

Lodging Quality Index Approach: Exploring the Relationship Between Service Quality and Customer Satisfaction in Hotel Industry

Bello Yekinni Ojo

Department of Hospitality Management and Tourism
University of Port Harcourt, Rivers State, Nigeria

Majebi Enesi C.

Department of Tourism Studies
National Open University of Nigeria
DOI:<https://doi.org/10.33281/JTHS20129.2017.1.4>

Abstract

The study explores the relationship between dimensions of service quality and customers' satisfaction in hotels in Auchi, Nigeria using Lodging Quality Index as underline model. Survey method was employed for the collection of data, while multiple regression was used for data analysis. The results reveal a positive and significant relationship between the six dimensions of service quality and customer satisfaction. However, the outcome of regression analysis shows that tangibility, reliability and responsiveness are the most positive predictors of customer satisfaction in hotels in Auchi. Based on these findings, the researchers suggest that hotel stakeholders and government authorities in Edo State, and more so in Auchi should collaborate in developing and implementing policies that are designed to increase the level of reliability, responsiveness, tangibility and effective communication in the hotel sub sector in order to boost quality service delivery and promote customer satisfaction.

Keywords: *Customer satisfaction; Service quality; Lodging Quality Index.*

Introduction

In the past five years, the hotel industry has significantly contributed to the Nigerian economy especially through the retail and wholesale of a range of accommodation and related services (Bello, Bello, & Obiora, 2017; Bello, Udi, Bello & Raja., 2016). The Nigerian hotel industry is projected to experience an increase in the number of hotel rooms from 8,400 available in 2013 to about 24,000 rooms in 2018 (Bello & Bello 2016; Nikki et al., 2015). Pricewatercoopershouse (2015) noted that the projected increase in the number of hotel rooms in the Nigerian hotel industry would result in increased hotel revenue at a 22.6% compound annual rate of \$US1.1 billion by 2018, from \$US448 million in 2014. The problem essentially is that the increase in the number of available rooms in the Nigerian hotels does not reflect a corresponding increase in the average occupancy percentage in the last six years, as most hotels in the country operate under 50% of their available room capacity (Bello & Bello, 2016). This implies that the physical

accommodation facilities in the Nigerian hotels, especially, in Auchi are underutilized. This would no doubt result in revenue loss, and low organizational productivity (Bello & Bello, 2016; Bello & Bello, 2015; Igbojekwe, 2002).

Quality service delivery as may be reflected in customer satisfaction is critical to increased hotel occupancy ratio in Nigerian hotels, especially in hotels in Auchi, Edo State. The concept of service quality depicts a form of attitude, and a long-term overall evaluation of product(s) or services, while customer satisfaction explain individual's perception of the performance of the product(s) or services in relation to his or her expectations (Bello & Bello, 2016). Service quality in the hotel industry has become an important factor in improving customer satisfaction hence; contribute to the establishment of reputation and credibility in hotel industry. The principal role of the hotel industry is the provision of services to the customer. However, service delivery in the hotel industry may be associated with a myriad of challenges (Bello & Bello, 2016; Solomon, 2009). Although the same may not be said of other hotels in Nigeria, the services of hotels in Auchi, Edo State is characterized by a litany of issues including nonresponsiveness to the needs and expectations of customers. For example, issues such as poor facilities and un-kempt environment, unethical staff behaviour, and use of outdated and outmoded systems among others have adversely affected the quality of service delivery to customers. These problems, without gainsaying can result in declined occupancy ratio in the hotels in the study area.

For example, a recent study on the room occupancy percentage of hotels in Auchi, Edo State show that only 32.2% of available hotel rooms in the community were sold in 2015 (Bello & Bello, 2015). However, it is pertinent to state that hotels in Auchi witnessed an increase in the total available rooms from 45 in 2009 to 134 in 2014 due to increased investment in the hotel industry by the organized private sector. In spite of this significant increase, the average room occupancy percentage of hotels in Auchi in 2015 was 32%. This in no doubt constitutes a serious concern for the government of Edo State. It is important to note that the government of Edo State is making effort to increase hotel occupancy in order to generate about N2 billion per month (i.e. N24 billion a year) from the hotel industry (Fornell, 2015). This can be achieved, and perhaps surpassed when adequate measures are in place to improve service quality in hotel facilities that can enhance customer satisfaction, and encourage increased patronage. This implies that that there is a correlation between service quality and customer's satisfaction and revisit intention.

A number of studies have been conducted to examine the relationship between service quality and customer satisfaction in hotel industry using SERVQUAL model (Parasuraman et al., 2001). However, the SERVQUAL model is not considered suitable for the evaluation of some unique features of the hotel industry because the model was not designed specifically for the industry. This presents a theoretical gap in the extant literature that this research seeks to fill. To overcome some problem related to SERVQUAL model in assessing service quality in hotel industry, a variation of SERVQUAL model known as Lodging Quality Index (LQI) is developed. Unlike SERVQUAL model which can be used in all the service industries, LQI model was developed specifically for hotel industry (Churchill & Supernant, 1982). However, it is pertinent to state that no studies known to the authors have adopted LQI approach to examine the relationship between service quality and customer satisfaction in the context of hotels in an emerging economy and more-so in Nigeria. This study therefore seeks to investigate the relationship between service quality and customers' satisfaction in the hotel industry in Auchu Edo State, using Lodging Quality Index (LQI) approach.

