



# Customers' expectations and perceptions of service quality dimensions: A study of the hotel industry in selected cities of Tigray Region, Ethiopia

Guesh Berhe Gebremichael\*  
PhD. Research Scholar, Punjabi University, Patiala, India  
E-mail: goshub11@gmail.com

Prof. Dr. Amar Inder Singh  
Punjabi University, Patiala, India  
E-mail: dramarindersingh@yahoo.co.in

Corresponding author\*

## Abstract

This study investigates the gap between customers' expectations and perceptions of service quality of hotels in selected cities of Tigray region, Ethiopia. Data was collected from 282 customers through use of a self-administered questionnaire. This study employed non-probability sampling techniques mainly convenient and purposive approaches in order to select respondents. Service quality was measured using a modified version of the SERVQUAL scale having 29 items. Using factor analysis four dimensions of service quality such as tangibility, reliability and responsiveness, assurance and empathy were identified. The results of the study indicated that the level of customers' perception was below their expectations for all dimensions of service quality. Moreover, tangibility was found to be an important dimension for customers in evaluating the service quality of hotels. The study finally suggested that in an attempt to improve the quality of service provided to customers, managers should improve or renew all physical facilities, equipment and communication materials used by hotels.

**Keywords:** Expectation, perception, service quality, SERVQUAL, Hotel, Ethiopia.

## Introduction

In the service industry, customer satisfaction is created through ensuring quality in service delivery, and service quality is connected to customer perceptions and customer expectations. Despite much debate on how to incorporate expectations into a service quality measurement, researchers generally agree that expectations serve as reference points in customers' assessment of service quality (Parasuraman et al., 1994, and Oliver, 1980). Brogowicz et al. (1990) argue that there is no generally accepted conceptual definition of what service quality means, nor is there any generally accepted working definition of how to measure service quality. According to the authors, however, there is a consensus that customers evaluate service quality by their service quality expectations based on the perceptions of the service quality they have experienced and this concurs with Ramphal and Nicolaidis (2014:1-2) who state that:

When it comes to the hospitality industry, a customer's quality perception is highly influenced from outside the hotel with the information feeds such as brochures, billboards and advertisements and recommendations in general. More simple things, such as availability of parking or a friendly service at the reception desk also plays a role. The absence of a car park or bad experience at the reception desk will not secure a satisfactory customer's quality perception. Generally customers consider if the money they are paying is going to be good value-for-



money or not. It is thus imperative that the hotel reception employees must be well-trained and they must conduct their business in a highly professional and efficient manner.

Service quality measurement has become an area of growing interest to researchers and managers (Parasuraman et al., 1994). However, Shahin (2006) argued that despite the attempts made to study service quality, there has been no general consensus on the measurement of the concept. This is because the specific nature of service makes it difficult to provide, measure and maintain its quality (Markovic & Raspor, 2010). Despite this fact, Parasuraman et al. (1985) laid a solid foundation for research work in this area. They were amongst the earliest researchers who recognized that the concept of quality prevalent in the goods sector is not applicable to the service sector. Consequently, the authors proposed a SERVQUAL scale which is used for measuring service quality.

According to Parasuraman et al. (1994), measuring service quality as disconfirmation is valid and it further enables service providers to identify gaps in service delivery. On the other hand, the findings of some researchers did not support the application of SERVQUAL for measuring service quality (e.g. Cronin & Taylor, 1992). Therefore, despite its limitations, until a better but equally simple model emerges, SERVQUAL will predominate as a service quality measure (Asunbonteng et al., 1996). In line with this idea, Bloemer et al. (1999) recognized that on an operational level research service quality has been dominated by the SERVQUAL instrument.

## **Literature reviewed**

### **Definition of Service Quality**

According to Apte (2004), service quality is defined as the ability of a service firm to satisfy customer needs and wants. While Parasuraman et al.(1985) described service quality as a function of the differences between expectations and performance along the quality dimensions, Cronin and Taylor (1994) considered service as an attitude indicating a long term overall evaluation. Nicolaidis (2008) mentions that quality service exists where the hotel's employees deliver a service that they are proud of and are willing to put their name to. In addition the service must be delivered timely and customer needs must be met immediately and be appropriate.

