

Guest Loyalty and Associated Benefits: A Study on Major Mid Segment Hotel in Guwahati, India.

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ABSTRACT

In the current scenario of the hospitality and tourism trade, every hotel tries to create customer delight and retain guests for a longer duration of time. In the study, it is basically designed to evaluate the history and outcome of guest retention is satisfaction with the hotel industry. The relationship between Guest satisfaction and Guest retention has been a research area for very many years. This study has off-late portrayed to the fact that any research study in this area has to look at the precursor of guest satisfaction as well as the effects of added value and gender on guest satisfaction and guest retention, and how they relate to the intent to switch over. Guest retention is expressed in terms of loyalty and intent to switch. Satisfaction of guest was studied in terms of hotel ambience and hospitality. A survey among hotel guests in the mid segment hotel was conducted. The overall outcome of the study indicates that the latent customer retention was directly dependent upon the clandestine construct of customer satisfaction. Added value additions in service and loyalty maintenance were found to have positive effects on guest satisfaction measures and guest retention policies.

Keywords

Loyalty, benefits, satisfaction, retention, guest.

1. INTRODUCTION

Guest satisfaction forms an important element within the hotel industry across the world. A several number of studies has been carried out in the similar and relevant areas by a wide number of researchers. The satisfaction level of guests has become a significant activity and a success indicator for the entire hospitality industry, as it indicates the connection between the customer sometimes referred as guests in the hospitality sector and the service provider i.e. Hotels. The hotel industry is a extensively service oriented industry and here, the different service forms are guest related. In the state of Assam the most important city being Guwahati is still to go a long way in regard to the growth of Hotel Industry and it is therefore important for the accommodation properties to project and publicizes themselves as operating brands. Indian and International chains have started operation in the state in the recent times. It is important to be focused as guest centric and make sure that their guests are provided the best values for money spent. As hospitality industry being a major service-oriented industry and have a direct impact upon the relationship between the guests and service providers i.e. Hotels. This is very

much prominent in this Industry. The marketing department of the hotel is looking consistently after the advertising and publicity segments and should be extra careful to keep a fine balance between the perception & expectations level of the guests and the services on offer. Therefore, there is a superior need to affect an observation regarding the attitudes of the guests and the attributes in terms of services of the hotel property. The business of a hotel can be evaluated to be successful operating only when there is an excellent balance and blending between the two is prevailing. The leading brands like the Taj, Radisson and Novotel along with many more mid segment unit properties are running successfully but the level of competitions will increase with times to come. In such scenario it becomes important that the marketing executive and managers of any hotel should understand the guest's needs, tastes & preferences very well enough so that the product or service fits him and sells itself. For every successful hotel operation, a guest or customer takes the focus area in the management policy. There is a need to develop an important relationship between the guest satisfaction level and the loyalty which gets created because of its impact on the hotel's business. Loyal guests usually spread positive feelings and recommends to all around especially to friends and families about the property. Not only this they themselves gives a repeat business to the hotel. They can influence more people and provide ample scope for the hotel's endorsement for competitive advantage.

1.1 Review of Literature

The customer satisfaction as (McCarthy and Perrault,2002) "Customer satisfaction may be defined as the extent to which a firm fulfils a customer's needs and desires in relation to his expectations, prior to receiving the products or service." Thus, a customer's expectation is the difference between the expectations of the customers before receiving the services and perceptions of the customers after receiving the services from the hotel. "Customer satisfaction mainly depends on the experiences that is build-up of the perceived value to which the customers have concerning a product or service" as stated (Kotler and Armstrong, 2004; 2009). Therefore,customers' satisfaction can reflect a person's feeling of pleasure. Loyalty is an overly complex construct (Javalgi and Moberg,1997). In the hotels Customer loyalty represents an essential issue in the marketing practice. However, as per the American Marketing Association over-simplifies the concept by defining it as the situation in which a consumer generally buys the same manufacturer-originated product or service repeatedly over time rather than buying from multiple suppliers within the category (Moisescu and Vü, 2011). Moreover, Aaker (1991) defines brand loyalty "as a reflection of how likely a consumer is to switch to another brand, especially when that brand makes a change in price, product features, communication, or distribution programs." Nevertheless, "loyalty is much more than just repeat purchases, as a consumer who keeps buying a certain brand may be doing it because of inertia, indifference, switch or exit barriers and other motives, rather than actual loyalty" (Reichheld, 2003).

