



# The Impact of Service Quality on Customer Satisfaction in Hotel Business Development

*“Correlation Between Customer Satisfaction and Service Quality”*

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## **ABSTRACT**

This research aimed to study the correlation between customer satisfaction and service quality in the hotel business. It also outlines the significance of understanding customer satisfaction and how customers distinguish service delivery. Customers have changed prospects based on their consideration of service or product quality. This factor is an indication that a customer determines the quality of service in the hotel industry. Also, the five-dimensional aspects of service quality (empathy, reliability, tangibles, responsiveness, and service assurance) impact service quality and customer satisfaction. This research empirically studied the connection between service quality and customer satisfaction in Best Western Princess Hotel in Norrköping, Sweden. Out of the 100 questionnaires sent to respondents, a total of 80 questionnaires were returned. This data, therefore, formed the basis for our analysis. The study entailed the use of qualitative descriptive research. Open-ended questionnaires were used for data collection. The statistics were coded and analysed using the statistical package for social sciences (SPSS) software. The study also contains appropriate recommendations similar to conclusions regarding the research problem. Evaluation of the outcomes shows that responsiveness, empathy, assurance, and reliability significantly influence customer satisfaction hence determining the nature of services provided. This research indicates a close correlation between service quality, the five-dimensional aspects, and customer satisfaction.

**Keywords:** service quality, hotel industry, customer satisfaction, descriptive methodology

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## **1. INTRODUCTION**

This chapter includes background information for the study, the problematisation aspect, the research questions, aims and objectives, study implications, delimitations, and research questions.

### **1.1 Background of the Study**

#### ***1.1.0 Background Information***

Most companies and researchers alike have had significant interests in the aspects of customer satisfaction and service quality. As is common to all organisations, the fundamental objective in business is to minimise costs and increase profits—the surest way to achieve profit increases through increased sales (Zameer et al., 2015). As has been noted by most researchers, customer satisfaction is the main driving force behind increased sales (Elvira & Shpetim, 2016). Customer satisfaction results in customer loyalty which contributes to repeat purchases and recommend the product or service to family and friends.

In the ancient business days, the main focus was marketing products to customers. However, according to current trends, businesses have shifted towards enhancing customer satisfaction as the pivotal point to drive sales (Farooq & Salam, 2018). Currently, more focus has been drawn towards consumers compared to product marketing and consumption. Customer satisfaction is built on the quality of services offered by an enterprise (Sharma & Srivasta, 2018). With a better service quality in place, the organisation is assured of increased sales because their consumer base shall be reliable and stable. This factor results in constant profits for the organisation, which in the long run boosts overall performance.

#### ***1.1.1 Importance of Customer Satisfaction***

With regards to the aspect of operations management, customers are central to any business. Before determining the strategies to apply or the type of business structure to implement, every business

entity should have its customers in mind (Elvira & Shpetim, 2016). According to Esther & Bambale (2016), during the strategic planning phase, common questions that may arise include who consumers of the services shall be, what's their location, how much are they willing to spend on the service, how can they be reached, and how likely are they to get satisfied with the services offered? After evaluating these factors regarding its potential customers, the organisation can develop the desired product, perform market segmentation, and increase customer awareness (Esther & Bambale, 2016). This scenario, therefore, depicts the importance of customers in any business undertaking.

When making a product or service purchase, the main aim of every customer is to achieve satisfaction. In the current marketplace setting, winning customers entails not only the provision of the required products but also building customer relationship (Fida et al., 2020). Here, a good customer relationship entails the provision of top-notch services in comparison to business rivals. Customer feedback is essential in determining their nature of satisfaction. Fida et al. (2020) state that there are higher probabilities of customer satisfaction when service quality is top-notch.

Towards the success of any organisation, service quality management programs are essential. These programs are aimed at enhancing product quality and their marketing strategies. This factor is because product quality directly impacts its market performance, hence customer satisfaction (Danish, 2018; Farooq & Salam, 2018). Therefore, this factor brings us to the question as to whether it's the quality of the product or the quality of the service that leads to customer satisfaction. Also, we need to establish whether companies are meeting the basic standards desired by every customer.

### ***1.1.2 Reasons for Researching on This Topic***

The fundamental role of customers in any business undertaking has made it essential to conduct more research and analysis on them. Customer research is critical during, before, and after making

product sales. Customers greatly impact an organisation's business process. Research by (Lee & Madanoglu, 2018) indicates that satisfying customers regularly leads to higher retention levels and increased profit margins. Slack & Singh (2020) outline that many companies have made it their aim to satisfy their customers at all times to gain their loyalty and trust, hence leading to more sales and profits. When customer perception regarding a certain brand is positive, they will always choose that brand whenever they need it (Elvira & Shpetim, 2016). Because most customers use perception and attitude to show satisfaction, it is vital that product branding captures their attention.

To witness customer loyalty, it is essential to build a good relationship with them. The surest ways to uphold a good customer relationship is to ensure the services satisfy their needs at all times. This factor can get achieved by answering questions such as; is there any change in customer consumptions habits? Is the business doing better than its competitors? Due to the rising number of competitors, organisations should always aim to be the first choice among customers (Farooq & Salam, 2018). Since most businesses aim to satisfy their customers, the main area that most researchers seek to study entails achieving customer satisfaction (Gopi & Samat, 2020). This area requires constant research because customer needs change on a timely basis—customers are the most unpredictable stakeholders in a business. Therefore, to determine their levels of satisfaction, constantly researching about them is essential. Each individual's level of satisfaction always varies (Elvira & Shpetim, 2016).

Despite the impact of other attributes such as price and product on customer satisfaction, the main emphasis of this research is on service quality since it has been regarded as the main determinant of satisfaction (Fida et al., 2020). Also, most businesses focus on the quality of their services when attempting to boost their sales. This factor, therefore, indicates that service quality is an essential aspect when studying customer satisfaction.

To assess the quality of services within the hospitality industry, several models have been utilised. These include the LODGSERV and HOLSERV models. Many authors, including Othman et al. (2019) and Minh et al. (2015), have outlined the significance of these guidelines towards evaluating service quality within the hotel industry. The studies have presented mixed reactions to the topic of service quality and customer satisfaction. In this research, we shall make use of a more elaborate and well-defined model known as SERVQUAL. As the name suggests, this model shall be broadly used to evaluate the dimensional aspect of service quality within the hotel industry setting. Moreover, a greater emphasis will be on the Best Western Princess Hotels located in Norrköping, Sweden.

## **1.2 Problematisation**

Studies by Priyo et al. (2019) and Elvira & Shpetim (2016) have shown that the determinants towards efficient customer satisfaction include assurance, tangibility, and empathy. These factors are essential when assessing the quality of services rendered to customers in any hotel setting. Apart from that, it has gotten established that customers suitably rate the services provided to them based on their promptness, transaction accuracy, and security aspects (Fida et al., 2020). Research carried out by Hashem & Ali (2019) on the interrelationship of service quality and customer contentment has primarily pointed at the importance of the five service quality dimensions. Therefore, the study implies that customer satisfaction only gets realised with the consistent provision of top-notch services.

Similarly, Al-Karim's & Chowdhury's research in 2014 elaborated on the importance of customer satisfaction based on service quality. Zameer et al. study in 2015 focused on the five dimensions of service quality within the telecommunication industries. Based on the survey, it got established that the five-dimensional aspects had a remarkable influence on customer contentment. Moreover, the study emphasised how reliability is essential for customer satisfaction in comparison to the

tangibility dimension. Additionally, Esther & Bambale (2016) evaluated the correlation between service provision and library users' satisfaction within a university setup. Here, it got established that service quality contributed 73.9% towards ensuring library user satisfaction. The study also outlined the significance of the reliability dimension towards user satisfaction compared to the less significant empathy dimension.

Despite these previous studies outlining the fundamental relationship between customer satisfaction and service quality, no study has attempted to assess the aspect of service quality and drawing its close correlation with customer satisfaction. A few studies have sought to determine how customer satisfaction relates to service quality based on the service quality dimensions. Also, only a few studies have attempted to define how customer satisfaction correlates with service quality based on the five-dimensional factors. Even despite these few studies using the service quality dimensions to establish the relationship, none has implemented the utilisation of all the variables outlined in the SERVQUAL model.

Extensive research on articles in the niche of business and economics that talk about customer satisfaction indicates that 2235 studies have got carried out between 1992-2011 (Farooq & Salam, 2018). Amongst these studies, 1088 elaborate on the aspects of customer satisfaction and service quality. Additionally, 315 articles describe the fundamental relationship between customer satisfaction and the quality of services offered. Also, 32 articles relied on service quality dimensions to define the relationship between customer satisfaction and quality of service (Farooq & Salam, 2018). Of the 2235 studies, only 6 utilised the SERVQUAL model to elaborate on how customer satisfaction correlates with service quality. Based on these statistics, it is evident that more research is needed to define the fact that customer satisfaction exclusively relies upon the quality of service provision. Also, little research has got done to establish the one-to-one



relationship between service quality and customer satisfaction. More research is needed to elaborate on how the service quality dimensional aspects affect service quality and customer satisfaction.

