

Sort No. _____

UDC _____

Secrete Level _____

University Code 10497

武漢理工大學

Wuhan University of Technology

MBA Thesis

Title Service Quality Analysis in the Five Stars Resort Hotels of Cape Verde

Name of Postgraduate Hegel Lubrano Teixeira Napoleao Fernandes

Name of Supervisor Wang Chao 王超 Title Associate Professor Degree PhD

School Management School Zip code 430070

Degree level Master's Degree Discipline & Specialty MBA

Thesis Submission Date _____ Thesis Defense Date _____

Degree Awarding Unit Wuhan University of Technology

Degree Awarding Date _____

Chairperson of Thesis Defense Committee Board _____

Evaluators _____

Date: Month _____ Year _____

Original Creation Statement

I hold to the truth of the following statements: the thesis brought forward is my own research fruit instructed by my supervisor. As I know, the thesis doesn't include others' research fruits, which have been published or written, and other materials, which have been used in order to obtain degrees or certificates in Wuhan University of Technology or other education institutions, except those noted marks and expressing thanks places. All contributions offered by my colleagues in this research have been noted clearly in the thesis, and I have expressed my gratitude in it, too.

Signature of Postgraduate: _____

Date: ____ Month ____ Day, _____ Year

Explanation on the authorization of Thesis Application

I understand the rules on keeping and applying degree theses of Wuhan University of Technology completely, i.e. the right of keeping theses copies submitted and the right of borrowing and referring theses are held by Wuhan University of Technology; and Wuhan University of Technology is able to publicize the whole content of theses and to keep theses by photocopy, micro photocopy, or other replicating ways.

Signature of Postgraduate: _____

Signature of Supervisor: _____

Date: ____ Month ____ Day, _____ Year

DEDICATION

I dedicate this dissertation...

to my Parents, Elvio Goncalves Napoleao Fernandes and Maria Antonia Lubrano Mendes Teixeira Fernandes. You are the meaning of the true love in which I believe;

..Papa, Mama.. nta ama nhos di mas profundo di nha cura çon, nhos e nha vida, nha tudo..

to Julia Cesino Bez Batti, my first love. You taught me how someone should be loved and the importance of showing this noble feeling at every moment of our lives;

I also want to dedicate this dissertation...

to Wuhan University of Technology, that offer me this great opportunity;

and to China, whose greatness cannot be measured by words.

摘要

本文旨在研究佛得角群岛五星度假酒店服务绩效影响因素——影响服务质量因子和维度的识别。旅游观光业是佛得角群岛经济发展的命脉，而度假酒店对当地旅游观光业发展的巨大作用推动了该研究的进行。本文进行了酒店业服务质量理论的文献综述研究，对 20 世纪 80 年代中期的服务质量经典模型和 SERVQUAL 工具到以 2003 年开发的住宿质量指数（LQI）构建数据量表为例的酒店业服务质量现代测量模型进行了分析。其次，本文阐述了佛得角群岛的旅游观光活动的重要性，分析了这些活动对佛得角酒店业绩效的重要影响作用，同时，研究依次详细分析了佛得角酒店业以及其市场规模大小和市场主导者等。此外，研究通过旅游网站和社区平台向有佛得角群岛五星度假酒店住宿经历的顾客发送问卷，进行了在线问卷调查。问卷调查影响佛得角五星度假酒店服务质量的因子评价，并对结果依次进行描述性分析、应用统计以及 Excel 和社科统计软件包（SPSS）分析。通过内容效度分析、因素分析和因子可靠性分析提炼具有 47 个项目的初始服务质量量表，最终构造了 3 个维度 24 个可测量变量的佛得角五星度假酒店服务质量评价量表模型。这三个维度分别是：员工能力、餐饮与娱乐和基础设施。本研究根据构建的维度和影响因子对佛得角五星度假酒店服务质量现状做出了评价。最后，论文总结了整个研究工作，提出了未来的研究方向。

关键词：服务质量，旅游酒店，酒店行业，佛得角

ABSTRACT

The objective of this study was the identification of the attributes and dimensions of service quality affecting the service performance of the five stars resort hotels located in the Cape Verde Islands. The reason boosting the initiative to do this research was the paramount role of the resort hotels in the development of the travel and tourism sector in Cape Verde, and the impact that today this sector has had in the economy of that country. The research opens with a literature review on the service quality theory in the hotel industry, starting from the middle of the 1980s with the classic model of service quality and SERVQUAL instrument to the analysis of recent models of service quality measurement in the hotel industry, as it is an example the scale of items developed in 2003 in the Lodging Quality Index (LQI). Furthermore, the study elaborates an analysis on the importance of the travel and tourism activities in the Cape Verde Islands, and it evidences the enormous importance of those activities in the performance of the Cape Verdean hotel industry. In sequence the study analyzes in details the hotel industry of Cape Verde and it identifies the market size of the five stars resort hotels and their current operators in that market. Moreover, the research develops with an online questionnaire elaborated and sent through the platforms of travel websites and communities to the guests whom have experienced the service of the five stars resort hotels located in the Cape Verde Islands. The scope of the questionnaire was to assess the attributes and dimensions of service quality in the five stars resort hotels of Cape Verde. The results of the questionnaire were in sequence analyzed through descriptive and applied statistics, using Microsoft Excel and the Statistical Package for Social Science (SPSS). Content validity analysis, factor analysis, and reliability analysis of the factors were made to purify an initial scale of 47 items of service quality. An instrument with three dimensions covering twenty four attributes of service quality assessment in the five stars resort hotels of Cape Verde was finally created. The three dimensions found were: staff competence; food and entertainment; and physical facilities. This study on the service in the five stars resort hotels of Cape Verde ends with brief comments on the status of service quality according to the identified dimensions and their attributes. In the conclusion, the study summarizes the whole work and gives some directions for future research.

Keywords: Service Quality, Resort Hotels, Hotel Industry, Cape Verde

TABLE OF CONTENTS

DEDICATION	I
摘要	II
ABSTRACT	III
LIST OF FIGURES.....	VI
LIST OF TABLES.....	VII
CHAPTER 1.....	1
INTRODUCTION	1
1.1 RESEARCH BACKGROUND.....	1
1.2 RESEARCH OBJECTIVE AND SIGNIFICANCE.....	2
1.3 RESEARCH METHODOLOGY	4
1.4 RESEARCH STRUCTURE	5
CHAPTER 2.....	6
LITERATURE REVIEW ON THE SERVICE QUALITY THEORY IN THE HOTEL INDUSTRY	6
2.1 THE CONCEPT AND CHARACTERISTICS OF SERVICE.....	6
2.2 UNDERSTANDING SERVICE QUALITY	8
2.3 MEASURING SERVICE QUALITY	11
2.4 THE MEASUREMENT OF SERVICE QUALITY IN THE HOTEL INDUSTRY	13
CHAPTER 3.....	16
THE CHARACTERISTICS OF THE HOTEL INDUSTRY IN CAPE VERDE	16
3.1 THE IMPORTANCE OF TRAVEL AND TOURISM FOR THE HOTEL INDUSTRY IN CAPE VERDE	16
3.2 THE STRUCTURE OF THE HOTEL INDUSTRY IN CAPE VERDE.....	24
CHAPTER 4.....	35

THEORETICAL MODEL AND RESEARCH DESIGN	35
4.1 THE ADOPTED MODEL FOR THE SERVICE QUALITY ANALYSIS	35
4.2 THE EXECUTION PROCESS OF THE SERVICE QUALITY ANALYSIS.....	36
CHAPTER 5.....	41
DATA ANALYSIS AND FINDINGS	41
5.1 SAMPLE PROFILE	41
5.2 THE ANALYSIS OF THE ATTRIBUTES AND DIMENSIONS OF SERVICE QUALITY	48
5.3 FINAL COMMENTS AND SUGGESTIONS ON THE SERVICE QUALITY PERFORMANCE IN THE FIVE STARS RESORT HOTELS OF CAPE VERDE.....	55
CHAPTER 6.....	60
CONCLUSION	60
6.1 SUMMARY OF THE RESEARCH RESULTS	60
6.1 RESEARCH LIMITS AND FUTURE DIRECTIONS	62
REFERENCES	63
ACKNOWLEDGEMENTS	68
APPENDICES.....	69

LIST OF FIGURES

Figure 2 – 1: Service Quality Model	9
Figure 3 – 1: Direct contribution of travel and tourism to GDP.....	17
Figure 3 – 2: Direct contribution of travel and tourism to employment.....	18
Figure 3 – 3: Visitor exports and domestic expenditure with travel and tourism	19
Figure 3 – 4: Evolution of the international tourist arrivals in Cape Verde	20
Figure 3 – 5: Leisure and business spending	22
Figure 3 – 6: Capital investment in travel and tourism	23
Figure 3 – 7: Hotel establishments by type in Cape Verde, 2013	25
Figure 3 – 8: Total of rooms in hotel establishments in Cape Verde, 2013	26
Figure 3 – 9: Total of beds in hotel establishments in Cape Verde, 2013.....	27
Figure 3 – 10: International tourist distribution by type of hotel establishments in Cape Verde, 2014	28
Figure 3 – 11: International tourist distribution by islands in Cape Verde, 2014	30
Figure 4 – 1: Adopted model: initial scale of 47 items	35
Figure 5 – 1: Age group.....	42
Figure 5 – 2: Five star resort hotel of stay.....	44
Figure 5 – 3: Source of knowledge.....	44
Figure 5 – 4: Reason of choice	45
Figure 5 – 5: Booking method.....	46
Figure 5 – 6: Room/Residence type	46
Figure 5 – 7: Type of traveler	47
Figure 5 – 8: Period of stay	48
Figure 5 – 9: Problem occurrence.....	58
Figure 5 – 10: Problem solving	58
Figure 5 – 11: Property recommendation	59

LIST OF TABLES

Table 3 – 1: International tourist arrival by country of origin in Cape Verde, 2014	21
Table 3 – 2: Distribution of hotels, hotel rooms and beds by islands in Cape Verde, 2013 – 2014 ..	29
Table 3 – 3: The five star operating resort hotels in Cape Verde in 2013 – 2014.....	32
Table 3 – 4: International tourist distribution in Cape Verde, 2014 – Resume.....	34
Table 4 – 1: Overall quality (O-QUAL) measurement method.....	39
Table 5 – 1: Gender	41
Table 5 – 2: Country of origin	42
Table 5 – 3: Island of stay in Cape Verde	43
Table 5 – 4: KMO and Bartlett's Test.....	49
Table 5 – 5: Results of the factor analysis (PCA) and reliability tests	52
Table 5 – 6: Staff competence assessment	55
Table 5 – 7: Food and entertainment assessment	56
Table 5 – 8: Physical facilities assessment.....	57

CHAPTER 1

INTRODUCTION

1.1 Research background

Since the development of the service quality model by Parasuraman, Zeithaml and Berry in 1985, and the development of the SERVQUAL instrument in 1988 by the same authors, the field of service quality measurement in the service sector has gain the attention of many and growth significantly. The importance of service quality assessment in the hotel industry is enormous, especially when considering types of hotels that offer more than a simple lodging service, which is the case of the upscale all-inclusive resort hotels located in Cape Verde. In the academic field of hotel management, the theme of service quality has been reason to boost a series of authors to produce numerous articles (e.g., Knutson, Stevens, Wullaert, Patton and Yokoyama, 1990; Ekinci, Riley and Fife-Schaw, 1998; Mei, Dean and White, 1999; Getty and Getty, 2003; Dolnicar and Otter, 2003; Juwaheer, 2004; Akbaba, A., 2006; Campos and Marodin, 2012; Mbuthia, Muthoni, and Muchina, 2013; Kim and Perdue, 2013). Some of these authors have developed different instruments viewing the assessment of the service quality in the hotel industry. Examples of these instruments are: the Knuston et al. (1990) LODGSERV scale, the Mei et al. (1999) HOLSERV scale, and the Getty and Getty (2003) scale of 26 items developed in the Lodging Quality Index (LQI).

Therefore, although not focused specifically in the analysis of service quality in resort hotels, the field of hotel management that have addressed the issue of service quality in the hotel industry offers a wide range of materials to support the understanding of the technical issues that are necessary to develop new instruments of service quality analysis in different types of hotel establishments. At present, most of the referred past studies that have developed instruments in the attempt to measure service quality have considered the hotel industry as a whole. These same authors have suggested that different instruments should be developed to analyze different types of hotel establishments, with different standard of qualities and in different locations. This study does

so while it develops an instrument of service quality analysis that focuses exclusively in the upscale resort hotels with location in the Cape Verde Islands.

1.2 Research objective and significance

Cape Verde is an archipelago of ten islands located in the Atlantic Ocean, in the west coast of Africa, at 450 kilometers from Senegal¹. In terms of territorial extension and population, Cape Verde is a small island developing country, with an area of 4,033 square kilometers, composed by ten scattered islands, where resides around half a million inhabitants. The country is characterized by a dry and warm climate with annual average temperature hovering around 24 degree Celsius. The scarce amount of natural resources and the small market size led Cape Verde to develop an economy anchored essentially on the service sector, where travel and tourism has emerged as the most important sector for the economy of the Islands. Today, the travel and tourism industry has become by far the most important and fast growing economic activity of Cape Verde and it has become as well the hope for the development of its islands.

According to the World Travel and Tourism Council (WTTC) the direct contribution of travel and tourism to Cape Verde's Gross Domestic Product (GDP) in 2014 reached the amount of 25.8 billion Cape Verdean Escudo (CVE)², which was 15.2 per cent of the total GDP in that year. If considered the indirect and induced effects, the contribution of travel and tourism reaches even higher percentages. According to the WTTC's 2015 Cape Verde Economic Impact report, the total contribution of travel and tourism to the GDP was CVE 67.9 billions, 40 per cent of the total GDP. The projections of the WTTC indicate that both, direct and total contributions are expected to grow steadily until 2025, which demonstrate prosperity to the business of the travel and tourism operators.

The biggest travel and tourism operators in Cape Verde, those who explore that market with higher profits, are the five stars resort hotels located in Boa Vista and Sal Islands. According to the African Development Bank (2012), the tourism in Cape Verde is product concentrated. That means based on the all-inclusive model, with foreign-dominated large resorts offering touristic packages that retains

¹ The Map of Cape Verde Islands is available on Appendix 7.

² 1 Euro = 110.265 CVE

all the tourists' expenses at the start point of the trip. Although generating some controversial opinions, the all-inclusive model of the five stars resort hotels was the responsible for the main boost that led the Cape Verdean tourism to a stronger level of competitiveness, where tourist expenditures, investments, government in taxes collection from the tourism activities, and creation of new jobs for local people are higher than ever before.

The performance of the resort hotel market in Cape Verde is boosted essentially by the international tourism activity. Almost all hotel guests in Cape Verde are international tourists who have chosen the Islands for leisure purposes. The large resort hotels of the Boa Vista and Sal Islands are the biggest players of the hotel market, and through the all-inclusive model they offer to their guests not only a comfortable place to stay, but also food, entertainment and other facilities to satisfy all kind of needs during their stay in Cape Verde. These hotel establishments are properties of large and recognized international hotel chains and they have since long time their own portfolio of clients that are loyal to the chain brand. The travel and tourism industry in Cape Verde have developed especially due to the direct investments of these large companies in hotel establishments. They have seen Cape Verde with great potential for the practice of tourism activities and they have taken the risk to promote it with their experience and knowhow.

The objectives of the research:

Considering the importance of the travel and tourism industry in the economy of the Cape Verde Islands, and considering the paramount role of the five stars resort hotels as the main driver of this industry, a study aiming to help the improvement of service quality in these type of hotel establishments is necessary to assist these companies in the achievement of better standards of service performance, and consequently to promote Cape Verde as a tourist destination of excellence.

This study have established as its main objective the identification of the attributes and dimensions of service quality that most affects the service performance of the five stars resort hotels located in the Cape Verde Islands.

Specifically, the research will:

- Identify the attributes and dimensions of service quality that are relevant to analyze the service performance in the five stars resort hotels of Cape Verde;

- Assess the service performance of the five stars resort hotels in Cape Verde according to their attributes and dimensions of service quality.

Another aim of this study is to bring its contributions to the professionals and academics of the hotel industry and the hotel management field. To the professionals of the hotel industry, especially those who are responsible to manage the service in the five stars resort hotels of Cape Verde, this study represents a tool on hands to help them in the improvement of the service performance, while it identifies and analyzes the relevant attributes and dimensions of service quality in these hotel establishments. To the academic field of hotel management, this study represents one of the few existent studies that apply an instrument of service quality to understand what kind of attributes and dimensions are particularly important regarding upscale resort hotels.

1.3 Research methodology

To theoretically support this research, a strong literature review analysis on the service quality theory of the hotel industry was elaborated. The study have collected and worked on articles and books of the gurus of the service quality management. Recognized journals of hospitality, marketing, tourism and statistics management were consulted and deeply analyzed the contents that were relevant to the objective of the research. The statistics data utilized in this study were collected from both, primary and secondary sources. Primary statistics data were collected through the application of a questionnaire, and secondary statistics data were collected from national and international organizations. The data regarding the travel and tourism industry in Cape Verde were mainly from the World Travel and Tourism Council (WTTC), and the data of the hotel industry in Cape Verde were collected from the Institute of National Statistics (INE) in that country. Moreover, the selection of the five stars resort hotels in Cape Verde was performed exploring the official website of the companies that were operating in the country.

To develop the research and achieve the proposed results this study has made use of both, descriptive and applied statistics. An adapted model of the service quality measurement was adopted as instrument to identify the attributes and dimensions of service quality in the five stars resort hotels of Cape Verde. Based on the scale of items of the selected model an online questionnaire was elaborated and assessed with the guests of these five stars resort hotels. The items of the

questionnaire were analyzed through quantitative responses using a seven-point Likert scale. To the outcome of the questionnaires content validity analysis, factor analysis and reliability analysis were performed using the Statistical Package for Social Science (SPSS) version 20. The analysis have reduced the scale of items of the adopted service quality model and determined the attributes and dimensions of service quality that most impact the service quality in the five stars resort hotels of Cape Verde. Finally, using Microsoft Excel, descriptive statistics was performed to describe the sample and assess the status of the attributes and dimensions of service quality that were considered relevant in these hotel establishments.

