

# Service Design Inputs for Hotel Businesses



Dhritiman Chanda, D.Ghose

**Abstract:** *The essential of quality management in business cannot be ignored. The quality is very important parameter of any business whether it is manufacturing or service organizations. Components of quality management systems are the essential indicators for the organizations. The present paper emphasized on the quality management systems of selected hotels, thus the study compared the different operations' dimensions with respect to quality management systems. The SERVQUAL technique has been applied in the study to know the gap between the expectations and experiences from the point of view of the visitors or customers for each of the hotels. Exploratory study has been carried with systematic random sampling and primary data. Further ANOVA was applied to test the different hypothesis. . This study organized around five hotels in Cachar District of Assam and an attempt has been made to understand the expectations and experience of the customers (guests/tourists) and also provided a structured questionnaire which if filled by the guests/tourists will help the management get a clear picture of the lacuna in their services, if there is any, in order to be corrected and made better for future ventures.*

**Keywords:** Manufacturing, Service, Expectations & Experience

## I. INTRODUCTION

Quality of product and services are most important in today's business so as to remain ahead in competition. As a customer quality is one of the essential aspect of the product or services to make a decision to purchase or to use. Thus it is utmost important for the manufacturer or the service providers to design and develop products or services based on the central theme of quality management. Quality management thus needs to be instilled in every aspects of business be it manufacturing or service organization. When we concentrate the discussion on the application of quality management in the hotel industry, all aspects of quality management need to be explored, as such industry remains in direct touch with the customers. Every organization competes with each other for offering better products as well as services to their clients. An abode of cultural origin and green outskirts, Silchar never fails to attract tourists every year with hope of exploring its beauty. With the inflow of such interests,

it is high time to develop the hotels setup in the place. People come with expectations from the place and it is the responsibility of the hotel management to provide them better experience in terms of their stay. This not just enhances the economic uplifting of the town and since it occupies a major part of the District its development directly enhances the District's development as well.

## II. NEED OF THE STUDY

It requires 10 times more investment in gaining the interest of the customers than retaining the customers, in this case the guests or tourists who are loyal to the hotel. Hence finding out if the expectations of the visitors are met in terms of Tangibility, Reliability, Responsiveness, Assurance and Empathy is provided by the hotel management is a very important aspect. The study circles around 5 hotels of the town and does a comparative study of their performances.

## III. LITERATURE REVIEW

Gronroos in 1984 mentioned that the components of the quality of service were generally divided in three parts which include the technical service, functional service and image of the service provider [1]. Kang and James in 2004 further validated it and said that the image of the management works as the filter in the perception of the quality of service [2]. Further Gronroos in 2001 stated that the most important factor involved in a service industry is its process of executing the work not the things that are associated [3]. Moreover Gupta, McDaniel and Herath, in 2005, in order to develop a better performance in providing service, stated a conceptual model that said that the three main characteristics of developing quality in service are the qualities of the leader, the culture existing in the work environment and the dedication given by the employees [4]. Quality was considered to be a weapon for the increase in the organizations output and through questionnaire survey and various data analysis Hasan and Kerr in 2003 saw that the top management's role and the satisfaction of the customer or consumer availing the service were considered to be the most important ones [5]. Considering the hotel industry, Law and Hsu in 2005 conducted a study in Hong Kong and the feedback from 304 travelers was taken and it was seen that the most important factor of gaining attraction of customers through online booking system was the respective hotel's reservation system and the rates of the hotel room shown in the website [9]. In order to develop a better hotel industry and to gain more good feedbacks from the customers as a whole,

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Shi and Su in 2007 saw that the most important factors that enhance the performance of the hotel were the reception's performance, the efficiency of the attendants, the room decorations and the quality and taste of food provided in the food court [6]. To find out if the guests who had stayed in the hotels were content with the service provided by the hotel management, Prasad, Wirtz and Yu, in 2014 made an online system to take the feedbacks from the customer in order to take care of the lacuna in the service [7]. Rather than concentrating on the error reduction in all the sectors, Gundersen, Heide and Olsson in 1996 said that implementing more importance to customer satisfaction was considered important and through a 22 item Likert questionnaire response from 315 customers was taken regarding their experience on the tangible and intangible services of their hotel stay in Norway [8]. Radder and Yang in 2006 found out that the most important dimension of a stay, which is being expected by the travelers, is professionalism exhibited by the employees whereas the managers expect the management skills of taking care of complaints by the staff is important. Although both the groups accepted that the neatness and in time provision of services were important as well [10].

