

## CUSTOMERS' SATISFACTION TOWARDS VARIOUS SERVICES OFFERED BY THE SELECTED HOTELS IN CHENNAI

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### ABSTRACT

*The aim of this research is to determine the customers' satisfaction towards various services offered by the hotels in Chennai. Service quality is also studied within a spectrum of different dimensions. An struggle is also made to find out which service quality dimensions may improve the customer satisfaction in a better way. Samples are choosing from a various demographic variables using the convenient random sampling method. Questionnaires were distributed among 150 customers from six 3 to 5 star category hotels in the study area. Descriptive statistics, one sample t-test, chi-square test used to analyze the data. Findings indicate that service quality and all its dimensions have significant and positive association with customer satisfaction. Therefore this study has been specifically conducted to look into this occurrence and seek experimental justification in this regard by considering service quality as the main contributory factor towards customer satisfaction.*

**KEYWORDS:** Hotel Sector, Customer Satisfaction, Service Quality.

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### Introduction

The Indian tourism and hospitality industry have emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. In FY20, tourism sector in India accounted for 39 million jobs, which was 8.0 per cent of the total employment in the country. By 2029, it is expected to account for about 53 million jobs. According to WTTC, India ranked 10th among 185 countries in terms of travel & tourism's total contribution to GDP in 2019. During 2019, contribution of travel & tourism to GDP was 6.8% of the total economy, Rs. 13,68,100 crores.

The premise of "service quality" as a tool for gaining competitive advantage and lead in a market-driven system has been well recognized by the hotels. However in current highly competitive corporate environment it has become increasingly important to not only become the market leader but also to maintain that top position. Researchers all over the globe claim that offering quality services give a sustainable competitive advantage to any business. It enables them to fulfill not only the present needs of their customers satisfactorily but also to anticipate their future needs. This ability to anticipate the future needs of customers allows them to delight their customers through quality services on consistent basis.

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## Literature Review

The impact of service quality on customer expectation and satisfaction in the context of tourism sector is a widely discussed topic in the literature. This section targets popular journals, magazines and various text books that contain fruitful information on various service quality dimensions as well as customer satisfaction.

Services are a continuous process of on-going interactions between customers and service providers comprising a number of intangible activities provided as premium solutions to the problems of customers and including the physical resources and any other useful elements of the system involved in providing these services (Grönroos, 2004). Premium service quality is a key to gain a competitive advantage in services industry. The satisfaction level of customers is dependent on their perception of service quality and the trust in service provider (Ismail et al., 2006; Aydin & Özer, 2005; and Parasuraman et al., 1988). By providing better quality services to customers, a firm revives the perception of customers about quality of services.

Several evidences found in literature establish that there is a significant correlation between service quality and customer satisfaction (Sureshchandaretal., 2002; Boulding et al., 1993; and Bitner, 1990). While Spreng and Mackoy (1996) provided evidence of the significant correlation between service quality and customer loyalty.

SERVQUAL scale, developed by Parasuraman et al., (1988), is the most famous measure of service quality. It classifies and measures service quality in five dimensions. We have taken four out of the sei.e.tangibles, reliability, assurance and empathy. SERVQUAL scale has been the most widely used measure of service quality. In many private research studies SERVQUAL has been constructively deployed (Parasuraman et al., 1991). Moreover several published research studies have positively discussed the SERVQUAL framework (Crompton & Machay, 1989; Webster, 1989; Woodside et al., 1989; and Johnson, 1988) and have assessed the validity and reliability of this measure (Babakus & Boller, 1991; Brensing & Lambert, 1990; and Finn & Lamb, 1991). Furthermore following the criticism on SERVQUAL scale, proper refinements were made to it (Parasuraman et al.).

The measurement of customer satisfaction has attracted many researcher from years. The similarities and differences in customer satisfaction between the Asian and Western tourists have been highlighted based on the studies by Wai and Kevin (2005). According to the authors, the hospitality factories the most influential factor in determining customer satisfaction for both Asian and Western tourists. Asian travellers are more interested in value, while Western travellers are more concerned about security and safety. Orthodox and Krishna (2016), in their research on the relationships between hotel ratings, service quality, customer satisfaction and loyalty at Ethiopian hotels concluded that there are significant relationships between these concepts. Customer satisfaction depends not only on the ratings of hotels, but also relies heavily on the quality of hotel services, which provide positive value perception to customers (Kofiet al., 2013).

