

Customer Satisfaction: An Empirical Study of RTDC Hotels in Rajasthan

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Abstract

This study is aimed at studying customer satisfaction with respect to RTDC Hotels in Rajasthan. The foremost objective is to examine the level of customer satisfaction towards hotel industry in Rajasthan and to sustain the customers in the business and give suggestions for improvement of customer services. A well-structured questionnaire is used to collect primary data. The researcher adopted simple random sampling for the study and sample size is 150. Findings of study and conclusion is also given.

Introduction

As per the famous saying "AtithiDevoBhava," in Rajasthan, a guest is considered as equal to God. So welcoming a guest is no less than welcoming and worshipping God!

One of the biggest contemporary challenges of management in service industries is providing and maintaining customer satisfaction (Holjevac, I.A, Marković, S., & Raspor, S. 2000). Customer satisfaction represents a modern approach for quality in enterprises and organisations and serves the development of a truly customer-focused management and culture. Customer satisfaction measures offer a meaningful and objective feedback about client's preferences and expectations. Marketing and management sciences now-a-days are focusing on the coordination of all the organization's activities in order to provide goods or services that can satisfy best specific needs of potential customers (Silvia Figini and Paolo Giudici 2002). Hotels are one part of hospitality industry, which has developed from the very modest beginning of families and landowners who opened their homes to travellers.

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At present, India ranks 40th in World Tourist Arrivals and 17th in World Tourism Receipts which itself indicates that tourism in India has a very high potential of growing at a lightning speed. The tourism and hospitality sector in India has come under a shadow with the spate of assaults on foreign tourists in several parts of the country. According to World Travel and Tourism Council estimates, the tourism sector in India contributed around 6.6 per cent of India's GDP in 2012 and supported 39.5 million jobs, which is 7.7 per cent of its total employment. The sector is projected to grow at an annual average rate of 7.9 per cent from 2013 to 2023. India's share in world inbound tourist arrivals increased from 0.4 per cent in 1997 to 0.63 per cent in 2013, with a 6.9 per cent CAGR, which is much higher than the 3.9 per cent CAGR for the world during the same period. The size of domestic tourism has also already crossed an estimated 1.1 billion annual travel visits.

India has not tapped the full potential of its tourism sector. A World Economic Forum 2013 study of tourism competitiveness, rated India at a low of 65 among 140 countries. On its three pillars of competitiveness, India was ranked 21 on tourism natural resources, 67 on ease of business environment, but an abysmal 110 on its regulatory framework for tourism and travel, showing India's inability to convert its comparative natural and economic advantages into competitive advantages for the tourism industry. Some suggested measures include creating world class tourism infrastructure even by PPP; addressing multiple taxation issues; skill and etiquettes training to cater to the needs of tourists; special focus on cleanliness at tourist sites and safety of tourists; using the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) for creating permanent assets like tourism infrastructure and facilities; organizing mini India cultural shows on a daily basis at important tourist sites that will not only attract tourists but also generate employment for Indian artists; and implementing urgently visa on arrival and E visa facilities at 9 airports to 180 countries barring 8 'prior reference' countries, a decision which has already been taken.

Services and tourism go hand in hand. Services require skills and well trained staff. It is true that tourism is labour intensive industry, which provides employment to skilled, semi-skilled and unskilled workers directly and indirectly. But, it is also true that the services required in the tourism and Hotel industry are highly personalised and no amount of automation can substitute for personal service providers. This is because of the basic features of services, which are very different from of manufactured products. Cooper et.al. (1993) identify three characteristics which separate tourism as a service from manufactured goods and present these dissections in what is called a good and service continuum.

The study by Roger J. Callan and Gabrielle Kyndt (2001) identifies the following as the most

important attributes: security 93 per cent; reservation reliability 89 per cent; quietness of room 87.2 per cent, physical condition of the hotel 83 per cent, and location 81 per cent.

Rizaldi and Wijaya (2006) analyse the five SERVQUAL dimensions through Disconfirmation theory. According to widely accepted opinion in service research, customer perceived service quality results from how well customer expectations match actual experiences of the service. And so, based on the disconfirmation theory, the writers conducted a set of research upon Intrapura Restaurant, located at the heart of Amsterdam. To gain the level of customer satisfaction through the customer expectation and customer perception level of Intrapura's service quality. The writers used five dimensions of SERVQUAL viz. tangible, reliability, responsiveness, assurance, and empathy.

Jessica Salver (2009) in her book traces out the link between the brand name and the customer loyalty. The major objective of this works is to examine the concept of brand management, to adapt and apply it to hotel services. The author cites that the original idea of using marks to indicate ownership and origin can be traced back even for millennia to ancient Greek and Rome and early Chinese dynasties. More and more businesses have come to realise the power and important of brands and the concept of brand management has consequently gained considerable interest in recent years. As the hotel industry differ from physical goods in many ways, it is vital to examine the concept of brand management – to adapt and apply to hotel industries. The author further argues that as competition keeps intensifying at steady pace, resulting in a surplus of capacities, the importance of making guests return becomes a critical issue; it is said that brands provide the opportunity to encourage the creation of loyalty among consumers.