Service quality is described as the degree of discrepancy between customers' normative expectations for the service and their perceptions of service performance (Gronroos, 1984; Parasuraman et al.1985; Mudie & Pirrie, 2006). Bolton and Drew (1991) pointed out that service quality has become an important topic because of its apparent relationship to customer satisfaction. Hernon and Nitecki (2001) argued that service quality is an evaluation of specific attributes, and this judgment is cognitive.

### **Customers' Expectation and Perceptions of service quality**

Expectation is an anticipation of future consequences based on prior experience, current circumstances, or other sources of information (Oliver, 2010). According to Mudie and Pirrie (2006), expectations are usually formed prior to the usage of a service but may also occur where a customer is actively involved in the delivery of service. Some researchers maintain the idea that expectations serve as a comparison standard to judge the performance of service delivery (e.g. Oliver & DeSarbo, 1988; Nicolaidis & Grobler, 2017; Tse & Wilton, 1988, Oliver & Swan, 1989).



One important contribution made by Cadotte et al. (1987) towards understanding the kinds of standards used is that expectation is important for consumers to form disconfirmation beliefs and satisfaction feelings. However, the authors argue that it is not the only standard that consumers use. Hence, customers have many sources of information (such as words of mouth, publicity, expert opinion, communications, and prior exposure to competitive services) that lead to expectation about future services encounters with a particular company (Boulding et al., 1993). Bolton and Drew (1991) highlighted that expectations and perceptions of performance levels influence customer satisfaction directly, as well as indirectly via disconfirmation.

Almsalam (2014) also confirmed that both customer expectation and perceived service quality have significant impact on customer satisfaction. Brogowicz et al. (1990) supported the idea that customer satisfaction is thought to occur when perceived service quality meets or exceeds service quality expectations.

### **The Gap Model**

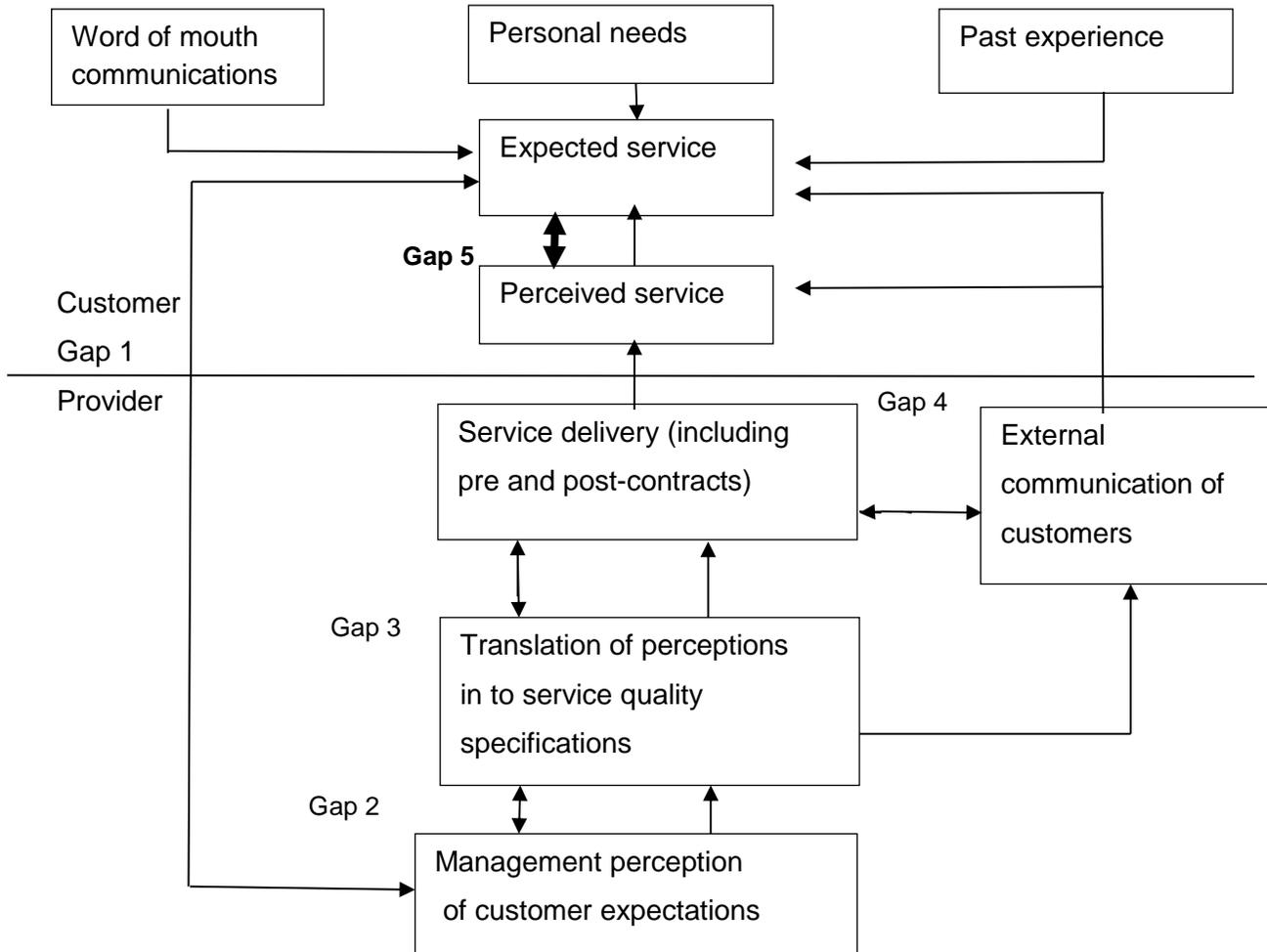
The gap model of service quality, which was developed by Parasuraman et al. (1985), has been used as a framework for research in service marketing, including hospitality marketing for more than three decades. The model suggests four specific gaps leading to a fifth gap between customers' expectations and perceptions. The widely appeared gaps in service delivery include knowledge gap, design gap, communications gap, performance gap, and customer gap.

