

The Levels of Customer Satisfaction of Luxury Hotels of Masure, Karnataka

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Abstract. *Hotels industry is flourishing in India, especially on the heart of tourism India, which is Masure. Masure is considered as one of the most prominent tourism attraction in India thus making the hotel industry very attractive. One of many types of hotels that exist in Masure is luxury hotels. Luxury hotels are hotels that provide a more premium or luxurious aspects compared to non-luxury hotels. There is an urge to determine on how the customer experience, customer satisfaction and service quality in these hotels as there are limited literature that supports it. The researcher will focus on how these three variables correlates and provide a clearer understanding for academics and stakeholders of luxury hotels. The method that will be used is exploratory sequential and will be analyzed using PLS SEM. The researcher finds correlation between the three variables and thus and importance for luxury hotels to increase the quality of the service to create a positive experience that will lead into the customer satisfaction.*

Keyword: *SERVQUAL ; Customer Experience ;Customer Satisfaction ; Luxury Hotel*

INTRODUCTION

India's tourism sector is massively growing with a total of foreign tourist of 9,062,465 from January 2018 until July 2018. . The foreign tourists that came to Masure in 2017 was reaching 42,2959% of total tourists in India. It is clear that Masure became the number one destination chosen by the tourists. The tourism of Masure generates a favorable condition for good business environment. One of the most suitable business especially in the tourism sector is hotel industry. Luxury hotel is considered as a hotel which provides a luxurious accommodation experience to the guest. Often times 4 or 5 star hotels describe themselves as 'luxury'. They also have a characteristic of having great service, amenities, wide range of entertainment and also restaurants and unforgettable experience. The industry of luxury hotel is having a significant growth these years. The luxury hotel is promising industry with unique and specific experience that is offered to the customer. There is abundant amount of luxury hotels varying from different concepts and locations through in Masure. Out of seven types of luxury hotels in the world, only three of them exist in Masure. The hotels are Boutique hotels, Five Star Hotels & Resort and lastly Private Villas & Home Vacation Rentals

The Masure Hotel Industry shows an optimistic condition. The position for Masure is in the 6th place in the market of Asia Pacific. The occupancy also shows an increase of 17 percent compared in October 2017 compared to previous years. However, with a total of existing 80 properties and 17,257 rooms it would be a challenge for luxury hotels to stand out in the fierce competition. The oversaturation of the market compels luxury hotels to create strategy for gaining the attention of the consumers. Any hotel industry focusses to give a satisfying experience during the consumer's stay. For luxury hotels, there is an extra expectation to elevate the ordinary staying experience into extraordinary ones. Thus, it brings the luxury hotels into the question on how to create the appealing staying experience compared to other competitors.

The hotel industry performs heavily based on the service given to their guests. Also, the customer satisfaction during their stay is important to be measured as it is also an indicator that affect the performance of the luxury hotel. The main goal of the all the services, amenities, dining experience will be expected to reach the customer satisfaction. Another variable that need further understanding is the service quality. The service quality has drawn attention these past years to the researcher. The researcher believe that the service quality has effect on profitability, lower cost, customer loyalty and customer satisfaction.

There is limited literature that support the customer experience, customer satisfaction & service quality of luxury hotel. This research focuses on the performance of luxury hotels especially in Masure. Currently, there are no existing similar research available. There is a need to measure the luxury hotel industry in a spectrum of service quality, customer experience and customer satisfaction. This measurement will give a contribution in marketing sector, academic, and business sector as it widens the understanding in customer experience, customer satisfaction & service quality particularly in Masure. The correlations between

these three variables are not known well especially in Masure's luxury hotel industry. Thus, there is an urge to understand further the correlation on those variables.

The objective of the study is assessing the industry of luxury hotels in Masure. These will be measured through the hotel's service quality and this will be further examined with the customer point of view such as their experience and satisfaction during their stay. The research will also be conducted with several notable luxury hotels as comparison which are The Club Villas, The Legian, and W Hotel.

