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EDITORS

C. Jayachandran,
Montclair State University, NJ, USA

Sudhi Seshadri,
Singapore Management University

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Customer Satisfaction Model for the Hospitality Industry in Guadalajara, México.

Elsa Georgina Gonzalez-Uribe, guribe@cucea.udg.mx

Jose Sanchez-Gutierrez, jsanchez@cucea.udg.mx

Oscar Alfredo Quintero-Tapia, quintero@iteso.mx

University of Guadalajara, Mexico

Abstract

This paper assesses the perceptions of user satisfaction of hospitality industry in the Guadalajara Metropolitan Zone (ZMG), in order to analyze the factors that influence in it. The preference for selecting the Guadalajara hotel industry is due to the conditions of tourism development has Jalisco, as one of the states with more quantity and variety of tourism and its capital Guadalajara, as the second city in economic importance in Mexico.

There will be a review of the literature on the main concepts of study object then design the survey to apply to the hotel guest in categories 4, 5 star and Luxury class, the questionnaire was applied in order to know the relationship between the quality of service, rates, advertising, and food and beverage services, with the level of customer perception and satisfaction in the hospitality industry, to finally present a proposal of customer satisfaction model.

Introduction

This study focuses on assessing the perceptions of user satisfaction of hosting services in the Metropolitan Zone of Guadalajara (ZMG), in order to analyze the factors influencing this is it. The preference for selecting the Guadalajara hotel industry due to the conditions of tourism development that has Jalisco, as one of the states with the largest number and variety of tourism, and its capital Guadalajara, the second largest city and economic importance in Mexico, and placed the state in the first place nationally in the number of lodging establishments, and the second in relation to the number of hotel rooms, and so does (ZMG) has a capacity of more than 16,000 hotel rooms ranging from to economic category and five-star tourism is the most visited state, with important economic, generated mainly by domestic tourism. In the competitive market environment, the success of hospitality services depends heavily on a thorough analysis of customer satisfaction.

Literature review

The satisfaction of customer needs is one of the issues which have awoken most interest in the marketing literature in general and in the sphere of services in particular. However, the variety of approaches indicates a certain amount of confusion which may have arisen due to the dual process-result focus which has marked the contributions in the literature. The lack of agreement on conceptualizing satisfaction creates certain difficulties for researchers when it comes to choosing the most appropriate definition, developing valid measurements and comparing empirical results (Giese & Cote, 2000).

In addition, the conceptualization of consumer satisfaction can be interpreted by focusing on a specific transaction or from an accumulative perspective. Most definitions in the literature correspond to the first approach (Mano & Oliver, 1993; Spreng, Mackenzie, & Olshavsky, 1996) although some of the more recent contributions support the idea that satisfaction is “a global measure of a set of satisfactions with previous specific experiences” (Yu & Dean, 2001:235). According to Jones and Suh (2000), defining satisfaction in this way provides a better explanation for behavioral intentions.

Customer satisfaction (CS) is a central issue in the hospitality field due to its imperative role in organizational performance and, ultimately, in the survival of hospitality companies. While some definitional and technical issues are to be further resolved, most researchers agree that CS is best evaluated on a multi-attribute scale. That is, CS

depends on a number of determinants at an attribute level and measuring CS through attribute-level performance captures the multifaceted nature of consumption experience.

An attribute level of satisfaction measurement captures CS with a specific aspect or dimension and can be aggregated into an overall satisfaction score, thereby providing specific constructive feedback to management for action strategies (Szymanski and Henard, 2001).

CS is an effective response to a purchase, and it is an important goal in consumer marketing. There are two different ways of determining overall satisfaction: the transaction-specific approach considers the emotional response by consumers to their most recent experience with a provider, while cumulative customer satisfaction is based on the customer's overall experience with a particular firm over time.

According to the dominating expectation-disconfirmation paradigm (Oliver, 1980) satisfaction is formed by way of a cognitive comparison of perceived performance of a product or service and the expectations the customer had before the purchase.

