

# Customer Satisfaction in Hotel Cinta Sayang Resort, Sungai Petani, Kedah, Malaysia: A Quantitative Approach

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**Abstract**— Hotel guest satisfaction has increased to a high record, while the number of guests experiencing problems during their stay has decreased significantly. This study attempts to examine customer satisfaction in the hotel industry among customers at Sungai Petani Hotel Cinta Sayang Resort in the state of Kedah, Malaysia using a quantitative approach. This study examines the relationship between tangibility, reliability, responsiveness, confidence and communication with customer satisfaction. By using a questionnaire method, this study reveals that tangibility, reliability, responsiveness, confidence and communication have a significant influence on satisfaction. This study recommends more explorations in the area of the hotel industry using a quantitative approach and future studies should focus on internal or psychological factors that might influence customer satisfaction.

**I. Keywords**— satisfaction, hotel, customer, quantitative.

## II. INTRODUCTION

Hotels are classified into 'Star' categories between 1-Star to 5-Star, however, there is no standard method of assigning these ratings, and compliance with customary requirements is voluntary. A US hotel with a certain rating, for example, may look different from a European or Asian hotel with the same rating and would provide a different level of amenities, range of facilities, and quality of service. Whereas hotel chains assure uniform standards throughout, non-chain hotels even within the same country may not agree on the same standards. In Germany, for example, only about 30% of the hotels choose to comply with the provisions of the rules established by the German Hotels & Restaurants Association. According to International Hotel & Restaurant (IH&RA), to harmonize hotel classification based on a single grading which is uniform across national boundaries would be an undesirable and impossible task. According to the [10] North America Hotel Guest Satisfaction Index Study, the hotel guest satisfaction has increased to a high record, while the number of guests experiencing problems during their stay has decreased significantly. Overall guest satisfaction across eight hotel

segments was measured in terms of luxury, upper upscale, upscale, upper midscale, midscale, economy or budget, upper extended stay, and extended stay. Seven key factors were examined in each segment to determine overall satisfaction which are reservation, check-in or check-out, guest room, food and beverage, hotel services, hotel facilities, and cost and fees. Overall satisfaction in 2015 reached an all-time high compared to 2014 and the previous years. The study also revealed that staff interactions with guests have a great impact on mitigating problems. Hotels also had an opportunity to substantially improve satisfaction by proactively addressing guest needs. While service recovery was often emphasized as a strategy to regain guest loyalty, it was even more important to prevent problems from occurring in the first place.

This study attempts to examine customer satisfaction in the hotel industry among customers at Sungai Petani Hotel Cinta Sayang Resort in the state of Kedah, Malaysia using a quantitative approach. This study examines the relationship between tangible, reliability, responsiveness, confidence and communication with customer satisfaction.

## III. LITERATURE REVIEW

Researchers proposed different views on the definitions of service quality. Service quality is defined as a comparative function between consumer expectations and actual service performance [14]. On the other hand, [15] defined service quality as the ability of an organization to meet or exceed customer expectations. According to [5], service quality is a form of attitude representing a long-run overall evaluation of service. As observed by [9], the traditional notion of service quality by [14] is most commonly accepted. When purchasing goods, the customer employs many tangible aspects to judge quality; style, hardness, colour, label, feel and packaging. However, when purchasing services fewer tangible aspects exist. In the absence of tangible evidence on which to evaluate quality, customers must depend on other aspects. Service quality dimensions are the aspects/characteristics which customers use to evaluate service quality. Research by [14]

identifies ten determinants that influence customers' perceptions of service quality as reliability, responsiveness, tangibility, communication, credibility, security, competence, courtesy, understanding and access. The description of the ten determinants of service quality is given in Table 1.

