THE INFLUENCE OF SERVICE QUALITY ON CUSTOMER SATISFACTION IN GRAN PURI HOTEL MANADO

PENGARUH KUALITAS LAYANAN TERHADAP KEPUASAN PELANGGAN DI HOTEL GRAN PURI MANADO

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ABSTRACT

This research was conducted in Hotel Gran Puri Manado on July to Augustus 2014. Hotel Gran Puri Manado is one hotel in Manado city, North Sulawesi Province and becomes one developed city in Indonesia. The study aims to analyze the service quality dimensions (Tangibility, Reliability, Responsiveness, Assurance, and Empathy) influence customer satisfaction in Hotel Gran Puri Manado. The research population is the people who experiences stayed at Hotel Gran Puri Manado. 40 customers of Gran Puri Hotel Manado were surveyed as samples. Data analysis was Multiple Regression Analysis. The result shows; Tangibility, Reliability, Responsiveness, Assurance and Empathy simultaneously are significant influence to customers satisfaction. Although, Tangibility, Reliability, Responsiveness, Assurance and Empathy partially are significant influence to customers satisfaction.

Keywords: Service Quality, Customer Satisfaction.

ABSTRAK


Kata Kunci: Kualitas Layanan, Kepuasan Pelanggan.
1. INTRODUCTION

Research Background

Hotel is one model of service business with continuous improvement and serves various kinds of people. Since the concept of traveling from one place to other place has been familiar and has been doing by many different people around the globe, a place to stay has been important for resting before enjoying the surrounded tourism place or doing the important responsibility in the designated locations. Until now, the overall services from any hotel are classified from the one-star graded hotel until the six-star graded hotel and this type of service business are found in almost all part of this world. In Indonesia, hotel business becomes one common business of this country. The economic and social improvement in Indonesia makes this country to be one global destination for foreign people. Their intention for visiting or staying in Indonesia can be related with business matter or just for enjoying the tourism places here. This economic and social improvement has been making people in Indonesia build and operate hotel in every place in this country, in order to accommodate the needs and wants from people that visit Indonesia, not only for foreign people, but also domestic people from Indonesia.

Research Objectives

The research objective is to analyze the service quality dimensions (Tangibility, Reliability, Responsiveness, Assurance, and Empathy) influence customer satisfaction in Gran Puri Hotel Manado.

Theoretical Review

Marketing and Consumer Behavior

Marketing is one of the activities in the economy and assist in creating economic value. While the economic value it will determine the price of goods and services for individuals. Marketing is also an important factor in a cycle that began and the end consumer needs. According to Schiffman and Kanuk (2007) consumer behavior is defined as the behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs. The study of consumer behavior focuses on how individuals make decisions to spend their available resources such as time, money, effort on consumption. Consumer behaviour includes search for information and actual purchase. It is also includes an understanding of consumer thoughts, feelings, and actions.

Service Quality

We know that a company not selling tangible objects only but also services. The nature of the company that produces services is that the services cannot be stockpiled, or stacked in warehouse like other goods while waiting for sales. "Any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership or anything" (Kotler and Amstrong, 2004). Randall Lacle (2013), “Management perception of service quality in the hospitality industry”: Bachelor’s Thesis Degree Program in Hotel Management, 1-96. A business organization procedures goods and services are to meet customer’s needs. Quality has become a major factor in a customer’s choice of products and services. Customers know that certain companies procedure better-quality products than others and they buy accordingly. Product and service quality is “determined by what the customer wants and is willing to pay for” (Russell and Taylor, 2009).
The dimensions of quality for a service differ somewhat from those of a manufactured product. Service quality is “more directly related to time and the interaction between employees and the customer” (Russell and Taylor, 2009).

