IMPORTANCE AND PERFORMANCE ANALYSIS OF HOTEL SELECTION FACTORS AT FOUR POINTS BY SHERATON MANADO

ANALISIS KEPENTINGAN DAN KINERJA DARI FAKTOR-FAKTOR PEMILIHAN HOTEL DI FOUR POINTS BY SHERATON MANADO

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Abstract: Competition in the hotel industry is getting tougher, Hotel's management are required to know what travelers are looking at hotels, how they take their decision for a selection of hotels. This research aims to analyze which selection factors are considered as important and what is the actual performance of these particular hotel selection factors at Four Points by Sheraton Manado. This research uses Importance and Performance Analysis in order to analyze the data. 100 guests who stayed there were surveyed as the respondents. The result shows there are employee service quality located in quadrant I it means this factor has a high importance and low performance. Security and rooms and receptionist are located in quadrant II means that these factors has both high importance and performance. Food and recreations located in quadrant III which means this factor are both have low importance and performance. Value located in quadrant IV it means this factor is considered less important but the performance is good. Based on the result there are recommendations for Four Points by Sheraton Manado to keep maintain those factors that have high importance and high performance and improve those factors that have low in performance.

Keywords*: hotel selection factors, consumer preference, service quality, customer satisfaction, importance and performance analysis.*

Abstrak: *Persaingan di industri perhotelan semakin ketat, manajemen Hotel diharuskan untuk mengetahui apa yang dilihat oleh wisatawan di hotel, bagaimana mereka mengambil keputusan untuk memilih hotel. Penelitian ini bertujuan untuk menganalisis faktor-faktor pemilihan mana yang dianggap penting dan apa kinerja aktual dari faktor-faktor pemilihan hotel khusus ini di Four Points by Sheraton Manado. Penelitian ini menggunakan Analisis Kepentingan dan Kinerja (IPA) untuk menganalisis data. 100 tamu yang menginap di sana disurvei sebagai responden. Hasil penelitian menunjukkan ada kualitas layanan karyawan yang berada di kuadran I artinya faktor ini memiliki tingkat kepentingan tinggi dan kinerja rendah. Keamanan dan kamar dan resepsionis terletak di kuadran II berarti bahwa faktor-faktor ini memiliki tingkat kepentingan dan kinerja yang tinggi. Makanan dan rekreasi yang terletak di kuadran III yang berarti faktor ini sama-sama memiliki tingkat kepentingan dan kinerja yang rendah. Nilai yang terletak di kuadran IV itu berarti faktor ini dianggap kurang penting tetapi kinerjanya baik. Berdasarkan hasil tersebut terdapat rekomendasi untuk Four Points by Sheraton Manado untuk tetap mempertahankan faktor-faktor yang memiliki kepentingan tinggi dan kinerja tinggi serta meningkatkan faktor-faktor yang memiliki kinerja rendah.*

Kata kunci*: faktor pemilihan hotel, preferensi konsumen, kualitas layanan, kepuasan pelanggan, analisis kepentingan dan kinerja.*

INTRODUCTION

Research Background

The hospitality industry continues to grow rapidly which can be characterized by the growing number of hotels in Indonesia especially North Sulawesi. Based on data obtained from the official website of the *Badan Pusat Statistik*, it shows that the number of star-hotel accommodation businesses in Indonesia from 2015 was 2,197 accommodations with a total of 217,474 rooms, until 2018 there was a significant increase, which was increased to 3,314 total accommodations with the number of rooms available up to 314,051. In North Sulawesi from 2015 to 2018 the number of hotels increased from 29 to 35, with the total number of rooms available which was 3,072 from the previous one of only 2,752. An increasing of the hotel industry development in Indonesia especially in North Sulawesi also can be seen from the number of occupancy rates in star-rated hotels in Indonesia. In the first quarter of this year or April, North Sulawesi was recorded as the province with the highest occupancy of star-rated hotel rooms, which reached 65.7%, as noted only 11 provinces that scores a higher occupancy rates than national occupancy rates. With the increasing development of hotel industry in North Sulawesi, competition in the hotel industry is also getting tougher, Four Points by Sheraton Manado is required to have the best service quality that is able to satisfy customers and be able to understand what customers want and need. Managers and planners of the hotel are required to know what travelers are looking at hotels, how they take their decision for a selection of hotels. To understand the needs of the guests, the manager needs a guarantee of how guests choose the hotel and find out what hotel factors or attributes can influence the guests in choosing a hotel. Because if a guest considers the hotel factors or attributes to be important, then the hotel factors or attributes that they want will be a consideration for the guest in determining the hotel. Hotel selection factors or attributes is a useful thing to understand what kind hotel factors of attributes considered to be important for the guest therefore it can influence the guest in choosing a hotel. That is why researcher want to analyze the importance of hotel selection factors for the customer of Four Points by Sheraton Manado and what is the actual performance of these particular hotel selection factors based on the customer's opinion Four Points by Sheraton Manado.