According to Parasuraman et al. (1985), SERVQUAL is based on the perception gap between the received service quality and the expected service quality, and has been widely adopted for explaining consumer perception of service quality. In line with this idea, Bloemer et al. (1999) recognized that on an operational level research service quality has been dominated by the SERVQUAL instrument. The series of studies conducted by Parasuraman et al. (1985) gave birth to SERVQUAL, a five dimensional, two part instrument.

The first part of the SERVQUAL measures customers' expectations whereas the second part measures customers' perceptions. However, despite the presence of several publications on service quality, the number and content of dimensions are quite diverse (Tan et al., 2014).

Nicolaides (2012) in his study found that three of the biggest gaps related to "waitron responsiveness", "inadequate assurance" and "clean ablution facilities", in hotels meaning that customers' generally expected much more responsive waitrons, greater assurance that quality of service and food would be good, and cleaner rest rooms than was actually experienced. The findings indicated that most of the customers' expectations concerning restaurant quality service provision are best explained by the following factors, namely, appearance and ambience of facilities, a feeling of assurance, personalized service, satisfaction, responsiveness and reliability of waitrons. The concluding factor determined the tip size waitrons obtained to a large extent. The results strongly suggested that restaurant managers must train staff effectively and make certain that they provide timely service on an ongoing basis.

**Figure 1.** Model of Service Quality Gap Source: Parasuraman A. Zeithaml A. and Berry L. (1985)



### Main objective of the study

The main purpose of the study was to examine the gap between customers' expectations and perceptions of hotel service quality in selected cities of Tigray region, Ethiopia.

### Specific objectives

1. To identify the gap between customers' expectations and perceptions of hotel service quality.
2. To determine whether there is significant difference between customers' expected mean and perceived mean of hotel service quality.
3. To identify the most important service quality dimension for customers in evaluating service quality.



