DETERMINATION OF INFLUENCE OF SERVICE QUALITY ON CUSTOMER SATISFACTION: A CASE STUDY OF PHOOMTHAI GARDEN HOTEL, PHRAE

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ABSTRACT

This research aims to investigate the influence of service quality to satisfaction of hotel's guest by focusing on the case of Phoomthai Garden Hotel, Phrae. The research was conducted by adopting five dimensions SERVQUAL to evaluate the relationship of the two matters. Quantitative method was used for data collection. The questionnaires were physically distributed to the Hotel's guests who stayed in the Hotel during the long weekend period, 22 to 25 October 2015, and, also, were made available on the Hotel facebook fanpage to allow guests who used to stayed at the Hotel to complete the questionnaires online. The SPSS analysis including correlation analysis and multiple regressive was employed to approach data analysis. Pursuant to analysis result, all five dimensions have positive relationship to the customer satisfaction as expected. However, only responsiveness and empathy have significant effect to customer satisfaction. The research finding is expected to facilitate the Hotel including other hotelier to improve their service and create sustainable completive advantage.

KEY WORDS: Hotel Service / Service Quality / Customer satisfaction / SERVQUAL / Hotel, Phrae
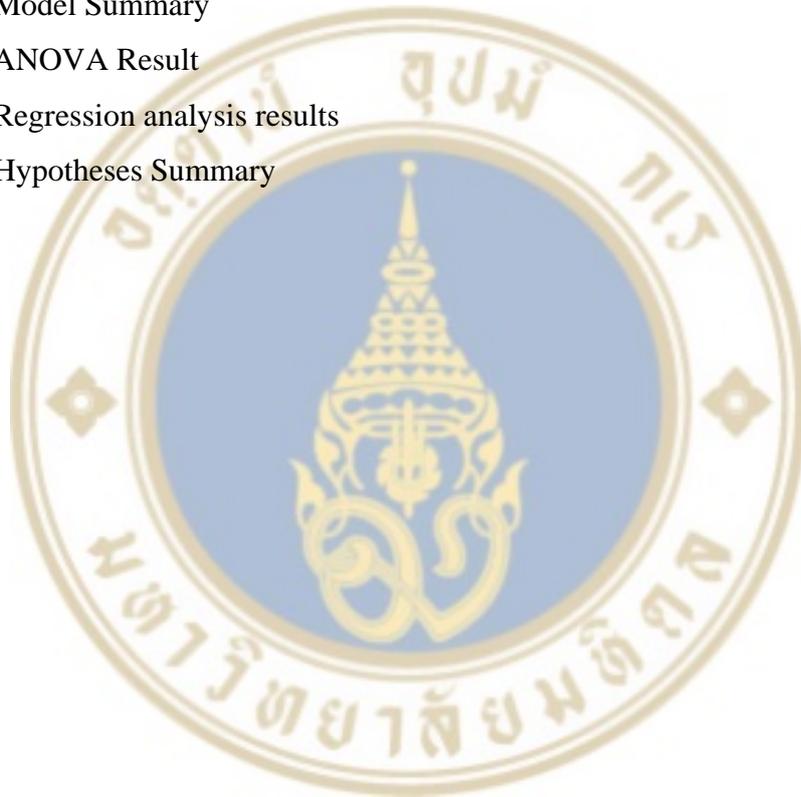
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CHAPTER I

INTRODUCTION

Tourism industry in Thailand is the industry that has generated massive income to the county every year. Based on the marketing database from Tourism Authority of Thailand (2015), the revenue from this industry grew almost 50% from 2011 to 2013, especially in the year 2013 when the number has reached approximately THB 1.7 Trillion. Even though, in the year 2014, the growth was slow due to uncertainty of politic situation, the number of tourist visiting the country is expected to be increase for 6.6% in 2015 (Business Monitor International, 2015).

Considering on tourism situation in Phrae, even though Phrae is considered as a small city in the North, the market value of tourism industry in Phrae trends to steadily increase; it grew to THB 1,028 Million in 2012, which increases for 36.41% from the year 2011, and keep going to THB 1,127 Million in 2013, which increase for 9.64% from the previous year (Tourism Authority of Thailand, 2015). In the year 2013, most of this revenue comes from Thai tourist, which is THB 1,027 Million, whereas the less THB 100 Million is from foreign tourist. Further to the number of tourists in 2013, there are approximately 1.34 Million tourists visiting the city, which is 4.7%, increase from 2012. The number of revenue from tourist industry in Phrae along the year 2011 to 2013 are provided bar chart as in Figure 1.1.
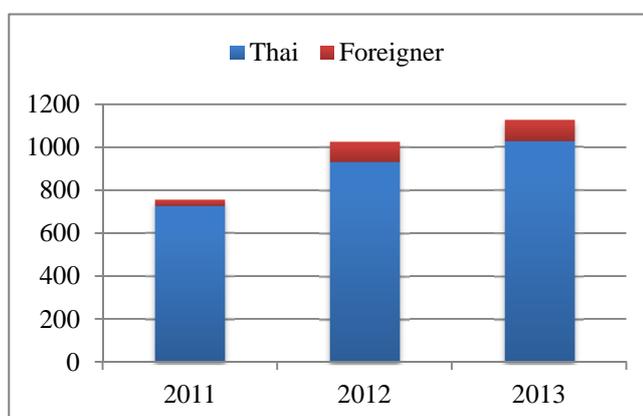
Figure 1.1 Revenue from Tourist Industry in Phrae

With a remarkable increase in the tourism market in Phrae, a business that plays a major role in tourist industry like hotel becomes more attractive for investor and, hence, many hotels are newly operated in the area. Phoomthai Garden Hotel as a hotel that has been operated for almost 10 years is needed to find strategy and improve itself to survey in higher completive market and remain its position in top rank of the market.

According to Anderson, Fornell & Mazvanceryl (2004), customer satisfaction is one of efficient strategy. Many researched define that service quality is the critical element influencing to customer satisfaction and revisit in hotel business. Mosin and Lockyer (2010) also emphasize that service quality is not only help the hotel to generate positive products and services, but it also represents standard of the hotel. Therefore, it is crucial to study on factors affecting service performance and dimensions of service quality. the to This study studies the relationship between Services Quality through its dimensions and Customer Satisfaction on hotel business through a case study in Phoomthai Garden Hotel, Phrae.