Literature Review

Service Quality

Service quality can be described as the global evaluation of overall excellence of services (Parasuraman et al., 2001). This suggests that service quality is the difference between customer perception and perception of services delivered by service-based organisations (Gronrons, 2001). Customer satisfaction or dissatisfaction is formed by the experience of purchase and use of a service (Parasuraman et al., 2001). It translates to measures designed to meet or exceed customer expectations, or the expectations of a service (Parasuraman et al., 2001). Fornell & Larcker (2015) opined that a causal relationship exists between service quality and customer's satisfaction, more so that the perceptions of service quality can affect the feelings of satisfaction and or dissatisfaction by a customer.

Customer Satisfaction

Customer satisfaction can be described as consumer's response to the evaluation of the perceived discrepancy between prior expectations and the actual performance of a product or service, as perceived after consumption (Tse & Peter, 2000; Teas, 1993). This relates to considering satisfaction as an overall post-purchase evaluation by the consumer (Fornel, 2015). Parasuraman et al., (2001) defined customer satisfaction as response (cognitive or affective) that pertains to a particular focus (i.e. a purchase

experience and/or the associated product) that occurred within a time (i.e. post-purchase, post-consumption). This definition is corroborated by some researchers who suggested that consumer's level of satisfaction is determined by their cumulative experience at the point of contact with the supplier (Sureshchander et al., 2010; Giese & Cote, 2000). Customer satisfaction has also been described as the extent to which a product's perceived performance matches a buyer's expectations (Kotler et al., 2006). It can also be referred to as an individual's perception of the performance of the products or services in relation to his or her expectations (Schiffman and et al., 2004). In simple terms, customer satisfaction could be described as the pleasure obtained from consuming an offer that meets one's expectations.

Theoretical Underpinnings: Service Quality Theories

The multi-dimensional nature of service quality, and the lack of consensus on how to measure service quality, results in the creation of specific models as follows.

SERVQUAL Model

The SERVQUAL model is considered the most popular framework for measuring service quality in the service-based industry. The model is based on client's evaluation of service quality, which depicts comparison of the expected and obtained value as well as a consideration of gaps in the process of service provision (Parasuraman et al., 1988). Thus, the foundation of SERVQUAL scale is the gap model. The SERVQUAL scale contains desirable characteristics of services with ten dimensions which were summed up to five; tangibles, reliability, responsiveness, assurance and empathy (Parasuraman et al., 1988). Despite the popularity and wide application of the SERVQUAL model, the model is susceptible to numerous conceptual and operational criticisms; Direction to the process (SERVQUAL directs to the service delivery process but not the result of service experience); Expectations (the term expectations has multiple meanings, it is impossible for SERVQUAL to measure the absolute expectations of service quality); Moment of truth (at varying moments, customers have different satisfaction levels); Polarity (the reverse polarity of the scale elements causes wrong response); Data collection (it is not always easy for hotel managers to ask guests to fill the long questionnaire to get the statistical data of all ten dimensions); Credibility (A person's inclination to trust the statement that employee has made, it relates to the believability and honesty of the service provider); Security (Providing freedom from danger, risk or doubt); Access: (the extent to which employees are approachable and easy to find); Communication (ability of employees to keep customers informed, good

communication implies good listening skills and using language and terms that all customers can understand); Understanding: Making the effort to know the customers' needs; Reliability (Ability to perform the promised service dependably and accurately); Tangibles: (Appearance of physical facilities, equipment, personnel and communications materials). However, owing to the varying shortcomings of SERVQUAL model as highlighted above, it is not considered suitable for this study.

Lodging Quality Index Model (LQI)

The Lodging Quality Index Model (LQI) was developed as result of the varying views of researchers on how service quality in the hotel industry is measured, and the fact that the concept of service quality is multifaceted. The LQI is designed to overcome some issues relating to the SERVQUAL model in assessing service quality in the hotel industry. While the SERVQUAL can be employed in all the service-based industries, the LQI model is specifically designed and employed only in the hotel industry. The LQI model was designed based on the SERVQUAL model, borrowing its scale from the main structure and eight-step procedure (Parasuraman et al., 1988, Churchill & Carol, 1982). The model presents service quality in the hotel industry as consisting of five dimensions and 26 items. These are; tangibility, reliability (including original reliability and credibility dimensions), responsiveness, confidence (including original competence, courtesy, security and access dimensions) and communication (including original communication and understanding dimensions) as shown in Table 1. The model is considered suitable for this study as it seeks to assess the impact of service quality on customer satisfaction in the hotel industry.

Table 1: Dimensions of Service Quality-Lodging Quality Index Approach
Dimensions 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
	Food ordered was promptly delivered
	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.
 Employees were willing to answer my questions.
 Employees responded quickly to solve my problems.
 Room service was prompt.

Assurance/Confidence 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

Empathy/ 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

Source: Juliet et al., (2003).

Customer Satisfaction Theories

A number of theoretical approaches have been utilized in explaining the process by which customers form satisfaction judgments. These theoretical approaches are discussed as follows.