1. Time and timelines: how long must a customer wait for service, and is it completed on time.
2. Completeness: is everything the customer asks for provided
3. Courtesy: how are customers treated by employees
4. Consistency: is the same level of service provided to each customer each time
5. Accessibility and convenience: how easy is it to obtain the service
6. Accuracy: is the service performed right every time.
7. Responsiveness: how well does the company react to unusual situations, which can happen frequently in a service company.

Haemoon Oh (1999), “the thrust of SERVQUAL lies with its five dimensions of service quality that are accomplished by indirect (or objective) comparisons between pre-purchase expectations and post-purchase perceptions of company performance”. That is, service quality is indicated by, or defined as, the arithmetic differences between customer expectations and perceptions. The difference scores are then reduced to fewer (typically five as required by the original SERVQUAL model) factors or dimensions via factor analysis. The scores representing service quality are “indirect” in the sense that the researcher(s), not the subjects themselves (customers), performs the comparison (i.e., subtraction) between expectations and perceptions. According to Yasir Shafiq et al., (2012) to measure service quality there are five dimensions: these are Tangibility, Reliability, Responsiveness, assurance and Empathy.

The performance of the service qualities of the hotels may affect by weather situation, (Yasir Shafiq at al., 2012). Even though customer satisfaction surveys are held on regular basis, it is still vitally important to have it under control and update information as regularly as possible, (Ekaterina Makeeva, 2010). The combination of four perceived service quality dimensions tested in this study demonstrated significant impact on overall customer satisfaction, (Suzana Markovic, and Sanja Raspor Jankovic, 2013). The “reliability” is the second most important factor, (Manije Bahraini Zadeh, and Effat Haji Hoseini, 2012).

Kotler and Amstrong (2004) a company must consider four sepecial service characteristics when designing marketing programs: intangibility, inseparability, variability, and prishability.

1. Service intagibility is a major characteristic of services, cannot be seen, tasted, felt, heard, or smelled before they are bought.
2. Service inseparability is a major characteristic of services, they are produced and consumed at the same time and cannot be separated from their providers, whether the providers are people or machines.
3. Service variability is a major characteristic of services, their quality may vary greatly, depending on who provides them and when, where, and how.
4. Service perishability is a major characteristic of services, they cannot be stored for later sale or use.
Relationship between variables

Customer satisfaction is influenced by several among other factors: tangible, reliability, responsiveness, assurance, and empathy. Here is an explanation of the relationship between the independent variables with the dependent variable.

1. Tangible relationship with Customer Satisfaction As a form of service cannot be seen touched kissed and could not then be an important aspect of the physical form as a measure of service. Physical evidence of good will greatly affect every customer perception. At the same time, this aspect is one source that will affect customer expectations. Because of the physical evidence that either this then becomes higher consumer expectations. Therefore, it is important for companies to know how far the physical aspects of the most appropriate form, which still gives a positive impression of the quality of services, provided but does not because customer expectations are too high so as to meet the needs of consumers and give satisfaction to the consumer.

2. Reliability relationship with customer satisfaction is reliability positively influences customer satisfaction. The better the consumers' perception of the reliability of the company, customer satisfaction will also be higher. And if the consumers' perception of the poor reliability of customer satisfaction will also be lower.

3. Responsiveness relationship with Customer Satisfaction That response or alertness of employees to help customers and provide prompt and responsive service, which includes the alertness of employees in serving customers, employees speed in handling transactions and handling customer complaints.

4. Relationship assurance with customer satisfaction is a guarantee to have a positive impact on customer satisfaction. The better the consumer's perception of the guarantees provided by the company, the customer satisfaction will also be higher. And if the consumer perception of the guarantees given by the bad company customer satisfaction will also be lower.