1.1 Research Objectives

1. To investigate perception of hotel's guest to service currently provided by the hotel.

2. To indentify importance of each dimensions of service quality to satisfaction of hotel's guest.

3. To provide recommendation on the service improvement to the hotel.

CHAPTER II
LITERATURE REVIEW

There are many researches stipulated descriptive of service quality and its necessity for service business as well as the influence of service quality to customer satisfaction. This chapter will provide brief summary of past researches regarding to service quality and customer satisfaction.

2.1 Theoretical

2.1.1 Service Quality

Service quality is a concept that commonly defined as the extent to which a service reaches customer's demand or expectation (Wisniewski and Donnelly, 1996). In other words, service quality refers to the difference between customer expectations of service and perceived service. According to Saat (1999), qualified service appears once expected service meets, at least, perceived service. Hence, in order to measure service quality, the service that customers expect and their perceived service should be measured (Saat 1999).

As satisfaction and expectation of the customers are not usually provided and varies from person to person, it seems to be difficult to measure service quality. To evaluate service quality, Parasuraman et al. (1985) proposed the SERVQUAL dimension which is the gap between customer's expectation of service and their perception of the service experience. There are five core dimensions of service quality (SERVQUAL) that could be presented in the service delivery in order to reflect the result in customer satisfaction. The five SERVQUAL dimensions consist of:

2.1.1.1 Tangibles

Tangible dimension refers to the appearance of physical elements including facilities, equipment, personnel and communication materials. Delgodo and Ballester (2004), also, supported that the tangible dimension is to create first hand impressions. Thurs, if the service provider could facilitate its customer to perceive an get a unique positive and unforgettable first hand impression, it is likely that the customer return in the future.

2.1.1.2 Reliability

It is refers to how the service providers perform and complete their promised services with quality and accuracy pursuant to requirements mutually agreed with the customer. Delgado and Ballester and Reliability (2004) define the reliability as an important dimension for providing service since every customer willing to know if the service providers are is reliable and be able to satisfy the set of service requirements.

2.1.1.3 Responsiveness

Responsiveness defines as willingness of service provider to help customer and provide a good, quality and prompt service. Responsiveness of the service providers could influences customers feel more valued with quality in service if they be provided with the best possible quality in the service (Delgado and Ballester, 2004).

2.1.1.4 Assurance

Assurance is defined as the knowledge and politeness of the employees including their ability to pass on trust and confidence to the customers. Therefore, if the staffs could not promote this dimension to the customers, there will be a rather large chance that the customers will not return to the service (Delgado and Ballester, 2004).

2.1.1.5 Empathy

This dimension is the stipulation of caring, and provide specific attention to customer. In other words, it refers to how the service providers show customer on their caring and provide individualized attention to the customers in order to make customers feel more valued and special. Delgado and Ballester (2004) provided

that once the customers recognize that they get individualized and quality attention, there will be high potential that they will return to purchase the service again.

With the SERVQUAL measurement scale, the service quality is considered as the gap between customer expectations and the perception of the performance of service provide. In this regard, Parasuraman et al. (1985) suggests that service quality should be evaluated by subtracting customer's perception scores from customer expectation scores as provided in Figure 2.1.

Service Quality = Perception Score – Expectation Score

Figure 2.1 Evaluation of Service Quality

According to this, the more positive score could represent the more positive amount of service quality. Moreover, the difference between the customer's expectation and the perceived service also expresses the determinant of customer satisfaction or dissatisfaction. Consequently, this is use as a method of utilizing feedback (Abraham Pizam Taylor Ellis, 1999).

2.1.2   Consumer Satisfaction

Pursuant to Schiffman and Kanuk (2004), customer satisfaction is considered as the individual's perception of the performance of the product or service in relation to his or her expectations. Kotler (1999) also provides that satisfaction is a distinctive function between perception and expectation. Therefore, customer satisfaction is a terms of amusement or displeasure as a result of an evaluation between perception and expectation of product function/effect. To be cleared, customer satisfaction is subjected to positive or negative feeling that is reflected from evaluation of pre-consumption expectation and post-consumption perception.

In term of service business, customer satisfaction refers as outcome of the customer perception in valued they received in the service equals to the value expected from the service completed by the service providers (Blanchard & Galloway, 1994). Regarding to this, it is essential to recognize and estimate on the customers' needs in order to satisfy them and, accordingly, achieve customer satisfaction. Barsky & Nash

(2003), also, emphasis that any supplier who is able to understand and satisfy customers' need could generate greater profits that those who fail to realize and fulfill them.

2.2 Empirical

2.2.1 Relationship between Service Quality and Customer Satisfaction

Pursuant to the study of Yılmaz (2007), there is a strong relationship of service quality and customer satisfaction due to the expected service quality could be defined as the expectations of customer in service and features that want to have to be satisfied. He also pointed out that, for the hotel business, if one of the most expectations of customers is breakfasts or dinners, the customer will be appreciated on staying in the hotel if this expectation is fulfill.

There are further researches that emphasis on the relationship of service quality and customer satisfaction. According to Min &Min (1996), service quality is considered as the life of hotel and core of service management. Since service quality is associated with customer satisfaction and customer satisfaction has strong relationship with the revisit intention (Han, Back & Barrett, 2009). It could be predictable that if the hotel could promote positive attitude on the provided service to its customer, it will create competitive advantage for hotel (Ryu, Han & Kim, 2008).

2.2.2 Service Quality, Customer Satisfaction, and Key Success Factors of Business

According to Gronoos (1990), quality of service and customer satisfaction is considered as critical key success factors of any business. In this point, Shem wellet al (1998) also supported that the element to create sustainable advantages to the business depends ability to deliver high quality service that results in satisfied. The key to achieve sustainable advantage lies in delivering high quality service that results in satisfied. As Valdani (2009) points out: enterprises exist because they have a customer to serve. Service quality and customer satisfaction are key factors in the battle to obtain competitive advantage and customer retention.