One essential contribution to the literature regarding brand loyalty was that of "Jacoby and Chesnut (1978) who classified the approaches regarding brand loyalty into three categories: behavioral, psychological commitment, and composite." The study of " Fournier and Glenmick (1991) concluded that the concept of satisfaction holds well only when the expectation is positive. The expectations level from the customer's point of view are the indicating points on which a customer forms a judgment about a service or a product. Customer satisfaction process starts with the first contact the hotel representative of an organization has with a customer and continues

throughout the entire lifetime of the relationship i.e. the guest cycle. Many a times it is said as “First impression is the last impression.” The loyal and regular customers will also support in promoting hotel business. They will give certifications to the quality and standard of the hotels such as providing strong word-of-mouth, creating business referrals, giving references, and some even serving to the decision-making boards.

2. RESEARCH METHODOLOGY

The research was conducted through a survey where the primary data was collected from few reputed hotels through a designed questionnaire to collect the responses from the guests on the basis of various service attributes provided to them. In the study, simple random sampling technique has been used. The 200 questionnaires were distributed among the customers, hotels guests availing the hotel services and There were 150 responses were found useable for the study.

3. OBJECTIVES

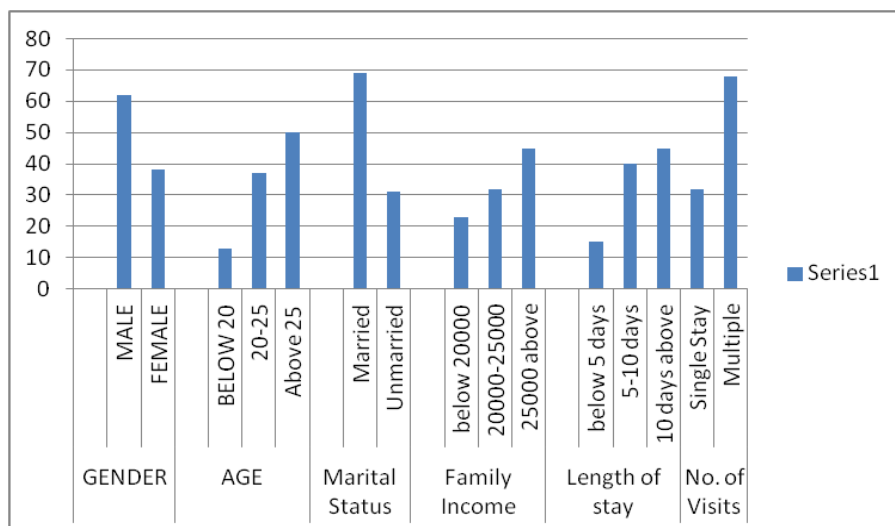
1. To study the level of guest satisfaction and Loyalty towards the hotel.
2. To suggests the service providers with various strategies so as to enhance guest’s services.

4. ANALYSIS AND DISCUSSION

During the research, a survey was done in simple random technique which gave the following findings

The demographic variables considered were gender, age, marital status, family income, length of stay, number of visits made by tourists.

DEMOGRAPHIC VARIABLE		Respondants %
GENDER		
	MALE	62
	FEMALE	38
AGE		
	BELOW 20	13
	20-25	37
	Above 25	50
Marital Status		
	Married	69
	Unmarried	31
Family Income		
	below 20000	23
	20000-25000	32
	25000 above	45
Length of stay		
	below 5 days	15
	5-10 days	40
	10 days above	45
No. of Visits		
	Single Stay	32
	Multiple	68



Graphical depiction of Table I

Description	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied
Cleanliness and comfort	25	45	13	12	5
Safety and security	42	20	10	16	12
Staff performance	23	49	15	6	7
Prompt services provided	30	15	26	12	17
Staff knowledge	16	41	17	11	15
Price charged by the hotels	18	46	21	9	6
Ambience and interior decoration of the hotel	18	54	13	10	5
Parking facility provided by the hotel	12	50	22	12	4
Quality of the food provided	30	24	16	22	8
Products and services	22	34	15	18	11
Location of the hotel	18	25	15	22	20