Parasuraman, Zeithaml & Berry in 1985 found that Reliability, Responsiveness, Competence, Access, Courtesy, Communication, Credibility, Security, Knowing the customer, Tangibles were the ten factors that were used to find out the main performance of service quality after an extensive research in four service providing businesses [11]. In the subsequent works these ten attributes were made precise by Parasuraman, Zeithaml and Berry and in 1988 they converted them into 5 crucial factors that included the tangibility, responsiveness of the service provider, the reliability gained by the customer over the service, assurance provided by the service provider in terms of courtesy, communication, credibility, competence and security and the empathy provided by knowing the customer well [12]. Taking inspiration from these five factor model, Saleh and Ryan in 1991 took a study in the hospitality industry and the gap formed between the expectation of the clients and the perception of the services was found out. Arguably, these gaps were the reasons behind the dissatisfaction of the customers [13]. A similar study was done in Jordan by AbuKhalifeh and Som in 2012 in the food and beverage sections of the hotels taking the five factors into consideration and it was found that a higher quality of service can be gained through these factors and this will help in gaining the loyalty of the customers due to their enhanced satisfaction level [14]. SERVQUAL methods have already crossed twenty years of its application and Ladhari in 2009 made study to find its authenticity in the present day and it was seen that in spite of having many criticisms, it is still considered to be a strong instrument [15].

The expectations of the customer from any service was tried to be explored by Parasuraman, Berry and Zeithaml in 1991 and through this study the concept of zone of tolerance was included that is the space in between the adequate level of service and the service that is desired by the customers [16]. In order to carry out a high quality service industry knowing the requirements of the customers is the pre requirement and in order to implement that, Robledo in 2001 used SERVPEX

method and it was concluded that this method is superior to others [17]. By taking the environment of the society, the technology of self service and the branding of the store a holistic approach by Verhoef, Lemon, Parasuraman, Roggeveen, Tsiros and Schlesinger in 2009 said that the customer experience prior to the consumption will affect the experiences of the customer in the future [18]. Since the process of providing better customer experience is a really subjective and tough job to do, Frow and Payne in 2007 conducted a case study on two leading companies to understand their approach of satisfying the customers at an economical investment [19].

Ghobadian and Gallear in 1996 found that the implementation of TQM was not that much prevalent in the small medium enterprises as compared to the large organizations and a study was made to see the impact of TQM in these small and medium industries through deductive and inductive approaches [20]. A relationship between the TQM processes and the new ideas generated for a model was tried to be found out by Bon and Mustafa in 2013 where the independent variables were management leadership, involvement of employee, empowerment of employee, customer centric process etc. and the dependent variables were innovations in process, administration, marketing etc. and a detailed conceptual model was provided for better understanding [21]. In order to an analysis of variance in the GFRP composite materials in the milling process Davim, Reis and Antonio in 2004 did an anova test to minimize the surface peeling [22]

### IV. RESEARCH AP

A proper quality maintenance and delivery of the hotels is a mandatory target of the hotel management. Not a large number of works has been done in this regard so far and taking this into concern the study is well placed.

### V. OBJECTIVES

- To find out the expectations and experiences of the guest/tourists from their stay in the hotels.
- To identify the gap between expectation and experience of the guests.

### VI. HYPOTHESIS

- There is no significant difference in the expectations of the guests/tourists staying in the 5 hotels of Cachar District.
- There is no significant difference in the experiences of the guests/tourists staying in the 5 hotels of Cachar District.

### VII. SCOPE OF THE STUDY

This study has focused on the issue related to the factors like Tangibility, Reliability, Responsiveness, Assurance and Empathy for both expectations and experience.

**VIII. LIMITATIONS OF THE STUDY**

Due to time and cost constraints, the study has considered itself among only 5 hotels in Cachar district to calculate the gap scores.

**IX. METHODOLOGY**

The study is exploratory in nature. It implements both qualitative and quantitative techniques. The sampling method used is systematic random sampling.

The study has obtained data from the guests/tourists who have stayed in the 5 hotels of Cachar district and the names of the hotels and the guests/tourists are not disclosed due to security purposes.

The sources of data are purely primary in nature. It has been obtained from a structured questionnaire.

The Sampling frame is of the following type

**Table- I: The Sampling frame is of the following type**

	Sampling Frame				
	Hotel 1	Hotel 2	Hotel 3	Hotel 4	Hotel 5
Respondents	15	15	15	15	15

Source: Developed by the authors for the present study

**A. Model Specification**

Expectations: Before visiting the hotels the guests/tourists have some idea regarding the hotel and they have some criterias that are expected to be met by the hotel management. Their expectations have been taken in the form of numbers in the following way.

**Table- II: Expectation**

Expectation Zone						
Low Consent				High Consent		
1	2	3	4	5	6	7

Source: Developed by the authors for the present study

Experience: After staying in the hotel the guests/tourists gain some idea of the services provided by the hotel and these experiences have been taken in the form of numbers in the following way.