2.3 Research Framework and Hypotheses

2.3.1 Research Framework

According to the literature review, this research is carried out in examine the effect of service quality on customer satisfaction through the five dimensions of SERVQUAL scale measurement which could be outlined as Figure 2.2.
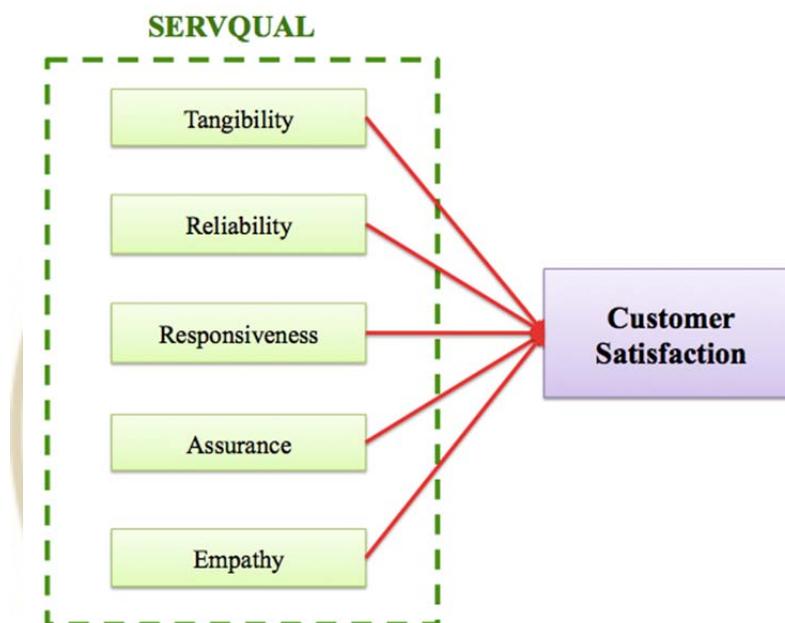
Figure 2.2 Research Framework

2.3.2 Hypotheses

Based on the literature review and research framework, the hypotheses of the research could be outlined as follows:

H1: Tangibility will have a positive relationship on consumer satisfaction.

H2: Reliability will have a positive relationship on consumer satisfaction.

H3: Responsiveness will have a positive relationship on consumer satisfaction.

H4: Assurance will have a positive relationship on consumer satisfaction.

H5: Empathy will have a positive relationship on consumer satisfaction.

CHAPTER III
METHODOLOGY

In order to achieve research objectives as well as comply with research framework, the methodology selection is considered as essential process to conduct the research. This chapter illustrates research methodology including research design, population and sample group, research instrument, and data collection.

3.1 Research Design

With the purposes of the research study which is to determine the effects of service quality to customer satisfaction after they visit the Hotel, the researcher selects quantitative method to evaluate customer perceived value on the 5 elements of service quality pursuant to SERVQUAL theory; Tangibility, Reliability, Responsiveness, Assurance, Empathy, in order to generate reliable results through statistical method. The quantitative research was conducted by the survey and the data collection was preceded in form of close-ended questionnaire that allows the respondents to independently answer the questions.

3.2 Population and Sample Group

The questionnaires were mainly distributed in offline by conducted inform of paper questionnaires issued to the Hotel's guests who stayed at the Hotel during the long weekend period, 22 to 25 October 2015. Meanwhile, the online survey was preceded by sending online questionnaires to the Hotel guests whose emails are available in the Hotel's record together with posting in the Hotel's facebook fanpage in order to broad the number respondents covering to guests who used to visit the Hotel. The both questionnaire forms were randomly distributed regardless gender, age and nationality of the respondents in order to reach variety of information.

3.3 Research Instrument

3.3.1 Constructs Measurements

To reach the different purpose of questions, both nominal and interval measurement scales were adopted. For the questions that aim to group the response data and general information of the respondents, the nominal scale was applied. While, interval scale was adopted to the questions of which objective is to evaluate level of agreement of the respondents in each Hotel's service attributes through 6 level of rating scale from strongly agree (6) to strongly disagree (1).

3.3.2 Questionnaire Design and Question

The questionnaire applied for the study was first prepared in English and, then, translated to Thai in order to facilitate understanding of the respondents both Thai and Foreigner and consist of four sections of which details are as follows:

3.3.2.1 Section 1: Screen Question

This section aims to screen the data from respondents who never experience on staying the Hotel to continue answering the questions especially in case of online questionnaires. The question listed on this section is follows:

- Have you ever stayed at Phoomthai Garden Hotel, Phrae?

3.3.2.2 Section 2: General Questions

The section is to gather information on consumer behavior in travelling in Phrae. All questions provide listed the choices in nominal scale, and includes:

- Is this your first time visit Phrae?

- How do you travel?

- What is traveling purpose for this time?

- What is the tropical source influencing your decision on selecting hotel?

- Do you normally plan for a trip and book hotel prior to travel?

- In which channel that you usually use to reserve a hotel?

- What is your typical budget for your spend for hotel stay per night in Phrae?

- How long do you stay in Phrae?

3.3.2.3 Section 3: Specific Questions

The section intends to evaluate customer perceive value on each service quality factors provided by the Hotel. Interval scale was adopt to the questions which are listed as follows:

1) Tangible

- Room and Hotel's area are clean.

- Interior and building decoration in the Hotel is appealing.

- Facilities of the Hotel are new and up-to-date.

- Hotel staffs are presentable.

- Hotel's location is easy to find.

2) Reliability

- The receptionists correctly confirmed the reservation requests.
requests.

- Check in and Check out process does not take too long.

- The reservation channel (telephone and internet reservation) is easy to approach.

- Transport facilities are available.

- The staffs take care of maintaining accurate record.

3) Responsiveness

- The staffs are polite.

- The staffs provide service on time.

- The staffs adopt service to guests' demand.

- The staffs take effort to assist guests.

- The staffs are willing to help guests.

4) Assurance

- Performance of the staffs gives sense of trust.

- In your processes with the Hotel, you feel in confidence.

- The staffs always show respect to you.

- The staffs solve your problems with knowledge.

- The staffs are friendly.

5) Empathy

    - The staffs do not hesitate to apologize when service mistakes were made.

    - The staffs pay attention on your complain.

    - The staffs understand guests' requirement.

    - The staffs value your benefits above the Hotel.

    - The working hours of the Hotel are suitable for all guests.

6) Customer Satisfaction

    - I intend to continue using the Hotel.

    - I would recommend the Hotel to others.

    - I would consider the Hotel as my first choice when I come to visit Phrae.

    - I would repurchase services of the Hotel.

    - I would persuade friends and relatives to visit the Hotel.

2.3.2.4 Section 4: Demographic Questions

This section is to gather general information of the respondents. The questions are include:

    - Gender;

    - Age range;

    - Occupation; and

    - Monthly income.