Customer satisfaction is central to the marketing concept, with evidence of strategic links between satisfaction and overall service performance (Truch, 2006), and is an important theoretical and practical issue for most marketers and consumer researchers (Goode, 2001); it is a key issue for all those organizations that wish to create and keep a competitive advantage in this highly competitive world. Customer satisfaction which remains in the limelight (Bartikowski and Llosa, 2004), especially in the service field, is typically defined as an overall assessment of the performance of various attributes that constitute a service.

It is well known that service quality and customer satisfaction are distinct constructs (Dabholkar, 2000). Another important question was answered by Oliver (1993), which first suggests that service quality would be antecedent to customer satisfaction regardless of whether these constructs were measured for a given experience or over time. Spreng and Macoy (1996) find empirical support for this model, wherein customer satisfaction is a consequence of service quality, and Dabholkar (2000) proves that customer satisfaction is a consequence of service quality (mediator model of customer satisfaction).

Measuring service quality expectations and perceptions are thus essential in managing customer satisfaction. Regarding the measurement of service quality, considerable progress has been made as to how service quality perceptions in business to consumer markets can be measured(e.g. Babakus and Boller, 1992; Parasuraman, et al., 1985,1988, 1991,1994).

After (production and) consumption of the service, the consumer establishes a perception of the quality of the delivered service, which may or may not confirm pre-consumption expectations. However, alternative views on the relationship between customer satisfaction and service quality exist. Anderson and Sullivan (1993) state that CS is a criterion that is used increasingly when assessing product and service performance (which includes quality). Day (2002) states that while both production and service delivery activities are aimed at creating value; for customers, customer expectations affect satisfaction, which in turn influences the assessments of value, rather than that value plays a role in satisfaction assessment of customers. Along these lines, quality could be viewed as a function of, rather than an antecedent to CS.

Understanding the strength and context dependency of this relationship may provide insights into the degree to which employee satisfaction influences customer experiences and how effect sizes vary across service contexts and research designs. We assess the strength and context dependency of relationships linking employee job satisfaction to customer-perceived service quality and satisfaction in a meta-analysis of studies that correlate employee satisfaction data with customer response data. Such insights may provide guidance for managers contemplating actions that affect employee and customer satisfaction.

The nature of interactions between employees and customers differs across service contexts. Lovelock (1983) and Gutek et al. (1999) offer particularly useful classifications of services, which we use to develop hypotheses and a coding scheme for moderator analyses. Given interaction between the customer and the service worker in a service encounter, our thesis is that the service worker's level of physical attractiveness is likely to have an impact on customer satisfaction.

In fact, researchers have demonstrated that customer satisfaction serves as a link to critical consumer behaviors, such as cross-buying of financial services, positive word-of-mouth, willingness to pay a premium-price, and tendency to see one's bank as a "relationship" bank (Winstanley, 1997; Ehigie, 2006; Ndubisi, 2006). Ultimately,

these behaviors proved to have a positive impact on key corporate outcomes, such as retention rates, average deposit amounts, cost to the bank of providing services, and future earnings (Winstanley, 1997). These results are consistent with a broader literature assessing the positive relationship between customer satisfaction and firm profitability (cf. Anderson et al., 1994; Fornell Et al., 1996; Johnson et al., 1996; Eklof et al., 1999; Zeithaml, 2000).

The satisfaction–loyalty relationship

According to Sivadas and Baker-Prewitt (2000), customer loyalty is the ultimate objective of customer satisfaction measurement. It is found to be a key determinant of a brand's long-term viability (Krishnamurthi & Raj, 1991). Moreover, compared with loyal customers, non-loyal customers are much more influenced by negative information about the products or services (Donio, Massari, & Passante, 2006). If a service provider can satisfy the needs of the customer better than its competitors, it is easier to create loyalty (Oliver, 1999). Fornell (1992) stated that high customer loyalty is mainly caused by high customer satisfaction. Previous studies have demonstrated that customer satisfaction positively affects customer loyalty (Choi, Seol, Lee, Cho, & Park, 2008) or negatively affects switching intention (Walsh, Dinnie, & Wiedmann, 2006).

The nature of customer value, how it determines customer loyalty and how this in turn leads to financial outcomes is the subject of considerable discussion amongst academics and consultants (Payne and Holt, 1999). As with the development of any new area, there is debate about the alternative ways concepts can be defined.

