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A Study of Customer Satisfaction from Online Reviews: An Hotel Industry Application

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Abstract

A key to success of hospitality industry is quality of service to the customers. Hotel industry is in competitative market due to today's variety of options available for the customers through various travel websites. In addition, competition in the field of hotel industry and tourism has always been extremely on top as customers are having reviews from different travel websites and it is always difficult for newcomers to adopt the new trends and demand their own market share. Therefore, Hotel industry professionals need to focus on offering better quality services at affordable prices for the customers. This paper focus on customers review and comparison of customer satisfaction based on Location, Rooms, Service, Cleanliness ,Value for money, Comfort, Facilities, Building, Food and traveler type as perceived by travelers on tripadvisor was done among selected five star hotels. This main objective of this study is to compare the servicer quality of hotels understudy by drawing inferences for five star hotels in the shirdi city. The main goal of the hotel industry is to fulfillment of customer satisfaction in terms of services and maintains long term relationship with customers.

On the basis of customer rating and review ,suggestions for management were made .This study will help hotel industry to enhance the satisfaction levels of travelers and customers by understanding the difference between the services of competitive hotels.

Keywords - *Service quality, Hotel reviews, Hotel Industry, Customer Satisfaction, Customer Reviews*

Introduction

Service is an economy activity which creates value and provides value to the customers. The hotel industry in shirdi is an important part in Maharashtra as many tourists and devotees turnaround a year in shirdi for the blessings of Sri Saibaba. As the market is become more competitative and challenging customers is always focusing of right service quality at right time and right place. This has endused the hotel industry to continuously strive on customer satisfaction through quality of service. The change in IT enabled services has given customers wide range of option for selection of hotels, facilities, locations using websites and mobile applications. In choosing the hotels by the customer hotel management must ensure that customer meets there's expectation through the bookings. As hotel is service industry, customers experience and service quality are the two mains aspects taken into consideration.

These study attempt to compare and determine how these five star hotels differ from each other on the basis of Location, Rooms, Service, Cleanliness ,Value for money, Comfort, Facilities, Building, Food and traveler type assigned by customers who stayed in these hotels.In this paper a comparative study is done on these five star hotels data from an online website tripadvisor and analysed on the basis of these attributes.

The objective of the study was to understand the satisfaction level of the hotel customers .The study measure the satisfaction level on the ratings given for attributes using scale. Reviews were obtained from each hotels to get customers options and preferences

The American Marketing Association defines services marketing as an organisational function and a set of processes for identifying or creating, communicating, and delivering value to customers and for managing customer relationship in a way that benefit the organisation and stake-holders. Services are (usually) intangible economic activities offered by one party to another. Often time-based, services performed bring about desired results to recipients, objects, or other assets for which purchasers have responsibility. In exchange for money, time, and effort, service customers expect value from access to goods, labor, professional skills, facilities , networks, and systems; but they do not normally take ownership of any of the physical elements involved

Services Mix (7ps) In The Hotel Industry

- Product: Reception, Area, Rooms, Entertainment, Shopping, Personnel, Care, Communication, and Transport, Medical, Restaurants, Bars, Loungers, Swimming pools, Parks.
- Place : Near Airports, Bus stands, Stations, Ports, Tourists, Spots, Shopping areas, Places of worship.

- Price: Occupancy period, star category, Room capacity, Air-conditioning, Location room service, Taxes.
- Promotion: Advertising, publicity, sales promotion, Word of mouth, promotion, Telemarketing, Public Relations, Broadcasting.
- Physical Evidence: Tariff cards, Menu cards, Interior decoration, Furnishing, Housekeeping, Display boards, Lighting, Valets, Banquet Halls, Swimming Pools, and Gardens Halls.
- People: Reception staff, House Keeping Staff, Banquet staff, Bell boys,Waiters, Chiefs, Maintenance staff, Administrative Staff.
- Process: Housing keeping, Food Preparation, Check-in, Check-out, Foreign Exchange, Room service, Secretarial services, Meeting arrangements,Functions, Maintenance, and Landscaping.