Rajasthan Tourism

Rajasthan is a majestic state of Indian tourism. It has famous tourist destinations embellished with beautiful havelis, sand dunes, forts, temples and palaces. The tourism and travel destinations of tourism not only offer sightseeing of forts and palaces but also vibrant fairs and festivals of this place. Endowed with natural beauty and a great history, tourism is a flourishing industry here. The palaces of Jaipur, lakes of Udaipur, and desert forts of Jodhpur, Bikaner and Jaisalmer are among the most preferred destination of many tourists, Indian and foreign. Tourism accounts for 8 percent of the state's domestic product. Many old and neglected palaces and forts have been converted into heritage hotels. If proper efforts are taken, then 30% of the total population of Rajasthan can live from tourism. Rural tourism of Rajasthan could bring enormous wealth to the villages of Rajasthan.

Rajasthan has all kind of hotel to accommodate all kind of guests. All the prominent hotel

chains of India, like Taj Group of Hotels, Oberoi Group of hotels, ITDC, RTDC, Bharat Hotels are running their hotels. Among the international hotel chains, Hyatt, Leela, Radison, Holiday inn, Quality inn and many other latest chains are having their hotels in important tourist centers of Rajasthan. All categories of hotels ranging from one star to five stars deluxe are operating in Rajasthan. With regard to heritage hotels, need not to say that these hotels are strength of tourism in Rajasthan. Also, three-fourth heritage hotels of entire country are based in Rajasthan.

In order to survive in this present world of competition, hotels will have to formulate marketing strategies in a way to not only woo customers toward them but also retain them. The secret here is that retention cost is very low when compared to the cost of attracting new customers. Some of the basic problems facing hotels today are provision of better service alternatives to its customers, generation of more income from noncore based services, improving the profitability of the hotel system and above all the customer retention.

The root cause of all these problems lies in the failure to adopt marketing approach. This is so because the marketing concept will facilitate them to be more scientific in solving their business problems, satisfy their customer's requirements or needs and maintain a profitable win-win relation with their customers, which will enable hotels to stay closer to their customers, maintain as well as increase market share and counter the competition successfully.

RTDC acts as a catalyst to establish develop, execute project and scheme that accelerate tourism in the state, manage numerous restaurants, cafeterias, motels and bars and enhance the experience of the tourist. Some of the basic problems faced by hotels today are provision of better service alternatives to its customers, generation of more income from noncore based services, improving the profitability of the hotel system and above all the customer retention.

Hotels are increasing their investments to improve service quality and the perceived value for guests so as to achieve better customer satisfaction and loyalty, thus resulting in better relationships with each customer (Jones et al., 2007). Relationship quality has a remarkable positive effect on hotel guests' behavior: it creates positive word of mouth and increments repeated guest rates (Kim et al., 2001). In order to succeed under existing conditions, hotels under RTDC will have to perceive the needs of its customers and devise better means of fulfilling them, therefore the need arises to analyse the marketing of the services provided by the RTDC hotels all over Rajasthan to look into the depth of the need of realistic approach and improvement in the marketing of the services.

Objectives

- To analyse the views and satisfaction level of customers of RTDC hotels about different services offered by them.
- To develop an in depth understanding of the customers' needs.
- To suggest action plans that can be developed for improvements in the constructs of the hotels and employ the strategies to maximise the sales.

Hypotheses

H₀: Selected customer service parameters of satisfaction are given equal weightage.

H₁: All the customers are equally satisfied with the behaviour of staff.

Research Design

The study is conducted on customer satisfaction towards RTDC hotels in Rajasthan. It covers the various strategies applied by the RTDC hotels to satisfy the customers. At present some of the customers are not satisfied with the service provided by them. That will be identified based on the data analysis and some value information would be provided for improvement of the service in hotel industry. Descriptive approach is adopted by the researcher by using questionnaire. A well-structured questionnaire is used to collect primary data. The research was conducted at Rajasthan. The type of sampling used in the project is judgmental sampling. In this type of sampling the researcher's judgment is used for selecting items which he considers as representative of the population. Sample size is 150, in which 30 customers each has been taken from Jaipur region, Ajmer, Mt. Abu, Behror Midway, and Mahua Midway.

Customer Survey of RTDC

Table 1: Information about the Hotel

Source	No. of Respondents	In percentage
Internet	20	13
Family	14	9
Friends	31	21
Newspaper	20	13
Others	27	18
Tourist	17	12
Banners	21	14
Total	150	100

Table 1 shows the source of information about the hotel. Maximum tourists (21%) get the information from their friends and the least preferred source is 9% for family. Newspapers, banners and internet are almost on equal percentage.

Table: 2 Category of Room

Category of Room	No. of Respondents	In percentage
A/C	72	48
Non A/C	30	20
Standard	24	16
Family	3	2
Suite	21	14
Total	150	100

Table 2 reveals that 48 % customers' preferred AC rooms and 20 % tourists' choice is Non A/c rooms and only 2% respondents are in the favour of family rooms. There is also a good demand of suits (14%).

