Research Article

HOSPITALITY MANAGEMENT AND CUSTOMER SATISFACTION: A STUDY OF HOTEL INDUSTRY OF MADHYA PRADESH

Manoj Singh Gurjar[1] and Praveen Sahu[2]

[1]B.V.M. College of Management Jiwaji University, Gwalior
[2]School of Commerce and Management Central University of Rajasthan Ajmer

A R T I C L E I N F O	A B S T R A C T
	The present study related to customer satisfaction and service quality can be explained to ignore the tourism which is directly or indirectly liked with the subject matter. In state like where a lot treasury in terms of monuments and heritage is available in the different part, is attracting tourist as a large source of revenue. That is why it is essential to know the position of tourism in the Madhya Pradesh which is as follows. The Foreign tourist traffic of Madhya Pradesh has been growing at a healthy 7% p.a. over the last decade, although in overall terms the numbers are small. Khajuraho is one of the main destinations of the foreign tourists and accounts for nearly 50% of the foreign tourist traffic.Since tourists have to make choices of destinations, the adjacent states are the competitors of Madhya Pradesh for the tourist traffic. It would appear that many of the adjoining states notably Rajasthan has been more successful and their tourist traffic has been growing at a much faster pace. So government must start with aggressive marketing thrust to attract domestics and foreign tourists.So the role of MP government is not limited to set up tourist department but also need to extend with view to get satisfied them in each and every aspect to attract more and more tourist so as to make most favorite tourist destination of India.

INTRODUCTION

Present position of Hotels in Selected District of Madhya Pradesh

To considering the research have find out the various categories of hotel in the researched city and their type ,categories in terms of luxurious to cheap and total number of hotel have shown with the help of given table
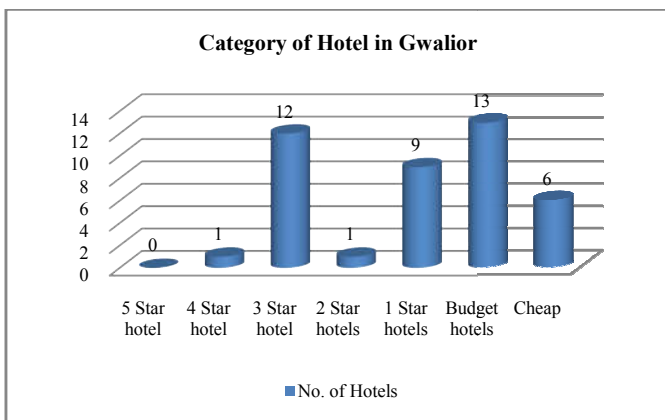

Figure 1 Category of Hotel in Gwalior

Corresponding author: **Manoj Singh Gurjar**
B.V.M. College of Management JiwajiUniversity, Gwalior

Table 1 Category of Hotel in Selected District, Source www.makemytrip.com

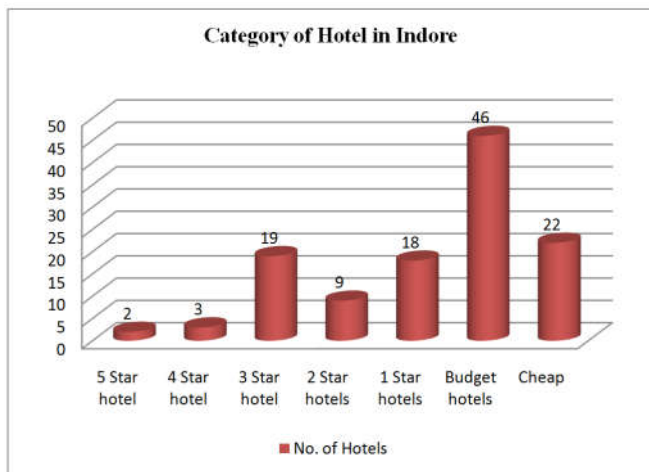| S.No.	Name of the selected district	Category of Hotel	No. of Hotels
1	Gwalior	5 Star hotel	0
		4 Star hotel	1
		3 Star hotel	12
		2 Star hotels	1
		1 Star hotels	9
		Budget hotels	13
		Cheap	6
		Total hotel (A)	42
2	Indore	5 Star hotel	2
		4 Star hotel	3
		3 Star hotel	19
		2 Star hotels	9
		1 Star hotels	18
		Budget hotels	46
		Cheap	22
		Total hotel (B)	119
3	Bhopal	5 Star hotel	0
		4 Star hotel	3
		3 Star hotel	9
		2 Star hotels	4
		1 Star hotels	18
		Budget hotels	40
		Cheap	17
		Total hotel (C)	91
4	Jabalpur	5 Star hotel	1
		4 Star hotel	2
		3 Star hotel	5
		2 Star hotels	2
		1 Star hotels	9
		Budget hotels	19
		Cheap	14
		Total hotel (D)	52
	Total of Hotel (A+B+C+D)		304

