Factors affecting satisfaction levels of customers in the Hotel Industry: A case study of the Jammu Region

Dr. Deepak Jain
Assistant Professor
SoB, FoM,
Jammu and Kashmir, India
dr.deepakjain1977@gmail.com

Abstract

The purpose of this paper was to quantify the service satisfaction levels of hotel customers in Jammu region, India. The survey collected 162 questionnaires to provide the empirical dataset for the inquiry based on descriptive statistics, factor analysis and reliability analysis. Factor analysis extracted seven dimensions and conclusion summarizes the key influences that can shape the quality of service. Currently, business travellers rate low levels of satisfaction in 20 of the total 25 components presented in the questionnaire. This investigation can contribute to hotel sector research by highlighting elements which determine service quality, and help the industry stakeholders choose appropriate improvements to sustain a year-round tourism in Jammu and near adjoining places of Jammu & Kashmir.

Keywords: India, customer satisfaction, hotel industry, expectations, customer retention.

Introduction

Today, the hotel sector has been acknowledged as a global industry, with producers and customers reaching out to the far corners of the world. One of the most important challenges the hotel firms are facing is the increasing level and rate of competition. Kandampully and Suhartanto (2000) stated that competition has key consequences for the customer; providing them with increased choice, superior value for money and improved levels of service.

The service area has turned out to be the leading element of the economy. Ghobadian et al. (1994) stated that service quality is a requirement or the success and survival in today's competitive environment, and that the interest in service quality has increased noticeably. In order to remain competitive and financially successful, Chapman et al. (2005) confirmed that the most important concern is the provision of quality service to meet customer expectations. According to Nicolaides (2012; 2008), Ghosh and Jiju (2004), service quality includes the concept of meeting and exceeding the expectations of the customer and expectations should be exceeded.

Customers have a habit of pre-judge a hotel based on their experiences of how they are treated. To attain and eventually deliver quality service is a long and hard process to go through in which all employees, from the senior managers right down to the operational and functional managers, should be involved. It is the focus on quality service which is the key to business success and ultimately sustainability (Ramphal & Nicolaides, 2014).

Customers hold service expectations based on many criteria, such as past experiences, word of mouth, and advertising (Kotler a& Keller, 2003: 412). In general, customers compare the perceived service with the expected service (Grewal et al., 1998). If the perceived service falls below the expected service, customers are disappointed, or else customers will prefer the provider again (Nicolaides, 2012).

Ingram (1996) stated that service quality has received a lot of attention in the wider business community due to its practical implications for customer satisfaction and a positive word of mouth. Researchers in the hospitality industry have also shown an interest in the service quality. Most hotels focus on the enhancement of customer services and retention of customer loyalty. In order to achieve these goals, Yang (2004) has pointed out that hotels constantly attempt to understand what the consumers want. Due to the increased contribution of the service sector, researchers are...
defining quality from the customer's perspective. In services marketing literature, the broadly used explanation of service quality 'is to meet customers' expectations' (Parasuraman et al., 1985).

Harvey (1998) mentioned that 'service quality is so intangible that objective measurement is impossible. The challenge lies mostly in managing appearances and perceptions'. In their appraisal of service quality, Parasuraman et al. (1991) revealed that service quality could neither be conceptualized nor evaluated by traditional methods of goods quality because services have three characteristics: intangibility, heterogeneity and inseparability. For this reason, the authors defined and conceptualized service quality as a form of attitude, which results from a comparison of customers’ expectations with the perceptions of performance. They have also developed a tool named SERVQUAL to measure service quality.

**Literature Review**

**Hotel Service Quality and Customer Satisfaction**

Parasuraman et al. (1985) presented a list of ten determinants of service quality as a result of their focus group studies with service providers and customers: access, communication, competence, courtesy, credibility, reliability, responsiveness, security, understanding and tangibles.

Akan (1995) created a modified questionnaire from the SERVQUAL instrument and investigated the application of the SERVQUAL instrument in an international environment. He aimed to inspect the dimensions of the SERVQUAL and measure the level of importance of the dimensions for customers of Turkish four and five star hotels. The study identified seven dimensions named as: courtesy and competence of the personnel; communication and transactions; tangibles; knowing and understanding the customer; accuracy and speed of service; solutions to problems; and accuracy of hotel reservations. Among these, courtesy and competence of hotel personnel, was the most important characteristic influencing the view of quality.