**Table1: Description of Determinants of Service Quality**

<b>Dimension</b>	<b>Description</b>
Tangibility	Physical evidence of service (facilities, tools, equipment)
Responsiveness	Willingness or readiness to provide service, timeliness
Reliability	Getting it right the first time, honouring promises, dependability.
Credibility	Honest, trustworthiness, having customer's best interest at heart
Security	Physical and financial; confidentiality
Courtesy	Politeness, respect, friendliness, clean and neat appearance.
Understanding	Knowing the customer, his needs and requirements.
Access	Ease of approach and contact

Source: Adapted from [14]

In a follow-up study, [3] found a high degree of correlation between communication, competence, courtesy, credibility and security, on one hand, and access and understanding, on the other hand. The study created the two broad dimensions of assurance and empathy, that is, five consolidated dimensions: reliability, responsiveness, tangibles, assurance and empathy [15]. These dimensions were then used as a basis for the development of a service quality measurement instrument; the SERVQUAL model [17]. Table 2 demonstrates the five service dimensions customers care about.

**Table 2: Five Dimensions of Service Quality**

<b>Dimension</b>	<b>Description</b>
Tangibles	Physical facilities, equipment and appearance of personnel.
Reliability	Ability to perform the promised service dependably and accurately
Responsiveness	Willingness to help customers and provide prompt service
Assurance	Knowledge and courtesy of employees and their ability to inspire trust and confidence
Empathy	Caring, individualized attention the firm provides its customers.

Source: Adapted from [15]

[11] tested the comprehensiveness of [14] service quality determinants using management perceptions of service and suggested a refined list of twelve determinants of service

quality as access, appearance/aesthetics, availability, cleanliness/tidiness, comfort, communication, competence, courtesy, friendliness, reliability, responsiveness and security. The limitation of their work lay in the fact that the empirical investigation drew only on management perception of service quality, unlike [15] who used customer data in order to identify the determinants of service quality. [11] included the customer's perspective to the twelve service quality dimensions and identified five additional dimension to create seventeen dimensions as access, appearance/aesthetics, availability, cleanliness/tidiness, comfort, communication, competence, courtesy, friendliness, reliability, responsiveness, security care, commitment, attentiveness/helpfulness, functionality and integrity [11].

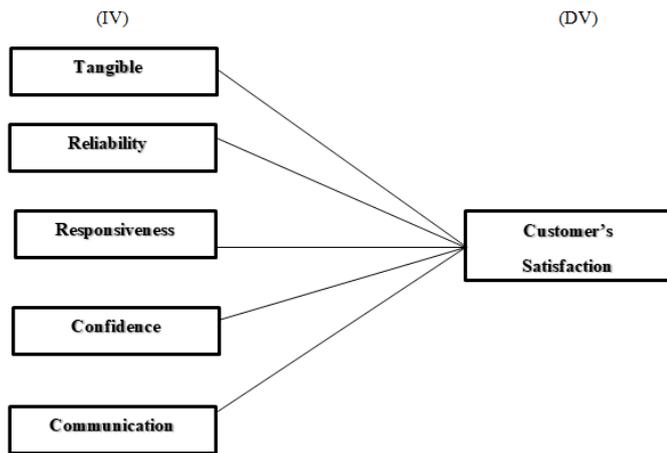
[8] identified three dimensions of service quality as technical quality of the service ("what" service is provided), which can be assessed by the customer like the technical dimensions of a product, functional quality which represent how the service is provided and the image of the service provider which moderates both technical and functional quality to arrive at a perceived level of service. He argued that functional quality is an important dimension of perceived service than technical quality because service quality lies in improving the functional quality of a firm's service process by managing the staff-customer interaction and transactional relationships. He observed that a favourable image is an asset for any firm because it has an impact on customer perception of the operation of the firm.

Previous studies have postulated service quality dimensions appear to have based their work on [14] and [15] well-publicized work. For the purpose of this study, therefore, the researcher adopted [15] dimensions of service quality i.e. Reliability, Responsiveness, Access, Empathy and Tangibles. The five dimensions of service quality developed by [15] are the most acknowledged and applied in a diversity of service industries [6].

Measuring service quality is an important aspect in the quality improvement process because it provides feedback about the type of service provided and the extent to which it meets customers' needs [2]. A number of scholars have carried out several studies with the aim of developing models of measurement that would help service organizations determine the extent to which their services are effective.

#### IV. RESEARCH DESIGN AND METHOD

This study uses the quantitative method. The quantitative method using questionnaire is used in order to answer research questions and research objectives The theoretical framework of this study is shown in Figure 1.