Item No	Service quality items and dimensions	Factor loadings	Eigen value	Cronbach Alpha
	<b><u>Empathy</u></b>			
P28	Employees of this hotel understand customers' specific needs	0.763	11.29	0.89
P29	This hotel has operating hours which are convenient to customers' requirements (e.g., pool, gym, and food and beverage outlets)	0.757		
P30	Employees of this hotel give customers individual attention	0.725		
P27	Employees of this hotel have the interests of their customers at heart	0.613		
P24	The behavior of employees in the hotel instills confidence in customers	0.540		
P23	Employees of this hotel anticipate their customers' needs	0.519		
P25	The employees of the hotel are always courteous to guests	0.468		
P26	Employees of this hotel show genuine care and concern when giving customers personal attention	0.463		
P22	This hotel has knowledgeable staff to answer questions about local attractions, shopping and major events	0.435		
	<b><u>Tangibility</u></b>			
P2	This hotel is a comfortable place to stay	0.667	1.86	0.79
P8	This hotel has public areas which are visually appealing, inviting and comfortable	0.625		
P6	This hotel has facilities such as a pool, spa and gymnasium	0.624		
P7	This hotel has a good choice of food and beverage outlets (e.g., a café/bistro, a dining room, room service)	0.582		
P4	The bedrooms and bathrooms of this hotel are bright, airy and spacious	0.559		
P3	The accommodation rooms in this hotel are quiet and provide the utmost privacy for guests	0.556		
P1	This hotel has immaculately clean bedrooms, bathrooms, and living areas	0.529		
P5	The employees of this hotel are always neat in appearance	0.497		
	<b><u>Reliability &amp; Responsiveness</u></b>			
P15	When the hotel staff promise to do something by a certain time, they do so	-0.78	1.55	0.88
P16	When hotel customers have a problem, this hotel shows a sincere interest in solving it	-0.762		
P9	Employees of this hotel promptly solve any problems I might have	-0.707		
P14	This hotel delivers services promptly, once promised	-0.690		
P12	Front desk employees of this hotel ensure that the check-in and check-out service is conducted quickly and without delay	-0.683		



P11	Employees of this hotel give prompt service to customers	-0.610		
P10	Employees of this hotel are always willing to help customers with their queries or requests	-0.602		
P17	This hotel performs the service right the first time	-0.569		
P18	The hotel presents bills that are error free	-0.440		
P21	<b>Assurance</b>			
	This hotel ensures the security and safety of their customers	0.629	1.03	0.74
P20	This hotel provides acceptable solutions to customers' problems	0.531		
P19	The employees of this hotel have in-depth knowledge of the hotel and its services	0.400		

Source: Author's computation using SPSS 20, 2017

### Service Quality Gap Analysis

The gap model of service quality, which was developed by Parasuraman et al. (1985), has been used as a framework for research in service marketing, including hospitality marketing for more than three decades. The model suggests four specific gaps leading to a fifth gap between customers' expectations and perceptions. The widely appearing gaps in service delivery include a knowledge gap, design gap, communications gap, performance gap, and customer gap. The gap model would enable management to identify reasons for poor performance in its organization and to take appropriate measures for the improvement of the same (Blesic et al., 2011).

### Customer Gap (Customers' Expectations and Perceptions gap)

The first issue to be addressed in service gap analysis is that the gap between customers' expectations and perceptions. This gap occurs when there is discrepancy between customers' expectations and perceptions. Therefore, to ensure good quality the service provider must at least meet or else exceed customers' expectations.

A detail analysis of the gap between customers' expectations and their perceptions of service quality delivery provides managers with valuable insights about how well actual service performance is when compared with the expectations of the consumers. In other words, analysis of this particular gap is important for managers to monitor service delivery by comparing customers' expectations and perceptions and this in turn enables them to know whether their hotel is exceeding, meeting or falling below customers' expectations in service provision. Table 3 below presents the means and the difference scores computed for each item of service quality dimensions. The gap score for each item was computed by deducting mean expectation from mean perception.