Previous studies have outlined the positive correlation between service quality and customer satisfaction. However, none of these studies has tested how each service quality dimension directly affects customer satisfaction. Therefore, there is an urgency to study and define the direct relationship between each service quality dimension with customer satisfaction. Moreover, previous studies have only outlined how service quality relates to the dimensional aspects in a general perspective. None has clearly outlined how each dimensional aspect relates to service quality. Therefore, a dire need to establish how each service quality dimension affects the quality of services rendered.

### **1.3 Aim of the Study**

This research aims to determine the impact of service quality on customer satisfaction in the hotel industry. It seeks to determine the direct correlation between service provided and customer perception regarding the service. The study's objective is to establish how an increase or decline in service quality affects customer feedback. This study aims to use the five-dimensional models as a basis for showing how customer satisfaction relates to the services rendered. Using the SERVQUAL model, this research seeks to determine how the five dimensions of service quality determine the nature of customer satisfaction. The research also seeks to determine whether customer satisfaction relies exclusively on service quality or other factors that control it.

Additionally, the study defines how dimensions such as empathy, reliability, tangibles, responsiveness, and assurance impact customer satisfaction in the hotel industry. The objective is to describe the nature of the impact of each dimension on customer satisfaction. The impacts will

be rated as either low, moderate, or high. Apart from customer satisfaction, the study also aims to determine how the five dimensions directly affect the quality of hotel services.

#### **1.4 Research Questions**

The outlined aim for this research got accomplished by answering the following research questions;

- a) How does each of the five dimensions of service quality correlate with customer satisfaction?
- b) How does each of the five dimensions of service quality correlate with service quality rendered to customers?
- c) What significant correlation exists between service quality and customer satisfaction?

#### **1.5 Implication of the Study**

This research undertaking will be of great significance to service quality managers within the hotel industry. It will serve as a foundation of data that will clarify the importance of having excellent services and also its effect on client fulfilment. This factor enables hotels increase their market dominance. The study will be of significance to the marketing managers of organisations to know the importance of hotels offering quality services and how they play an essential role in growing customer satisfaction. This information will help marketing managers enhance their services to improve the hotel's image and sales. They need to know that they are the most critical asset of a hotel, and they determine whether the service being offered will be of high quality or not. This study will help them recognise their importance in hotels and how to relate to their customers to ensure high customer satisfaction.

## **1.6 Delimitation**

This research only focuses on the factors influencing customer satisfaction within the hotel industry based on the quality of service rendered in its entirety. It doesn't draw a direct correlation to any other sectors apart from the hotel industry. This factor may serve as a limitation to those who want to use this research as a basis for analysing service quality in other business environments like the manufacturing and processing industries. Moreover, we only attempted to define the direct relationships between the two aspects, so the indirect relationships between these issues have not received significant attention or elaboration in this thesis.

## **2. LITERATURE REVIEW**

### **2.1 Introduction**

This section focuses on theoretical perspectives and empirical analysis concerning the nature of service provision and customer satisfaction. This literature review was drawn from several studies from various scholars and research analysts. First, the focused on studies related to service quality

and how it gets measured. Second, it focused on research related to customer satisfaction. Lastly, this piece of literature outlines the direct correlation between service quality and contentment amongst customers. A conceptual framework is also included in this review.

## **2.2 Defining Service Quality**

Various definitions regarding the term “service quality” have been developed by different researchers. Danish (2018) describes service quality as the comparative function that links customer expectations to the provided service. Fida et al. (2020) defined service quality as the underlying capabilities for a given company or industry to meet the desired customer expectations. Additionally, Elvira & Shpetim (2016) described service quality as a type of assessment used to represent a long-term evaluation. Despite these varying definitions, the most commonly used description regarding service quality is that by Danish (2018)

### ***2.2.1 Determinants of Service Quality***

Hapsari et al. (2017) outlined ten attributes that influence service quality. These attributes were based on customer perception. Amongst the ten determinants, there exists reliability, communication, courtesy, responsiveness, and tangibility. Moreover, the author elaborates factors like credibility, understanding, security, and competence as the other dimensions. These factors have been illustrated in the table below.

*Table 1 The Ten Dimensions of Service Quality*

<b>Dimension</b>	<b>Description</b>
Tangibility	Physical evidence of service (facilities, tools, equipments)
Responsiveness	Willingness or readiness to provide service, timeliness
Reliability	Getting it right first time, honoring promises, dependability.
Communication	Keeping customers informed in a language that they can understand
Credibility	Honest, trustworthiness, having customer's best interest at heart
Security	Physical and financial; confidentiality
Competence	Possession of the skills and knowledge required to perform the service
Courtesy	Politeness, respect, friendliness, clean and neat appearance.
Understanding	Knowing the customer, his needs and requirements.
Access	Ease of approach and contact

Adapted from Hapsari et al. (2017)

A follow-up analysis by Othman et al. (2019) outlined in-depth correlations between courtesy, communication, credibility, competence, and security. These correlations resulted in the creation of broader dimensions called empathy and assurance. Therefore, a more elaborate list of five-dimensional aspects, including responsiveness, tangibility, assurance, reliability, and empathy, was developed. According to Khan et al. (2017), these five major dimensions formed the basic principles for determining service quality using a measurement instrument known as the SERVQUAL model. The five dimensions have been described in the table below.

*Table 2 Description of the Five Dimensions*

<b>Dimension</b>	<b>Description</b>
Tangibles	Physical facilities, equipment and appearance of personnel.
Reliability	Ability to perform the promised service dependably and accurately
Responsiveness	Willingness to help customers and provide prompt service
Assurance	Knowledge and courtesy of employees and their ability to inspire trust and confidence
Empathy	Caring, individualized attention the firm provides its customers.

Adapted from Othman et al. (2019)

Elvira & Shpetim (2016) described three dimensions with regards to service quality. First, they described consumer's technical quality which outline the service or product's technical dimensions. Second, they defined functional quality that outlines how the service is provided. Lastly, according to Elvira & Shpetim (2016), there exists the service provider's image quality, which describes both functional and technical qualities to build a foundation for a perceived service. The authors emphasise that functional quality forms an integral part of a perceived service than technical quality. This factor is because service quality entails enhancing a firm's functional quality by managing transactional relationships and employee-customer associations. Further, the author notes the importance of developing a favourable image to enhance customer perception regarding the service.

The authors, as mentioned above (Hapsari et al. (2017), Othman et al. (2019), and Elvira & Shpetim (2016)) developed various ideologies with regards to service quality dimensions. Despite that, this study uses Othman et al.'s (2019) dimensions for service quality, including empathy,

reliability, tangibles, responsiveness, and service assurance. These five dimensions are the most commonly used amongst many scholars, including Minh et al. (2015), Priyo et al.

(2019), and Rita et al. (2019).

### ***2.2.2 Measurement of Service Quality***

Measuring service quality is a crucial aspect of quality improvement. This factor is because measurements help generate feedback concerning service provision and whether customer needs have been met. Various scholars have developed studies to assess the essential models that can measure service quality within organisations. These models get discussed in the following ways;

#### ***a) Models Used in Specific Service Settings***

Various researchers have approved a couple of measurement techniques used to evaluate service quality. Elvira & Shpetim (2016) approved the LODGSERV model as the most accurate for evaluating service quality within the lodging industry. This model entails the application of the five SERVQUAL dimensions and comprises twenty-six items. On the other hand, Khan et al. (2017) used the LODGEQUAL model to evaluate the hotel industry's service quality. Here, the three dimensions were applied, including reliability, tangibles, and empathy. In 2018, Lee & Madanoglu used the DINESERV model to assess the quality of services in restaurants. This model consists of twenty-nine items alongside the five SERVQUAL dimensions. Additionally, Rita et al. (2019) utilised the DIVEPERF model to measure customer perception regarding diving services. In addition to the SERVQUAL dimensions, this model also consists of twenty-seven items. All of the models mentioned above entail modifying the SERVQUAL technique and attempting to improve its functionality.

#### ***b) The SERVQUAL Model***

This model was developed with the main objective of establishing shortfalls in service provision.

In this technique, customers get to evaluate and assess the quality of service offered within a certain industry by comparing their service expectations with the actual service. Typically, the SERVQUAL model attempts to measure customer demands and individual perceptions (Danish, 2018). Here Q (quality gap) is derived through the subtraction of E (expectation) from P (the perception value). This factor leads to equation  $Q=P-E$ . A combination of all Q values helps determine the service rating amongst various customers (Hapsari et al., 2017). This factor serves as an indicator of how the service quality dimensions are influenced by customer perception. The SERVQUAL model is considered standardised because it can be applied within a broad spectrum of industries, including the hotel industry.

The SERVQUAL scale comprises two sections; the first section is used to evaluate customer expectations concerning service quality. The second section is used to measure customer perception concerning the industry providing the service (Fida et al., 2020). The SERVQUAL model is made up of twenty-two items, also known as "likert-type." Moreover, it comprises the five dimensional aspects like empathy, tangibles, responsiveness, assurance, and reliability. Ideally, through the five aspects, twenty-two statements are formed. These statements are used to evaluate customer expectations and perceptions about service quality from a given organisation (Myo et al., 2019). Here, the ratings of the services rendered get based on a five-point scale. Additionally, a separate scale-rating is also provided to evaluate services based on customer perception (Boadi, n.d). For all of the twenty-two statements, the variations between customer perception and customer expectation are determined. After that, the average score is generated, and this gets referred to as the SERVQUAL score.