1.4 Research structure

Following this first chapter of introduction, the Chapter 2 investigates the literature review on the service quality theory in the hotel industry. A deep analysis that have addressed the concept and characteristics of service, the understanding and measurement of service quality, as well the measurement of service quality in the hotel industry was performed. Chapter 2 illustrates the past and current status of the existing research in the field of service and service quality assessment in the hotel industry. Moreover, on Chapter 3 this study analyzes the characteristics of the hotel industry in the Cape Verde Islands. To better understand the environment in which the hotel industry is inserted this Chapter 3 starts showing in its first subsection the importance of the travel and tourism industry in Cape Verde. In sequence, it introduces the hotel industry established in Cape Verde and highlights the importance of the five stars resort hotels in the industry. After an understanding of the hotel industry in Cape Verde and its main drivers, the Chapter 4 explains in details the methodology and process utilized to achieve the research goals, which was just briefly introduced in the previous section of this introduction. In Chapter 5 the research exposes the findings of the study through the elaborated data analysis. The service quality assessment in the five stars resort hotels of Cape Verde in Chapter 5 starts with a descriptive analysis of the sample profile, passing through the identification of the attributes and dimensions of service quality and closing with comments and suggestions on the service quality performance in the five stars resort hotels of Cape Verde. The study concludes its analysis in Chapter 6 with a summary of the thesis relating the background and results, and a short discussion on the limitations and directions for future research.

CHAPTER 2

LITERATURE REVIEW ON THE SERVICE QUALITY THEORY IN THE HOTEL INDUSTRY

To build the path through the understanding of service quality measurement in hotel establishments, this chapter illustrates its analysis starting from the definition of service and the description of its characteristics. Moreover, the chapter introduces the concept of service quality and the model that stays in the origin of most of the future service quality instruments that were developed with the intent to measure service performance in a wide range of the service sectors. In sequence, a whole section of this chapter dedicates its efforts to specifically analyze the developed instruments of service quality measurement that over time were proposed by authors with different point of views on the service quality field. The investigation of the past studies relevant to the research topic made in this chapter ends with a deep analysis on the measurement of service quality in the hotel industry at its last section. The analysis made in this chapter exposes as well several instruments of service quality measurement addressing exclusively the hotel establishments.

2.1 The concept and characteristics of service

Delivering service quality has become a topic of major importance for both, academia and industry (Bowie and Buttle, 2004). According to Kotler, Keller and Lu (2014), a service is any act or performance that one party can offer to another and that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product. Until the middle of the eighties, the emphasis within the marketing community was focused on products. Now services have surpassed products and have taken on a more important role in marketing (Reid and Bojanic, 2006).

Kotler et al. (2014) distinguished five categories of service mix in the companies' offerings. These categories are: pure tangible goods; tangible goods with accompanying services; hybrid; major service with accompanying minor goods and services; and pure service. For example, the hotel service is included in the fourth category of service mix, which is "major service with accompanying minor goods and services". According to these authors, this category of service consists of major service along with additional services or supporting goods. For example, resort hotel clients are most likely buying accommodation and leisure services, but at the same time they also get meals and drinks.

Many authors in marketing literature distinguished the service characteristics around the following aspects: intangibility, inseparability, heterogeneity or variability and perishability (e.g., Parasuraman et al., 1985; Hsu and Powers, 2002; Kotler et al., 2014;). Services are intangible because unlike physical products, services cannot be seen, tasted, felt, heard or smelled before they are bought (Kotler et al., 2014). Services are inseparable because they are typically produced and consumed simultaneously, unlike physical goods, which are manufactured, put into inventory, distributed to resellers, and consumed later (Kotler et al., 2014). Services are variable because they depend on who provides them and when and where they are provided. Each service offering is unique and cannot be exactly repeated even by the same service provider. Finally, services are perishable because they cannot be stored, saved, returned or resold once they have been utilized. Once rendered to a customer the service is completely consumed and cannot be delivered to another customer.

When considering the travel and tourism industry, where hotel service is inserted, Bowie and Buttle (2004) have identified an extra characteristic of service, which is seasonality. The travel and tourism services have busy and quiet periods, and the service process can be stressed, and fail, during extreme periods of demand. An example is when the operations in a resort hotel have too many customers, making the service process fail to deal with the high demand, and resulting in customer dissatisfaction. On the other hand, if a resort hotel has too few customers, a vital ingredient of the product, which is atmosphere, would be missing, resulting in an eventual customer disappointment.

The aspect of seasonality is particularly important for the reality of the five star resort hotels in Cape Verde, especially those located in Boavista and Sal islands and concentrates most of the international tourists demand. According to INE, 91 per cent of the hotel establishment guests in Cape Verde in 2014, corresponding to 493,732 persons, were international tourists. Therefore, the

hotel companies of the Cape Verdean islands are highly dependent from the foreign countries work and vacation periods, and winter and summer seasons. The continue appraisal and showed preferences of tourists for Cape Verde islands are not only due to the beautiful white sand beaches, but as well thanks to the pleasant weather along the whole year.

Aspects of service characteristics, focusing mainly on the travel, tourism and hospitality services, were analyzed by Bowie and Buttle (2004). The authors stated that for the companies in those industries, like for example of the hotels, services are intangible because the product is intangible. The customers cannot be certain about the quality of the service they will receive until it has been consumed. Furthermore, services in these industries are inseparable because customers are present whilst the product is produced and even more important, customers are themselves an essential component of the deliverable and the physical environment. Customers are part of the product, and they participate to shape the experience of the service encounter.

2.2 Understanding service quality

Service quality has become in the recent years a topic of major importance for the academics and professionals of the Management field. The world modern economy is characterized for being mainly service oriented. According to the International Monetary Fund (IMF), in 2014 the service sector accounted for more than 60 per cent of the total world's Gross Domestic Product (GDP). For many countries, Cape Verde, for instance, the service sector impact exceeds the world average. Therefore, a greater concern with the service quality performance makes necessary and crucial to improve the competitiveness of their companies, their industries and their economies as a whole.

Service quality is a comparison of expectations with performance (Lewis and Booms, 1983). Whenever there are differences in expectations or perceptions between the people involved in the delivery and the consumption of services, a potential for a gap in service quality exists (Reid and Bojanic, 2006). Firms should diagnose any service quality gaps because there is a direct relationship between service quality and customer satisfaction (Reid and Bojanic, 2006). Simply stated, when customers are satisfied, they are much more likely to purchase from the service provider again. Over time, if they remain satisfied, they become loyal customers (Reid and Bojanic, 2006).

Parasuraman et al. (1985) have identified five gaps that can cause unsuccessful delivery of service, which means poor service quality. Kotler et al. (2014) have explained these gaps saying that the first gap is between consumer expectation and management perception. Management does not always correctly perceive what customers want. The second gap is between management perception and service-quality specification. Management might correctly perceive the customers' wants but not set a specified performance standard. The third gap is between service-quality specifications and service delivery. Personnel might be poorly trained, or incapable or unwilling to meet the standards. The fourth gap is between service delivery and external communications. Statement made by company representatives and ads also affects customer expectations. The fifth and final gap is between perceived service and expected service. This gap occurs when the consumer misperceives the service quality. Figure 2 – 1 below shows the Service Quality Model and the five identified gaps proposed by Parasuraman, Zeithaml and Berry in 1985.

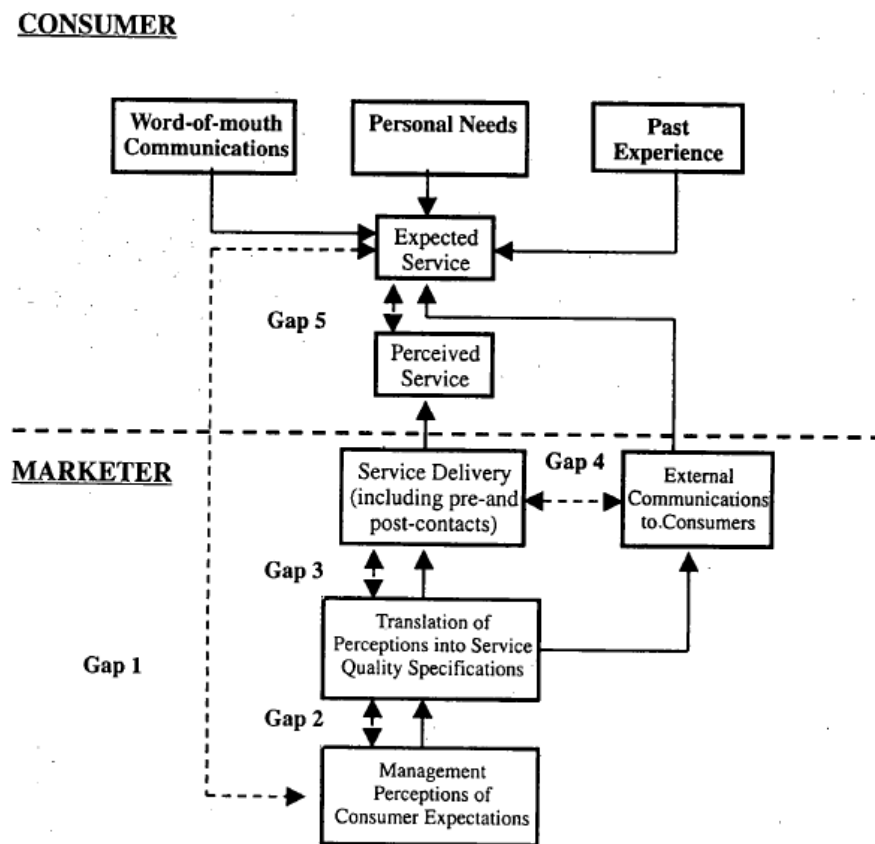


Figure 2 – 1: Service Quality Model

Source: Parasuraman et al. (1985)

The service quality of a firm is tested at each service encounter (Kotler and Keller, 2014). Hsu and Powers (2002) agreed that from the guests' point of view, the service is an experience. It is the sum of everything that happens to him or her in connection with a transaction or series of transactions. Service industries, including hospitality and tourism, are actually selling consumers an experience (Reid and Bojanic, 2006). In response, successful firms are using the customers' perception of quality to set performance standards, rather than relying solely on operationally defined standards for service quality. Those successful firms often conduct extensive research with the objective to determine the key elements that impact the customers' perception of service quality (Reid and Bojanic, 2006).

Customers form service expectations from many sources, such as past experiences, word of mouth and advertising (Kotler and Keller, 2014). Customer satisfaction is dependent upon the operation of delivering the promise that pre-encounter marketing has communicated (Bowie and Buttle, 2004). According to Parasuraman et al. (1985), if the perceived service falls below the expected service, customers are disappointed, and if the perceived service meets or exceeds their expectations they are satisfied apt to use the service provider again. For Bowie and Buttle (2004), client satisfaction is very important for the hospitality business because few hotels and restaurants can manage to survive if they consistently deliver unsatisfactory experiences to their customers. According to the authors when customers have alternative providers, they may choose to reduce the amount of business done, or even not to return at all if they are not satisfied. They may also utter negative word-of-mouth, discouraging the business to other potential customers.

From the organizations' point of view, the "service product" is a deliberately orchestrated event (Hsu and Powers, 2002). Improving customer service should be a top priority of all managers working in the tourism industry. To provide high-quality service, all members of the staff, from the highest to the lowest level on the organizational chart, must view the guests as their highest priority, and deliver high-quality service based on an attitude of serving customers (Reid and Bojanic, 2006). Bowie and Buttle (2004) suggested four basic principles to achieve client satisfaction in business inserted in tourism industry. The authors suggested that companies should first identify which clients they are trying to satisfy and select them. Second, companies should focus in what is important to those clients and offer it. Third, companies should get it right the first time, which means take the first opportunity to cause a good impression. Finally, fourth, companies should have

an excellent recovery plan to mitigate clients' dissatisfaction and pre-empt negative word-of-mouth, promoting retention.

2.3 Measuring service quality

Measure service quality is complicated because service performance is not easily defined (Bowie and Buttle, 2004). For the experts, quality is whatever the customer says it is, and the quality of a particular product or service is whatever the customer perceives it to be (Hsu and Powers, 2002). Consumers judge service quality on many different factors, and their own disposition can significantly influence their evaluation of the service process (Bowie and Buttle, 2004). Regarding available literature, there is an ample range of choice of service quality measurement methods proposed by various researchers (e.g., Parasuraman, Zeithaml and Berry, 1988; Cronin and Taylor, 1992; Philip and Hazlett, 1997; Erto and Vanacore, 2002).

Perhaps the most widely adopted theoretical instrument to measure service quality is the SERVQUAL multiple-item scale for measuring consumer perceptions of service quality. The SERVQUAL scale is a survey instrument which claims to measure the service quality in any type of service organization on five dimensions: tangibles, reliability, assurance, responsiveness and empathy (Parasuraman et al., 1988). SERVQUAL was initially developed by the marketing professors Parasuraman, Zeithaml and Berry in 1988 with basis and foundations derived from the Service Quality Model proposed by the same authors in 1985 in the article entitled "A conceptual model of service quality and its implications for future research".

Parasuraman, Zeithaml and Berry (1994) after a series of refinements of the SERVQUAL instrument found that customers evaluate service quality across the five dimensions in the following order of importance: reliability, responsiveness, assurance, empathy and tangibles. Reliability is explained as the ability to perform a promise service dependably and accurately. Responsiveness is the willingness to help customers and provide prompt service. Assurance is interpreted as the knowledge and courtesy of employees and their ability to inspire confidence. Empathy is the caring, the individualized attention the firms provide its customers. Finally, tangibles are the physical facilities, equipment, and appearance of employees.

To measure service quality with the SERVQUAL instrument is utilized a multiple-item scale consisting in a total of 22 items³ subdivided to capture the aspects related to their five respective dimensions. Those items are specific statements elaborated with the unique purpose to assess the service quality according to their dimensions. The statements are assessed by a chosen sample of respondents who give their answers through a seven-point Likert. From strongly disagree to strongly agree the respondents assess their expectations and perceptions of a service according to their opinions. The service quality score is given through this method by the difference between perceptions and expectations of the provided service. When perceptions meet or exceed the expectations the client is considered satisfied and the service having quality. On the other hand, when perceptions fail to meet the expectations the client is considered unsatisfied and the service quality is considered poor.

From a constructive criticism of the SERVQUAL instrument another method of service quality measurement born as consequence. Based on the SERVQUAL 22 items scale, Cronin and Taylor (1992) have created the SERVPERF (service performance) scale as an alternative instrument to overcome some constraints that the application of SERVQUAL implies when measuring the quality of a service. In their study, Cronin and Taylor (1992) have identified that an important obstacle for the applicability of the SERVQUAL instrument was due to the fact that the 22 items in the scale were analyzed with a two side box of question viewing the measurement of both, expectations and perceptions of a performed service. The SERVPERF defenders argue that is not possible to measure both, expectation and perceptions at the same time, and that the only unique reliable element of service quality is the performed service. Without change the scale items and dimensions of SERVQUAL instrument, SERVPERF does assess service quality but only with a one side question box, asking its respondents to rate the service according to what they have received. The analysis of Cronin and Taylor (1992) showed that the performance component outperforms SERVQUAL in terms of reliabilities.

Regardless which instrument of analysis one chooses, SERVQUAL or SERVPERF, the authors of these two methods consider that is advisable to adapt, the 22-item scale, to the specific industry and the characteristics of the service that companies provide in these industries. There might be different

³ Available in Appendix 2.

quality dimensions to deal with in different circumstances. According to those authors, this adaptation would consist in changes in the suggested 22 items by adding, removing or modifying rewording them according to the analysis needs. Furthermore, new dimensions of service quality could be derived from the new formed scales. The content of next section analysis gives a glimpse on how to adjust scales items to analyze the hotel industry, introducing some studies with originals scales or methods of service quality analysis in hotels.

2.4 The measurement of service quality in the hotel industry

No matter how much effort is placed into producing quality service, the true test lies in the perception of customers (Getty and Getty, 2003). The important role of service quality in promoting the success of a hotel business cannot be ignored. It is crucial to every hotel managers to have a good understanding about what exactly their customers are looking for. Identify and analyze customers' expectation, recognize the attributes and dimensions of service quality and their relative importance to customers in each segment of the hotel industry could definitely help managers in the challenge of service quality improvement in their hotels.

Numerous studies in the hotel management field have specifically identified the main attributes and dimensions of service quality perceived by clients (e.g., Knutson et al., 1990; Ekinici et al., 1998; Mei et al., 1999; Getty and Getty, 2003; Dolnicar and Otter, 2003; Juwaheer, 2004; Akbaba, A., 2006; Campos and Marodin, 2012; Mbuthia, et al., 2013; Kim and Perdue, 2013). The results of these studies have given an enormous contribution through the understanding of the relevant service quality attributes and dimensions that matters to the various segments of the hotel industry, which are somehow different than those existent in the others service sector business.

Knuston et al. (1990) in an attempt to improve the SERVQUAL scale for its use in the hotels produced a specific scale for the lodging industry called LODGSERV scale. With an initial scale of 36 items in their questionnaire, a total of 200 randomly selected respondents from the economy, mid-price and luxury hotels were asked how strongly they agreed or disagreed with the hotel services on a seven-point rating scale. As a result of the factor analysis from the 36 items, only 25 items⁴ with the highest total scale reliability were selected and distributed between their respective

⁴ Available in Appendix 3.

dimensions. LODGSERV instrument confirms the five dimensions of SERVQUAL but they differ in terms of the relative importance of these dimensions in affecting service quality. According to LODGSERV instrument, “reliability” is ranked first in the hierarchy of importance, followed by “assurance”, “responsiveness”, “tangibles” and “empathy”.

Akan (1995), basing on the SERVQUAL instrument, prepared a questionnaire to investigate its applicability in an international environment. Examining the dimensions of SERVQUAL and measuring their level of importance for customers the study identified seven dimensions. Akan (1995) named them: courtesy and competence of the personnel; communication and transactions; tangibles; knowing and understanding the customer; accuracy and speed of service; solutions to problems; and accuracy of hotel reservations. Among these, “courtesy and competence of hotel personnel” was the most important attribute influencing the perception of quality.

Basing on the SERVQUAL instrument, Mei et al. (1999) developed an instrument to measure service quality in the hotel industry called HOLSERV scale. The HOLSERV scale aims to be an easier and more effective scale than SERVQUAL when the objective is to measure service quality in hotels. The scale has a total of 27 items⁵ the answers are given using only one column of questions that measures the performance of the service. Regarding the questionnaire design the HOLSERV scale as therefore more similarities with SERVPERF that also use only one group of questions to measure service quality. The authors of the HOLSERV scale concluded in their study that service quality in the hotel industry is represented by three dimensions: employees; tangibles; and reliability. They enhance “employees” as the dimension of service quality with more impact in hotel services. As it was suggested in the SERVQUAL and SERVPERF, the authors of HOLSERV suggested that small changes could be necessary to the scale depending type of service to be analyzed. In this case the scale of items that analyze a resort could be different than those that analyze an airport hotel. A special attention should be required also in the standard of the hotel, because the scale of items that analyze a five star hotel would probably be different if the case was a one star hotel.