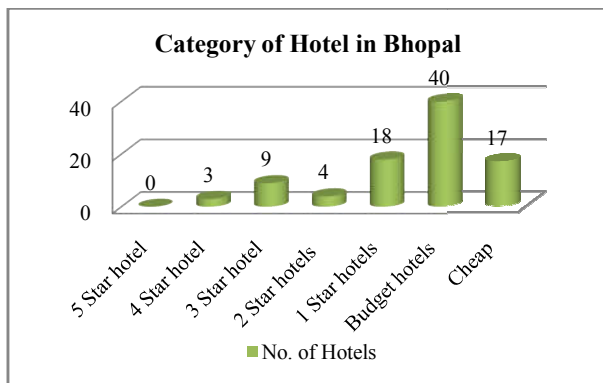**Figure 2** Category of Hotel in Indore

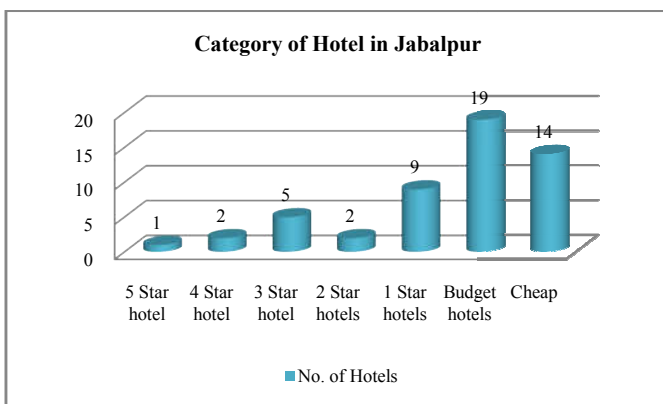**Figure 3** Category of Hotel in Bhopal

Figure 4 Category of HotelinJabalpur

Objective of the study

The main issues we are addressing in this research are service quality and customer satisfaction using the SERVQUAL model in hotel context. Gain understanding of the scope of hotel industry

- To identify critical service quality components in the hotel services
- To know the expectations of customers to the hotel services
- To measure the customer satisfaction and service quality in the hotel industry
- To evaluate the underlying factors affecting customer satisfaction
- To provide the suggestive measures to service provider and hospitality management

REVIEW OF LITERATURE

(Barsky & Labagh, 1992; Le Blanc, 1992,; Le Blanc *et al*., 1996; Stevens *et al.,* 1995, Opermann, 1998). Hotels with good service quality will ultimately improve their profitability (Oh & Parks, 1997). In a competitive hospitality industry which offers homogeneous services, individual hoteliers must be able to satisfy costumers better then their counterparts (Choi & Chou, 2001).

Wuest *et al*. (1996) defined the perception of hotel attributes as the degree to which guests may find various services and facilities critical for their stay in a hotel. Hotel's attributes such as cleanliness, price, location, and security, personal service, physical attractiveness, opportunities for relaxation, standard of services, appealing image, and reputation are recognized as decisive by travelers to assess the quality of the hotel (Atkinsons, 1988; Ananth *et al*., 1992; Barsky & Labagh, 1992; Cadotte& Turgeon, 1988; Knutson, 1988; McCleary *et al*., 1993; Rivers *et al*., 1991; Wilensky & Buttle, 1988).

According to a survey carried out by Barsky& Nash in 2006, regarding the main hotel chains worldwide, between 2002 and 2005, the importance of loyalty programs for guest's decision on where to stay increased from 32% to 34%.

Cardozo's (1965) initial study of customer effort, expectations and satisfaction. Despite many attempts tomeasure and explain customer satisfaction, there still does not appear to be a consensus regarding its definition (Giese and Cote, 2000). Customer satisfaction is typically defined as a post consumption evaluative judgement concerning a specific product or service (Gundersen, Heide and Olsson, 1996). It is the result of an evaluative process that contrasts pre purchase expectations with perceptions of performance during and after the consumption experience (Oliver, 1980).

A relatively easy way to determine what services customer prefers is simply to ask them. According to Gilbert and Horsnell (1998), and Su (2004), guest comment cards (GCCs) are most commonly used for determining hotel guest satisfaction. GCCs are usually distributed in hotel rooms, at the reception desk or in some other visible place. However, studies reveal that numerous hotel chains use guest satisfaction evaluating methods based on inadequate practices to make important and complex managerial decisions (Barsky, 1992; Barsky and Huxley, 1992; Jones and Ioannou, 1993, Gilbert and Horsnell, 1998; Su, 2004). The most commonly made faults can be divided into three main areas, namely, quality of the sample, design of the GCCs, and data collection and analysis (Gilbert and Horsnell, 1998).

In order to improve the validity of hotel guest satisfaction measurement practice, Barsky and Huxley (1992) proposed a new sampling procedure that is a „quality sample". It reduces non response bias by offering incentives for completing the questionnaires. The components of their questionnaire are based on disconfirmation paradigm and expectancy-value theory. In this manner, guests can indicate whether service was above or below their expectations and whether they considered a particular service important or not.

Service quality

(Parasuraman *et al*., 1988; Grönroos, 1982). Quality is a multi-dimensional concept. Lehtinen and Lehtinen (1982) defined three dimensions of service quality, namely, physical quality,

interactive quality and corporate quality. Similarly, Grönroos (1984) argued that service quality comprises of technical quality, functional quality and corporate image.

On the other hand, Parasuraman *et al*. (1985; 1988) developed the SERVQUAL scale, which became the most popular instrument for measuring service quality. They identified five key dimensions of service quality – reliability, tangibles, responsiveness, assurance and empathy. The SERVQUAL scale consists of 22 items for assessing customer perceptions and expectations regarding the quality of service. A level of agreement or disagreement with a given item is rated on a seven-point Likert scale. The results are used to identify positive and negative gaps. The gap is measured by the difference between perceptions and expectations scores and indicates the level of service quality. If the result is positive, perceived service exceeds expected service. A negative result means low quality of service. According to this instrument, service quality occures when perceived service meets or exceeds customer's expectations.

Development of Hospitality Industry in India

At present about 789 million tourists are crossing international boarder every year and they are spending nearly 685 billion US Dollars. This figure was just 100 million in 1964. The figure is likely to swell to 1 billion by 2010 and 1.5 billion by 2020 as per projection by world tourism organization. International tourists here in India were 3.5 million in 2004 as against 2.78 million tourists in 2003. Foreign exchange earnings from these tourists were about 23000 crores of rupees in 2004 as against Rs.16429 crores in 2003. During the year 2005, about 4 million foreign tourists came here and India earned 5 billion US Dollars from them.