3.4 Data Collection

Questionnaires were distributed by using both paper and online tools. 124 questioners were answered divided into 85 papers and 39 online questionnaires. The paper questionnaires were circulated to the Hotel's guests visited the Hotels during the period 22 – 25 October 2015. In addition, the online survey was prepared by Google program and posted in facebook fanpage of the Hotel to available to answered from 22 – 31 October 2015.

CHAPTER IV

DATA ANALYSIS AND RESEARCH FINDINGS

To verify accuracy of each research hypotheses, the analysis of the result generated from data collection shall be provided. This chapter, therefore, demonstrates what have been found from the research as well as the analytical data in order to prove the research assumption.

4.1 Research Finding

4.1.1 Respondents

With the 124 questionnaires that were responded, there are totally 102 qualified respondents who used to experience staying the Hotel. Another 22 respondents have never visited the Hotel are considered as unqualified respondent and, hence, their interview were terminated after answering the screen question.

4.1.2 Demographic Information of Respondents

Among 102 qualified respondents, 64 people or 62.75% are female, and another 38 people or 37.25% are male. This could be seen that number of female respondents are almost 2 times higher than male. The pie chart of the gender of respondents is provided as Figure 4.1.
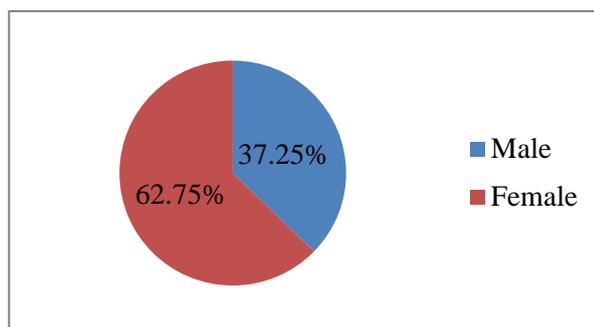
Figure 4.1 Gender of Respondents

Further to the age range of respondents, the summary is proved in pie chart as Figure 4.2. According to the pie chart, age rage of the majority respondents, equally 68 people or 66.67%, is 36 – 50 years old. The rest are divided into age between 21 – 35 years old for 22 people or 21.57%, and age over or equal 51 for 12 people or 11.82%. None of the respondents is under or equal 20 years old.
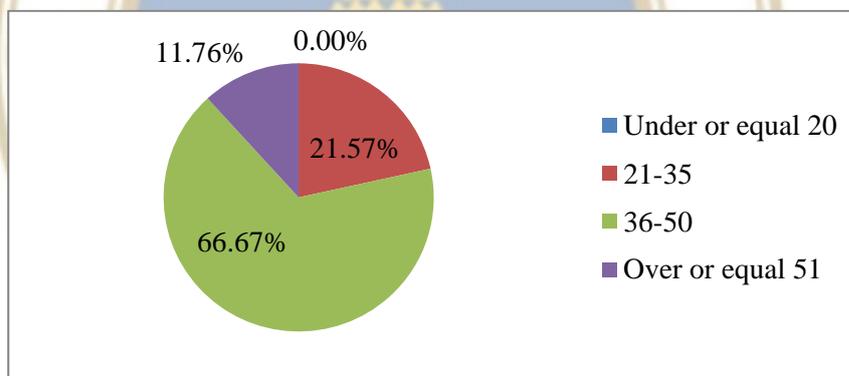
Figure 4.2 Age Range of Respondents

In term of income, Over 53.91% or 55 people, have income between THB 30,001 – 45,000. Income range of 39 respondents or 38.24% is around THB 45,001 – 60,000. Meanwhile, only 2 people are less than THB 15,001 and the rest 6 people are equally divided into between THB 15,001 – 30,000 and over THB 60,000. The summary of the monthly income of respondents is provided as Figure 4.3.
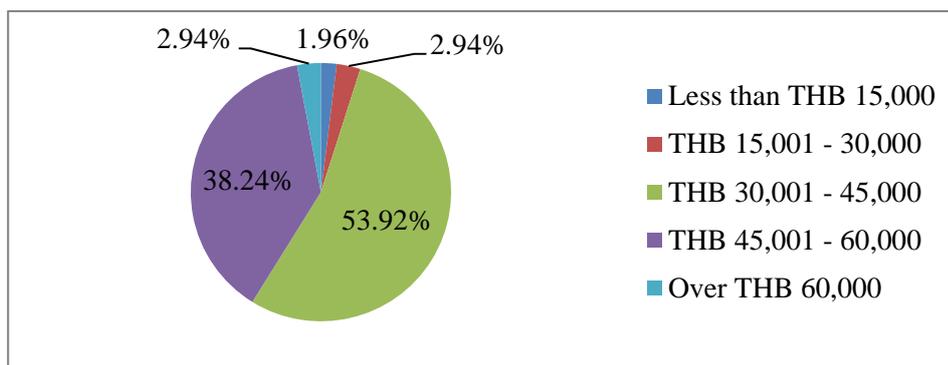
Figure 4.3 Monthly Income of Respondents

Last topic for demographic issues is occupation. The fist two occupations of the respondents are government officer and office worker, for 54 people or 52.94%, and 35 people or 34.31% respectively. While number of business owner and student are 10 and 3 people respectively. None of respondents works in other fields. The summary of the occupations of respondents is provided as Figure 4.4.
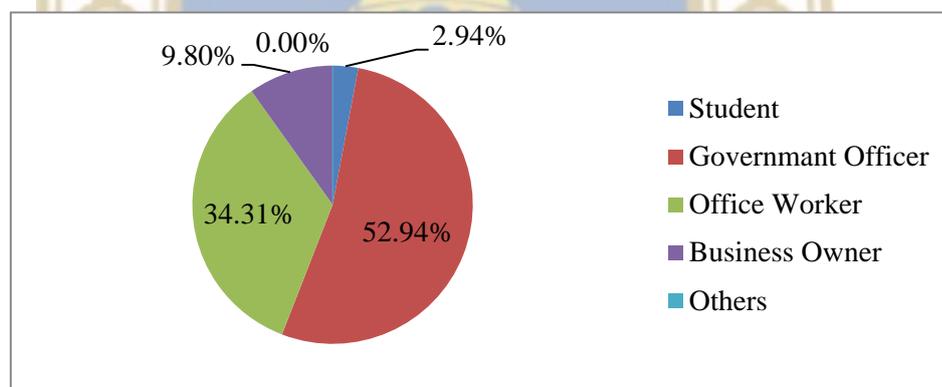
Figure 4.4 Occupation of Respondents