1. Keys Prima Hotel Temple Tree: After doing observation and going through each of online reviews here are some positive and negative reviews from the hotel.Knowing the topics will allow management to improve in specific areas and focus on negative reviews posted to develop good image in the mind of the customer. Positive reviews: Comfortable, location, Good food, swimming pool, shuttle service, play area. Negative Reviews: Overrated hotel, Not worth the money, Big name but poor on delivery, very poor staff, no parking.It indicates that they need to focus on staff development, Customers are not fulfilling expectation as per the name or star rating of hotel. Customers are happy with the location ,food and service.

2. St Laurn: The Spiritual Resort: Positive reviews: Location, Cleanliness, Service,Value; Negative Reviews: A hotel without a heart, Poor manager and front desk staff, not maintain cleanliness, poor service from overrated hotel, improper dirty rooms.The customers are happy with the location of hotel management should use location as tool to attract and retain customers. It indicates that there is need to improve value of customers. Hotel management would need to focus on how to improve the room and overall stay experience. Training the staff on service quality would also improve the perceived value of the hotel.

3. Sun-n-Sand Hotel: Positive reviews: Swimming pool,shuttle service , studio room, big lawn ,value for money ,table tennis ,place to stay comfortable stay free shuttle temple visit pick up and drop. Negative Reviews: Expensive food,Not good staff,check in and room problems. Based on the negative reviews it indicates that there is need of improvement in specifica area of room and bathroom quality and felt that food was too pricy (rate, charges) and had a poor stay experience. There is need for better service to reduce wait time for check in/out and housekeeping service doing so would then improve the value of the stay as perceived by the customers. Customers had high expectations and were disappointed given the poor room quality and service. First impression need to be as perfects as possible, Room size, cleanliness is extremely important in ensuring a good guest experience. Training and learning is continuous process so management should focus on staff development Staff should have human touch which will add value to service.Improve the communication, and creating facilities to Guests.Improve the welfare facilities to the employees which will provide better service to the guests.

Objectives of the Study:
1. To compare and study the customer satisfaction from services provided by selected hotels.
2. To find key attributes for selection of hotels from the reviews.
3. To suggest the measures for improvement in service

Hypotheses of the Study:
Ho- There is no significant difference between average ratings given by various types of customers to hotels
H1- There is significant difference between average ratings given by various types of customers to hotels.

Scope of the Study

In the hotel industry developing and implementing successful marketing programs are necessary to provide proper service to customers at right place and right time. It is difficult to differentiate hotels during making selection for booking on the basis of service and quality. After making comparison of service of hotels through reviews it will be easier for customers to make proper choice and will also help hotel management to improve in dissatisfied areas

Research Methodology of the Study

The researchers have collected data from the reviews of websites of the tripadvisor for shirdi location. Secondary data collected from journals, websites, books etc

Research Area

The data consist of total 900 (150 from each group) reviews from three hotels which has been sourced from tripadvisor online review website from 2015 to 2018.

Review of literature

Customer Satisfaction in the Hotel Industry: A Case Study from Sicily by Gandolfo Dominici in International Journal of Marketing Studie, Vol. 2, No. 2; November 2010: In order to be successful in the market it is not sufficient to attract new customers managers must concentrate on retaining existing customers implementing effective policies of customer satisfaction and loyalty. In hotel industry customer satisfaction is largely hooked upon quality of service. A management approach focused on customer satisfaction can improve customer loyalty, thus increasing the positive image of the touristic destination. Hence, exploring the importance for customers of hotel attributes in hotel selection is indispensable.

