

A STUDY ON CUSTOMER SATISFACTION IN HOTEL INDUSTRY WITH SPECIAL REFERENCE TO JC RESIDENCY, MADURAI

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Abstract

The researcher undertook the project on “A Study on Customer satisfaction in JC Residency, Madurai”. A period of 90 days was undertaken to complete the project with the inputs being collected by the ways of primary and secondary data. While secondary data were collected from books, references and electronic media, the primary data was basically designed in the questionnaire format covering various points to be responded by the respondents. It had both open ended as well as close ended structured questions. The researcher took the customers of JC Residency. The Research is descriptive in nature as it involves representation of opinions of the respondents. The sample size is 150 guests of the hotel and the sampling method being Simple Random Sampling which each item has equal chance of getting selected. The researcher on collection of primary data through the questionnaire format used tabular analysis and percentage analysis to find the inferences, Chi-square and Factor Analysis, weighted average method to find the level of satisfaction of various facilities offered by JC Residency. Based on analysis set above findings with regard to the various questions responded by the respondents Suggestions were provided for the betterment of the Organization.

Keywords: Customer satisfaction, Customer expectation service quality, Hotel industry, Hospitality industry.

Introduction

Customer satisfaction is a term frequently used in marketing. It 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 experiences with a firm, its products, or its services (ratings) exceeds specified satisfaction goals.

If there is any place where customers are likely to be playing attention to the type of service they receive; it's within the hospitality industry. From restaurants to hotels and everything in-between, the job as a hospitality service provider is to maintain customer happiness and satisfaction. As the hospitality industry becomes more competitive,

economic pressures increases and industry continues to expand, there is an obvious need to retain clientele as well as increasing profitability. It is therefore unsurprising that hospitality management professionals strive to improve guest satisfaction, and short term and long-term, revenues.

It is seen as a key performance indicator within business and is often part of a Balanced Scorecard. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy.

“Within organizations, customer satisfaction ratings can have powerful effects. They focus employees on the importance of fulfilling customers’ expectations. Furthermore, when these ratings dip, they warn of problems that can affect sales and profitability. These metrics quantify an important dynamic”.

The following points highlight the importance of measuring customer satisfaction:

- A totally satisfied customer contributes 2.6 times as much revenue to a company as a somewhat satisfied customer.
- A totally satisfied customer contributes 17 times as much revenue as a somewhat dissatisfied customer.
- It is a point of differentiation.
- It increases customer lifetime value
- It is cheaper to retain customers than to acquire new ones.

INDUSTRY PROFILE

Hospitality industry

The hospitality industry is a broad category of fields within the service industry that includes lodging, restaurants, event planning, theme parks, transportation, cruise line, and additional fields within the tourism industry. The hospitality industry is a several billion dollar industry that mostly depends on the availability of leisure time and disposable income. A hospitality unit such as a restaurant, hotel, or even an amusement park consists of multiple groups such as facility maintenance, direct operations management, marketing, and human resources. The Indian hospitality industry has emerged as one of the key industries driving growth of the services sector in India. It has evolved into an industry that is sensitive to the needs and desires of people.

Major characteristics of Hotel Industry

Globalization has brought about many changes in various industries, including the hospitality industry. New dimensions of customer service have emerged and the customer’s basic perception of the service has changed. With increased awareness and exposure,

customers today desire and expect a lot more when compared to customers a few years back. Today's consumers demand more convenience and communication facilities.

- * Perish ability
- * Location
- * Fixed supply
- * Seasons
- * High fixed costs and low variable costs
- * Competition
- * Value-added services

RESEARCH METHODOLOGY

Research Design

Research design is the decision regarding what, where, when, how much, by what means concerning an inquiry or a research study constitute a research design.

Descriptive research also known as statistical research describes data and characteristics about the preferences of population or phenomenon being studied. The study is descriptive in nature because it determines the opinions, views and satisfaction level of guest of JC Residency, Madurai.