While trying to determine the hotel guest satisfaction, Gundersen et al. (1996) found that the major difference in the overall satisfaction can be clarified by the intangible and tangible dimensions of three departments of the hotel: reception, the housekeeping department; and the food and beverage department. Additionally, tangible aspects of the housekeeping department and intangible aspects of reception were found to have the strongest effect on the overall satisfaction. They also stated that the hotels often face two major obstacles while trying to improve their services: Managers do not know which features are considered to be significant by the guests when appraising the hotel experience, and they do not have dependable and valid instruments for determining the quality perceptions.

Mei et al. (1999) studied the dimensions of service quality of the hotel industry in Australia. They developed a new scale called HOLSERV, a new instrument to measure service quality in the hotel industry. They used the SERVQUAL instrument as a base. As the key results of their study, the authors concluded that service quality was characterized by three dimensions in the hotel industry: employees, tangibles, and reliability. The best forecaster of service quality, in general, was the dimension referred to as 'employees'. It is the employees who are the critical stakeholders first and foremost (Nicolaides, 2015).

Dean et al. (1999) examined the dimensions of service quality in the hospitality industry in Australia by broadening the SERVQUAL scale to take an account of the eight new items that specifically pertain to the hospitality industry, subsequently referred to as HOLSERV. In their study, they used a 'one-column' customized questionnaire format of SERVQUAL. Findings suggest that there are three dimensions of service quality: employees, tangibles, and reliability and that the ‘employees’ dimension emerged as the best predictor of overall service quality. The
studies above are similar to the research conducted, since the dimensions and the perceptions of service quality were attempted to be explored.

In addition, Heung (2000) aimed to measure the satisfaction levels of Chinese travellers in relation to the hotel services in Hong Kong. Using the disconfirmation model, the study was conducted to measure the satisfaction levels of the mainland Chinese travellers based on 34 hotel service attributes. The results pointed out that the mainland Chinese travellers were pleased with arrange of aspects including: Availability of personal care, amenities, quietness of the room, and availability of food and beverage variety.

Research implemented by Alexandris et al. (2002), tried to examine the extent to which behavioural intentions could be explained by service quality dimensions. The study was carried out in two hotels in North Greece which measured the perceived service quality using the five dimensions of SERVQUAL. The research revealed that in this case the most important dimension for measuring the service quality was ‘tangibles’ while ‘responsiveness’ and ‘reliability’ were considered to be of least important.

The study of Ekinci et al. (2003) had two goals: to recognize characteristics of the British tourists who visit Crete; and to assess their perception of service quality in the island accommodations. The study makes use of a modified SERVQUAL scale, which encloses two dimensions: tangibles and intangibles. Examination of the data implies that the British tourists rate intangible elements of service quality higher than the tangible elements. However, the overall satisfaction with services is found to be marginal. Additionally, the study pointed out that perceptions of service quality in Cretan accommodations vary according to the gender, and classification of accommodations.

**Hotel Service Quality and Business Customers’ Satisfaction**

Bojanic and Kashyap (2000) investigated the relationships between travellers’ opinion of value, quality and price, and their influence on travellers’ ratings of similar hotels and revisit intentions in two segments: business and leisure travellers. The findings implied that value plays a pivotal role in a travellers’ decision planning. Most interesting findings are resulted from the regression of the quality variables, price value, and overall rating on revisit intention. For the business section, only overall value and comparative rating were significantly associated. On the contrary, for the leisure sector, while none of the quality variables were significant, the perceived price, overall value, and comparative rating were all considerably related with the revisit intentions.

Scanlan and McPhail (2000) also investigated the service quality in hotels. Their research particularly, determined the critical relational attributes in the face-to-face service encounters that were most influential in the formation of a service relationship from the business traveller’s perspective. Five critical relational attributes were chosen and tested in a high interpersonal service context; namely, a hotel reception encounter. The results from multiple regression analysis revealed that the hotel guests perceived personalization, social bonding, reliability, and familiarization to be the most influential in the relationship formation process in that order of significance. What the customers want at all times is ethical service in which their needs as vital stakeholders are exceeded if at all possible (Nicolaides, 2016).

