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IMPORTANCE FACTORS OF FOREIGN GUESTS PERCEPTIONS ON SMES HOTELS'S SERVICE IN MALAYSIA

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Abstract

Industry people and writers in the prevalent media tend to use the terms satisfaction and quality reciprocally, but scholars have endeavoured to be more accurate about the meanings and measurement of the two notions, resulting in significant deliberation by many parties from different backgrounds and understandings. Despite the fact that they have communal in shared meaning, satisfaction is often viewed as a broader theory, while service quality evaluation emphasizes precisely on dimensions of service. Service quality is a focused evaluation that reveals every element in service as based on the customer's perception. As for satisfaction, it is more comprehensive: resulted from every perception by the customer towards service quality, product quality and price offered by the service providers including situational factors and personal factors that circled the whole perception. The designed survey was simple which to look upon the response of foreign guest towards the importance elements that need to be prepared and delivered by the SMEs hotel throughout their stay. All features in the selected tested Importance Factors are important criteria to meet the research objective. In addition, a wide coverage of foreign guests have been participated as our samples to represent and generalize the study as a future reference. All respondents have successfully given their cooperation to this research and made the set of survey questions usable. A simple descriptive analysis was run for the purpose of result presentation to discover the factors that need to be taken care of and validated by respective agencies and society.

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1. Introduction

The service sector is now to be the key element factor in defining economy's triumph. Up to 2020, most of the countries are very much depending upon this sector. Services cover a huge variety of complex activities, making them difficult to define. The word service was originally associated with the work that servants did for their masters. In time, the term came to be defined more broadly as "the action of serving, helping or benefiting; conduct tending to the welfare or advantage of another (Brown, 2002 as cited in Wirtz & Lovelock, 2018, p, 14). According to Wirtz and Lovelock (2018), services is defined as economic activities between two parties, implying an exchange of value between the seller and the buyer in the market place. We describe services as performances that are most commonly time-based. They emphasize that purchasers buy services for desired results. In fact, many firms explicitly market their services as "solutions" to the needs of potential customers who expect to obtain value from their service purchases in exchange for their money, time and effort. This value comes from access to a variety of value-creating elements rather than transfer of ownership. Ghobadian et al. (1994) claimed that service quality is a condition to service success in today's challenging competition amongst the service providers. This has become the focal point and treated as an obligation to every service owner or practitioner. As to remain succeed and competence in the industry, the service providers need to ensure that the provision of quality is to meet the customer expectation in which it will lead to customers satisfaction and company's profit making. According to Antony et al. (2004) service quality includes the concept of meeting and exceeding the expectations of the customer and unless these expectations are exceeded, customers will regard the service as mere ordinary or inferior. Customers hold service expectations based on many principles, such as experiences, recommendations, publicity, testimonials in which most of the customers compare the perceived service that they have encountered with the expected service before they patronizing any. Ingram and McDonnell (1996) state that service quality is a core element to be focused in service industry as it has become the most highlighted point in any business engagement based on its effect towards customer satisfaction, customer feedback and customer response.

The individual relationships between service productivity, customer satisfaction and profitability are complex. When examining the individual links, one can see that, everything being equal, higher customer satisfaction should improve the bottom line through higher repeat purchase, share of wallets and referrals. Likewise, higher productivity should lead to higher profitability as costs are reduced. Meanwhile, the relationship between productivity and customer satisfaction is more complex. There is the general notion of a service productivity – customer satisfaction trade-off. However, although the relationships between productivity, service quality and profitability can conflict, there are still ways where productivity gains and customer satisfaction are aligned (Wirtz & Lovelock, 2018).

Satisfaction denotes to the consumers state of being satisfactorily compensated in buying process for the cost that has been paid. Oliver (1997) defines satisfaction as the buyers' completion response. It is a decision of accepting the product or service delivered meets the pleasurable level of consumption. Zeithaml and Bitner (2003) interpret Oliver's description of satisfaction as a customer's likability towards every successful service delivered. Dissatisfaction of customers will only happened once the service quality is failed to achieve due to the failure in service delivery or any damage in product service.

Satisfaction is significantly found to be changed over time and become vigorous due to various factors (Fournier & Mick, 1999). The customer satisfaction is subject to the perception of product or service feature quality standard, customers' emotional responses and customers' attributions.