With a study applying a modified version of the SERVQUAL instrument in a business hotel in Turkey Akbaba (2006) wanted to investigate the determinants of service quality of business hotels’ customers. Although confirming the five-dimensional structure of SERVQUAL, the dimensions

⁵ Available in Appendix 4.

where different from those of the SERVQUAL instrument. The dimensions found were: tangibles; adequacy in service supply; understanding and caring; assurance; and convenience. The findings of the study showed that business travelers had highest expectations for the dimension of “convenience”. The research findings also confirmed that, although the SERVQUAL scale was a very useful tool as a concept, it needed to be adapted for the specific service segments and for the cultural context within which it is utilized.

Shafiq, Din, and Cheema (2013) utilized SERVPERF scale in a study aiming to evaluate the hotels’ service quality through customer satisfaction in the hotel industry of Faisalabad, Pakistan. The objective was to check which dimensions of SERVPERF are needed to be focused more in Pakistan. Data was collected through 100 respondents in December 2012. The questionnaire adopted from consisted of the 22 questions of SERVPERF scale across the five dimensions of service quality (tangible, reliability, responsiveness, assurance and empathy). A five point Likert scale from “strongly disagree” to “strongly agree” was utilized in the collection of data. The results indicates that in Pakistan among the five dimensions of SERVPERF the dimension tangible and empathy needed to be focused more.

Taking the first work of Parasuraman et al. (1985), “A conceptual model of service quality and its implication for future research”, and considering as starting point the first ten dimensions of service quality indentified in that study, Getty and Getty (2003) developed the Lodging Quality Index (LQI) as an instrument to measure service quality in Hotels. At the early stage of their research they have determined a 63 scale items analysis subdivided through the ten dimensions. After a series of statistic analysis, which included a principal component extraction, computation of coefficient alpha, corrected item-to-total correlation analysis, reliability and validity test, they ended up with a different version of five dimensions and 26 scale items⁶. The dimensions found by Getty and Getty (2003) were: tangibility; reliability; responsiveness; confidence; and communication. To generate the index they made a regression analysis using as independent variable the answers to LQI and dependent variable the answers to the overall quality, which they referred as QUALALL, and measured in questionnaire addressed to the same 222 respondents of their sample.

⁶ Available in Appendix 5.

CHAPTER 3

THE CHARACTERISTICS OF THE HOTEL INDUSTRY IN CAPE VERDE

3.1 The importance of travel and tourism for the hotel industry in Cape Verde

The first step towards the understanding of the characteristics of the hotel industry in Cape Verde is the analysis of the sector that stays in the origin of its development, the travel and tourism sector. The travel and tourism industry is the fastest growing sector in the economy of the Cape Verde Islands, and it sustain the positive dynamic of the hotels with the reality of a growing number of international tourists that chooses Cape Verde as their holiday destination. The sector as a large participation in the economy and society, bringing foreign direct investments in Cape Verde and creating new job for the locals. The following analyses will explain and clarify this related situation.

3.1.1 Direct contribution of travel and tourism to GDP

According to the WTTC⁷ (2015), the direct contribution of travel and tourism to GDP is the GDP generated by industries that deal directly with tourists, including hotels, travel agents, airlines and other passenger transport services, as well as the activities of restaurants and leisure industries that deal directly with tourists.

Figure 3 – 1 displays the direct contribution of travel and tourism in Cape Verde for the last decade (2005 to 2015) and it also portrays a projection of the data for the year of 2025. It can be seen that the impact of travel and tourism in Cape Verde economy have kept its steadily growth since 2005, reaching the amount of CVE 25.8 billion in 2014, which corresponded to 15.2 percent of the total

⁷ WTTC stands for: World Travel and Tourism council

GDP. According to the WTTC the direct contribution of travel and tourism in Cape Verde is expected to grow in the next decade by an average annual rate of 5.9 per cent, reaching the 27.6 billion in 2025 that will correspond to 48.9 billion CVE or 18.6 per cent of the total GDP.

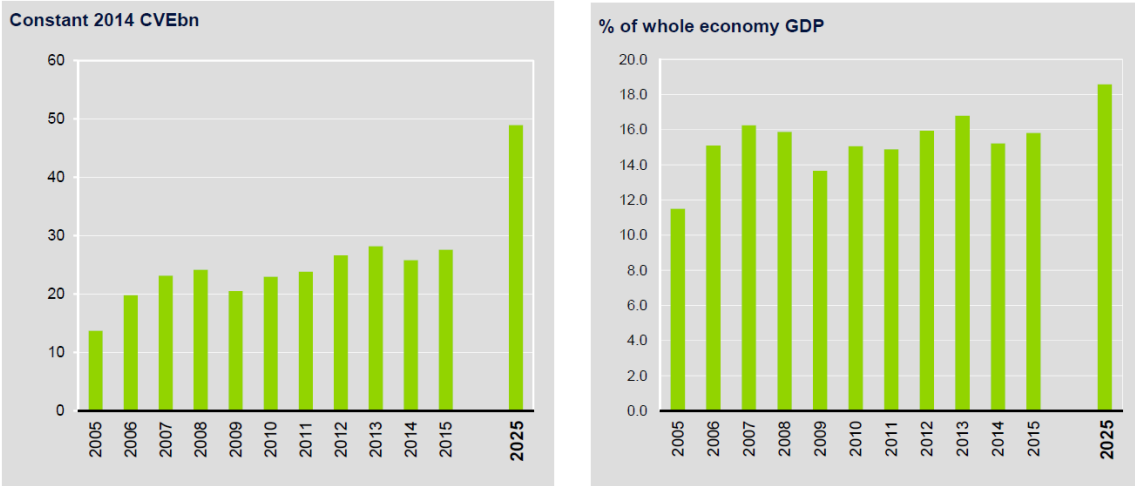


Figure 3 – 1: Direct contribution of travel and tourism to GDP

Source: World Travel and Tourism Council (WTTC)

3.1.2 Direct contribution of travel and tourism to employment

According to WTTC (2015) the direct contribution of travel and tourism to employment is the number of direct jobs within travel and tourism. Figure 3 – 2 show that travel and tourism have generated directly 30,000 jobs in 2014, corresponding to 13.6% of the total employment in Cape Verde. The direct contribution to employment of travel and tourism is expected to grow at an annual rate of 5.5 per cent between 2015 and 2025. In 2025 is expected that the direct contribution to employment of travel and tourism will account for 56,000 jobs, which will correspond to 19.9 per cent of the total jobs in the country.

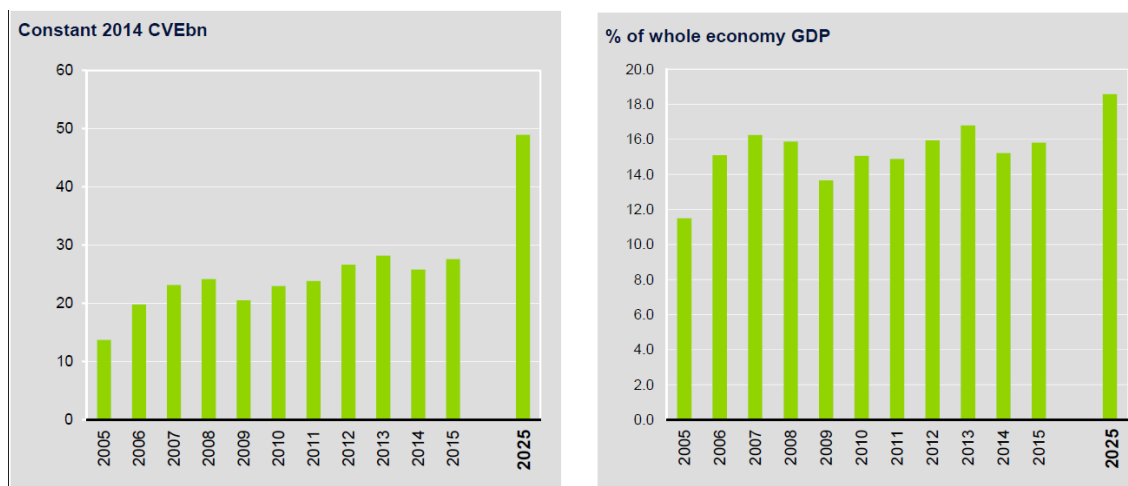


Figure 3 – 2: Direct contribution of travel and tourism to employment

Source: World Travel and Tourism Council (WTTC)

3.1.3 The visitor exports

According to WTTC’s definition, visitor exports correspond to the spending within the country by international tourists for both business and leisure trips, including spending on transport but excluding international spending on education. The visitor exports are a key element to the direct contribution of travel and tourism in a countries’ economy.

Also, the money spent by foreign visitors in Cape Verde during 2014 was CVE 40.7 billion, which corresponded to 91.9 per cent of the total money spent within the country for business and leisure trips. The visitor exports in Cape Verde correspond for almost the whole expenditure with travel and tourism in the country, where the domestic expenditure with business and leisure trip represents only 8.1 per cent, or CVE 3.6 billion of the total travel and tourism expenditures. The Figure 3 presented below shows the situation described and makes projections for the steadily growth of 5.8 per cent annually of the total foreign visitor exports till the data of 2025, when its total amount is expected to be of 77.2 billion CVE.

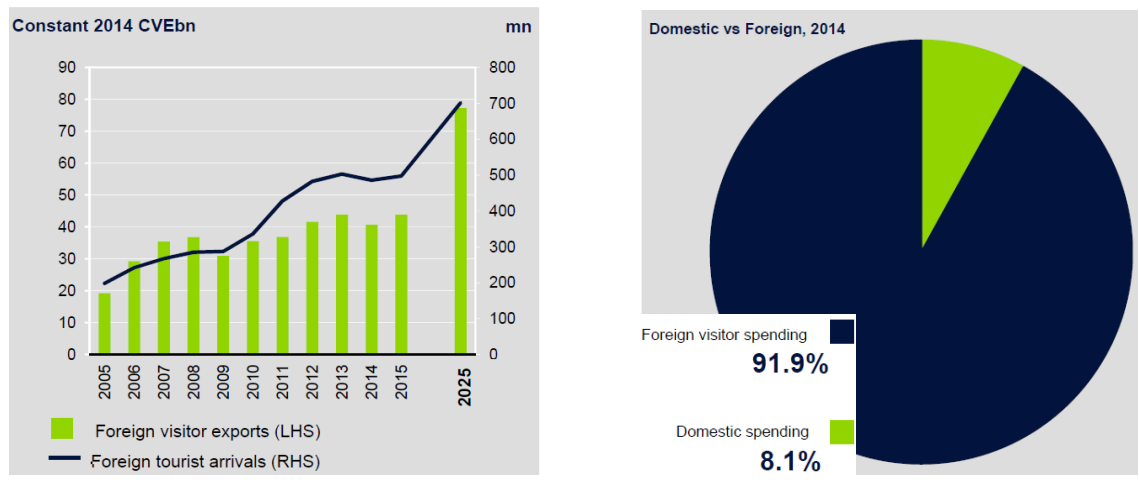


Figure 3 – 3: Visitor exports and domestic expenditure with travel and tourism

Source: World Travel and Tourism Council (WTTC)

3.1.4 Evolution of travel and tourism demand

The main reason that is leading to a continuous growth in the amount of the international tourist spending in Cape Verde is the continuous growth in the number of international tourist arrivals. According to the National Institute of Statistic (INE) of Cape Verde, from the year of 2005 to the end of 2014 the number of international tourist arrival rose 150 per cent, coming from the tiny 200 thousand tourists to the large totality of almost 500 thousand tourists in just ten years. On average, the growth of the international tourist arrivals in Cape Verde are around the number of 30 thousand tourists annually, this considering the 10 per cent average growth rate in the last 10 years growth.

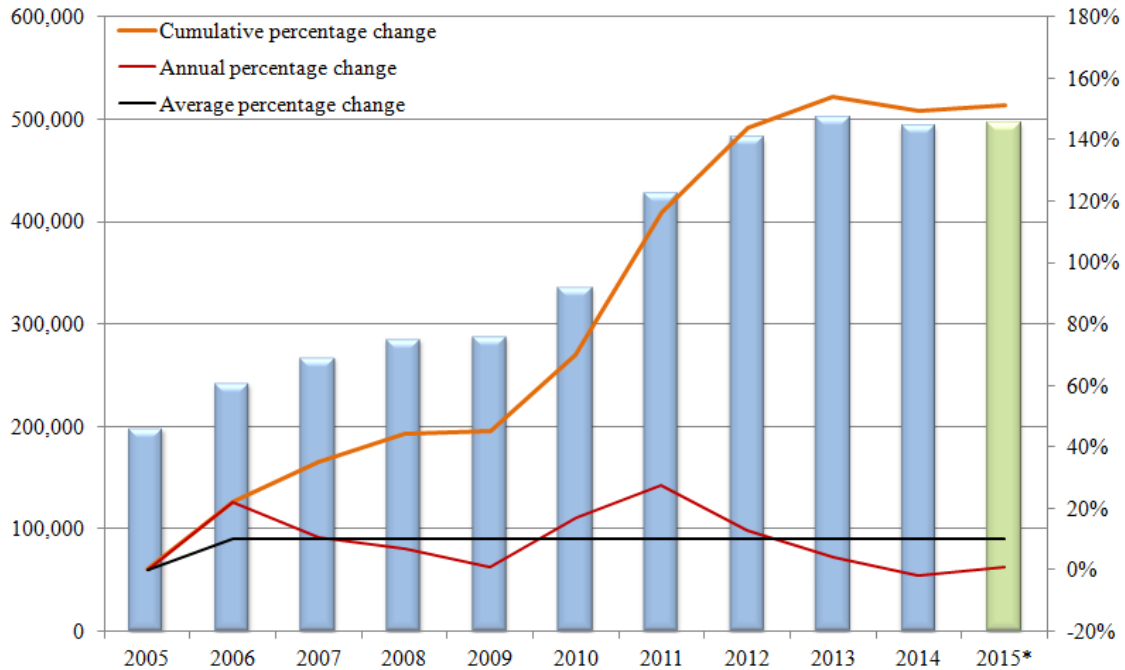


Figure 3 – 4: Evolution of the international tourist arrivals in Cape Verde⁸

Source: Institute of National Statistics (INE)

Another interesting data regarding the international tourist who visits Cape Verde is regarding their country of origin. Tourism in Cape Verde is mostly explored by Europeans. Table 3 – 1 shows that only United Kingdom accounts for 20 per cent of all international tourists who have visited Cape Verde in 2014, which correspond to a total of 96,865 tourists. Following this ranking other European countries like, Germany, France, Portugal, Belgium, Netherlands, and Italy can be found. According to INE, more than 80 per cent of all Cape Verdean international tourists are from Europe.

⁸ For the year of 2015 it was utilized the value projected by the WTTC

Table 3 – 1: International tourist arrival by country of origin in Cape Verde, 2014

Country	International Tourists	Percentage of Total (%)
United Kingdom	96,865	20%
Germany	68,834	14%
France	61,992	13%
Portugal	60,161	12%
Belgium + Netherlands	50,943	10%
Italy	28,029	6%
Other Countries	126,908	26%
Total	493,732	100%

Source: INE

3.1.5 Leisure and business travel and tourism

According to WTTC the leisure travel and tourism spending is the spending on business travel within a country by residents and international visitors. On the other hand, the business travel and tourism spending is defined as the spending on business travel within a country by residents and international visitors.

The Figure 3 – 5 shows the distribution of the total expenditure with travel and tourism between leisure spending and business spending. According to WTTC (2015), 91.9 per cent from the total travel and tourism expenditure the leisure and travel spending (inbound and domestic) in 2014 was generated on leisure trips, corresponding to the total amount of CVE 40.6 billion. The business spending corresponded only for CVE 3.6 billion in 2014, equivalent to 8.1 per cent of the total spending with travel and tourism in Cape Verde.

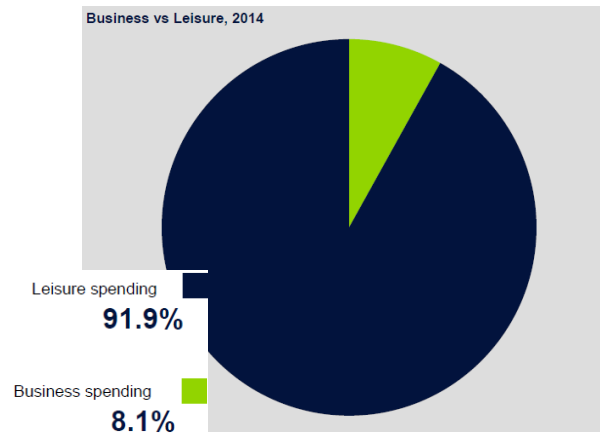


Figure 3 – 5: Leisure and business spending

Source: World Travel and Tourism Council (WTTC)

3.1.6 Capital investments in travel and tourism

Capital investment in travel and tourism includes capital investments spending by all industries directly involved in travel and tourism. It also constitutes investment spending by other industries on specific tourism assets such as new visitor accommodation and passenger transport equipment, as well as restaurants and leisure facilities for specific tourism use.

Figure 3 – 6 shows the evolution of the travel and tourism investment in Cape Verde. The capital investments in tourism sector have reached the amount of CVE 15.4 billion in 2014, which represented 23.1 per cent of the total investment in Cape Verde. According to WTTC (2015) investments in travel and tourism market are expected to grow steadily till 2015 at an annual growth rate of 7.5 per cent, reaching the total amount of CVE 34.2 billion and representing 33.1 per cent of the total investment in Cape Verde.