Assimilation Theory

Assimilation theory is based on Festinger's dissonance theory. Dissonance theory suggests that hotel consumers make some kind of cognitive comparison between expectations about the services and the perceived service performance (Peyton et al., 2003). This view of consumer's post-service evaluation was introduced into the satisfaction literature in the form of assimilation theory (Anderson et al., 2000). According to the authors, consumers seek to avoid dissonance by adjusting perceptions about a given service in order to bring it more in line with expectations. Consumers can also reduce the tension resulting from a discrepancy between expectations and service performance, either by distorting expectations so that they coincide with perceived product performance or by raising the level of satisfaction by minimizing the relative importance of the disconfirmation experienced (Olson & Dover, 1979). Peyton et al., (2003) argue that assimilation theory has a number of shortcomings. Firstly, the approach assumes that there is a relationship between expectation and satisfaction but does not specify how disconfirmation of an expectation can bring about satisfaction or dissatisfaction. Secondly, the theory assumes that consumers

are motivated enough to adjust either their expectations or their perceptions about the performance of a product (Forman, 1986). A number of researchers have found that controlling for actual product performance can lead to a positive relationship between expectation and satisfaction (Olson & Dover, 2000). This suggests that dissatisfaction may not occur unless the evaluative processes were to begin with negative consumer expectations. In view of the aforementioned shortcomings, the assimilation theory is not considered suitable for this study.

Contrast Theory

Contrast theory was first introduced by Hovland et al. (1987). The theory explains the tendency to magnify the discrepancy between customer's attitude and the attitude represented by opinion statements. Contrast theory presents an alternative view of the consumer post-usage evaluation process that was presented in assimilation theory (Cardozo, 1965). While assimilation theory suggests that consumers will seek to minimize the discrepancy between expectation and performance, the contrast theory suggests that a surprise effect occurs leading to the discrepancy being magnified or exaggerated (Peyton et al., 2003). According to the contrast theory, any discrepancy of experience from expectations will be exaggerated in the direction of discrepancy. If a firm raises expectations in their advertising, and a customer's experience is only slightly less than promised, the product/service would be rejected as totally un-satisfactory. Conversely, under-promising in advertising and over-delivering will cause positive disconfirmation and result in exaggeration (Terry, 1997). Several studies in the marketing literature offer some support for this theory (Oliver & Hanming, 1994). The contrast theory of customer satisfaction predicts customer reaction instead of reducing dissonance; however, because consumers will magnify the difference between expectation and the performance of the product/service, it is difficult to measure customer's satisfaction (Olson & Dover, 1979). Consequently, the contrast theory is not considered suitable for this study.

Expectancy-Disconfirmation Theory of Customer Satisfaction

The expectancy disconfirmation theory is popularly employed to explain how consumers form satisfaction judgments by evaluating actual product/service. The theory broadly classifies the process of satisfaction under three groups: Dissatisfaction, Satisfaction, and Extreme Satisfaction (Adee, 2004). The theory suggests that the satisfaction process is the comparison of what is expected from the product or service's performance.

This process has traditionally been described as the

'confirmation/disconfirmation' process (Vavra, 1997). Firstly, customers would form expectations prior to purchasing a product or service. Secondly, consumption or experience with the product or service produces a level of perceived quality that is influenced by expectations (Oliver, 1980). If the perceived performance is less than the customer's expectation, the customer is considered dissatisfied. In the same vein, if the perceived performance is exactly equal to the expectation of the customer, customers are satisfied. Customers are said to be extremely satisfied when the perceived performance exceeds the customer's expectation. As applicable to this study, the Expectancy-Disconfirmation Theory of Customer Satisfaction suggests that hotel customers in Auchi, Edo State would form expectations prior to arrival at the hotel's front office. Thereafter, the consumption or experience of the customers with the product or service rendered by the hotel staff produces a level of perceived quality that is influenced by expectations (Oliver, 1980). If the perceived performance is less than the customer's expectation, the customer is considered dissatisfied (Ivanka et al., 2003). But if the perceived performance is exactly equal to expectations, customers are considered satisfied. Customers are said to be extremely satisfied when the perceived performance exceeds customer's expectation. In view of the applicability of this theory to the present study, the researchers adopt this two-dimensional theory of customer's satisfaction in the present study.

Based on the dimensions of the service quality and customers satisfaction as identified in the LQI and the expectancy disconfirmation theories, this study proposed a service quality and customer satisfaction model for hotels in Nigeria and more so in Auchi, Edo State as shown in Figure 1. The conceptual model highlights the relationships between the independent variable and dependent variable. The independent variable is the service quality while the dependent variable is customer satisfaction. For the purpose of this study, service quality is measured based on the five (5) variables; tangibility, reliability, responsiveness, assurance/ confidence and empathy/ communication which make up the streamlined service quality dimensions in order to determine how each of the dimensions can influence the dependent variable (i.e. customer satisfaction) in the hotels.