Table : 3 Rating of Various Parameters

Parameters	1-2	3-4	5-6	7-8	9-10
Quality of food	3	11	87	39	10
Hygiene	4	13	56	69	8
Variety in Menu	4	23	71	43	9
Nutrition Quotient	2	19	92	33	4
Residential Facilities	6	8	16	71	49
Cleanliness & Comfort of Room	4	16	47	39	44
Spaciousness of Rooms	6	12	38	41	53

Researchers considered seven parameters for rating which is related to various customer facilities. Maximum of respondents gave their opinion for 5-6 rating for quality of food, variety in menu and nutrition quotient. Very few responses are there for 1-2 rating for all parameters. Same with 9-10 rating, except for residential facilities which is 49. It can be said that maximum responses are in average category.

Hospitality of Hotels**Table : 4 Welcome at Reception**

Welcome at Reception	No. of Customers(O)	Expected Value(E)	$(O-E)^2/E$
Satisfied	66	37.5	12.30
Moderately satisfied	56	37.5	6.11
Dissatisfied	13	37.5	46.17
Not at all satisfied	15	37.5	33.75
Total	150	100	98.34

66 customers are fully satisfied by the welcome at reception in RTDC hotels. 56 are moderately satisfied and almost equal number which is 13 and 15 for dissatisfied and not at all satisfied consequently.

The table value of X^2 for 3 degree of freedom at 5% level of significance is 7.815 and at 1% level of significance is 11.341. The calculated value of X^2 is much higher than this table value and the result of testing does not support the hypothesis. So, the null hypothesis is rejected and selected customer service parameters of satisfaction are not given equal weightage by the respondents.

Table : 5 Behaviour of Staff

Particular	No. of Respondents (O)	In percentage	Expected Value (E)	$(O-E)^2/E$
Satisfied	91	60	37.5	31.45
Moderately satisfied	39	26	37.5	0.06
Dissatisfied	8	5	37.5	108.78
Not at all satisfied	12	8	37.5	54.19
Total	150	100	150	194.48

Table 5 explains that approximate three fourth respondents are satisfied with the behaviour of staff of RTDC hotels. Only 13 % are in the group of dissatisfied and not at all satisfied.

The table value of X^2 for 3 degree of freedom at 5% level of significance is 7.815 and at 1% level of significance is 11.341. The calculated value (194.48) of X^2 is higher than table value and the result does not support the hypothesis and it can be said that all the customers are not equally satisfied with the behaviour of staff.

Table : 6 Ambience of Hotels

Particular	No. of Respondents	In percentage
Excellent	7	5
Very good	20	14
Good	72	48
Average	51	34
Total	150	100

Table 6 elucidates that 7 (5%) respondents said that hotel ambience is excellent. 14 % customers found the ambience of the hotel is very good. Only 34 % respondents opined as average about this.

Results

Majority of customers got the information about RTDC hotels through friends. In the category of rooms, AC rooms are preferable by majority of customers. The quality of food is average (ranging from 5 to 6 points out of 10) in RTDC hotels according to majority of customers while in other hotels the quality of food is above average. The hygiene factor is ranges from 5 to 6 points out of 10 in RTDC hotels. The variety of food in RTDC restaurants is average. From nutrition point of view RTDC hotels come under the category ranging from 5 to 6 points out of 10. The residential facilities of RTDC hotels are good ranging from 7 to 8 points out of 10. The cleanliness needs to be improved according to majority of customers of RTDC hotels. The respondents were quiet satisfied with the hospitality of RTDC hotels. Majority of the customers are fully satisfied with the welcome at reception as well as the behaviour of staff of RTDC hotels. Only 48% of customers found RTDC hotels

with good ambience.

Suggestions

The menu should be revised and should include varieties. Most of the customers of RTDC hotels come with their family as tourists. So, the tastes and choices of children should also be kept in mind. Renovation of RTDC hotels is the need of the time. Old infrastructure should be replaced by the new one in most of the hotels of RTDC. In midways of RTDC (especially in Behror Midway) the footfall is large in number; therefore the workforce should be increased. According to the standard of RTDC hotels, the lobby area should be well equipped. There should be separate counters for different cuisines in the 'Midways' to avoid inconvenience for customers. The cleanliness of RTDC hotels should be taken into more consideration. In some hotels of RTDC, lack of generators should be overcome to avoid inconvenience for the customers. Room service should be started along with bell facility in the room. Effective check of luggage should be started to avoid threats of any misfortune.

Conclusion

As the study focused on the customer satisfaction, has been clearly analysed with appropriate methodology based on the objectives as the findings and suggestions are given according to the data analysis. This would help to make the hotel industry more perfection towards the customer satisfaction much more effective way. Finally, it has been proved that the overall assessment of customer satisfaction in hotel industry is good. RTDC acts as a catalyst to establish, develop, execute project and scheme that accelerate tourism in the state, manages numerous restaurants, cafeterias, motels and bars and enhance the experience of the tourist. RTDC hotels should give more concentration on training of staff, renovation of hotels, proper cleanliness and improved food quality and variety are essential. RTDC being pioneer and having strong foothold at the State level should focus on its service marketing to increase sales and promotion

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