CHAPTER – 5

MAJOR FINDINGS AND SUGGESTIONS

5.1 Introduction

Service quality is mainly focused on meeting the customer’s needs and also how good service offered meets the customer’s expectation. It is however difficult according to previous studies to measure service quality because of its intangible nature and also because it deals with expectations which is difficult as well to determine due to the complexity of human behaviour. The present study is based on the customer performance in relation to service quality of three types of hotels in Indian i.e 4 star hotels, 5 star hotels and 5 star deluxe hotels.

Since the lodging industry has reached the maturity stages of its life cycles, retaining customers is a top priority for each hotelier (Lewis and Chauhan, 2000). Managing customer value by creating quality and service that customers can see now is considered a critical component of companies’ strategic marketing. Customer value is what builds loyalty. Loyalty usually implies satisfaction, but satisfaction is not loyalty. To stimulate loyalty hotel managers need to have clear understanding of ways in which their business contributes. At a general level, loyalty is shown by different propensities toward the brand, store or service. These propensities may be expressed in behaviour and attitude.

The core of successful hotel operation and management consists in establishing and maintaining a profitable link between fulfilling the multifaceted customer needs that are most critical to satisfaction and the hotel’s physical facilities. In furthering the development for functional best practices, hotel managers must appreciate the breadth and intricacies of the brand’s promises to the customer and be able to translate those promises into the concrete actions that deliver consistent service quality.

Services companies in general and lodging sector in particular, have been increasingly encouraging their customers/guest to voice their complaints directly to them since these complaints are chance given to after what is going wrong during the provision of service (Blodgett et al, 1997). Once guest decides to complain, hoteliers have to be well prepared in both, tangible (structure, employees, procedures etc.) and intangible
(prejudgment, still etc.) ways to offset the guest’s negative reaction to the service failures. To do so, all the necessary action should be taken by companies to move a customer from a state of disappointment to a state of satisfaction.

The study focuses on identifying the benefits and facilities sought by the customers of hotel industry. Further, the market for hotel industry is segmented and profiled based on psychographic, demographic and behavioural variables.

The assessment of physical and behavioural attributes of the hotel by the guests was carried out on the basis of the tested research instruments. Further, investigations were carried out to study the service quality, customer satisfaction and behavioural loyalty intentions of customers.

In the hospitality arena comment cards have been commonly used to measure customers’ perception of quality. However, comment cards are not indubitable for three reasons. First they lack the validity needed to confirm their suitability of measuring customers’ perception of quality. Second many guests do not fill out these cards which necessarily results in non-response bias. Third, usually only dissatisfied customers fill out these cards which inevitably result in response bias. Notwithstanding these shortcomings, many hotels allocate valuable resources and even change their strategies based on the interpretation of the biased results of these cards. A reliable and valid hotel specific measure is therefore needed to enamel hotels to make better decisions.

Another problematic area in measuring customer judgments of the quality of hotel services is the wide range of attributes suggested by recent studies that may not all be reflected in the SERVQUAL scale. For instance, Saleh and Ryan’s review of previous research dealing with hotel services included 37 hotel attributes as shown and updated in table. In order to measure hotels service quality correctly these attributes should somehow be taken into consideration. Furthermore not only should the hotel locations be taken into account, but the impact of the location on the hotel service attributes should also be realized. For instance a beachside hotel should have different attributes than a downtown hotel where the stay objective is totally different.

The Five star deluxe, Five star and four star category of Hotels were segmented on the basis of Industry based classification to select the respondents from the locale which in this case was the NCR region. Respondents were a mix of business, conference and family/friends visitors. Most of the business visitors were staying in the 5 star deluxe category. Most of the respondents resided in the hotel for less than three days. However, one third of them stayed between three days to a week.
When the behavioural queries were raised it was noted that majority of the customers would like to stick to the brands experienced by them. Only a small proportion accepted that they would like to explore new brands for variety purpose. When the respondents were carried out about the price comparisons many of them prefer to reserve their choice. Perhaps it isn’t very accepted fact as yet. However, many of them, almost one-fourth agreed to accept indulging in price comparisons. This was further confirmed when the respondents were asked if they called other hotels or compared prices before reservations.