4.1.3 General Information of Respondents

General information illustrates traveling behavior of the respondents. The summary of data collection on travelling behavior are shown in Table 4.1 as follows:

Table 4.1 Summary of Data Collection on Travelling Behavior of the Respondents

Customer Behavior Issues		Number of Respondents	Percentage (%)
Experience on Traveling Phrae	Once	84	82.35
	Twice or more	18	17.65
Transportation	Personal car	45	44.12
	Tour agency	20	19.61
	Bus	6	5.88
	Plane	31	30.39
	Train	0	0.00
Traveling Purpose	Leisure	72	70.59
	Business trip	2	1.96
	Seminar/ Educational meeting	0	0.00
	Visit relatives	28	27.45
	Other	0	0.00
Influent Source on selecting hotel	Internet/ Hotel website	81	79.41
	Publishing/ Magazine	0	0.00
	Friends/ Relatives	15	14.71
	Tour agency	2	1.96
	Fair/ Exhibition	4	3.92
	Others	0	0.00
Travel Planning	Yes	102	100.00
	No	0	0.00
Reservation Channel	Hotel booking website (e.g. agoda, booking.com)	74	72.54
	Telephone	16	15.70
	Tour agency	2	1.96
	Other	10	9.80
Hotel Budget	Less than THB 500	0	0.00
	THB 500 – 1,000	8	7.84
	THB 1,001 – 1,500	82	80.40
	THB 1,501 – 2,500	12	11.76
	More than THB 2,500	0	0.00
Period of Stay	1 night	86	84.31
	2 nights	16	15.69
	3 nights and more	0	0.00

Most of respondents, 84 people or 82.35%, have visited Phrae only once, while the rest 18 people or 17.65% used to visit the city over twice times.

Personal car is the most popular vehicle used by the respondents, 45 people or 41.12%, followed by plane and travel agency of which numbers are 31 and 20 people respectively. 6 respondents traveled by bus but none traveled by train.

More than two third of the respondents, 70.59% or 72 people, came to visit Phrae for leisure and 28 people or 27.45% came to visit their relatives. Only 2 people traveled to the city for business trip and no one came for similar or because of other reasons.

The most source having impact on decision on selecting hotel is internet and hotel website; there are totally 81 people or 79.41% relied on internet and hotel website. Meanwhile, 15 people or 14.71% staying in a hotel recommended by their friends and relatives and the rest believe in information gained from exhibition and tour agency for 4 and 2 people respectively.

All of the respondents usually plan for their trip and make an advance reservation prior to travel.

Most of respondents, 74 people or 72.54% used hotel booking website e.g. agoda and booking.com to reserve the hotel. 15.70% or 16 people directly called to the hotel to reserve the room while 10 people walk-in. Tour agency was used by 2 people from 102 respondents.

More than 80% or 82 people of respondents provided the budget to be paid for hotel in Phrae for THB 1,001 – 1,500. Others preferred to spend THB 1,501 – 2,500 and THB 500 – 1,000 for 12 and 8 people respectively. None of respondents will expect to spend less or over than aforesaid figure.

Majority of respondents for 86 people or 84.31% stayed at Phrae for a night, and the other 16 people stayed for 2 nights. None of them stayed over than that.

4.1.4 Specific Information

The specific questions gathered information regarding to customer's perspective to each dimensions of service quality provided by the Hotel and over all satisfaction on the Hotel. The summary of customer satisfaction to service quality dimensions and to the Hotel is shown in Figure 4.5 as follows:
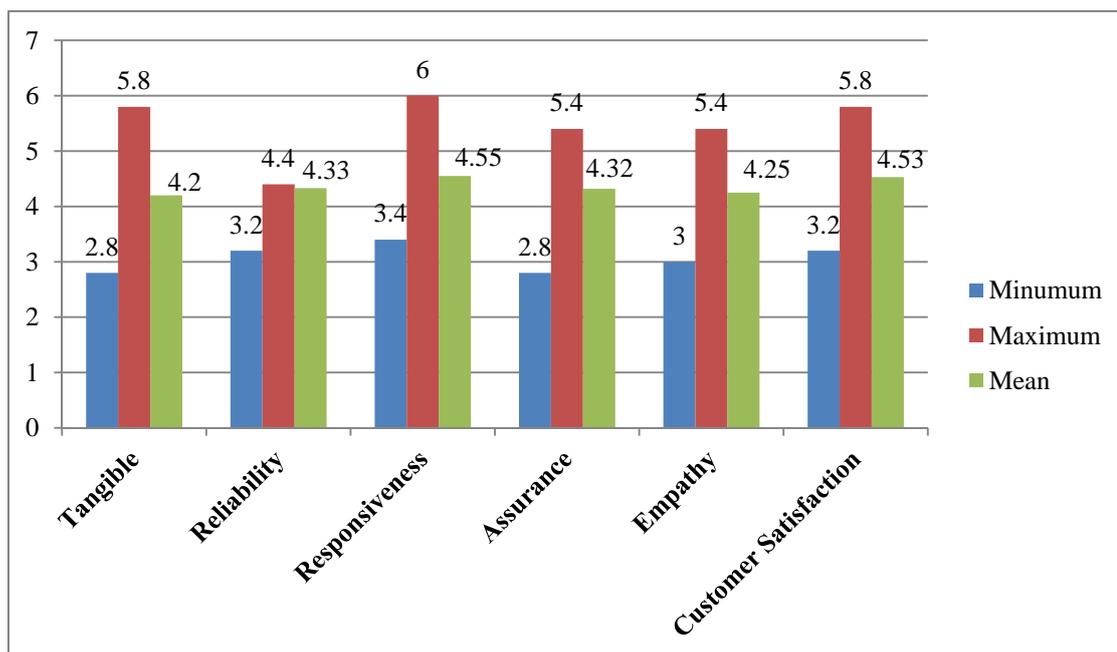
Figure 4.5 Customer Satisfaction to Service Quality Dimensions and to the Hotel

With the mean score of 4.55 which is the highest score of the dimensions of SERVQUAL, it could be seen that customer perceived on the value of the responsiveness provided by the Hotel the most. Meanwhile, the respondents satisfied on the other four dimensions and moderate level of which the mean score are around 4.20 to 4.33. Where as the mean score of overall satisfaction of service provided by the Hotel is around 4.53.