Customer Satisfaction

Now this attention to customer satisfaction and dissatisfaction is getting bigger because the primary purpose of a company is to create customer satisfaction. The higher level of customer satisfaction, the company will benefit from the greater, because the customer will re-purchase of the company's products. Therefore, until such time as it is also believed that the key to winning the competition is to provide value and satisfaction to customers through the delivery of quality products and services at competitive prices. However, if the perceived level of customer satisfaction is small, then there is a possibility that the customer will move to a competitor's product. Customer satisfaction is “ensured by producing high-quality products” (David and Stanley, fifth edition: p201). It must be renewed with every new purchase. This cannot be accomplished if quality, even though it is high. Satisfaction implies continual improvement. Continual improvement is the only way to keep customers satisfied and loyal.

Research Hypothesis

H1: There is significant influence of service quality dimensions on customer satisfaction simultaneously.
H2: There is significant influence of Tangibles on customer satisfaction partially.
H3: There is significant influence of reliability on customer satisfaction partially.
H4: There is significant influence of responsiveness on customer satisfaction partially.
H5: There is significant influence of assurance on customer satisfaction partially.
H6: There is significant influence of empathy on customer satisfaction partially.
2. RESEARCH METHOD

This research using the survey method, the survey method of obtaining information is based on questioning respondents. Survey method is “a structural questionnaire given to a sample of a population and designed to elicit specific information from respondents” (Malhotra, 2009). This study took place at the Gran Puri Hotel Manado in the Manado city, and the study was conducted on July to Augustus 2014. A conceptual framework is the conceptual basis for many theories and conceptual frameworks are potentially so close to empirical inquiry that takes different forms depending upon the research question or problem. The research model describes the relationship between two variables which are independent variables and dependent variables.

Operational Definition And Measurement Of Research Variables

Independent Variables: Service Quality (X)

1. **Tangibility:** As the name suggested that all the tangible things or physical facilities including personnel, equipment, building and renovation (Olu Ojo, 2008). According to Cronin and Taylor (1992), Johns and Howard (1998) and Kara et al. (1995) the tangible service indicator consist of cleanliness of the dining area, employees wear neat and clean dresses they must use disposable gloves and also wear hear nets and the seating and parking facilities are must be up-to-date.

2. **Reliability:** It describes the capabilities to fulfill promised services accurately and dependably (Olu Ojo, 2008). Services delivered as a hotel promised to customer with accurate charges. it is also important to fulfill promises on time and in a systematic way (Cronin and Taylor, 1992).

3. **Responsiveness:** It describe the intentions of the firm and its willingness towards customers’ help (Olu Ojo, 2008). mean that the employees always willing to help the customers and they should have a time to respond to customers request. Tell the employes exact time about service deliveries. Employees are available for prompt services (Cronin and Taylor, 1992).

4. **Assurance:** It involves the understandings and courtesy of employees, their capabilities to convey confidence and trust. Assurance consists of courtesy, competence; security and credibility (Olu Ojo, 2008). In Hotel point of view a customer feel safe while consuming services and feel secure at his stay. Employees must have a sufficient skills and knowledge to perform polite and courteous services. According to (Cronin and Taylor, 1992)
employees must be trustworthy so that the customer feels safety in his financial transactions.

4 Empathy: It consists of caring and customized responsiveness to customers. This empathy contains communication, access and understanding the customer (Olu Ojo, 2008). Hotel services must have availability of tools or apparatuses etc. The location is easily findable and served food must be packed (Cronin and Taylor, 1992; and Johns and Howard, 1998).

**Dependent Variable: Customer Satisfaction (Y)**

Customer Satisfaction is defined as the satisfactory feeling that is felt by customer in the marketplace after using products or services, repeatedly or not.