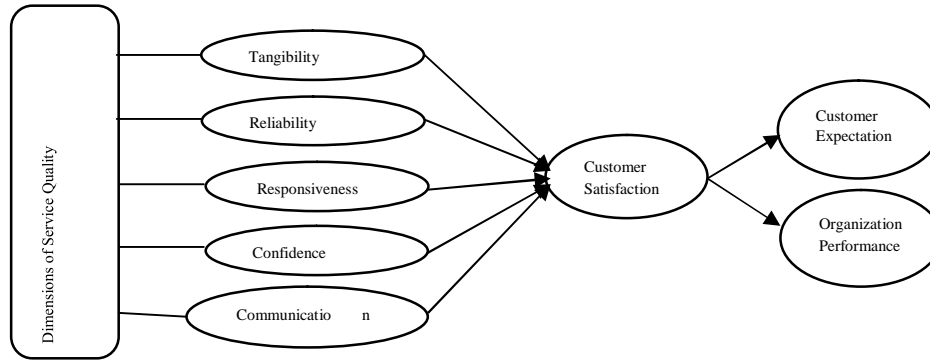


Figure 1: Service Quality and Customer Satisfaction Model for Hotel Industry.

Research Methodology

This study adopts a quantitative research design, using a structured questionnaire survey to measure the relationship between service quality and customers' satisfaction. The study population comprises 10 registered hotels in the study area with focus on three and four stars rated establishments. The researchers made concerted effort to sample the customers of the 10 studied hotels. However, to determine the proportion of the sample units that make up the sample size for the study, Yaro Yamane's formula was used;

$$n = \frac{X}{1 + N(e)^2}$$

Where n= sample size.

X= Observation Unit.

N= Population Size.

e= Sample Error or level of significance.

But, to determine the sample size of the 10 selected hotels vis-à-vis the population of customers, the researchers adopted proportional allocation method (Kothari, 1990). The concept of proportional allocation suggests that the sizes of the samples from the different strata are kept proportional to the sizes of the strata. Before applying the Yaro Yamane's formula, the researchers contacted the management of the 10 selected hotels to obtain data on their guest turnover per week; thus, the population (N) size of 1450 was obtained. The sample sizes (N) of customers for each of the hotels (i.e. n1....10) were subsequently drawn from the population (N) of 1450 for each of the hotels. Therefore, 310 guests were sampled. The questionnaire used contains three parts. The first part focuses on the demographic characteristics (e.g. sex, age, qualification, educational qualification) of the respondents. The second part of the questionnaire highlights the LQI dimensions of service quality, adapted from Juliet et al., (2003). The adopted LQI instrument

comprises of five (core themes) dimensions of service quality, with 26 corresponding items. The third part of the questionnaire highlights customer satisfaction hence, Bello & Bello's (2017) customer's satisfaction instrument was adopted. The instrument consists of four measures of customer satisfaction. Part two and three of the questionnaire adopt a 5- point Likert scale to measure responses thus, 1 represents strongly disagree, and 5 strongly agree.

The researchers conducted a pilot test to determine the extent to which the items in the instrument measures each of the core service quality and customer's satisfaction constructs. The instrument was pre-tested with 100 participants comprising customers of the targeted hotels. The variables in the questionnaires were tested for its reliability using SPSS version 22. The reliability test for each of the constructs in the instrument was examined for its Cronbach's Alpha. The outcome of the analysis shows that each of the constructs in the instrument has a Cronbach's Alpha reading > 0.7 as indicated in Table 2. The findings corroborate Hair et al. (2006) and a Nunnally (1967) findings which suggests that a Cronbach's Alpha reading 0.7 and above is considered satisfactory.

Table 2: Composite Reliability of Individual Variables

Constructs	Number of Items	Cronbach's Alpha
Tangibility	8	.768
Reliability	4	.775
Responsiveness	5	.809
Confidence	5	.718
Communication	4	.814
Customer's Satisfaction	4	.831

Source (Authors Computation, 2017).

In the same vein, the researchers conducted the validity of the scale employed for the study. Hair et al. (2006) suggests the use of factor loading, hence the composite reliability, including, the item loading should be $>.6$. The results show that all the items in the instrument met the parameters. To determine the relationship between the dimensions of service quality and customer's satisfaction, multiple regressions was used for analysis.

Findings and Discussion

Results of the relationship between dimensions of service quality and customers satisfaction in the context of hotels in Auchi, Edo State were analyzed and discussed as follows:

Percentage Item Analysis of the Independent and Dependent Variables

Table 3: Percentage Item Analysis of Tangibility

Items	SD (%)	D (%)	N (%)	A (%)	SA (%)
The front desk was visually appealing	0.9	7.2	25.2	45.0	21.6
The employees had clean, neat uniforms	7.2	15.3	24.3	31.5	21.6
The restaurants atmosphere was inviting	9.0	7.2	12.6	37.8	33.3
The shops were pleasant and attractive	4.5	2.7	5.4	34.2	53.2
The outdoor surroundings were visually attractive	3.6	4.5	12.6	56.8	22.5
The hotel was bright and well lighted	3.6	5.4	5.4	55.0	30.6
The hotel's interior and exterior were well maintained	4.5	11.7	12.6	52.3	18.9
The hotel was clean	4.5	7.2	11.7	58.6	18.0

Strongly Disagree = 1, Disagree= 2, Neutral= 3, Agree =4, Strongly Agree = 5.
Source (Authors Computation, 2017).