4.2 Correlation Analysis

According to the correlation coefficients between five SERVQUAL dimensions and customer satisfaction as provided in Table 4.2, it could be seen in the last row that customer satisfaction is moderately correlated with tangible, reliability, assurance and empathy (r is between 0.4 - 0.7), whilst it has low correlation with responsiveness (r = .206). However, all of the coefficients are statistically significant at 95% confidence level.

Table 4.2 Pearson correlation coefficients SERVQUAL and Customer Satisfaction

		Tangible	Reliability	Responsiveness	Assurance	Empathy	Customer Satisfaction
Tangible	**Pearson Correlation**	1					
Reliability	**Pearson Correlation**	.398**	1				
Responsiveness	**Pearson Correlation**	.236**	.457**	1			
Assurance	**Pearson Correlation**	.528**	.360**	.392**	1		
Empathy	**Pearson Correlation**	.358**	.402**	.258**	.408**	1	
Customer Satisfaction	**Pearson Correlation**	.571**	.587**	.206**	.675**	.458**	1

Note: ** refers to factor that has positive correlation.

4.3 Multiple Regressive Analysis

Multiple regression analysis is adopted in order to estimate the unknown value of a variable from the known value of two or more variables called the predictors.

4.3.1 Model Summary

Table 4.3 shows the model summary statistics of the regression model where Y is customer satisfaction and X's are five factors of SERQUAL model. R square is .362, which implies that the selected model have not high predictive power.

Table 4.3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of The Estimate
1	.602[a]	.362	.332	.26937

a. Predictors: (Constant): Tangibility, Reliability, Responsiveness, Assurance, and Empathy

4.3.2 ANOVA

Pursuant ANOVA result provided in Table 4.4, it could be concluded that at least one of the service quality dimensions are statistically significant (F = 11.915, p-value = .000). The coefficients and the significant tests can be seen in Table 4.5.

Table 4.4 ANOVA Result

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	6.052	5	.865	11.915	.000*
Residual	10.666	96	.073		
Total	**16.718**	**101**			

4.3.3 Regression Analysis

The results from multiple regression analysis reveal that responsiveness (t = 4.122, p-value = 0.000) and empathy (t = 2.225, p-value = .028) are significant explanatory variables in predicting customer satisfaction (Y). It could be considered that responsiveness has highest impact on customer satisfaction (Beta = .250), followed by empathy (Beta = .119). All explanatory variables were positive; they positively affect customer satisfaction. The result of regression analysis provided in Table 4.5.

Table 4.5 Regression analysis results

Coefficients					
Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	4.221	.753		6.268	.000*
Tangible	.045	.054	.060	.830	.408
Reliability	.110	.065	.138	1.690	.093
Responsiveness	.250	.061	.350	4.122	.000*
Assurance	.077	.049	.124	1.597	.112
Empathy	.119	.053	.175	2.225	.028*
a. Dependent Variable: Customer Satisfaction					

Note: Customer Satisfaction = constant + B1 (Tangible) + B2 (Reliability) + B3

(Responsiveness) + B4 (Assurance) + B5 (Empathy) + error

Customer Satisfaction = 4.221 + .045 (Tangible) + .110 (Reliability) + .250

(Responsiveness) + .077 (Assurance) + .119 (Empathy)

4.4 Hypotheses Summary

Based on the results from factors analysis and multiple regressive analysis, the results of the research are summarized in Table 4.7 as follows:

Table 4.6 Hypotheses Summary

Hypotheses	Service Quality and Customer Satisfaction Hypotheses and Direction	
H1: Tangibility will have a positive relationship on consumer satisfaction.	H1(+)	Not Support
H2: Reliability will have a positive relationship on consumer satisfaction.	H2(+)	Not Support
H3: Responsiveness will have a positive relationship on consumer satisfaction.	H3(+)	Support
H4: Assurance will have a positive relationship on consumer satisfaction.	H4(+)	Not Support
H5: Empathy will have a positive relationship on consumer satisfaction.	H5(+)	Support

According to the hypotheses summary table, it could be seen that all five dimensions of SERVQUAL have positive relationship with customer satisfaction of the Hotel's guest. However, only Responsiveness and Empathy have significant impact on customer satisfaction, while the other three dimensions like Tangibility, Reliability, and Assurance have moderate effect to customer satisfaction.

CHAPTER V
CONCLUSION AND LIMITATIONS

With the aim of determining of relationship between service quality and customer satisfaction on hotel, the research adopted five core dimensions of service quality (SERVQUAL) consisting of Tangibility, Reliability, Responsiveness, Assurance, and Empathy as keys analysis and conducted the study through guests who used to stay at Phoomthai Garden Hotel, Phrae. In term of research result evaluation, Correlation Analysis and Multiple Regression Analysis were used for data analysis.

5.1 Conclusions

From 102 qualified respondents of the research, there are 64 female, and 38 male. The majority of the respondents' age range is 36 – 50 years old. The rest are between 21 – 35 years old, and age over or equal 51. Over 80% of respondent have income between THB 30,001 – 45,000 and THB 45,001 – 60,000. Meanwhile, most of them work as government officer and office worker.

Further to traveling experience, most of respondents used to visit Phrae only once. They typically traveled to the city by personal car and plane. The main reasons of their visit are for leisure and visit relatives. In term of hotel reservation, all of them usually plan for the trip and make a reservation in advance. Most influencing source for consumer decision is Internet and hotel website and, used hotel booking website e.g. agoda and booking.com to reserve the hotel. More than 80% expect to spend THB 1,001 – 1,500 for hotel in Phrae per night and majority of respondents stayed at Phrae for a night.

Among five dimensions of service quality, the respondents opine that the hotel staff could deliver service with most responsiveness by rating with the highest score, of which mean is 4.55. Whereas, rating of the other four dimensions are similar of which the means are around 4.20 to 4.33. Provided that the respondents less appreciated

with the physical elements provided by the Hotel the most. Regarding to this, the overall of customer satisfaction was rate at 4.53.

Based on the correlation analysis, it could be considered that all of the dimensions have positive likelihood to the customer satisfaction. However, their correlation levels differ. While the tangible, reliability, assurance and empathy are considered as moderate correlation with their r are between 0.4 – 0.7, responsiveness, in contrast, has low correlation as its r is .206.