**Measurement of Research Variable**

According to Sekaran and Bougie (2009), the likert scale is designed to examine how strongly subjects agree or disagree with statements on a five-point scale with the following anchors:

<table>
<thead>
<tr>
<th>Statement</th>
<th>Point</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>5</td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
</tr>
<tr>
<td>Neither disagree nor disagree</td>
<td>3</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1</td>
</tr>
</tbody>
</table>

*Source: Sekaran and Bougie, 2009*

**Data Analysis Method**

**Multiple Regression Analysis**

Hoffmann (2010) explained that a simple linear regression model is usually not very interesting. The main point is that there are usually many potential explanatory variables used to predict an outcome variable. Theories of various stripes should be used to guide the selection of variables; yet it is rare that these theories can be narrowed down to only one explanatory variable. A key reason to include other variables in the model is because they may account for the association between one of the explanatory variables and the outcome variable. Multiple regression analysis is multivariate technique that is used very often in business research, Sekaran and Bougie (2009). The starting point of multiple regression analysis is, of course, the conceptual model (and the hypotheses derived from that model) that the researcher has developed in an earlier stage of the research process. As for the formula for multiple regression models in this research is shown below:

\[
Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + e_t
\]

Where:

- \(Y\) = Customer Satisfaction
- \(x_1, x_2, x_3, x_4, x_5\) = Service Quality factors (Tangibility, Reliability, Responsiveness, Assurance, and Empathy)
- \(\beta_0, \beta_1, \beta_2, \beta_3, \beta_4, \beta_5\) = the regression coefficient of each variable (Tangibility, Reliability, Responsiveness, Assurance, and Empathy)
- \(e_t\) = random error
Multiple regression analysis provides a means of objectively assessing the degree and the character of the relationship between the independent variables and the dependent variable: the regression coefficients indicate the relative importance of each of the independent variables in the prediction of the dependent variable.

Testing of Classical Assumptions

A multiple linear regression model should meet with some basic assumptions as seen below:

1. **Multicollinearity.** Multicollinearity according to Sekaran and Bougie, (2009:p352) is an often encountered statistical phenomenon in which two or more independent variables in a multiple regression model are highly correlated. In its most severe case (if the correlation between two independent variables is equal to 1 or -1) multicollinearity makes the estimation of the regression coefficients impossible. Furthermore, to detect the presence of Multicollinearity in linear regression models value can be used multiple variance inflation factor (VIF) and tolerance (TOL) with the provision that if the VIF value exceeding 10, then there is Multicollinearity in the regression model. Then if the value of TOL is equal to 1, then there is not Multicollinearity in the regression model.

2. **Normality.** In multiple linear regression models, the residual is assumed to be normally distributed. A residual is the difference between the observed and model-predicted values of the dependent variable. The residual for a given product is the observed value of the error term for that product. A histogram or P-P plot of the residuals can help researchers to check the assumption of normality of the error term. The requirements are as follows:
   1. The shape of the histogram should approximately follow the shape of the normal curve.
   2. The P-P plotted residuals should follow the 45-degree line.

Hypothesis Testing

1. **t-Test.** Parametric tests provide inferences for making statements about the means of parent population. A t-test is commonly used for this purpose, Naresh K Malhotra (2009). A unvaried hypothesis test using the t distribution, which is used standard deviation is unknown and the sample size is small.

2. **F-Test.** According to Naresh K Malhotra (2009), F-test is “a statistical test of the variances of two populations”. An F-test of sample variance can be performed if it is not known whether the two populations have equal variance. Note that the F-Test of sample variances has a probability that exceeds 0.05.

### 3. **RESULT AND DISCUSSION**

Validity Test

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Marginal Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Y</td>
<td>4.00</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>5.00</td>
<td>25</td>
</tr>
<tr>
<td>X1</td>
<td>4.00</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>5.00</td>
<td>27</td>
</tr>
<tr>
<td>X2</td>
<td>4.00</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>5.00</td>
<td>26</td>
</tr>
<tr>
<td>X3</td>
<td>4.00</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>5.00</td>
<td>25</td>
</tr>
</tbody>
</table>
From the table above shows the validity test of variable \( X_1, X_2, X_3, X_4, \) and \( X_5 \) to \( Y \) and dependent variable are valid.

### Test Reliability

<table>
<thead>
<tr>
<th>Cronbach’s Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.912</td>
<td>6</td>
</tr>
</tbody>
</table>

From the table above shows the Cronbach’s Alpha > 0.6, indicated that all research instrument indicator of variable are reliable.

