



Customer Satisfaction: Evaluation of Three Star Category Hotels in Shimla

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Abstract-Himachal Pradesh is famous for its Himalayan landscapes and popular hill-stations. Many outdoor activities such as rock climbing, mountain biking, paragliding, ice-skating, and heli-skiing are popular tourist attractions in Himachal Pradesh. Shimla, the state capital, is very popular among tourists. The Kalka-Shimla Railway is a Mountain railway which is a UNESCO World Heritage Site. Shimla is also a famous skiing attraction in India. In a state like Himachal Pradesh which is a renowned tourist destination and with ever increasing number of hotels it is important to analyze the gap between customer expectation and customer experience so that hotels can understand their drawbacks and improve upon their services. Customer satisfaction, a term frequently used in marketing, is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals. This study tries to highlight the very causes of customer dis-satisfaction especially in case of three star hotels in Shimla. Though the results would not be confined to Shimla only and would have a holistic approach towards all the hotels in the said category. The main objective of this study is to identify the factors which need improvement so that customer satisfaction can be maximized in hotels.

Index Terms-Customer Satisfaction, Customer Expectation, Tourist Destination etc

1. INTRODUCTION

Himachal Pradesh is famous for its Himalayan landscapes and popular hill-stations. Many outdoor activities such as rock climbing, mountain biking, paragliding, ice-skating, and heli-skiing are popular tourist attractions in Himachal Pradesh. Shimla, the state capital, is very popular among tourists. The Kalka-Shimla Railway is a Mountain railway which is a UNESCO World Heritage Site. Shimla is also a famous skiing attraction in India. Other popular hill stations include Manali, Kasauli and Dharamshala. (History of H.P. 2009)

There are several four star hotels located all around the state and many of them are quite new. There are a few heritage hotels that provide four star comparable luxuries as well. The towns of Shimla and Dharamshala are the main tourist spots in town and these have the most number of four star joints. Many of these hotels provide impressive views of the Himalayas in Himachal Pradesh.

The hotels in the state are known for their impressive hospitality and the four star hotels and three star hotels take the meaning of luxury to the next level.

Over the last decade or so several new four star and three star options have sprung up all over the state. Even the lesser known towns are hosting new hotels. A Honeymoon in India has become synonymous with hill stations and these hotels provide some of the best packages for newlyweds. It

well worth taking advantage of these impressive packages.

Four star and three star hotels in the state provide a whole range of facilities ranging from the simple to the extraordinary. Many of them have swimming pools and spas that are of international standard. This is especially because of the high influx of foreign tourists. Spas are complete with facilities such as sauna room and steam room. Four star and three star hotels in the state provide fine dining options as well. In room dining facilities are quite common too.

The rooms are almost always plush and elegant. They are well decorated and fitted with the latest equipment and facilities. En suite bathrooms are available as well. Some rooms are fitted with bath tubs and jaccuzis. The hotels also arrange for sight-seeing tours to most of the tourist destinations. Guests can rent cars and take day trips to nearby places. Opportunities for fishing and white water rafting are also part of the package. Overall staying at these hotels will be a peaceful and exciting experience. Tourism in India is fast developing with four star and three star hotels in the state which are keeping pace with this trend.

Firms generally ask customers whether their product or service has met or exceeded expectations. Thus, expectations are a key factor behind satisfaction. When customers have high expectations and the reality falls short, they will be disappointed and will likely rate their experience as less than satisfying. For this reason, a luxury resort, for example, might



receive a lower satisfaction rating than a budget motel—even though its facilities and service would be deemed superior in “absolute” terms.

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Consumer satisfaction research started as early as the 1960’s (Cardozo, 1965). The literature suggests that customer satisfaction is a by-product of the confirmation or positive disconfirmation of expectations and that customer dissatisfaction is a by-product of negative disconfirmation of expectations (Day, 1984; Oliver, 1980; Olshavsky & Miller, 1972; Olson & Dover, 1976).

2. STATEMENT PROBLEM

The statement of problem is generated from the consideration that is service quality of any hotel an important matter to bring more customers, retain the existing ones and creates loyalty among customers? Practically, somehow, service provided at a hotel may not be fully implemented yet and needs some improvements. Also, if a hotel would evaluate its own service, the understanding from the perspectives of customers is very important. From the perspectives of customers, the assessment of service quality will not be biased. What reflected from the customers perspectives could provide a chance for a hotel to improve its service quality to the right direction.

3. OBJECTIVE OF THE STUDY

The objectives of this study are:

- To see if there is a gap between customer satisfaction and customer experience at the hotels taken up for the study?
- To identify the factors which need improvement so that customer satisfaction can be maximized in hotels?

4. RESEARCH DESIGN

To achieve the above mentioned objectives it is proposed that three hotels of three star categories would be studied and a comparison of their services would be drawn on the basis of the responses of the customers of these hotels. The customers would be chosen on the basis of random sampling. The three hotels of Shimla that have been chosen for the study are Honeymoon Inn, Hotel Bridge View Regency and Hotel Landmark.

5. SIGNIFICANCE OF THE STUDY

In a state like Himachal Pradesh which is a renowned tourist destination and with ever increasing number of hotels it is important to analyze the gap between customer expectation and customer experience so that hotels can understand their drawbacks and improve upon their services.

This study tries to highlight the very causes of customer dis-satisfaction especially in case of three star hotels in Himachal Pradesh. Though the results would not be confined to Himachal Pradesh only and would have a holistic approach towards all the hotels in the said category.

