

# Customer perception and importance towards service provided by the hotels with reference to Bangalore city

Bharath Booshan M S<sup>1</sup>, Dr.Manjunath. S<sup>2</sup>, Dr.Shabista Booshan<sup>3</sup>

<sup>1</sup>Research Scholar, ISBR Research Center Bengaluru.

<sup>2</sup>Associate Professor, ISBR Research Center Bengaluru.

<sup>3</sup>Assistant Professor, Symbiosis School of Media and communication, Symbiosis International (Deemed University), Bengaluru.

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## ABSTRACT

The value customers perceive in the quality of service has a significant influence in their impression of the quality of the supplier's product and service. Understanding the concept of client perception is necessary for providing high-quality service. The main objective of the study is to evaluate the perception of customers towards choice of hotel, source of helping and reasons for visit or short stay in a hotel. For this purpose a sample of 380 was collected from the customers in Bangalore city were percentage analysis, chi-square analysis, ANOVA, factor analysis and multiple regression were used as tools to analyse the data. The conclusion of the study is that a customer's expectations come before he or she arrives at the restaurant. In order to provide great service to its valued clients, both food and service are necessary. As the restaurant owners, managers, and workers all work together to serve customers respectfully, everyone has some responsibility. Quality restaurant service helps to provide a great eating experience and to keep consumers.

**Keywords:** Perception, Quality of service and Hotel industry.

## INTRODUCTION

Hospitality establishments especially primarily hotels are putting more emphasis on meeting and surpassing consumer requirements and expectations as the global economy becomes increasingly competitive. Hotels that want to be successful must provide exceptional service in order to stand out from their rivals, as well as raise their name in the community. Quality of service is one of the most frequently studied and investigated service issues. (Zeithaml & Bitner, 2000). More than anything, today's economy is based on the quality of services, not only in rich nations but also in developing countries throughout the globe. Customers' expectations about the service encounter and their views of the service experience combine to create service excellence. (Parasuraman et al., 1993).

In industrialized nations, it is normal to have a service-dominated economy. Service sectors (27.1% of global GDP and 30.9% of the work force) accounted for most of the global GDP and employment. People have a vital role to play in making accommodations work in any nation. One of the critical components of the service sector is the hotel industry. It involves providing overnight accommodations and other amenities for customers. The company is closely linked to the travel and hotel industries. According to the study from Care Ratings, the hotel sector is projected to expand by 7% to 9% by the end of 2018-2019. The client groups who stay at hotels on a daily basis include local and international visitors, literate and illiterate visitors, and rural and urban customers. They go to hotels for various reasons. Each person has their own unique value, perspective, desire, and conduct. Hotels have to manage their customers' impressions, which are extremely dynamic. Thus the study is about analyzing the perception and importance of customers towards service provided by the hotels with reference to Bangalore.

## STATEMENT OF THE PROBLEM

Hotel industry is one of the important industries contributing a lot towards the development of a nation and also towards GDP of the nation. Though it plays a major role there are also some barriers towards service quality provided by the hotels and the satisfaction of customers towards the same. Based on the problem the following questions are taken as problems towards the study,

- What is the perception of customers towards choice of hotel, source of helping and reasons for visit or short stay in a hotel?
- Is there is any importance of customers towards service provided by hotels?

**OBJECTIVES OF THE STUDY**

- To study about the demographic variables of the customers.
- To evaluate the perception of customers towards choice of hotel, source of helping and reasons for visit or short stay in a hotel.
- To analyse the importance of customers towards service provided by hotels.

**SCOPE OF THE STUDY**

The study is about analyzing the perception of customers towards hotels and their importance towards choice of hotel, source of helping and reasons for visit or short stay in a hotel and various other attributes. The main scope of the study is that it will be helpful for the hotels to know about the perception and importance of customers.

**RESEARCH METHODOLOGY**

**Type of Study:** Descriptive research. .

**Sample Design:** Convenience sampling method.

**Sample size:** A total of 380 samples were taken as sample size for the study.

**Primary data:** Questionnaire is used for the collection of primary data.

**Secondary data:** The secondary data was collected form journals, websites and articles.

**Tools for Analysis:** Percentage analysis, Chi-square test, ANOVA, Factor analysis and Multiple regression.

**LIMITATIONS OF THE STUDY**

- Limited secondary data is available in context with service quality of hotels across the country.
- There may be a bias towards primary data collected from the respondents.
- The area of sampling is limited to one hotel.

