that customer satisfaction is a result of service quality, being an antecedent of that (Oliver, 1993; Anderson & Sullivan, 1993). Definitely, the service quality and customer satisfaction have present relationship in many empirical studies and its constructs are somewhat correlated, in terms of cause and effect (Iacobucci & Ostrom, 1995).

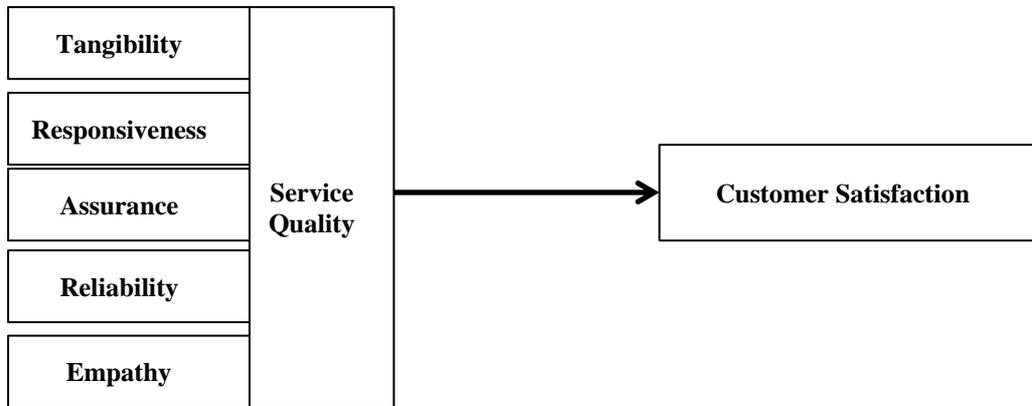
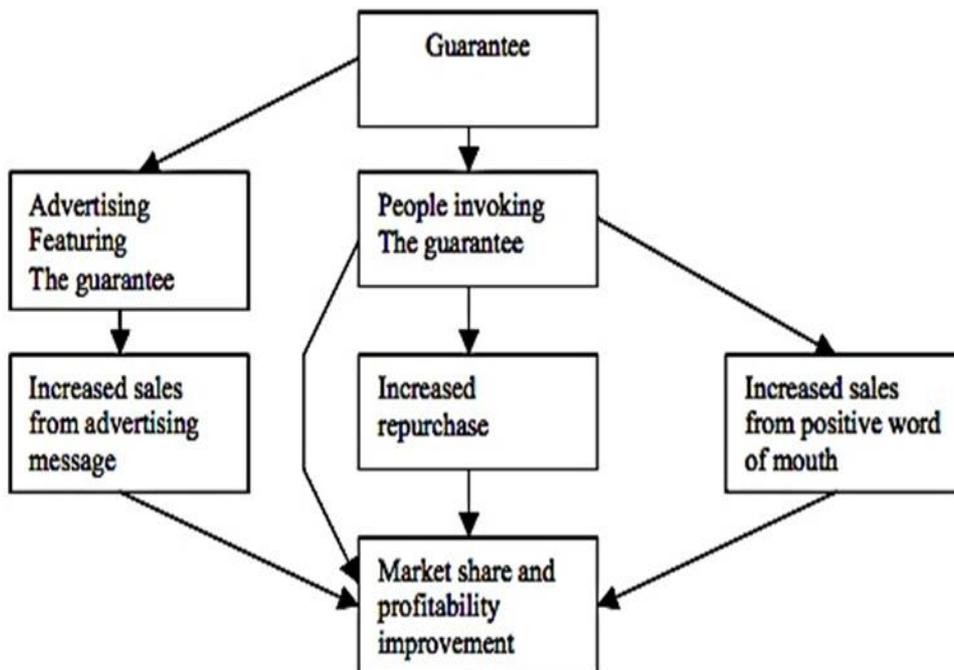


Figure 1 Service Quality and Customer Satisfaction

FINANCIAL IMPACT OF A SATISFACTION GUARANTEE:

Satisfaction guarantees are a powerful tool for ensuring quality service. They provide assurance to customers and quality standards for service provider. Profits are boosted because of the quality image projected by advertising the guarantee, repeat business from those who invoke the guarantee, and business referred by those who have invoked the guarantee. But to make success from guarantee, it is important that training employee to fit in their service quality as well as making them understanding their service culture. According to Rust, Zahorik, & Keiningham (1996), when hotel guarantee guest satisfaction, one of the amazing facts about it is the direct financial impact is large, and that a guarantee can be very profitable.