Also, customers' service quality expectations have been found to be positively related to the duration of their relationship with the firm (Heilman et al., 2000). Despite these findings, research directly investigating the differential effects of customer loyalty on fairness perceptions is lacking from the literature. As fairness is antecedent to trust (Buttle and Burton, 2002), which is in turn antecedent to loyalty (Morgan and Hunt, 1994), the practices of retailers seeking to develop and maintain loyal customers should be interpreted as fair among their customers. One of the most prominent practices of retailers is their method of deriving prices. Customers' perceptions of the fairness of prices have been identified as a major area of interest due to public concern over the topic (Xia et al., 2004).

Some researchers view loyalty from an attitudinal perspective with the argument made that loyalty is a desire or intention to repurchase (Czepiel, 1987). Nevertheless, consumers may have a high relative attitude toward a brand that they have no intention of purchasing. For instance, a college student may believe that Ferrari makes the best automobiles in the world, though the student may believe that he or she will never have the funds to purchase one. Thus, relative attitude alone may indicate that only "latent loyalty" is present among customers (Dick and Basu, 1994).

Although numerous definitions of perceived value exist, the definition of Zeithaml (1988, p. 14) is the most universally accepted trade-off definition of perceived value in the literature. The uni-dimensional conceptualization strategy is effective and straightforward, but it cannot discern the complex nature of perceived value. As noted by Sweeney and Soutar (2001), "a more sophisticated measure is needed to understand how consumers value products and services" (p. 207). In fact, it is important to understand the value concept in an integrative approach, because one can understand a given type of value only by considering its relationship to other types of value (Holbrook, 1999).

Obviously, culture affects the manner in which we frame, blame, and attempt to tame conflicts (Le Baron, 1992). Drawing upon the literature on cross-cultural psychology marketing researchers has demonstrated that consumers behave differently according to their cultural values (e.g., Schutte and Ciarlante, 1998). As a specific type of social behavior, consumer revenge may also be influenced by culture, pointing to the need to elucidate the specific patterns of influence. Others, outside the marketing literature, also echo this need.

Few human behaviors are as purposeful as shopping. To understand retailing and consumer experiences, we must realize that consumers attempt to achieve some goal by purchasing and using a particular product or service (Ratneshwar, Mick, and Huffman 2000). Consumers shop for various reasons, which may not include a specific need for a product or service (Tauber, 1972); for example, they may need entertainment, recreation, social interaction, or intellectual stimulation (Arnold and Reynolds, 2003).

However, interest in customer behavior in service co creation has been growing in the literature (Bendapudi and Leone, 2003). More recently, researchers focus on what has become known as service-dominant logic which views customers as a co-creator of value in the service provision process (Vargo and Lusch, 2004). Against this background, various attempts focus more on understanding the role of customer behavior in service co-creation than on customer behavior in buying decision process. Recent literature on customer behavior focuses on the merits of understanding customers as human resources in the firm. The service marketing literature identifies at least two types of customer behavior in service delivery process (Bove et al., 2008; Groth, 2005): (a) customer participation behavior, which is “expected and required behaviors necessary for the successful production and delivery of the service” (Groth, 2005, p. 11) and (b) customer citizenship behavior, which is “voluntary and discretionary behaviors that are not required for the successful production and delivery of the service but that, in the aggregate, help the service organization overall” (Groth, 2005, p. 11).

In a broad sense, customer participation behavior refers to all forms of customer involvement and engagement in the value-creation process. This research uses customer participation behavior in a narrow sense, which includes only required behaviors necessary for the successful service creation. This usage is consistent with previous research on customer participation behavior.

Research Method

A survey was applied to 300 hotel guests who were in any of the establishments selected for this study, in categories 4 and 5 stars and Luxury Class, located in the Metropolitan Area of Guadalajara.

The questionnaire was applied in order to know the relationship between the quality of service, rates, advertising, and food and beverage services, with the level of customer perception and satisfaction in the hospitality industry.

The questionnaire used in this research was adapted with measures from Mohammad, Barker and Kandampully (2005) research about Multicultural student perceptions of fast food restaurant brands: an Australians study and from Fuch and Reichel (2006) research about Tourist Destination Risk Perception: the case of Israel.