Significance of Hospitality Industry

According to Ministry of Tourism, an investment of Rupees one million in the hotel and restaurant sector may create 89 jobs as against 44 jobs in agriculture sector and 12.5 jobs in the manufacturing sector. Investment required to create one job in manufacturing sector is around Rupees.79,000 where as in hospitality industry it is only Rupees11,200. At present about 20 million persons are directly or indirectly employed in tourism related industry and this figure is likely to increase to 40 million by 2020

In India, it is considered as highly labor intensive service industry, where the employment-investment ratio is higher than any other industry. One of the India's biggest problems is to find ways to employ its ever-growing population. Travel and tourism directly creates employment opportunities in hotels, restaurants, airlines, travel agencies, passenger ships, and as a result of the spread effect creates jobs in industries like construction, telecommunication, manufacturing and the retail trader.

Problems of Hospitality Industry in India

The hotel industry in India is facing a number of problems such as low occupancy rate, increasing competition, high taxes, increasing cost, fuel shortage, low profitability and so forth. Similarly, on the one hand, it is alleged that there is shortage of rooms to meet the varied requirements of different of tourists and visitors while on the other hand room occupancy rate is very low here in India. It was 59.7 per cent in 2004 as against 54.8 per cent in 2003. Hotels are compelled to give liberal discount to the potential customers particularly during the lean period.

Further, average expenditure of those who get commercial accommodation is comparatively low due to one reason or the other. Similarly, prevailing tax rates such as service tax, excise duty and custom duty on imported luxury car, beer, liquor etc. are very high. All these factors adversely affect the profitability of the hotels. This is particularly true about 5-star hotels in India. Thus, on the one hand, heavy investment is required in hotel business while on the other hand profitability in this business is adversely affected by the aforesaid constraints.

In spite of above cited problem, the other challenges faced by India hospitality industry are as follows;

- Heritage Hotels have a challenge to be included under the ambit of Section 35AD of Income Tax Act.
- AICTE norms are a challenge for approval of catering colleges which need relaxations.
- National Tourism Policy is a challenge which needs to be revised.
- Luxury Tax is a challenge which needs to be levied on actual tariff, and not on published tariff as is the case in some states.
- CRZ relaxation has been a challenge before 2012, required for 500 meters high tide line.
- FSI/ FAR remains a challenge for 2012, which needs to be brought alike Shanghai to increase the supply of hotel rooms in India.
- FHRAI's suggestions on Food Safety & Standard Act (F.S.S.A.I) have challenges, which needs to be considered so that the Act can be effectively implemented.
- Increase in Budget on Tourism Expenditure is another challenge for the industry.
- Uniformity in Laws required Pan India for licensing & taxation is a challenge.
- Bar & Lounges to be allowed to operate 24 x 7 is a challenge.
- Challenge of availability of Finance from Banks & TFCI needs to be eased.
- Subsidies required for procurement of Cold Storage equipment is a challenge for F&B.
- Number of dry days need to be reduced, which is the on-going challenge for the F&B sector.

Prospects of Hospitality Industry in India

The expectations of an industry depend upon the, social, economic, political, scientific technological and demographic changes which are taking place in the universe. The hotel industry is very much sensitive and change in any sphere of the universe or in any branch of human activity will immediately reflect upon this industry.The proficiencies, ideas, modes and methods of operation undergo continual alteration in hotel business. The emerging worldwide scenario is very conductive for the growth of tourism and hospitality industry. This is due to worldwide education and industrial development leading to greater enlightenment, increased earnings of individuals, economic growth of tourists producing nations, medical science's progress leading to longer life, improved infrastructure of communications and improved transport means etc. Similarly increase in holidays, vacations with pay

policy of the government and other employers, increase in pay, extra ordinary revolution in the means of transportation including aero planes and steadily reduction in airlines fares have given a boost to the domestic tourism and hotel business in India.

The future of Indian hospitality and tourism industry seems to be very positive due to increased flow of business and leisure travelers. India's initiative in hosting Commonwealth Games in 2010 and co-hosting the Cricket World Cup in 2011 and has multiple plans to promote yoga and meditation, rural tourism, sports tourism, medical tourism, adventure tourism etc. Thus, Indian hoteliers should try to develop world class infrastructure and facilities for games to make India the "Destination Next".

Foreign tourists have special attractions in India for centuries and Indian hospitality is a by itself. Apart from ancient culture and civilization, the diverse natural beauty of India can hardly be seen elsewhere in the world. The traditional stereotyped image of India as a cultural destination is being replaced with the image of diversified tourism products after liberalization and tourism has been declared as an industry. Both central and state governments have identified tourism as a priority sector.

Therefore in coming years, tourism may emerge as a major foreign exchange earner and employment generating industry. However, the hotel and tourism industry has been declared a high priority industry for foreign investment. But, to make tourism industry globally competitive there is a need to create adequate infrastructure. Government should also provide this industry the infrastructure status and income tax, custom duty, sales tax and excise duty benefits. Hugh investment is required to improve communication, transport and accommodation facilities for various categories of tourists. Therefore, apart from government investment, large-scale private investment is also required.

In a nutshell, It may be said that there is a lot of potential for the growth of tourism industry in the country and this will boost hotel business too. The demand of hotel rooms is expected to increase in future and the supply is expected to grow faster to meet the increased demand. Therefore, tourism and hospitality industry has a lot of potential for large-scale investment, employment and earnings.

Figure 12 A Service Quality Model
Source: Parasuraman, Zeithaml and Berry, 1996

The above listed figure shows the "GAP" model of service quality from Parasuraman *et al*. (1996). This model clear an integrated view of the consumer and company relationship. It is based on substantial research between a number of service providers. In common with the Grönroos model it shows the perception gap (Gap 5) and outlines contributing factors. In this study expected service is a function of word of mouth communication, personal need and past experience, and perceived service is a product of service delivery and external communications to consumers.