**ANALYSIS AND INTERPRETATION**

**Table 1: Demographic variables of the customers**

Demographic variables	Particulars	Frequency	Percent
Age	Up to 20 years	50	13.2
	21-30 years	218	57.4
	31-40 years	44	11.6
	41-50 years	56	14.7
	Above 50 years	12	3.2
	Total	380	100
Gender	Male	194	51.1
	Female	186	48.9
	Total	380	100
Type of customer	Business/corporate customer	138	36.3
	Residential customer	242	63.7
	Total	380	100

The above table shows about the demographic variables of the respondents were out of 380 respondents 13.2% are up to 20 years of age, 57.4% are between 21-30 years of age, 11.6% are between 31-40 years of age, 14.7% are between 41-50 years of age and 3.2% are above 50 years of age. 51.1% are male and 48.9% are female. 36.3% are doing business and 63.7% are residential customer.

**Table 2: Factor influencing the choice of hotel**

	Frequency	Percent
Quality	168	44.2
Price	62	16.3
Food variety	84	22.1
Hygiene	26	6.8
Ambience	40	10.5
Total	380	100.0

44.2% said as quality, 16.3% said as price, 22.1% said as food variety, 6.8% said as hygiene factors and 10.5% said as ambience.

**Service looking for in a hotel being hospitality services**

	Frequency	Percent
Customer services	155	40.8
Taste	77	20.3
Privacy	96	25.3
Luxury services	42	11.1
Brands	10	2.6
Total	380	100.0

40.8% said as customer service, 20.3% said as taste, 25.3% said as privacy, 11.1% said luxury services and 2.6% said as brands.

**Reasons for visit or short stay in a hotel**

	Frequency	Percent
Family vacation lodging	187	49.2
Business official trips lodging	106	27.9
Dining out in restaurant	45	11.8
Recreational facilities	39	10.3
Others	3	.8
Total	380	100.0

49.2% said as family vacation lodging, 27.9% said as business official trips lodging, 11.8% said as dining out in restaurant, 10.3% said as recreational facilities and 0.8% said as other factors.

**Sources helping to choose a hotel**

	Frequency	Percent
Internet search	199	52.4
Word of mouth	96	25.3
Television	44	11.6
newspapers/Magazines	27	7.1
Others	14	3.7
Total	380	100.0

52.4% said as internet search, 25.3% said as word of mouth, 11.6% said as television, 7.1% said as newspapers/magazines and 3.7% said as other factors.

**FACTOR ANALYSIS**

**FACTOR ANALYSIS FOR FACTOR RELATED TO LEVEL OF IMPORTANCE TOWARDS SERVICE PROVIDED BY HOTELS**

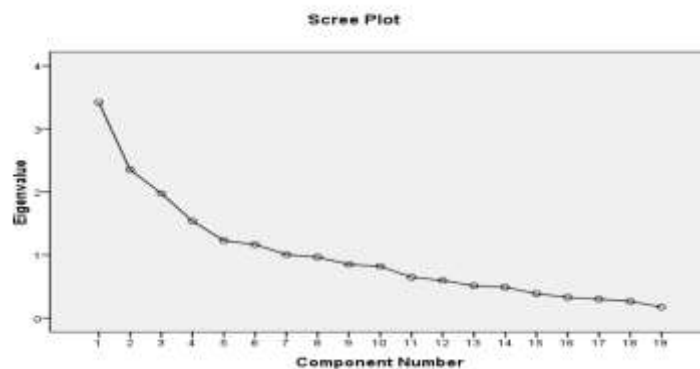
A total of 19 variables were identified for the purpose of collecting level of importance towards service provided by hotels.

**Level of importance towards service provided by hotels**

KMO and Bartlett's Test		
KMO and Bartlett's Sampling Adequacy.		.589
BTS	Approx. Chi-Square	2.070
	df	171
	Sig.	.000

KMO of sampling adequacy value for the service provided by hotels is 0.589 and it indicates that the sample is adequate to consider the data as normally distributed.

