

CUSTOMER SATISFACTION MEASUREMENT PRACTICES IN HOTELS: SOME EVIDENCE FROM ALBANIA

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ABSTRACT

Services sector continues to be the big contributor in GDP of Albania, with about 60% in 2011, where trade, hotels and restaurants constitute the main part of this sector. Number of hotels is increased during the last years. In 1995, the number of hotels was 62 with 2,016 beds places, whereas in 2012 the number of hotels was 248 with 18,905 beds places (INSTAT). To be successful in the market it is not sufficient to attract new customers, hotel managers must concentrate on retaining existing guests implementing effective policies of customer satisfaction.

The monitoring process of customer satisfaction and service quality play a key role in the success of hotel business and tourism. If this process is managed and analyzed directly on a scientific basis then it can constitute a competitive advantage for hoteliers, regardless of business size. The aim of this study is to analyze the customer satisfaction management scheme in hotels of Albania. For this purpose, questionnaires are distributed to managers of hotels with 3, 4 and 5 stars in major destinations of Albania. The data are collected in the period July - August 2013. The objectives of the research are: to analyze the way that are built, managed and processed hotels guest comment cards (where is applicable) and to assess hoteliers' attitude towards customer satisfaction management. The method used is mainly based in the applied content analysis (Gilbert & Horsnell 1998) which compares and analyzes outcomes based on best practices criteria.

This study can be of great use to hotel managers in providing a direction on how to conduct and modify the existing practice of measuring customer satisfaction in hotels. The primary objective of GCCs is to understand guests' needs, gather their opinions and comments, most importantly, to assess guests' satisfaction with services provided. Although in 72% of analyzed hotels, GCCs are recognized as an important tool for measuring guest satisfaction, results indicate that in most hotels measurement practice should be improved.

Keywords: customer satisfaction, service quality, guest comment card; content analysis, hotels.

1. Introduction

Service quality and customer satisfaction have a significant impact on business development. Service quality has a direct impact on customer satisfaction, and consequently increases the profit. These two concepts have been continually in the focus of managers and researchers of the field. One of the most important challenges for the managers of the hotels is the evaluation and monitoring of customer satisfaction.

For measuring customer satisfaction exist some ways, however, in accommodation services one of the most widespread ways is the guest comment cards (GCC). The GCCs are commonly used in most hotels to measure customer satisfaction. The purpose of this study is the examination of (GCCs) in hotels and evaluation of management schemes in customer

satisfaction of Albania hotels. In this study was used method of the applied content analysis according to Gilbert and Hornell (1998). The results of this study provide the hotel management staff, an evaluation of the current methods for measuring and managing customer satisfaction in hotels of Albania.

2. Literature Review

2.1. Service quality and customer satisfaction

The primary function of the hotel units is to offer quality service to its customers. Service quality is defined as how well customer's needs are met, and how well the service delivered meets the customer's expectations (Lewis and Booms, 1983). Gronoos (1984) has shown that the perceived quality of service is a function of the comparison of expected service with perceived service, in other words is the result of a comparative evaluation process. Parasuraman et al. (1985) has defined "quality of service" as the degree and direction of discrepancy between perceptions and expectations of their customers, where "perceived service quality" is the gap between customer's expectations and perceptions as a measurement of service quality. Smaller the gap, the better is the quality of service and greater customer satisfaction is.

2.2. Measuring customer satisfaction

The main reason for measuring customer satisfaction is to collect information from one side to see what customers require to be done differently and in turn to assess how client needs are met. However the reasons for measuring customer satisfaction differ from one hotel to another. Some of the hotels fail to properly pursue programs dedicated customers not only because they have not defined program to get feedback from customers, but because they lack a complete database which not only monitors sales but it is also a source of innovation.

According to literature customer satisfaction measurement is done in different ways, for example one of the ways is to include a single question in customer satisfaction questionnaire: "In general, how satisfied are you with...?" where responses of the questionnaire questions are made according to a system with 7 degrees from "very satisfied" (coded 1) to "very satisfied" (coded 7), known as Likert scale. Problems associated to the answer of one single question in this case, are mitigated by the simplicity of the question. (Heskett et al., 1994; Schneider and Bowen, 1995) have developed a theory for the measurement of customer satisfaction based on key elements of satisfaction in service and price, but their valuation is done independently through the "index service" and "price index".