Source: [2]

**Figure 1: Theoretical Framework of the Study**

Based on this framework, tangibles, reliability, responsiveness, confidence, and communication are independent variables while customer satisfaction is a dependent variable. This study proposes the following hypothesis:

- H1: The tangibles have a positive relationship between customer satisfaction.
- H2: The more the reliability, the higher the customer relationship.
- H3: Responsiveness has a positive relationship between customer satisfaction.
- H4: The higher the confidence, the higher the customer satisfaction.
- H5: Communications have a positive relationship with customer satisfaction.

The unit of analysis was defined as the unit in the study which is measured and analyzed to produce the result in our research, about customer satisfaction in Hotel Cinta Sayang Resort Sungai Petani. The questionnaire items were selected from previous research and the results of focus group sessions and were rephrased to suit the context of the study and to represent the variables in the research model. In this study, using [7] examined the dimensions of service quality in the hotel industry in the USA and developed a new scale (called "Lodging quality index") with five service-quality dimensions which consist of tangible, reliability, responsiveness, confidence and communication.

The items measured for perceived cost were adapted from a prior study on customers. Measures of perceived risk were adapted from several prior studies in different commercial areas and the discussions in the focus group sessions. A seven-point Likert scale, with anchors ranging from "strongly disagree" to "strongly agree", was used for all questions except the demographic ones. This chapter represents the

details of the approaches quantitative methods employed in this study.

The perceived service quality. In accordance with the views of [4], the present study measured service quality with a performance measure (rather than "gap" measure). The measure selected was the lodging quality index (LQI) developed by [7]. LQI is composed of 26 items categorized into five dimensions:

- 1) Tangibles (consisting of eight items, such as the front desk was visually appealing, the employees had clean neat uniform, the restaurants atmosphere was inviting, the shop was pleasant and attractive, the outdoor surroundings were visually attractive, the Cinta Sayang Resort was bright and well lighted, the Cinta Sayang Resort interior and exterior were well maintained, and the Cinta Sayang Resort was clean).
- 2) Reliability (consisting of four items, such as my reservation was handled efficiently, my guestroom was ready as promised, TV, Radio, A/C, light, and other mechanical equipment worked properly, and last I got what I paid for).
- 3) Responsiveness (consisting of five items, such as employees responded promptly to my requests, informative literature about the Cinta Sayang Resort provided, employees are willing to answer my questions, employees responded quickly to solve my problems and last room service was prompt).
- 4) Confidence (consisting of five items, such as employees knew about local places of interest, employees treated me with respect, employees were polite when answering my questions, the Cinta Sayang Resort provided save the environment, and last the facility were conveniently located).
- 5) Communication (consisting of four items, such as charges on my account were clearly explained, I received undivided attention to the front desk, preservationist tried to find out my particular needs, and last employees anticipated my needs).

The emotional satisfaction was measured in terms of three emotions which are, not at all happy, very pleasant, and not joyful. The respondents were asked to indicate their perceived service quality and emotional satisfaction on a seven-point Likert scale (1 = "strongly disagree" to 7= "strongly agree") that used for all items.

The target population for this study was the customers who had stayed in Cinta Sayang Resort. From this population, a sample for the study was selected on the basis of the convenience sampling method. Data were collected by group of study in one day at Cinta Sayang Resort. Potential respondents were approached by group of study at the entrance and were asked whether they would be willing to participate in a survey dealing with hotel service quality. Only those who had stayed in hotel Cinta Sayang Resort received the questionnaire. All 30 questionnaires were distributed to respondents who consented to take part in the survey. For this

study, all 30 questionnaires completed by 30 respondents and this questionnaire is valid for further analysis.

Questionnaires were used to capture the necessary data for the study. The questionnaire comprised sections A and B. Section A elicited demographic information such as gender, age, marital status, race, annual income and occupation. Section B was designed based on previously validated questionnaires for the different constructs, using a 7-point Likert type scale. Data from questionnaires was captured into Microsoft Excel and imported into SPSS software for statistical analysis.