Nature of Data

The validity of any research is based on the data collected for the study. Questionnaire was the main tool used for collecting the primary data. Hence great attention was given to construct the questionnaire. The questionnaire was prepared with the help of the research guide and experts. The questionnaire was framed in a simple manner capable of being answered easily and quickly by the respondents.

Source of Data

The data was collected from 150 guest of JC Residency, Madurai. A questionnaire was filled by the guest who was used by the researcher to assess the customer satisfaction of the hotel.

Sampling Method

For this study Accidental sampling where the sample being drawn from that part of the population that is close to hand. That is, a sample population selected because it is readily available and convenient, as researchers are drawing on relationships or networks to which they have easy access is been used. The sample size is 150.

Method of data collection

Data collection is a term used to describe a process of preparing and collecting data. There are two types of data collected for the project:

- Primary data, through questionnaire.
- Secondary data, through Journals, Books, Websites and Company Record.

Tools for analysis

Analysis of data is a process of inspecting, cleaning, transforming and modeling data with the goal of highlighting useful information, suggesting solutions and supporting decisions. The researchers has used statistical tools like

- * Percentage analysis
- * Weighted average
- * Chi square test and
- * Factor analysis

Limitations of the study

- The study is limited to the guest of JC Residency, Madurai
- The study is limited to 150 samples.

ANALYSIS

Genders of the respondents

S. No.	Gender	No. of Respondents	Percentage of Respondents
1	Male	96	64
2	Female	54	36
	Total	150	100

Source : Primary data

This table shows that 64 percentages of respondents would recommend the hotel to others and 36 percentage of respondents would not recommend.

Purpose of visit by the respondents

S. No.	Purpose of visit	No. of Respondents	Percentage of Respondents
1	Official	62	41
2	Holiday	71	48
3	Education	3	2
4	Others	14	9
	Total	150	100

Source : Primary data

From the table, it is clear that 41% of the respondents visit for official purpose, 48% of the respondents visit for holiday purpose, 20% of the respondents visit for education purpose and 9% of the respondents visit for marriage, get together.

Most preferred options apart from basic room accommodation

From this table, it is clear that 40% of the respondents prefer restaurants, 27% of the respondents prefer recreation centers, 16% of the respondents prefer general porter facility, 11% prefer travel desk and 6% prefer pools, health clubs.

S. No.	Particulars	Total	Percentage
1	Restaurant	60	40
2	Recreation Centre	41	27.33
3	Travel desk	16	10.67
4	General Porter Facility	24	16
5	Others	9	6
	Total	150	100

Source : Primary data

Value for Money Paid

S.no	Particulars	Total	Percentage
1	Yes	140	93.33
2	No	0	6.67
	TOTAL	150	100

Source: Primary Data

The table shows that 93.33 percentage of respondents feel that there is value for money paid and 6.67 do not feel that there is value of money being paid.

Recommendations being Made to Others

This table shows that 94 percentage of respondents would recommend the hotel to others and 6.67 percentage of respondents would not recommended.

S.No	Particulars	Total	Percentage
1	Yes	141	94
2	No	9	6
	TOTAL	150	100

Source : Primary Data

FACTOR ANALYSIS**KMOAND BARTLETT'STEST**

Kaiser-Meyer-Olkin Measure Of Sampling Adequacy.		.828
Bartlett's test of sphericity	Approx. chi-square	946.245
	Df	15
	Sig	.000

The research objective is to find the most important factor which influences the customer satisfaction and hence regarding to obtain

result for the objective the following factor analysis is been performed.

TOTAL VARIANCE EXPLAINED

Component	Initial eigen values			Extraction sums of squared loadings			Rotation sums of squared loadings		
	Total	% of variance	Cumulativ e %	Total	% of variance	Cumulativ e %	Total	% of variance	Cumulativ e %
1	4.676	26.767	26.767	5.676	26.767	26.767	5.676	26.767	26.767
2	2.638	24.369	51.136	4.638	24.369	51.136	4.638	24.369	51.136
3	1.376	21.273	72.409	4.376	21.273	72.409	4.376	21.273	72.409
4	0.634	10.695	83.104						
5	0.202	9.368	92.472						
6	0.638	7.528	100.000						

ROTATED COMPONENT MATRIXES (A)

	Component		
	1	2	3
Location of the hotel	.999		
Concrete evidences			.815
Categories of rooms offered	.944		
Rating of the hotel	.965		
Quick procedures		.939	
Cost	.872		

Extraction method: principal component analysis.