Majority of the sampled population accepted that the brand factor is an important in their consideration set. They also accepted that they get carried away by the frequent guest programme offered by the hotels. This was a validation for the customer engagement programme by CRM oriented companies. Of course, they felt that most of the hotels in the category they stay offer similar service offerings.

5.2 Service Quality Analysis of 4 Star Hotels in India

The total reliability coefficient for the present study in 4 star hotels is 0.86 whereas reliability coefficient of Parasuraman et al., (1988) was 0.92. The reliability coefficient of 4 star hotels is close to the reliability coefficient. Some dimensions have reliability coefficients slightly below 0.7 i.e reliability coefficient for Assurance is 0.675, reliability coefficient for Empathy is 0.623, and reliability coefficient for reputation is 0.699. This could as a result that some items under each dimension seemed too similar.

Tangible, Reliability, Responsiveness and Security dimensions have reliability coefficients (Cronbach’s alpha) higher than 0.7, showed various items are a true measure of service quality for customer in Indian hotel industry. Thus, all the reliability coefficients for all the dimensions are close to or above 0.70 which showed all the items are relevant for factor analysis.

There are 41 items are included in the study with sample size n = 351 under seven dimensions to evaluate the customer satisfaction in hotel industry. Respondent responded on five-point Likert scaling in survey instrument where 1 for strongly dissatisfied and 5 for strongly satisfied (1 to 5). The highest mean (4.47) of the item (RN4) is found under responsiveness (RN) whereas lowest mean is 1.68 (TA2) under tangible dimension. The correlation matrix can be used to find out the pattern of association among items of each factor. Check any value greater than 0.9. If any are found then you should be aware that a problem could arise because of singularity in the data. Check the determinant of the
correlation matrix and if necessary, eliminate one of the two variables causing the problem. For these data its value is Determinant = 8.71E-016 which is greater than the necessary value of 0.00001. Therefore, multi co-linearity is not a problem for these data. All questions in the survey instrument correlate fairly well and none of the correlation coefficient is particularly large.

5.3 KMO and Bartlett's Test

A value close to 1 indicates that patterns of correlations are relatively compact and so factor analysis should yield distinct and reliable factors. Kaiser suggested that KMO value must be greater that 0.5 as acceptable value for factor analysis. The KMO value is 0.779 which is more than 0.50 as the said value is accepted for further factor analysis. If value is below 0.50 then rethink which variables to include. For these data the value is 0.779, which falls into the range of 0.7 to 0.8, so researcher should be confident that factor analysis is appropriate for these data. Bartlett's measure tests the null hypothesis that the original correlation matrix is an identity matrix. A significant test tells that the R-matrix is not an identity matrix; therefore, there are some relationships between the variables those included in the analysis. For these data, Bartlett’s test is highly significant (α < 0.001), and factor analysis is appropriate.

Total amount of variance of original variables shares with all other variables included in the analysis. We can say that 25.6% of the variance associated with question 1 (TA1) is common or shared variance. The amount of variance in each variable in each variable that can be explained by the retained factors is represented by the communities after extraction. 64.2% of the variance associated with question RL1 is common whereas 35.4% of the variance associated with item RN1. 54.4% of the variance associated with item AS1 is shared variance and 55.1% of the variance associated with item EM1 is common. The variance of RE1 and SE1 is 68.2% and 51.6% of each item that can be explained by underlying factors.