Source: *Service Marketing* (p. 224) by Rust, R.T., Zahorik; A.J. & Keiningham; T.L 1996, New York: Haper Collins College Publishers.

Figure 2 Direct financial impact of a satisfaction guarantee

3. METHODOLOGY

This methodology included how to select subject, design instrumentation, and procedure and conduct data analysis. Limitations are also discussed. The purpose of this study was to examine hotel guests' perception of service quality in relation to hospitality training program. This study investigated levels of service quality through the perception of hotel guests who stay at the hotel and encouraged hotel to improve service quality in the hotel. A questionnaire was given to hotel guest staying at particular hotel. The questionnaire focused on five dimensions, which were reliability, responsiveness, assurance, empathy according to modified SERVQUAL scale of Berry, Parasuraman, (1990) and attitude of employees.

SUBJECT:

The purpose of this study was to assess service quality through guest satisfaction of hotel guests who stay in the hotel. A random sample of 100 guests who stayed at hotel during the selected months of year was selected. Data analysis for this study was applied descriptive statistics (frequency, means, and standard deviations) to all the questions and cross tabulation and ANOVA (Analysis of Variance) to gain an understanding of the nature of responses.

RESEARCH INSTRUMENT:

The researcher used questionnaire for the hotel guests to assess service quality of the hotel: there were divided into three sections. In first section, the researcher asked guest's satisfaction in staying at particular hotel throughout their own service experiences such as employees' knowledge of hotel directories and surrounding area, how promptly employees give a service and how friendly employees were during the stay. In the second section, subjects were asked to indicate the level of their overall satisfaction. To determine levels of satisfaction, the researcher used a scale of 1 to 7 of the level of agreement. In the third section, they were asked demographic information including gender, age, occupation, income, how long they have stayed in particular hotel and the purpose of their stay and the reason to choose the hotel.

MODIFYING SERVQUAL SCALE:

This research focused on assessment of guest's satisfaction of service quality to develop and improve service-training program. Service training program will comprise developing employee's attitude, improving skill of problem-solving and increasing knowledge of hotel area. So, the researcher did not consider tangible service area such as modern-looking equipment and facilities that are not related in service training. The researcher adapted the survey instrument from SERVQUAL scale and eliminated five items (physical facilities are visually appealing, material associated with the service are visually appealing, modern-looking equipment and error-free records and operating hours) from original items and added several items from DINESERV modified by Vincent C. S. Heung, M.Y. Wong & Hailin Qu (2000). And the researcher modified it to suit the service training content in hotel industry situation. In addition, the researcher added one more dimension named attitude that means happy, eager, willing, positive, enthusiasm and prepared to meet guest's needs to the list.

LIMITATIONS:

This study had its limitation in terms of methodology and application. This study was limited by the use of a volunteer sample. At first, the attention of this study was to assess service quality in the hotel. So the questionnaires were distributed in real hotel and hotel guests when they check in and before they checked out. But when the survey questionnaires were distributed, whoever agreed or were willing to fill out the questionnaires were those who had good experiences, either had extremely bad experience and those who researcher already knew because it was easy to ask them to fill out. In other cases, whomever has bad experience with hotel rejected to fill out the questionnaire. Consequently, it was difficult to measure satisfaction level for non-volunteers.

PROCEDURE

The questionnaires were distributed during the selected months of year to subjects through the co-operation with the management team of the hotel. The researcher randomly distribute the questionnaire to the hotel guests when they checked in and asked them to return it during the stay or at the end of their stay at the hotel. Also because there was low return rate of the questionnaires, the questionnaires were distributed to guests day before they work check out. The questionnaires included a cover letter on the first page, which advised the importance of this study, support to management team of the hotel, the participants of this study, support of management team of the hotel, the participants of their anonymous response. Three weeks later, 94 of the useful questionnaires were collected.

4. RESULTS AND DISCUSSION

The purpose of this study was to assess guests' satisfaction of service quality of the hotel in relation to service training. This chapter will present the results of survey questionnaires, followed by demographic information using frequencies and percentages. The results were examined and analyzed by using SPSS (Statistical Program for the Social Sciences).

Total 590 survey questionnaires were given to hotel guests when they checked in or before they checked out. The return rate was 20.50% out of 590 surveys and out of returned 121 surveys, 27 survey questionnaires were omitted because some of them marked only one levels of satisfaction so, it was hard to measure whether they thought hotel service were really bad or excellent. Some of them returned incompletely. Only 94 questionnaires were useful for this study.