### ***c) Performance Only Model (SERVPERF)***

This measurement model serves to modify the SERVQUAL technique based on conceptualisation and evaluation of service quality. SERVPERF is used to elaborate on the aspect that service quality relies on consumer attitude. This model is used to evaluate the quality of service with a closer emphasis on the performance aspect. Fida et al. (2020) state that performance is the surest way to evaluate customer perception concerning service quality. This model illustrates that customer expectations are less significant towards measuring service quality provision in an organisation.

Similar to SERVQUAL, SERVPERF entails the use of the five-dimensional aspect. However, it does not entail the repetition of the twenty-two statements of customer expectations as is with SRVQUAL. Therefore, this factor makes SERVQUAL the most suitable method to measure service quality on the basis of customer satisfaction. This research therefore used the SERVQUAL model to evaluate customer satisfaction with the hotel industry in Norrköping.

### **2.2.3 Empirical Research on Service Quality**

Researchers have innovated various models and mechanisms to define the fundamental interconnection between service quality and customer contentment. Earlier research by Al-Karim & Chowdhury (2014) specified the five attributes for service quality as empathy, tangibles, responsiveness, assurance, and reliability. With the help of the SERVQUAL questionnaire, a couple of studies show that reliability is the most important dimensional aspect. Al-Tit (2015) made critical research on the factors affecting service quality within Brazil's hotel industry. This study established that customers were more concerned with the dimensional aspects of reliability, assurance, and service tangibility. This author also made a significant emphasis on reliability as the most crucial aspect of service quality. Despite that, the author notes that different research

scenarios would give varying results. This factor can be attributed to different social factors like religion and the culture of the customer. On the other hand, Esther & Bambale's (2016) study on various restaurants in Thailand showed that the most critical service dimensions included assurance and empathy. The researchers note that most customers use these two essential factors to assess service quality within restaurants.

Hapsari et al.'s study in 2017 shows that customer expectations are higher on attributes like service promptness, transaction accuracy, and service security. The authors urge hotel managers to focus more on accuracy and promptness in working on customer complaints. Moreover, the authors noted that there exists a subjective association between customer expectation and perception. This factor varies based on different economic scenarios. Lee & Madanoglu (2018) researched managerial perception about customers' expectations from various hotels in Australia. The results of this investigation indicated that the critical factors affecting service quality included tangibles, assurance, and empathy. However, this research's limiting factor is that more emphasis was placed on the managerial perception rather than customer perception. Therefore, this study does not give a clear description of customer perception with regards to service quality.

Gopi & Samat (2020) analysed how customer satisfaction impacts performance within the hotel industry in Oman. The investigation reported that clients were content with the standards of food offered, the reception, and the reservation factor. Moreover, customers fairly rated product prices, hotel amenities, and security features. Despite that, clients were unhappy with the personalised services provided by the hotel industry. Gopi & Samat (2020) also noted that customer satisfaction led to positive aspects like improvement in hotel image, market share, and sales.

## **2.3 Defining Customer Satisfaction**

There exists varying definitions of customer satisfaction from different researchers. Elvira & Shpetim (2016) define consumer satisfaction as the client response to the perceived service based on personal expectations and the service's actual performance. On the other hand, Khan et al. (2017) define customer contentment as the client's evaluative reaction in relation to a service or product performance based on their anticipations towards the service. Moreover, Farooq & Salam (2018) state that customer satisfaction refers to how a service's perceived performance matches or surpasses customer expectations. Ideally, the inability of service to meet customer expectations leads to dissatisfaction. These definitions by various authors depict satisfaction as a general postservice evaluation by a customer.

### ***2.3.1 Factors Affecting Customer Satisfaction***

Elvira & Shpetim (2016) state that customer satisfaction can be impacted by various issues, including service features, consumer emotions, customer perception, workplace colleagues, friends, and family. Hapsari et al. (2017) believe that customer satisfaction is influenced in most instances by the customer service a given organisation offers as well as the price it charges for such services. Al-Karim & Chowdhury (2014), Rita et al. (2019), and Fida et al. (2020) outlined a couple of features that influence customer contentment. These include physical facilities, service timelines, the presentation of hotel staff, available types of equipment, communication techniques, response to customer complaints, efficiency, data accuracy, service consistency, problem resolution duration, attention to detail, staff flexibility, positivity towards offering customer support, staff behaviour, customer security, courtesy, staff competence, personalised customer attention, service availability in all durations, and understanding of guest-specific preferences.

### ***2.3.2 Empirical Studies on Customer Satisfaction***

Al-Tit (2015) conducted in-depth research regarding customer satisfaction across various four-star hotels in Europe, including countries like Italy, Spain, and England. This study results reveal that most customers were satisfied with the hotel premises' condition, employees' ability to speak different languages, staff friendliness, comfortable rooms, and the ease of accessing information regarding hotel services. Additionally, areas, where customers were discontent include disrespect by staff, lack of multilingual newspapers and magazines, excessive attention, and inability to access TV programs in one's language of choice. Farooq & Salam (2018) did a customer satisfaction survey across various hotels in Cape Town, South Africa. Based on this survey, the authors identified various aspects that boost customer satisfaction, including guest entertainment, captivating staff, and well-maintained swimming pools. Areas of customer dissatisfaction included late luggage delivery, poor communication services, and inadequate attention to customer-specific requests.

Lee & Madanoglu (2018) studied the impact of customer satisfaction on performance within the hotel industry in Sweden. This analysis established that customers were more satisfied with the hotel reservation service, reception, and food quality. However, areas of dissatisfaction included service prices, provision of customer-specific services, and inadequate hotel facilities. Moreover, this research noted the significance of customer satisfaction towards ensuring improved market share for the hotel. Similarly, Gopi & Samat (2020) evaluated the essential factors for customer satisfaction within Sweden's banking industry. In this analysis, customers were more satisfied with service accuracy and the timely delivery of bank statements. Moreover, customers were satisfied with the friendly staff at the banking facilities. However, the various dissatisfactions included delayed responses to customer queries, lack of customer refreshments, and downtime issues for the

bank's network. Based on these empirical studies, it is evident that customer satisfaction positively impacts the business, including boosting sales turnovers, enhancing market dominance, and promoting the hotel's public image.

#### **2.4 How Service Quality Relates With Customer Satisfaction**

There exists varying opinions from researchers regarding which factor precedes the other of the two concepts. Some analysts are of the opinion that service quality precedes customer satisfaction, whereas others argue the contrary opinion. However, opinions by Othman et al. (2019) and Fida et al. (2020) emphasise the fact that “service quality” is a precursor to “customer satisfaction.”

Ideally, this factor implies that an organisation should improve its services before yearning for customer satisfaction and positive feedback. Based on these arguments, it is stipulated that there exists a direct correlation between service quality and client satisfaction (Al-Tit, 2015). Despite that, Danish (2018) argues that service quality impacts customer satisfaction but is not directly related to it. On the other hand, Zameer et al. (2015) propose that a maximum perception of standard of service results in a direct maximisation of customer satisfaction. In their 2020 study, Fida et al. defined a significant connection between service quality and customer contentment. Furthermore, the authors outline that the five service quality dimensions (responsiveness, tangibility, assurance, reliability, and empathy) are fundamental towards achieving customer satisfaction. Based on this study, it was concluded that customer satisfaction can only be realised with constant improvement of the service quality dimensions.

Lee & Madanoglu (2018) analysed service quality dimensions alongside customer satisfaction within India's telecommunication industry and established a positive relationship between customer contentment and the service standard dimensions. Moreover, this study outlined the higher impacts of the reliability dimension with regards to service quality. On the other hand, the

tangibility dimension seemed to be less effective. Further, Lee & Madanoglu outline that all of the dimensional aspects should get modified and improved since they all positively impact customer satisfaction. In 2020, Gopi & Samat researched how service quality impacts satisfaction among library users in various universities within Sweden. Based on this analysis, it was established that service quality has over 71% impact on library user satisfaction. Additionally, Gopi & Samat noted that service reliability results in more user satisfaction, whereas the empathy dimension has minimal impact.

## **2.5 Literature Review Summary**

This review outlines that service quality to a larger extent relies on the industry setting and the service quality type under evaluation. Moreover, this literature review emphasises the importance of evaluating the proportion to which a given organisation's service meets customer demands.

Within the hotel industry, it is evident that customer satisfaction heavily relies on the stipulated institution's quality of services. Additionally, the five-dimensional aspects of the standard of service (responsiveness, tangibility, assurance, reliability, and empathy) directly correlate with consumer satisfaction. However, amongst the five-dimensional aspects, the reliability dimension is the most significant towards determining customer satisfaction.