The factor analysis of the study indicates the proportion of each variable’s variance that can be explained by the retained factors. Variables with high values are well represented in the common factor space while variables with low values are not well represented. The factor 1 explains 18.13% of total variance. It should be clear that the first few factors explain relatively large amounts of variance whereas subsequent factors explain only small amounts of variance. The smallest variance is 5.9% for factor 41 at the end of % of variance in the table. The study found nine (9) factors out of 41 components before extraction where Eigen-value is more than 1. The remaining factors (41-9 = 32) are exclude from under consideration by SPSS due to Eigen value is less than 1. SPSS then extracts all
factors with Eigen value greater than 1, which leaves 7 factors. Rotation Sums of Squared Loadings, the Eigen value of the factors after rotation are displayed. According to the Kaiser Criterion, Eigen value is a good criterion for determining a factor. If Eigen value is greater than one, we should consider that a factor and if Eigen value is less than one, then we should not consider that a factor. But according to the variance rule, it should be more than 0.7. If variance is less than 0.7, then we should not consider that a factor. As per the table above, SERVQUAL items are divided into 7 main factors after rotation. Rotation has the effect of optimizing the factor structure and one consequence for these data is that the relative importance of the seven factors is equalized. Varimax rotation tries to measure the variance of each of the factors, so the total amount of variance accounted for is redistributed over the seven extracted factors. Before rotation, factor 1 has 18.13% of the total variance whereas 17.38% leave after rotation. Factor 2 has 17.22% before rotation but after rotation, the study found 14.56% of the total variance. Moreover, the variance of factors 3 is 10.63% before rotation and 12.04% is the variance after rotation. Hence, rotation technique of factor analysis gives weight to each factor in order to find the importance of factors for customer’s satisfaction in service quality.

All the loading below 0.60 are ignored in order to decide the importance of seven factors in the study. Factor loading are the weights and correlations between variable and the factor. The higher the load, the more important it is in defining the factor's dimensionality. The first underlying factor which has accounts 18.13% of total variance and component 1, starting with Responsiveness 3 with 0.878 and ending with Responsiveness with 0.637. The items on component 2, starting with Reputation 1 with 0.800 and ending with loading 0.797 with Tangible 2 and variance for component 2 is 17.22% out of the total variance. Therefore, Reputation and Tangible have got 2nd rank as per customer preference in 4 star hotels. The items of component 3 are starting with Assurance 3 with loading 0.821 whereas ending with loading 0.669 of Assurance 6. The items of component 4 starting with Tangible 3 with loading 0.920 and ending with loading 0.916 of Reputation. Here again Reputation became factor 4 as per importance of the customers in 4 star hotels in India. But items of more than one are included at this rank; hence the relevance of 4th factor is irrelevant. The items of component 5 starting with loading 0.84 with Reliability 4 and ending with loading 0.73 of Reliability 4. The items of component 6 starting with loading 0.986 of Security 5 and ending with loading 0.910 of Security 2. At the end, the items of component 7 starting with loading 0.871 of Empathy 5 and ending with loading 0.798 of Empathy 1. The variance of component 7 is 3.39% of the total variance. Empathy became the 7th factor as per their importance in service quality.
Responsiveness is the 1\textsuperscript{st} factor for customer preference in 4 star hotels whereas 2\textsuperscript{nd} factors are Tangible and Reputation in 4 star hotels. The 3\textsuperscript{rd} factor which they prefer is Assurance. The performance was not rank for single factor in 4 star hotels and 4\textsuperscript{th} rank is ignored due to more factors. As per customer’s response, Reliability got the 5\textsuperscript{th} rank for service quality offered by hotels. The Security and Empathy are 6\textsuperscript{th} and 7\textsuperscript{th} factor respectively as per importance in service quality provided by 4 star hotels in India. Therefore, customers of the 4 star hotels in India expect Responsiveness as the most important factor which can be defined as prompt service to customers, willing to help customers, Speed of the service, Giving information offering for the service etc.

5.4 Service Quality Analysis of 5 Star Hotels

The internal consistency of the service quality items is assessed by computing the total reliability scale. The total reliability scale for the study is 0.891 which is near the reliability factor of Parasuraman \textit{et al.}, (1988) study which was 0.92. Looking at the reliability coefficients of all seven dimensions on table – 7 of chapter - IV, one dimension has reliability coefficients slightly below 0.7 that is Reputation (\textit{Cronbach’s alpha} = 0.693) whereas Tangible dimension (0.834), Reliability dimension (0.825), Responsiveness dimension (0.845), Assurance (0.792), Empathy (0.767), and Security (0.752). Thus, all the reliability coefficients of 7 dimensions are highly close to or above 0.70 which showed all the items of 5 star hotels are relevant for factor analysis.