Rotation method: varimax with Kaiser Normalization.

a rotation converged in 3 iterations.

FACTOR 1 comprises of Location of the Hotel, Categories of rooms offered, Rating of the Hotel and Cost and is considered to be the most influencing factors.

FACTOR 2 comprises of Quick Procedures.

FACTOR 3 comprises of Concrete Evidences.

WEIGHTED AVERAGE

RANK CRITERIA	1 (5)	2 (4)	3 (3)	4 (2)	5 (1)	Total
Friendly staff	84	21	32	11	2	150
Quality of food	23	39	53	28	7	150
Room tariff	17	78	27	12	16	150
Business centers	18	7	31	27	67	150
Quality of service	8	5	7	72	58	150
	150	150	150	150	150	750

RANK CRITERIA	1 (5)	2 (4)	3 (3)	4 (2)	5 (1)	TOTAL
Friendly staff	420	84	96	22	2	624
Quality of food	115	156	159	112	7	549
Room tariff	85	312	81	48	16	542
Business centers	90	28	93	108	67	387
Quality of service	40	20	21	288	58	427

The research objective is to determine the factors which contribute to customer satisfaction and to demine the same the following calculation is been performed to determine the most prioritized factor while choosing a hotel by the respondent. Table 4.25 table 4.26 table 4.27 shows the calculations.

WEIGHTED AVERAGES RANKING

CRITERIA	AVERAGE	RANK
Friendly staff	41.6	I
Quality of food	36.6	II
Room tariff	36.13	III
Business centres	25.73	V
Quality of service	28.47	IV

From the above calculation it is inferred that friendly staff is ranked the highest and the business centers available is ranked the lowest by the customers.

FINDINGS

- 96 respondents are male and 54 respondents are female.
- The age group of 20-40 years is 50 percentage and 10% of the respondents are above 60 years of each
- The nationality of Indian respondents is 75%, 7% of the respondents belongs to the nationality of British, 3% of the respondents belong to the nationality of Canadian and 15% of the respondents are others Nationality which include French, Australian, U.S.A
- 62 respondents visit for official purpose, 71 respondents visit for Holiday purpose, 3 respondents visit for education purpose and 14 respondents visit for Marriage, Get to gather

- The highest preference apart from basic room accommodations is for restaurants followed by recreation centers.

SUGGESTIONS

- Categories of rooms offered, rations of the hotel are found to be most important factors and hence the hotel needs to provide a better variety of categories of rooms offered to the guests.
- The guest have ranked friendly staff as the highest preference when the visit a hotel hence the employees need to take efforts to make a friendly encounter so that the quests are delighted.
- The quality to the service rendered by the company is satisfactory still the company can take effective measures to improve the quality to reach Excellent service position by coming out with loyalty programs and improved communication flow to render prompt services.
- The hotel can focus on building customer relationship management by maintaining a strong base of the customers through request communication of promotional measures and also wishing them o their personal occasions like birthday and anniversaries.

CONCLUSION

Hotel industry in India has witnessed tremendous boom in recent years. One of the reasons for the increase in demand for hotel rooms in the country is the boom in the overall economy and high growth in sectors like information technology, telecom, retail and real estate. With such bright prospects for hotel industry it is important for the service providers to constantly rethink about their strategies not only to attract new customers but to maintain a strong base of delightful customers. From the study it is found that the overall satisfaction level among the customers is satisfactory and hence the strategy needs to be directed towards delighting the customers and raising the bar from satisfied to highly satisfy. It was really wonderful to interact with the customers and know about expectations when they seek a home away from home experience and how well the hotel is able meet the expectations.

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