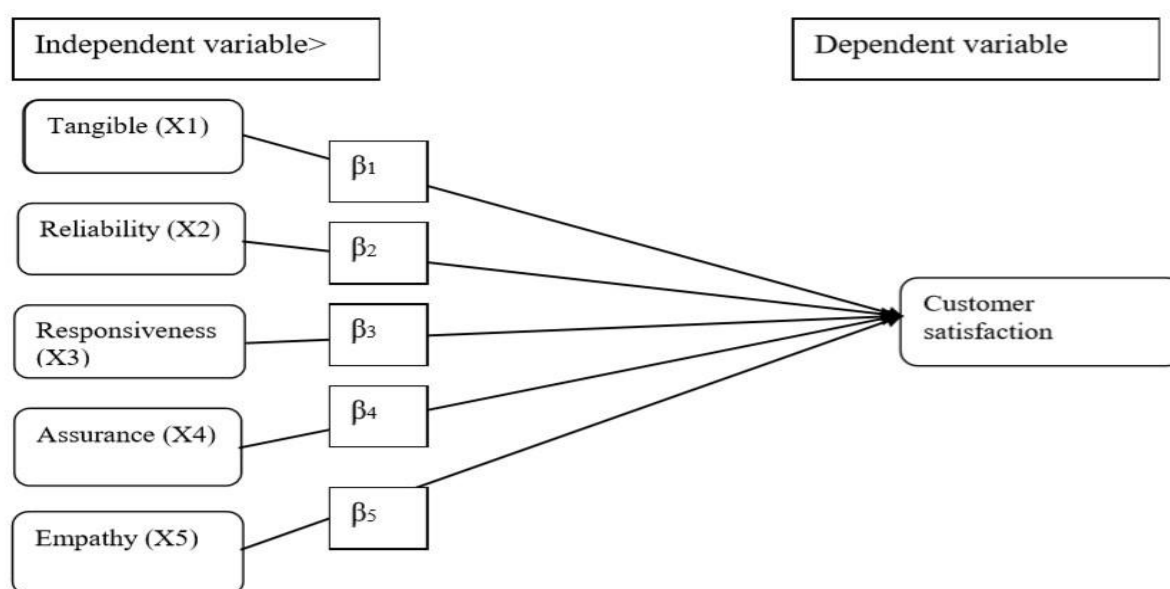
## **2.6 Gaps Identified Based on The Literature**

First, there exists conflicting research regarding the direct interconnection between service quality and client satisfaction. Researchers have not made a unanimous stand regarding this issue. As a result, more research needs to be done to determine the clear and actual connection between the standard of service and customer satisfaction. Second, the factors affecting client satisfaction have not been clearly illustrated in this piece of literature. More research is needed concerning how and to what proportions these mentioned factors influence customer satisfaction. Typically, this factor

should be based on various customer environments, including social demographic aspects like religion and culture.

## 2.7 Conceptual Framework

Based on this literature review, a theoretical framework for this research was established, as shown in the figure below. In this research, the main objective entailed analysing the one-to-one connection between service quality and client satisfaction.



*Figure 1 Relationship Framework for Standard of Service and Customer Satisfaction*

Adapted from Fida et al. (2020)

Customer satisfaction can be regarded as the dependent factor in this analysis. On the other hand, service quality is the independent variable and is used to evaluate customer satisfaction. In the above conceptual framework, the moderating variable will be the customer type (Fida et al., 2020). The standard of service dimensions included in the independent variable are responsiveness, tangibility, assurance, reliability, and empathy.

An arithmetic expression used to describe the regression model in the above conceptual framework can be developed as follows;

*Equation 1 Arithmetic Expression*

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \epsilon$$

or

$$\text{User satisfaction} = \beta_0 + \beta_1 * \text{Tangibles} + \beta_2 * \text{Reliability} + \beta_3 * \text{Responsiveness} + \beta_4 * \text{Assurance} + \beta_5 * \text{Empathy} + \epsilon$$

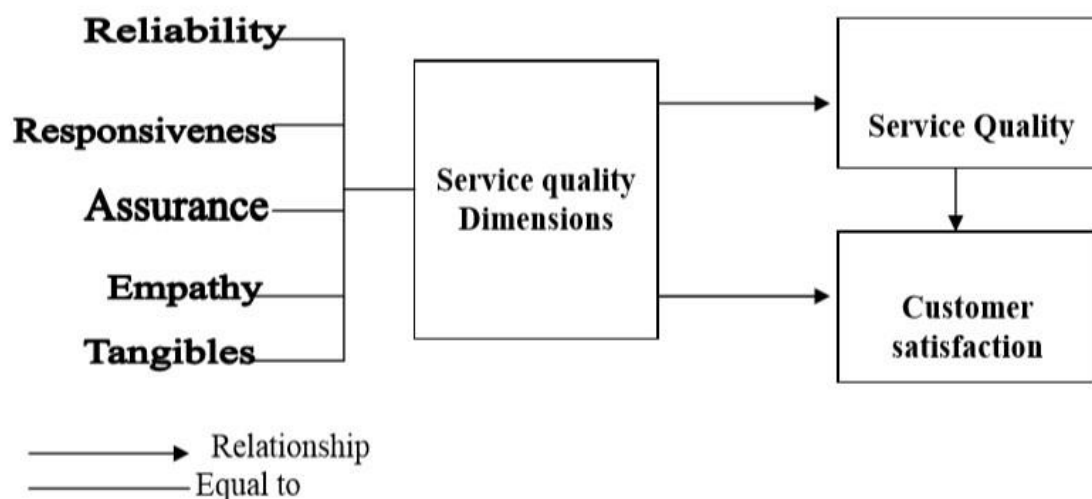
Here, Y (dependent variable) is used to show customer satisfaction. The symbols X1, X2, X3, X4, and X5, represent the five-dimensional aspects (responsiveness, tangibility, assurance, reliability, and empathy).  $\beta_0$  and  $\epsilon$  represent constants, whereas  $\beta_1$ ,  $\beta_2$ ,  $\beta_3$ ,  $\beta_4$ , and  $\beta_5$  are regression coefficients.

## **2.8 Hypothesis**

It is evident that service quality is critical to client satisfaction within the hotel industry. Other authors have also proven the existence of a correlation between client contentment and service quality. Additionally, the SERVQUAL technique has been efficient in determining service quality in hotels based on customer satisfaction. This factor led us to hypothesise that the five dimensions used to build the SERVQUAL model could directly impact customer satisfaction. Two questions arose from this hypothesis. First, “Is there any direct correlation between customer satisfaction and the five dimensions of service quality?” Second, “Is there any direct correlation between the quality of service rendered and satisfaction among customers?” The above literature review also stipulates that standard of service can get used as a critical evaluation of a service based on a



customer perspective. It has also been noted that most researchers have used the five-dimensional aspects to measure service quality. This factor led us to hypothesise that each of the mentioned five service quality dimensions could have a one-to-one relationship with the quality of services rendered. A question derived from this hypothesis is: “Is there a direct correlation between the five-dimensional aspects of the SERVQUAL model and the quality of services provided?”



*Figure 2 Correlation between Standard of Service and Customer Satisfaction*

Adapted from: Gopi & Samat (2020)

Suppose the customers’ perception is that they are satisfied and attribute this to the quality of services provided. In that case, it leads us to hypothesise interrelationships between the service quality dimensions, the actual quality of service, and client contentment. Hence, we may conclude that the standard of service directly impacts customer satisfaction and also the five-dimensional aspects. Additionally, this leads us to a generalised hypothesis that the five-dimensional aspects directly correlate with client satisfaction and service quality. Here, the hypotheses tested included: H1: Client satisfaction has a substantial correlation with the five-dimensional aspects of service quality.

H2: The standard of service has a substantial correlation with the five-dimensional aspects of service quality.

H3: Customer contentment has a direct and substantial correlation with service quality.

### **3. RESEARCH METHODOLOGY**

#### **3.1 Introduction**

In this chapter, we discuss the various stages followed during the study. Typically, this chapter's contents include research design, the target group, sampling design, instruments used for data collection, data collection, and data analysis mechanisms.

#### **3.2 Research Design**

Here, qualitative descriptive research was applied to evaluate service quality and client satisfaction based on customer perspective in Best Western Princess Hotel in Norrköping, Sweden. Qualitative descriptive research always seeks to accurately and systematically analyse a given group of individuals, event, or phenomenon. This research design is specifically valuable when a researcher seeks to learn more about a given event, i.e., knowing who took part, what was taking place, and where the event's location was. Contrary to experimental research, a researcher in qualitative descriptive research has minimal control or manipulation of any variables. The researcher only carries out observations and measurement of such variables. Qualitative descriptive research is of great significance when a researcher seeks to elaborate on a given phenomenon.

The reason for selecting this research technique was because it primarily aimed to figure out the existing interconnection between the researches variables (service quality and client contentment). Furthermore, a qualitative descriptive research was used to establish the correlation between the determinant features for standard of service and satisfaction among customers in Best Western Princess Hotel. Studies carried out by various researchers, including Hapsari et al. (2017), Othman et al. (2019), and Fida et al. (2020), utilized the qualitative descriptive approach. It was evident that the specific research objectives would be achieved.