Research on the topic of guest satisfaction, which translates into the consideration of whether or not customers will return to a hotel or advise it to other tourists, is pivotal to the success of the hospitality business. Neglecting to pay attention to those hotel attributes considered most important by guests, may lead to negative evaluation of the hotel, thus restricting the chance of repeat patronage. We perform a qualitative analysis of a large hotel in Sicily (IT), the Sporting Club Hotel in the town Cefalù, using the Critical Incident Approach (Hayes, 2008). Through the analysis of this case we evaluate the overall customer satisfaction level for the hotel and for each service supplied. We conclude discussing the result and proposing improvement in customer satisfaction management of the hotel. Customer satisfaction is a business philosophy which tends to the creation of value for customers, anticipating and managing their expectations, and demonstrating ability and responsibility to satisfy their needs. Quality of service and customer satisfaction are critical factors for success of any business (Gronoos, 1990; Parasuraman et al., 1988). As Valdani (2009) points out: enterprises exist because they have a customer to serve. The key to achieve sustainable advantage lies in delivering high quality service that results in satisfied customers (Shemwell et al, 1998). Service quality and customer satisfaction are key factors in the battle to obtain competitive advantage and customer retention. Customer satisfaction is the outcome of customer's perception of the value received in a transaction or relationship, where value equals perceived service quality, compared to the value expected from transactions or relationships with competing vendors (Blanchard & Galloway, 1994; Heskett et al., 1990; Zeithaml et al., 1990). In order to achieve customer satisfaction, it is important to recognize and to anticipate customers' needs and to be able to satisfy them. Enterprises which are able to rapidly understand and satisfy customers' needs, make greater profits than those which fail to understand and satisfy them (Barsky & Nash, 2003). Since the cost of attracting new customers is higher than the cost of retaining the existing ones, in order to be successful managers must concentrate on retaining existing customers implementing effective policies of customer satisfaction and loyalty. This is especially true in the hotel industry.

Customer Satisfaction in Hospitality Industry: Middle East Tourists at 3star Hotels in Malaysia by Amirreza Forozia, 2Mohammad Sadeghi Zadeh and 3Mahnaz Hemmati Noedoust Gilani in Research Journal of Applied Sciences, Engineering and Technology 5(17): 4329-4335, 2013: Today, Malaysia is the destination of millions of tourists from Middle East countries.3star hotels are the common choice of these travellers due to appropriate service quality and reasonable charges. The purpose of this study is to test the relationship of perceived value, service quality and customer expectation with customer satisfaction. This study uses questionnaire method to collect data from the respondents. The respondents were the Middle East tourists who stayed in 3star hotels at Kuala Lumpur. A total of 300 questionnaires were distributed, out of which 200 were completed. The findings from this study recognized the service quality as the most significant factor effecting the customer satisfaction. This study also proved that customer satisfaction is a key factor that leads the hospitality industry to success and gain competitive advantages. Therefore, findings of this study shall assist the hospitality management to recognize their flaws and minimize the factors causing dissatisfaction among the tourists.

Hospitality is defined as a particular type of relationship between a host and traveller. The explanation of hospitality was further given through the researches done by Zeithaml (1988) whom highlighted the societal, protection and mental factors. Today, tourism industry has significantly risen in compliance with Malaysian government plan of supporting tourism. Consequently, many travellers from all over the world have travelled to Malaysia. By improving the tourism industry, it is clear that the hospitality industry has to play a vital role to absorb tourists besides the aviation industry. Regarding the development of the hospitality industry, hotels shall modify some important factors such as management decision-making, services quality and convenient facilities. The ultimate objective of these modifications is customer satisfaction, which subsequently brings profitability. Satisfaction is essentially connected with satisfying the customers' needs by fulfilling anticipations or post-purchase concerning a particular service.

Limitations of the study

1.   This study is limited only to the selected five star hotels functioning at Shirdi.
2.   It is limited to online reviews on tripadvisor website

Testing of Hypothesis

H0 : There is no significant difference between average ratings given by various types of customers to hotels

H1 : There is significant difference between average ratings given by various types of customers to hotels

Mathematically

Groups	Count	Sum	Average	Variance
Families	150	472.71	3.15	0.14
Couples	150	607.77	4.05	0.23
Solo	150	412.65	2.75	0.07
Business	150	562.65	3.75	0.07
Friends	150	675.27	4.50	0.23

Also

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	293.04	4	73.26	492.88	1.4E-207	2.38
Within Groups	110.74	745	0.15			
Total	403.78	749				

Here level of significance is 0.05

Thus, our null hypothesis, There is no significant difference between average ratings given by various types of customers to hotels is rejected. Alternatively we accept our alternative hypothesis, There is significant difference between average ratings given by various types of customers to hotels.

Conclusion

From the above analysis, we can conclude that, most preference have been given by group " Friends" followed by "Couples" whereas least preference given by "Solo"

Findings

1.   The most vital factor about hotel industry among the respondents' perception is that, "Rate, Parking". This is the main key factor which played important role
2.   The one more important issue is came out from this analysis is that, the solo trip persons are still not giving good ratings since as per their opinion, Shirdi is just pilgrimage place only.

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