CHAPTER 3

OBJECTIVES, SCOPE AND LIMITATIONS OF THE STUDY
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This chapter presents the need for conducting this study in terms of its importance. Besides, it also provides the information needs and objectives for this study. In addition, this chapter also provides the scope and perceived limitations of this study.

3.1 Importance of Customer Delight in Marketing:

Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create, exchange and satisfy individual and organisational objectives (Grönroos, Defining Marketing 52-53; Hawkins, Best, Coney, and Mookerjee 1-29; Kotler 1-29; Kotler, Armstrong, Agnihotri, and Haque 1-29; Panda 1-177; Schiffman and Kanuk 24-58; Stanton, Etzel and Walker 4-6, 10; Yadin 226-228). Trustrum (48-50) has described the concept of marketing as a belief that the organization can function in the best interest of its customers and itself where a balance is achieved between the needs of both these parties. One of the best means of achieving this is through customer delight (Crotts and Magnini 719, 721; Crotts, Pan and Raschid 463; Mascarenhas, Kesavan and Bernacchi 486; Torres and Kline 290-291). Grönroos (Defining Marketing 52-55) has also stated that marketing is centered on customer relations "where objectives of the parties are met through various kinds of exchanges". In fact, such exchanges can build and maintain customer relationships which can prove to be an essential tool for obtaining customer delight.

Customer delight is an essential part of marketing (Arnold, Reynolds, Ponder and Lueg 1133; Fuller and Matzler 116; Mascarenhas et al. 486; Skogland and Siguaw 222-224; Stewart 112-113; Torres and Kline 290-291). Mascarenhas et al. (486) have also supported this viewpoint by stating that greater emphasis on target customers as well as increased participation of such customers at every step of the value chain can lead to higher customer satisfaction, retention and ultimately customer delight. The same authors have also established that Customer Value Chain Involvement (CVCI), which is an important aspect of Customer Relationship Management (CRM) in marketing, is responsible for providing customer delight.
This can usher in higher customer loyalty through repeat customers which is beneficial for any firm (Berman 129, 148-151; Crotts et al. 463; Torres and Kline 290-291).

Jones, Clarke-Hill, Comfort, and Hillier (123-125) have established that marketing provides an essential medium for “changing consumer behaviour and in influencing their attitudes and beliefs”. The same authors have also opined that marketing is linked with sustainability of an organization or firm. As stated before, customer delight is an indispensable component of marketing. Thereby, it is seen from the works of these scholars that customer delight is also connected to sustainability as well as consumer behaviour. Therefore, if noticed deeply, customer delight is an inalienable part of marketing and can lead to greater sustainability of any firm in today’s business scenario.