Ghosh and Jiju (2004) investigated the relationship among service quality and business performance followed by an assessment of service quality as a framework. The case study focused on a hotel group in the UK, where service quality was measured at six different locations. It revealed that responsiveness was perceived to be the most important dimension. Reliability and empathy were perceived to be the second and the least important respectively. The results of the study are contrary to the findings in the research conducted by Alexandris et al. (2002).

Akkaba (2006) investigated the service quality expectations of business hotels’ customers, and examined whether the quality dimensions included in the SERVQUAL model apply in an
international environment. The findings of this study confirmed the five dimensional structure of SERVQUAL, but the components of some of the dimensions were different from it. The five service quality dimensions identified in this study were named as: tangibles, adequacy in service supply, understanding and caring, assurance, and convenience. The findings showed that business travellers had the highest expectations for the dimension of: convenience followed by assurance, tangibles, adequacy in service supply, and understanding and caring.

Research Scope and Objectives

The results indicate that suitable steps must be taken to improve service quality in the hotel sector. Barsky and Labagh (1992) stated that offering high quality services helps improve customer satisfaction. Hotel services and customer satisfaction of service fluctuate from culture to culture, and service quality dimensions differ from one sector of hotel industry to another. There are in all 9 five-star hotels with in the Jammu & Kashmir i.e. 5 in Srinagar region, 4 in Jammu region. 4-Star hotels are also available within Jammu region.

Katra town lying in the foot of Trikuta Mountains 48 kilometres from Jammu, serves as the base camp for visiting the world famous shrine of Shri Mata Vaishno Devi, which is approachable on foot along a 13 kilometre long well laid footpath. Every year, more than 4.5 million pilgrims pass through Katra on their way to the holy shrine. The cave shrine of Mata Vasihno devi Ji or Trikuta Bhagwati (alt: 5,200 ft.) has been a beacon of faith and fulfilment to millions of devotees from all over the world. The pilgrimage to the Shrine holds great significance for the pilgrims.

There are lots of hotels in and around Katra town to facilitate the accommodations for visitors. There are variety of choices like Five Star Hotels, Four Star Hotels, Three Star Hotels, Two Star Hotels, One Star Hotels, Budget Hotels, Economic Hotels, and Premium Hotels etc.

Regarding the Jammu region where the research was carried out, the number of hotels located in Jammu city and Katra town are 59. There are 39 two-star; 7 three-star; 8 four Star; and 4 five-star hotels located within Jammu region. In Jammu City only we have 1 three-star; 2 four Star; and 1 five-star hotel. Remaining is within and around the Katra town.

Jammu region comprised mainly of businesses activities, followed as to be first drop / stay point for people entering in Jammu & Kashmir state to either move to Kashmir as tourists or as pilgrims to Vaishno Devi or Amarnath. The occupancy of hotels in the region relies mainly on the customers visiting with business intentions followed by tourists or pilgrims in the area.

Therefore, understanding the desires of customers will assist both hotels in becoming more competitive to offer better services. Thus, the scope of this research is to examine the hotels’ service quality satisfaction of business customers in the Jammu region of J&K, while the objectives of the research conducted was to investigate the factors defining the business customers’ satisfaction for the hotel services of the two five-star hotels.

Research Methodology

With the increase in business activities and tourism within the state, the hotel industry has seen changes. This affects not only the business operations, but also affects the revenue and profits. Moreover, the customers are now becoming more service-centric, and not money-centric. Considering the same, the study was conducted to identify the different factors that affect the satisfaction level of business customers of hotel industry.

The Questionnaire

The questionnaire used in the research comprises three parts: the first part refers to the questions relevant to the number of visits to the hotels, frequency of visits to hotels for business reasons,
sources of information that the customers had of the hotel, and the specific reasons for visiting. The second part contained the satisfaction question, composed of 25 items, and also other questions regarding the overall satisfaction and recommendation of the tenants. Finally, the third part enclosed questions regarding the demographic characteristics. The items used in the satisfaction question came from the previous research (Hung and Webster 1994; Ghosh and Jiju, 2004; and Akbaba, 2006). Only the questions that are related to the aim and objectives of the paper are analysed.