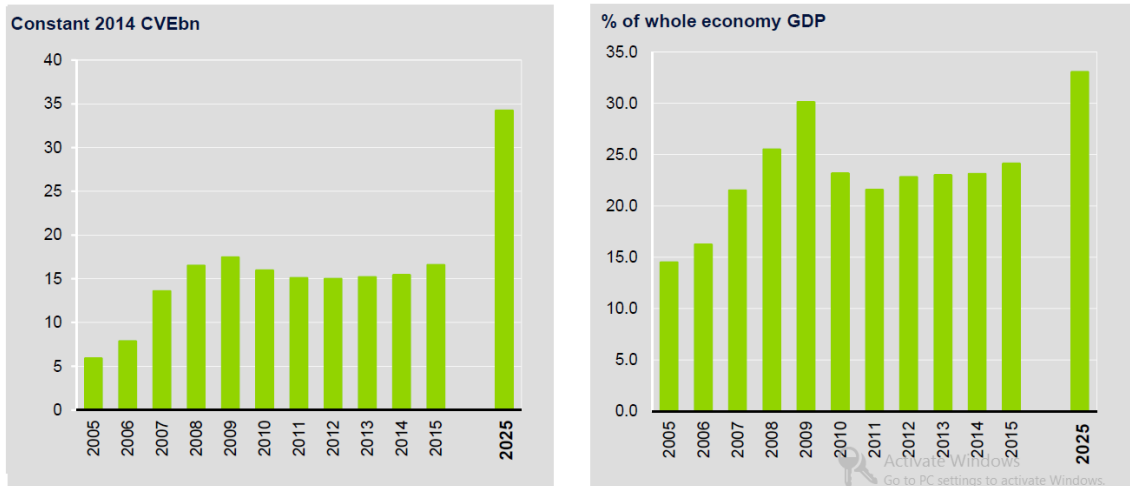


Figure 3 – 6: Capital investment in travel and tourism

Source: World Travel and Tourism Council (WTTC)

3.1.7 Summary of the importance of travel and tourism industry in Cape Verde

With a direct contribution to the GDP of 25.8 billion CVE, representing 15.2 per cent of the total economy size, travel and tourism is by far the largest and most dynamic sector of the Cape Verdean's economy. It also shows that, according to the data of INE, the number of international tourist arrivals in Cape Verde are growing around 30 thousand annually, corresponding to an average growth rate of 10 per cent in the last ten years. It can be said that the success of tourism in Cape Verde is highly dependent on the European economies' performance, due to the fact that most of the tourists are from European countries, according to INE Europe counts for more than 80 per cent of the total international tourist arrivals in Cape Verde. For the WTTC Cape Verde is between the ten countries worldwide with better perspectives of travel and tourism growth for the next ten years. The sector directly employed in 2014 a total of 30 thousand people in the country, and this number is expected to grow with an average annual rate of 5.6 per cent, reaching the total of 56 thousand jobs in 2025 in a place where the total population is only 500 thousand.

International tourism for leisure purpose represents more than 90 per cent of the total tourism market in Cape Verde, which means that the country is highly dependent on the performance of the foreign economy, especially Europe as we will have the opportunity to see in the next chapter of this study. The foreign visitor spending have reached the amount of 40.7 billion CVE and it is expected to grow

with an annual average rate of 5.8 per cent till 2025, when it will reach the amount of 77.2 billion CVE.

Travel and tourism is a promising sector for the whole Cape Verdeans, and its development can have strong impacts in the economic growth, unemployment reduction and social prosperity all over the country. The sector is essentially based on service delivery to its clients, which are mainly foreigners with leisure purpose. The good understanding of the client needs and expectations that have chosen Cape Verde as their destination, and the delivery of a service of excellence to those clients is essential to keep the sector with a steady growth and to improve its performance.

3.2 The structure of the hotel industry in Cape Verde

3.2.1 Definition of hotel establishments

Although this research will have its focus on hotels only, it is important to retain, according to Cape Verdean's definition, what hotel establishments are and how much hotels weight into this category.

INE regards as hotel establishments those destined to provide accommodation in exchange of a payment, including or not the supply of meals and other extra services.

INE (2015) establishes the existences of five types of hotel establishments that are of touristy interest in the Cape Verde islands. These establishments are the following:

- Hotels
- Guesthouses
- Inns
- Apartment hotels
- Tourist villages

3.2.2 Distribution of hotel establishments by type

In terms of the total number of hotel establishments and its proportional distribution in the Cape Verde islands, the guesthouses come in the first place with a total of 71 establishments, representing 44 per cent of the total hotel establishments in the country. The hotels come next with a total of 54

establishments, which represented 33 percent of the total hotel establishments in 2013. The other types of establishments, inns, apartment hotels and tourist villages, have less significant participation in the total number of hotel establishments, totalizing together only 37 establishments and representing a total of 23 percent of the hotel establishments in the country in 2013.

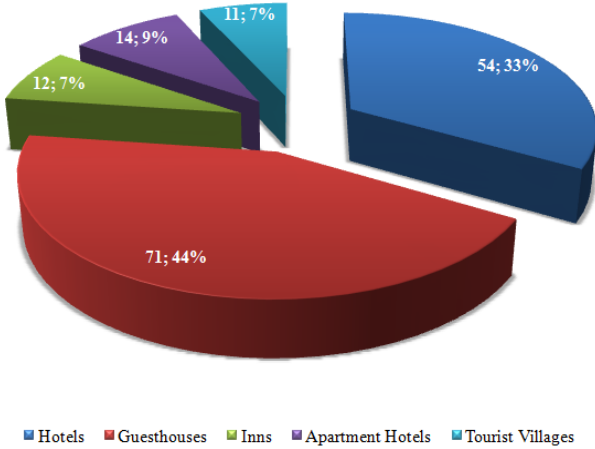


Figure 3 – 7: Hotel establishments by type in Cape Verde, 2013⁹

Source: Institute of National Statistics (INE)

3.2.3 Distributions of rooms by type of hotel establishments

Considering the number of rooms in hotel establishments, a statistic that better reflects the capacity of a certain kind of establishments to receive guests, the hotels come first in the ranking. With a total of 6,506 rooms in 2013, the hotels possess 77 per cent of the total rooms in the hotels establishments of the Cape Verde islands. The remaining establishments do not really contribute to the country in terms of total rooms to receive the guests, representing combined only 23 per cent of the total rooms in Cape Verde during 2013, which was the equivalent to 1,943 rooms.

⁹ According to INE, for hotels the number has not changed in 2014.

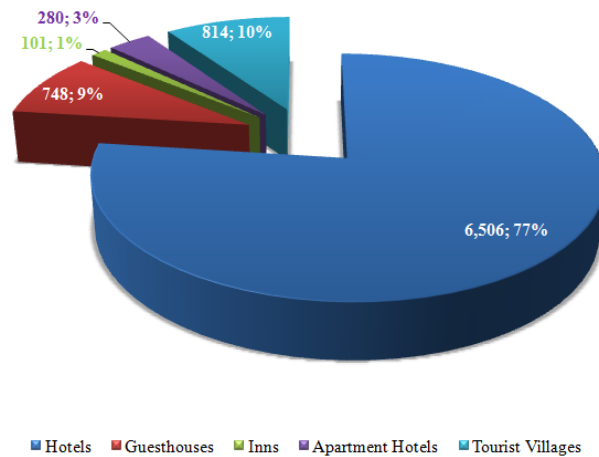


Figure 3 – 8: Total of rooms in hotel establishments in Cape Verde, 2013¹⁰

Source: Institute of National Statistics (INE)

3.2.4 Distribution of beds by type of hotel establishments

When it comes to the total beds in hotel establishments, which is the statistic that is actually utilized to calculate the accommodation capacity and the occupancy rate in hotel establishments in general, Hotels are the first in the podium. With a total of 12,046 beds, the number of beds in hotels represents 80 per cent of the total number of beds in the country’s hotel establishments in 2013. The remaining establishments, guesthouses, inns, apartment hotels and tourist villages represent only 20 per cent of the total number of beds, totalizing 3,050 beds.

¹⁰ According to INE, for hotels the number has not changed in 2014

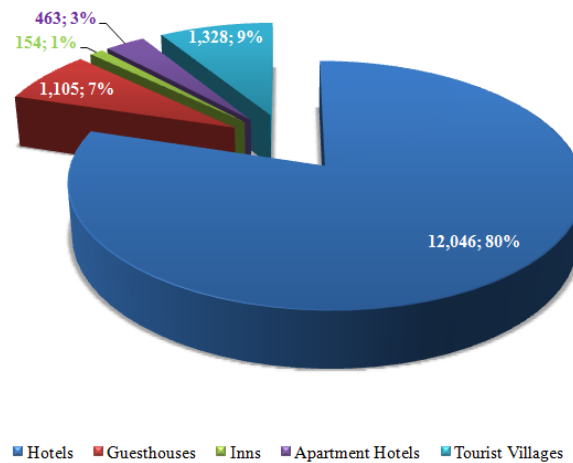


Figure 3 – 9: Total of beds in hotel establishments in Cape Verde, 2013¹¹

Source: Institute of National Statistics (INE)

3.2.5 International tourist distribution by type of hotel establishments

According to the INE, from the total of 479,318 international tourists who have visited Cape Verde during 2014, 92 per cent chose hotels as the establishments for their stay. The hotels have received a total of 438,957 international tourists in Cape Verde during 2014. The remaining types of hotel establishments are irrelevant when regarding to receive international tourists, counting together for a total of 40,361 tourists, less than 10 per cent.

¹¹ According to INE, for hotels the number has not changed in 2014

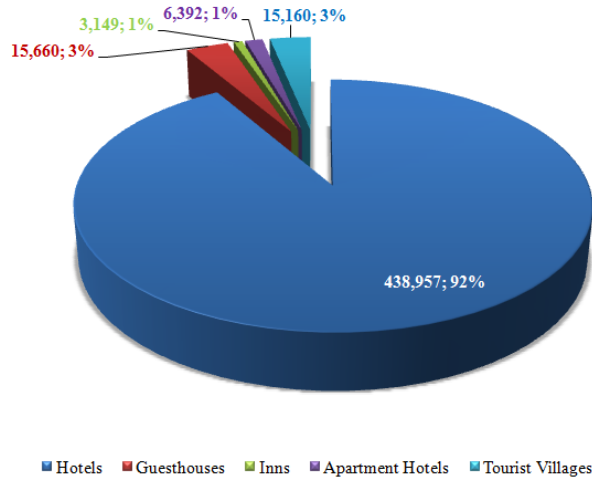


Figure 3 – 10: International tourist distribution by type of hotel establishments in Cape Verde, 2014

Source: Institute of National Statistics (INE)

3.2.6 Distribution of hotels and hotel capacity by islands

Sal and Boa Vista are the two islands in Cape Verde where the hotel industry is for real developed. Although if we consider only the number of Hotel, the Santiago islands will appear first in the ranking with 18 hotels, the real capacity of receiving guest is low in that islands. Santiago totalize only for 642 rooms and 964 beds, which represents respectively only 10 per cent and 8 per cent of the available in the country, in 2013 and 2014, respectively. On average, a hotel in Santiago has only 36 rooms, which includes them in the category of small hotels in terms of size.

Sal is the Cape Verdean Island with the largest hotel capacity. On average, a hotel in Sal Island has more than 200 rooms, and that is the reason why the 14 hotels in the island can actually contribute with a huge hotel capacity, with a total of 2,933 rooms that represents 45 per cent of the total rooms in Cape Verde.

Boa Vista is the second Cape Verdean island where the hotel industry is more developed, representing in terms of total rooms 37 per cent of the whole country, which is equivalent to the amount of 2,403 rooms. On average, Boa Vista is the island with the largest hotel in Cape Verde, being the average size of the 8 hotels in the island of 300 rooms each.

Together, Boa Vista and Sal islands represent 85 per cent of the total hotel capacity in Cape Verde, which is measured according to the number of beds, being 6,000 for Sal and 4,275 for Boa Vista in 2013 and 2014.

Table 3 – 2: Distribution of hotels, hotel rooms and beds by islands in Cape Verde, 2013 – 2014

Island	Hotel	%	Rooms	%	Beds	%
Santo Ant 3o	4	7%	148	2%	215	2%
S 3o Vicente	5	9%	276	4%	472	4%
S 3o Nicolau	-	-	-	-	-	-
Sal	14	26%	2,933	45%	6,000	50%
Boa Vista	8	15%	2,403	37%	4,275	35%
Maio	-	-	-	-	-	-
Santiago	18	33%	642	10%	964	8%
Fogo	4	7%	94	1%	110	1%
Brava ¹²	1	2%	10	0%	10	0%
Cape Verde	54	100%	6,506	100%	12,046	100%

Source: INE

3.2.7 Distribution of international tourists by islands

When analyzing the distribution of international tourists in Cape Verde, it is possible to verify that Boa Vista and Sal Island are the two islands that most receive tourists. Together, the two islands account for 388,583 international tourists arrivals, which represented 79 per cent of the total tourist in Cape Verde in 2014. Boa Vista and Sal are actually the only islands with reasonable conditions to offer international tourists that choose Cape Verde as a destination. As we have seen in the previous section, the two islands possess 85 per cent of the hotel capacity in the country. From the 493,732 international tourist arrivals in Cape Verde during 2014, it was shown that 479,318, which correspond to 97 per cent, have stayed in hotel establishments that are of touristy interest in Cape Verde islands. It was referred that those establishments are hotels, guesthouses, inns, apartment

¹² According to INE, the island of Brava has its data on analysis and are not yet fully confirmed.

hotels and tourist villages. Furthermore, it was shown that from the total international tourist that stays in those types of tourist establishments, 438,957, which correspond to 89 per cent of the total international tourists in Cape Verde, chose hotels as their establishments of stay in 2014. The tourism market of Cape Verde is therefore dominated by two islands, Boavista and Sal, and by the hotels in those islands.

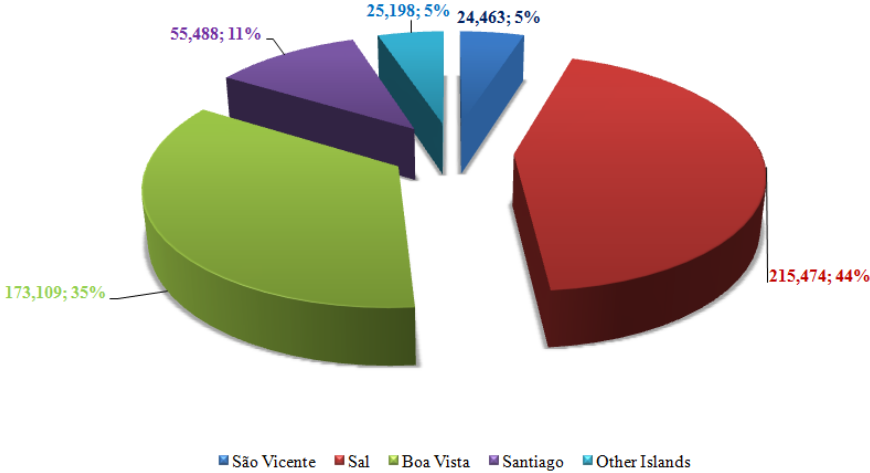


Figure 3 – 11: International tourist distribution by islands in Cape Verde, 2014

Source: Institute of National Statistics (INE)

3.2.8 The five stars resort hotels in Cape Verde

3.2.8.1 Defining resort hotels

A hotel is commonly known as an establishment that provides lodging paid on a short-term basis. Facilities provided may range from a basic bed and storage for clothing, to luxury features like en-suite bathrooms. Larger hotels may provide additional guest facilities such as a swimming pool, business center, childcare, conference facilities and social function services.

Regarding the resort hotels, they are hotels built specifically as a destination itself to create a captive trade. The defining characteristic of a resort hotel is that it exists purely to serve another attraction, with both things having the same owners. As we have stated before, in Cape Verde the resort hotels are explored using the all-inclusive model. According to Palmer (2012), an all-inclusive resort is a holiday resort that includes a minimum of three meals daily, soft drinks, most alcoholic drinks,

gratuities, and possibly other services in the price. An all-inclusive resort, in addition to all the amenities of a resort, charges a fixed price that includes most or all items offered.

In Cape Verde, a resort hotel is included in the category of hotels when is computed the statistic analysis, as for instance those made in the previous sections for all types of hotel establishments. According to INE, to be classified as hotel, a hotel establishment needs to occupy a totality of a building or part of it, be completely independent, with its facilities constituting a homogeneous whole, and have available private access to the floors for clients' exclusive usage.

3.2.8.2 The market size of the five stars resort hotels in Cape Verde

Till the end of 2014, Cape Verde was counting with a total of 8 five star resort hotels, all located in the two main tourist islands, Boa Vista and Sal. The five star resort hotels of Cape Verde are their main hotel establishments of touristry interest. This study showed before that in 2014, 79 per cent, which corresponds to 388,583 of the international tourist that visited Cape Verde stayed in Boa Vista or Sal islands. According to INE, from this total 92 per cent chose hotel to stay, which could roughly correspond to the 357,496 international tourists in hotels in the hotels of Boa Vista and Sal islands.

The eight resort hotels distributed in Boa Vista and Sal islands accounts for total of 88 per cent of the total rooms existent in those two islands, which corresponds to the amount of 4,680 rooms. Thus, most of the hotel capacity of the islands and of the country is concentrated in its huge resort hotels, which possess on average 585 rooms each. Utilizing the 88 per cent proportion of the resort hotel rooms to estimate the total population of the international tourists that stays in the resort hotels, for the period of 2013 and 2014, it can be said that on that period, around 314,597 international tourists utilized the resort hotels as the establishments for their stay.

Table 3 – 3: The five stars operating resort hotels in Cape Verde in 2013 – 2014¹³

No.	Resort Hotel	Brand/Chain	Island	Number of Rooms	Stars
1	Hotel Riu Touareg	Riu Hotels & Resorts	Boa Vista	881	5
2	Hotel Riu Karamboa	Riu Hotels & Resorts	Boa Vista	750	5
3	Hotel Riu Garopa	Riu Hotels & Resorts	Sal	500	5
4	Hotel Riu Funana	Riu Hotels & Resorts	Sal	500	5
5	MELIA Tortuga Beach	Melia Hotels	Sal	286	5
6	MELIA Dunas Beach Resort & Spa	Melia Hotels	Sal	1,150	5
7	Hotel Oasis Salinas Sea	Oasis Atlantico Hotels	Sal	337	5
8	IBEROSTAR Club Boa Vista	Iberostar Hotels & Resorts	Boa Vista	276	5
Rooms in five star resort hotels in Cape Verde (Boa Vista + Sal)				4,680	Resorts %
Sal + Boavista total hotel rooms 2013/2014				5,336	88%
Total Cape Verde hotel rooms 2013/2014				6,506	72%

Source: Institute of National Statistics (INE) and Cape Verdean five stars resort hotels websites

The classification of five stars to those resort hotels was given by their own websites, which considers the European standards of classification in the specific country where their headquarters are located. For the first four resorts of the group Riu Hotels and Resorts; for the two resorts of the

¹³ The pictures of the eight five star resort hotels in Cape Verde are available on Appendix 8.

group Melia Hotels; and Iberostar Club Boa Vista the headquarters are located in Spain. For the Hotel Oasis Salinas Sea, the patterns considered to be rated as 5 star hotel were the Portuguese ones.

3.2.9 Summary of the hotel industry in Cape Verde

The hotel industry in Cape Verde has five main types of hotel establishments. Those are the hotels, the guesthouses, the inns, the apartment hotels and the tourist villages. The predominant type of hotels establishments are the hotels, which accounted in 2014 for 6,506 rooms (77 per cent) and 12,046 (80 per cent) of the total rooms and beds in the country, respectively. Boa Vista and Sal are the two islands that concentrate the majority of the hotel capacity in Cape Verde. Together they account for 5,336 (82 per cent) and 10,275 (85 per cent) of the total rooms and beds respectively, in hotels in Cape Verde. Furthermore, it is essential to highlight again that 88 per cent of the total hotel rooms in Boa Vista and Sal islands are from the five stars resort hotels located in these islands, accounting for a total of 4,680 rooms in 2014. Considering the whole country, the number of rooms in the five stars resort hotels located in Boa Vista and Sal Islands represents 72 per cent of the 6,506 hotel rooms in Cape Verde. Therefore, the hotel industry in Cape Verde is largely dominated by huge five stars resort hotels with location in Boa Vista and Sal Islands.

