

Service Quality on Customer Satisfaction of ITC Gardenia, Bengaluru- A Conceptual Study

Jasmine Simi A.H Hrishika S
Department of Management Studies, Christ University, Bangalore

Abstract

Customer satisfaction measures the extent of happiness and contentment of the customers after the use of the product or service. The origin of marketing starts from identifying customer needs and wants and goes beyond fulfilling these needs to achieve customer satisfaction. The main objective of this study is to determine and measure the satisfaction of the ITC Gardenia consumers using SERVQUAL scale's dimensions. The key areas of the study is to identify what are the key factors influencing the level of satisfaction derived by the ITC customers and frame a conceptual model. The future scope of this study pertains to adding more dimensions of customer satisfaction in order to cover a complete measure of it in the hotel industry.

Keywords: Customer Satisfaction, service quality, SERVQUAL, ITC Gardenia

1. Introduction

As markets become more complex and competitive, the significance of marketing function in the corporate world is equally changing. Marketing managers need to look beyond the tried and tested 4p's approach. Service quality and customer satisfaction have increasingly been identified as key factors in the battle for competitive differentiation and customer retention. Among all customer demands, service quality has been increasingly recognized as a critical factor in the success of any business. The standard tool to measure service quality is SERVQUAL by Parasuraman, Berry and Zeithaml (1998)

In order to create value addition, companies create tangible values in the form of production or services. According to Vargo and Lusch (2002) the paradigm shift in the marketing domain towards service dominant logic explains the significance of 7 P's approach, Service being a critical source of wealth generation to the organisation economy need to be researched in spite intangibility and perishability, as its challenges. Marketers have realised the limitations of transactional marketing being replaced by relationship marketing as it adds value at varied levels and bonds between the company and the customer, to establish effective customer relationship to maintain customer satisfaction.

On 18 October 1975 ITC Hotels, India's second biggest inn network was, established by the TATA Group, situated in the Hotels Division Headquarters at the ITC Green Centre in Gurgaon. ITC Gardenia, Bengaluru is the first Indian Hotel and world's biggest, to get the LEED Platinum rating-the most noteworthy green building accreditation all around.

The level of Customer satisfaction in ITC Gardenia is significantly higher due to its hotel features, location, room amenities and most importantly the tranquil ambience.

1.1 Literature Review

Mohajerani, Pardis and Miremadi, Alireza (2013) have explored to Main Perspectives towards Customer Satisfaction in hotel industry. The objectives behind this study are to investigate four separate components of compensation, age, sexual orientation, and conjugal status between clients; to study consumer loyalty from two primary points of view of clients and inn directors and clarifying whether there is a huge distinction in clients and inn supervisors impression of consumer loyalty or not and what part consumer loyalty elements; to figure out whether there is a critical contrast between male fulfillment and female fulfillment or not. The outcomes demonstrated that there was a critical distinction between two points of view in all powerful variables of consumer loyalty and its results. This study can support Hotel directors to perceive the viable elements on consumer loyalty by considering diverse recognitions and attempt to meet them with a specific end goal to upgrade consumer loyalty and client steadfastness.

Gilbert, G. Ronald and Veloutsou, Cleopatra (2006) clarified that this paper tries to recognize measures that can be utilized crosswise over commercial ventures for purposes of evaluating client administration adequacy. The paper recognizes three main impacts: A survey of a portion of the applicable methodologies that have been utilized for the estimation of consumer loyalty; administration fulfillment measures that can be utilized crosswise over commercial enterprises as a part of terms of consumer loyalty; to distinguish observantly center attributes of consumer loyalty appraisals over six businesses taking into account the evaluations of 10,835 respondents inside the USA. The outcomes give a premise from which cross industry bench marking and the distinguishing proof of best practices can be caught and utilized by specialists.

Robinot, E and Giannelloni (2010) suggested the future of the hotel business will be formed by various significant powers, including the capacity to pull in venture to meet developing capital needs, the utilization of

cutting edge data innovations and promoting taking into account the precise recognizable proof and examination of the requirements and desires of the clients through the utilization of adjusted CRM procedures. This paper plans to inspect how "green" credits add to lodging clients' general fulfillment.