Data Collection

A survey research was conducted in the two five star business hotels of Jammu Region. The target population of the survey was all the business travellers who stayed in the business hotels selected for this study during the data collection period. The research was carried out only in the two five-star hotels in the Jammu region, as both the hotels offered similar services, and had extensive conference and leisure-facilities for national and international guests. The number of hotel rooms for each hotel is 80 and 140, respectively.

A combination of the convenience and judgmental sampling was used with the criteria for judgmental sampling being the participants were: (a) adults; (b) willing to participate in the research; (c) visiting the hotel for business reasons; (d) the participants had spent at least one day at the specific hotel; and (e) were able to speak English or Hindi. Specifically, 200 questionnaires were equally divided for both the hotels and were handed out to the guests at the reception during the check-out process, and also to the remaining guests in the lobby of the hotel. From the total number of questionnaires handed out, 162 were measured complete and valid for the data analysis. The survey was conducted for a period of three weeks in the months of June and July of 2009, due to the time constraints and very low occupancy of the hotels in August and also as the holiday season. All the data obtained from the research remained confidential and anonymous.

Statistical Analysis

The Statistical Package SPSS (Version 11.5) was used to analyse the data. Descriptive statistics analysis was utilized to determine business travellers’ perception of quality scores. To explore the dimensions of the satisfaction, a factor analysis was carried out. The form of Factor Analysis used was Principle Component Analysis (PCA) with Varimax rotation (Hair et al., 1995). Also, in the factorial analysis, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) is mentioned, which is an adequacy indicator of the sample and PCA model implementation, as well as the Bartlett Test of Sphericity (BTS) and its significance (p) (Kinnear and Gray, 1995).

Customers’ Profile

The largest percentage of the hotel guests (37%) were between 36 and 45 years of age, 22% were found to be between 46-55 years, and 20% were 26-35 years. Regarding the gender of the respondents visiting the hotels, the vast majority were males (77%) with 23% managers, 58% private employees, 8% public employees and 11% sales associates. As regard to marital status, 72% were married. Regarding education, 46% were graduates; 33% were diploma holders in different streams; and 21% held a Master or Post Graduates. Regarding monthly family income of the participants, the majority of customers are between Rs 50,001 - 1, 00,000; and Rs 1, 00,001 – 3, 00,000, with 35% and 34%, respectively.

Research Results

Previous Visitation and Frequency of Stay

The majority of the visitors participating in the research mentioned that they had visited the hotel in the past (66%); while the 34% of the tenants had never visited the hotel before. The frequency
of past stay in the hotel interviewed was: one to five times for 48% of the respondents, zero times for 34%, 6-10 times for the 12%, and 11 or more times for 6% of the tenants.