Table 3. Mean and Gap Scores

Variables/ Dimensions	Customers' perception (P) Mean	Customers' expectations Mean(E)	Gap (P-E)
t1 P1	4.19	4.44	-0.25
t2 P2	4.21	4.46	-0.25
t3 P3	4.27	4.40	-0.13



t4 P4	4.15	4.36	-0.21
t5 P5	4.17	4.43	-0.26
t6 P6	3.91	4.42	-0.51
t7 P7	4.17	4.42	-0.25
t8 P8	3.93	4.45	-0.52
r11 P9	4.10	4.41	-0.31
r12 P10	4.06	4.42	-0.36
r13 P11	4.21	4.46	-0.34
r14 P12	4.07	4.29	-0.22
r1 P13	4.00	4.28	-0.28
r2 P14	4.16	4.42	-0.26
r3 P15	4.09	4.33	-0.26
r4 P16	4.10	4.43	-0.33
r5 P17	4.19	4.48	-0.29
em1 P18	3.98	4.14	-0.16
em2 P19	4.10	4.37	-0.27
em3 P20	3.95	4.26	-0.31
em4 P21	4.07	4.30	-0.23
em5 P22	4.16	4.33	-0.17
em6 P23	4.20	4.34	-0.14
as4 P24	3.97	4.00	-0.03
as5 P25	4.21	4.11	+0.1
as6 P26	4.24	4.32	-0.08
as1 P27	4.02	4.15	-0.13
as2 P28	4.10	4.25	-0.15
as3 P29	4.13	4.19	-0.06

Source: Author's computation using SPSS 20, 2017

The negative gap score in table 3 indicates the existence of deficiency in service quality as customers' expectations were not adequately met by the service provided. The wider negative gap shows a serious deficiency and more dissatisfaction of customers with quality of service rendered. Hence, this issue demands managers' closer attention so as to make improvement in the service performance outputs. On the other hand, the positive gap score shows better than expected service and customers are delighted with the quality of service provided. When a zero score occurs it indicates that service quality is as expected and according to expectancy disconfirmation theory customers have a neutral feeling.

The above table 3 demonstrates the gap scores on 29 items which was supposed to measure service quality of hotels. Here, the gap scores of all items except for one are negative which indicates that the hotels were not doing enough in meeting customers' expectations. However, the gap score of the eighth item of empathy dimension is positive. This indicates that the employees of the hotels are always courteous to guests. A paired t-test was used to evaluate the significance of the gap scores.

As can be seen from table 5, it was found that the mean difference between customers' expectation and perception of service quality is significant for 25 items which indicates that the management failed to provide the services according to customers' expectations. However, the mean difference between customers' expectations and perceptions of one assurance item and three items of empathy are insignificant which shows management's failure to meet customers' expectation but the situation is not worse.



The maximum negative gap score is for the eighth item of tangibility (t8) i.e. visually appealing and comfortable area (-0.52). This implies that the hotels have no visually appealing, inviting and comfortable public areas. On the other hand, the minimum negative gap score is for the seventh item of empathy dimension .i.e. the staff have knowledge to answer questions about local attractions, shopping and major events but still it is not satisfactory. This implies that the gap in this case is insignificant and this area needs little improvement as compared to the other issues.

The highest positive gap score is seen on the eighth item of empathy with (P-E)=+0.1. This shows that the performance of service providers(hotels) on this item is adequate. Hence, customers were delighted with the courtesy of the employees of the hotels.

**Table 4.** Gap Analysis of Customers' Expectations and Perceptions (satisfaction levels)

No	Determinants of service quality	Perceived Mean score(P)	Expected Mean score(E)	SERVEQUAL Gap (P-E)= CS
1	Tangibility	4.128	4.422	-0.294
2	Reliability & Responsiveness	4.108	4.391	-0.283
3	Empathy	4.098	4.241	-0.143
4	Assurance	4.083	4.196	-0.113
Overall		4.104	4.313	-0.209*(Dissatisfaction)

Source: Author's computation using SPSS 20, 2017

The above table 4 portrays gap analysis between customers' expectation and customers' perception of the four service quality dimensions. The empirical findings of this study revealed that the level of customers' perception for all dimensions was less than customers' level of expectation. Hence, the gap analysis results in an overall negative gap score. This result is similar with the findings of Sidin et al. (2001). However, it contradicts with the findings of Ravichandran et al. (2010). With perception of service held constant, the higher the expectations, the lower the perceived quality (Boulding et al., 1993). This negative discrepancy indicates that customers were dissatisfied with the services provided by hotels. This is similar to the finding of Amisshah (2013) who found that tourists' perception was lower than their expectations indicating dissatisfaction with services delivered by hotels in Ghana.