Research Objectives

To know about the importance and the performance of Hotel Selection Factors in Four Points by Sheraton Manado.

THEORETICAL REVIEW

Marketing

Marketing is the process by which companies create value for customers and build strong customer relationships in order to capture value from customer. Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large (Kotler and Armstrong, 2012: 26).

Service Quality

The definition of service quality as stated by Lupiyoadi (2014: 121) is product quality (service) is the extent to which the product (service) meets its specifications. The quality of services is far more difficult to define, elaborate and measure compared to the quality of goods. If a measure of quality and quality control has long existed for tangible goods, for services, various efforts have been and are being developed to form such measures. Basically, the definition of "service quality focuses on efforts to meet the needs and desires of customers and the accuracy of delivery to offset customer expectations" (Tjiptono, 2000: 59).

Consumer Preference

Consumer preferences show preference consumers of a variety of product service choices. Preference is a joy (tendency of heart) to something. Preferences also interpreted as a choice of likes or dislikes by someone against a products, goods or services consumed (Kotler, 2000: 225).

Hotel Attributes in Hotel Selection (Hotel Selection Factors)

The services and facilities offered by a hotel, called hotel attributes, can be perceived as product or service features that help consumers select one product or service over others (Lewis, 1983) from (Djeri, Bozic and Seker, 2018: 79). As described by Dolnicar (2003) hotel attributes studies have been present for a long time

in the hospitality research. The study of hotel attributes explores about the issue for business tourists by asking the respondents to state their expectations and dissatisfactions in an open question setup instead of evaluating the importance of attributes directly. It is important to note that in a competitive marketplace, appropriate market segmentation is the key to success of a business. The idea of market segmentation can be executed best, when there is a sound foundation of knowledge about the targeted group. Furthermore, a large number of researches were conducted in the past exploring how the ideal hotel offer looks like.

Employee Service Quality

Service quality refers to the expected perceived quality of service offering (Boone and Kurtz, 1995: 439). Service quality can be determined as the expected superiority and regulation of this superiority to meet consumer desires. It can be conclude that employee service quality is the act of offering the best expected or perceived quality of service to the customer in order to fulfil customer expectation or customer desires done by employees in this occasion (Wyckof, 2002).

Value

Value means all factors that make up the overall shopping experience: quantitative and qualitative, subjective and objective (Schechter, 1984: 13). Based on Kotler and Keller (2006: 76) the value reflects the perceived tangible and intangible benefits and costs of the buyer; it can be represented as a combination of quality, service, and price (CVT – "customer value triad").

Rooms and Front Desk (Reception)

The main services offered by the hotel business are lodging, of course rooms are the main element of the business itself, Rooms that the hotel provided should be clean, and comfort and maintained. All hotels also compete to provide their best services to maximize the satisfaction of guests and their stay experience, therefore to maximize the services provided, one of the supporting factors that the hotel gives to their guests is service at the front desk or reception. Front desk or reception area or the core operations department of the hotel.

Food and Recreations

To complement the range of services offered to guests, food is one important factor, on average all hotels now should have their own restaurant services to serve their food, even guests who come only to taste certain food that hotels offer. In addition to food and beverages, recreational and entertainment facilities are equally important. It is a very good added value in the eyes of prospective guests. This can also be used by the hotel as a promotional tool to attract more guests.

Security

In general, security is a condition free from danger. In hotel industry, the security department is a department in charge of maintaining and regulating hotel security and security of all areas of the hotel and participate in monitoring guest rooms, especially those inhabited so that things do not happen that are unwanted and monitor the entry and exit of guests in hotel rooms and keep an eye on suspicious guests.