3.2 Importance of Customer Delight in the Hospitality Industry:

The hospitality industry is an important segment of the service sector which has been contributing much towards global economic development. Kandampully and Suhartanto (348-350) have stressed upon building “customer loyalty by providing unique benefits to customers” as one of the important strategies used by hotel managers to gain competitive advantage. Palmer, McMahon-Beattie and Beggs (54-56) have highlighted that any hotel should ensure that distinctive requirements of the guests (customers) are fulfilled in a flawless way. The same scholars have stated that this culture enables any hotels to deliver their promises to guests (customers) in relation to “individual customization”. They have also stated that this can lead to higher guest (customer) loyalty in these hotels in the long run. Customer loyalty leads to greater customer retention (Aldaigan and Buttle 357; Banga, Kumar, Goyal and Kaur 101; Dasbiswas and Das 18-19). This is also applicable in the hospitality industry (Pizam and Ellis 326-327). As such, customer loyalty as well as customer satisfaction has gained very high importance for all organizations including hotels (Engeset and Heide 23-25; Fuller and Matzler 116; Kandampully and Suhartanto 348-350; Pantouvakis and Lymperopoulos 624-626). It is to be noted that customer loyalty may not be attained only through customer satisfaction. Any firm or hotel needs to move beyond customer satisfaction for gaining loyal guests (Crotts and Magnini 719; Crotts et al. 463; Deming; Magnini, Crotts and Zehrer
Some thinkers have established that customer loyalty can be best achieved through customer delight (Crotts and Magnini 719; Crotts et al. 463; Keiningham, Goddard, Vavra and Laci 54-64; Keiningham and Vavra 25; Kumar, Olshavsky and King 14-26). The same viewpoint have also been shared by many other researchers (Arnold et al. 1133; Fuller and Matzler 116; Patterson 221-224; Popli 19; Skogland and Siguaw 222-224; Stewart 112-113; Torres and Kline 290-291). Torres and Kline (298) have highlighted the importance of obtaining customer delight in the hotel industry through a model which indicated that customer delight can lead to loyal customers. This ensures a steady stream of cash flows (Estelami 285-290; Torres and Kline 290-291). Again as discussed earlier (refer to section 1.1.1 in chapter 1), customer delight is found to be associated with three fundamental needs of customers namely "security, justice and self esteem" which are well applicable in the hospitality industry (Schneider and Bowen 35-45). This can be achieved with the help of motivated and exceptional employees delivering "exceptional service" (Cook, Bowen, Chase, Dasu, Stewart and Tansik 160; Henkoff 110-112; Torres and Kline 290-291). These may enable any hotel to win customers' trust and loyalty.

3.3 Need of the Study:

In section 1.2 in Chapter 1, a detail discussion regarding the problem related to customer delight has been offered. In order to have a suitable solution to this, it is urgently needed to establish the concept of customer delight with its sequence from empirical evidence. As mentioned earlier, without feedback from customers it is not possible to conclude if customer delight could be achieved through a sequence of events.

As hospitality is almost a pure service industry, the issue of customer loyalty through customer delight is very important. Hence, it is felt that the need for this kind of study is essential in the hospitality industry especially in hotels.

Also there is a need to study the roles of common hospitality parameters in creating customer delight in hotels. This is needed in order to understand if a firm practicing customer delight strategy should give some more importance to certain variables than some others.
Also as discussed in section 1.2 in Chapter 1, management of customer delight is not straightforward. A firm needs to evolve special strategies so that the concern for profitability does not arise while implementing such strategy.

This study attempts, therefore, to achieve the following objectives in order to fulfill the above needs.

3.4 Objectives of the Study:

In order to gain more insight on the problem that has been discussed above and also to arrive at a solution, the following objectives are proposed to be fulfilled through this study:

i. To establish the concept of customer delight with empirical evidence in the hospitality industry of North East India.

   It is important to provide a clear understanding of the sequence leading to customer delight in order to see the relationship among various components those are said to be responsible in forming customer delight. Therefore, in this study, the relationship among surpassing guests’ expectations, perceived pleasant surprises, perceived excitement, perceived positive feelings and happiness (Crotts and Magnini 719-722; Crotts, Pan and Raschid 463; Finn 19; Oliver, Rust and Varki 318; Rust and Oliver 87) are tried to be established with empirical evidence. The literatures related to this are discussed in section 1.1 in Chapter 1.

ii. To determine the role of common hospitality parameters in creating customer delight in the hospitality industry of North East India.

   It is important to find out the role of various parameters of the hospitality industry (mainly hotels) that may result in customer delight. In addition, this attempt is essential to find out the role of various pleasant surprises for the guests in the hotels that may cause customer delight among them.

iii. To develop strategy for management of customer delight in hospitality industry of North East India. The sub-objective for this are as follows:

   To study the role of reenacted delight and transitory delight in overall delight management.
This is important to suggest a means for maintaining customer delight in the hospitality industry mainly hotels by providing provisions to the guests which does not affect the profitability and survivality of the hotels.

- To study the role of skilled and well trained employees in overall delight management.

This is indispensable to propose a way for continuance of customer delight in the hospitality industry mainly hotels through such employees which does not affect the profitability and survivality of the hotels.