Another important data that is essential to be enhanced about the hotel industry in Cape Verde is related to the way that the international tourists are distributed across the country in terms of islands and hotel establishments. This chapter has showed that international tourists spending correspond to 91.9 per cent of the total spending with travel and tourism in Cape Verde, a market that is essentially dominated by two islands, Boa Vista and Sal, and one kind of hotel, the resort hotels. Table 3 – 4 presented bellow makes a resume of the international tourists' distribution in Cape Verde.

According to Institute of National Statistics (INE) of Cape Verde, from the total international tourist arrived in the that country in 2014, 79 per cent stayed in Boa Vista and Sal Islands, which corresponds to the number of 388,583 tourists. Considering that 92 per cent of the international tourists who visited Cape Verde in 2014 chose hotel as their establishment of stay, it can be estimated that 357,496 tourists stayed in hotels in Boa Vista and Sal islands, which in its turn represents 74 per cent of the total international tourist arrivals in Cape Verde in 2014. Finally, considering that 88 per cent of the hotels in Boa Vista and Sal islands are five stars resort hotels, it can be estimated that 314,597 tourists stay is five star resort hotels in Cape Verde in the year of

2014. On its turn, the 314,597 tourists of the five star resort hotels in Cape Verde represented 64 per cent of the total international tourist arrivals in the country in the year of 2014. When thinking that the tourism exploitation in the five stars resort hotels of Cape Verde follows the all-inclusive model, it can be roughly said that these hotel establishments concentrates far more than the half of the tourism activity in that country.

Table 3 – 4: International tourist distribution in Cape Verde, 2014 – Resume

International tourist arrivals in Cape Verde	493,732	100%
International tourists that stays in Boa Vista and Sal islands	388,583	79%
International tourists that stays in Hotels in Boa Vista and Sal islands ¹⁴	357,496	72%
International tourists that stays in the resort hotels of Boa vista and Sal islands ¹⁵	314,597	64%

Source: World Travel and Tourism Council (WTTC) and Institute of National Statistics (INE)

¹⁴ In the section 1.2.5, entitled “International tourist distribution by type of hotel establishments in Cape Verde” it was calculated that 92 per cent of the international tourists chose hotels as their establishments of stay in Cape Verde in 2014. This percentage was utilized to obtain the presented value multiplying it for the number of the international tourists that stays in Boa Vista and Sal islands.

¹⁵ In the section 1.2.8.2, entitled “The market size of the 5 star resort hotels in Cape Verde” it was calculated that the Resort Hotels represented 88 per cent of the total rooms in hotels in Boa vista and Sal islands in 2014. This percentage was utilized to obtain the presented value by multiplying it for the number of international tourists that stays in Hotels in Boa Vista and Sal islands.

CHAPTER 4

THEORETICAL MODEL AND RESEARCH DESIGN

4.1 The adopted model for the service quality analysis

An adapted model consisting of the SERVQUAL¹⁶ instrument, the Lodging Quality Index (LQI)¹⁷ scale of items and the service attributes existing exclusively in the five stars resort hotels of Cape Verde resides in the origin and basis of the theory and the questionnaire construct of this research. An initial scale of 47 items in the body of a questionnaire divided in three main parts was the result of this model approach. The first part of the questionnaire was designed to track the respondents profile, the second part to assess the scale of 47 attributes of service quality, and the third part to question about the overall service quality performance in the five stars resort hotels in Cape Verde.

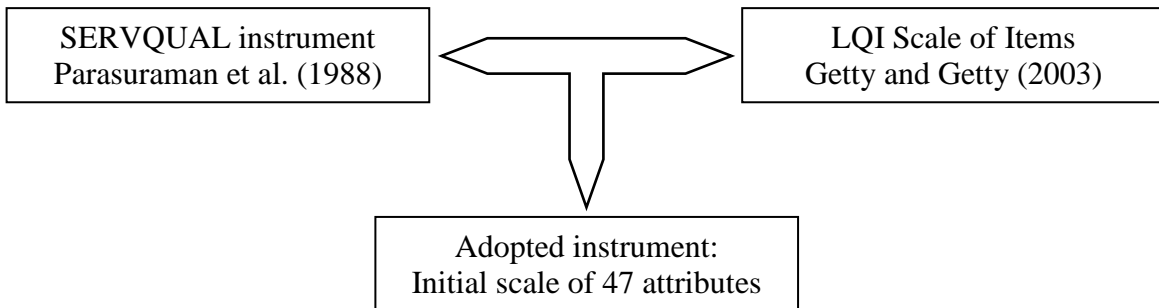


Figure 4 – 1: Adopted model: initial scale of 47 items¹⁸

The 47 scale of items adopted in the initial stage were analyzed using a seven-point Likert scale with two extreme points indicating “strongly disagree” and “strongly agree”. As implemented in the SERVPERF instrument, the measurement of service quality in this study was based only on the rate

¹⁶ Available on Appendix 2

¹⁷ Available on Appendix 5

¹⁸ Available on Appendix 6

of the service performance. This technique differs the SERVPERF from the SERVQUAL instrument, which has initially proposed the service performance as a result of the difference between expectations and perceptions.

4.2 The execution process of the service quality analysis

4.2.1 The research sample

A total of 565 online questionnaires elaborated using Typeform¹⁹ were sent to the TripAdvisor²⁰ online customer reviewers of the eight five star resort hotels in Cape Verde, located in Boa Vista and Sal islands. From the total questionnaires sent, a total of 212 were returned, corresponding to a response rate of 37.5 per cent. The response rate was superior to the 18.5 per cent obtained by Getty and Getty (2003) when calculating the Lodging Quality Index (LQI) with a sample size accounting for 222 respondents. Schaefer, Illum and Margavio (1995) have also obtained a lower response rate, 22 per cent for a sample size of 201 respondents. From the 212 questionnaires returned in this study, 12 were invalidated due to the fact that they were incorrectly answered according to the author face validity criteria. Therefore, the total size of the sample utilized in this study accounted with 200 respondents. The sample size was accepted due to the fact that other service quality scale developers have utilized equal or similar sample sizes, and found them reliable (e.g., Parasuraman et al., 1988; Getty and Getty, 2003; Akbaba, 2006; Mbuthia et al., 2013).

Regarding the use of online travel websites and communities to track respondents for a questionnaire aiming to assess service quality in hotel industry, examples of other authors can be cited. With a study entitled “Refreshing hotel satisfaction studies by reconfiguring customer review data”, Zhou, Ye, Pearce and Wu (2013) have selected reviewers of hotels located in Hangzhou – China through the Agoda website, one of the fastest-growing online hotel platforms worldwide. Along the study it was presented a framework with twenty three attributes influencing clients’ satisfaction. Chaves, Gomes and Pedron (2011) made a study on small and medium size hotels in

¹⁹ Typeform is a cloud based service that allows you to build & design beautiful device-agnostic forms, called "typeforms". The service can be accessed through the following website: <http://www.typeform.com/>

²⁰ TripAdvisor is the world largest travel site and the world largest travel community. The company website can be accessed through the following website: <http://www.tripadvisor.com/>

Portugal to identify the main attributes of services prioritized by clients and that should be considered by managers with major attention. Chaves et al. (2011) investigated online reviewers and they found that rooms, staff and location were the concepts most frequently appeared in the reviews, with cleanliness, friendliness, helpfulness, and centrality of position the terms most frequently utilized to qualify the concepts. Ye, Law and Gu (2008) made a study on the impact of online review user review on hotel room sales utilizing data collected from the largest travel website in China, which is Ctrip.com International Ltd. Their results indicate a significant relationship between online consumer reviews and business performance of hotels.

The questionnaire remained open online and available to receive new answers from March 16, 2015 to April 24, 2015. The online link that was sent by message to the online resort customers and reviewers was “<https://caboverdehotels.typeform.com/to/BFZZSK>”. To track the contact of each selected customer the author opened a free account on TripAdvisor and used the platform to select only customers who visited the resort from the beginning of 2014 until the questionnaire closure date. This selection was possible because on TripAdvisor it is possible to check when the reviews were made. The contact of each customer was made through the TripAdvisor message service, which allows members with an open account on TripAdvisor to contact each other for queries regarding their trip and hotels. The questionnaire link was sent only to international tourist customers of the five star resort hotels in Cape Verde islands, which represent the population utilized in this study.

According to the Typeform platform Internet Protocol (IP) tracking system, the average time to complete the questionnaire was 7 minutes, and the most utilized device answer the questionnaire was the smart phones, accounting for 54 per cent of the total respondents. Following the smart phones, the personal computers and laptops accounted together for 34 per cent of the answers, the tablets for 6 per cent, and the other not identified devices for 6 per cent. Furthermore, considering the calculated population (N)²¹ of 314,597 in the five star resort hotels of Cape Verde in the year of 2014, plus assuming a confidence level of 95 per cent (z -score of 1.96 and p of 0.95) and considering that the sample size utilized is of 200 respondents, it was calculated a margin error (e) of 7 per cent for the sample using the formula below:

²¹ The population of the five star resort hotels was calculated in the section 1.2.8.2 and again demonstrated in the section 1.2.9.

$$Sample\ Size = \frac{\frac{z^2 \times p(1-p)}{e^2}}{1 + \left(\frac{z^2 \times p(1-p)}{e^2 N}\right)}$$

Formula 4 – 1: Sample size

Source: SurveyMonkey²²

4.2.2 The formulation of the research questions

Through a rigorous analysis of the past service quality models and multiple items-scale analyzed in the previous chapter of this study, and through a website data collection on the main services offered to customers in the eight Cape Verdean five star resort hotels, an initial scale of 47 items²³ was generated by the author of the study. The statements representing the initial 47 items-scale were partially grounded in the Parasuraman et al. (1988) SERVQUAL instrument and the Getty and Getty (2003) Lodging Quality Index (LQI). Because it is necessary to adapt every service quality analysis to the particular subject in question, the foundation for the elaboration of the remaining statements was grounded in the author analysis of the eight Cape Verdean five star resort hotels facilities structure and on the selection of the typical offered service to their customers in the resort establishment. The 47 statements were analyzed in a seven-point Likert scale with two extreme sentences, “strongly disagree” and “strongly agree”, viewing the guidance of the respondents to their final judgments. The seven-point Likert scale utilized in this study was superior to the five-point Likert scale utilized by Akbaba (2006) and the same with the one utilized in the SERVQUAL instrument, Parasuraman et al. (1988).

Apart of the 47 items accessed with the objective of identify the dimensions of service quality which are more relevant in the five star resort hotels in Cape Verde, another group of three questions were addressed to the customers of these resort hotels with the objective to assess the overall quality (O-

²² The calculation was executed using the online calculator of SurveyMonkey website, which also provided the formula utilized. SurveyMonkey is an online survey development cloud based and software as a service company. Access available on: <https://www.surveymonkey.com/>

²³ Available in Appendix 6.

QUAL) provided in those establishments. The three questions addressed with the aim to measure the O-QUAL were the following ones:

1. Did you experience any problem during your stay?
2. If yes, was it handled satisfactorily?
3. Would you recommend this resort hotel to a friend?

The answers to those questions were analyzed according to the same methodological system applied by Parasuraman et al. (1988) and Getty and Getty (2003) when the former aimed to weight the average SERVQUAL and the last to measure SATISFY for the Lodging Quality Index (LQI). Table 4 – 1 showed below introduce the methodological system of the overall quality (O-QUAL) analyzed assessed through this study:

Table 4 – 1: Overall quality (O-QUAL) measurement method

Experienced a problem?	Problem solved?	Recommend property?	Score	O-QUAL
No	-	Yes	6	High
Yes	Yes	Yes	5	High
Yes	No	Yes	4	Moderate
No	-	No	3	Moderate
Yes	Yes	No	2	Low
Yes	No	No	1	Low

Source: Getty and Getty (2003), Lodging quality index (LQI)

According to Getty and Getty (2003), the overall quality or level of satisfaction of a client is higher when no problem occurs. Table 4 – 1 show that regarding companies of the hotel industry, the highest level of quality is achieved if at the same time, no problem occurred with a client stay and the client is willing to recommend the property to someone else, passing a positive word-of-mouth to the establishments where he or she stayed. On the other hand, if the client experience problems and is not willing to recommend the property to someone else, the overall quality score is the lowest

one, expressing dissatisfaction with his stay in the property. The remaining relationships resulting in a score to the overall quality can be analyzed according to the Table 4 – 1.

4.2.3 The elaboration of the research data analysis

To analyze the research results descriptive and applied statistics methods were utilized. The profile of the respondents in the sample was analyzed through descriptive statistics. Questions relating the gender, age, country of origin, etc. were analyzed through tables and three dimensional charts elaborated with Microsoft Office Excel 2007. To identify and select the attributes, and finally to create the dimensions of service quality in the five star resort hotels of Cape Verde applied statistics methods were utilized. Passing through a content validity analysis whose criteria was determined by the author, factor and reliability analysis were performed to explore the scale of attributes of the questionnaire. The Statistical Package for Social Science (SPSS) version 20 was used to perform these analyses. Principal component analysis (PCA) and Varimax rotation method was utilized in the factor analysis. The factor analysis has indicated the attributes and dimensions that best measures the proposed objective. The reliability of the scale was given through the Cronbach's alpha coefficient that indicates the stability and consistency with which the attributes and dimensions found measures the service quality in the five star resort hotels of Cape Verde. Finally, to conclude the study further descriptive statistics analysis were applied to conduct brief comments on the status of service quality in the Cape Verdean resorts.

CHAPTER 5

DATA ANALYSIS AND FINDINGS

5.1 Sample profile

The first part of the administrated questionnaire contained questions regarding the socio-demographic data about the respondents, and extra details about their trip to the Cape Verde Islands. Descriptive statistical methods were utilized to analyze the general characteristics of these respondents. Table 5 – 1 displays that from the total of 200 respondents, a total of 110, corresponding to 55 per cent of the sample were females. Males represented totalized 90 respondents, which represented 45 per cent of the total sample size.

Table 5 – 1: Gender

Country	Frequency	Percentage of Total (%)
Female	110	55%
Male	90	45%
Total	200	100%

Source: Questionnaire

Regarding the age group of the respondents, the sample shows in Figure 5 – 1 that 32 per cent of the total visitors of the five star resort hotels in Cape Verde are between 30 to 39 years old, followed with 22 per cent of the respondents who declare to be between 20 to 29 years old. Together, those who declare to be between 50 to 59 years old or more than 60 years old accounted for 21 per cent of the visitors. The group who states to be younger than 19 years old is less significant, with a participation in the sample of only 2 per cent.

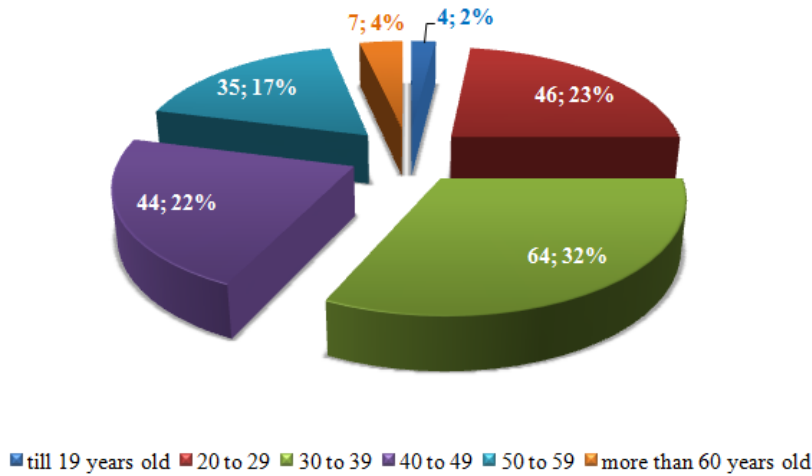


Figure 5 – 1: Age group

Source: Questionnaire

As it could be expected after the analysis on the travel and tourism market of Cape Verde made in the first chapter of this study, Europeans predominate the ranking of visitors of the five star resort hotels in Cape Verde according to the sample in study. United Kingdom²⁴ accounted for 29 per cent of the total respondents, followed by Portugal with 20 per cent, Netherlands 12 per cent and Germany 10 per cent. The remaining countries with less than 10 per cent of the respondents are listed in the Table 5 – 2 showed below.

Table 5 – 2: Country of origin

Country	Frequency	Percentage of Total (%)
United Kingdom	58	29%
Portugal	39	20%
Netherlands	24	12%
Sweden	19	10%
Germany	13	7%
Denmark	9	5%

²⁴ United Kingdom of Great Britain and Northern Ireland.

Belgium	6	3%
Italy	6	3%
Czech Republic	5	3%
Others*	21	11%
Total	200	100%

*Finland, France, Luxembourg, Slovakia, Brazil, Norway and Spain

Source: Questionnaire

Regarding the island chosen to stay by the international tourists the situation is balanced. Table 5 – 3 showed below that a total of 94 respondents, which correspond to 47 per cent, said that they stayed in a five star resort hotel located in Boa Vista Island. The remaining 106 respondents, 53 per cent of the sample, stayed in Sal Island.

Table 5 – 3: Island of stay in Cape Verde

Resort Hotel (Island)	Frequency	Percentage of Total (%)
Boa Vista	94	47%
Sal	106	53%
Total	200	100%

Source: Questionnaire

Regarding the specific resort hotel of staying Hotel RIU Karamboa accounted for the most of the guests' respondents in this study, 21 per cent of the total. In sequence, IBEROSTAR Club Boa Vista represented 16 per cent, MELIA Tortuga Beach 14 per cent, RIU Garopa 13 per cent, RIU Funana 12 per cent, RIU Touareg 11 per cent, OASIS Salinas Sea 8 per cent, and MELIA Dunas Beach Resort and Spa 7 per cent.