In this study are discussed practices that hotels in Albania use to design questionnaires, including the purpose, clarity, measurement scaling and validity assessment, and methodological problems of the time, size and order of questions in the questionnaire.

According to Gilbert & Horsnell (1998), Su (2004), GCCs are commonly used in hotels to assess customer satisfaction. GCCs usually are distributed in hotel rooms, in reception or other visible places in the hotel. However, some studies suggest that a number of of hotels

chains use assessment methods for customer satisfaction based on improper practices to take important managerial decisions (Barsky, 1992; Barsky and Huxley, 1992; Gilbert & Horsnell, 1998; Su, 2004). Therefore is required to apply a more scientific method to use the GCCs in order to make fair and appropriate managerial decisions (Deveau et al., 1996, Jones and Sasser, 1995; Jones and Ioannou, 1993). Despite the different types of customer satisfaction systems, they generally have some common mistakes (Gilbert & Horsnell, 1998). Common mistakes are divided into three groups: the quality of the model, the design of the GCC as well as collection and data analysis (Gilbert & Horsnell, 1998). Gilbert & Horsnell (1998) have developed a "checklist GCCs criterion" to estimate practices for measuring and managing customer satisfaction in the hotel.

2.3. Content analysis

Content analysis is a research and survey method that is used to systematically evaluate the symbolic content of all forms of recorded communications (Kolbe and Burnett, 1991). It can be exercised virtually in every media containing verbal and/or visual, printed materials, radio and television programs, recorded meetings, movies, songs, etc. Content analysis is widely used in marketing and consumer behavior research (Kassarjian, 1977; Sayre, 1992; Guthrie & Abeysekera, 2006).

The basic technique of content analysis involves counting the times the predefined categories appear in a given context. An effective content analysis must meet certain conditions (Kassarjian, 1977; Guthrie and Abeysekera, 2006). Initially, is randomly selected a representative sample. Second, units of measurement, such as analysis criteria, should be clearly defined. These units can be a word, phrase, theme, paragraph, symbols, pictures, or simple table existence or not of certain events or statements. Third, categorisation of he data must be systematic. It should be clear that an object belongs or not to a particular category. We can finally perform the statistical analysis and interpretation of the data. Krippendorff (1980) has identified three types of reliability for content analysis, which are: stability, reproducibility and accuracy.

To achieve reliability is need that the same content to processed by using several types of judgment. Smaller the discrepancies are, higher the degree of reliability is. Another element to be considered is the reliability of the judgment instrument itself, which would bring the reduction of the number of judgment instruments. On the other hand, validity is defined as the degree to which an instrument measures what it aims to measure.

3. Research Metodology

The target population of the study consists of 3, 4 and 5 stars hotels in Albania. During the period July - August 2013, a questionnaire was distributed to 64 hotel managers, in order to determine how they distributed their GCCs (in those hotels where used) and how they processed the information gathered from them. The questionnaire is distributed by e-mail and direct interviews with hotel managers are made when it was possible. The response rate is 28%.

Content analysis applied by Gilbert & Horsnell (1998) is used to assess GCCs of 18 hotels with 3 , 4 and 5 stars (with 15-80 rooms) , distributed mainly in Tirana, capital of Albania and other destinations in Albania: Durres, Berat, Vlore and Sarande .

Based on previous studies is created a checklist with 32 points, which can be grouped into five general areas: 1) the focus and value of the management of GCCs attributes, 2) measurement techniques of GCCs attributes, 3) measures of GCCs to the overall satisfaction and guests loyalty, 4) marketing measures to GCCs for identifying key market segments, 5) effective desing and presentation of questions.

4. Results and Discussion

Frequency of information collection: All 18 hotels analyzed, regularly receive guests feedback and suggestions about hotel stay.

The methods of information collection: Around 72 % of the hotels in the sample use GCCs in their hotel rooms for gathering information. About 84 % of hotel managers confirm that they receive evaluations directly from contacts with guests during their stay at the hotel and all hotels endeavor to encourage guests to give their impressions of their stay at the hotel. Around 89% of hotels report that a member of the staff is charged to monitor the evaluations of their guests in the media and social networks and about 78% of hotels have a staff member to respond in a professional manner the estimates of the guests in the media and social networks.