**Scree plot for factor related to level of importance towards service provided by hotels**



**Rotated Component Matrix for factor related to level of importance towards service provided by hotels**

<b>Rotated Component Matrix</b>							
Particulars	Component						
V1	1	2	3	4	5	6	7
V2	.197	.076	-.048	-.097	-.101	.168	<b>.801</b>
V3	.160	.118	.227	.621	-.031	.003	-.006
V4	.357	.336	.088	.437	-.167	-.048	-.051
V5	.152	.213	-.265	.521	.251	.133	-.351
V6	-.030	-.038	<b>.811</b>	.126	-.022	.066	.077
V7	.155	-.033	.711	-.130	.321	.168	-.057
V8	.050	.100	.471	.199	.636	-.174	-.004
V9	-.324	.080	.307	.487	.279	-.333	.336
V10	.026	.620	-.175	-.072	.429	-.089	.073
V11	-.088	.742	.055	.091	.110	-.029	.041
V12	.077	<b>.832</b>	-.014	.123	.008	.105	.038
V13	.122	.545	.553	.045	-.102	.031	-.292
V14	.128	.053	.101	-.724	.028	-.131	.035
V15	<b>.830</b>	-.109	-.141	-.002	-.029	-.041	.066
V16	.764	.128	-.051	.139	.012	.087	.300
V17	.724	.123	.237	.003	.157	-.085	-.072
V18	.584	-.117	.284	-.055	.137	.360	-.079
V19	.105	.146	.044	-.093	<b>.834</b>	.214	-.127
V20	.003	.052	.156	.166	.089	<b>.884</b>	.177

The factors are level of importance towards service completion, level of importance towards facilities, level of importance towards different room styles, level of importance towards late checkout and level of importance towards breakfast in bed.

**ONE-WAY ANOVA**

**Comparison between age and level of importance towards service provided by hotels**

H01: There is a significant difference between age and level of importance towards service provided by hotels

Particulars	Age	N	Mean	SD	F	Sig
Level of importance towards considering price to choose a hotel	Up to 20 years	50	1.6400	.80204	0.864	.485
	21-30 years	218	1.6927	.81010		
	31-40 years	44	1.4773	.97620		
	41-50 years	56	1.5714	.62834		
	Above 50 years	12	1.5000	.90453		
	Total	380	1.6368	.80873		
Level of importance towards room service	Up to 20 years	50	1.4200	.88271	8.784	.000
	21-30 years	218	1.2615	.50844		
	31-40 years	44	1.8636	.95457		
	41-50 years	56	1.5179	.71328		
	Above 50 years	12	1.7500	.86603		
	Total	380	1.4053	.69977		
Level of importance towards facilities	Up to 20 years	50	1.2800	.60744	7.785	.000
	21-30 years	218	1.9128	1.04583		
	31-40 years	44	1.5000	1.11021		
	41-50 years	56	2.2500	1.20981		
	Above 50 years	12	1.5000	.52223		
	Total	380	1.8184	1.05829		
Level of importance towards alternative dietary meal	Up to 20 years	50	2.1600	.99714	1.740	.141
	21-30 years	218	2.2844	1.14877		
	31-40 years	44	2.0909	.67577		
	41-50 years	56	2.6071	1.26028		
	Above 50 years	12	2.2500	.45227		
	Total	380	2.2921	1.09276		
Level of importance towards late checkout	Up to 20 years	50	3.3400	1.43726	18.408	.000
	21-30 years	218	2.0046	.98138		
	31-40 years	44	2.9318	1.12885		
	41-50 years	56	2.1964	1.11876		
	Above 50 years	12	2.0000	1.80907		
	Total	380	2.3158	1.21784		
Level of importance towards breakfast in bed	Up to 20 years	50	1.7000	1.12938	9.958	.000
	21-30 years	218	2.2385	1.10632		
	31-40 years	44	2.1818	.97104		
	41-50 years	56	2.8036	1.22726		
	Above 50 years	12	3.5000	1.56670		
	Total	380	2.2842	1.18177		

There is a significant difference between age and level of importance towards considering price to choose a hotel (0.485), alternative dietary meal (0.141) and level of importance towards service provided by hotels.

There is no significant difference between age and importance towards room service (0.000), importance towards facilities (0.000), importance towards late checkout (0.000) and importance towards breakfast in bed (0.000).