### **3.3 Sample Size**

The sampled population for this study consisted of 100 Best Western Princess Hotel visitors. This group entailed both the local and international visitors, cutting across all ages, and included males and females. Moreover, this group consisted of both the current visitors to such hotels and those initially visited. Close to 100 guests (hotel customers) got projected to be involved in the survey. The study found it difficult to determine with precision the number of visitors that visit daily. This factor is because the information is considered classified by hotel management, and therefore, there is tremendous reluctance to release such classified information. Therefore, the study used a sample of the population to answer the study questions considering its size.

### **3.4 Research Instrument**

After studying the previous works to generate the logical framework, a questionnaire got established as a modified form of the SERVQUAL model. The questionnaire was settled in English and, at that time, translated to get applied suitably to wide-ranging study. The exceptional questionnaire for the research included twenty-two question objects on customer satisfaction as well as service quality. Each respondent was given and requested to answer the same established questions in a prearranged instruction in this technique. The questionnaire was paper-based. The questionnaire was two different forms, open and closed-ended, to get the respondents' opinion. The study employed a close-ended questionnaire as the most convenient tool for gathering data on the visitors. It could reach a considerable number who can write and read independently.

### **3.5 Data Collection**

This research entailed the use of primary data. The data collection method entailed a standardized questionnaire that consisted of a total of twenty-two statements borrowed from the works of Markovic & Loncaric (2014) and were modifications of the SERVQUAL model (see Appendix 3).

Typically, this modification entailed introducing a section that would evaluate factors affecting customer satisfaction within the hotel industry. Moreover, the questionnaire entailed three answerable sections. The first section asked the respondent to provide their demographic information. This critical information was queried with the primary objective of determining the type of customer visiting the hotels. The second section entailed asking the respondents to state the rate with which the factors included in the questionnaire impacted customer satisfaction.

In the last section, the participants were required to provide their perception levels regarding the services they received at the Best Western Princess Hotel. Here, a Likert-type scale of numbers from one to five was used. The process of questionnaire administering entailed a 'drop and pick later' mechanism. This technique was applied to each member of the study population.

### **3.6 Data Analysis**

Before processing the data collected for analysis, all the questionnaires administered during research underwent editing to enhance data completeness and accuracy. Analysis and interpretation of the quantitative data collected were then carried out based on the study objectives. This factor was achieved through the statistical package for social sciences (SPSS) software. Here, the data drawn from the second section of the questionnaire was used to answer this study's first research question. Additionally, the data analysis techniques, including the mean and standard deviation, were applied to analyze the questionnaire responses. To answer the second research question, which also happened to be our second objective, a linear regression model was utilized. This model entailed the application of the following mathematical expression;

*Equation 2 Mathematical Expression for the Model*

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon$$

In the above expression,  $Y$  refers to the dependent variable representing customer satisfaction, whereas  $X_1$  to  $X_5$  symbolizes the independent variables that include being responsive, tangibility, assurance, reliability, and empathy. Additionally,  $\alpha$  represents a constant that symbolizes the intercept of the model;  $\beta_1$  to  $\beta_5$  represent the regression coefficients;  $\varepsilon$  represents the marginal error.

### **3.7 Quality of the Study**

According to Zameer et al. (2015) and Sharma & Srivasta (2018), the quality of given research can get assessed based on credibility, confirmability, dependability, and transferability. These factors can therefore get used to evaluating the quality of this research in the following ways; first, this research is credible because the findings generated are of great precision. The data obtained during the study was factual and in line with the reality concerning service quality at Best Western Princess Hotel in Norrköping, Sweden. Based on analysis of the filled questionnaires, it can get attributed that the respondents gave the correct information regarding service provision and their level of satisfaction. Second, this study fulfils the transferability aspect because the data obtained can be used for regression analysis by other hotels in Norrköping that want to analyse the aspects of service quality and customer satisfaction. The results of this study can get used for various instances of analysis, and the correct results of the factor getting analysed shall get obtained.

Third, this study fulfils the dependability aspect because the data obtained can get used to providing similar outcomes over different times, i.e., customer satisfaction depends on service quality dimensions like responsiveness, tangibility, assurance, reliability, and empathy. Therefore, this research is reliable to provide accurate deductions in all instances. Lastly, this research fulfils confirmability since the data recorded is primary and gets drawn from the analysis of various

customers who had ever visited Best Western Princess Hotel. The data obtained is free from any bias, and the research got carried out based on the desired objectives.

## **4. RESULTS AND FINDINGS**

### **4.1 Overview**

The main targets of the study included guests visiting Best Western Princess Hotel in Norrköping.

The respondents entailed persons from different nationalities, including Europeans, Americans, Asians, and Africans. Out of the 100 questionnaires sent to respondents, a total of 80 questionnaires were returned. This data therefore formed the basis for our analysis. Before the inception of the analysis, the questionnaires were assessed for any input errors and data omissions.

#### **4.2 The General Information of Respondents**

Respondent distribution was grouped into age, gender, the reason for visit, nationality, and number of times an individual had made hotel visits. This distribution is outlined in the table below;



Table 3 Respondent Profile

<b>Gender</b>	<b>Percentage</b>
Male	47%
Female	53%
<b>Nationality</b>	<b>Percentage</b>
Sweden	28%
Rest of Europe	20%
Africa	15%
USA	11%
Middle East	8%
Asia	11%
Others	7%
<b>Age</b>	<b>Percentage</b>
18-25	7%
26-35	22%
36-45	31%
46-55	34%
Over 55 years	6%
<b>Purpose of the Visit</b>	<b>Percentage</b>
Airline Crew	14%
Leisure	27%
Business	25%
Meeting	17%
Others	17%
<b>Number of Visits to hotel</b>	<b>Percentage</b>
First Visit	14%
2-5	53%
6-10	23%
10>	10%

Based on the table above, the respondents comprised 53% females and 47% males. Regarding respondent nationality, Swedish respondents included 28% of the sample size, whereas those from other parts of Europe constituted 20%. Respondents from parts of Africa formed 15% of the survey, while American respondents made 11% of the sample size. Moreover, respondents from the Middle East included 8% of the study, whereas hotel guests from Asia comprised 11%. Those from other parts of the world constituted 7% of the study population.

Regarding the respondent age bracket, 7% of the respondents were aged 18 to 25. 22% comprised 26 to 35-year-olds, those aged 36 to 45 formed 31% of the studied population, 34% represented the 46 to 55-year-olds. In contrast, those above 55 years constituted 6% of the sample size.

Upon being asked to state the purpose of their visits within the country, 27% of the respondents indicated that they were in for leisure, 25% had visited due to issues to do with business, 14% said that they were airline crew. In comparison, the remaining 17% said that they had seen it due to meetings and other related issues. When asked the number of visits they had made to the hotels, respondent feedback was as follows; those visiting for the first time constituted 14%. Those that had completed 2 to 5 visits were about 53%. Those with 6 to 10 trips were 23%, whereas those with over ten visits comprised 10%.

#### **4.3 Result Reliability**

According to Fida et al. (2020), there exist three standard techniques for evaluating result reliability. These techniques are different from the legal procedures for comparing data. Typically, these three techniques include test re-test, the alternative form, and the internal consistency technique. In our study, the method applied was the test re-test technique. This technique entailed obtaining reliability estimates by establishing relationships between data collected and similar questionnaires under conditions related to the study. Here, the questionnaires were pretested two times to respondents from the study population to ensure the results' reliability.

## **5. ANALYSIS AND DISCUSSION OF THE FINDINGS**

### **5.1 Analysis and Interpretation**

#### **5.1.1 Perception of Issues Impacting Customer Satisfaction**

The respondents were requested to rate the twenty-two statements on a 1-5 scale to evaluate the factors that influenced customer satisfaction. Typically, a rating of 1=strongly disagrees, 2=disagree, 3=neutral, 4=agree, and 5=strongly agree (see questionnaire in Appendix 3). An interpretation of each response was achieved through the help of the five-point Likert scale. Based on this scale, factors with minimal consideration were rated with a '1'. Those with higher impacts on customer satisfaction were placed with a '5'. '4' represented those factors that were said to have a fair influence, whereas '3' stood for neutral elements. Moreover, '2' defined elements that were somehow influential. The aspects of mean and standard deviation got applied in analysing each individual's responses. These factors are elaborated in the table below;

Table 4 Factors Influencing Customer Satisfaction

No	Factor	N	Mean	Std deviation		
1	Communication materials	80	4.21	0.717	Fairly influencing satisfaction.	
2	Timeliness	80	4.09	0.716		
3	Willingness to help	80	4.02	0.812		
4	Equipment	80	4.01	0.728		
5	Understanding guest specific needs	80	3.99	0.712		
6	Physical facilities	80	3.98	0.721		
7	Problem solving interest	80	3.98	0.871		
8	Employee appearance	80	3.89	0.827		
9	Accuracy of records	80	3.82	0.672		
10	Problem resolution time	80	3.78	0.712		
11	Prompt attention to request	80	3.77	0.722		
12	Flexibility of employees	80	3.77	0.672		
13	Concern towards guests interests	80	3.77	0.672		
14	Assurance, safety, and security	80	3.72	0.777		
15	Individualized attention	80	3.72	0.621		
16	Convenient operating hours	80	3.72	0.716		
17	Personal attention from employees	80	3.62	0.711		Neutral
18	Courtesy of employees	80	3.61	0.726		
19	Consistency of service	80	3.28	0.726		
20	Competence of employees	80	3.22	0.726		
21	Efficient services	80	2.89	0.917		
22	Behaviour of employees	80	2.87	0.716		

The study indicated that factors with a mean range of 0.5 to 1.5 never influenced customer satisfaction. Those factors with a mean range of 1.6 to 2.5 were somewhat influential. The

respondent analysis shows that no element was rated between 0.5 and 1.5; hence a clear indication that all significantly influenced customer satisfaction. Neutral factors were rated between 2.6 and 3.5. These neutral factors included employee (staff) competence, consistent services, employee behaviour, and service efficiency (see Appendix 3). Factors that fairly influenced customer satisfaction were rated between 3.6 and 4.5. These factors included equipment availability, hotel physical facilities, i.e. swimming pool, staff appearance, communication channels, timeliness, the interest in solving customer problems, record accuracy, promptness, problem resolution, staff flexibility, security, courtesy, customer attention from staff, constant operation, and providing personalised attention to guests.