Gap 1: improving service quality

Under perceived service quality, the were perceptions are than expectation; the lower the level perceived service quality is (Parasuraman, Zeithaml and Berry, 1996). The risk is that if the customers do not complain, then the company moves on, thinking that they are meeting the customers expectations. Hence, the necessary first step for management in improving quality of service is to acquire accurate information about customer's expectations, i.e. closing or minimizing gap 1.

Gap 2: The Wrong Service Quality Standards

This gap elaborates the potential gap between management perception and service quality specification. Management's correct perceptions about customer expectations are necessary, but not enough for achieving high quality service. Another requirement for providing high service quality is the presence of performance standards reflecting the management's perceptions of customers expectations. In fact in reality, the potential gap between awareness into appropriate service standards, may be the absence of management commitment to service quality (Parasuraman, Zeithaml and Berry, 1996).

Gap 3: The Service Performance Gap

This refers to the gap between the service quality specifications and the service delivery process. Hence, it represents the discrepancy between service quality specifications documented in operating and training manuals and their successful implementation. When the service-delivery performance falls short of the standards (gap 3), it falls short of what customers expect as well (gap 5). Hence, as a consequence of a association between gaps 3 and 5, it is possible for managers to reduce gap 5 by ensuring that all the resources needed to achieve the specifications and standards are in place.

Gap 4: When Promise Do Not Match Delivery

This gap illustrates the misfit between service delivery and the external communications to consumers. Hence, it illustrates the potential discrepancy between actual service delivery during the service encounter and the external communications to the customers. The customer should not be promised a certain type and level of service quality unless the service delivery system can achieve or exceed that level.

Gap 5: Excepted and Perceived Services

A discrepancy between the actual service and the promised service in gap 4, has an adverse effect customers perceptions of service quality in gap 5. Hence external communication, through sales force or advertising, can effect not only customer expectations about a service but also customers perceptions of the delivered service. By effectively coordinating actual service delivery and external communications, gap 4 is
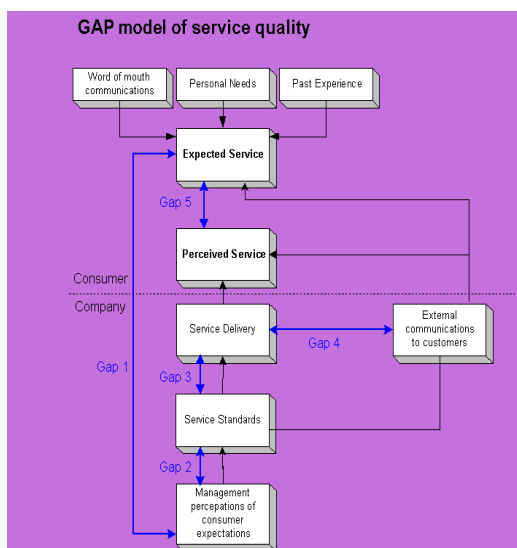
narrowed and, hence, favorably affects gap 5 as well (Liljander, 1995).

Service Quality Dimensions

Table 3 Dimensions of service Quality

Dimension	Examples of Evaluative Criteria
Tangibles	Appearance of physical facilities and personnel
Reliability	Performing service right the first time
responsiveness	Willingness and ability to provide prompt service
Communication	Explaining service to customers in language they can understand.
Credibility	Trustworthiness of customer-contact personnel
Security	Confidentiality of transactions
Competence	Knowledge and skill of customer-contact personnel
Courtesy	Friendliness of customer- contact personnel
Assess	Ease of contacting service firm
Understanding/ Knowing customers	Making an effort to ascertain a customer specific requirements

Source: Parasuranman, Zeithyaml and Berry, 1995

The authors used these ten dimensions as the basic structure of the well-known which is considered to be a useful tool to determining service quality. In 1998, these ten dimensions have been narrowed down to five key areas, in below Table;

Table 4 The Five Dimensions of Service Quality

Dimension	Illustrative Examples
Responsiveness	Willingness to provide prompt service and help customers
Assurance	Employees knowledge, courtesy, and ability to convey trust and confidence.
Empathy	Caring, indi9vidualized attention to customers
Tangibles	The physical facilities, equipment, appearance of personnel
Reliability	The ability to perform the desired service dependably, accurately and consistently

Source: Parasuraman, Zeithamland Berry, 1998

The five dimensions mentioned in Table 5.3 provide valuable knowledge concerning customer satisfaction before, during and after the service encounter. To provide services of high quality which in return leads of satisfied customers each dimension has to be considered. Payne (1993) stresses that human performance plays a critical role in the customers perception of service quality. Looking at the five above suggested SERVQAL dimensions the impact of service contact personnel on each dimension is tremendous. Bitner, Booms and Tetreault (1990) found out that the behavior of service employees who have direct contact to customers is critical for the evaluation of the service delivery, and thus, for customer satisfaction.

Measurements of Customer Satisfaction

Customer satisfaction measure of how products and services offered by a company meet customer expectation. Customer satisfaction is defined as "the number of customers, whose reported experience with a firm, its products, or its services exceeds specified satisfaction goals."In a survey of nearly 400 customers has taken as source of information and in which 62.25 percent responded said that hotel met their expectations. It is find as a main performance indicator within business and is often part of a Balanced Scorecard. In a competitive environment where businesses compete for customers, customer satisfaction is terms as a key differentiator and increasingly has become a main element of business strategy.

In every organizations, customer satisfaction index have powerful effects. They focus employees on the importance of fulfilling customers' requirement and expectations. Furthermore, as these indexes down, they warn of problems that can affect sales, future and profitability. These metrics quantify an pivotal dynamic. When any brand have a loyal customers, it gains positive word-of-mouth publicity, which is both free and highly effective in this competitive edge.