5. RESULT AND INTERPRETATION

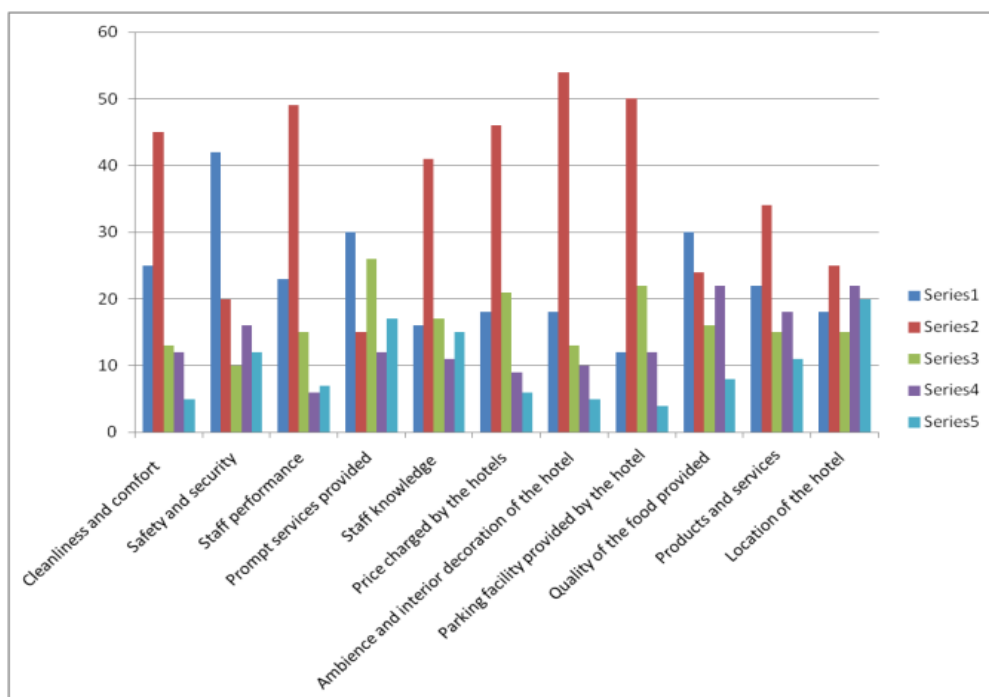
In the study results revealed in Table 1, 62 % of the respondents are males and the remaining 38% females. 13% of the respondents fall in the age category of (below 20years), 37% in the (20- 25years) and 50% of the respondents fall in the age category of (above 25 years). 69% of the respondents are married while as 31 % are unmarried. 23 % of the respondents fall in the income group of (below20000 INR), 32 % fall in (20000-25000 INR) and 45 % of the respondents fall in the income group (above 25000 INR). Of the total 15% of the respondents have the length of stay for (below 5 days), 40 % for (5 – 10 days) and 45% above 10 days. Of the respondents, 68% were repeat guests.

The results depicted in Table II available in first segment, 45% of the respondents were found to be satisfied with the cleanliness and comfort that is provided by the hotel, 20 % are satisfied with the safety and security level the hotels maintains for guests and his belongings , 49% are satisfied with the staff performance of the hotels, and 30% of the total guests are highly satisfied with the prompt and efficient services that was provided

to them by the hotels. The current study shows 41 % of the guests are satisfied with the staff knowledge of the hotel 46 % of the customers are satisfied with the price charged by the hotels, 54% of the hotels are satisfied with the ambience and interior decoration of the hotels, 50% of the guests are satisfied with the parking facility provided by the hotel, 34% of the guests are satisfied with the products and services provided with the hotel and 25 % of the guests are satisfied with the location of the hotel.

6. CONCLUSION AND SUGGESTION

The result conclusion through the analysis illustrate that the guests are very much sensitive towards the various service segments offered and thus it is very much needed from the service provider's end is that they should draft and present their services in such a manner that maximum guest satisfaction is attained through the offered services and a strong clientele base is generated and attained. The hotel service providers thus need to augment their services in such a way that it meets the expectations of the guests at desired levels. The service providers need to enhance their services from time to time in order to meet the challenges existing in the global scenario, the probable challenges and needs of the guests. Guest loyalty programme and benefits must be provided to regular guests. The managers and the management and organization as a whole should make a provision for customized services which should be customer centric and should focus on complaint for corrective measures for creating customer satisfaction. This would in the long run pave the way for a healthy guest relationship on the part of the hoteliers.



Graphical depiction of Table II

7. REFERENCES

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