In this study, any factor that could portray a mean value of more than 4.6 would be deemed the most influential regarding customer satisfaction. Since no factor among those defined in this study reached that level, it becomes prudent to state that none of these factors had an extremely high impact on client contentment. Here, the standard deviation feature was also used to analyse each response. It was projected that the higher the standard deviation, the higher the disparity among the answers from the respondents. Since this deviation was less than one in most instances of this study, it was estimated that there existed a consensus in the information provided. A standard deviation above one would mean that some conflicting results existed in the study. However, this factor was not the case.

### **5.1.2 Establishing the Interconnection between Standard of Service and Satisfaction for Customers**

The other objective of this analysis entailed determining how service quality relates to customer satisfaction. The following regression model was applied to achieve this objective;

*Equation 3 Regression Model*

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \epsilon$$

or

$$\text{User satisfaction} = \beta_0 + \beta_1 * \text{Tangibles} + \beta_2 * \text{Reliability} + \beta_3 * \text{Responsiveness} + \beta_4 * \text{Assurance} + \beta_5 * \text{Empathy} + \epsilon$$

In the above model, Y (dependent variable) is used to show customer satisfaction. X1, X2, X3, X4, and X5, represent responsiveness, tangibility, assurance, reliability, and empathy (Fida et al., 2020).  $\beta_0$  and ' $\epsilon$ ' represent constants, whereas  $\beta_1$ ,  $\beta_2$ ,  $\beta_3$ ,  $\beta_4$ , and  $\beta_5$  are used as coefficients of regression.

### ***I. Testing for Regression Coefficients***

This factor was achieved through the analysis of five-dimensional aspects of service quality. This test is summarised in the table below.

*Table 5 Regression Coefficients for the 5 Dimensions*

<b>Dimension</b>	<b>Coefficients</b>	<b>Std. Error</b>	<b>T-Stat</b>	<b>P-Value</b>	<b>Lower 95</b>	<b>Upper 95</b>
Intercept	6.3226	0.05	90.362	0.000	5.886	6.236
Tangibles X <sub>1</sub>	0.867	0.06	3.621	0.026	0.061	0.001
Reliability X <sub>2</sub>	0.916	0.05	2.601	0.362	0.521	0.026
Responsiveness X <sub>3</sub>	0.865	0.08	4.261	0.891	0.143	0.013
Assurance X <sub>4</sub>	0.813	0.04	4.193	0.026	0.261	0.124
Empathy X <sub>5</sub>	0.879	0.053	0.023	0.041	0.141	0.613

The research therefore yielded the following values:

$$\beta_0 = 6.322,$$

$$\beta_1 = 0.867,$$

$$\beta_2=0.916,$$

$$\beta_3=0.865,$$

$$\beta_4=0.813,$$

$$\beta_5=0.879.$$

The regression model can be expressed as:

*Equation 4 Expressing the Regression Model*

$$\mathbf{Y = 6.322 + 0.867X_1 + 0.916X_2 + 0.865X_3 + 0.813X_4 + 0.879X_5 + \varepsilon}$$

Therefore:

*Equation 5 Obtaining Customer Satisfaction*

$$\mathbf{Customer\ satisfaction = 6.322 + 0.867\ Tangibles + 0.916\ Reliability + 0.865\ Responsiveness + 0.813\ Assurance + 0.879\ Empathy + \varepsilon}$$

A 5% significance level indicated that empathy, tangibles, and assurance had a statistical significance. This factor is because their P-values were lower than 0.05 (acceptable threshold). The P value refers to a constant value representing customer's perception of the service. This constant value got obtained through the formula;  $P = E + Q$ . The value E stands for customer expectation while Q indicates the quality gap. In this research, the constant value of P was 0.05. Since the P-values of reliability and responsiveness were above the required threshold, these dimensions were statistically insignificant.

Based on the research findings, all the service quality dimensional aspects positively impacted client satisfaction. Ideally, responsiveness, tangibility, assurance, reliability, and empathy had regression coefficients of 0.865, 0.867, 0.879, 0.916, and 0.879. These results signify that increasing responsiveness by one unit and maintaining all the other variable constants at zero results in a 0.865 positive change in customer satisfaction. Increasing tangibles by a unit lead to a

0.867 positive shift in customer satisfaction. Moreover, increasing service assurance by a unit leads to a 0.813 positive change in customer satisfaction. On the other hand, increasing reliability by a unit leads to a 0.916 positive shift in customer satisfaction. Lastly, this factor also implies that increasing empathy by one unit leads to a 0.879 positive change in customer satisfaction.

Apart from that, the findings also revealed to us that service reliability had the highest impact on customer satisfaction. This factor was closely followed by service empathy, service tangibles, and service responsiveness. Service assurance displayed minimal implications for customer satisfaction. Despite that, all the five service dimensions received good ratings from all the respondents; hence, the hotel management ignored none.

## ***II. Coefficient of Determination ( $R^2$ )***

This term refers to a numerical representation of the effectiveness of a particular set of data within a statistical model. It defines the suitability of the model in measuring real-world outcomes. The coefficient of determination ( $R^2$ ) seeks to analyse how differences in a given variable can get explained by the disparities in another variable. In our example, the nature of the service provided directly correlates with how customers will be satisfied. Ideally,  $R^2$  is used to derive the percentage variation in a given variable Y based on some known variable X. A correlation coefficient formula gets applied to explain the benefits of a particular linear relationship amongst two existing variables.  $R^2$  gets obtained by squaring the correlation coefficient (R). Based on the research findings, the five dimensions have a 74.2% contribution to satisfaction. This percentage gets based on the  $R^2$  representation. Additionally, this is a clear indication that the remaining factors only make a 25.8% significance towards customer satisfaction.



*Table 6 Regression Results*

Multiple R	0.96152726
R Square (R <sup>2</sup> )	0.74224645
Adjusted R Square	0.731245143
Standard Error	0.24358651
Observations	80

### **Significance of R<sup>2</sup>**

R<sup>2</sup> is of great significance since it portrays the ability to estimate the probability of a future event falling in the range of the predicted outcome. This factor gets used to imply that with the addition of more samples, the R<sup>2</sup> coefficient can provide estimates on the relevance of this new data in comparison to the predicted outcomes.

### ***III. Testing the Full Model***

The ANOVA (analysis of variance) technique is used in statistics to develop comparisons between a set of variables to establish any statistical significance. Our research applied this technique to determine any significant correlation between service quality used as our independent variable and customer satisfaction, which symbolised a dependent variable. The analysis indicated that the significance (F) = 0.000. Therefore, since it is less than the P-value (0.05), it's a clear indication that the model was statistically significant. The P-value refers to a constant value representing the customer's perception of the service. This constant value got obtained through the formula;  $P = E + Q$ . The value E stands for customer expectation while Q indicates the quality gap. In this research, the constant value of P was 0.05. Due to its statistical significance, the developed model can be applied for prediction scenarios.

Table 7 Test for Significance

**ANOVA**

	<b>df</b>	<b>SS</b>	<b>MS</b>	<b>F-ratio</b>	<b>Significance F</b>
Regression	5	61.2368547	16.36256	59.68913	0.000
Residual	327	27.6587253	0.38732		
Total	358	72.356212			

Adapted from Esther & Bambale (2016)

## 5.2 Discussion

In this section, we evaluated the factors affecting client satisfaction within the Best Western Princess Hotel in Norrköping, Sweden. The findings indicated a total of seventeen factors that moderately impact satisfaction in customers within the hotel industry. Some of these factors included equipment availability, hotel physical facilities, i.e. swimming pool, staff appearance, communication channels, timeliness, the interest in solving customer problems, record accuracy, promptness, problem resolution, staff flexibility, security, courtesy, customer attention from staff, constant operation, and providing personalised attention to guests (see Appendix 1).

Based on regression analysis findings, it was established that the most significant service quality dimension towards customer satisfaction was reliability. Next in line were service empathy and tangibles. The third element was responsiveness. Additionally, it was discovered that assurance was less significant in determining customer satisfaction within the hotel industry. It was further noted that all of the five dimensions had some impact on customer satisfaction. The only difference was their levels of influence. Typically, hotel service is termed reliable when the records kept are free from any errors or alterations, services are not delayed, guests' complaints are solved on time, and service delivery is efficient.