That is why, it is important for businesses to effectively manage customer satisfaction. To be able do this, firms need reliable and representative measures of satisfaction.

"In studying satisfaction, hotels generally ask customers whether their product or service has met or exceeded expectations. Thus, expectations are a main factor behind satisfaction. When customers have high expectations from the service provider and the reality falls short, they will be disappointed and will likely rate their experience as less than satisfying. For this reason, a luxury resort, for example, might receive a lower satisfaction rating than a budget motel, even though its facilities and service would be held superior in 'absolute' terms."

The usual measures of customers satisfaction involve a surveyfrom customer with a set of statements using a Likert Technique or 5 point rating scale. The customer is asked to evaluate each statement and in term of their perception and expectation of performance of the hotels being measured. Their satisfaction is generally measured on a five-point scale. In this study, the researcher use different rating scale factors to measure customer satisfaction disclosed in chapter six (6) of this thesis.

Service Quality Model

For the three star hotels or above, measurement of the service quality is a way to prove its quality and it is one of the hotel marketing methods. Those hotels management look at the hotel rating system. When customers search for the hotels, they also browse those websites or other sources. It is usual that customers who care about high quality only look at some beginning pages which show the highest positions. Having the name here becomes a competitive advantage and helps hotels attract more guests. It is clear that hotel rating systems encourage hotel operators to improve their service quality, which may lead to changes in hotel performance
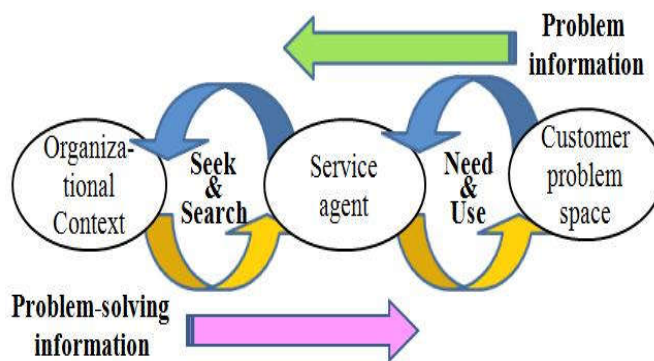

Figure 15 Service encounter model, Source: Bitner 1990

The above model explains that how the service encounters is evaluated by customers. It is worth mentioning that the traditional marketing mix, consisting of price, place, promotion, product elements, and the contextual clues,

representing people, physical surrounding, and processes, have a direct influence on the service expectations and the perceived service as well as on the attribution.

1. The expectancy-disconfirmation approach which is associated with the identifying of customer expectation versus what they actually experienced. It focuses on the comparison of the service performance with the customer's expectations. The customer's expectations could be assessed after the service encounter by asking him/her to recall them.
2. Performance-only approach merely assesses service quality by merely asking customers about their level of satisfaction with various service features following a service encounter.
3. Technical and functional dichotomy approaches identify two service components that lead to customer satisfaction namely, the technical quality of the product which is based on product characteristics such as durability, security, physical features while functional quality is concerned with the relationships between service provider and customer such as courtesy, speed of delivery, helpfulness.
4. Service quality versus service satisfaction approach which mainly focuses on two service components that are interrelated; the transition-specific assessment which evaluates specific features of quality and the overall assessment which evaluates overall quality. This approach links perceived quality at the time of the service encounter or immediately after it and overall satisfaction with the service. Perceived quality is based on attributes of the service over which the company has control and it is a measure of the consumer's assessments of the service's value without comparison to consumer's expectation.
5. Attribute importance approach focuses on the relative weight on the importance the consumer places on attributes found to be linked with service satisfaction.

Findings

Interpretation and Analysis: Altogether 400 questionnaire forms from eight hotels, out of 460 forms (15 each city handed out), were returned to the researcher. It indicates that almost 85.95 % of the forms were filled in. The biggest number of answers was received from Indore hotels where 95% i.e.110 customer replied, the second biggest was Bhopal where 101 out of 115 responses and 96 were belong to Gwalior hotel. Questions "Age", and "gender" are giving a possibility to build up a demographic profile of customers.

Finding1 : Three hundred nineteen of all the respondents were males, and eighty one females, which makes it 79.8 % male respondents and 20.3% Females. Anyhow, it is not possible to say that fewer females are visiting hotel but this shows that they are more willing to participate in service quality and customer satisfaction surveys

Interpretation and Analysis**:** It is reveal from the above study that middle-aged group(36-45) i.e. 184 respondents (46%) people were commanding among other age groups respondents. Other then age group 46-55 people i.e. 25% got the second position in the age demographic. Only 14% respondents belong to age group between 26-35 were stayed in the hotel followed by age group of 18-25.A very lower

percentage i.e.5% and 2.5% were belong to age group of 56-65 and older than 65 respectively.

Finding 2: It is found from the above study that majority of tourists or customers belong to age group of 36-45, which is can contribute brand building of hotel if service provided match their expectations. It is also found that age group 46-55 may increase theirpercentage in future if deal effectively inters of service quality.

Interpretation and Analysis: The above table shows factors referencing to choosing the hotel. According to above figure, the reasons for choosing the hotel varies from the respondents itself, 34.25 % customers choose hotel due to pricing factor as they considered the most important criteria to stay in the hotel followed by 32.50% customer who stay in the hotel due to their preferred place or location. On the other hand, 13.25 % customer wish to stay in the hotel which are nearby the airport/bus/railway station followed by 9.25% who choose closeness to main city to stay in the hotel.Very few percentage i.e. 3.50% (only 14 ot of 400) had good experience in the hotel, taht why got second lower rank in survey. Only 7.25 % customers preferred to stay hotel through hotel rating system in the website.