2. Problem Statement

It is widely acknowledged that the survival of hotels in the current state of competition where most hotels possess similar luxurious physical facilities depends to a greater extent on the delivery of service quality that delights guests. Customer-defined standards and measures of service quality can be grouped into two broad categories: "soft" and "hard". Soft standards and their measures are those that cannot be easily observed and are typically collected by talking to customers. Soft standards "provide direction, guidance and feedback to employees on how to achieve customer satisfaction and they can be quantified by measuring customer perceptions and beliefs" (Zeithaml et al., 2013, p. 261). Hard standards and measures, in contrast, are typically process activities and outcomes that can be counted, timed or measured. Such measures may include the number of orders that were filled correctly. The time required to complete a specific task and the number of minutes customers had to wait in line at the particular stage in the service delivery (Wirtz & Lovelock, 2018, pp. 454-455). Pallet et al. (2003) argue that quality has to be initiated, visioned, planned, monitored, delivered and sustained. They proposed that quality problems and key human resource issues in hotels can often be solved with a common "People and Quality" strategy which involves placing guest needs in the heart of the whole process; seeking suggestions from staff; developing corporate quality and people philosophy; training and empowering staff; benchmarking and reviewing (Pallet et al., 2003, pp. 349-351.). Al-Alak and Al-taie (2006) argue that service quality should be defined from the guest's perspective, and that it is the perceptions of these guests that really matter, hence, there seems to be a need to study hotel's guest perceptions. Therefore, it is important to indicate the contributing importance factor in determining company success, correct services delivered and customer satisfaction

3. Research Questions

The research questions for this study are as follows:

1. Which contributing importance factor is the most central to be highlighted by SMEs Hotel in Malaysia when delivering their services to foreign tourists?
2. What are the important service features need to be highlighted by SMEs Hotel in Malaysia when delivering their services to foreign tourists?

4. Purpose of the Study

The purpose of this study are outlined as follows:

1. To explore the most contributing importance factor to the success of delivering services to foreign guests by SMEs hotel in Malaysia.
2. To discuss the importance service features that should be emphasized by SMEs hotel in providing services to foreign guests.

5. Research Methods

5.1. Data Source and Scale

The primary data is collected through a self-administered questionnaire, which was originally developed for this purpose. Therefore, a survey method is used to provide formal feedback to a firm and send a positive signal to customers that the firm is interested in them. Besides, customer satisfaction appears most typically to be measured through surveys (Hair et al., 1995; Malhotra, 2002; Peters & Wilson, 1992). Fifty-five set of questionnaires were tested in pre-testing stage in order to test and validate the content of the developed questionnaire. A completed questionnaire was developed based on the comments collected during the pre-testing period. Management of selected SMEs hotels around Kuala Lumpur are approached and explained the purpose of this study and obtain their consent to participate. Desk (front) office, room service and restaurant were chosen for the study as being most representative of guest contact and service delivery process representing maximum moment of truth opportunities where service provider comes in direct contact with the guest (Mohsin & Lockyer, 2009). The study is undertaken at different SMEs hotels consenting to participation. The process of distributing the questionnaire is a drop-off approach. Based on the logic of this method, the author of this study and his team hand delivered the questionnaire to guests in the hotel lobby or other convenient locations within the hotel. During the survey any comments made will be noted and further explanation is offered while participating guests filled the survey questionnaire. The concepts of guest satisfaction and perceived service quality are explained to the respondents to ensure a complete understanding of the purpose of the study. This study uses previous research that derived from the literature and existing knowledge in this area.

5.2. Questionnaire Design

The study's questionnaire is structured based on studies such as Lockyer (2000), Mohsin and Ryan (2005), and Mohsin and Lockyer (2009). The questionnaire comprised three sections. Section one gathered data on importance attributed to different features of desk (front) office, room service and in-house café/restaurant by guests. Section two sought an evaluation of how the establishment performed in the opinion of guests, as per the listed features of desk (front) office, room service and in-house café/restaurant. Section three is collecting the demographic details in terms of gender and age. Questions will ask respondents to rate their degree of importance or agreement using a 5-point Likert scale, where 5 represents highest importance or agreement with the statement and 1 represents lowest importance or unacceptable level of service offered.