The survey from reliability part of service quality of the hotel shows that the mean score of item 2 was higher than the other three times. In item 1 (Keep promises), the mean score was 4.94 on scale from 1 to 7. In item 2 (Interest in solving problem) the mean score was 5.07 it means (80.9%) of respondents thought that hotel staff would help them when they have problems followed by item 4 (Providing service at the time they promise) which has 4.85 of mean score, and the lowest mean score is item 3 (Dependable in handling) that got only 4.78 of mean score, so the respondents (78.9%) thought that hotel staffs agreed they were dependable in handling service problem. The survey from responsiveness part indicated that all means scored less than 5. In item 5 (Tell when service are performed) 73,3% of the respondents agreed that hotel staffs tell them when service would be performed and in item 6 (Prompt service) about 80% of the respondents thought that hotel staff give them prompt service, while item 7 (Quickly correct mistakes) scored only 76.6% that indicated the staff would quickly correct mistake. Item 8 (Never busy to respond) received 78.7% of respondents. Another part is assurance we can see the results from our survey illustrated that item 9 (Trust them) received 25% of the respondent and agree hotel staff were confident, and item 10 (Feel safe during stay) got 87.2% that agree to feel safe and 9.6% of respondents did not feel safe. Item 11 (Consistently courteous) got 41.5% strongly agree, 88.4% agree and 2.1 were omits. In addition, in item 12 (Knowledge about hotel), item 13 (Trained and experienced), item 14 (Answer question completely), most of respondent tended to agree strongly that hotel staff were well trained and had knowledge about hotel to answer their requests completely. For overall satisfaction part, the most respondents had marked between agree (4) and strongly agree (7). It meant guests thought that hotel service met their expectation, 82% were satisfied with staying at hotel and 81.8% were willing to stay at the hotel again.

Table 1. Demographic information

	Frequency (N=94)	Percentage
<i>Gender</i>		
Male	67	71.3%
Female	23	24.5%
Missing	4	4.3%
<i>Age</i>		
18-25	11	11.7%
26-35	22	23.4%
36-45	29	30.9%
46-55	18	19.1%
56-65	10	10.6%
Missing	4	4.3%
<i>Occupation</i>		
Professional	43	45.7%
Manager/Administration	18	19.1%
Professor/Teacher/Researcher	5	5.3%
Self-employed	4	3.2%
Student	6	6.4%
Technician/Engineer	12	12.8%
Private Businessperson	1	1.1%

Other	2	2.1%
Missing	4	4.3%
<i><u>Personal Income (Annually)</u></i>		
Below \$5,000	5	5.3%
\$5,001 to \$6,500	11	11.7%
\$6,501 to \$8,000	18	19.1%
\$8,001 to \$9,500	17	18.1%
\$9,501 to \$11,000	7	7.4%
\$11,001 or higher	24	25.5%
Missing	12	12.8%
<i><u>Frequency of the stay</u></i>		
Once/Twice	54	57.4%
Three/Five	12	12.8%
Five/Ten	9	9.6%
More than 10 times	15	16%
Missing	4	4.3%
<i><u>The purpose of travel</u></i>		
Business travel	63	67%
Family matters	6	6.4%
Game in town	5	5.3%
Entertainment	8	8.5%
Others	8	8.5%
Missing	4	4.3%
<i><u>The reason to choose the hotel</u></i>		
Convenient location	36	38.3%
Company contract	17	18.1%
Reasonable price	13	13.8%
Excellent service	5	5.3%
Others	17	18.1%
Missing	6	6.4%

As shown in table above, surprisingly out of the 94 respondents 71.3% were male, only 24.5% were females and 4.3% were omits. More than 30% of the respondents were aged between than 36 and 45. About 23.4 percent were aged between 26 and 35, and 19.1 percent were aged 46 and 55. 11.7 percent of them were aged between 18 and 25 following 10 percent of ages between 55 and 65 and there were 4.3 % were omits. With regard to the respondents' occupation, 45.7 percent have professional jobs, 19.1% have manager or administrator, and 12.8% have technician or engineer, following by 6.4% of student, 5.3% of professor, teacher or researcher, 3.2% of self-employed, and only 1.1% of private businessperson. Only 2.2% of the respondents indicated they have other job and there were 4.4% of missing data. Also, they were asked to indicate their personal income annually. Of the 94 respondents 25.5% indicated their income were \$11,001 or higher. 19.1% of personal income was between \$6,501 and \$8,000, 18.1% of the respondents earn between \$8,001 and \$9,000 followed by \$5,001 to \$6,500 (11.7%), \$9,501 to \$11,000 (7.4%) and below \$5,000 (5.3%). 12.8% of the respondents did not indicate their income.