According to Oliver (1980) satisfaction level is a result of the difference between expected and perceived performance. Here, performances were below customers' expectations which resulted in negative disconfirmation (dissatisfaction). In other words, customers were not happy with all dimensions of service quality. This may be due to high expectation of customers. Analogous argument is provided by Cooper (as cited in Presbury, 2009) who recognized that today's customers are demanding a much high level of service based on their international experience. Another possible reason is that hotel managers' failure to be fully aware their customers' expectation is a problem.

Therefore, hotels were not meeting customers' expectation. The result of this study revealed that the expected mean score of all SERVQUAL dimensions was higher than the corresponding perceived mean score which results in a negative total SERVQUAL gap scores. This finding is consistent with the results of previous studies (e.g. Al-Momani, 2015; Kumar et al., 2011; and Grzinic, 2007). However, this contradicts with the findings of Rao and Sahu (2013) who found that overall mean perception was higher than expectations in all dimensions in a hotel industry.



The overall negative score value of (-0.209) SERVQUAL dimensions indicates that customers were dissatisfied with the overall service of hotels. Therefore, hoteliers should at least meet or if possible exceed customers' expectations in order to ensure customer satisfaction.

### **Identifying the most important service quality dimension for customers in evaluating service quality**

Of all gap scores tangibility has the largest gap with mean score of (-0.294) and this in turn indicates that customers were not happy with the appearance of the physical facilities, equipment, personnel and communication materials displayed by hotels. The importance of tangibility is supported by Gronroos (1984) who suggested that the appearance and behavior of a restaurant waiter is critical to the perception of service. Hence, managers should primarily focus on this dimension in order to improve service quality. Grzinic (2007) and Blesic et al. (2011) also found that the biggest negative SERVQUAL gap was observed for tangibility. Here, tangibility is the most important dimension with the highest negative gap (-0.294).

Hence, customers place greater importance on the appearance of physical facilities, equipment, personnel and communication materials. This result is consistent with the findings of Kleynhans and Zhou (2011) and Ramchurrun (2008) who indicated that customers attach a high expectation to the tangible elements of hotel. Moreover, Matilla (as cited in Kwee & Kandasamy, 2011) showed that the hotel's physical environment plays a critical role in the guest's value perception. Rao and Sahu (2013) also found that tangibility is the most important factor in determining satisfaction.

The second largest gap score was observed in reliability and responsiveness dimension; suggesting that the hotels were not performing the promised service dependably and accurately. Moreover, it implies that the willingness of employees to help and provide prompt service to customers was not good enough. In other words, the hotels were not responding well to customers' demands. In contrast, the smallest gap was for assurance dimension (-0.113). This shows that although performance of hotels in this dimension is below customers' expectation but it is not much worse than other dimensions of service quality. However, this is still one of the areas of concern where performance improvement is needed.

### **Determination of significance for differences between customers' expectations and perceptions**

A paired t-test was conducted for each of the service quality dimensions. The paired t-test was applied to check whether a significant mean difference exists between two sets of scores. The level of significance is determined by looking at the probability level specified under the heading 'two-tailed significance'.