Moreover, this study's results were of statistical significance since most dimensional aspects had their P-values below 0.05. These included empathy, tangibles, and assurance. Service reliability and service responsiveness were termed statistically insignificant because their P-values were more than 0.05. It is noted with much emphasis that the findings of this study echoed the works of Elvira & Shpetim (2016), Danish (2018), and Fida et al. (2020) in determining that the reliability dimension had the most significant impact on customer satisfaction.

## **6. SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS**

### **6.1 Introduction**

This chapter seeks to provide a synthesis of the whole study and provide a summative approach for the research findings. Typically, this last chapter consists of the summary, conclusions made from the survey, and final recommendations for future studies.

### **6.2 Summary of the Research Findings**

This study sought to determine the attributes influencing customer satisfaction and define the direct relationship between service quality and customer satisfaction within the Best Western Princess Hotel in Norrköping, Sweden. Data collection entailed the use of a structured questionnaire that each respondent was supposed to fill (see Appendix 3). Out of the 100 questionnaires sent to respondents, a total of 80 questionnaires were returned. This data therefore formed the basis for our analysis. Based on the analysis of the data, a couple of findings were made.

First, the results indicated seventeen factors that influence customer satisfaction within the Best Western Princess Hotel. These factors were of the mean range between 3.6 and 4.5. Typically, the seventeen factors include hotel's facilities, staff appearance, the state of hotel equipment, communication channels, sticking to timelines, the quick attention to customer issues, staff

flexibility, customer safety, staff courtesy, staff that is willing to help, individualised attention, reliable hours of operation, and guest hospitality (Appendix 3).

Further, the results indicated that the five significant aspects that impacted customer satisfaction included sticking to timelines, improved communication channels, staff willingness to help guests, the state of hotel equipment, and guest-tailored needs. The regression equation estimated that factors with mean values of 4.6 and above would indicate a more substantial influence on customer satisfaction. However, in this study, this was not achieved because no factor recorded such a high value. Therefore, of the listed factors, none had a remarkably more significant influence on customer satisfaction. This issue may indicate other attributes that influence customer satisfaction apart from the twenty-two listed in this study. This factor, therefore, creates room for future studies to explore.

On the other hand, among the five dimensions of service quality mentioned in this study, empathy, tangibles, and assurance were statistically significant. Typically, they displayed P-values lower than 0.05. Moreover, the dimensions of responsiveness and reliability were found to be less significant statistically because their P-values exceeded 0.05 (Appendix 3). Apart from that, the regression analysis findings show that the five-dimensional aspects positively impacted service quality despite slight variations among each. Here, reliability was the most impactful, then closely followed by empathy. Tangibles were ranked third, followed by responsiveness in the fourth position. Assurance was shown to have less impact on customer satisfaction. Amongst the respondents, all of the five dimensions were highly ranked. This factor, therefore, indicates that there exists a strong correlation between service quality and customer satisfaction. Ideally, an improved service quality results in a corresponding increase in customer satisfaction.

### **6.3 Discussion for the Hypothesis**

At the start of this study, the following questions formed the hypothesis;

**H1:** Client satisfaction has a substantial correlation with the five-dimensional aspects of service quality.

**H2:** The standard of service has a substantial correlation with the five-dimensional aspects of service quality.

**H3:** Customer contentment has a direct and substantial correlation with service quality.

Based on the findings of this research, these questions have gotten answered in the following

Ways;

### **H1**

The research findings indicate a direct correlation between client satisfaction and the five dimensions of service quality, including responsiveness, tangibility, assurance, reliability, and empathy. Based on the results in Table 4, increasing responsiveness by one unit and maintaining all the other variable constants at zero results in a 0.865 positive change in customer satisfaction. Increasing tangibles by a unit lead to a 0.867 positive shift in customer satisfaction. Moreover, increasing service assurance by a unit leads to a 0.813 positive change in customer satisfaction. On the other hand, increasing reliability by a unit leads to a 0.916 positive shift in customer satisfaction. Also, increasing empathy by one unit leads to a 0.879 positive change in customer satisfaction.

### **H2**

Based on the findings, it got established that the most significant service quality dimension towards customer satisfaction was reliability. Next in line were service empathy and tangibles. The third element was responsiveness. Additionally, it got discovered that assurance was less significant in determining customer satisfaction within the hotel industry. It got further noted that all of the five dimensions had some impact on customer satisfaction. The only difference was their levels of influence. Typically, hotel service gets termed reliable when the records kept are free from any

errors or alterations, services are not delayed, guests' complaints are solved on time, and service delivery is efficient.

### **H3**

The research findings indicate that service quality directly impacts customer satisfaction. Customer satisfaction gets based on how they gauge the services rendered. Service quality for customers is assessed based on responsiveness, tangibility, assurance, reliability, and empathy. A constant improvement in these factors resulted in a proportional increase in customer satisfaction. Therefore, it gets concluded that customer satisfaction can only get realised with constant improvement of the service quality dimensions.

### **6.4 Conclusion**

This research aimed to determine the features influencing customer satisfaction and establish a direct relationship between service quality and customer satisfaction. Based on the stipulated findings, a total of seventeen factors that fairly impacted customer satisfaction got identified. Of the seventeen factors, the most influential ones included sticking to timelines, improved communication channels, staff willingness to help guests, the state of hotel equipment, and guesttailored needs (Appendix 3). These factors indicate that hotels can enhance their customers' satisfaction by emphasising the significant elements that satisfy customers in their service.

Moreover, this study's results indicate that service quality's five-dimensional aspects have varying impacts on customer satisfaction. The reliability dimension was the most impactful. The factors that portrayed moderate effects included empathy and tangibles. The least impactful dimensions on customer satisfaction had responsiveness and assurance. Despite that, all of the five dimensions received substantial ratings. This factor leads to our conclusion that the hotels within Norrköping, Sweden, offer higher quality services based on these dimensional aspects.

## **6.5 Recommendations**

Based on this study, it is recommended that all hotels within Norrköping, Sweden, should improve on all the seventeen factors influencing customer satisfaction. This factor is to help these hotels enhance satisfaction among their customers. Apart from that, these hotels should also implement the latter's five-dimensional aspects because they positively impact customers' satisfaction. Moreover, during resource allocation, it is recommended that more emphasis should be put on the reliability dimension because it portrays a higher impact on customer satisfaction. Lastly, it is recommended that hotel communication channels should be improved since most customers are dissatisfied with this factor.

## **6.6 Study Limitations and Possible Suggestions for Future Research**

First, this study is slightly limited since it was only carried out in the Best Western Princess Hotel in Norrköping; hence the projected findings cannot be generalised for all of the hotels within Sweden. As a result of this factor, future studies should consider analysis from various parts of Sweden and cut across several aspects, including larger sample size and enhanced demographic characteristics. Second, this study never made any substantial comparison of customer and hotel staff perceptions regarding service quality. Future researchers should attempt to define any customer rating disparities towards service quality and those ratings from hotel staff. This factor will enable hotel management to develop other effective strategies that enhance customer satisfaction. Lastly, this study never managed to outline one single attribute that immensely impacted customer satisfaction. The listed factors only had fair impacts on customer satisfaction; none was deemed extremely influential. As a result, future studies should focus on establishing any significant factor that would, to an immense extent, influence customer satisfaction.