5.3. Sample

The sample population are composed from foreign guests of SMEs hotels around Kuala Lumpur. The reason why this research will be conducted covering Kuala Lumpur is because of the generalization purposes. A total of 398 respondents have been randomly selected by using convenient sampling method.

5.4. Analysis of Data

Data analysis for this study is focusing into descriptive statistic as elaborated in the findings.

6. Findings

6.1. Gender

Table 01. Gender

Gender	Total Respondents	Total Percentage
Male	206	51.8
Female	192	48.2
Total	398	100.0

The findings in Table 01 showed that the distribution of gender for the studied sample of the foreign SMEs Hotel guests in Malaysia was higher for males with a total of 206 male respondents (51.8%). On the other hand, there were 191 female respondents or 48.2 percent out of the total respondents. The total number of respondents for this study is 398 and the usable rate for the distributed questionnaire is 100% accepted.

6.2. Age

Table 02. Age

Age	Total Respondents	Total Percentage
<25years	133	33.4
26-35	167	42.0
36-45	80	20.1
46 and above	18	4.5
Total	398	100.0

The findings in Table 02 showed that the distribution of age for the studied sample of the foreign SMEs Hotel guests in Malaysia was higher to the respondents aged between 26 to 35 years old which has been counted to be 167 of them. The second highest age ranging that became the respondents to this study was between <25 years old and totalled to be 133 of them. For 36-45 years old range were 80 respondents whilst the least number of respondents came from those who were 46 years old and above.

6.3. Contributing Importance Factors and The Service Features

Table 03. Importance Factors and Service Features

Contributing Factors	Total Respondents Important	Total Percentage Important	Total Respondents Not Important	Total Percentage Not Important
Front Office Factor & Features	350	88	16	4
Room Service Factor & Features	358	90	24	6
Restaurant Factor & Features	350	88	20	5

In Table 03, three contributing Importance Factors were tested to indicate the importance value in services provided by SMEs Hotels in Malaysia. First they were asked about the Front Office Factor and the features involved are as follows; making a reservation, receiving confirmation of reservation, first contact

on arrival, helpful front-desk staff, physical environment of main entrance and lobby, assistance with luggage, check-in efficiency, friendliness of front-desk staff, appearance and comforts in room, proper functioning of room conveniences, cleanliness of room, checkout efficiency, complaint recognition, value for money and overall impression of the stay. Second contributing Importance Factor was testing about the Room Service Factor and contains 6 features namely; prompt response from order taker, variety in menu, prompt service, quality of food, quality of beverages and value to you money. Last contributing Importance Factor is pertaining to Restaurant Factor that looking in depth into 9 main features which is; flexibility to cater for large groups, ambience of the venue, staff presentation and manners, staff skills of food and beverage service, well timed service, staffs product knowledge, complaint recognition, variety and quality of the products available and value for money. As based on the results above, 358 respondents out of 398 (90%) of the foreign SMEs Hotel guests in Malaysia have rated Room Service Factor as the most central to be highlighted by SMEs Hotel in Malaysia when delivering their services to foreign tourists. They do believe that by providing zero-error to all features in Room Service Factor will determine the success of a service offered. Then, the followed contributing importance factors are Front Office Factor & Restaurant Factor as both of them indicated same results (88%) to become least important compared to Room Service Factor. This study has shown that the significant factor and features, which can lead into a success factor to SMEs Hotel services, is from Room Service Factor as it is an essential and a crucial element for a one night stay experience. Therefore, it is recommended that every SMEs Hotel Service provider to take serious action into managing all features in Room Service factor as it will determine customer to become loyal or vice versa.

7. Conclusion

A good quality SMEs Hotel services arises from the combination of three enabling pillars: Front Office Factor, Room Service Factor and the Restaurant Factor. Therefore, these three pillars represent the important of involvement in ensuring the target objectives of providing and delivering SMEs Hotel foreign guests are successfully achieved. This study has shown a significant impact to the three pillars that their involvement in working together will help the success in delivering quality services that lead into customer satisfaction. Priority should be given to the highly rated factor which is Room Service Factor but in order to become a successful service provider, all three factors are indicated as important to work parallel to achieve company objectives and customer satisfactorily level.

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