**Table- III: Experience**

Experience Zone						
Low Consent				High Consent		
1	2	3	4	5	6	7

Source: Developed by the authors for the present study

**B. Model Formulation**

The data collected is analyzed with the help of SERVQUAL technique. The GAP scores are calculated and then ANOVA single factor testing is done to check the authenticity of the hypotheses formed

$$Expectation = E \tag{1}$$

$$Experience = E'' \tag{2}$$

$$Gap\ Score = E'' - E \tag{3}$$

$$Average\ Score = (\sum (E'' - E)) / 3 \tag{4}$$

$$Weighted\ Average\ Score = Weights (W) * Average\ Score \tag{5}$$

$$Servqual\ Score = (\sum Weighted\ Average\ Score) / 5 \tag{6}$$

**C. Assumptions**

- The types of the hotel and the services provided by them are considered to be uniform.

- The demand for the hotel rooms is considered to be same.
- The allocation of hotel rooms is done as per First Come First basis.

**X. ANALYSIS**

**Table- IV: Gap score hotel 1 respondent 1**

Category	Q. No	Expectation	Experience	GAP E''-E	Average Score
	1	5	4	-1	
Tangible	2	5	3	-2	-2
	3	5	2	-3	
	4	5	4	-1	
Reliability	5	5	3	-2	-1.667
	6	5	3	-2	
	7	5	2	-3	
Responsiveness	8	5	2	-3	-2.667
	9	5	3	-2	
	10	5	5	0	
Assurance	11	5	1	-4	-2.333
	12	5	2	-3	
	13	5	3	-2	
Empathy	14	5	4	-1	-1
	15	5	5	0	

Source: Compiled by the authors for the present study

**Table- V: SERVQUAL score for respondent 1**

Category	Weights	Average Score	Weighted Average Score
Tangible	10	-2	-20.0000
Reliability	20	-1.6666667	-33.3333
Responsiveness	20	-2.6666667	-53.3333
Assurance	30	-2.3333333	-70.0000
Empathy	20	-1	-20.0000
Total Weights	100		-196.6667
Servqual Score			-39.3333333

Source: Compiled by the authors for the present study

The Servqual score is -39.33333





Staying ahead of the curve is a daily activity of the industries now and thus providing a better service to the customers not only enhances the revenue but cements their stay in the market for a long time. The service industry, especially the hotel managements, always find a number of incoming traffic for availing their service and the customers always find a number of options to choose from. In order to continue giving good services to the tourists or guests, providing a better experience of the stay is highly important and thus making sure that all the threads of service are of the expected quality is a mandatory checklist of the hotel managers. This study rotated around five hotels in Cachar District of Assam and understood the expectations and experience of the customers (guests/tourists) and also provided a structured questionnaire which if filled by the guests/tourists will help the management get a clear picture of the lacuna in their services, if there is any, in order to be corrected and made better for future ventures.

**APPENDIX**

	Expectations		Experience		Gap
Q	Tangibility	E	Tangibility	E	E"-E
1	The hotel will provide a comfortable seating arrangement at the reception		The hotel provides a comfortable seating arrangement at the reception		
2	The hotel will provide basic amenities like bed, TV, table etc. in good qualities		The hotel provides basic amenities like bed, TV, table etc. in good qualities		
3	The hotel will have enough table space for sitting in the food court		The hotel has enough table space for sitting in the food court		
	<b>Reliability</b>		<b>Reliability</b>		
4	Rooms booked will always be available		Rooms booked were available		
5	Food presented in the meals should have a good number of options		Food presented in the meals should had a good number of options		
6	The hotel management remains at service 24*7		The hotel management remained at service 24*7		
	<b>Responsiveness</b>		<b>Responsiveness</b>		
7	Snacks/Beverages will be provided right after the tourists enter		Snacks/Beverages was provided right after the tourists enter		
8	Any other help regarding the native place will be provided		Any other help regarding the native place was provided		
9	Assistance in case of any issue will be provided spontaneously		Assistance in case of any issue was provided spontaneously		
	<b>Assurance</b>		<b>Assurance</b>		
10	The hotel management will be well groomed with good communication		The hotel management was well groomed with good communication		

	skills		skills		
11	Security should be provided to the dwellers in the hotel		Security was provided to the dwellers in the hotel		
12	The management will exhibit proper courtesy and credibility		The management exhibited proper courtesy and credibility		
	<b>Empathy</b>		<b>Empathy</b>		
13	Needs of tourists will be understood precisely		Needs of tourists was understood precisely		
14	Customers best interest will be kept in mind while dealing with them		Customers best interest was kept in mind while dealing with them		
15	Separate attention for separate individual will be given		Separate attention for separate individual was given		

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