A survey is a powerful and effective tool that can be used to collect data about perceived service quality and behavioural intention. The advantage of this method was that both the cost and the time required were low. Different customers with different backgrounds were randomly invited to do the survey questionnaires. The sample exclusively consists of Hotel Cinta Sayang Resort customers. The questionnaires administered to the respective respondents for primary data collection. Data collected were analyzed both qualitatively and quantitatively through Statistical Package for Social Science (SPSS). The ideas collected from interviews were also analyzed by using SPSS and the researcher's knowledge obtained from the literature review. A brief invitation and introduction to this research were provided to participants before they started filling out the questionnaires. If they accepted the invitation, questionnaires were handed out to them.

## V. RESULT AND DISCUSSION

Frequency analysis is used to analyze the demographics of the respondents. In addition, descriptive statistics were also used to measure the mean and standard deviation, and reliability analysis is to evaluate whether the value obtained in this research can be trusted or not.

**Table 3: Demographic Profiles of Respondents**

Respondent's demographics		Frequency	Percentage (%)
<b>Gender</b>	Male	14	46.7
	Female	16	53.3
<b>Age</b>	Below 19	3	10.0
	20-29	8	26.7
	30-39	7	23.3
	40-49	5	16.7
	50-59	6	20.0
	60 and above	1	3.3
<b>Marital status</b>	Single	8	26.7
	Married	21	70.0
	Other	1	3.3
<b>Race</b>	Malay	20	66.7
	Indian	6	20.0
	Chinese	4	13.3

Respondent's demographics		Frequency	Percentage (%)
<b>Occupation</b>	Government sector	9	30.0
	Private sector	12	40.0
	Other	9	30.0
<b>Annual Income</b>	Below RM15,000	11	36.7
	RM 15,001- RM30,000	1	3.3
	RM 30,001- RM 45,000	6	20.0
	RM 45,001- RM 60,000	8	26.7
	>RM60,001	4	13.3

Table 3 demonstrates the demographic profile of respondents by genders, age, marital status, race, occupation and annual income. It shows the number of respondents by gender for this study. Based on the findings, it appears that more female respondents than male respondents. Male respondents consist of 14 people (46.7%), while female 16 people (53.3%). The age of the respondents consists of 3 people below 19 years old (10%), 8 people of 20-29 years old (26.7%), 7 people 30-39 years old (23.3%), 5 people 40-49 years old (16.7%), 6 people 50-59 years old. Finally, 1 people 60 years old and above (3.3%). The marital status of our respondents consists of 8 people single (26.7%), while 21 people married (70%) and 1 person the marital status is not stated (3.3%). Among our respondents, the race of Malay consists of 20 people (66.7%), while Indian is 6 people (20%), and the Chinese are consist of 4 people (13.3%). The occupation of our respondents consists of 9 people in the government sector (30%), 12 people from the private sector (40%) and 9 people from other sectors (30%). The annual income of our respondents consists of 11 people (36.7%) below RM 15 000, 1 people of RM 15 001-RM 30 000 (3.3%), 6 people (20%) RM 30 001- RM 45 000, 8 people (26.7%) RM 45 001- RM 60 000, while 4 people (13.3%) above RM 60 001.

**Table 4: Reliability Test**

Variables	Number of items	Number of items discarded	Cronbach's alpha
Tangible	8	-	0.821
Reliability	4	-	0.902
Responsiveness	5	-	0.869
Confidence	5	-	0.928
Communication	4	-	0.861
Emotional satisfaction	3	-	0.942

Table 4 indicates that Cronbach's Alpha values for all variables are greater than 0.6 which indicates that all variables pass the test of validity.

Person product-moment correlation was used to investigate the inter-correlations among all the study variables. Table 5 and appendix provides a summary of the results. The first regression was run to determine the relationship between tangible, reliability, responsiveness, confidence, communication, toward customer satisfaction. From the output of regression from the ANOVA table, the variables were significant with ( $p < 0.01$ ) and  $F = 8.048$ . The regression tests had presented a strong inference with R square of 0.626. Approximately 62.6% of variations of customer satisfaction toward Hotel Cinta Sayang Resort, Sungai Petani, Kedah can be explained by tangible, reliability, responsiveness, confidence, and communication. The adjusted  $R^2$  value is 0.549.