3.5 Scope of the Study:

The coverage of the present study on customer delight that has been described by its objectives is applicable in the hospitality industry. Since hotels constitute the sole most important part of the hospitality industry (as noticed in section 2.2 of Chapter 2), this study, therefore, has been carried out only in hotels. These hotels belong to 5 Star Deluxe, 4 Star, 3 Star, Heritage Grand and some unclassified categories in North East India. Unclassified hotels are those hotels that have not applied for any type of classification to the competent Government of India authority, i.e., Hotel and Restaurant Approval and Classification Committee (HRACC). Besides, it is to be noted that this study is conducted mainly among repeat guests in these hotels.

3.6 Perceived Limitations of the Study:

This study on customer delight in hotels is not free from limitations. Some of such limitations are discussed below:

i. This study on the hospitality industry has involved hotels only. This is because hotels represent the lone most important component representing the entire hospitality industry. This is on the basis of the fact that many scholars have used hotels as representation of the hospitality industry (Harkinsson, Poulston and Kim 377-392; HVS, FHRAI and ECOTEL 1-50; Mei, Dean and White 136-143; Thadani 1-4).
ii. The study is carried out only among repeat guests in the hotels in North East India since the study objectives deals with delight management only, as discussed in section 3.4 of this Chapter.

iii. The study has been carried out in 5 Star Deluxe, 4 Star, 3 Star, Heritage Grand and some unclassified categories of hotels in North East India. These hotels in North East India are taken for identification of the repeat guests. However, these guests were inquired not only on the hotels they visited but their preferences while visiting hotels. So, their responses should not only reflect the views from the point of view of geographical area, rather it is expected that the views they expressed are universal. Only these categories of hotels are covered in this region keeping in view of the fact that customer delight is applicable in such hotels only. The study could not be carried out in 2 star and 1 star hotels or any other types of establishments in the hospitality industry as advanced marketing concepts might not be very common there. As such, the findings of this study cannot be generalized for hotels of lower categories.

iv. The exact star category wise classification of 8 hotels (out of 65 hotels) could not be ascertained (refer to Appendix-III). This is because these hotels have not applied for any type of voluntary classification. So, such hotels have been stated as unclassified hotels. However, these few hotels have all the required facilities and provisions for providing customer delight for their guests. This fact has been ascertained through interviews of their repeat guests.

v. The study has been carried out within a time frame of one year (From 1st June, 2010 to 31st May, 2011) in North East India. The basic aim is to empirically establish the sequence of customer delight and to deal with its management. Therefore, the concern for a representation of Indian or any other national in the sampling scheme is not given top priority. As will be discussed in Chapter 4 Research Methodology, the basic sampling scheme adopted for this study is snowball sampling, wherein prime concern is to interview repeat guests of the hotels surveyed.

vi. Probabilistic sampling procedure is not employed in this study owing to the absence of any proper sampling frame for the population from which data are
being gathered. However, statistical tests like Independent sample t-test, One-way ANOVA, Factor Analysis, and Discriminant Analysis have been carried out in this study. There remains some apprehension regarding the employment of such tools as non-probabilistic sampling procedure is used. But literatures justify using such tools due to a large sample size of 500 respondents (Hair, Black, Babin, and Anderson 283; Levin and Rubin 592; Malhotra 479; Salkind 1: 924). Besides, such statistical tests have been employed in this research work based on other studies (Kobrin 32-37; Wood and Goolsby 43-50).

vii. This study did not involve any tests for normality distribution other than in case of Discriminant Analysis (in Chapter 5). Still, all the statistical tests (as mentioned in the earlier limitation no. vi) have been conducted keeping in view of the fact that departure from normal distribution may not seriously affect the validity of such analysis (Hair et al. 283; Levin and Rubin 436; Lumley, Diehr, Emerson and Chen, 152; Lunney, 264; Malhotra 479, 514).

References


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