Finding 3: Now it is clear from the above study that Majority of tourist/customer attract toward pricing in hotel services. They feel that the prices can some how play main role to stay in the hotel. That is why the don't hesitate to bargain in the hotel service. On the other hand, location was the another second factor to preferred hotel for stay, as most of the customer wish to get hotel in the good location.

Interpretation and Analysis: It is reveal that 52.50% (63 out of 120) customer stay in the hotel due to business purpose. After then 17.50% stay in the hotel for attending social function. To consider vacation, only 15 out of 120 i.e. 12.50% spend their time in the hotel. On other hand 10% customer specify other reason to stay in the hotel. Very few i.e. 5% and 2.50% customer specify the reason for temporary and daily life to stay in the hotel respectively.

Finding 4: As clear from the study that due to increasingcompletion in the different sectors, the most of the customer have to spend their time out side the city for business purpose that is why most of the customer belongs to business class in the hotel. The hotel recognize the requirement of these category of customer as they have huge service network and have experiences to stayed in the various hotel in the country.

The positive word of mouth, may increase hotel share in the market if deal well with customer. After this second number fall in terms of attending social function by the customer i.e.17.50% preferred to stay in the hotel to attend social function, These kind of function basically have huge gathering at a time and may publicize the hotel branding ,if service find satisfactory. Only 12.50% stay in the hotel for spending summer/winter vacation in the hotel.

Interpretation and Analysis: Although staying in luxurious hotel definitely create a sense of satisfaction it self but after all customer mind can not be interpret in a very easy way. To being put a question that which kind of hotel you most like to stay in, the very awesome result I found. 196 out of 400 customer response in favor of to stay in 3 Stat hotel followed by 2 Star hotel which got second position in survey i.e. 27.50% customer prefer to stay in 2 Star hotel. After that 10.25%

believe to stay in budget hotel as to save money. It very amazing result i found that 9.17% and 7.50% customers wish to stay in four and five star hotel respectively. A big percentage i.e.20.83 wish to stay cheap hotel.

Finding 5: It is found with reference to stay in most likely hotel, Majority of customer preferred to stay in 3 star hotel, which is basically available in every selected district. It is also found in the study that there is no 5 star hotel available in Gwalior and Bhopal.

Interpretation and Analysis: After discussion regarding the source to choose hotel, the higher percentage goes to internet search which is choose by 26.75 % customer. After this local taxi/auto become the very close source to choose hotel i.e.25 % customer use this source to choose hotel. Another next source travel agencies help customer to choose hotel, which got 15.75% response from customers. Only 1apart from these 20% customer choose hotel through their friends. Only 10.75% customer used word of mouth to choose hotel. No one chose option like television and news paper to choose hotel.

Finding 6: It is found that majority of customer now days using internet as mode of selection to chose hotel because most of hotel have tie up with the different internet web browser firm who making available webpage for the advertisement. The customer which is belong to different demographic factor as study in chapter 1 show that they are very fast and busy in their life and to save time and quick response they booked hotel over the internet by searching their best likely hotel. the another source local taxi/auto play major role in terms of choose hotel. Friend is which is a very but reliable source of information , help their relatives to choose hotel means 20% customer take help of their friends to choose friends. In this case word of mouth not received as much good percentage as should have been done.

Interpretation and Analysis: Most of the customers i.e. 49.25% prefer to direct booking systems where there is no need to take assistance room any one. According to above figure 21.75 % customers have booked room from travel agency/tour operator which is easily accessible and comfortable then other. The best way to book hotel rooms is online reservation system but only 9.25% customer opt this mtehod. In case of booking by phone, only 7.50% customers rate this factor. No customers book hotel through e mail. However 12.25% i.e. only 49% no. of customers say that they do not believe booking in advance.

Finding 7: The perception of customers in terms of booking hotel is that, in this modern and fast life where there is shortage of time, only 37 out of 400 customer booked hotel by using online reservation system which is so simplest in terms of cost and time saving. The majority of customers mindset still relay on direct booking from hotel which seems a very old perception in the modern age. We can say that hotels need to change their perception throughcounselingwhenever they booked hotel and tell them about the benefit of online booking system.

Interpretation and Analysis: It is reveal from the above study that majority of customer i.e. 61.75% choose discounted offer if given by hotel as offer at the time of booking. After this, 20.75% wish to reduce service rate in the hotel when they used. Only 12.50% say that they will choose hotel staying package in the nest visit. A very few customer i.e only 5% bring a friend for free in the hotel as offer.

Finding 8: Price definitely play a important role in services any where in the world and it is proofed by the majority of customers when they asked to choose offer if given by hotel. Most of the customer wants discount prices as a offer followed by reduces service at lower rate. A very few customer wish to get friend free in the hotel, if offered.

Interpretation and Analysis: To being asked question related to in which other properties you are interested there is almost mixed of response with little differences I received.103 out of 400 respondent prefer to Gym facility in hotel, 24.25% customers said that wish to get restaurant & bar in the hotel. In terms of beauty salon 20% customers say that they want to get this facility in the hotel.12.50% customers want to see Spa/health centre in the hotel.14.50% customers want to see swimming pool in hotel to get enjoyed in the summer. Only 3 % .i.e. 12 number of customer want tour guide facility in the hotel. For other factors like Souvenir shop, Money exchange, Parking place, Car renting, researcher not received any response.

Finding 9: It is found from the study that majority of customer i.e.25.75% respondent want Gym as a other property in the hotel followed by restaurant and bar. A very interesting result received from the study that is beauty salon percentage which is 20% i.e.80 number want to see this factor as a other property in the hotel, If we see the gender percentage in the study then we will found that 81 out of 400 respondent belong to female group and these beauty salon got response from 80 number of customer, these means that all the female respondent strongly recommended their opinion in the context.