Table 3 shows the percentage score of the items that were used to gather information from respondents concerning the tangibility dimension of service quality. The result shows that item with statement "The hotel was clean" has the highest percentage of 58.6% followed by the statement "The outdoor surroundings were visually attractive" with 56.8%. The statement "The hotel was bright and well lighted" has 55.0% followed by the statement "The shops were pleasant and attractive, with 53.2% and the statement "The hotel's interior and exterior were well maintained" (52.3%). Other items in descending order include "The front desk was visually appealing" (45.0%), "The restaurant's atmosphere was inviting (37.8%), and "The employees had clean, neat uniforms (31.5%). All the responses fall under the Likert scale (Agree), except the statement "The shops were pleasant and attractive" which fall under the Likert scale (Strongly Agree). The results show that

majority of the customers believe that tangibility explains the concept of services quality delivered.

Table 4: Percentage Item Analysis of Reliability

SD D N

Items	(%)	(%)	(%)	A (%)	SA (%)
(%) My reservation was handled efficiently	1.8	5.4	9.9	51.4	31.5
9.9					
Food ordered was promptly delivered	1.8	5.4	9.9	51.4	31.5
Tv, radio, A/C, lights, and other mechanical equipment worked properly	4.5	4.5	9.9	47.7	33.3
I got what I paid for	4.5	5.4	8.1	48.6	33.3

Strongly Disagree = 1, Disagree= 2, Neutral= 3, Agree =4, Strongly Agree = 5.
Source (Authors Computation, 2017).

Table 4 depicts respondents' feeling about reliability dimension of services offered. The result shows that item with statement "My reservation was handled efficiently" and "Food ordered was promptly delivered" has the highest percentage of 51.4% each, followed by the statement "I got what I paid for" with 48.6%. Item with the statement "Tv, radio, A/C, lights, and other mechanical equipment worked properly" has 47.7%. All of the responses fall under the Likert scale (Agree). The results show that majority of the customers believe that the quality of services offered in hotels in Auchu was reliable.

Table 5: Percentage Item Analysis of Responsiveness

Items	SD (%)	D (%)	N (%)	A (%)	SA (%)
Employees responded promptly to my requests	0.9	6.3	19.8	46.8	26.1
Informative literature about the hotel was provided	1.8	7.2	21.6	42.3	27.0
Employees were willing to answer my questions	0.9	6.3	18.0	42.3	32.4
Employees responded quickly to solve my problem	2.7	11.7	20.7	45.0	18.9
Room service was prompt					

Strongly Disagree = 1, Disagree= 2, Neutral= 3, Agree =4, Strongly Agree = 5.
Source (Authors Computation, 2017).

Table 5 indicates the feeling of respondents about responsiveness factor of service quality. The result shows that item with statement

“Employees responded promptly to my requests” has the highest percentage of 46.8%, followed by the statement “Employees responded quickly to solve my problem” with 45.0%. Item with the statement “Informative literature about the hotel was provided” has 42.3%, and item with the statement “Employees were willing to answer my questions” has 42.3% each. All of the responses fall under the Likert scale (Agree). The results show that majority of the customers believe that responsiveness explains service quality of hotels in Auchi.

Table 6: Percentage Item Analysis of Confidence

Items	SD (%)	D (%)	N (%)	A (%)	SA (%)
interest.	1.8	5.4	5.4	69.4	18.0
Employees treated me with respect.	2.7	6.3	73.9	17.1	0.2
Employees were polite when answering my questions.	1.8	5.4	9.9	51.4	31.5
The hotel provided a safe environment	4.5	4.5	9.9	47.7	33.3
The facilities were conveniently located	4.5	5.4	8.1	48.6	33.3

Employees knew about local places of

Strongly Disagree = 1, Disagree= 2, Neutral= 3, Agree =4, Strongly Agree = 5.

Source (Authors Computation, 2017).

Table 6 depicts the responses about confidence as a dimension of service quality. The result shows that item with statement “Employees treated me with respect.” has the highest percentage of 73.9% followed by the statement “Employees knew about local places of interest” with 69.4%. Item with the statement “Employees were polite when answering my questions.” has 51.4%, and item with the statement “The facilities were conveniently located” has 48.6%. The remaining item with statement “The hotel provided a safe environment has 47.7%. The responses fall under the Likert scale (Agree), except the statement “Employees treated me with respect” that fall under the Likert scale (Neutral). The results show that majority of the customers believe that confidence attributes among the hotel staffs explains service quality.

Table 7: Percentage Item Analysis of Communication

Items	SD (%)	D (%)	N (%)	A (%)	SA (%)
Charges on my account were clearly explained	2.7	7.2	41.7	58.6	19.8
I received undivided attention at the front	0.9	5.4	18.9	47.7	27.0

desk.					
Reservation tried to find out my particular needs.	1.8	12.6	18.9	41.4	24.3
Employees anticipated my needs	0.9	4.5	16.2	44.1	34.2

Strongly Disagree = 1, Disagree= 2, Neutral= 3, Agree =4, Strongly Agree = 5.
 Source (Authors Computation, 2017).