*Hypothesis: H1: There is significant mean difference between customers' expectation and customers' perception of service quality in the hotel industry*



**Table 5.** Mean difference between customers' perception and expectation using paired sample t- test

Dimensions(Expectation and Perception)		Paired differences			t	df	Sig.(2-tailed)
		Mean	Std. Deviation	Std. Error Mean			
Pair 1	Q1E – Q1P	.25177	.97500	.05806	4.336	281	.000*
Pair 2	Q2E - Q2P	.24823	.92152	.05488	4.523	281	.000*
Pair 3	Q3E – Q3P	.12411	1.03094	.06139	2.022	281	.044*
Pair 4	Q4E – Q4P	.19504	1.01286	.06031	3.234	281	.001*
Pair 5	Q5E – Q5P	.26950	.99020	.05897	4.571	281	.000*
Pair 6	Q6E- Q6P	.51418	1.10070	.06555	7.845	281	.000*
Pair 7	Q7E – Q7P	.24113	1.02912	.06128	3.935	281	.000*
Pair 8	Q8E – Q8P	.50355	1.06128	.06320	7.968	281	.000*
Pair 9	Q9E – Q9P	.30851	.92062	.05482	5.627	281	.000*
Pair 10	Q10E – Q10P	.35106	.99866	.05947	5.903	281	.000*
Pair 11	Q11E – Q11P	.25177	.93779	.05584	4.508	281	.000*
Pair 12	Q12E – Q12P	.21631	1.02947	.06130	3.529	281	.000*
Pair 13	Q13E- Q13P	.27660	1.12308	.06688	4.136	281	.000*
Pair 14	Q14E – Q14P	.25532	.89605	.05336	4.785	281	.000*
Pair 15	Q15E – Q15P	.23759	1.01428	.06040	3.934	281	.000*
Pair 16	Q16E- Q16P	.32979	1.00236	.05969	5.525	281	.000*
Pair 17	Q17E – Q17P	.29078	.95104	.05663	5.134	281	.000*
Pair 18	Q18E – Q18P	.15603	1.00379	.05977	2.610	281	.010*
Pair 19	Q19E – Q19P	.27305	.89676	.05340	5.113	281	.000*
Pair 20	Q20E – Q21P	.31206	1.02381	.06097	5.118	281	.000*
Pair 21	Q21E – Q21P	.23050	1.02984	.06133	3.759	281	.000*
Pair 22	Q22E – Q22P	.17021	.98355	.05857	2.906	281	.004*
Pair 23	Q23E – Q23P	.13830	.96856	.05768	2.398	281	.017*
Pair 24	Q24E – Q24P	.02128	1.25966	.07501	.284	281	.777
Pair 25	Q25E – Q25P	.09574	1.02011	.06075	-1.576	281	.116
Pair 26	Q26E – Q26P	.07447	.92309	.05497	1.355	281	.177
Pair 27	Q27E- Q27P	.13121	1.10667	.06590	1.991	281	.047*
Pair 28	Q28E –Q28P	.14894	.92368	.05500	2.708	281	.007*
Pair 29	Q29 – Q29P	.05674	1.04880	.06245	.908	281	.364

\*(Significant), t-test 2-tailed, p<0.05, Source: Author's computation using SPSS 20, 2017,

In the above table 5 the ("Sig." column) values less than 0.05 indicate that there is a significant difference between the perceived and expected values and the results are not due to chance. On the other hand, the ("Sig." column) values greater than 0.05 indicate that there is no significant difference in the mean values between perceptions and expectations. Accordingly, table 5 shows that the significant values are below 0.05 for most of the items, with the exception one item of



assurance and three items of empathy dimension. Hence, the p-values for the 25 items indicate that there is significant difference between the customers' service expectation and perception. Hence, the result showed that the hypothesis (H1) cannot be rejected. For each item in the service quality dimension, the perceived service quality was found to be significantly below the expected service quality. The significant difference between expectation and perception in these items (factors) implies that hoteliers need to pay more attention to these factors in order to improve the quality of service delivered to customers. The presence of unmet expectations indicates that there is a deficiency in the quality of services delivered to customers. Conversely, the insignificant values show that there is no significant difference between customers' expectations and perceptions in the last three items of empathy and one item of assurance. Hence, hotels' performances on this dimension are not much worse when compared to other service quality determinants.

## Conclusion

Exploratory factor analysis was used to test the dimensionality of service quality in the Ethiopian hotel industry particularly Tigray region. The appropriateness of data to factor analysis was checked using KMO value and Bartlett's test of sphericity. The result of exploratory factor analysis indicated that only four dimensions or factors such as assurance, reliability and responsiveness, tangibility, and empathy were found important determinants of service quality of hotels.