The rate of response: The number of completed GCCs is low. In about 45 % of hotels that use GCCs, the response rate (number of completed GCCs) is 7-12%, while in 33% of them the response rate is about 40% and in 22% the response level is above 60%.

Method of sampling: In all hotels, GCCs is distributed to all their guests.

GCCs distribution process: About 66% of hotels distribute their GCCs through staff cleaning rooms and in 78% of hotels the data analysis is conducted from the manager/board of directors. In 22% of hotels, the GCCs are distributed in the hotel reception.

Staff: All hotel sstaff is well-trained for the process of measuring customer satisfaction, but only in 45% of hotels the staff is rewarded for good work and only 22% of hotels rewards is made according to a predetermined scheme.

Analysis of results: In 72% of the hotels, the analysis of the assessments tests is made periodically (once a month) and the rest evaluations is done continuously.

Handling Complaints: In the case of any complaint is done by a client, the hotel manager immediately fix the problem and asks forgiveness to the client.

The design method of GCCs: In all hotels of the sample, GCCs are designed according to personal opinion of manager relying on other hotels practices and his experience.

Surveying time (receiving customer evaluations): In all hotels, GCCs are distributed during the stay of the guests in the hotel, and only in 4 hotels of the sample the evaluations are taken in

check-out, differently from the big travel agencies as Booking.com and Expedia & Hotels.com when evaluations of guests are taken via email after leaving the hotel, not the hotel itself practice this manner. However, this is a manner that remains to be evaluated and adapted with facilities that are offering new online booking systems and PMSs (Property Management Systems).

Accessing GCCs: About 78% of hotels place the GCCs in the desk of the hotel room and 22% in the hotel reception.

Foreign Languages: In all hotels, the GCCs are in English language, even though a number of clients come from neighboring countries such as Italy, Kosovo, Greece, etc.

A letter with a special request: Previous studies recommend writing a special letter to the guests. However this study shows that managers do not use this particular technique to motivate guests but on the other hand all hotels report that encourage guests to give their impressions directly and even write their online reviews.

Return completed GCCs: the completed GCCs can be delivered in reception or left to the hotel room. About 77% of hotels declare that GCCs are collected in the hotel reception.

Reasons why GCCs are not used: About 34% of analyzed hotels, do not use GCCs to measure customer satisfaction. The managers of these hotels identify several reasons among which we can mention: GCCs are not filled by the guests, the hotels do not want to disturb guests with GCCs, and hotels do not consider GCCs a valid practice.

The results of applying the content analysis according to the best practices criteria for GCCs are presented below.

Number of questions: Models of GCCs that are considered have a number of questions ranging from 10 to 30 questions. Around 66% of hotels apply up to 20 questions. (Gilbert & Horsnell, 1998) have recommended that GCCs must contain 40 to 60 questions in order to obtain information necessary for decision making. So it can be stated that the considered models of GCCs do not contain enough questions to provide relevant information to managers and board of directors of the hotel.

Number of offered intangible and tangible attributes: The analyzed GCCs indicate that most of the questions are oriented toward the intangible services performance offered at the hotel. This conclusion goes well with the results of a study of Su (2004) and Gilbert & Horsnell (1998).

Establishment of independent indicators together in one attribute: The design of composite questions seeking information about the problems at the same time may cause uncertainty in question and the wrong interpretation of the response. In three of the GCCs two questions resulting composite, which are primarily used to assess intangible services such as friendship and staff efficiency, quality and diversity of food, etc.

The scale of attributes measurement: Best Practices recommend that the effective rate for measuring customer satisfaction is the degree of achievement of expectations. However, almost half (48%) of analyzed GCCs use the scale YES / NO, while in all GCCs to estimate

customer satisfaction and service quality the used scale is the Likert scale from 1 - " very satisfied " to 7 - " very unsatisfied " .

A space for comments: All GCCs have space for specific comments of the guests. About 89% of GCCs have space for comments at the end of questionnaire; only one GCC is built with a space at the end of each question, while another one has a whole page for comments. Space for the comments improves the information quality of GCCs.