Shahin, Arash and Dabestani, Reza (2010) proved service quality is pivotal to the accomplishment of any administration association. The results of studies on administration quality tended to a few commitments to dimensional structure of administration quality in the neighborliness industry. The preference of this exploration, contrasting with the writing is in undertaking connections amongst administration quality holes. The proposed methodology could be utilized as a part of any administration association and it is accepted that the discoveries could give incredible game changer to inn directors who attempt to enhance their consumer loyalty. In this paper, administration quality holes were analyzed utilizing relationship investigation.

Abu Khalifeh et al (2012) highlighted that hotel Management researchers consider administration quality a point of reference to visitor fulfillment Service quality has been an essential subject of examination including nourishment and drink (F&B) divisions of inns. This paper recommends a hypothetical structure for F&B division that delineates the assessment of administration quality in the lodging business in Jordan. It talks about celebrated models, and clarifies Parasuraman's dimensional structure of administration quality administration in the region of F&B and its application to the inn business.

Nayak and Shesadev (2013) inferred about the advancements of the economies that overall highlighted the way the administration segment is developing quicker than whatever other segments. Deciding the administration procedure outline attributes and specifically in Svelte Hotel & Personal Suites to Prioritize Service Recovery Solutions as per client perspective. The proposed procedure was inspected in Svelte Hotel & Personal Suites as a four star inn in Delhi. The results suggest that if the administrators listen to the voice of clients and configuration administration quality from clients' perspective. This conclusion was made in light of the contrasts between the consequences of the proposed system and the supervisor's perspective for the situation study.

Akbar et al (2010) aims to explain Tourism is a fast growing industry in Malaysia, and there are various types of hotels serving tourists and guests. The purpose of this study is to examine and explore the relationships among the hotels failures and recovery of service quality, customer loyalty and customer satisfaction, and also to measure five latent variables: hotel perceived service quality, recovery of service quality, perceived value, customer satisfaction, and customer loyalty. The findings indicate that hotel revitalization of service quality had positive effects on the loyalty of the customer, while perceived value and customer satisfaction were two significant variables that bridged the relationships between hotel service quality and customer loyalty. The recommendations for future research have also been discussed in this study.

Dominici and Gandolfo (2010) expressed that in order to be successful in the market it isn't sufficient to attract new customer managers, but must concentrate on retaining existing customers by bringing into existence effective policies of customer satisfaction and loyalty. Quality of service and customer satisfaction are critical factors for success of any business Measuring customer satisfaction in the hotel industry .Exploring the importance for customers of the hotel attributes in the selection of a hotel is indispensable. Families are considered as the ideal target by the management of the hotel because they are more sensitive to customer loyalty policies.

Zhang Yan (2006) explored the most effective method to get the clients' fulfillment ought to turn into an imperative issue of the lodging's survival and creating. In view of the dialog about the hypothetical and functional importance for the lodging venture to develop the client steadfastness, this paper proposes a viable guidance for the inn undertaking on the most proficient method to develop the client dependability.

Singh and Thakur (2012) discussed about the impact of service quality on customer loyalty and satisfaction. The purpose of the research article examined the effect of service quality on customer satisfaction and loyalty in the context of retail outlets in DB City shopping mall Bhopal. The five dimensions of service quality have been investigated for completed proposed research work. Results imply that marketing manager should more focus on service quality to win the customer satisfaction in order to create loyal customer base.

Mohammed and Rashid (2012) discussed about the Relationship among CRM Dimensions, Marketing Capabilities and Hotel Performance. Due to the competitive environment, CRM is crucial and it has become a niche for firm performance. CRM has recently become a controversial issue and is a focal-point in the business field. This study serves to clarify the relationship between CRM dimensions and hotel performance and also to explain the role of mediation in marketing capabilities in this relationship. In conclusion, this study has provided a theoretical model to show the firm relationship between marketing capabilities, CRM dimensions and hotel performance. It contributes enormously to the body of knowledge, as it provides a comprehensive framework that is used for explaining the impact of the CRM four dimensions on hotel performance between CRM dimensions and hotel performance.