A study of the tourism services quality in Egypt concluded that customer satisfaction depended on tourism services, levels of hotel services, value related to services' prices, accommodations, internal transportation, and suitable prices (Eraqi, 2006). Study of customer satisfaction in Pakistan agreed on the point that service quality and service features played an important role in augmenting satisfaction (Abbas et al., 2010). In Vietnam, the research about the effects of factors on guests' satisfaction and loyalty to luxury hotels in Ho Chi Minh City conducted a quantitative approach method with 255 questionnaire directly delivered to tourists stay in 3-5-star hotels. The results showed that proposed factors as empathy and assurance, tangibility and hotel image, which directly affected customers' satisfaction (Mai et al., 2015). A recent study by Nguyen et al. (2020) showed that among various determinants, service capacity and tangibility have the strongest impact on customer satisfaction. Research results from 500 tourists in the mountain destinations of Thanh Hoa province demonstrated that all factors constituting a destination image, including natural features, resources, infrastructure, government support, perceived price, and human factors, have a positive impact on tourist satisfaction (Le & Le, 2020).

## Objectives of the Study

- To understand the socio-economic status of the star hotel customers in Chennai.
- To study the service quality of the selected hotels in the study location.
- To find out the satisfaction level of the star hotel customers in Chennai.

**Hypotheses of the study**

- There is no significant relationship between gender and the various service expected by the sample respondents in the study area.
- There is no significant relationship between monthly income and the various service expected by the sample respondents in the study area.

**Research Methodology**

Survey method is used for this study for collecting the information from the customers of the selected hotels in Chennai. The questionnaire is adapted from scales already used for previous studies in the literature. The final questionnaire consists of two sections. The first section contains items regarding dependent and independent variables of the study, and was divided into five parts such as tangibles, reliability, assurance, expectation and customer satisfaction. Subjects of the study are the factors affecting customer satisfaction in hotels with a minimum of 50 rooms, which have been classified as 3-5 star hotels in Chennai. These researchers choose to study 3-5-star hotels because these medium and luxury hotels are the common choice of the tourists due to the appropriate service quality. Quantitative research was conducted based on the sampling survey of 150 respondents in 6 hotels from Chennai city. The researchers used convenient sampling technique to select the customers.

**Data Collection**

Data is collection in primary and secondary sources. Collecting of the data is primary aspect in research process. Data which is collect for the purpose of research help in proper analysis to develop findings which are helpful to conduct research effectively. The data source which is important in the collection of data is both primary and secondary data. Both primary and secondary data are taken into consideration for the study of attitude of the employees. The primary source are discussion with employees, data has been collect through questionnaire from 150 respondents. The source of primary data is the field was the researcher has collected fresh first-hand information of the data from the star hotel customers in Chennai.

**Statistical Tools**

The statistical tools are used for this study are:

- Percentage analysis
- Chi – square test

**Percentage Analysis**

Percentage refers to a special kind of ratios. Percentages are used in making comparison between two or more series of data. Percentage is used to describe relationship percentages can also be used to compare the relative terms, the distribution of two or more series of data.

$$\text{Percentage} = \frac{\text{Number of respondents}}{\text{Total number of respondents}} \times 100$$

**Chi – square Test**

The  $X^2$  test is one of the simple and most widely used non –parametric test in statistical work. It makes no makes no assumption about the populations being sampled. The quantity  $\chi^2$  describes the magnitude of discrepancy between theory and observation, i.e, with the help of  $\chi^2$  test we can know whether a given discrepancy between theory and observation, i.e, with the help of  $\chi^2$  test we can know whether a given discrepancy between theory and observation can be attributed to chance or whether it result from the inadequacy of the fit the observed facts.

$$\text{Formulae for Chi – square test} = \frac{(O_i - E_i)^2}{E_i}$$

$O_i$  - Observed frequency

$E_i$  – Expected or theoretical frequency

$$E_i = \frac{\text{Row total} * \text{column total}}{\text{Grand total}}$$

Degrees of freedom = (r-1) (c-1)

**Analysis and Interpretations****Table 1: Below Provides the Demographical Distribution of the Respondents According to Various Categories.**

Particulars	Classification	Number of Respondents	Percentage
Gender	Male	115	76.67
	Female	35	23.33
Age	Below 30 years	43	28.67
	31 - 60 years	78	52.00
	Above 60 years	29	19.33
Educational qualification	Graduate	122	81.33
	Non Graduate	28	18.67
Monthly income in Rs.	Upto 100000	48	32.00
	100001-300000	83	55.33
	Above 300000	19	12.67
Hotel category	3 Star	86	57.33
	5 Star	64	42.67

Sources: Primary data

The above table inferred that out of 150 Respondents, 76.67 respondent are male and remaining of them are female. Of 150 sample respondents 52 per cent of respondents are between 31 and 60 age category, 28.67 per cent of respondents are fall under the below 30 age groups and 19.33 per cent of respondents are above 60 age group in the study location. The highest literacy rate is 81.33 per cent of respondents are graduates and the remaining respondents are in the non-graduation in the study area.