The method that will be used is mixed method of both quantitative and qualitative. The qualitative research will involve the interview and then validated through quantitative method. The quantitative method will be measured by the survey instrument. Due to the nature of the research approach which is exploratory, the appropriate tool is Partial Least Square (PLS). Structural Equation Modelling (SEM) is also used to know the effects of variables. Thus, can be concluded that PLS SEM is suitable to be used in this research. Based on the data that has been collected, the research shows correlation between the Service Quality Dimensions, Customer Experience and Customer Satisfaction. There are three main hypotheses between the variables and sub hypothesis that explain the correlation between the dimensions. The research shows some correlation between the dimensions and the variable which will be further explained.

LITERATURE REVIEW

The literature review is one of the important parts of the whole dissertation that provides detail knowledge and understanding of the topic. This section includes current knowledge along with substantive finding as well as theoretical and methodological contributions to a particular topic. This section includes various statement, views, opinion, and statement of the different authors regarding the main subject that considers in the whole research study. By this section, a researcher can gather secondary information about the subject by use of several books, journal online articles etc. In the present research study, a scholar has the main aim is to identify the impact of information technology on the tourist behavior in India along with case evaluation of Cox and Kings. To achieving this aim, a scholar will consider upon the various objectives such as the role of information technology, the impact of information technology on the tourist behavior. Following is various themes designed regarding the research objective:

The tourism industry in India Armstrong, Delia, and Giardina, (2016) stated that Travel and tourism have not only become one of the world largest industry but also grows consistently every year. Travel and tourism represent approximately 11% of the worldwide grew at the average rate of 4-3% per annum. As per the view of Schivinski and Dabrowski, (2016) in India, travel and tourism industry plays a very crucial role in order to improve the economy. As per the report of world travel and tourism council in 2017, around 15.24 Lakh Crore and 9.4% of GDP in India. It has been estimated that 41.622 million jobs and 8% of its total employment in the India tourism industry. In India 2017, over 10 million foreign tourists arrived and that represented a growth of 15.6%. In the 2014-2015, Tamil Nadu, Maharashtra, Uttar Pradesh, Delhi, Mumbai, Chennai, Agra, Jaipur is the most visited cities in India that visited by foreign tourists.

Types of Technologies used in the Tourism industry In the opinion of Agnihotri and et.al., (2016) in the present time, the picture of travel and tourism sector has completely changed as compared to the previous time. Information technology has made several changes in the operation, program, function, and activities in the travel and tourism sector. There are several technologies that used in the tourism sectors such as reservation system, mobile communication, internet, in-room technologies, technology in travel Agency etc.

As per the view of Alves, Fernandes and Raposo, (2016) internet are one of the most useful and important technologies that used in the travel and tourism sector in a large manner It has a powerful impact on hospitality and tourism. By use of the internet, several kinds of activities can become easier in the Travel and Tourism sector. It is vital for a business to effectively utilize online advertising, social media, blogs, online purchasing to aid convenience their customers. With help of the internet, travel and tourism organization can create its own website on the internet. This website criterion can assist the organization in providing detail information about the travel and tourism product and services. By creating an innovative and attractive website on the internet, Tourism organization can provide complete information about the tourism product to its customers like Geographical location, prices of tourism services, types of transportation facilities, cost of services, features, additional benefits housekeeping information, Time and schedule, kinds of facilities etc. By use of the internet, Tourism organization can create its effective website that supports the organization in running its business activities and function in the market. Another use of the internet in Travel and tourism is social media. Ahmad, Musa, and Harun, (2016) stated that in the present time, Social media is one of the platforms that are used by the youth in a large manner. It consists of various platforms such as Facebook, Twitter, YouTube, Instagram etc. By use of these channels, Travel and tourism organization can promote and advertise its product and services in the market. By use of the Facebook, YouTube, Instagram etc, Travel and tourism organization can create page and profile through which it can attract large numbers of audience and customers toward the business activities and tourism product. By use of Facebook, YouTube and another channel, Tourism organization can upload the post, pictures, video, link, content, and information regarding the Destination, Hotel, Room and other facilities that provide by tourism organization. In the travel and tourism sector, social media marketing refers to the procedure of gaining traffic or attention through social media sites. By use of the strategy of social media marketing, travel and tourism organization can easily promote and advertise the product and services in the market. By use of social media marketing, an organisation can use post-purchase activity. Other customers can easily get the reviews and other customers feedbacks regarding the services and product that offered by travel and tourism organization. This assist tourism company in understanding the actual requirement, perception and satisfaction level of potential travelers. George and et.al., (2017) stated that by use of the internet, tourism organization does not only use the social media platform but also use direct email marketing. By