Table 7 depicts respondents’ feeling about communication dimension of service quality. The result shows that item with statement “Charges on my account were clearly explained” has the highest percentage of 58.6%, followed by the statement “I received undivided attention at the front desk” with 47.7%. Item with the statement “Employees anticipated my needs” has 44.1%, and item with the statement “Reservation tried to find out my particular needs” has 41.4%. The responses fall under the Likert scale (Agree). The results show that majority of the customers believe that efficient communication attributes explains service quality.

Table 8: Percentage Item Analysis of Customer Satisfaction

Item	SD (%)	D (%)	N (%)	A (%)	SA (%)
Service staff did not understand what I want.	1.8	49.5	19.8	11.7	16.2
Service staff knows what I want but could not deliver due to poor facility.	0.9	61.2	16.2	4.5	17.1
Management understands my expectations but staff is not willing to deliver.	1.8	53.2	21.6	5.4	18.0
The organization promised what they could not offer.	1.8	43.2	25.2	7.2	22.5

Strongly Disagree = 1, Disagree= 2, Neutral= 3, Agree =4, Strongly Agree = 5.
 Source (Authors Computation, 2017).

Table 8 indicates the feeling of respondents about customer’s satisfaction in the context of hotels in Auchi. The result shows that item with the statement “Service staff knows what I want but could not deliver due to poor facility” has the highest percentage of 61.3, followed by the statement “Management understands my expectations but staff is not willing to deliver.” with 53.2%. Item with the statement “Service staff did not understand what I want” has 49.5%, and item with the statement “The organization promised what they

could not offer" has 43.2%. The responses fall under the Likert scale (disagree). The results show that majority of the

customers believe that both the management and staff of hotels in Auchi understand and are committed to customer satisfaction.

Table 9: Correlations of Dimensions of Service Quality on Customer's Satisfaction

Variables	R	P	Level
Customer Satisfaction -- (COS)		--	--
Tangibility (TAN)	0.700**	0.030	Small
Reliability (REL)	0.073**	0.020	Medium
Responsiveness (REP)	0.317**	0.010	Small
Confidence (CFD)	0.533**	0.040	Medium
Communication (COM)	0.381**	0.042	Medium

** Correlation is significant at 0.01 level (2 tailed)

Pearson correlation was used to determine the relationship between the dimensions of service quality and customer satisfaction as shown in Table 9. The results show that the five dimensions of service quality; tangibility (TAN) ($r = 0.700$; $p = 0.030$), reliability (REL) ($r = 0.073$; $p = 0.020$), responsiveness (REP) ($r = 0.317$; $p = 0.010$), confidence (CFD) ($r = 0.533$; $p = 0.040$) and communication (COM) ($r = 0.381$; $p = 0.042$) correlate with customer satisfaction. This suggests that all the tested variables have positive and significant relationship with customer satisfaction (COS). In terms of the strength of the relationship, the results show that the reliability has small and positive relationship ($r = 0.073$), communication has medium and positive relationship ($r = 0.381$), while confidence has positive and large relationship ($r = 0.533$). Therefore, the alternate hypothesis was accepted which states that there is a significant relationship between the dimensions of service quality (tangibility, reliability, responsiveness, confidence and communication) and customer satisfaction in hotel industry in Auchi. This suggests that when there is any change to any of these factors, it will have an effect on customer satisfaction in general.

Table 10: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.982 ^a	.964	.821	.06889

a. Predictors: (Constant), CMS, SRB, TSQ, RSQ

Table 10 depicted that the R for the model was .982 which implies that the dimensions of service quality (tangibility, reliability, responsiveness, confidence, communication) explained about 96.4% of the variance in customers' satisfaction. Thus, the remaining 3.6% is due to other factors and residuals. Also, the R-square = .964 revealed significantly high relationship between independent variable (tangibility, reliability, responsiveness, confidence, communication) and dependent variable.

Table 11: ANOVA^b

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.128	4	.032	6.735	.0280 ^a
	Residual	.005	1	.005		
	Total	.133	5			

a. Predictors: (Constant), CMS, SRB, TSQ, RSQ

b. Dependent Variable: CQS.

Table 11 shows that F value was significant (F= 6.735, p=.0280), thus making the model valid. This indicates that there is a linear relationship between the predictors (tangibility, reliability, responsiveness, confidence, communication) and customer satisfaction. In comparing the contribution of each independent variable, Beta values are used. As illustrated in the standardized coefficient column, Tangibility (TAN) makes the strongest unique contribution to explaining customers satisfaction with ($\beta=1.151$), followed by confidence (CFD) with ($\beta=0.908$) and responsiveness (RES) with ($\beta=.667$). Communication made the fourth relative contribution, ($\beta= -.512$) including, reliability ($\beta= -.236$). The outcome of the result indicates that increase in tangibility, reliability, responsiveness, confidence; communication will increase customer's satisfaction.

Discussion of Findings

The study revealed that there is positive and significant relationship between customer satisfaction and the five dimensions of service quality. Thus, tangibility namely, physical facilities, equipment and appearance of personnel in which the service is delivered, including commodities that facilitate performance or communication of the service (Kumar et al., 2009), as expressed in previous literature, influence customer satisfaction. Ham & Hayduk (2003) and Hishamuddin et al., (2008) in their studies in higher institutions of learning, revealed that there are significant and positive relationships between tangibility and customer satisfaction. Furthermore, our findings, and in conformity with previous literature, found that the ability to perform the promised service dependably and accurately (Zeithaml et al., 1990) and deliver the desired service dependably, accurately and consistently (Parasuraman & Berry, 1991; Zeithaml et al., 1990), determine how reliable an institution is. Ham & Hayduk (2003) in their study showed that the dimension of reliability has the strongest relationship with customers' satisfaction. Also the research by Hishamuddin et al., (2008) indicated that there is a significant and positive relationship between reliability and customer satisfaction (SS).