More than half of the respondents (55.33) between the 100001 and 300000 monthly family income of the respondents, 32 per cent of respondents fall under the income category is up to 100000 and least number of respondents are having more than 3000000 income groups in the Chennai city. More than half of the respondents are prefer to stay is 3 star hotels and rest of them prefer 5 star hotels in the study area.

**Table No: 2 Classification of the Respondents According to their various Services Expectation by the Respondents**

S No	Facilities	No of Respondents	% of Respondents
1	Cabs& Parking facilities	20	13.33
2	Guide	67	44.67
3	Swimming pool	28	18.67
4	Safety and security	35	23.33
<b>Total</b>		<b>150</b>	<b>100.00</b>

Source: Primary data

The above table inferred that out of 150 respondents 44.67 per cent of respondents expect guide facilities, 23.33 per cent of respondents is fall under the safety and security, 18.67 per cent of respondents expects swimming pool and 13.33 per cent of respondents says that cabs and parking facility is the most expected services from the hotels. Majority of respondents says that Guide is most important service expected from the hotels in the study area.

**Chi Square Test-1****Hypothesis**

**H<sub>0</sub>:** There is no significant relationship between gender and the various service expected by the sample respondents in the study area.

S.No	O	E	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
1	14	15.33	-1.33	1.77	0.12
2	56	51.37	4.63	21.44	0.42
3	20	21.47	-1.47	2.16	0.10
4	25	26.83	-1.83	3.35	0.12
5	6	4.67	1.33	1.77	0.38
6	11	15.63	-4.63	21.44	1.37
7	8	6.53	1.47	2.16	0.33
8	10	8.17	1.83	3.35	0.41
<b>Total</b>					<b>3.25</b>

**Degree of Freedom**

$$\begin{aligned} \text{Dof} &= (r-1) (c-1) \\ &= (4-1) (2-1) \\ &= (3) (1) \\ &= 3 \end{aligned}$$

Table value is 7.81

Calculated value is 3.35

**Result: Null Hypothesis is Accepted**

The calculated value (3.25) is less than the table value (7.81) so the null hypothesis is accepted. Hence There is no significant relationship between gender and the various service expected by the sample respondents in the study area.

**Chi Square Test-2**

**Hypothesis**

**H<sub>0</sub>:** There is no significant relationship between monthly income and the various service expected by the sample respondents in the study area.

S.No	O	E	(O-E)	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
1	9	6.4	2.6	6.76	1.06
2	16	21.44	-5.44	29.59	1.38
3	3	8.96	-5.96	35.52	3.96
4	20	11.20	8.8	77.44	6.91
5	11	11.07	-0.07	0.00	0.00
6	45	37.07	7.93	62.88	1.70
7	16	15.49	0.51	0.26	0.02
8	11	19.37	-8.37	70.06	3.62
9	0	2.53	-2.53	6.40	2.53
10	6	8.49	-2.49	6.20	0.73
11	9	3.55	5.45	29.70	8.37
12	4	4.43	-0.43	0.18	0.04
<b>Total</b>					<b>30.31</b>

**Degree of freedom**

$$\begin{aligned} \text{Dof} &= (r-1) (c-1) \\ &= (4-1) (3-1) \\ &= (3) (2) \\ &= 6 \end{aligned}$$

Table value is 12.59

Calculated value is 30.31

Result: Null Hypothesis is rejected

The calculated value (30.31) is more than the table value (12.59) so the null hypothesis is rejected. Hence there is a significant relationship between family income and the various service expected by the sample respondents in the study area.

**Findings of the Study**

- More than three fourth of the sample respondents are male in the study area.
- More than half of the respondents are in the middle age category.
- More than half of the respondents are in the income category is between 1lakh and 3 lakhs.
- Most of the respondents prefer to stay 3 star hotels in Chennai city.
- Majority of respondents says that Guide is most important service expected from the hotels in the study area.

- There is no significant relationship between gender and the various service expected by the sample respondents in the study area.
- There is a significant relationship between family income and the various service expected by the sample respondents in the study area.

### Conclusion

The study systematizes the theoretical base of the quality of service and customer satisfaction with the services provided by hotels. Based on relevant research in the hospitality industry. The study demonstrated the impact of tangible products, intangible services, customer relationship management perceived values are important elements on customer satisfaction. In addition to this, highly educated clients tend to be more satisfied with hotels than others, which may indicate important and suitable solutions for hotels in the educational institution. Based on the study, in order to improve customer satisfaction and focus on improving service quality, as this is the strongest factor influencing customer acceptance. On the other hand, in order to increase satisfaction, it is necessary to improve material elements such as premises, equipment and the availability of additional services such as a guide, swimming pools, cabs and parking facilities these are major services expected by the star hotel customers in the Chennai.

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