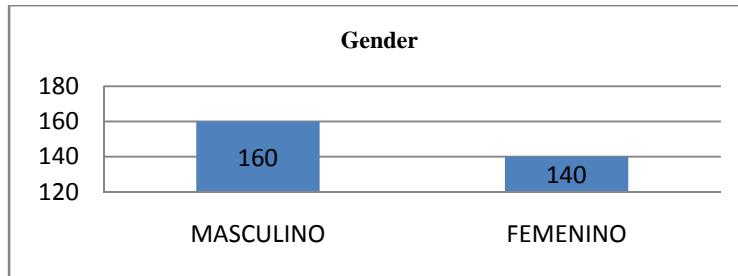
Results were analyzed by using Pearson correlation to measure the above mentioned variables. From these variables, we also determined the following hypotheses:

- H¹. The more personal attention, the more perception of satisfaction
- H². The more importance regarding services prices, the more perception of satisfaction
- H³. The more advertising importance, the more perception of satisfaction
- H⁴. The greater importance of food and beverages, higher perception of satisfaction

Results

From 100% of the respondents, 53.3% are male and 46.7% female. (Table 1)

TABLE 1: RESPONDENTS' GENDER



Source: Own elaboration

Regarding age, 58 of them are in the range which goes from 26 to 30 years, followed by the group from 31 to 35, with 46 people, and finally, 44 of the respondents are located in the group which goes from 21 to 25 years.

Analysis of variance (ANOVA) and hypothesis testing.

Once formed the groups and analyzed the process of ANOVA is to analyze hypothesis 1.

- **H1. The more personal attention, the more perception of satisfaction.**

As a control question, also called dependent variable, the following question is stated:

- P2. Am I satisfied with the services which are offered by staff?

The independent question is the number 1.1 which states: The attention of service personnel in hotels is as good as I expect. With this variable the validity of the other will be determined.

TABLE 2: ANOVA FROM HYPOTHESIS 1 Q1.2

	Sum of Squares	df	Mean square	F	Sig.
Between groups	36.517	3	12.172	34.423	.000
Within groups	104.670	296	.354		
Total	141.187	299			

Source: Own elaboration

Hypothesis 1 is approved since F indicator is greater than 0.05, indicating that the correlation measure is within the accepted parameters. Also, the correlation both between and within groups or groups that were based on the commonalities have an optimal level above the minimum range which is 50, indicating that users perceive a good service quality in accordance to what they expect.

As for the second hypothesis:**H2. The more importance regarding services prices, the more perception of satisfaction.**

The controlling question that works as the independent variable is the number 2.5, which states the following: I am generally satisfied with the prices I pay, and the dependent is 2.4 which states: most of the prices are fair.

TABLE 3: ANOVA FROM HYPOTHESIS 2 Q2.5

	Sum of squares	df	Mean square	F	Sig.
Between groups	108.047	4	27.012	59.334	.000
Within groups	134.300	295	.455		
Total	242.347	299			

Source: Own elaboration

Hypothesis 2 is valid since F indicator is 59.33, which exceeds the minimum indicator and also confirms that the guest is completely satisfied with the price which is paid for the service.

As for the third hypothesis: **H3. The more advertising importance, the more perception of satisfaction**

This hypothesis will be tested using the control question 3.3 above which states that most advertising attempts to deceive rather than to inform and it is also considered as an independent variable, meanwhile question 3.1 which states: most advertising is not appealing, is the dependent variable.

TABLE 4: ANOVA FROM HYPOTHESIS 3 Q3.1

	Sum of squares	df	Mean square	F	Sig.
Between groups	48.908	4	12.227	15.977	.000
Within groups	225.758	295	.765		
Total	274.667	299			

Source: Own elaboration

The third hypothesis is not accepted, since the F value turns out to be less than the rate of acceptance, giving as a result a value corresponding to 15.97, indicating that most respondents do not perceive the lodging establishments' publicity as attractive, but uncertain.

As for the fourth hypothesis:

H4. The greater importance of food and beverages, higher perception of satisfaction

As controlling questions, also called dependent variables the following questions are presented:

P4.2 The majority of the experiences when consuming food and beverages have been unpleasant.

P4.3 The majority of staff at my service is very helpful.