Customer Satisfaction

Customer satisfaction is an outcome of customer's perception of the value gained in a relationship or transaction, comparing to competitors (Blanchard and Galloway, 1994: 14) from (Chong *et al.*, 2016: 10).

Previous Research

Djeri, Bozic and Seker (2018: 77-95) studied about the difference between performance and importance of particular hotel attributes: the case study of hotel "galleria" in Subotica.The task of this paper is to detect any existing weaknesses of the hotel attributes that need to be improved, as well as to identify positive elements that should be maintained at a high level to achieve maximum customer satisfaction. There are five hotel attributes which is: Food and recreation, Rooms and reception, Employee service quality, Value, and Business Facilities. The results showed that statistically significant differences between the guest experience and the importance of hotel attributes exist in the cases of three factors: food and recreation, rooms and reception, employee service quality.

Marzuki and Zulkifli (2016) studied the hotel selection factors of shariah compliant hotel among local and international tourists in Malaysia with respect to importance and performance. The result showed that only one factor each fell in quadrant one and two respectively (security and shariah compliance). Three factors fell in quadrant three (service quality, business facilities and value) and two other factors fell in quadrant four (room & front desk and food & beverages). The finding is significant as a clear vision on important factors expected from hotel guests would help hotel management to improve their services and facilities offered and consequently assist in improving the Islamic tourism industry.

Chu and Choi (2000) examined business and leisure travelers' perceived importance and performance of six hotel selection factors in the Hong Kong hotel industry using importance–performance analysis (IPA). The result indicates that both business and leisure travelers held the same perceptions towards all the six hotel selection factors. The value factor fell into the concentrate here quadrant; service quality, room and front desk and security in the keep up the good work quadrant; and business facilities and food and recreation in the low priority quadrant. Room and front desk and security were found to be the determining factors for business and leisure travelers, respectively, in their hotel choice selection.

Conceptual Framework
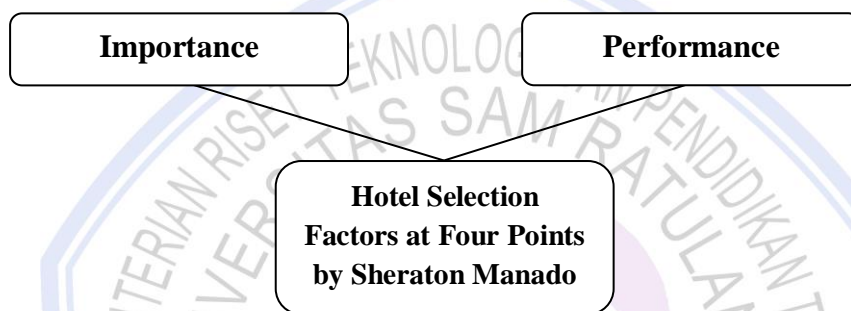
Figure 1. Conceptual Framework
Source: Articles and Journals, 2019

Figure 1 shows this research will be conducted to see the importance and performance of Hotel Selection Factors at Four Points by Sheraton Manado in order to measuring the factors of the variables.

RESEARCH METHOD

Research Approach
This research is a descriptive study with a quantitative approach. Descriptive in this study means that the researcher tries to describe and explain about Hotel Selection Factors at Four Points by Sheraton Manado using Importance Performance Analysis (IPA).

Place and Time of Research
This research was conducted in Manado for five months from June to October, 2019.

Population, Sample, and Sampling Technique
The population in this research are customers of Four Points by Sheraton Manado. The sample method used in this research is convenience sampling method. Then the questionnaires will be distrubuted to 100 respondents which are customers of Four Points by Sheraton Manado

Operational Definition of Research Variables
This study use hotel selection factors as the variables for this research. Hotel selection factors are factors or criteria or attributes that can influence or affect the customer's decision in choosing a hotel to stay. In this research have several indicators the researcher used which are employee service quality, value, rooms and front desk (reception), food and recreations, and security.

Data Analysis Method
Validity and Reliability Test

Validity test is the measurement tool that is used to get the data is valid. Validity is extent to which a construct measures what it is supposed to measure. Validity test can be done with Factor Analysis technique. There is Measure of Sampling Adequacy (MSA) value. If the value over 0.5, so data is valid.