**Table 5: Pearson's Correlation**

	TGB	RTY	RES	CFD	COM	EMO
TGB Pearson's Correlation  Sig. (2- tailed)	1					
RTY Pearson's Correlation  Sig. (2- tailed)	0.425** 0.019	1				
RES Pearson's Correlation  Sig. (2- tailed)	0.310 0.096	0.801** 0.000	1			
CFD Pearson's Correlation  Sig. (2- tailed)	0.437* 0.016	0.798** 0.000	0.810** 0.000	1		
COM Pearson's Correlation  Sig. (2- tailed)	0.317 0.088	0.727** 0.000	0.695** 0.000	0.812** 0.000	1	
EMO Pearson's Correlation  Sig. (2- tailed)	0.372** 0.043	0.639** 0.000	0.633** 0.000	0.589** 0.001	0.737** 0.000	1

\*\* Correlation is significant at the 0.01 level (2- tailed).

\*correlation is significant at the 0.05% level (2- tailed).

The Durbin-Watson value of 2.283 was confined to the acceptable range (1.5 – 2.5). It indicated that there was no autocorrelation of error terms. Multicollinearity problems do exist as the variance inflation factor (VIF) values were below 10, tolerance values were above 0.1 but the condition indices were above the safety limit of 30.

**Table 6: Multiple Regression Results**

Variable	Standardized beta
Tangible	0.182
Reliability	0.124
Responsiveness	0.345
Confidence	-0.447
Communication	0.712
F	8.048
R <sup>2</sup>	0.629
Adjusted R <sup>2</sup>	0.549

The results from the study reveal that there are five factors that fairly influence customer satisfaction which is tangible, reliability, responsiveness, confidence and communication. There are eight items included intangible, four items in reliability, five items in responsiveness, five items in confidence and four items in communication. These were the factors with a mean greater than 5.5 but less than 6.5 and included the hotel's environment and atmosphere, the cleanness of the hotel, the efficiency of handling reservation, the properly worked equipment, employee appearance, communication of employee, interest in problem solving and sharing information, employee behavior, problem resolution time, prompt attention to request, willingness to help, flexibility of employees, courtesy of employees, individualized attention, convenient operating hours, personal attention from employees, and lastly the concern towards guests.

The results further indicated that the status of communication and responsiveness were the top two factors in influencing customer satisfaction. This is based on the  $\beta$  result, as for communication is  $\beta = 0.712$  and responsiveness is  $\beta = 0.345$ . These results, therefore, suggest that there could be other factors that extremely influence customer satisfaction other than these 5 factors used in this study. Future studies should, therefore, explore the existence of these factors. The result of the regression analysis established that all five dimensions had a positive effect on customer satisfaction though at varying degrees. Reliability was found to have the greatest impact on customer satisfaction followed by communication, responsiveness, tangibility, reliability and confidence. All five dimensions were highly rated by the respondents. This means that service quality is strongly linked with customer satisfaction and the higher the service quality, the higher the customer satisfaction. The results of this study are consistent with the findings of [16], [13] and [1] who found out that the reliability dimension has the highest impact on customer satisfaction.

The results also show that the service quality dimensions have a different impact in influencing customer satisfaction. Communication dimension was found to have the highest impact followed by responsiveness. Tangible, reliability and confidence were seen to influence customer satisfaction the least. However, all the five dimensions were highly rated and

it was concluded that the rated hotels offer high quality of services in all the five major areas.

## VI. CONCLUSION

Hotel guest satisfaction has increased to a high record, while the number of guests experiencing problems during their stay has decreased significantly. This study attempts to examine customer satisfaction in the hotel industry among customers at Sungai Petani Hotel Cinta Sayang Resort in the state of Kedah, Malaysia using a quantitative approach. This study examines the relationship between tangible, reliability, responsiveness, confidence and communication with customer satisfaction. By using a questionnaire method, this study reveals that tangibility, reliability, responsiveness, confidence and communication have a significant influence on satisfaction. This study recommends more explorations in the area of the hotel industry using a quantitative approach and future studies should focus on internal or psychological factors that might influence customer satisfaction.

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