The survey under consideration is conducted on 1428 guests in 5 star hotels in India. The highest mean is 4.50 for TA2 whereas 4.24 is the lowest mean of TA4. The highest mean in reliability is 4.14 for RL1 and 3.68 is lowest mean for RL4. The highest mean value of responsiveness is 3.78 for RN2 and lowest mean value is 1.48 for RN6 with 0.73 as standard deviation. The highest mean score for assurance is 3.00 for AS1 and 1.79 is the lowest score for AS8 with 0.95 as SD. The highest mean score for empathy is 3.54 for EM7 and lowest score is 1.69 for EM3. The highest mean value of reputation is 3.07 for RE1 and 2.10 for RE2. Moreover, the highest mean score of security is 3.24 for SE5 and 1.90is the lowest score for SE1. Thus, the highest mean score is 4.50 in all 41 items is tangible whereas 1.48 is the lowest mean score for responsiveness. For these data, the value of Determinant is = 1.13E-008 which is greater than the necessary value of 0.00001. Therefore, multi co-linearity is not a problem for these data. All questions in the questionnaire correlate fairly well and none of the correlation coefficient is particularly large where the items to be deleted.

The highest variance in reliability is 68 % of the variance associated with question RL2 is common whereas the lowest variance is 42.9 % associated with item RL4. The
component of responsiveness has maximum variance 67.3 % for item RN2 explained by the underlying factors whereas the lowest variance under the same dimension is 49.5 % for RN5. The highest variance of assurance which is explained by factors is 63.1 % for AS6 and the lowest variance for the same component is 42.8 % for AS4. 61.0 % of the variance associated with item EM3 as highest under component empathy whereas the lowest variance is 49.2% for EM2. The highest variance of reputation is 74.4 % for RE4 whereas the lowest variance is 68 % for RE2. The component of security has maximum variance 68.6 % for item SE5 explained by the underlying factors whereas the lowest variance under the same component is 50.2 % for SE4. Thus, overall highest variance which is explained by the underlying factors is 74.4% of reputation (RE) whereas the overall lowest value is 42.9% for reliability.

5.5 KMO and Bartlett's Test (5 Star)

Kaiser suggested that KMO value must be greater that 0.5 as acceptable value for factor analysis. The KMO value is 0.927 which is close to 1 and the said value is accepted for further factor analysis. For these data the value is 0.927, which close to 1, therefore, researcher should be confident that factor analysis is appropriate for these data. Bartlett’s measure tests the alternate hypothesis that the original correlation matrix is not an identity matrix. Therefore, researcher wants this test to be significant (α < 0.05). A significant test tells that the R-matrix is not an identity matrix, therefore, there are some relationships between the variables those include in the analysis. For these data, Bartlett’s test is highly significant (α < 0.000). Therefore, factor analysis is appropriate for finding the preferences of customer on 7 dimensions.

In principal components analysis, the total variance in the data is considered. The diagonal of the correlation matrix consists of unities, and full variance is brought into the factor matrix. The factor 1 explains 23.43 % of total variance. It should be clear that the first few factors explain relatively large amounts of variance whereas subsequent factors explain only small amounts of variance. The smallest variance is 5.4 % for factor 41 at the end in the table. The study found nine (8) factors out of 41 components before extraction where Eigen value is more than 1. The remaining factors (41-8 = 33) are excluding from analysis by SPSS where Eigen value is less than 1. Column 4th shows the cumulative variance from 1st component to 41st component with a sum of 100. SPSS then extracts all factors with Eigen value greater than 1, which leaves 7 factors. Sometimes, because of prior knowledge, the researcher knows how many factors to expect and thus can specify the number of factors to be extracted beforehand. In this study, researcher knows the no. of factor to be included in the factor analysis i.e 7. Varimax rotation tries to measure the variance of each of the
factors, so the total amount of variance accounted for is redistributed over the seven extracted factors. Before rotation, factor 1 has 23.43 % of the total variance whereas 11.49 % leave after rotation. Factor 2 has 14.55 % before rotation but after rotation, the study found 10.09 % of the total variance. Moreover, the variance of factors 3 is 4.61 % before rotation and 9.85 % is the variance after rotation. Rotation technique of factor analysis gives weight to each factor in order to find the importance of factors for customer's satisfaction. The variance of $4^{th}$, $5^{th}$, $6^{th}$ and $7^{th}$ factors are increased after rotation in comparison of before rotation. Before rotation the variance are 4.11 %, 3.84 %, 3.01 % and 2.72 % for $4^{th}$, $5^{th}$, $6^{th}$ and $7^{th}$ respectively whereas 7.89 %, 7.17 %, 6.47 % and 3.32 % are the variance after rotation for the same factors.