### Simultaneously Test

Simultaneous testing conducted to determine the The Influence of \( X_1 - X_5 \) on \( Y \) hypothesis test is carried out simultaneously by using \( F \) numbers in the table below. Testing is done by comparing the number of significant level of calculation results with significance level 0.00 (5%) with the following criteria:

- If \( F_{\text{count}}( \text{sig} ) > 0.00 \) then \( H_0 \) is rejected and \( H_a \) is accepted
- If \( F_{\text{count}}( \text{sig} ) < 0.00 \) then \( H_0 \) is accepted and \( H_a \) is rejected

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>6,816</td>
<td>5</td>
<td>1,363</td>
<td>18,108</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>2,559</td>
<td>34</td>
<td>.075</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9,375</td>
<td>39</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), \( X_5, X_3, X_2, X_4, X_1 \)
b. Dependent Variable: \( Y \)

Value of 18.108 of \( F_{\text{count}} \) significant 0.000. Because the sig 0.01 means the confidence of this prediction is above 95% and the probability of this prediction error is below 5% which is 0.000. Therefore \( H_0 \) is rejected and \( H_a \) is accepted. Thus, the hypothesis that \( X_1, X_2, X_3, X_4, X_5 \) is simultaneously influence on \( Y \) accepted.
Partial Test

Partial test is conducted using t.test. t.test is used to know the partial influence of X1, X2, X3, X4, X5 on Y. $t_{count}$ values at $\alpha = 0.05$. Using the criteria of hypothesis testing by t test as follows: $t_{count} \geq t_{table}(0.05)$, then $H_0$ is rejected and $H_a$ is accepted.

The data table below shows the t-test partially results:

Table 5. Partial Test Analysis Table (t-test)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-.186</td>
<td>.520</td>
<td>-.357</td>
</tr>
<tr>
<td></td>
<td>X1</td>
<td>-.164</td>
<td>.217</td>
<td>-.158</td>
</tr>
<tr>
<td></td>
<td>X2</td>
<td>.392</td>
<td>.191</td>
<td>.386</td>
</tr>
<tr>
<td></td>
<td>X3</td>
<td>.247</td>
<td>.113</td>
<td>.247</td>
</tr>
<tr>
<td></td>
<td>X4</td>
<td>.427</td>
<td>.147</td>
<td>.413</td>
</tr>
<tr>
<td></td>
<td>X5</td>
<td>.134</td>
<td>.143</td>
<td>.136</td>
</tr>
</tbody>
</table>

a Dependent Variable: Y

Source: SPSS Data Analysis, 2015

Discussion

The Service Quality Dimensions Influence And Correlate On Customer Satisfaction In Hotel Gran Puri Manado

The data analysis above shows the significant influence and correlate of service quality on customer satisfaction. Reliability, assurance, and responsiveness as indicator of service quality on customer satisfaction in Gran Puri Hotel Manado, partially and simultaneously have significant influence and correlate, but tangible and empathy as two indicators of service quality that’s not so strong significant influence on customer satisfaction.

From the customer perspective, service quality is determined by the result between customer expectations and customer experience during service delivery. To become success in building a good service in Gran Puri Hotel Manado, management must to select and make good choice in their planing, organizing, actuating, and controlling for their employees is their work or job. Customer satisfaction must be number one in hotel and plaza service. In other words a good human resource management practices changed the commitment of employees’ service in their work. Commitment of employee known as organizational commitment to give a good service for customer, especially in tangibility, reliability, responsiveness, assurance and empathy to customers.