A direct or indirect measure for overall satisfaction and a measure of customer loyalty: About 44% of GCCs contain a direct or indirect question about overall satisfaction of customers and around 66% of GCCs contain a question about loyalty. Gilbert and Horsnell (1998) and Su (2004) have determined that the GCCs assessment of loyalty is more common than the assessment of overall satisfaction. Such a conclusion goes well with our analysis, but although other studies show that guest satisfaction does not bring necessarily retaining guest and vice versa customers loyalty comes not necessarily from their overall satisfaction with hotel services.

Marketing measures: GCCs are a good opportunity to get information for clients and for marketing purposes. About 83 % of GCCs containing questions about the purpose of visit, room number and date of stay, but none of GCCs does not contain demographic questions such as gender, income, education, and other experiences in the same area, etc.

Testing of the effectiveness of marketing channels: Around 72% of the GCCs include questions in order to assess the effectiveness of marketing channels. Such questions generally have the following form: "How did you find out about our hotel?"

Questions about the competition: None of GCCs includes questions about competitors and the same conclusion is obtained also by Gilbert and Horsnell (1998) and Su (2004).

Introduction sentences: Introduction sentences are used to thank the guests for choosing the hotel and to show the importance of guests impressions in improving the quality of hotel services. All the analyzed hotels contained introduction sentences.

Instructions showing where to put the completed GCCs: All hotels in the sample contain instructions for guests where they can leave the completed cards.

Indicate the name of the member of the hotel staff: Around 89% of GCCs require information about the name of the employee who has left a special impression to guests, and only 11% of GCCs ask for the name of the employee who does not leave a good impression.

Assessment of the value of service: About 66% of GCCs require an assessment about the offered price to service quality ratio.

Customer expectations: Around 44% of GCCs contain questions about customer expectations, but none of GCCs assess customer satisfaction and quality of service compared with expectations.

Assessment of some key attributes of hotel services: All analyzed GCCs require evaluation for hotel rooms, cleanliness, comfort and facility. About 73% contain questions about the restaurant, the quality and diversity of food, while 89 % of GCCs contain questions for the staff, how friendly and helpful they are; and 78 % contain questions to assess the reception.

5. Conclusion

In this study has been made an attempt to analyze customer satisfaction evaluation in Albania hotels. Results of the study show that all analyzed hotels evaluate customer satisfaction as a key factor for success and sustainable development of their business, in 72% of the hotels are analyzed the GCCs used for this purpose. Through GCCs information is collected to understand guest needs, opinions and comments about the hotel stay experience and perception of quality of service provided.

About 84% of hotel managers take impressions from direct contacts with guests which can be explained by the fact that in the current development conditions of the hotel business in Albania dominate small hotels to level 3 and 4 stars with the average number of 20 rooms, but this does not justify the failure to exclude other means such as GCCs.

According to study results, in most hotels, GCCs are placed in hotel rooms and in several hotels GCCs are also placed in the hotel reception, but is noticed that the rate of response (fill in GCCs) is low. Consequently should reconsider the way of distribution GCCs by sending email to guests after they have checked out the hotel, as well as making efforts to offer ways encouraging guests to complete the GCCs.

GCCs design method is mainly based on personal experience of managers and consequently there are different types of GCCs but none of them is consistent with the best practices suggested by previous studies in this direction. Explored models of GCCs do not contain sufficient number of questions to provide relevant information to managers and board of directors of the hotel. None of GCCs contain any questions to test the relative effectiveness of marketing channels.

Besides measuring customer satisfaction, other studies in the future may focus on identifying crucial performance indicators of employees. Withan understanding of which employee groups' performances are necessary to a positive guest assessment hotel managers will develop and implement strategies to provide an overall best evaluation of the quality of service.

It is recommended that the hotel business in Albania to review the evaluation methods of customer satisfaction and service quality in order to be in compliance with all the best practices identified so far. It is clear that new forms must be found to motivate more customers and GCCs must be designed in order to fit with models that suggest scientific studies and best practices. Valid information and reliable data will enable hotel managers to make appropriate decisions about the quality of services that hotels offer.

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