Interpretation and Analysis:it is reveal from the above graph that 22.50% customers want hair dryer in the bathroom followed by 17.50% who want comb for the same.15.75% customer agreed that they want toothpaste and tooth brush in the hotel.13.50% wish to get body lotion in the hotel bathroom followed by 10.75% who want mouthwash in the hotel bathroom. Very few i.e. 3.25% goes for suntan cream and 6.75% for shampoo in the hotel. A little percentage i.e.2.50% customers want big towel in the bathroom of the hotel.

Finding 10: It is found from the study that majority of customers get attracted to see the facility like hair drayer, then comb, then toothpaste and toothbrush in the hotel bathrom,whichis rarely available hotel.

Interpretation and analysis: Problem is always said to be issue related to subject matter which is arose suddenly or by ignoring the matter. In this connection when question has put up to customer related to hotel then combination of different factor have received.25.75% customer not encountered any problem related to hotel services but other then have problem in number of percentage. 22.50% customer face problem relating to cleaning services, which is most important part of hotel services and 18.25% quote problem about room facilities which occupied an important cause in service industry.11.75% said that response of hotel employee not match as per their expectation as should have been before getting room.9.25% customer encountered billing related problem in the hotel industry.

Finding 11: In issue related to hotel services , it is found that 90 out of 400 customer have identified different issue keeping score high in cleaning services in the hotel i.e. 22.50% customer found that cleaning part is missing in different parts

in the hotel. After this issue related to room facilities commitment by the hotel got second position in the survey, which got 18.25% response form customer. Responsiveness of hotel employee got third position as it get 11.75% response from customer. Room assignment and billing found subsequent different in percentage i.e. 7.50% and 9.25% respectively.

Interpretation and analysis: It is reveal from the above figure that 72.50% customer said 'availability of internet ' is not available in the hotel and remaining percentage i.e.27.50% agreed to have internet facility in the hotel.

Finding: Majority of customer i.e. 290 out of 400 required internet facility in the hotel where they stay.

Interpretation and analysis: Above table refer the performance scale level of the customer regarding Hotel room has met my expectations, 194 out of 400 (48.50%) say that hotel room met their expectation as fair followed by 24.25% customer whose response was good. Except these only 6.75% opt very good option in response. About 19.25% customer respond that hotel room was very poor as per their expectation 1.25% customer said excellent.

Finding 13: There is very close relationship between fair and poor and Majority of the customer opt these option as choice in the survey. Only 127 out of 400 use good, very good and excellent as total rating in their response.

Interpretation and analysis: Above figure highlight that mainly customers (42.50%) think that prices are fair for the services provided. As a result, 8.25% customers find price - quality relationships on a very good level.21.75% customer say that quality of hotel is poor as per price charge. Only 24% (rate good) favor in price an quality ratio.

Finding 14: To being asked question relating to price-quality ratio majority of customer i.e.42.50% rate fair in response followed by 21.75% customer who rate price -quality as poor rating.

Interpretation and analysis: Above figure highlight that 41.50 % customer rate staff friendless service as a poor followed by 26.75% who rate fair.Only 15.75% mark good and 10.50% mark very good rating in staff friendless in services. Veryfew i.e. 5.50% tag excellent in reception services.

Hypothesis

H0: Hotels not met customer's expectations
H1: Hotels met customer's expectations

Interpretation and analysis: In General ,It is reveal from the expectation figure that 249 out of 400 customers i.e. 60.83% were satisfied with the services provided by hotels in selected district of Madhya Pradesh, but 37.75% said that their expectation were not met.

Majority of customer said that hotels services met their expectation.

Table 5 Hypothesis Calculation

Option	O (Observed Frequency)	E (Expected Frequency)	Difference (O-E)	(O-E)²	(O-E)²/E
Yes	249	200	49	2401	12.0
No	151	200	-49	2401	12.1
Total	**400**				**24.1**

Chi Square	24.1
df	1
p-value (Asymp.Sig)	0.0176
Level of significance	3.841

Since the calculated Chi-square value at 1 degree of freedom is 5.63 which is greater then the Chi-square distribution value of 3.841, by conventional criteria, this difference is considered to be extremely statically significant, hence null hypothesis is rejected and alternative hypothesis is accepted.

Suggestions

1. Hotel must set fair and reasonable price of their different services as it is the most likely factor to preferred hotel. In present scenario, customer is very aware about the pricing availability in different hotel through website. That is why the markup pricing, if very from the actual service may disturb customer expectation.

2. In hotel "good experience" had only 8.33 % of answers, showing that enjoyment of previous stay and word of mouth (recommendation of friends) are also playing an important role in the buying decision. If the customer was satisfied previously, he will probably mention his experience to his closest and this means that relatives or friends of the person will also prefer to stay at the same hotel, because they will know what to expect. That is why hotel need to give them full attention in the services which linked with expectation.

3. It is suggested that hotel must design their service in the entire factor for due consideration of business and social class customer as they have more contribution to generation of revenue. If these class of customer felt dissatisfied in the hotel services then may loose down their image in the market. That is why so design services might feel customer satisfactory in the all the aspects.

4. As budget number of hotel have the higher percentages in the all the selected district but only 14.17% want to stay in that hotel. That is why these hotels need to change their strategy to attract the good number of tourist and customer to survive in the long run. It is also suggested that 2 star hotel can compete with the 3 Star hotel by making available the good service to customers.

5. it is suggested based on study that Internet, local taxi/auto, friends and travel agencies playing the good role to helping customers to choose hotel. As internet become the revolutionary source of information in every aspects so every hotel need to give their hotel advertisement on webpage along with full information and contents so customer can compare their requirement to stay and booked it to save time.