Influence And Correlate of Tangibles, Reliability, Responsiveness, Assurance, And Empathy to Customer Satisfaction

Gran Puri Hotel Manado apply a good service quality to many customer who stay in this hotel. This result discover that tangible, reliability, responsiveness, assurance, and empathy as indicator of good service quality and very applicable is employee service. Tangible, reliability, responsiveness, assurance, and empathy have a strong influence and correlate to customer satisfaction in Gran Puri Hotel. Tangible relationship with customer satisfaction as a form of
service can not be seen, can not be touched, and could not be kissed, but this aspect is one source that will affect customer expectations. Because of the physical evidence that either this then becomes higher consumer expectations. Therefore, it is important for companies to know how far the physical aspects of the most appropriate form, which still gives a positive impression of the services quality. According to this research, we know that tangible influence to customers satisfaction in Gran Puri Hotel. We can believe that this aspect is possible in service quality. Without tangible factor, human could not have good communications in their service.

Reliability is services delivered as a hotel promised to customer with accurate charges. Reliability is a one dimension of service quality that have strong influence and correlate to customer satisfaction in Gran Puri Hotel Manado. We can see that in the regression analysis and correlation as shown in the discussion above. The consumers' perception of the reliability in the company is better. Customer satisfaction be higher because all employee always work with good performance in reliability. Reliability positively influences customer satisfaction. The better the consumers' perception of the reliability of the company, customer satisfaction will also be higher. And if the consumers' perception of the poor reliability of customer satisfaction will also be lower.

Responsiveness mean that the employees always willing to help the customers and they should have a time to respond to customers request. Response or alertness of employees to help customers and provide prompt and responsive service, which includes the alertness of employees in serving customers, employees speed in handling transactions and handling customer complaints. That’s relationship between responsiveness with customer satisfaction. Assurance involves the understandings and courtesy of employees, their capabilities to covey confidence and trust. Relationship assurance with customer satisfaction is a guarantee to have a positive impact on customer satisfaction. The consumer's perception of the guarantees provided by the company, the customer satisfaction will also be higher. And if the consumer perception of the guarantees given by the bad company customer satisfaction will also be lower. Empathy is one variable that very important aspect in hotel service. Empathy relationship with Customer Satisfaction As a form of service can be seen in employee attitude and action. Empathy is important for companies to know how customers satisfied with the service in the Hotel. According to this research, we know that empathy variable influence and correlate to customers satisfaction in Gran Puri Hotel. This aspect is possible in service quality because every people need to have empathy from the others. Empathy can make people be happy.

This result has same findings with Yasir Shafiq, Imran Shafiq, Muhammad Saadat Din, and Khaliq Ur Rehman Cheema, in their result in Pakistan. The main purpose of their research is to evaluate the hotels’ service quality through customer satisfaction. On their concept, if the customers are satisfied then the hotels are providing higher service quality. And also check that which dimensions of SERVPERF tool is need to be focused more in Pakistan. For this purpose SERVPERF tool was adopted and administrative to customers who stayed in the hotels of Faisalabad, Pakistan. The results indicates that in Pakistan among the five dimensions of SERVPERF the dimension tangible and empathy needed to be focused more. In this research, customer satisfaction is influenced by several among other factors: tangible, reliability, responsiveness, assurance, and empathy.

4. CONCLUSION AND RECOMMENDATION

1. Tangibility, Reliability, Responsiveness, Assurance and Empathy simultaneously are significant influence to the customer satisfaction in Gran Puri Hotel Manado.
2. Tangibility partially is significant influence to customer satisfaction in Gran Puri Hotel Manado.
3. Reliability partially is significant influence to customer satisfaction in Gran Puri Hotel Manado.
4. Responsiveness partially is significant influence to customer satisfaction in Gran Puri Hotel Manado.
5. Assurance partially is significant influence to customer satisfaction in Gran Puri Hotel Manado.
6. Empathy partially is significant influence to customer satisfaction in Gran Puri Hotel Manado.

Recommendation

The company improve the human resource practice especially in service quality particularly tangibles, realibility, responsiveness, assurance and empathy to provide satisfaction to the customers.

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Papers on Journals

Books
Thesis