Component 1, starting with **Empathy** 3 with 0.717 and ending with Empathy with loading 0.684. The items on component 2, starting with **Tangible** 1 with 0.822 and ending with loading 0.543 with Responsiveness and variance for component 2 is 14.55 % out of the total variance. The items of component 3 are starting with **Security** 3 with loading 0.723 whereas ending with loading 0.660 of Security 4. The items of component 4 starting with **Reliability** 3 with loading 0.758 and ending with loading 0.583 of Reliability 3. The items of component 5 starting with loading 0.677 with **Reputation** 3 and ending with loading 0.541 of Reputation 2. The items of component 6 starting with loading 0.699 of **Assurance** 3 and ending with loading 0.671 of Assurance 9. At the end, the items of component 7 starting with loading 0.706 of **Security** 2 and ending with loading 0.664 of Security 5. Again Security became the $7^{th}$ factors as per their importance. All the loading below 0.54 are ignored in order to decide the rank of importance for seven factors in the study.

Empathy is the $1^{st}$ factor as per customer preference in service quality of the 5 star hotels whereas $2^{nd}$ factor are Tangible and Responsiveness. The $3^{rd}$ factor which they prefer is Security and Reliability stand in $4^{th}$ rank. The Reputation and Assurance are $5^{th}$ and $6^{th}$ factor as per importance in service quality offered by 5 star hotels in India and Security dimension is the last $7^{th}$ factor. Therefore, customers of the 5 star hotels in India expect Empathy as a service dimension as the most important factor which can be defined as approachability, sense of security and efforts to understand the customer's needs.

Two dimensions have coefficients slightly below 0.7 that are Responsiveness (Cronbach's Alpha = 0.685) and Reputation (Cronbach's Alpha = 0.699) whereas Alpha coefficient for Tangible dimension is 0.845, Reliability dimension is 0.826, Assurance is 0.799, Empathy dimension is 0.777, and Security dimension is 0.758 . The alpha coefficient for RE4 is more than (0.700 > 0.699) the overall coefficient of reputation and alpha coefficient for SE5 is also greater than (0.781 >
0.758) the overall alpha coefficient. The Alpha coefficient is now seen to be fit within a much larger system of reliability analysis for the study.

The highest mean is 4.46 for TA2 whereas 4.24 is the lowest mean of TA4. The highest mean in reliability is 4.11 for RL1 and 3.41 is lowest mean for RL5. The highest mean value of responsiveness is 3.74 for RN2 and lowest mean value is 1.49 for RN6 with 0.745 as standard deviation. The highest mean score for assurance is 3.11 for AS9 and 1.78 is the lowest score for AS8 with 0.962 as SD. In case of Empathy, the highest mean score is 3.66 for EM6 and lowest score is 1.68 for EM1. The highest mean value of reputation is 3.49 for RE3 and 2.11 for RE2. Moreover, the highest mean score for security is 3.24 for SE4 and 1.65 is the lowest score for SE2. A correlation matrix should be used in the Explanatory Factor Analysis (EFA) process displaying the relationships between individual variables. The value of Determinant is $5.23 \times 10^{-009}$ which is greater than the necessary value of 0.00001. Therefore, multi co-linearity is not a problem for these data. All items in the closed-ended questionnaire correlate fairly well and none of the correlation coefficient is particularly large where the items to be deleted.