In addition the importance of this study also lies in the fact that it contributes to both theory and management of the hotel industry. The results of this study will not only help in bringing about awareness of the relationship between the variables taken up for the study but it will also help in increasing customer satisfaction.

6. DATA COLLECTION

To ensure reliability of the study the researcher personally conducted the interviews. The data was collected from direct personnel investigation and telephonic as well as face to face interviews.

7. DATA ANALYSIS

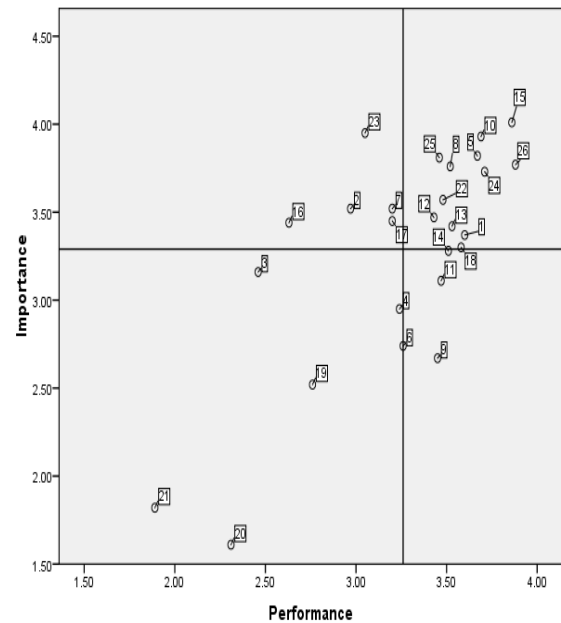
The twenty-nine variables used as input for the importance performance matrix are presented in table and figure 1 and 2. These variables were chosen for the study after a detailed study of hotel and customers.

Table 1: Importance Performance Means of Hotels

Sr. No.	Attributes	Importance	Performance
1	Reservation system	3.37	3.60
2	Tariff structure	3.52	2.97
3	Packages offered	3.16	2.46
4	Front office staff	2.95	3.24
5	Location of the hotel	3.82	3.67
6	Competence of the housekeeping staff	2.74	3.26
7	Room furnishing	3.52	3.20
8	View from the Room	3.76	3.52

9	Safe deposit facility	2.67	3.45
10	Heating Facility	3.93	3.69
11	Pest control	3.11	3.47
12	Laundry services	3.47	3.43
13	Restaurant and bar services	3.42	3.53
14	No of Menu items	3.28	3.51
15	Quality of Food	4.01	3.86
16	Price of food	3.44	2.63
17	Price of Beverages	3.45	3.20
18	Cleaning of Public area	3.30	3.58
19	Fitness club	2.52	2.76
20	Activities	1.61	2.31
21	Gift shop	1.82	1.89
22	Travel facilities	3.57	3.48
23	Guest safety	3.95	3.05
24	Hygiene	3.73	3.71
25	Waiting time for billing	3.81	3.46
26	Parking facilities	3.77	3.88
	Total	85.70	84.74
	Grand Mean	3.29	3.26

Figure 1: Importance performance Matrix of Hotels



Quadrant I: This quadrant shows high importance for the customers and high performance of the hotel. These are the variables which are the strength of the hotel. These attributes should be used as a USP for the hotel. It is evident from the quadrant that restaurant and bar service, travel facility, location of the hotel, waiting time for billing and number of menu items are the variables which are performed by hotel up to the desired level of customers. The reservation system, laundry service of the hotel, the parking facility, the quality of food, heating facility, view from the room and hygienic conditions are the variables which are also important to the customers and the hotel is providing them up to their satisfaction level.

Quadrant II: This quadrant shows high importance for the customers and low performance of the hotel. According to the response of customers they feel the guest safety important which is not up to their mark, so hotel should consider guest safety is the primary responsibility. Room furnishing can attract most guests, so there is urgent need to improve the furnishing of guest rooms because this attribute is highly important for customers. Customer feel that tariff structure and the price of food are on higher side if the hotel reduces the rates, the occupancy percentage of customer will increase.

Quadrant III: This quadrant shows low importance for the customers and low performance of the hotel. As clear from third quadrant, the package offered the activities performed by the hotel, fitness course and gift shop are not much important for the customers.

Quadrant IV: This quadrant shows low importance for the customers and high performance of the hotel.



These are the variables which are not important for the customers and here hotel is performing very well. These variables include safe deposit facility, cleaning of public area, pest control and competence of front office and housekeeping staff. So hotel should not invest much here rather it should focus more on the variables which are present in quadrant second.

CONCLUSION

The results of the study indicated that certain factors were more important than others in case of customer satisfaction. The results have implications for determining how hotel should allocate their efforts and resources. Resource allocation can be prioritized based on the relative importance of the choice factors. The Hotel should offer a wide range of beverages. Manager should place a strong emphasis on staff training to ensure they have a service mind and are willing to deliver high-quality service. The standard performance assessment of staff can be set with these qualities in mind and reviewed regularly. Additionally, to meet the current trends and demand of a healthy lifestyle, hotel should offer healthy food choices such as vegetarian, low-fat meals. Billing staff should be trained to take extra care when calculating the total bill by rechecking the diners' list of orders and prices. It is concluded from the study that the possible ways out of these problems are to revise pricing of the menu, maintain proper hygienic conditions and provision of food which is more nutritious and healthier.

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