The SERVQUAL gap model was used to measure the gap between customers' expectations and perceptions of service quality. The result of the study showed that the level of customers' perception for all service quality dimensions was below their level of expectation. Consequently, a negative discrepancy occurred between customers' expectations and perceptions of service quality. In this case, the negative discrepancy indicates that the actual service delivered to customers did not match with their expectations suggesting dissatisfaction with the service provided by hotels. Analogous results were identified by other studies (e.g. Sidin et al., 2001; Angelova & Zekiri, 2011, Amisshah, 2013). However, the result of this study contradicts with the findings of Rao and Sahu (2013) who found overall mean score of customers' perception was higher than their expectation in all dimensions. From this result one can conclude that hotels were not capable of meeting customers' expectations.

Of all dimensions of service quality, tangibility had the largest gap score. Grzinic (2007) and Blesic et al.(2011) also found that the biggest negative SERVQUAL gap was observed for tangibility. The presence of a negative gap indicates that customers were not happy with the appearance of the various physical facilities, equipment, personnel and communication materials used by hotels. The largest gap resulted from high expectation of customers also indicates areas where performance improvement and resource allocation is primarily required. The importance of tangibility is supported by Gronroos (1984) who suggested that the appearance and behavior of a restaurant waiter is critical to the perception of service. The fact that customer place high emphasis on tangibility factor is supported by many other studies (e.g. Kleynhans & Zhou, 2011; Ramchurrun, 2008; Rao & Sahu, 2013). Some of the possible factors that might contributed to the negative service gap include, but not limited to, management failure to understand customers' expectations, lack of service skilled employees and customers' high expectations.

The study indicated that there is significant mean difference between customers' expectations and perceptions for most items except four service quality items. The significant difference between expectation and perception in these items (factors) implies that hoteliers need to pay more attention to these factors in order to improve the quality of service delivered to customers. The presence of unmet expectation indicates that there is a deficiency in the quality of services delivered to customers.



## Recommendations

Hotel managers should primarily focus on the tangibility dimension because the widest gap appeared on this particular dimension. In an attempt to improve the quality of service provided to customers, managers should improve or renew all physical facilities, equipment and communication materials used by hotels. Managers should focus on tangible aspects of service dimension such as improving communication materials and renovating hotel equipment used as well as improving neatness or cleanliness of hotel employees.

In this study tangibility was also found to be important to customers in evaluating service quality followed by reliability and responsiveness. Although a discrepancy appeared in all dimensions of service quality, managers should focus on the important ones to narrow the gap and improve the quality of service. Hence, in order to improve the quality of service, service providers need to focus on the most important dimensions that customers use to evaluate service quality. The study showed that significant mean differences exist between customers' expectations and perceptions for most of the service quality items with the exception of four items. Hence, hoteliers should focus on items where significant mean differences exist between customer expectation and perception of service quality dimensions in order to improve the quality of service delivered.

## Limitations of the Study

Since this study covered only three star, four star, and five star hotels found in selected cities of Tigray region, the results cannot be generalized and may not reflect the full situation of service quality in the Ethiopian hotel industry. In this study, service quality of hotels was measured using the SERVQUAL model but this model has several theoretical and operational criticisms. Moreover, only very few studies were conducted in this area in the context of the Ethiopian hotel industry. Hence, there is no empirical evidence on the applicability of the SERVQUAL model in the Ethiopian hotel industry.

## Direction of Future Research

In order to generalize the situation of hotel service quality in the Ethiopian hotel industry the sample should be large enough and cover larger areas. Hence, in the future researchers should conduct service quality research at the national level which covers larger areas. Ethiopia has an enormous tourism potential and the growth of the hotel industry has its own share to play in tourism development. However, this will never happen unless hotel service quality is as per customers' expectations. Therefore, future studies should focus on how to improve the existing level of service delivery and transform it to the next desired higher level. Furthermore, in the future researchers should propose an appropriate service quality model that can be applicable in the Ethiopian hotel industry.

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