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## APPENDICES

### Appendix 1: Definitions of the 18 Determinants of Service Quality

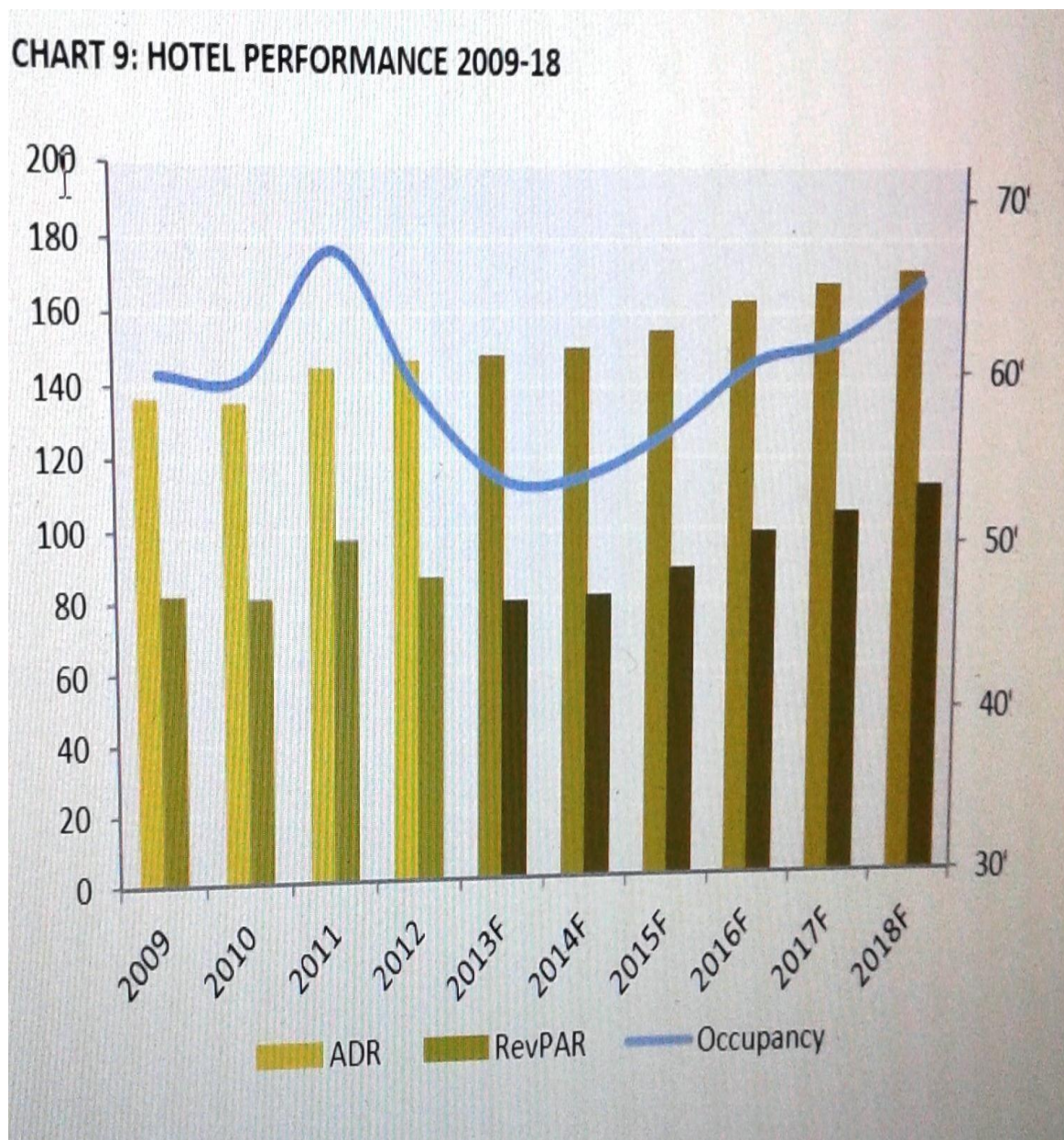
<b>Determinant</b>	<b>Description</b>
Access	The physical approachability of service location, including the ease of finding one's way around the service environment.
Aesthetics	The extent to which the service package components are agreeable or pleasing to the customer, including both the appearance and ambience of the service environment, the appearance and presentation of service facilities, goods, and staff.
Attentiveness/ helpfulness	The extent to which the service, mainly of contact staff, either provides help to the customer or gives the impression of interest in the customer and shows a willingness to serve.
Availability	The availability of service facilities, staff and goods to the customer.
Care	The concern, consideration, sympathy and patience showed to the customer.
Cleanliness/ tidiness	The cleanliness, neat and tidy appearance of the service package's tangible components, including the service environment, facilities, goods, and contact staff.
Comfort	The physical comfort of the service environment and facilities
Commitment	Staff's apparent commitment to their work includes the pride and satisfaction they take in their job, diligence, and thoroughness.
Communication	The service providers' ability to communicate with the customer in a way he or she will understand.
Competence	The skill, expertise and professionalism with which the service gets executed.
Courtesy	The politeness, respect and decency shown by the service, usually contact staff, in dealing with the customer and their property.
Flexibility	A willingness and ability on the part of the service worker to amend or



	alter the nature of the service or product to meet the needs of the customer.
Friendliness	The service providers' warmth and personal approachability, particularly of contact staff, including a cheerful attitude and the ability to make the customer feel welcome.
Functionality	The serviceability and fitness for purpose or "product quality" of service facilities and goods.
Integrity	The honesty, justice, fairness and trust with which the service organization treats customers
Reliability	The reliability and consistency of performance of service facilities, goods and staff.
Responsiveness	Speed and timeliness of service delivery.
Security	The customer's safety and his or her possessions while participating in or benefiting from the service process.

Adapted from (Zameer, et al., 2015)

## Appendix 2: Graph of Hotel Performance Since 2009



Adapted from Farooq & Salam (2018)

## Appendix 3: Research Questionnaire

<b><u>PART 1: RESPONDENT GENERAL INFORMATION</u></b>						
This part is on general information about you as a respondent. Please provide answers to the following questions by ticking (✓) against the most suitable alternative or giving narrative responses in the spaces provided. Your response shall get accorded all the confidentiality it deserves and will only get used for academic purposes.						
Name of Hotel.....						
Gender:	Male [ ]		Female [ ]			
Age:	18-25 [ ]	26-35 [ ]	36 – 45 [ ]	46 – 55 [ ]	above 55 [ ]	
Nationality:	Sweden [ ]	Rest of Europe [ ]	Africa [ ]	USA [ ]	Middle East [ ]	Asia [ ]
Other (Specify).....						
Purpose of Visit:	Airline crew [ ]		Leisure [ ]	Business [ ]	Meeting/Conference [ ]	
Other (Specify).....						
Number of visits to this hotel: First visit [ ] 2 to 5 visits [ ] 6 to 10 visits [ ] more than 10 visits [ ]						
<b><u>PART II: FACTORS INFLUENCING CUSTOMER SATISFACTION</u></b>						
This part concerns the factors that influence your satisfaction with hotel services. Please show the extent to which you think each factor influences your satisfaction with the hotel services. Do this by putting a tick (✓) in the appropriate box. A "1" means you strongly disagree, while a "5" means that you strongly agree. You may tick any of the number in the middle that shows how strong your feelings are. There are no rights or wrong answers.						
No	Please indicate the extent to which you agree that the following factors influence guest satisfaction with hotel services.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Hotel's Physical facilities	1	2	3	4	5
2	Hotel's Equipment	1	2	3	4	5

3	Appearance of hotel employees	1	2	3	4	5
4	Communication materials	1	2	3	4	5
5	Timeliness of service	1	2	3	4	5

6	Problem solving interest	1	2	3	4	5
7	Efficient service	1	2	3	4	5
8	Consistency of service	1	2	3	4	5
9	Accuracy of records	1	2	3	4	5
10	Problem resolution time	1	2	3	4	5
11	Prompt attention to guest's requests	1	2	3	4	5
12	Willingness to help	1	2	3	4	5
13	Flexibility of employees	1	2	3	4	5
14	Behaviour of employees	1	2	3	4	5
15	Safety and security	1	2	3	4	5
16	Courtesy of employees	1	2	3	4	5
17	Competence of employees	1	2	3	4	5
18	Individualized attention	1	2	3	4	5
19	Convenient operating hours	1	2	3	4	5
20	Personal attention from employees	1	2	3	4	5
21	Concern towards guest interest	1	2	3	4	5
22	Understanding guest specific needs	1	2	3	4	5

### **PART III: PERCEPTION ON THE QUALITY OF SERVICE**

This part concerns how you feel about aspects of service quality levels at the hotel. Please tick (√) in

The appropriate box to show the extent to which you believe the hotel has features described by the statement. A "1" means you strongly disagree, while a "5" means that you strongly agree. You may tick any of the number in the middle that shows how strong your feelings are.

The dimension of service quality	Please indicate the extent to which you agree with the following statements.	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
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1.1: Tangibles	The hotel has good looking facilities.	1	2	3	4	5
1.2: Tangibles	The hotel's physical facilities are visually appealing.	1	2	3	4	5
1.3: Tangibles	The hotel's employees are neat appearing	1	2	3	4	5
1.4: Tangibles	The materials associated with the service (such as pamphlets) are visually appealing.	1	2	3	4	5
2.1: Reliability	When the hotel promises to do something by a particular time, it does so.	1	2	3	4	5
2.2: Reliability	When you have a problem, the hotel shows a sincere interest in solving it.	1	2	3	4	5
2.3: Reliability	The hotel performs the service right the first time.	1	2	3	4	5
2.4: Reliability	The hotel provides its services at the time it promises to do so.	1	2	3	4	5
2.5: Reliability	The hotel insists on error-free records.	1	2	3	4	5
3.1: Responsiveness	The hotel employees tell you exactly when services will get performed.	1	2	3	4	5
3.2: Responsiveness	The hotel employees give you prompt service.	1	2	3	4	5
3.3: Responsiveness	The hotel employees are always willing to help you.	1	2	3	4	5
3.4: Responsiveness	The employees are never too busy to respond to your requests.	1	2	3	4	5
4.1: Assurance	The behaviour of hotel employees instils confidence in customers.	1	2	3	4	5
4.2: Assurance	You feel safe in your transactions with the hotel.	1	2	3	4	5
4.3: Assurance	The hotel employees are consistently courteous with you.	1	2	3	4	5
4.4: Assurance	The hotel employees have the knowledge To answer your questions.	1	2	3	4	5
5.1: Empathy	The hotel gives you individual attention.	1	2	3	4	5

5.2: Empathy	The hotel's operating hours are convenient for its customers.	1	2	3	4	5
5.3: Empathy	The hotel has employees who give you personal attention.	1	2	3	4	5
5.4: Empathy	The hotel has your best interest at heart.	1	2	3	4	5
5.5: Empathy	The hotel employees understand your specific needs.	1	2	3	4	5

Adapted from Zameer et al., (2015)