The dimension on responsiveness of service management and customer satisfaction is also in conformity with previous studies. Responsiveness can be said to be the ability of service providers to carry out services promptly according to the needs of the customers (Zeithaml et al., 1990). It is the willingness to provide prompt service and help customers (Parasuraman et al., 1988). Ham & Hayduk (2003) Hishamuddin et al., (2008) in their respective studies showed that there is a significant and positive correlation between responsiveness and customer satisfaction (SS). In addition, our study showed that there is positive and significant relationship between confidence and customer satisfaction in hotels in Auch. Confidence in this sense refers to the knowledge and courtesy of employees and their ability to inspire trust and assurance (Van Iwaarden et al., 2003; Parasuraman et al., 1988). This finding is in consonance with the results of Ham & Hayduk (2003) and Hishamuddin et al., (2008), which indicated significant and positive relationships between confidence and customer satisfaction. The findings on communication dimension, as revealed by this study, are also in tandem with earlier results. The ability of employees to keep customers informed, good listening skills and use of language and terms that all customers can understand (Parasuraman, et al., 1988) are believed to enhance delivery of quality services that ensures customer satisfaction.

Conclusion from the Findings and Limitations of the Study

What can be deduced from our findings is that the management of the hotels in Auchi should collaborate with other stakeholders in the industry to improve service quality dimensions, and increase customer satisfaction. This would no doubt go a long way to increase the standard of hotels in Auchi. This study might be of value to authorities in charge of the hotel industry since its findings can facilitate the improvement of customer satisfaction through quality service delivery. Despite the above findings, it must be remembered that only registered hotels that are operational within the study area were used in the study. Furthermore, the study sample consists of only hotel guests within the hotel at the various times the survey questionnaires were administered. These are some of the challenges faced by the authors. A further study within the same or different locations may provide different results as the human nature is arguably considered dynamic.

References

- Adee, A. (2004). Antecedents and Consequences of Student Satisfaction with University Services. *Academy of Marketing Studies Journal*, 54, (1),123134.
- Anderson, E.W., Fornell, C., & Lehmann, D.R. (2000). Customer Satisfaction, Market Share and Profitability: Findings from Sweden. *Journal of Marketing*, 58, (3), 53-66.
- Bello, Y. O., and Bello, M. B. (2015). *Common Concerns of Bar Operators and Managers*. Ondo: Grace Excellent Publishers.
- Bello, Y. O., and Bello, M. B. (2015). *Lodging Service Management and Administration, Theory and Practice*. Benin: Diamond Publishing House.
- Bello Y., and Bello B. (2016). *Food and Beverage Service Practice*. Ondo: Grace Excellence Publishers.
- Bello, Y. O., Udi, I. O., Bello, M. B & Raja, N. R Y. (2016). *Introduction to Hospitality Management*. Ondo: Grace Excellent Publishers.
- Bello, M.B., and Bello, Y.O. (2017). Dimensions of Employee's Empowerment and Customer's Satisfaction in Hotel Industry. *South African Business Review*, Under Review (South Africa).
- Bello, Y. O., Bello, M. B., and Obiora, N. J (2017) Sport Tourism: Perceived Economic Impact of Okpekpe Marathon Race on the Host Community. *Journal of Tourism and Heritage Studies*, 6, (1), 113-132.
- Cardozo, R. (1965). An Experimental Study of Customer Effort, Expectation, and Satisfaction. *Journal of Marketing Research*, 2, (8), 244-249.