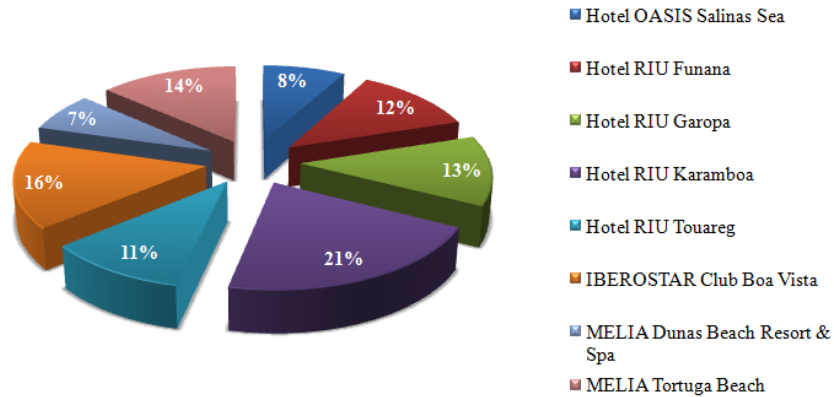


Figure 5 – 2: Five star resort hotel of stay

Source: Questionnaire

When the respondents were asked the question “how did you learn about the existence of the Resort Hotel”, 107 respondents, which correspond to 53 per cent of the sample, answered “Browsing on internet”. The second way, through which the respondents learned about the resort hotels correspond for 25 per cent of the sample, and it was the fact that the respondents already knew the brand of the hotel and contacted the companies directly through their portals. Further reason was the word-of-mouth communication, with suggestion of friends or someone else accounting for 39 respondents, which is 20 per cent of the sample. Non identified reasons accounted for 2 per cent of the sample.

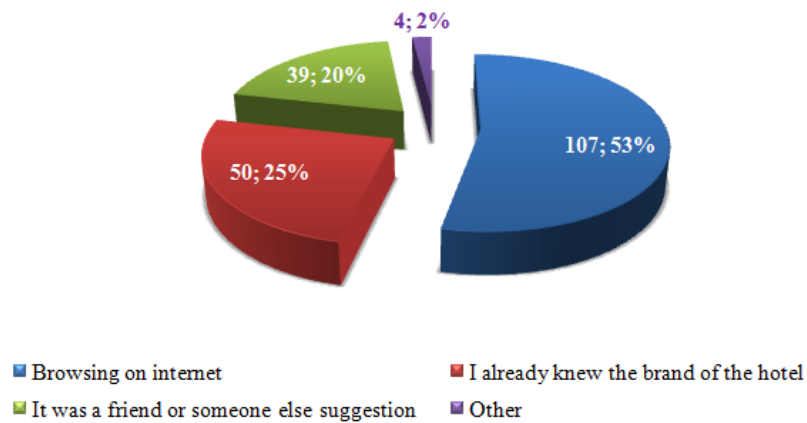


Figure 5 – 3: Source of knowledge

Source: Questionnaire

After being asked why they chose the resort hotel, location and reputation of the resort were the main reasons. A total of 86 respondents, accounting for 43 per cent of the sample, said that location was the main reason. Reputation was indicated by 71 respondents, 36 per cent of the sample. Price corresponded for only 14 per cent of the respondents. Actually, the remaining reasons did not strongly affect the respondents' choice for a resort hotel. They correspond to only 7 per cent of the sample.

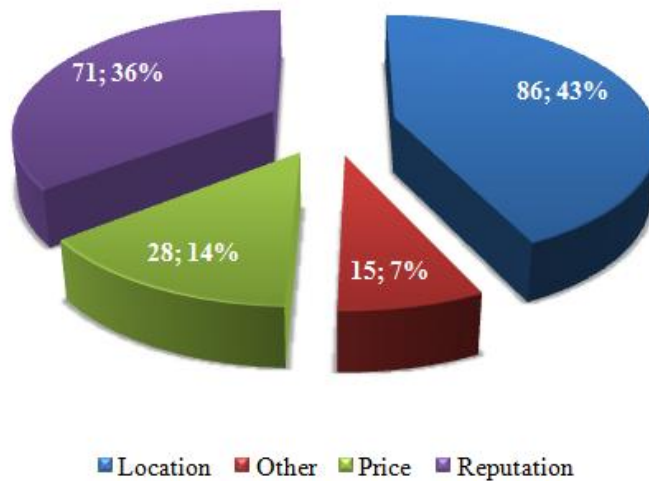


Figure 5 – 4: Reason of choice

Source: Questionnaire

Considering the way the customers have booked their rooms or residence in the five star resort hotels of Cape Verde, 81 per cent of the sample, represented by a total of 162 respondents, said that it was through a travel agency or tour operator. The most cited travel agency by the sample respondents was the Thomson²⁵. After travel agency, travel websites and communities like TripAdvisor and Booking were the most utilized by the customers who have chosen a five star resort hotel in Cape Verde as destination, accounting for 16 per cent of the respondents. The remaining other ways to make contact were less important and accounted for only 3 per cent of the sample.

²⁵ Thomson Holidays is a UK-based travel operator and subsidiary of TUI Group. Thomson website can be accessed on: <http://www.thomson.co.uk/>

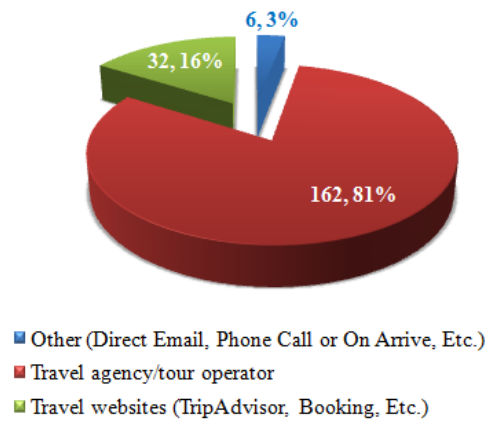


Figure 5 – 5: Booking method

Source: Questionnaire

Concerning the kind of room or residence where the international tourists customers stay when they go to a five star resort hotel in Cape Verde, the double room appears in the top of the list, accounting for a total of 117 respondents, which is the equivalent to 58 per cent of the sample size. A Suite or Family residence are the second option for the customers, together they equally share 40 per cent of the sample size. Villa is the last in the ranking accounting only for 2 per cent of the respondents.

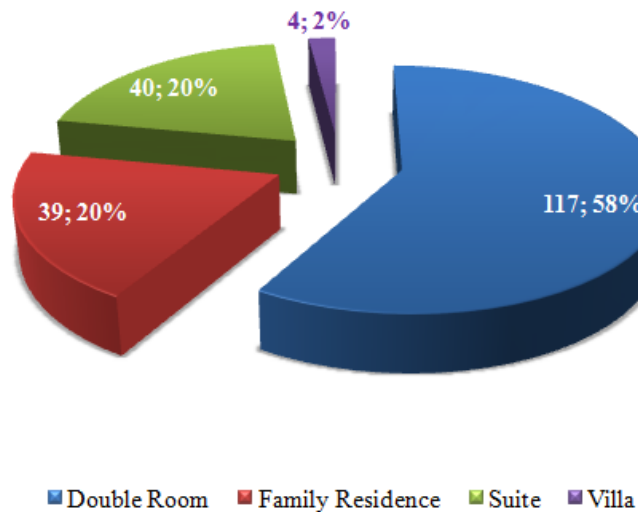


Figure 5 – 6: Room/Residence type

Source: Questionnaire

With reference to the type of traveler that use to stay in a five star resort hotel in Cape Verde, the sample shows that most of them are couples or families. Couples accounted for 102 respondents, 52 per cent of the visitors. Family accounted for 33 per cent of the total customers in the five star resorts in Cape Verde. In the third place it is found the category Friends, accounting for 10 per cent of the guests in the resorts. The remaining categories are less significant, accounting together for only five per cent of the international tourists who frequented the five star resort hotels in Cape Verde.

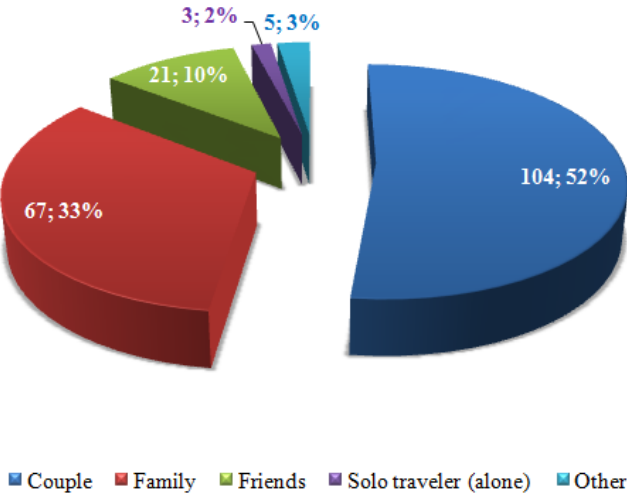


Figure 5 – 7: Type of traveler

Source: Questionnaire

In relation to the period of stay, most of the respondents said that in their visit to a five resort hotel in Cape Verde, the average time spent in the place is between 5 to 8 days, data that corresponds to 115 respondents, 58 per cent of the sample size. Respondents who answered that they stay between 9 or 12 days or even more than 12 days corresponded together for 37 per cent of the five star resort hotel customers. A minority, representing only 5 per cent of the respondents, said that they stayed less than 4 days in a five star resort hotel in Cape Verde.

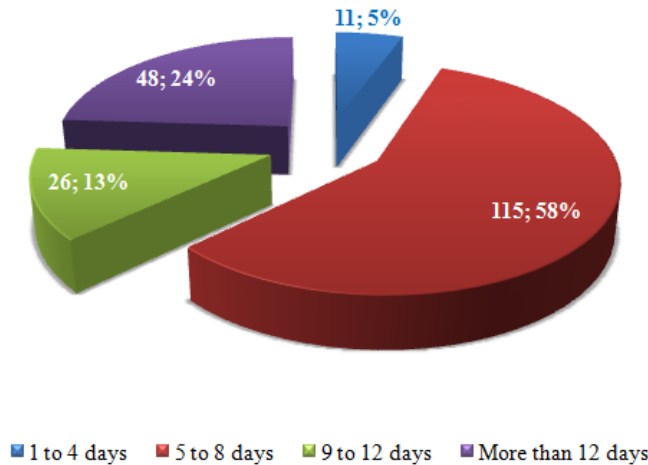


Figure 5 – 8: Period of stay

Source: Questionnaire

5.2 The analysis of the attributes and dimensions of service quality

5.2.1 Content validity analysis

In the earlier stage of filtering the attributes relevant to the service quality performance of the five stars resort hotels in Cape Verde, it was executed an arbitrary selection of the responses using descriptive statistics with criterion defined by the author. From the 47 attributes' statements of the initial scale of items in the implemented and assessed questionnaire, the author have eliminated all items which answers have not reached at least 90 per cent of the responses, or having more than 10 per cent of missing response values. This selective process appears in Getty and Getty (2003) when they calculated the Lodging Quality Index (LQI). They have referred to it as face validity criterion. Face validity is when a judge read the instrument and subjectively evaluates the degree to which each items of the instrument reflects the quality of the construct. With the adoption of this method, it was considered, to who constituted sample of the study, only attributes that were truly relevant to the visitors of the five stars resort hotels in Cape Verde. The Appendix 6 of this study shows this first stage of the scale reduction process in details. In the end of the content validity analysis and using face validity selective process the scale of attributes was reduced to a total of 29 items.

5.2.2 Factor and reliability analysis

After the first stage of scale reduction, in which was utilized a simple face validity method, further and more sophisticated statistics analysis were executed with the objective to reduce the remaining 29 service attributes of the five stars resort hotels in Cape Verde to a narrower range of attributes that could constitute a more meaningful, understandable, and feasible set of factors. The final results of these analyses are shown in the Table 5 – 5.

As it was previously done in the past studies, whose aim was to identify relevant attributes and dimensions of service quality, a factor analysis was performed (e.g., Parasuraman et al., 1988; Akbaba, 2006; Kim and Perdue, 2013). According to Hair, Black, Babin, and Anderson (2010), when the research’s objective is to identify appropriate variables for subsequent analysis, a factor analysis provides the empirical basis for creating the composite measures.

To determine if the data were appropriate for the factor analysis, the Kaiser-Meyer-Olkin (KMO) test of sampling adequacy and the Bartlett test of sphericity were conducted in the matrix of the sample’s answers. Table 5 – 4 shows that the results for KMO and Bartlett’s test were both successful. For KMO test Hutcheson and Sofroniou (1999) recommends a bare minimum of 0.5 and states that values above 0.9 are superb. In our study the KMO was 0.955, which shows that there id great correlation between the variables selected for the analysis. The Bartlett’s measure tests the null hypothesis that the original correlation matrix is an identity matrix (Hutcheson and Sofroniou, 1999). Bartlett’s test is highly significant (Sig. $p < 0.001$), showing that there is a correlation between the variables and that it can be rejected the null hypothesis that the original correlation matrix is an identity matrix. Results of the KMO and Bartlett’s test allowed the continuity of the factor analysis.

Table 5 – 4: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.955
Bartlett's Test of Sphericity	Approx. Chi-Square	5463.253
	df	276
	Sig.	0.000

Principal component analysis (PCA) and Varimax rotation method were utilized in the factor analysis. This method was also adopted by Akbaba (2006) when measuring service quality in hotels. The first part of the factor extraction process was to determine the linear components, or the linear dimensions of service quality within the data set. This is enabled by calculating the Eigen values of the matrix of items, which are the statements defining the attributes of the service quality in the five stars resort hotels of Cape Verde. Because there are as many dimensions in the matrix as there are attributes, it was necessary in this study to select only the most important dimensions by looking to their Eigen value. In the previous studies of service quality that applied this same method of analysis, only dimensions with Eigen value equal or greater than 1 were kept (e.g., Parasuraman et al., 1988; Akbaba, 2006; Kim and Perdue, 2013). This study adopted the same criterion of retaining dimensions with Eigen values greater than 1. This process led the author to the identification of three most relevant dimensions of service quality in the five stars resort hotels of Cape Verde:

1. Staff competence
2. Food and entertainment
3. Physical facilities

The Eigen values associated with each dimension represents the variance explained by that particular dimension in the overall scale. In this study it was also calculated the Eigen value in terms of the percentage of variance explained. The results on the Table 5 – 5 of the Eigen values and variances are rotated sums of their respective squared loadings. The rotation has the effect of optimizing the factors' structure, and a consequence of this is that the relative importance of the each one of the three factors identified in this study is equalized. In the Table 5 – 5 the column of variance displays the percentages of variance explained. According to Fornell and Larcker (1981) the variance extracted should be employed as a measure of the construct validity. The higher the variance obtained, the more valid is the measure. The sum of the three dimensions' variance totalizes 78.7 per cent, which is in line with the other studies on the service quality in the hotel field. For example, with a study on the service quality analysis in the hospitality industry using the SERVQUAL model, Saleh and Ryan (1992) found a variance of 78.6 per cent. Mei et al. (1999) with a study in the hotel sector in Australia reported a 67.7 per cent variance. Ekinci et al. (2003) reported 73.7 per cent of variance using the SERVQUAL instrument in their analysis on hotels.

From the rotated component matrix, only attributes with factor loading greater than 0.4 were kept and considered significant to be included in the analysis. This adopted criterion follows the Stevens' (2002) suggestion that the cut-off point of factor loadings inferior to 0.4 is appropriate for interpretative purposes. Akbaba (2006) have also considered only factor loadings equal or superior to 0.4, on his study of service quality in a business hotel in Turkey. The last step of the scale reduction and dimensions finding process was the carrying of reliability analysis. Reliability of a scale indicates the stability and consistency with which the applied instrument measures the concept and helps to assess the goodness of the measure (Sekaran, 2000). The results of the reliability analysis performed in each dimension of service quality were given through the calculation of the Cronbach's alpha. Cronbach's alpha is a measure of internal consistency, that is, how closely related a set of items are as a group. It is considered to be a measure of scale reliability. The recommended significant level of the Cronbach's alpha is 0.70 (Sekaran, 2000). Akbaba (2006) have considered this level in its study on the service quality within a hotel. The Cronbach's alpha obtained for the three dimensions of the service quality in the five star resort hotels of Cape Verde were very high and satisfactory, being all of them above 0.90, which means great internal consistency between the attributes within each of the three dimensions found.

The final scale showed in the Table 5 – 5 has a total of 24 attributes and three dimensions. After the factor analysis and the reliability analysis, five attributes were excluded from the 29 scale of items that was utilized to start the analyses. The criteria utilized for the elimination of the five attributes were: the exclusion of items with factor loadings inferior to 0.4; and the exclusion of items whose elimination improved the Cronbach's alpha within the attributes' dimension. For the final scale of 24 attributes the overall Cronbach's alpha was 0.979, and for the three components it ranged from 0.934 to 0.978. No further items deletion would have improved the final scale obtained and presented in the Table 5 – 5. The Appendix 6 of this study displays the eliminated items through factor and reliability analyses.

Table 5 – 5: Results of the factor analysis (PCA) and reliability tests

Dimensions and Attributes (Components and Items)	Factor Loading	Eigen Value	Variance (%)	Cronbach's α
Staff Competence		7.520	31.335	0.978
Employees were always willing to help	0.858			
Employees responded quickly to solve my problems	0.852			
Employees treated me with respect	0.830			
Employees were polite when answering my questions	0.824			
Employees responded promptly to my requests	0.813			
Employees were friendly	0.788			
The employees understand my specific needs	0.725			
The hotel staff has my best interests at heart	0.670			
Hotel staff services has convenient hours of operation	0.608			
Food and Entertainment		5.867	24.445	0.950
The restaurants' atmosphere was inviting	0.829			
The food and beverage menu was plenty of choice as promised or expected	0.801			
The breakfast service was handled efficiently	0.785			
The lunch and dinner service was handled efficiently	0.777			
The bars' atmosphere was inviting	0.706			

The hotel kept me entertained during all my stay	0.579			
Live music and shows were well performed	0.514			
Physical Facilities		5.501	22.923	0.934
The furniture in my room (bed, wardrobe, table, chair, etc.) were new and suitable to be used	0.797			
The electronic appliances in my room (A/C, lights, fridge, TV, phone, etc.) were new and adequate to be used	0.752			
The hotel was clean	0.662			
The sun loungers and parasols were in good conditions	0.645			
The hotel was bright and well lighted	0.634			
The bathrooms were clean and well furnished	0.620			
The lobby was visually appealing	0.594			
The swimming pools were visually appealing	0.501			

5.2.3 Summary on the analysis of attributes and dimensions of service quality

After the two step process of scale reduction, a total of twenty four attributes and three dimensions of service quality were found as the most relevant to analyze service performance in the five stars resort hotels of Cape Verde. These dimensions are “staff competence”, food and entertainment”, and “physical facilities”. The attributes associate to each dimension is listed in the Table 5 – 5 accompanied by their respective factor loadings. According to the factor analysis, the “staff competence” dimension is the most important affecting the service quality in the five star resort hotels of Cape Verde, with variance of 31.3 per cent of the total 78.7 per cent that all dimensions putted together exert on the overall scale of service quality. The dimension of “staff competence” accounts for a total of nine of the total twenty for attributes in the scale of items. The second most

important dimension that must be taken into consideration when speaking about service quality in the five stars resort hotels of Cape Verde is “food and entertainment”, which accounts for 24.4 per cent of the total variance and seven attributes in the scale. The “physical facilities” is the third dimension more important for assessing service quality in five stars resort hotels of Cape Verde. With eight items in the list, this last dimension explains 22.9 per cent of the total scale’s variance.