With the reference of multiple regressive analysis, only two of five dimensions that considered as influent factors to customer satisfaction which are responsiveness and empathy. Considering on responsiveness of which p-value is equal 0.000. This could be provided that the customer would be more appreciated on the service of the hotel, if the staff present that they serve such customer with quality and prompt service and such service is the best service that they could provide.

The second dimension that impact on customer satisfaction is empathy of which its p-value equals .028. It is implied that if the staff could show that they serve the customer with caring and paying special attention to them, the customer will perceive that they are special and valued. Hence, they will satisfy with the hotel and it is high possibility that they will return to use the service from hotel.

Further to the other dimensions, as their sig value are relatively high, over 0.05, it could be stimulated that these dimensions have no significantly effect on customer satisfaction. However, they still have less impact on customer satisfaction as expected. In other words, from the customer perspective, the physical evidences of the hotel such as hotel decoration and facility, the accuracy of service including knowledge and politeness of staff could facilitate the satisfaction on the hotel to the guest but at low level.

5.2 Recommendations and Implementations

Based on the result from the study, all dimensions of service quality have positive correlation to customer satisfaction. However, only responsiveness and empathy that have highly and directly impact to appreciation on service to the hotel guest. Regarding to this, to create more customer satisfaction on service, the hotel should put

more concentrate on staff training in order to improve their service quality and training program should focus on how to provide service with prompt and quality as well as create exclusiveness perception to the guest.

To achieve the purpose of service development, the training program may be arranged in the following stage:

1. Promote service mindset: The training program should begin with create the mindset of willingness and please to provide service to the staff. With this attitude, it believes the staff will promptly perform service with quality and promote exclusiveness to the customer.

2. Provide service guideline: In some circumstance that the guest need assistance, the staff may not recognize how to fulfill the guest demand or scope of service they could perform, the hotel may provide guild the possible solutions for certain circumstance that could happen or frequently happen to them. For example, when the customer could not find the way to the hotel, further to guild direction to them by phone, the hotel may provide that, if possible, the staff may out to see them and lead them to the hotel.

3. Monitor and award: Once first two steps were provided, the hotel should monitor staff performance together with put more concentrate with complain from the guest to improve service. In contrast, once there is a complement from the guest, the hotel should award the staff.

However, even though other dimensions will have less impact to the customer satisfaction, it is recommended that the hotel should not ignore to maintain quality of the service in other dimensions since all of the five dimensions have positive relation to the customer satisfaction.

5.3 Limitations

Since the research questionnaires were issued to only guests of Phoomthai Garden Hotel, Phrae, it could not implied that the result covers for all hotel located in any area. Furthermore, the research was conducted during certain period of time; number of respondents may not be sufficient to assume the accurate of the result. Lastly, as some respondents came together or are relatives whose perspectives may be similar,

the opinion may not be variety enough to assume that the research could generate 100% correct result.

5.4 Future Research

Based on the research analysis providing that the model to evaluate customer satisfaction through the five dimensions of service quality have not high predictive power to analyze the customer satisfaction. Therefore, other factors such as hotel reputation and value of money could be used to consider as substance for customer satisfaction analysis for further research.

Moreover, to generate efficient result, a study would be conducted to other hotels located in same area in order to affect the perspective of tourists visiting the city, or focus on certain segment in order to reflect the opinion of target customer.
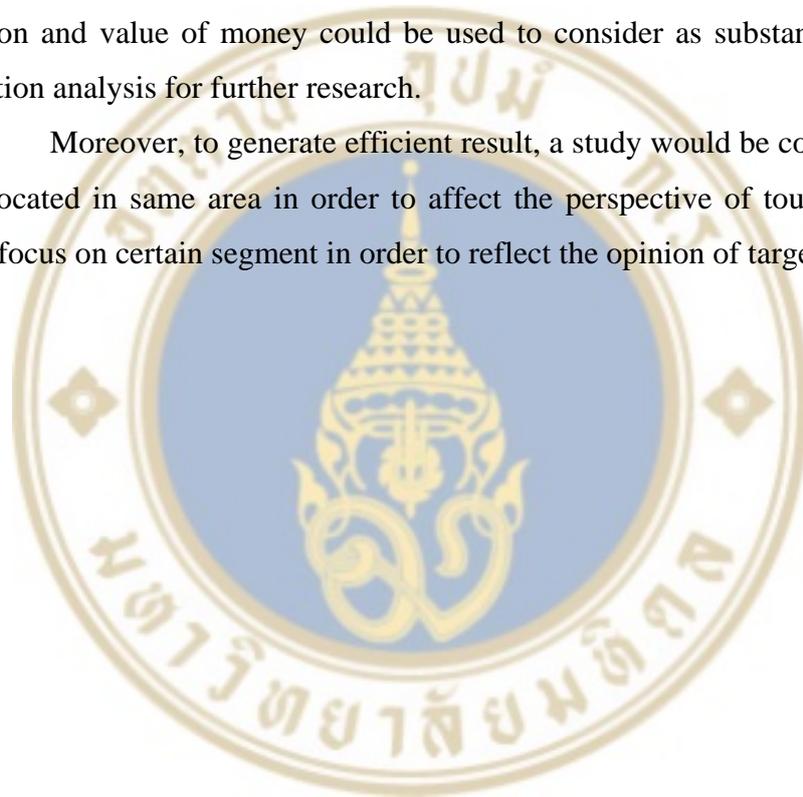
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APPENDICES

Appendix A: Questionnaire

Section 1: Screening questions

S1   Have you ever stayed at Phoomthai Garden Hotel, Phrae?

       1. Yes, I am.

       2. No, I am not. **(Thank you for interview)**

Section 2: General questions (Consumer Behavior)

Q1   Is this your first time visit Phrae?

       1. Yes.

       2. No, I have been here before.

Q2   How do you travel?

       1. By Personal car

       2. By Tour agency

       3. By Bus.

       4. By Plane.

       5. By Train.

Q3   What is traveling purpose for this time?

       1. Leisure.

       2. Business trip.

       3. Seminar/ educational meeting.

       4. Visit relatives.

       5. Others, please specify……………………………

Q4   What is the tropical source influencing your decision on selecting hotel?

       1. Internet/ Hotel website.

       2. Publishing/ magazine.

       3. Friends/ relatives.

       4. Tour agency.

       5. Fair/ exhibition.

       6. Others, please specify……………………………

Q5   Do you normally plan for a trip and book hotel prior to travel?

     1. Yes.

     2. No.

Q6   In which channel that you usually use to reserve a hotel?