Mohammed and Rashid (2012) signified that the study of expected and perceived service quality in Slovenian and Croatian hotel industry is important. The main purpose of present research is the comparison of

guests' expectations and perceptions of service quality in the two hotels. In order to measure hotel guest's expectations and perceptions modified SERVQUAL model was developed. The research results identified high level of guests' expectations and perceptions regarding the hotel service quality and the importance of intangible aspects of hotel service. The results of descriptive analysis suggested that hotel guests have high overall service quality expectations in both, the Croatian and the Slovenian survey.

Johnston et al (2012) investigated of their relationships in franchised hospitality enterprises. This paper offers a comparison of the relative efficacies of a generalized or overall organizational climate measure and a domain specific measure, service climate, as predictors of customer satisfaction. The findings suggest that customer satisfaction and hence business viability may well be enhanced by management attention to the broader workplace experience of all employees rather than simply to customer service initiatives alone.

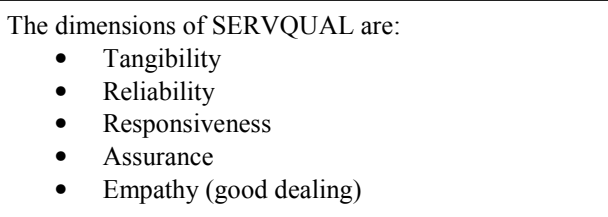
Mosahab, Mahamad and Ramayah (2010) found that the relationship between service behavior and service quality has proved its role and importance in management/marketing. The present research was conducted at a bank in Tehran, Iran, in 2009/2010. This report is the outcome of a field research, which aimed to determine the quality of services of Sepah Bank, and also to study the relationship between the service quality, satisfaction and loyalty. In this research study, the service quality standard model has been used for evaluation of service quality. The results of this research show that in all aspects, customers' expectation, are higher than their perceptions of the Bank's operation, and in fact the quality of offered services is low.

Suleiman and Jehad (2011) identified the importance of service quality for business performance that has recognized through the effects on customer satisfaction and on customer loyalty. Service quality is crucial to the success of any service organization. The instrument consists of five dimensions of SERVQUAL. With regard to improvement of the tangibles dimension, hotel managers should focus on improving areas related to this dimension. Hotel manager should not forget that empathy was the most important dimension in predicting hotel customer's overall service quality evaluations.

1.1.1 Theoretical Framework

Parasursman, Berry and Zeithaml (1998) gave the concept of service quality. There are five dimensions of service quality namely:

Independent variable



Dependant variable



Model of the study

- **Tangibles** involve appearance of physical facilities, equipment, personnel and communication materials.
- **Reliability** is ability to perform the promised service dependably and accurately.
- **Responsiveness** means willingness to help customers and to provide prompt service, whilst capturing the notion of flexibility and the ability to customize the service to customer needs
- **Assurance** means competence and courtesy of employees and their ability to convey trust ,confidence, competence, courtesy, credibility and security
- **Empathy** represents provision of caring, individualized attention to customers.