And as an independent variable, question 4.1 which states "They attend me nicely everywhere I go"

TABLE 5: ANOVA FROM HYPOTHESIS 4

		Sum of squares	df	Mean square	F	Sig.
P4.2	Between groups	29.229	3	9.743	10.862	.000
	Within groups	265.491	296	.897		
	Total	294.720	299			
P4.3	Between groups	52.573	3	17.524	41.828	.000
	Within groups	124.013	296	.419		
	Total	176.587	299			

The fourth hypothesis is not accepted, due to the fact that the two analyzed variables had an F value under 50, this represents that the area of food & Source: Own elaboration perceived by respondents as unsatisfactory. Apart from that, it also means that the staff is not really into offering a suitable attention to it.

Proposed Model

Based on the previous analysis' results, a user's satisfaction model regarding hotel services is proposed. It is based on four specific variables which, as a whole, would represent a tool for this process.

The applicable areas are the following: personnel attention, the price of services and advertising, as well as food and beverage service.

The proposed model has its essence in the valuation carried out through the perception of satisfaction expressed by hotel guests, where we suggest implementing various measures in each area involved in the process. (Fig.1)

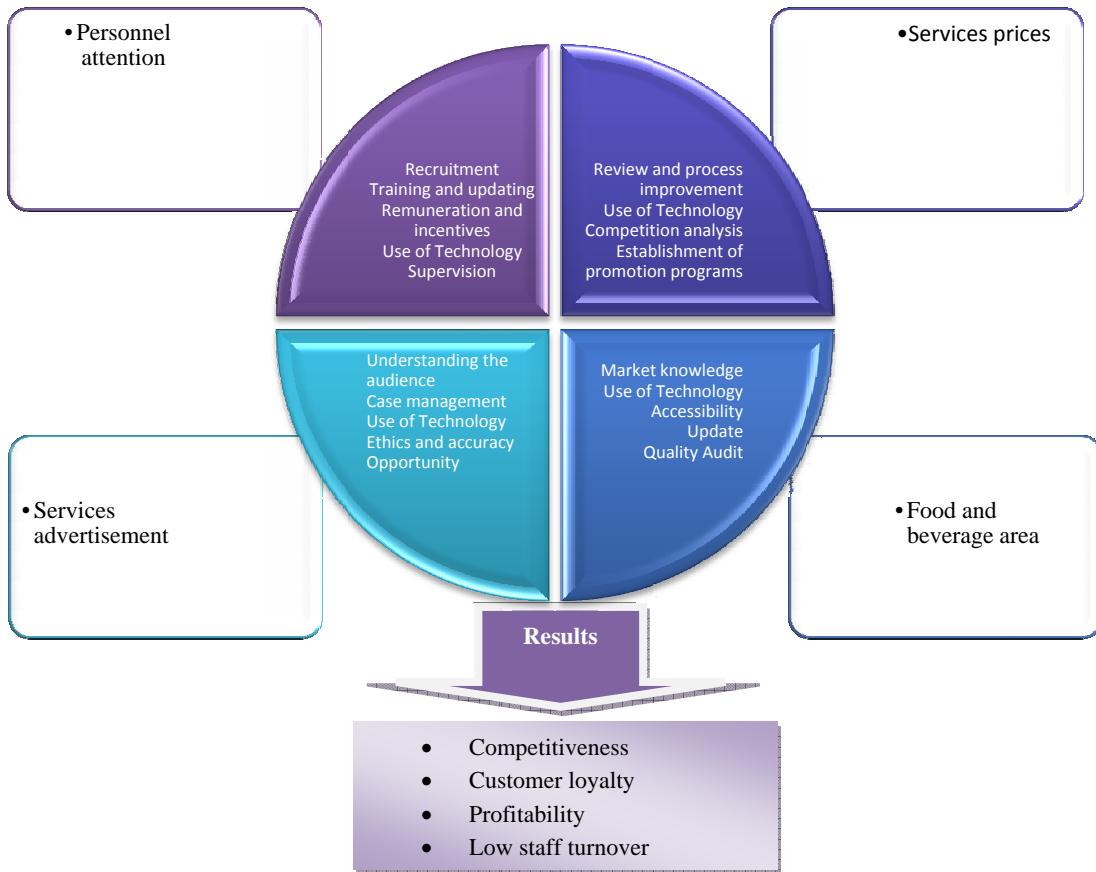


FIG. 1
PROPOSAL OF A CUSTOMER SATISFACTION MODEL IN HOTEL SERVICES

The proposed model has its essence in the valuation carried out through the perception of satisfaction expressed by hotel guests, where we suggest implementing various measures in each area involved in the process.