The findings of the analyses made in this study confirms once more that any service quality model needs an adapted instrument of measurement that goes in accordance with the context that is being observed. Although SERVQUAL instrument with its identified attributes and dimensions claims to be able to measure service quality in every sort of service, the reality and the criticism to the theory shows that this is not the always the best option. According to Buttle (2006), when SERVQUAL has been employed in modified forms in different service types, researchers identified a varying number of attributes and dimensions that goes in accordance with the sort of service under investigation. This study have utilized an adapted model of the Parasuraman et al. (1988) SERVQUAL instrument and the scale of items utilized to calculate the Lodging Quality Index (LQI) by Getty and Getty (2003). Although the LQI scale items was created for the whole lodging industry, as many of others scales before it (e.g., LODGSERV; HOLSERV), this study shows that even within the same industry dimensions and attributes may vary in number and contents when measuring service quality.

Regarding the hotel industry studies have proved that there are different quality dimensions for different kind of hotels that serve different target markets (e.g., Akan, 1995; Mei et al., 1999; Ekinici, 2003; Akbaba, 2006). This is due to the fact that customers have different purposes when choosing different kind of hotels. This study have reported that, for the all-inclusive five stars resorts in Cape Verde, there are, in order of importance, three dimensions of service quality that matters: staff competence, food and entertainment, and physical facilities. For the results of this study when international tourists opts for a five star resort hotel in Cape Verde islands, he is basically expecting to: be well treated by its host, represented by the staff competence dimension; enjoy good food and have fun, represented by food and entertainment dimension; and have good physical facilities supporting his stay, represented by physical facilities dimension. Therefore, according to this study, the focus of the resort hotel managers in those dimensions is essential for the improvement of service quality their hotel establishments.

5.3 Final comments and suggestions on the service quality performance in the five stars resort hotels of Cape Verde

The previous chapter of this study have identified and reported the level of importance of the attributes and dimensions of service quality that are relevant in the five stars resort hotels of Cape Verde. This brief section aims to make a short descriptive analysis on the performance of these attributes and dimensions according to the responses obtained from the applied questionnaire. The Tables 5 – 6, 7 and 8 makes the short resume of these overall results for each dimension of service quality. Furthermore, the Figures 5 – 9, 10 and 11 answers the questions that measure the overall quality (O-QUAL), according to the method exposed previously in chapter 4, Table 4 – 1.

According with the questionnaire results, the dimension of “staff competence” has the better performance, with a mean of 6.19 within a seven-point Likert scale. The attribute “Employees were friendly” received the best average score, and presented as well great consistency of the answers revealed by the 1.22 of standard deviation. To keep the excellence of the staff competence performance more attention should be paid by managers to the attribute of “Hotel staff has convenient hours of operation”, which obtained the lowest mark of the category, 5.95.

Table 5 – 6: Staff competence assessment

Attributes and Dimensions	Mean	Std. Dev	Max	Min
Staff Competence	6.19	1.32	7	1
Employees were always willing to help	6.30	1.27	7	1
Employees responded quickly to solve my problems	6.15	1.43	7	1
Employees treated me with respect	6.44	1.16	7	1
Employees were polite when answering my questions	6.31	1.32	7	1
Employees responded promptly to my requests	6.10	1.42	7	1
Employees were friendly	6.40	1.22	7	1
The employees understand my specific needs	6.01	1.32	7	1
The hotel staff has my best interests at heart	5.98	1.37	7	1
Hotel staff services has convenient hours of operation	5.95	1.26	7	1
Global Scale	6.05	1.32	7.00	1.00

Source: Questionnaire

The dimension of “Food and entertainment” is the one showing the lowest mark considering all the three dimensions of service quality affecting the service performance in the five stars resort hotels of Cape Verde. Only two attributes, “The breakfast service was handled efficiently” and “The lunch and dinner service was handled efficiently” were assessed with marks above the average of the global scale, which was 6.05. A crucial item in which the hotel managers should pay more attention is “Live music and shows were well performed”. This because not only it reports the lowest mark in the overall scale but it shows as well inconsistency with a standard deviation of 1.51, one of the highest in this scale of items.

Table 5 – 7: Food and entertainment assessment

Attributes and Dimensions	Mean	Std. Dev	Max	Min
Food and Entertainment	5.88	1.39	7	1
The restaurants’ atmosphere was inviting	5.79	1.32	7	1
The food and beverage menu was plenty of choice as promised or expected	5.85	1.40	7	1
The breakfast service was handled efficiently	6.13	1.30	7	1
The lunch and dinner service was handled efficiently	6.08	1.32	7	1
The bars’ atmosphere was inviting	5.77	1.33	7	1
The hotel kept me entertained during all my stay	5.84	1.53	7	1
Live music and shows were well performed	5.74	1.51	7	1
Global Scale	6.05	1.32	7.00	1.00

Source: Questionnaire

The last dimension in analysis is the “Physical facilities”. Physical facilities has received an average score of the respondents of 6.05 and the most stable standard deviation that was 1.25, this last showing the better consistency in the answers between the dimensions. The cleanliness of the hotel, represented by the item “The hotel was clean” has received the highest mark within the dimension, which was 6.30. Two attributes have performed below 6.0 in the dimension of physical facilities. These items are related to the “room furniture” and “room electronic equipments”. On these two attributes more attention should be dedicate by the hotel managers viewing their improvement as gains for the overall service quality performance.

Table 5 – 8: Physical facilities assessment

Attributes and Dimensions	Mean	Std. Dev	Max	Min
Physical Facilities	6.05	1.25	7	1
The furniture in my room (bed, wardrobe, table, chair, etc.) were new and suitable to be used	5.96	1.31	7	1
The electronic appliances in my room (A/C, lights, fridge, TV, phone, etc.) were new and adequate to be used	5.76	1.38	7	1
The hotel was clean	6.30	1.19	7	1
The sun loungers and parasols were in good conditions	6.02	1.22	7	1
The hotel was bright and well lighted	6.10	1.18	7	1
The bathrooms were clean and well furnished	6.14	1.28	7	1
The lobby was visually appealing	6.04	1.13	7	2
The swimming pools were visually appealing	6.12	1.25	7	1
Global Scale	6.05	1.32	7	1

Source: Questionnaire

Regarding the answers that aimed to assess the overall quality (O-QUAL) in the five stars resort hotels of Cape Verde, whose answer’s interpretation are given according to the methodology introduced in the Table 4 – 1, the five stars resorts of Cape Verde were satisfactorily rated, staying in the category of “high” quality, between 5 and 6 of the Table 4 – 1. The Figures 5 – 9, 10 and 11 present the results of this assessment.

When asked if they have experienced any problem during their stay in one of the five stars resort hotels in Cape Verde, 81 per cent of the international tourists who have attended the questionnaire said “No”. From the 200 international tourists only 37, which corresponds to 19 per cent of the sample size said that they have experienced a problem during their stay.

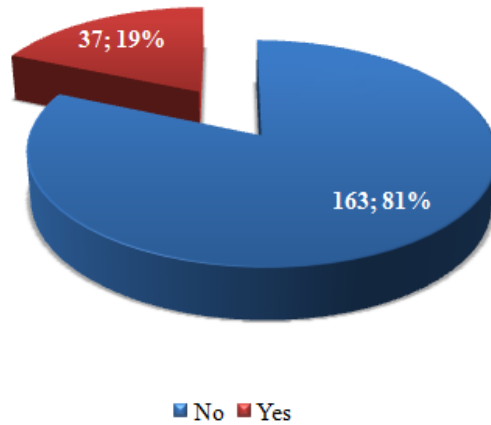


Figure 5 – 9: Problem occurrence

Source: Questionnaire

From the 37 respondents, that is, 19 per cent of the people who have said in the previous question that they experienced problems during their stay in a five star resort hotel in Cape Verde, 49 per cent had their problem solved satisfactorily (Figure 5 – 10). A big concern that can be highlighted in this regard is the ability of the staff members in solving a problem when they occur. More attention should be paid by the hotel managers in the training of their personal regarding how to deal with problem occurrence as this could positively help the improvement of the overall service quality performance.

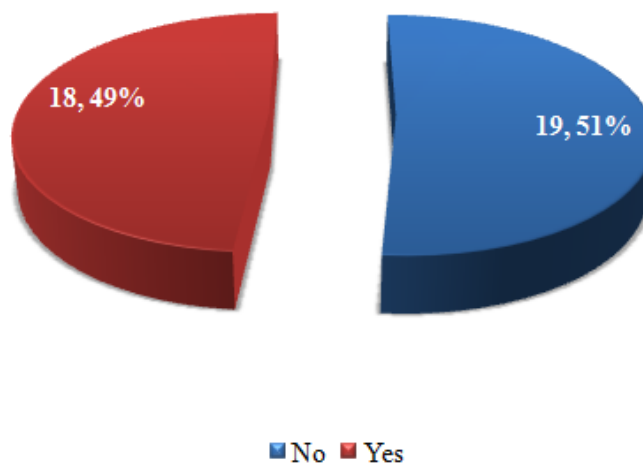


Figure 5 – 10: Problem solving

Source: Questionnaire

The last issue to assess the overall service quality in the five stars resort hotels of Cape Verde was a question to the respondents regarding their willingness to recommend the resort hotels to a friend or someone else. This question should be regarded as a very important indicator of the service performance as it also means to the company a free way of doing advertisement, known as word-of-mouth in the business language. From the 200 respondents, 93 per cent have said that they would recommend the property of their stay in Cape Verde. Therefore, the satisfaction level of the international tourists whose stay in a five star resort in Cape Verde is high, as it is the service quality performed in these hotels establishments.

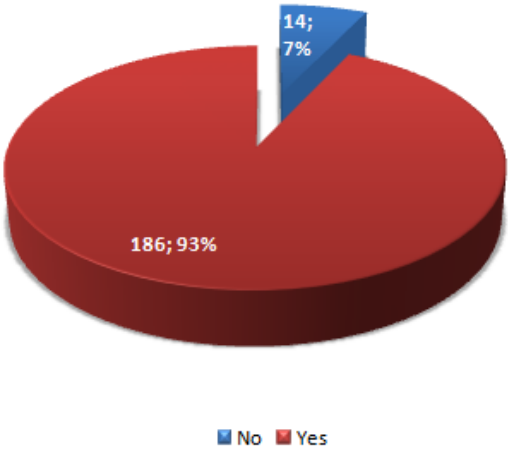


Figure 5 – 11: Property recommendation

Source: Questionnaire

CHAPTER 6

CONCLUSION

6.1 Summary of the research results

This research had the objective to identify the attributes and dimensions of service quality that better explains the service performance in the five stars resort hotels of the Cape Verde Islands, doing as well a brief analysis on the status of these attributes and dimensions. To build the path through the understanding of the service quality in the five stars resort hotels and its importance for the Cape Verde Islands, especially for Boa Vista and Sal Islands where these hotel establishments are located, the study showed that the tourism sector is the key sector of the economy and the resort hotels one of the most important component of that sector in Cape Verde. More than 90 per cent of the guests in the Cape Verde hotels are international tourists who choose the islands of that country for leisure purposes. The five stars resort hotels of Cape Verde were the first hotel establishments that massively promoted the growth of tourism flow in that country, investing in the development of these establishments and bringing there their loyal portfolio of clients conquered through many years of experience in other international markets. Boa Vista and Sal Islands were the preferred in the eyes of these companies and they count now with the presence of eight huge five stars resort hotels and more than 80 per cent of the hotel capacity of the Cape Verde Islands. A huge responsibility is now deposited in these establishments while being the main responsible for the tourist satisfaction with their all-inclusive service.

The literature review of this study showed that many authors of the academic management field addressed the theme of service quality in the service sector. There was found as well authors who have addressed the issue of service quality in the hotel industry, but only few authors were found analyzing service quality in specific types of hotel establishments. Regarding Cape Verde, this research have not identified one single author who have developed a study on the service quality whose objective was the identification of the factors affecting the service quality in the hotel

industry of that country. This study addressed the concept of service and its characteristics through the study of the service quality model developed by Parasuraman et al. (1985), which is till today the most cited in the field of service quality. The assessment and measurement of service quality in the hotel industry was also analyzed through the study of the different instruments developed over time. These instruments of service quality measurement were based mainly on the SERVQUAL instrument developed by Parasuraman et al. (1988). The main instruments described in this study were, the Knuston et al. (1990) LODGSERV scale, the Mei et al. (1999) HOLSERV scale, and the Getty and Getty (2003) scale developed in the Lodging Quality Index (LQI).

Through an adaptation of the SERVQUAL instrument and the scale developed to calculate the LQI, this study has developed an initial scale of 47 items to analyze the service quality in the five stars resort hotels of Cape Verde. An online questionnaire viewing the assessment of these items in the developed scale, that were referred as attributes of service quality, was elaborated and sent to the international tourists who have experienced the service of the five stars resort hotels in Cape Verde. With a sample of 200 respondents, similar size of other studies of service quality in hotel establishments, this study quantitatively measured through a seven-point Likert scale the respondents' opinion about the service performance of the five stars resort hotels in Cape Verde. Content validity analysis, factor analysis and reliability analysis were after developed to purify the initial 47 scale items developed in this study and applied through the questionnaire. The results have finally showed that a scale of 24 attributes and 3 dimensions of service quality explain most of the variance in the service quality performance in the five stars resort hotels located in the Cape Verde Islands. The dimensions found were: staff competence, food and entertainment, and physical facilities. The dimension of "staff competence" was the responsible for most of the variance of the service quality in the five stars resort hotels of Cape Verde, which turns it into the most important between the factors affecting quality in those hotel establishments. The most important factor or attribute of service quality affecting the resort hotels in Cape Verde is also part of the "staff competence". With the highest Factor Loading in the Principal Component Analysis (PCA) elaborated in this research, the attribute "Employee were always willing to help" is regarded as the main factor affecting service quality in the five stars resort hotels of Cape Verde. Descriptive analyses of the status of service quality showed that the dimension of "food and entertainment" is the one with the poorest performance between the three components. Considering that the lower score was performed in the attributes that are part of the "food and entertainment" dimension, more

focus and effort should be putted in the improvement of these attributes. Particularly, the attributes of “Live and music shows” needs more assessment considering that it has received the lowest score through the questionnaires’ answers. Generally, the opinion about the overall quality (O-QUAL) was good, with more than 90 per cent of the respondents having no restrictions in recommending the property of their stay in Cape Verde. This study indicates were service quality should be improved in the five stars resort hotels of Cape Verde. Work focused on these key factors helps to improve the service quality in these hotel establishments, increasing client satisfaction and consequently client retention.

6.1 Research limits and future directions

This study is a pioneer research on the service quality of the five stars resort hotels in the Cape Verde Islands, and as well one of the few in the academia that looks exclusively to the specific factors of the service quality affecting upscale all-inclusive resort hotels. It contributes giving the managers of these establishments a tool to be utilized as guide in the improvement of service quality in their hotels. To the academia it adds to the existing knowledge of the hotel management field new perspectives of attributes and dimensions relevant in the assessment of service quality in the hotel industry. The study confirms the academic consensus that service quality measurement and assessment in different types of industry, business and locations requires different scale of attributes and dimensions. This research has created a new tool of service quality measurement consisting in 24 attributes and 3 dimensions of Service quality. Future research could be made to overcome some of the limitations encountered during the development of this research. The research was performed with the application of an online survey and with limited participation and opinions of the managers and experts of the hotel management due to distance constraint. For the interested in the field of service quality management in hotel establishments, a future research with a large sample of respondents, in loco questionnaire application, and stronger participation of the managers in the identification of the relevant factors affecting the service quality in the hotel industry could be made to improve even more the validity and reliability of the actual findings.

REFERENCES

- [1] African Development Bank. (2012). Cape Verde: A Success Story. Report of the Regional–West 2 Department (ORWB)
- [2] Akbaba, A. (2006). Measuring service quality in the hotel industry: A study in a business hotel in Turkey. *Hospitality Management*, 170–192
- [3] Akan, P. (1995). Dimensions of service quality: a study in Istanbul. *Managing Service Quality*, 39–43
- [4] Bowie, D., Buttle, F. *Hospitality Marketing: An introduction*. Oxford: Elsevier Butterworth-Heinemann, 2004
- [5] Buttle, F. (1996). SERVQUAL: review, critique, research agenda. *European Journal of Marketing*, 8–32
- [6] Campos, F. D., Marodin, G. T. (2012). Perceptions of Quality and Expectations of Hotel Services. *Journal of Operations and Supply Chain Management*, 82 – 99
- [7] Chaves, M. S., Gomes, R., Pedron, C. (2011). Analysing reviews in the Web 2.0: Small and medium hotels in Portugal. *Tourism Management*, 1286 – 1287
- [8] Chrchill, G.A. Jr. (1979). A paradigm for developing better measures of marketing constructs. *Journal of Marketing Research*, Vol. 16 No. 1, 64 – 73
- [9] Chrchill, G.A. Jr. (1987). *Marketing Research Methodological Foundations*. The Dryden Press, Chicago, IL
- [10] Cronbach, L., Taylor, S. A. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika*, Vol. 16, 297 – 334
- [11] Cronin, J.J., Taylor, S.A. (1992). Measuring service quality: a reexamination and extension. *Journal of Marketing*, 55–68
- [12] Cronin Jr., J.J., and Taylor, S.A. (1994). SERVPERF vs. SERVQUAL: reconciling performance based and perceptions-minus-expectations measurement of service quality. *Journal of Marketing*, 125 – 131
- [13] Dolnicar, S., Otter, T. “Which Hotel attributes Matter? A review of previous and a framework for future research”, in Griffin, T & Harris, R. *Proceedings of the 9th Annual Conference of the Asia Pacific Tourism Association (APTA)*, University of Technology Sydney, 2003, 176-188
- [14] Ekinci, Y., Riley, M., Fife-Schaw, C. (1998). Which school of thought? The dimensions of resort hotel quality. *International Journal of Contemporary Hospitality Management*, 63– 67