sending the direct Email, tourism organization can inform the customer about the service information, time, schedule, cost, destination location, registration information, housekeeping detail etc. As per the view of Rodney and Wakeham (2016) mobile communication is another one of the technology that assists to travel and tourism organization in improving its business activities and function. Mobile tablets and smartphones have replaced large desktop computers, making them virtually extinct. Mobile phone assists the organizer to keep information to the guest about their Hotel booking, timing, schedule, location, contact detail etc. To keep buyers updated on changes many tourism and hospitality business use mobile communication. Travel updates can easily provide by Tourism Company to their potential customers by use of websites and Mobile application. Many airline and tourism corporation provides updated flight information via text and automated calls. With help of information technology, communication among various operational departments can easily conduct. Improved communication technology has greatly widened the criteria in which a travel agency can communicate not only with customers but also with sponsors, business connections, partner service etc. With help of high-speed internet connection, information can send almost instantaneously from the agency to an airline, hotel, and another service. Several agencies, agents, partners, the stakeholder in the travel and tourism can exchange information and maintain coordination in an effective manner

The relationship between information technology and Tourism

According to the view of Godey and et.al., (2016) information technology plays a very crucial role in the travel and tourism industry. As in the present time, with help of information technology organization in the tourism industry has brought several innovation and changes. Several activities and functions in the travel and tourism sector such as operation, administration, customer service, communication, marketing and promotion, guest service system, financial management etc operate and manage with help of information technology. In these various activities, information technology has played a great role in the travel and tourism sector.

There is the direct relationship between the travel and tourism organization and information technology as in various activities of travel and tourism, information technology mostly used. In the opinion of Doolin, Burgess, and Cooper, (2002) in the marketing and advertisement activity, information technology plays a great role by which services and tourism product can easily promote and advertise in the market. With help of social media, an organization can design its own page in the Facebook, YouTube, Instagram, and information to customers about the tourism product and services. By posting attractive images, video, pictures, links and content, an organization can attract and influence the large numbers of customers toward the business product and services. Hence, it can be said that in the marketing and advertising activities in the travel and tourism sector, information technology assists in the organization in an effective and efficient manner. In the contradicting view Frew, (2000) stated that not only social media but also Tourism application and website plays a very crucial role in order to promote and advertise the tourism product and service in the market.

Several tourism organizations have their own business application through which customers can check their registration, traveling time, housekeeping information, location detail, price etc and make the order for final booking. Hence, it can be said that with help of the website, mobile application, computer system assist to tourism organization in carrying out advertising and marketing activities in an effective manner. Álvarez, Martín and Casielles, (2007) said that mobile, internet, laptop and computer can use in the tourism organization in internal business management. As there are several functional departments in the organization such as financial, marketing, operation, administration etc. In order to communication and coordination among these departments, information technology plays a great role. By use of internet, Laptops, computers etc, various departments in the organization can transfer information and collectively carry out business activities and functions. As per the view of Anwar and Sohail, (2004) there is the main three sector in the travel and tourism industry such as the Transport sector, Accommodation sector, and Attraction sector. In the transportation sector, information technology uses in the Airline ticketing, railways booking, car/bus rental etc.

n India and all over the world, the Transport sector is almost online and all the airline railways booking are done online and with the computerized system. As per the research, it has been found that in India almost 97% of airline booking is done by use of the internet, mobile application and website. Technology helps in developing the great occupancy rate. Almost all the railway ticket and cargo booking are done online and IRCTC is the corporation in the travel and tourism sector that deliver online reservations facility to its customers. In the car rental sector, there are several players like Ola, Uber that provides effective services to customers of transportation by use of internet and mobile application. Computerization of car rental industry in the nascent stage in the travel and tourism sector.