The respondents between age group 31-40 have higher impact towards room service and they said the room service is important with the hotel industry. The respondents between age group 41-50 have higher impact towards room service and they are neutral towards alternative dietary meal with the hotel industry. The respondents between age group 31-40 have higher impact towards late checkout and they are neutral towards late checkout with the hotel industry.

Meanwhile, the respondents between age group above 50 have higher impact towards breakfast in bed and they said breakfast in bed is somewhat important with the hotel industry.

**Chi-square analysis**

**Gender \* level of importance towards considering price to choose a hotel**

H02: There is no relationship between gender and level of importance towards considering price to choose a hotel

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.480 <sup>a</sup>	3	.214

The level of significance is at 0.214 which is greater than 0.05. Hence null hypothesis is accepted. It shows that there is no relationship between gender and level of importance towards considering price to choose a hotel.

**MULTIPLE REGRESSION**

**Comparison between type of hotels mostly stayed by the respondents and factors related to service provided by the hotels**

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.896	.232		12.505	.000
	Issues encountered in terms of hotel services	.005	.051	.005	.097	.923
	Perceiving towards a problem	-.021	.063	-.021	-.336	.737
	Duration of waiting for the responses about the problem from the hotel	.254	.059	.265	4.322	.000
	Preference towards services apart from basic rooms at the time of short visit	-.167	.048	-.177	-3.487	.001
a. Dependent Variable: Type of hotels mostly stayed by the respondents						
R					0.290	
R Square change					0.084	
Sig					0.000	

The above table shows about the relationship between type of hotels mostly stayed by the respondents and factors related to service provided by the hotels were the level of significance is at 0.000 which is less than 0.05. It shows that the factors Issues encountered in terms of hotel services (0.005) and duration of waiting for the responses about the problem from the hotel (0.254) are directly proportional to type of hotels mostly stayed by the respondents.

#### **FINDINGS**

- Majority of the respondents are up to 20 years of age.
- Majority of the respondents are male in our study.
- Majority of the respondents are residential customers.
- Majority of the respondents are staying in hotel on a vacation.
- Most of the respondents are staying in three star hotels.
- Most of the respondents said that quality is the factor influencing the choice of hotel.
- Maximum of the respondents said that customer service is the factor looking for in a hotel being hospitality services.
- Most of the respondents said that family vacation lodging is the reasons for visiting or short stay in a hotel.
- Maximum of the respondents said as internet search.
- Most of the respondents said its very important towards considering price to choose a hotel.
- Maximum of the respondents said its very important towards considering position to choose a hotel.
- Most of the respondents said that they are preferring catering services apart from basic rooms at the time of short visit.
- The factors level of importance towards service completion, level of importance towards facilities, level of importance towards different room styles, level of importance towards late checkout and level of importance towards breakfast in bed are taken for decision making process of the study.
- There is a significant difference between age and level of importance towards considering price to choose a hotel
- There is no significant difference between age and level of importance towards room service
- There is no significant difference between age and level of importance towards facilities.
- There is a significant difference between age and level of importance towards alternative dietary meal.
- There is no significant difference between age and level of importance towards late checkout.
- There is a significant difference between age and level of importance towards breakfast in bed.

#### **SUGGESTIONS**

- The respondents are not aware about the hygiene factors in the hotel. It shows that most of the respondents are not aware about the cleanliness of the hotels. If the try to create awareness about the hotels then the issue can be cleared in future period of time.
- The customers said that they are not aware about the price affordability by the customers. It shows that the hotels should give proper justification for the price charged by them.
- The respondents are not aware about attractive appearance of the staffs on hotel. Which shows that a uniformity should be there for avoiding such type of perception.
- The hotel authorities may go out of their way in serving their customers with the best food, accommodation services and bringing about flexibility in their services to make their stay a pleasant experience.
- Necessary steps should be taken by the hotel owners to regularly check the proper functioning of facilities provided in the rooms.

#### **CONCLUSION**

The conclusion of the study is that before visiting a restaurant, all consumers have certain preconceived notions about it. Food and service are both necessary for providing great restaurant service to its valued clients.



Restaurant owners, managers, and workers are all accountable for ensuring that customers are handled properly. Good restaurant service will assist to leave a good image of an exceptional dining experience while also keeping clients.

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