6. Hotels also need to display online help centre to solve customer query. Auto taxi which is commonly work on commission basis have need to help customer to get hotel very honestly so their graph to choose hotel as source, may increase in future. Travel agencies is also a very reliable source to choose hotel, have good network over the hotel chain might create good image in the eyes of customer by offering the hotel service to customer because most of customer who is unknown about the city or place, where they are touring used their service. News paper and television don't not have any impact on

7. It is suggested that customer who do not believe in online booking system, can make some try in this regard so they can be in a better position to understand the benefit derived from these system. It is also suggested that in the busy season customer can do not need to move search hotel which can take a lot of time form wandering here to there either to compare price of location.

8. It is suggested that hotel must give some offer either offering discount, hotel staying package or reduced service a lower rate in the off seasons.

9. It is suggested that hotels must have the facility like beauty salon to get satisfied customers; one benefit drive will be to save time of the customer and also to add revenue in the hotel. If beauty salon will be available in the hotel then percentage of female customers will be increase as a opinion leader in choosing hotel. After this hotels must have facility like Gym and bar to satisfied customers so they don't have need to move out side form the hotel. Other then the hotel also need to make available swimming pool facility satisfied customers. Hotel must have tie up with the tour guide so as to customer will not have to move any where else for getting tour information from others.

10. It is suggested that customer satisfaction is not a one time phenomenon but it a never ending process and it must be recognize by the hotel. The tourist or customers who coming in the hotel want to at least those facilities which can give them a sense of satisfaction to stay in hotel.

11. Ignoring the customers means closing to near the shop. Every customer add on value in the revenue in the hotel that is why hotel must considered expectation of each and every customer. The hotel must design their room as per customer expectation. Other wise they will move to another one. the scene from fair expectation to poor expectation will not take long time to change it, if ignored by the hotel.

12. It is suggested that hotel should charge price according to the services offered to the customer because customer is very accessible to compare the quality receiving from hotel. Higher the price charges against lower services never met customer expecttions.In this scenario customer is not satisfied with the price and quality.

13. Reception is front experience of customer and make image of the hotel but in most of the respondents is not found satisfactory as a friendless of staff. Friendless is a internal

14. behavior stimuli of customer and if ignored only on very easy parameter can loose brand image. That is why is must be presentable in the reception.

15. It is suggested that visualization of staff or appearance of staff in the hotel directly of indirectly create positive appeal in service providing and if not found satisfactory then might disturbed customer perceived value regarding to hotel that is why is must be appealing in the reception.

16. Having good skill of services and product is necessary to deal customer in the hotel and it can be done by proper training of the hotel employee. In current scenario it is very much required to find customer

attitude based on skill and knowledge and a efficient employee on the reception can handle it effectively by the other. In the present study these factor get not good response from customer side. That is why is show that customer is somehow not satisfied with the hotel services. In general majority of customers were dissatisfied with the work of the reception. It is important to remember that in absolute numbers the results may change, due to the fact that a bigger number of respondents have filled in the questionnaire form.

Utility of the study

Customer satisfaction has become a key performance indicator for the hotel business. Customer demands and expectations are ever increasing and altering at a rapid rate in the hotel industry. During the recent decades, the tourism industry has become an effective source for monetary gains and economic growth. Achieving competitive advantages and high performance have been imperative for the success in hotel industry.

From the help of the research work directly or indirectly advantage will be reached before the society and the country at the same moment he will be effective and useful. In the present cut throat competition only those service industries will be success he taken care of their customers while offering quality in parameters like tangibility, reliability, responsiveness, assurance and empathy

References

Akan, P. (1995). Dimensions of service quality: a study in Istanbul. Managing Service Quality, 5(6): 39-43.

Atkinson, A. (1988). Answering the eternal question: what does the customer want? The Cornell Hotel andRestaurant Administration Quarterly, 29(2): 12-14.

Bolton, R.N. & Drew, J.H. (1991). A multi-stage model of customers' assessments of service quality and value.*Journal of Consumer Research*, 17(March): 375-384.

Cardozo, R.N. (1965). An experimental study of customer effort, expectation and satisfaction. *Journal of Marketing Research,* 2: 244-249.

Carman, J.M. (1990). Consumer perceptions of service quality: an assessment of the SERVQUAL dimensions.*Journal of Retailing*, 66(1): 33-55.

Faullant, R., Matzler, K. & Füller, J. (2008). The impact of satisfaction and image on loyalty: the case of Alpine ski resorts. Managing Service Quality, 18(2): 163-178.

González, M. E. A., Comesana, L. R. & Brea, J. A. F. (2007). Assessing tourist behavioral intentions through perceived service quality and customer satisfaction. *Journal of Business Research*, 60: 153-160.

Heung, V.C.S., Wong, M.Y. & Qu, H. (2000). Airport-restaurant service quality in Hong Kong: An application of SERVQUAL. The Cornell Hotel and Restaurant Administration Quarterly, 41(3): 86-96.

Jamali, D. (2007). A study of customer satisfaction in the context of a public private partnership. *International Journal of Quality & Reliability Management*, 24(4): 370-385.

Jones, P. & Ioannou, A. (1993). Measuring guest satisfaction in UK based international hotel chains: Principles and practice. *The International Journal of Contemporary Hospitality Management*, 5(5): 27-31.

Kandampully, J. & Suhartanto, D. (2000). Customer loyalty in the hotel industry: the role of customer satisfaction and image. *International Journal of Contemporary Hospitality Management,* 12(6): 346-351.

Kassarjian, H.H. (1977). Content Analysis in Customer Research. *Journal of Consumer Research*, 4: 8-18.

Khan, M. (2003). ECOSERV – Ecotourists' Quality Expectations. *Annals of Tourism Research*, 30(1): 109-124..

McQuitty, S., Finn, A. & Wiley, J. B. (2000). Systematically Varying Customer Satisfaction and its Implications for Product Choice. Academy of Marketing Science Review, http://www.amsreview.org/articles/mcquitty10-2000.pdf. [Accessed the 18th of July 2007].

****