**Business Travellers’ Satisfaction**

Table 1 shows the percentage, mean and standard deviation of each element of the business travellers’ guest satisfaction question. The statistical analysis shows that from the 25 elements comprising the satisfaction question, five elements have the mean scores > 4.00, implying satisfaction towards these elements. Also, one element has a mean score < 3.00 implying dissatisfaction towards this element. Lastly, 19 elements have the mean scores > 3.00 and < 4.00, implying that business travellers are neither satisfied nor dissatisfied towards these elements.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Very Satisfied (5)</th>
<th>Satisfied (4)</th>
<th>Neither satisfied / nor dissatisfied (3)</th>
<th>Dissatisfied (2)</th>
<th>Very Dissatisfied (1)</th>
<th>Mean Score (SD)**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Atmosphere</td>
<td>35.8</td>
<td>50</td>
<td>10.5</td>
<td>3.7</td>
<td>0</td>
<td>4.18 (0.763)</td>
</tr>
<tr>
<td>Internet facilities in the rooms</td>
<td>26.9</td>
<td>57.5</td>
<td>14.2</td>
<td>1.5</td>
<td>0</td>
<td>4.10 (0.681)</td>
</tr>
<tr>
<td>Specific area for business meetings &amp; appointments</td>
<td>29.9</td>
<td>52.2</td>
<td>14</td>
<td>3.8</td>
<td>0</td>
<td>4.08 (0.768)</td>
</tr>
<tr>
<td>Area in the dining room for professional / business dinners</td>
<td>20.5</td>
<td>64.4</td>
<td>14.4</td>
<td>0.7</td>
<td>0</td>
<td>4.05 (0.614)</td>
</tr>
<tr>
<td>The convenience of the hotel’s operating hours</td>
<td>20.9</td>
<td>62.7</td>
<td>14.4</td>
<td>2</td>
<td>0</td>
<td>4.03 (0.658)</td>
</tr>
<tr>
<td>The safety of my personal belongings provided by the hotel</td>
<td>15</td>
<td>66.7</td>
<td>16.3</td>
<td>2</td>
<td>0</td>
<td>3.95 (0.826)</td>
</tr>
<tr>
<td>Room cleanliness and hygiene</td>
<td>29</td>
<td>43.8</td>
<td>14.2</td>
<td>12.3</td>
<td>0.6</td>
<td>3.88 (0.987)</td>
</tr>
<tr>
<td>The politeness of the hotel staff</td>
<td>24.8</td>
<td>42.9</td>
<td>21.1</td>
<td>9.9</td>
<td>1.2</td>
<td>3.80 (0.967)</td>
</tr>
<tr>
<td>The quality of the food and beverages served</td>
<td>21.9</td>
<td>48.1</td>
<td>16.9</td>
<td>11.9</td>
<td>1.3</td>
<td>3.77 (0.964)</td>
</tr>
<tr>
<td>Loading and unloading area</td>
<td>13</td>
<td>55.9</td>
<td>23</td>
<td>7.5</td>
<td>0.6</td>
<td>3.73 (0.804)</td>
</tr>
<tr>
<td>Ease of learning the hotel’s services</td>
<td>13.5</td>
<td>54.8</td>
<td>20.6</td>
<td>9.7</td>
<td>1.3</td>
<td>3.70 (0.871)</td>
</tr>
<tr>
<td>The hotel’s task at keeping accurate records (e.g. bills)</td>
<td>9.7</td>
<td>55.8</td>
<td>28.6</td>
<td>5.8</td>
<td>0</td>
<td>3.69 (0.726)</td>
</tr>
<tr>
<td>Employees appearance (neatness and dress)</td>
<td>20</td>
<td>38.1</td>
<td>30.6</td>
<td>11.3</td>
<td>0</td>
<td>3.67 (0.923)</td>
</tr>
<tr>
<td>The availability of the hotel staff whenever needed</td>
<td>17.8</td>
<td>41.4</td>
<td>23.6</td>
<td>15.9</td>
<td>1.3</td>
<td>3.59 (1.000)</td>
</tr>
<tr>
<td>External atmosphere</td>
<td>15.4</td>
<td>45.1</td>
<td>22.2</td>
<td>16.7</td>
<td>0.6</td>
<td>3.58 (0.963)</td>
</tr>
<tr>
<td>The hotel staff keeping to services at appointed times</td>
<td>11.7</td>
<td>48.7</td>
<td>26</td>
<td>11</td>
<td>2.6</td>
<td>3.65 (0.929)</td>
</tr>
<tr>
<td>Information provided for reaching the hotel</td>
<td>10.3</td>
<td>49</td>
<td>27.7</td>
<td>12.3</td>
<td>0.6</td>
<td>3.56 (0.861)</td>
</tr>
<tr>
<td>The staff performance in understanding individual and particular needs</td>
<td>10.4</td>
<td>51.9</td>
<td>19.5</td>
<td>16.9</td>
<td>1.3</td>
<td>3.53 (0.937)</td>
</tr>
<tr>
<td>Layout of the room</td>
<td>10.1</td>
<td>51.9</td>
<td>18.4</td>
<td>19.6</td>
<td>0</td>
<td>3.53 (0.922)</td>
</tr>
<tr>
<td>Office in the room</td>
<td>10.6</td>
<td>42.5</td>
<td>32.5</td>
<td>14.4</td>
<td>0</td>
<td>3.49 (0.869)</td>
</tr>
<tr>
<td>Catalogue in the</td>
<td>3.8</td>
<td>47.3</td>
<td>33.6</td>
<td>15.3</td>
<td>0</td>
<td>3.40</td>
</tr>
</tbody>
</table>
Table 2: Factors Extracted for Satisfaction of the Hotel Services