     1. Hotel booking website (e.g. agoda, booking.com)/ hotel website

     2. Telephone.

     3. Tour agency.

     4. Others, please specify………………………………

Q7   What is your typical budget for your spend for hotel stay per night in Phrae?

     1. less than 500 Bath

     2. 500 – 1,000 Bath

     3. 1,001 – 1,500 Bath

     4. 1,501 – 2,500 Bath

     5. more than 2,500 Bath

Q8   How long do you stay in Phrae?

     1. night.

     2. nights.

     3. nights and more.

Section 3: Specific questions

Please rate factors when deciding to select a hotel from 1 (least) to 6 (most)?

No.	Question	1	2	3	4	5	6
I. Tangible							
Sq1	Room and Hotel's area are clean.						
Sq2	Interior and building decoration in the Hotel is appealing.						
Sq3	Facilities of the Hotel are new and up-to-date.						
Sq4	Hotel staffs are presentable.						
Sq5	Hotel's location is easy to find.						

No.	Question	1	2	3	4	5	6
II. Reliability							
Sq6	The receptionists correctly confirmed the reservation requests.						
Sq7	Check in and Check out process does not take too long.						
Sq8	The reservation channel (telephone and internet reservation) is easy to approach.						
Sq9	Transport facilities are available.						
Sq10	The staffs take care of maintaining accurate record.						
III. Responsiveness							
Sq11	The staffs are polite.						
Sq12	The staffs provide service on time.						
Sq13	The staffs adopt service to guests' demand.						
Sq14	The staffs take effort to assist guests.						
Sq15	The staffs are willing to help guests.						
IV. Assurance							
Sq16	Performance of the staffs gives sense of trust.						
Sq17	In your processes with the Hotel, you feel in confidence.						
Sq18	The staffs always show respect to you.						
Sq19	The staffs solve your problems with knowledge.						
Sq20	The staffs are friend.						
V. Empathy							
Sq21	The staffs do not hesitate to apologize when service mistakes were made.						
Sq22	The staffs pay attention on your complain.						
Sq23	The staffs understand guests' requirement.						
Sq24	The staffs value your benefits above the Hotel.						
Sq25	The working hours of the Hotel are suitable for all guests.						

No.	Question	1	2	3	4	5	6
VI. Customer Satisfaction							
Sq26	I intend to continue using the Hotel.						
Sq27	I would recommend the Hotel to others.						
Sq28	I would consider the Hotel as my first choice when I come to visit Phrae.						
Sq29	I would repurchase services of the Hotel.						
Sq30	I would persuade friends and relatives to visit the Hotel.						

Section 4: Demographic questions

Q1   What is your gender?

      1. Male

      2. Female

Q2   In which age range are you?

      1. under or equal 20 years old

      2. 21 – 35 years old

      3. 36 – 50 years old

      4. over or equal 50 years old

Q3   In which income per month range are you fall into?

      1. < 15,000 Bath

      2. 15,001 – 30,000 Bath

      3. 30,001 – 45,000 Bath

      4. 45,001 – 60,000 Bath

      5. > 60,001 Bath

Q4   Please select your occupation field?

      1. Student

      2. Government Officer

      3. Office worker

      4. Business owner

      5. Others………………………..

Appendix B: Descriptive Data Summary

Factors	Minimum	Maximum	Mean	Std. Deviation
I. Tangible	**2.80**	**5.80**	**4.2020**	**.58732**
Room and Hotel's area are clean.	3.00	6.00	4.4118	1.13759
Interior and building decoration in the Hotel is appealing.	3.00	6.00	4.6373	1.13268
Facilities of the Hotel are new and up-to-date.	2.00	6.00	3.8333	1.34299
Hotel staffs are presentable.	3.00	6.00	4.4118	1.15487
Hotel's location is easy to find.	2.00	6.00	3.7157	1.39573
II. Reliability	**3.20**	**5.40**	**4.3333**	**.50214**
The receptionists correctly confirmed the reservation requests.	3.00	6.00	4.6176	1.01517
Check in and Check out process does not take too long.	3.00	6.00	4.6078	1.16174
The reservation channel (telephone and internet reservation) is easy to approach.	3.00	6.00	4.3431	1.11244
Transport facilities are available.	3.00	6.00	4.3039	1.13268
The staffs take care of maintaining accurate record.	2.00	6.00	3.7941	1.49148
III. Responsiveness	**3.40**	**6.00**	**4.5471**	**.53096**
The staffs are polite.	3.00	6.00	4.3824	1.13490
The staffs provide service on time.	3.00	6.00	4.5000	1.10579
The staffs adopt service to guests' demand.	3.00	6.00	4.5000	1.13233
The staffs take effort to assist guests.	3.00	6.00	4.6471	1.13143
The staffs are willing to help guests.	3.00	6.00	4.7059	1.13092
IV. Assurance	**2.80**	**5.40**	**4.3216**	**.49725**
Performance of the staffs gives sense of trust.	2.00	6.00	4.1176	1.28429

Factors	Minimum	Maximum	Mean	Std. Deviation
In your processes with the Hotel, you feel in confidence.	3.00	6.00	4.4216	1.11192
The staffs always show respect to you.	3.00	6.00	4.6078	1.16174
The staffs solve your problems with knowledge.	2.00	6.00	3.9902	1.39657
The staffs are friend.	3.00	6.00	4.4706	1.14066
V. Empathy	**3.00**	**5.40**	**4.2471**	**.58169**
The staffs do not hesitate to apologize when service mistakes were made.	2.00	6.00	3.9510	1.35250
The staffs pay attention on your complain.	3.00	6.00	4.3529	1.07765
The staffs understand guests' requirement.	3.00	6.00	4.5294	1.12317
The staffs value your benefits above the Hotel.	2.00	6.00	4.0490	1.56305
The working hours of the Hotel are suitable for all guests.	3.00	6.00	4.3529	1.18277
VI. Customer Satisfaction	**3.20**	**5.80**	**4.5255**	**.45023**
I intend to continue using the Hotel.	3.00	6.00	4.6765	1.12718
I would recommend the Hotel to others.	3.00	6.00	4.5588	1.07697
I would consider the Hotel as my first choice when I come to visit Phrae.	3.00	6.00	4.7157	1.10245
I would repurchase services of the Hotel.	3.00	6.00	4.2745	1.14457
I would persuade friends and relatives to visit the Hotel.	3.00	6.00	4.4020	1.10139