- [15] Ekinci, Y., Prokopaki, P., Cobanoglu, C. (2003). Service quality in Cretan accommodations: marketing strategies for the UK holiday market. *International Journal of Hospitality Management*, 47– 66
- [16] Erto, P., Vanacore, A. (2002). A probabilistic approach to measure hotel service quality. *Total Quality Management*, 165–174
- [17] Flynn, B.B., Schroeder, R., Sakakibara, S. (1995). Determinants of quality performance in high- and low-quality plants. *Quality Management Journal*, 8–25
- [18] Fornell, C., Larcker, D.F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 39–50
- [19] Getty, M. J., Getty, R. L. (2003). Lodging quality index (LQI): assessing customers' perceptions of quality delivery. *International Journal of Contemporary Hospitality Management*, 94-104
- [20] Hair, J., Black, W., Babin, B., Anderson, R. (2010). *Multivariate Data Analysis*. Prentice Hall, 7th Edition. Upper Saddle River
- [21] Hsu, C.H.C., Powers, T. *Marketing Hospitality*. New York: John Wiley & Sons, Inc., 3rd edition, 2002
- Hutcheson, d. G., Sofroniou, N. *The Multivariate Social Scientist: Introductory Statistics Using Generalized Linear Models*. SAGE Publications, 1999
- [22] Juwaheer, T.D. (2004). Exploring international tourists' perceptions of hotel operations by using a modified SERVQUAL approach: a case study of Mauritius. *Managing Service Quality*, 350–364
- [23] Kim, D., Perdue R. R. (2013). The effects of cognitive, affective, and sensory attributes on hotel choice. *International Journal of Hospitality Management*, 246 – 247
- [24] Knutson, B., Stevens, P., Wullaert, C., Patton, M., Yokoyama, F. (1990). LODGSERV: a service quality index for the lodging industry. *Hospitality Research Journal*, 227–284
- [25] Kotler, P., Keller, Lane K., Lu, Taihong. *Marketing Management in China*. China: Pearson Education South Asia Pte Ltd, 1st edition, 2014
- [26] Iberostar Hotels & Resorts. Official Website. Accessed on April 20, 2015: <http://www.iberostar.com/en>
- Institute of National Statistics (INE). *Tourism Statistics. Guest moving 2014*. Cape Verde, 2015. Accessed on April 18, 2015: <http://www.ine.cv/actualise/destaques/files/204165192422015Estat%C3%ADsticas%20do%20Turismo%20%202014.pdf>

- [27] Institute of National Statistics (INE). Tourism Statistics. Quick information sheet: Annual inventory of hotel establishments 2014. Cape Verde, 2015. Accessed on April 18, 2015:
<http://www.ine.cv/actualise/destaques/files/901510111832015Inventario%20Anual%20dos%20EH%202014.pdf>
- [28] Institute of National Statistics (INE). Tourism Statistics 2013. Cape Verde, 2014. Accessed on April 18, 2015:
<http://www.ine.cv/actualise/publicacao/files/523936152562014Estat%20C3%A7%20sticas%20do%20Turismo%20-%202013.pdf>
- [29] Institute of National Statistics (INE). Tourism Statistics 2012 – 2012. Cape Verde, 2013. Accessed on April 18, 2015:
<http://www.ine.cv/actualise/publicacao/files/7848221121112013Publica%20C3%A7%20C3%A3o%20Turismo%202002%20-%202012.pdf>
- [30] International Monetary Fund (IMF). World Economic Outlook Databases. Accessed on April 16, 2015:
<http://www.imf.org/external/pubs/ft/weo/2015/01/weodata/index.aspx>
- [31] Lewis, Robert C. And Bernard H. Booms. “The Marketing Aspects of Service Quality”, in *Emerging Perspectives on Services Marketing*, Berry, L., Shostak, G., and Upah, G. Chicago: American Marketing Association, 1983, 99-107
- [32] Mbuthia, S., Muthoni, C., Muchina, S. (2013). Hotel Service Quality: perceptions and satisfaction among domestic guests in Kenya. *Arabian Journal of Business and Management Review*, 22 – 32
- [33] Mei, A.W.O., Dean, A.M., White, C.J. (1999). Research and concepts analyzing service quality in the hospitality industry. *Managing Service Quality*, 136–143
- [34] Melia Hotels. Official Website. Accessed on April 20, 2015: <http://www.melia.com/>
- [35] Oasis Atlantico Hotels. Official Website. Accessed on April 20, 2015: <http://www.oasisatlantico.com/>
- [36] Palmer, K. (2012). The Financial Benefits of All-Inclusive Resorts. U.S. News & World Report. Accessed on April 20, 2015: <http://money.usnews.com/money/personal-finance/articles/2012/02/07/the-financial-benefits-of-all-inclusive-resorts>
- [37] Parasuraman, A., Zeithaml, V.A., Berry, L.L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 41 – 50
- [38] Parasuraman, A., Zeithaml, V.A., Berry, L.L. (1988). SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing* 64, 12–40

- [39] Parasuraman, A., Zeithaml, V.A., Berry, L.L. (1991). Refinement and reassessment of the SERVQUAL scale. *Journal of Retailing* , 420–450
- [40] Parasuraman, A., Zeithaml, V. and Berry, L. L. (1992). Achieving service quality through gap analysis and a basic statistical approach. *Journal of Services Marketing*, 5 – 14
- [41] Parasuraman, A., Zeithaml, V.A., Berry, L.L., (1994a). Alternative scales for measuring service quality: a comparative assessment based on psychometric and diagnostic criteria. *Journal of Retailing*, 201–230
- [42] Parasuraman, A., Zeithaml, V.A., Berry, L.L. (1994b). Reassessment of expectations as a comparison standard in measuring service quality: implications for further research. *Journal of Marketing* , 111–124
- [43] Philip, G., Hazlett, S. (1997). The measurement of service quality: a new P–C–P attributes model. *International Journal of Quality & Reliability Management*, 260–286
- [44] Reid, R. D., Bojanic, D. C. *Hospitality Marketing Management*. New Jersey: John Wiley & Sons, Inc., 4th edition, 2006
- [45] Riu Hotels & Resorts. Official Website. Accessed on April 20, 2015: <http://www.riu.com/>
- [46] Saleh, F., Ryan, C. (1992). Analyzing service quality in the hospitality industry using the SERVQUAL model. *The Service Industries Journal*, 324–343
- [47] Schaefer, A., Illum, S., Margavio, T. (1995). The Relative Importance of Hotel Attributed to Motorcoach Tour Operators. *Journal of Hospitality and Leisure Marketing*, 65-80
- [48] Sekaran, U. (2000). *Research Methods for Business: A Skill-building Approach*. Wiley, New York, NY
- [49] Shafiq, Y., Shafiq, I., Din, S. M., Cheema, R. U. K. (2013). Impact of Service Quality on Customer Satisfaction: A Study of Hotel Industry of Faisalabad, Pakistan. *International Journal of Management & Organizational Studies*. Accessed on April 20, 2015: http://webcache.googleusercontent.com/search?q=cache:TLSn0i-_VjAJ:www.researchgate.net/profile/Khaliq_ur_Rehman_Cheema2/publication/259183110_Impact_of_Service_Quality_on_Customer_Satisfaction_A_Study_of_Hotel_Industry_of_Faisalabad_Pakistan/links/00b7d52a34f3f8dce000000.pdf+&cd=1&hl=en&ct=clnk&gl=us
- [50] Stevens, J. (2002). *Applied Multivariate Statistics for the Social Sciences (4th Edition)*. Mahwah, NJ: Lawrence Erlbaum Associates

- [51] World Travel & Tourism Council. (2015). Economic Impact 2015 Cape Verde. London, 2015. Accessed on April 16, 2015: <http://www.wttc.org/-/media/files/reports/economic%20impact%20research/countries%202015/capeverde2015.pdf>
- [52] Ye, Q., Law, R., Gu, B. (2008). The impact of online user reviews on hotel room sales. *International Journal of Hospitality Management*, 180 – 182
- [53] Zhou, L., Ye, S., Pearce, P. L., Wu, M. (2013). Refreshing hotel satisfaction studies by reconfiguring customer review data. *International Journal of Hospitality Management*, 1 – 10

ACKNOWLEDGEMENTS

I would like to offer my special thanks to Professor Wang Chao 王超 for his valuable and constructive suggestions during the planning and development of this research work. His willingness to give his time so generously has been very much appreciated.

I would like to express my very great appreciation to my father, Elvio Goncalves Napoleao Fernandes, for its precious suggestions in this research work, and of course, for being my friend and mentor in all the important decisions of my life.

To Julia Cesino Bez Batti, who helped me to spread the questionnaires and listened to all my concerns along this work.

My expression of sincere gratitude goes finally to all members and Professors of the School of Management in Wuhan University of Technology. Their help and support were essential to accomplish my mission in China.

APPENDICES

Appendix 1: Questionnaire used for the study

- The Questionnaire is available online in the following website:

<https://caboverdehotels.typeform.com/to/BFZZSK>

Appendix 2: The SERVQUAL scale – Parasuraman et al. (1988)

Tangibles

1. XYZ has modern-looking equipment
2. XYZ 's employees are neat appearing
3. XYZ 's physical facilities are visually appealing
4. Materials associated with the service (such as pamphlets or statements) are visually appealing at XYZ

Reliability

5. When you have a problem, XYZ shows a sincere interest in solving it
6. XYZ insist on error-free records
7. XYZ performs the service right the first time
8. XYZ provides its services at the time it promises to do so
9. When XYZ promises to do something by a certain time, it does so

Assurance

10. Employees of XYZ are consistently courteous with you
11. Employees of XYZ have knowledge to answer your questions
12. You feel safe in your transaction with XYZ
13. The of employees of XYZ instill confidence in customers

Responsiveness

14. Employees of XYZ ate never too busy to respond to your request
15. Employees of XYZ are always willing to help you
16. Employees of XYZ give you prompt service

17. Employees of XYZ tell you exactly when services will be performed

Empathy

18. XYZ gives you personal attention

19. Employees of XYZ understand your specific needs

20. XYZ has operating hours convenient to all its customers

21. XYZ gives you individual attention

22. XYZ has your best interest at heart

Appendix 3 : LODGSERV – Knutson et al. (1990)

Tangibles

1. The hotel have up to date equipment

2. The hotel have personnel who are clean, neat and appropriately dressed

3. The hotel have buildings, lobbies and public areas which are visually attractive to you

4. The hotel serves food and beverages that are consistently high in quality

5. The hotel gives you a room, which is visually attractive

6. The hotel has I in keeping with its image and price range

Reliability

7. The hotel provide promised or advertised services on time

8. The hotel quickly corrects anything that is wrong

9. The hotel utilities and equipment that work well

10. The hotel is dependable, consistent and be able to be counted on

Assurance

11. The hotel has knowledgeable phone reservationist who answer your questions completely

12. The hotel makes you feel comfortable and confident in your dealing with them

13. The hotel seems to give employees support so that they can do their jobs well

14. The hotel has personnel who were both able and willing to give you information about the hotel and outside services

15. The hotel has personnel who are well trained, competent and experienced

Responsiveness

16. The hotel provides prompt and quick service

17. The hotel has staff that gives extra effort to handle your special request

18. The hotel responded to queues by putting in more staff

Empathy

19. The hotel has employees who are sensitive to your individual needs and wants rather than going by the book

20. The hotel anticipates your individual needs and wants

21. The hotel has restaurant and room service menus that include healthy and / or special diet options

22. The hotel has employees, who are sympathetic and reassuring, when something is wrong

23. The hotel provides complementary services like courtesy shuttles, morning coffee and morning newspaper

24. The hotel eliminates unnecessary bureaucracy to contact a hotel manager or supervisor

25. The hotel makes you feel like a special and valued guest

Appendix 4 : HOLSERV – Mei et al. 1999

1. Promises to provide a service and does so
2. Shows dependability in handling service problems
3. Performs the service right the first time
4. Provides services at the time it promises to do so
5. Tells guests exactly when the services will be performed
6. Gives prompt service
7. Always willing to help
8. Never too busy to respond to guests' requests
9. Instills confidence in guests
10. Guests feel safe in the delivery of services
11. Guests feel safe and secure in their stay
12. Polite and courteous employees
13. Have the knowledge to answer questions
14. Have the skill to perform the service
15. Gives individual attention
16. Deals with guests in a caring fashion
17. Has guests' best interests at heart

18. Understands guests' specific needs
19. Equipment, fixtures and fittings are modern looking
20. Facilities are visually appealing
21. Neat and professional employees
22. Materials are visually appealing
23. Fixture and fittings are comfortable
24. Equipment and facilities are easy to use
25. Equipment and facilities are generally clean
26. Variety of food and beverages meet guests' needs
27. Services are operated at a convenient time

Appendix 5: Lodging Quality Index (LQI) scale items – Getty and Getty (2003)

Dimension	Scale item
Tangibility	The front desk was visually appealing
	The employees had clean, neat uniforms
	The restaurant's atmosphere was inviting
	The shops were pleasant and attractive
	The outdoor surroundings were visually attractive
	The hotel was bright and well lighted
	The hotel's interior and exterior were well maintained
	The hotel was clean
Reliability	My reservation was handled efficiently
	My guest room was ready as promised
	TV, radio, A/C, lights, and other mechanical equipment worked properly
	I got what I paid for
Responsiveness	Employees responded promptly to my requests
	Informative literature about the hotel was provided

Confidence	Employees were willing to answer my questions	
	Employees responded quickly to solve my problems	
	Room service was prompt	
	Employees knew about local places of interest	
	Employees treated me with respect	
	Employees were polite when answering my questions	
	The hotel provided a safe environment	
	The facilities were conveniently located	
	Communication	Charges on my account were clearly explained
		I received undivided attention at the front desk
Reservationists tried to find out my particular needs		
Employees anticipated my needs		

Appendix 6: Initial 47 scale of items and the elimination process of the attributes

- Red color: items/attributes eliminated by content analysis
- Purple color: items/attributes eliminated by factor and reliability analysis

No.	Statements of the initial 47 scale of items and scale reduction process into the final 24 Attributes	Responses	Percentage of Sample (%)
1	The lobby was visually appealing	200	100%
2	The employees were neat-appearing	198	99%
3	The restaurants' atmosphere was inviting	199	100%
4	The bars' atmosphere was inviting	200	100%
5	The shops (boutique/souvenirs) were attractive	198	99%
6	The hotel was bright and well lighted	200	100%
7	The hotel was clean	200	100%

8	The bathroom in my room was clean and well furnished	200	100%
9	The furniture in my room (bed, wardrobe, table, chair, etc.) were new and suitable to be used	200	100%
10	The electronic appliances in my room (A/C, lights, fridge, TV, phone, etc.) were new and adequate to be used	199	100%
11	The fitness center (gym) was well equipped and appropriate for use	163	82%
12	The game room (snooker, table tennis, shuffleboard, etc.) was in good condition and appropriate to be used	155	78%
13	The sports courts (tennis, volleyball, basketball etc.) were well maintained and appropriate to be used	157	79%
14	Water sports equipments (scuba diving, snorkeling, kayaking, surfing, fishing, etc.) were available and appropriate to be used	153	77%
15	The swimming pools were visually appealing	199	100%
16	The sun loungers and parasols were in good conditions	194	97%
17	The SPA center was visually appealing and suitable to be used	154	77%
18	Children's swimming pool was appropriate to be used	164	82%
19	Children's playroom was visually attractive and appropriate to be used	147	74%
20	Children's playground was visually attractive and appropriate to be used	146	73%
21	The 24 hour room service for food and beverage was impeccable	157	79%
22	The laundry and ironing service worked efficiently	138	69%
23	The food and beverage menu was plenty of choice as promised or expected	195	98%
24	The breakfast service was handled efficiently	195	98%

25	The lunch and dinner service was handled efficiently	196	98%
26	Live music and shows were well performed	194	97%
27	Children's animation programs were well performed	144	72%
28	Aquagym exercises were well conducted	156	78%
29	Aerobic exercises were well conducted	149	75%
30	The hotel kept me entertained during all my stay	186	93%
31	Credit/Debit card service worked properly	158	79%
32	Money exchange service was available and worked properly	143	72%
33	The hotel's transfer and taxi services were efficient and timely	174	87%
34	Employees responded promptly to my requests	193	97%
35	Employees were always willing to help	197	99%
36	Employees responded quickly to solve my problems	191	96%
37	Employees were friendly	196	98%
38	Employees treated me with respect	196	98%
39	Employees were polite when answering my questions	196	98%
40	Employees knew about local places of interest	169	85%
41	The online booking can be easily made through internet	151	76%
42	The employees was able to communicate with me using English or my mother language	195	98%
43	The internet (WiFi) service was free and working properly in the hotel	193	97%
44	The hotel staff gives you individual attention	188	94%
45	The hotel services has convenient hours of operation	186	93%
46	The employees understand my specific needs	185	93%
47	The hotel has my best interests at heart	191	96%

Appendix 7: Map of the Cape Verde Islands



Appendix 8: Pictures of the eight five star resort hotels in Cape Verde

1. Hotel Riu Touareg



2. Hotel Riu Karamboa



3. Hotel Riu Garopa



4. Hotel Riu Funana



5. MELIA Tortuga Beach



6. MELIA Dunas Beach Resort & Spa



7. Hotel Oasis Salinas Sea



8. IBEROSTAR Club Boa Vista



Appendix 9: Letter sent to the hotel managers of the five stars resort hotels in Cape Verde

Wuhan University of Technology – WHUT
4th March 2015
122 Luoshi Road – 430070
Wuhan, Hubei, P.R. China



For Immediate Communication

STUDY ON SERVICE QUALITY IN CAPE VERDEAN LUXURY RESORT HOTELS

The purpose of this letter is to communicate, the respective hotel managers, the existence of an ongoing study on the all-inclusive luxury resort hotels in Cape Verde. The study is being conducted by Hegel Fernandes, a Master's Degree Candidate in Business Administration at the School of Management of WHUT, under the supervision of the PhD Associated professor and Master Director of MBA at WHUT, Mr. Wang Chao 王超.

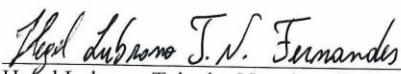
Together with an analysis on the Cape Verdean resort hotel industry, the study's main objective is the analysis of the service quality performed by the resorts, through the assessment of their client experience and level of satisfaction. A total of 13 categories and 63 items of Service Quality were selected through a rigorous literature review, and will be analyzed throughout the top 8 all-inclusive and luxury resort hotels located in the Cape Verde islands.

The study aims to achieve strong academic repercussion, considering an identified lack of market research studies focusing exclusively all-inclusive beach front resort hotels. For Cape Verde and their tour operators, the research would represent a pioneer study regarding the analysis of service quality attributes that matters most for people who choose the resorts located in the Atlantic islands as their holiday destination.

Attached to this letter, it can be found the list identifying the eight selected resort hotels and the thirteen categories of service quality attributes for analysis, including their sixty three sub items. Through this document, we officially ask the opinion of the resort hotel managers about the selection we made. We want to know from them, previous to the final questionnaire design, if there is any item, category or hotel that should be added, removed or altered for the benefit and success of the study.

If requires further information, please contact us.

Yours sincerely,


Hegel Lubrano Teixeira Napoleao Fernandes
Master's Degree Candidate at WHUT
Email: fernandeshegel@gmail.com
Contact number: +86 15172502940

School of Management-MBA Office


Prof. Xu Hongyi
Deputy Dean of Management School
Email: monalmj@126.com
Contact number: +86 2787850182