<table>
<thead>
<tr>
<th>Factors</th>
<th>Satisfaction Statements</th>
<th>Factor Loading</th>
<th>Cronbach a of Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Food and Service Related Factors</strong></td>
<td>The availability of the hotel staff whenever needed</td>
<td>0.778</td>
<td></td>
</tr>
<tr>
<td>13.60% of TV*</td>
<td>Internal atmosphere</td>
<td>0.682</td>
<td></td>
</tr>
<tr>
<td>MFS** = 3.8 (SD = 0.51)</td>
<td>Room cleanliness and hygiene</td>
<td>0.586</td>
<td>0.6926</td>
</tr>
<tr>
<td></td>
<td>The hotel’s staff keeping to services at appointed times</td>
<td>0.559</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The quality of the Food and beverages served</td>
<td>0.530</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The convenience of the hotel’s operating hours</td>
<td>0.514</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Specific area for business meetings - appointments</td>
<td>0.501</td>
<td></td>
</tr>
<tr>
<td><strong>Information / Access to Hotel, Loading and Unloading Area</strong></td>
<td>Ease of access to the hotel</td>
<td>0.721</td>
<td>0.7038</td>
</tr>
<tr>
<td>11.20% of TV; MFS = 3.57 (SD = 0.64)</td>
<td>Loading and unloading area</td>
<td>0.714</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ease of learning the hotels services</td>
<td>0.675</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The information provided for reaching the hotel</td>
<td>0.650</td>
<td></td>
</tr>
<tr>
<td><strong>Room, Price and Staff Factors</strong></td>
<td>Office in the room</td>
<td>0.821</td>
<td>0.7330</td>
</tr>
<tr>
<td>10.20% of TV; MFS = 3.54; (SD = 0.70)</td>
<td>Better prices for businessman</td>
<td>0.684</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The politeness of the hotel staff</td>
<td>0.639</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The staffs’ performance in understanding my individual and particular needs.</td>
<td>0.563</td>
<td></td>
</tr>
<tr>
<td><strong>Hotel Areas and Satellite TV</strong></td>
<td>Satellite TV in bedroom</td>
<td>0.765</td>
<td>0.7134</td>
</tr>
<tr>
<td>9.90% of TV; MFS = 3.41</td>
<td>Parking area of the hotel</td>
<td>0.746</td>
<td></td>
</tr>
<tr>
<td></td>
<td>External atmosphere</td>
<td>0.740</td>
<td></td>
</tr>
</tbody>
</table>

Note: Sample Size: 162; (SD)** = Standard Deviation.
Sources: Primary Data

Specifically, the items with the highest scores are: internal atmosphere with MS = 4.18 (0.763); Internet facilities in the room with MS = 4.18 (0.763); specific area for business meetings and appointments with MS = 4.08 (0.768); area in dining room for business dinners with MS = 4.06 (0.614); and convenience of the hotel’s operating hours with MS = 4.03 (0.658). On the other hand, the elements with the lowest score is satellite TV with MS = 2.80 (1.077).

Factor Analysis

Factor analysis (Table 2) regarding the satisfaction of the guests staying at the hotels resulted in seven factors (KMO = 0.68; BTS = 750.014; df = 300; p = 0.00) explaining the 62.5% of the Total Variance (TV). The total reliability of the scale includes a Total Cronbach Alpha: a = 0.8555.