72.7 % of the variance associated with question 1 (TA1) is common or shared variance which is highest variance in tangible dimension. The amount of variance in each variable in each variable that can be explained by the retained factors is represented by the communities after extraction. The highest variance in reliability is 68.8 % of the variance associated with question RL2 is common whereas the lowest variance is 47.5 % associated with item RL5. The component of responsiveness has maximum variance 76.2 % for item RN1 explained by the underlying factors whereas the lowest variance under the same dimension is 41.5 % for RN6. The highest variance of assurance which is explained by factors is 68 % for AS8 and the lowest variance for the same component is 40.8 % for AS7. 59.7 % of the variance associated with item EM1 as highest under empathy whereas the lowest variance is 43.6 % for EM5. The highest variance of reputation is 66.2 % for RE2 whereas the lowest variance is 62.4 % for RE1. The component of security has maximum variance 67.8 % for item SE3 explained by the underlying factors whereas the lowest variance under the same component is 47.7 % for SE5. Thus, overall highest variance which is explained by the underlying factors is 76.2 % of responsiveness (RN1) whereas the overall lowest value is 41.5 % RN6.
5.6 KMO and Bartlett's Test (5 Star Deluxe)

The KMO value is 0.924 which is close to 1 and the said value is accepted for further factor analysis. Researcher wants Bartlett's Test to be significant (α < 0.05). A significant test tells that the R-matrix is not an identity matrix, therefore, there are some relationships between the variables those include in the analysis. For these data, Bartlett’s test is highly significant (α < 0.000), and factor analysis is good measure for evaluating the service quality of the 5 star deluxe hotels.

The factor 1 explains 23.88 % of total variance which is explained by underlying factors and highest as compared to the variance of other factors. It should be clear that the first few factors explain relatively large amounts of variance whereas subsequent factors explain only small amounts of variance. The smallest variance is 5.14 % for 41st item at the end in the table. The study found eight (8) factors out of 41 components before extraction where Eigen value is more than 1. The remaining factors (41-8 = 33) are excluding from analysis by SPSS where Eigen value is less than 1. Column 4th shows the cumulative variance from 1st component to 41st component with a sum of 100. SPSS then extracts all factors with Eigen value greater than 1, which leaves 7 factors. Sometimes, because of prior knowledge, the researcher knows how many factors to expect and thus can specify the number of factors to be extracted beforehand. In this study, researcher knows the no. of factor to be included in the factor analysis i.e 7. Before rotation, factor 1 has 23.88 % of the total variance whereas 11.78 % leave after rotation. Factor 2 has 13.67 % before rotation but after rotation, the study found 11.45 % of the total variance. Moreover, the variance of factor 3 is 4.51 % before rotation and 7.83 % is the variance after rotation. Rotation technique of factor analysis gives weight to each factor in order to find the importance of factors for customer’s satisfaction. The variance of 4th, 5th, 6th and 7th factors is increased after rotation in comparison of before rotation. Before rotation the variance are 4.13 %, 3.86 %, 3.10 % and 2.81 % for 4th, 5th, 6th and 7th respectively whereas 7.24 %, 6.75 %, 6.56 % and 3.34 % are the variances after rotation for the said component.

To see at table – 5.10, the first underlying factor which accounts 23.88 % of total variance and component 1, starting with Tangible 1 with 0.852 and ending with Responsiveness 3 with loading 0.703. The customers of 5 stars deluxe hotels gave 1st preference to Tangible and Responsiveness in relation to service quality provided by the said hotels in India. The items on component 2, starting with Assurance 6 with 0.682 and ending with loading 0.611 of Assurance 2. The service quality for Assurance got 2nd rank as compared to other factors under consideration by the study. The items of component 3 are starting with Reputation 1 with loading 0.731 whereas ending with loading 0.602 of
Reputation 2. The variance of component 3 is 4.51% of the total variance. The items of component 4 starting with Security 2 with loading 0.673 and ending with loading 0.604 of Security 3. The variance of the factor 4th is 4.13% of the total variance surveyed 41 items. The items of component 5 are not getting any relevant place in rotated component matrix. The items of component 6 starting with loading 0.734 of Reliability 3 and ending with loading 0.662 of Reliability 4. The variance of component 6 is 3.08% of the total variance in 41 items of all the dimensions. At the end, the items of component 7 are starting with loading 0.707 of Responsiveness 4. The variance of component 7 is 2.808% of the total variance explained by underlying factors after rotation. Again Responsiveness became the 7th factors as per their importance. All the loading below 0.60 are ignored in order to decide the rank of importance for seven factors in the study. It can be realized that items from different dimensions are regrouped under the same factor.