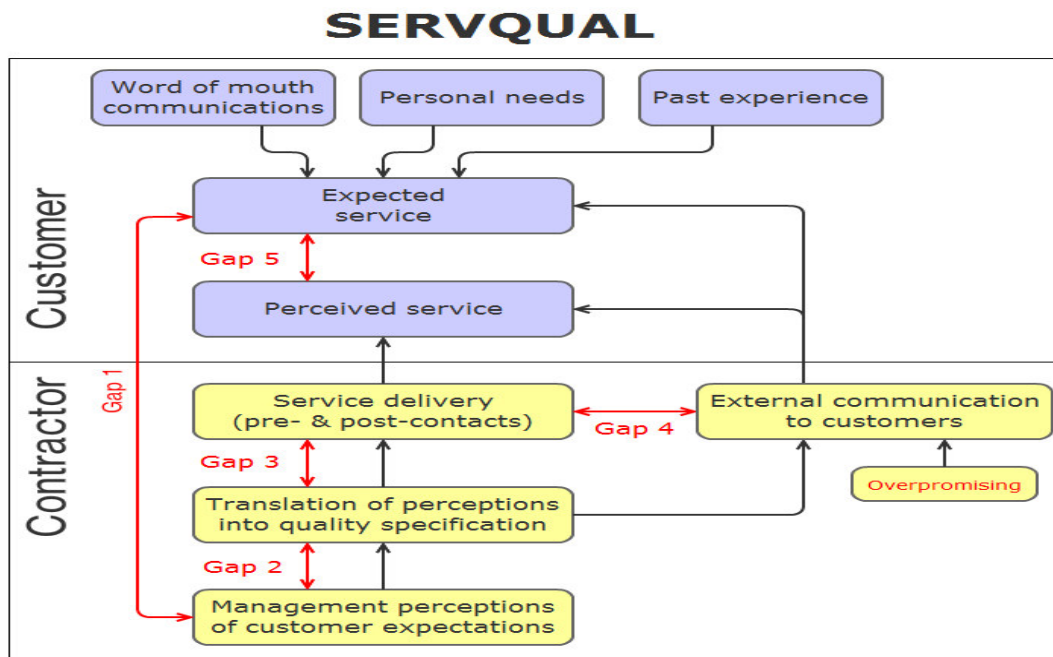
2.1 Objectives of the study

The main objective of this study is to identify research on customer satisfaction of service quality in ITC Gardenia. The key areas of the study is to identify what are the key factors influencing the level of satisfaction derived by the ITC customers and frame a conceptual model.

2.2 Research Design

The research design is based on the article reviews. Considering the literature from the domain of customer satisfaction and Service quality, the review has been focussed on identifying the critical factors for the success of customer satisfaction in hotel industry by providing superior service quality. The articles highlighted on the factors such as tangibility, reliability, responsiveness, assurance and empathy.

3.1 Discussions



According to SERVQUAL model of Parasurman, Berry and Zeithaml (1998), the dimensions of service quality are measured using tangibility, reliability, responsiveness, assurance and empathy. The tool used for analyzing customer satisfaction on service quality is SERVQUAL. Following are the service gaps identified in this model.

Gap1: Customers' expectations versus management perceptions: as a result of the lack of a marketing research orientation, inadequate upward communication and too many layers of management.

Gap2: Management perceptions versus service specifications: as a result of inadequate commitment to service quality, a perception of unfeasibility, inadequate task standardisation and an absence of goal setting.

Gap3: Service specifications versus service delivery: as a result of role ambiguity and conflict, poor employee-job fit and poor technology-job fit, inappropriate supervisory control systems, lack of perceived control and lack of teamwork.

Gap4: Service delivery versus external communication: as a result of inadequate horizontal communications and propensity to over-promise.

Gap5: The discrepancy between customer expectations and their perceptions of the service delivered: as a result of the influences exerted from the customer side and the shortfalls (gaps) on the part of the service provider. In this case, customer expectations are influenced by the extent of personal needs, word of mouth recommendation and past service experiences.

When the gaps are minimal in ITC, it can be considered that the customers derive satisfaction out of the superior quality. Therefore, this conceptual model enables to measure the impact of service quality on customer satisfaction.

Businesses using SERVQUAL to measure and manage service quality deploy a questionnaire that measures both the customer expectations of service quality in terms of these five dimensions, and their perceptions of the service they receive. When customer expectations are greater than their perceptions of received delivery, service quality is deemed low.

Though Service quality is used to identify quality gaps in services it also serves as a guideline or framework to evaluate advertising and communication strategy of service providers. Service Quality claims are important ingredients of customer satisfaction..

SERVQUAL can be used or adapted to measure service quality in variety of service settings. This method could be used for internal marketing. It is based on the idea that every individual in an organisation, particularly a service organisation, should recognise that they have customers to serve. There is a positive link between internal service quality and external service quality and hence customer satisfaction, customer loyalty and the profitability of the organisation. The relationship between organisational sub units and top management are also important. This can be assessed by a variation of the SERVQUAL instrument.

4. Scope of Future Research

In this study, there are certain variables that measure the consumer satisfaction of the service- quality of the hotel.

Important variables such as Customer handling, Information, Responsiveness, Individual attention & Materials were used for comparing the amount of level of satisfaction of the customers towards the services of a premium hotel. This study focuses on gaining knowledge in the various key factors that are involved in customer satisfaction in relation to service quality. Hence this study will provide valuable insights that will help Indian hotel sector marketers to improvise their strategy and deliver better satisfaction to the customer.

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