First, actions for the improvement of the first variable were analyzed, personnel attention, which started from the staff selection process, providing ongoing training and the need to have compensation plans and incentives. Technology plays an essential role for what it is included in the four areas of the model. It should be updated and accessible to the whole staff.

As regards to prices of services, so that they are considered fair by users, it is necessary to maintain a revision and improvement of processes. Apart from that, it is necessary to carry out a constant analysis with the rates offered by competitors, as well as establishment of advocacy programs.

Price promotions are useful tools for capturing consumer purchase; however, in order to satisfy a customer with the purchase on promotion, it is essential that the provided services keep a suitable service quality. Furthermore, it is important not to exceed the prices gap used by the customer for assessing the product's quality.

As for the obtained data, when contrasting the related hypothesis with the services publicity having resulted negative, we propose to emphasize every communication strategy design.

As lodging establishments offer their services to different types of market, you must have a broad knowledge of them in order to have great understanding of the audience and therefore, the messages should include proper handling of arguments, with ethical and truthful, and overall, they should be current and timely. The food and beverage area deserves special attention as it turned out to be the area in which respondents were more unpleasant, having experienced bad situations. Therefore, the model suggests special attention to the knowledge of the market, which means that they should identify tastes, preferences related to food and beverage consumption. It is

worth to implement a service in this area fully accessible, what it means is that there should be a suitable location, innovation with respect to the new trends.

A constant control on the quality turns out to be convenient in every single area of the model, as well as the caution to make sure that they exceed customers satisfaction.

Discussion

Among the most relevant findings it is worth to stand out that the guest has a high perception of satisfaction with the service that provides direct care staff in hotels, in fact, this helps to develop guest loyalty, which is achieved and maintained in the long term.

Nonetheless, it is important to note that one should not miss the fact that the compromise is not generated in isolation, but it is the result of trust built up between client and service provider, which in turn requires a customer satisfactory experience with the service obtained.

The personnel attention itself is not sufficient to achieve customer satisfaction as loyalty, we need to establish strategies to improve consumer perception, with respect to other variables, especially those huge differences between expected and received service. So, it is worthy to take into consideration what has already been stated in the proposed model suggested.

The price effect on the perception of satisfaction plays an important role within it, and this study found out that the user is fully satisfied with the price he or she pays for the service, and it is even considered as reasonable. It is considered in the proposed model, since the price is a variable that mainly affects the purchasing decision. But when the guest evaluates the experience of the stay, and thus generate loyalty, a greater proportion considered the result of stay rather than the expenditure.

Advertising is a tool used to communicate and bring customers to the service; however, this turned out to be seen as unattractive and misleading to respondents, hence, the proposal will suggest several strategies to improve communication.

Finally in the analysis of food and beverage services, it was found to be an area where special attention should be paid, as users report a very low level of satisfaction towards them, since such area represents a basic service in lodging establishments.

Conclusions

It is essential to point out that the results of the current study cannot be extrapolated to all lodging establishments, as they are valid only for the target population, due to their characteristics, category and different services expectancies guests get. Therefore, it is suggested to do further research in order to figure out whether the current model can be applied in some other ones.

The current study focused on the analysis of four variables and their relationship with customer's satisfaction, however, it is recommended for future studies to include other aspects that can be noted, including the valuation of furniture and equipment, importance of internet either as a distribution channel or a communication strategy, and other complementary services.

Furthermore, since predictors of satisfaction were not considered, such as emotions and culture, they could be part of more complex models to propose in the future with variables of different nature.

It is also suggested to replicate the study in other regions or cities both domestically and abroad and use other instruments to perform the evaluation.

Finally it would be beneficial to extend the research and the proposed model to other areas or businesses related to the tourism industry such as food, transportation or related services.

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