The customer preferences for service quality in 5 stars deluxe hotels are Tangible and Responsiveness are the 1st factor whereas 2nd factor is Assurance. The 3rd factor which they prefer Reputation and Security stands in 4th rank. The Reliability got 6th rank as per importance in service quality offered by 5 star hotels in India and Responsiveness is the last 7th factor. Therefore, customers of the 5 star hotels in India expect Tangible and Responsiveness as the most important factors in service quality which can be defined as up-to-date equipment, physical facilities, well dressed and appear neat, keeping customers waiting, willingness to help customers and provide prompt service.

5.7 Suggestions

Tourism industry has become one of the most profitable industries in the world. Customer satisfaction has been identified as a key performance indicator in hotel industry. The role of service quality in the success of hotel businesses cannot be denied. It is vital for the hotel managers to have a good understanding on what exactly the customers want. Furthermore, there also have been concerns that service quality dimensions may differ from one country to another. An organization can gain competitive advantage by the use of technology for the purpose of enhancing the service quality by gathering information on marked demand. The following are the some key point for the improvement in service quality of Indian hotels.

1. Identifying accurately the specific expectations of customers, the dimensions of the service quality around which customers make their quality evaluations, and their relative importance for customers carries vital importance in quality improvement
efforts. Having knowledge about these areas would definitely help managers in the challenge of improving the service quality in the hospitality industry.

2. Based on the study, the hotel manager in the 4 star category should pay attention to all seven dimensions of service quality, however they should give more focus to the dimension of empathy, and security in their pursuit to increase overall service quality.

3. In this context it is imperative for hotel manager to manage their service encounter, which involves the direct interaction between a service operation and its customers. Service encounters, in particular those involving front line staff typically have a high “impact” on consumers, and the quality of the service encounter is thus part of the overall service quality perceived and experienced by the customer. It’s could be done through training of employees in delivering high quality service.

4. Hotel managers must decide the frequency of distribution of customers upon considering age, gender, nationality, education level, way of room reservation and other specifications obtained through periodical evaluations in their Hotel to meet the satisfaction of customers on the basis of their needs, culture and interests.

5. Hotel staff lacked the familiarity of knowledge of other cultural and religious practices. Culture of customers seems to be a major factor that the hotel industry should consider in order to improve its services in this context. Hotel management needs to pay more attention to improve the service quality with regard to the dimensions of Reliability and Empathy of customers.

6. The officers of the 5 star category should pay more attention to all seven dimensions of service quality, however they should give more focus to the dimension of assurance and reputation in their pursuit to increase overall service quality.

7. To reach the above aim and to uplift the service quality, the hotel management could set proper standards and support them with resources and facilities (training & development, advanced technology and system support etc) and practice effective internal communication to establish a service culture in the organization. Identification of the service bottle-necks itself lead to facilitate changes for improvement.

8. Measuring service quality can help management provide reliable data that can be used to monitor and maintain improved service quality. Using the SERVQUAL model to assess service quality enables management to better understand the various dimensions and how they affect service quality and customer satisfaction. This will help them to identify those that have strengths and weaknesses and thereby make necessary improvements.
9. Hotels should understand the needs of the customer and provide courteous services efficiently in catering such needs.

10. Employees at front desk are the key personnel who form the impression of the hotel. Therefore, their appearance needs to be neat. They should strive to provide each customer a personalized touch. So that their commitment with their respective hotel is lasting.

11. Customers normally prefer hotels which have broad product lines, quality offerings at reasonable prices and convenient location. Therefore managers should have keen focus at these factors.

5.8 Suggestions for further research

Further research should be carried out in order to enhance the understanding of the concepts of service quality and customer satisfaction, how they are measured because they are very important for service organizations in terms of profitability and growth. A similar study would be conducted with a larger sample size so that results could be generalized to a larger population.

**********