METHODOLOGY

The research is involve two method which are qualitative and quantitative. The mixed method is used to support each weakness of quantitative and qualitative. The method chosen for qualitative research is interview. The interview is semi structured and conducted between the luxury hotels employee and experts. On the other hand, the quantitative uses survey as a method. The survey is conducted between 217 respondents. The survey is distribute to the people that stays in the luxury hotel. The research will measure SERVQUAL dimensions with 5 variables (Tangibility, Empathy, Assurance, Responsiveness and Reliability), Customer Experience, and Customer Satisfaction of luxury hotels in Masure. After all the data is collected, the data will be analyzed using Partial Least Square (PLS) and Structural Equation Modelling to reach a solid conclusion. The researcher conducts several tests which are indicator reliability test, indicator reliability test, internal consistency reliability, construct validity test, convergent validity, discriminant validity, collinearity test, structural path significance, hypothesis testing, f squared size effect, and lastly mediating result.

According to the view of Jobber and Ellis-Chadwick, (2012) accommodation is one of the most significant sectors in the travel and tourism sector that lacked very much in the direct connectivity to customers. In this sector, several functions and activities operate with

help of information technology. With the use of the advent of technology, an organization in the travel and tourism sector targeting this segment and developed the interface by which they can provide the interface to books hotels, conference hall online. GDS is technology that delivers data regarding the availability and price to agents and booking agencies. Furthermore, an attraction is one of the sectors that are the most coveted field which requires intense communication to inform tourist about it. In the procedure of communication in the attraction sector, information technology plays a very crucial role. In the opinion of Kotler, Bowen and Makens, (2006) booking system is one of the most crucial technologies that provide the facility to book tickets from the home and on the go. Self-service booking is the key function of the information technology that largest impact upon the travel and tourism industry. One of the largest influences on the travel agency has been a rise of online or e-booking. As per the view of Kozinets, (2002) E-tourism includes the various travel technology such as Flight Tracking system, Dynamic packaging, computer reservation system, global distribution system, extensible markup language, customer relationship management system, Audio tours, GPS tours, Biometric passport, visual tour, mobile technology, social network, space tourism. These all technology facilitates the customers in the present time through which they can easily get facility and services in the travel and tourism sector.

Impact of internet and information technology tools on Cox and Kings In the perspective of Felix, Rauschnabel, and Hinsch, (2017) Among different travel organizations in India, Cox and Kings Ltd. is one of the organizations that deliver travelers with all the travel and tourism services in India. The organization delivers their clients with required facilities in India with a legitimate use of various factors under data innovation. Since its foundation in 1758, the organization has advanced on a huge scale because of its versatile nature. As of now, the organization is a standout amongst the most vital parts of Indian the travel industry for giving both worldwide and in addition local visiting administrations. The organization additionally has a powerful staffing and clients that add to its inheritance as one of India's most punctual travel association. The fundamental tasks at Cox and Kings Ltd. involve three administrations which are to be specific, Bharat Dekho, Inbound and Outbound tours.

In the context of inbound service of the Cox and Kings Ltd includes ticketing, planning round trips and booking hotels, air/train ticket booking, round trip, and event planning for different purposes. Furthermore, Outbound services available at Cox & Kings include various packages for international destinations, the international tour packages in different categories of the budget, luxury, and standard. These packages are distinct based on the basis of standards, budget, and luxury. The Bharat Dekho package is one of the latest and crucial service options in the Cox and Kings Ltd that attract a large number of customers toward the brand. The Bharat Dekho 12 package which is of major importance to the company includes trips to different places of historical and cultural importance. The Cox and Kings Ltd have invested a large amount of capital in providing online facility and services to Tourist.