The first factor interprets 13.6% of the total variance comprising seven variable, which can be named ‘Food and service related factors’, has Mean Factor Score (MFS) = 3.88 (0.51) and the reliability of the factor is a = 0.6926. From the seven variables that compose this factor, only one has a loading of> 0.7 on the factor implying high satisfaction towards this variable, while the remaining six have 0.4 - 0.6 loadings on the factor, implying a lower level of satisfaction, i.e., the specific area for business meetings/appointments.
The second factor interprets 11.2% of the total variance, has MFS = 3.57 (0.64) and the reliability of the factor is a = 0.7038. This factor consists of four variables which refer mainly to the information provided, access and loading / unloading area. The items regarding the loading / unloading area and access to the hotel have a factor loading 0.7 and above, implying high satisfaction. The items lower than 0.7 refer to the information provided and imply a lower level of satisfaction on behalf of the guests. The second factor can be named 'Information, access, and unloading area'.

The third factor interprets the 10.2% of the total variance, has MFS = 3.54 (0.70) and the reliability of the factor is a = 0.7330. It comprises four items and is called ‘Room, price and staff factors’. It has only one item with a loading higher than 0.7 (Office in the room), implying high satisfaction of the room occupants. The three remaining components have factor loading between 0.5 - 0.6, meaning that the guests have a lower satisfaction for these constituents.

The fourth factor also consists of four items. It interprets the 9.9% of the total variance, has MFS = 3.41 (0.75) and the reliability of the factor is a = 0.7134. Three of the components have a factor loading score higher than 0.7, meaning that the visitors have a high level of satisfaction, while only one item (area in dining room for business dinners) has a factor loading less than 0.7. This interprets the low satisfaction of the guests towards this element. The fourth factor is named ‘Hotel areas and satellite TV’.

The fifth factor of business customers’ satisfaction contains three elements. Two of the elements have a factor loading higher than 0.7, interpreting a high level of satisfaction, while the third one has a loading <0.7, implying a lower level of guest satisfaction. The fifth factor represents the 8.0% of the total variance, has MFS = 3.72 (0.58) and has a reliability a = 0.4397. It is named as, ‘Appearance of employees, room and safety’.

The sixth factor interprets the 6.2% of the total variance has MFS = 3.56 (0.59) and consists of two variables. This factor can be named ‘Reception services’ and the reliability factor is a = 0.2005. From the two elements composing the factor; one is higher than 0.7, giving a high level of satisfaction, and the other is <0.7, meaning that the guests have a low level of satisfaction from that element.

Finally, the seventh factor interprets 6.1% of the total variance and consists of only one variable. This factor is named ‘Internet facilities of rooms’ and loads on the factor by 0.906, implying a higher level of satisfaction coming from the guests towards the factor.
Conclusion

The scope of this paper is to investigate business customers’ satisfaction towards the services provided by hotels. This was accomplished through a quantitative and primary research conducted at the two five-star hotels in the region of Jammu. The analysis implies low levels of satisfaction in 20 of the total 25 components used in the business travellers’ satisfaction question. The study also explores the factors that reflect business customers satisfaction towards services provided in the hotels during accommodation. This was accomplished through a factor analysis with varimax rotation. Factor analysis extracted seven factors, i.e., food and service related factors, information / access to hotel, loading and unloading area, room price and staff factors, hotel areas and satellite TV, appearance of employees, room safety, reception services, and room internet facilities.

Being able to recognize the ‘business customers’ perceptions of service quality; the hotel management should adopt enhanced ethical marketing efforts (Nicolaides, 2016) in order to make certain that the business customer needs are met and ideally exceeded. Therefore, hotel managers can identify, prioritize and improve the areas of service flaws through training and up-skilling, and distribute important resources to the most effective areas. Hence, the results from this research may have some significant suggestions for the managers providing accommodation. The recommendations are based on the results of the quantitative analyses performed. Specifically, taking into consideration the variable loadings on the factors, the marketing staff can work on improving the variables with low loadings in order to increase the business travellers’ satisfaction towards the hotel services.

The results of this study should be interpreted with several unavoidable limitations in mind. First of all, the outcomes of this study may not have represented the entire population, due to the detail that a non-probability sampling method was used to select the data. Furthermore, the study was conducted only on two ‘five star’ hotels out of the 4 available in the area. To be able to take a broader view on this specific customer hotel section, a study that would include more five star hotels in a range of regional settings could be performed. Another limitation is that the other variables may influence the business customers’ satisfaction towards hotel services. Future research should be carried out with more variables and a larger sample.

References