- Churchill, G. A & Carol, S. (1982). An Investigation into the Determinants of Customer Satisfaction. *Journal of Marketing Research*, 491-504.
- Forman, K. (1986). *The impact of Purchase Decision Confidence on the Process of Consumer Satisfaction/dissatisfaction*. Unpublished Ph.D. Dissertation. Knoxville: The University of Tennessee.
- Fornell, C. (2015). A National Customer Satisfaction Barometer: The Swedish Experience. . *Journal of Marketing*, 56, (1), 6-21.
- Fornell, S., and Larcker, D. F. (2015). Evaluating Structural Equation Models with Unobservable Variables and Measurement Error. *Journal of Marketing Research*, 39-50.
- Giese, J. L., & Cote, J. A. (2000). Defining Consumer Satisfaction. *Academy of Marketing Science*, 2000, (1),1-24.
- Gronroos., C. (2001). *Service Management and Marketing: A Customer Relationship Management* . Great Britain : Pearson Education Limited.
- Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., and Tatham, R. L. (2006). *Multivariate Data Analysis (6th Ed.)* . Upper Saddle River, NJ: Pearson Prentice Hall.
- Ham, L., & Hayduk, S. (2003). Gaining Competitive Advantages in Higher Education: Analyzing the Gap Between Expectations and Perceptions of Service Quality . *International Journal of Value-Based Management* , 16, (3), 223-242 .
- Hishamuddin, F. A., Azleen, L., Rahida, A., & Mohd Zulkeflee, A. (2008). Service Quality and Student Satisfaction: A Case Study of Private Higher Education Institutions. *International Business Research*, 1, (3), 163-175.
- Hovland, C., O., Harvey, J & Sherif, M. (1987). Assimilation and Contrast Effects in Reaction to Communication and Attitude Change. *Journal of Abnormal and Social Psychology*, 55, (7), 244-252.
- Igbojekwe, P. (2002). In C. I. Okoli, *Food Service Operations in the Hospitality Industry*. Owerri: Unique Books, WEBS Media Communication.
- Ivanka, A.H., Suzana, M., & Sanja, R . (2003). Consumer Satisfaction Measurement in Hotel Industry. *Content Analysis Study*, 3.
- Juliet, M., Getty, R., Robert, L., & Getty, K. (2003). Lodging Quality Index (LQI): Assessing Customers' Perceptions of Quality Delivery . *International Journal of Contemporary Hospitality Management*, 15, (2), 92-104.
- Kothari, C. .. (1990). *New Age Research Methodology; Methods and Techniques (2nd Ed)*. New Delhi: New Age International (P) Limited.
- Kotler, P., Bowen, J. T., and Makens, J. C. (2006). *Marketing for Hospitality and Tourism 4th (ed.)* . New Jersey: pearson Education Inc.

- Kumar, M., Kee, F.T., & Manshor, A.T. (2009). Determining the Relative Importance of Critical Factors in delivering Service Quality of Banks – An Application of Dominance Analysis in SERVQUAL Model. *Managing Service Quality*, 19(2), 211–228, 19, (2), 211–228.
- Nikki, F., Pietro, C., Sunet, L., Basheena, B., Osere, A., Nicolas, V, & Michael, M. (2015). *The African Traveller*. Sunninghill, South Africa: PWC'S Hospitality Industry Group.
- Nunnally, J. C. (1978). *Psychometric Theory (2nd ed.)* . New York : McGraw Hill.
- Oliver H.M. Y & Hanming, Y. (1994). *Consumer Behaviour in China: Customer Satisfaction and Cultural Values* . London: Taylor & Francis.
- Olson, J., & Dover, P. (1979). Disconfirmation of Consumer Expectations through Product Trial” . *Journal of Applied Psychology*, 64, (1), 179-189.
- Parasuraman, A. Z., Valarie, A., and Berry, L. L. (2001). A Conceptual Model of Service Quality and Its Implications for Future Research. *Journal of Marketing*, 49, (4), 41-50.
- Parasuraman, A., Zeithaml, V.A., & Berry, L. (1988). Communication and Control Processes in the Delivery of Service Quality . *Journal of Marketing*, 52, (2), 35-48.
- Parasuraman, A., Zeithaml, V.A., & Berry, L. (1996). The Behavioral Consequences of Service Quality. *Journal of Marketing* , 60, (2), 31-46.
- Peyton, R.M., Pitts, S., and Kamery, H.R. (2003). Consumer Satisfaction/ Dissatisfaction (CS/ D): A Review of the Literature Prior to the 1990s. *Proceedings of the Academy of Organizational Culture Communication and Conflict*, (pp. 7,(2). Proceedings of the Academy of Organizational Culture Communication and Conflict.
- PricewaterhouseCoopers. (2015). *Hospitality Outlook; 2015-2019*. South Africa: PCWC.
- Schiffman, L. G. & LazarKanuk, L . (2004). *Consumer Behavior*. New Jersey : Pearson Education Inc, Upper Saddle RiverTitus.
- Solomon, M. R. (2009). *Consumer Behaviour, Buying, Having and Being, 8th Edition*. UK: Pearson Education,Inc.
- Sureshchandar, G.S., Rajendran, C. & Kamalanabhan, T.J. (2010). Customer Perceptions of Service Quality: A Critique. *Total Quality Management*, 12, 111 -124.
- Teas, R. K. (1993). Consumer Expectations and the Measurement of Perceived Service Quality. *Journal of Professional Services Marketing*, 8, (2), 33-54.
- Tse, D, K. & Peter, C. W. (2000). Models of Consumer Satisfaction: An Extension. *Journal of Marketing Research*, 25 204-212.

- V, T. G. (1997). *Improving your Measurement of Customer Satisfaction: A Guide to Creating, Conducting, Analyzing, and Reporting Customer Satisfaction Measurement Programs*. London: American Society for Quality.
- Van Iwaarden, J., van der Wiele, T., Ball, L., & Millen, R. (2003). Applying SERVQUAL to web sites: An Exploratory Study. *International Journal of Quality & Reliability Management*, 20, (8), 919-935.
- Vavra, T. (1997). Improving your Measurement of Customer Satisfaction: A Guide to Creating, Conducting, Analyzing, and Reporting Customer Satisfaction Measurement Programs. *American Society for Quality*, 42.
- Zeithaml, V. A., Parasuraman, A., and Berry, L. (1990). *Delivering Quality Service: Balancing Customerservice: Perceptions and Expectations*. New York, NY: Free Press.