It has expanded the business by offering a wide range of products and services as well as utilization of online booking and customer relationship management approaches. The information technology and internet have assisted Cox and Kings Ltd business in the large manner through which its revenue and numbers of a customer has increased worldwide. Information technology and its various tools like the computer, Laptop, mobile communication, Social media, mobile application, company website etc have assisted Cox and Kings Ltd in a large manner. Navío-Marco, Ruiz-Gómez, and SevillaSevilla, (2018) stated that By use of the mobile, internet and website, it has improved the connectivity with direct customers. The organization can identify the actual demand and requirement of tourist regarding the tourist product and services by use of the internet, website and social media. Cox and Kings Ltd is also beneficial by improving connectivity with customers through which they can influence and attract toward the brand. Travel and tourism organization no only identify the actual complaints, feedback, and reviews regarding the tourism services and facility but also they can influence by communicating various attractive offers, discounts, and benefits associated with travel and tourism package. An organization does not need to engage with a traditional method of promotion and advertisement like radio, newspaper, billboard etc. They can design their own mobile application, social media page and internet page by use of information technology.

This assists in saving their time as well as cost also. Travel and tourism business unit can inform the large number of customers about the tourist product packages, price, features, and distribution etc in a fast and effective manner. In the opinion of Hudson and et.al., (2016) social media marketing strategy has assisted to Cox and Kings Ltd in the large manner through which it was able to improve its marketing and promotional activities and function in an effective manner. On the social media pages like Facebook, Twitter, Instagram, Youtube, it was able to post attractive pictures, images, video, content information regarding tourism product and services and influence customers. Dahl, (2018) stated that one of the best advantages of information technology in the travel and tourism industry is that Cox and Kings Ltd can identify the actual demand, requirement, reviews, complaints of tourist regarding existing tourism services and products. This helps to tourism organization to improve its existing tourism facilities, services, tour packages etc. Thus, it can be said that information technology has assisted to Cox and Kings Ltd in not only marketing and advertisement activity but also it helped to improve the existing services and tourist packages and product by acknowledging actual requirement and demand of tourist in countries. By use of information technology, Tourism organization can also improve the relationship with customers. Customer support option, Help Line, Report option can assist to a corporation as well as customers in improving connectivity through which firm can acknowledge the queries of potential traveler and tourist and solve that queries in a fast manner. Hence, it can be said that customer service in the tourism sector has been improved by the use of several tools of information technology through which revenue has increased in the India tourism industry.

FINDINGS AND ARGUMENT

The researcher finds correlation between service quality and customer experience. The service quality of the hotel determines on how the hotel will deliver its value to customer. The value itself will become the customer experience during their stay . Next, correlation between service quality and customer satisfaction is being tested with 5 hypotheses created. Based on the t value result, three hypotheses are accepted. The results show that there is interaction between tangibility and customer satisfaction, responsiveness and customer satisfaction and reliability and customer satisfaction. The third hypothesis is testing the correlation between customer experience and customer satisfaction. The result shows that the hypothesis is accepted thus, a correlation between customer experience and customer satisfactions

Table 1. Hypothesis Testing

Hypothesis	Structural Path	T-Values	Result
H1a	Tangibility Customer Experience	6,358	Accepted
H1b	Empathy Customer Experience	0,329	Rejected
H1c	Responsiveness Customer Experience	2,389	Accepted
H1d	Assurance Customer Experience	1,680	Rejected
H1e	Reliability Customer Experience	1,525	Rejected
H2a	Tangibility Customer Satisfaction	4,275	Accepted
H2b	Empathy Customer Satisfaction	1,656	Rejected
H2c	Responsiveness Customer Satisfaction	2,341	Accepted
H2d	Assurance Customer Satisfaction	1,241	Rejected
H2e	Reliability Customer Satisfaction	3,284	Accepted
H3	Customer Experience Customer Satisfaction	7,124	Accepted

CONCLUSIONS

The customer experience of the visitor in luxury hotels is highly determined by the service given by the hotel . Luxury hotel is expected to give a more exquisite service compared to non-luxury due to its premium pricing. The hotel's service can be measured through service quality dimensions . The increase in service quality could influence the customer experience during their stay . Also, positive customer experience will affect the customer satisfaction at the end of the day . In the long run , satisfied customer will generate a great customer retention and also a great brand image of the luxury hotel .Thus , the luxury hotels should consider service quality , customer experience and customer satisfaction as an integral part of creating succesful luxury hotels .

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