The major reason for traveling was business travel (67%) as this hotel was known as business hotel. Also, the other reasons were entertainment (8.5%), other reasons, (8.5%), family matter (6.4%), game in town (5.3%) and there were 4.4% of missing data. More than 55 % of the respondents indicated they stayed at the hotel for the first time or second times.16% had stayed more than ten times, and 12.8% had stayed three/five times and 10% had stayed five/ten times. The major reasons to choose the hotel were convenient location (38.3%), company contract (17.8%), other reason such as relaxation and Internet booking (18.1%) and reasonable room rate (13.8%). Only 5.3% of the 70 respondents indicated the reason to choose was excellent service and there were 6.7% of missing data.

5. CONCLUSION

First of all, through the review of literature, the management should recognize the relationship of service quality and training employee in their hotel. As long as they train employees, their employee would change their attitude toward service quality and would be motivated. Therefore, to keep up 100% of service quality, to reduce turnover rate, and to increase revenue through returning business, hospitality industry should train their employees effectively and continually.

Secondly, after assessment of service quality in the hotel, the following conclusions can be derived. Most of the respondents agreed or strongly agreed to each of items even though there were little bit of differences between 'agree' and 'strongly agree.' It was found that the means of attitude dimension were generally high (5.57, 5.48, 5.33 and 5.42 respectively) as well as median and mode in comparison with the other dimensions. Also in assurance dimension, the mean, median, and mode of assurance were high in general. The mean scores were over 5 except for 4.96 (Trust them), medians were between 5 and 6, and modes were mostly 6 and 7 except for 4 (well-trained and experienced hotel staffs). However, in dimension of reliability and responsiveness, the mean, median and modes scored lower than any other dimensions. For example, in dimension of responsiveness, the mean scored 4.75, 4.98, 4.94 and 4.98 and mode were all four compared with dimension of attitude. In addition, the mean scores of reliability were not as good as responsiveness. Their mean scores were 4.94, 5.07, 4.78 and 4.85 respectively. In dimension of empathy, it indicated that the mean scores were 5.13, 5.09, 4.88 and 4.72 respectively. There were still the mean score of less than 5. Therefore this study found out that the management should focus on training employees to improve responsiveness, reliability as well as empathy.

After examination of the demographic data, the following conclusion can be derived. It was found that the majority of the respondents were male (71.3%) and 30.9% of the respondents were between the ages of 36 to 45 years old. 45.7% of the respondents indicated their job was professional and 25.5% of them earned income of between \$11,001 or higher annually. The majority of the respondent (57.4%) indicated they stayed at hotel for the first time or twice. It was found that the majority of the respondents (67%) indicated the purpose of the trip was for business. It was also learned that the reason to choose the hotel was convenient location (38.3%).

Thirdly, after examination of all data, following conclusions were derived. Generally speaking, the mean scores of all items were over 4 and less 5 and were not close to 6. If the hotel guaranteed 100% of service quality and trained all staffs effectively, theoretically, hotel guests should have be satisfied with staying and all the items should had scored 6 or 7 and overall satisfaction levels should be 6 or 7, but overall satisfaction scores were low apparently. Also the subjects were asked if they had experienced problem. Out of 94 respondents, 29 of the respondents have experienced problems and only 13 of the respondents said the problem resolved satisfactorily and 16 of them indicated the problem resolved unsatisfactorily.

6. RECOMMENDATION

This study attempted to find out guests' perception of service quality though level of guest's satisfaction. The study focused on five different dimensions (reliability, responsiveness, assurance, empathy and attitude) that hospitality industry should train their employees in workplace to increase guest satisfaction score. So, this study found that this hotel did not do well regarding reliability, responsiveness and empathy compared with attitude and assurance.

It is strongly recommended that:

- 1- Hospitality industry needs to evaluate the level of their service quality and to improve and develop training program as the result derived by the assessment to give better service to guests.
- 2- The management team of this hotel needs to focus on training their employees for reliability, responsiveness and empathy as well as attitude and assurance to increase guest's satisfaction scores.
- 3- Hospitality industry should invest time to train their employees in order to decrease turnover costs and motivate their employees.

In addition, future study should use non-volunteers random samples, so it will prevent someone doing the survey for favor. Also a large sample size will be recommended to get more accurate result and multiple locations will be recommended so the researcher can compare with the levels of satisfaction of each location.

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