Reliability test is established by testing for both consistency and stability of the answer of questions. Consistency indicates how well the items measuring a concept hang together as a set. Reliability refers to the extent to which a scale produces consistent result if repeated measurements are made. Reliability is determined by repeatedly measuring the construct of variable of interest.

Importance and Performance Analysis

The Importance-Performance Analysis (IPA) framework was introduced by Martilla and James (1977) in marketing research in order to assist in understanding customer satisfaction as a function of both expectation concerning the significant attributes and judgements about their performance. The development of the IPA leads to the production of a graph in which each criterion is placed on a two-dimensional axis (Martilla and James, 1977). The Importance Performance Matrix is divided into four quadrants based on the importance-performance measurement result as shown in the following figure:

Figure 2. IPA Framework
Source: Martilla and James, 1977

Figure 2 shows that Quadrant I means attributes are perceived to be very important respondents, but performance levels are fairly low. This suggests that improvement efforts should be concentrated here. Quadrant II means attributes are perceived to be very important to respondents, and at the same time, the organization seems to have high levels of performance in these activities. The message here is to keep up the good work. Quadrant III means attributes here are rated as having low importance and low performance. Although performance levels may be low in this cell, managers should not be overly concerned, since the attributes in this cell are not perceived to be very important. Limited resources should be expended on this low priority cell. Quadrant IV means this cell contains attributes of low importance, but where performance is relatively high. Respondents are satisfied with the performance of the organization, but managers should consider present efforts on the attributes of this cell as being unnecessary.

RESULT AND DISCUSSION

Validity and Reliability Result
Validity Test
Table 1. Validity Test Result

Correlations

		importance_avg	performance_avg	total
importance_avg	Pearson Correlation	1	.623**	.856**
	Sig. (2-tailed)		.000	.000
	N	100	100	100
performance_avg	Pearson Correlation	.623**	1	.888**
	Sig. (2-tailed)	.000		.000
	N	100	100	100
imp_perf_avg	Pearson Correlation	.856**	.888**	1
	Sig. (2-tailed)	.000	.000	
	N	100	100	100

**. Correlation is significant at the 0.01 level (2-tailed).
Source: SPSS Output, 2019

Table 1 shows that the pearson correlation index is higher than 0.3 and below the significance level of 5%. Therefore, the data is considered valid.

Reliability Test
Table 2. Reliability Test Result

Reliability Statistics

Cronbach's Alpha	N of Items
.875	3

Source: SPSS Output, 2019

Table 2 shows that Alpha Cronbach is 0.888 which is above the acceptance limit of 0.6; therefore, the research instrument is reliable.

Importance and Performance Analysis of Store Attributes
Table 3. Factors, Importance Mean, Performance Mean, Quadrant

Hotel Selection Factors	Importance Mean	Performance Mean	Quadrant
Employee Service Quality	5,546	5,408	I
Value	5,462	5,454	IV
Rooms and Receptionist	5,6	5,48	II
Food and Recreations	5,284	5,218	III
Security	5,656	5,534	II
Average	5.5096	5,4188	

Source: Data Processed, 2019

Table 3 shows that the importance of security have the highest mean ($\bar{y} = 5,656$), followed by the importance of rooms and receptionist ($\bar{y} = 5, 6$). The importance of employee service quality ($\bar{y} = 5,546$), the importance of value ($\bar{y} = 5,462$) and the last is the importance of food and recreations ($\bar{y} = 5,284$). Meanwhile in

the performance sector, security still have the highest mean ($\bar{x} = 5,534$), followed by the performance of rooms and receptionist ($\bar{x} = 5, 48$), the performance of value ($\bar{x} = 5,454$), the performance of employee service quality ($\bar{x} = 5,408$), and the performance of food and recreations ($\bar{x} = 5,218$).

Discussion

This research attempts to answer the research problem as has been stated earlier in this thesis. In order to answer the problem, this research uses five factors of Hotel Selection Factors at Four Points by Sheraton Manado. The factors of hotel selection that have been used in this research are as follows: (1) Employee Service Quality, (2) Value, (3) Rooms and Receptionist, (4) Food and Recreations, and (5) Security.

This study has considered all those factors, which come from theories, books, journal and some other supporting sources in constructing the whole research. These factors become the foundation of questionnaires questions that used to collect the data. The collected data got weight with the Likert scale and are then tabulated and analyzed with Importance and Performance Analysis. The result of this research shows that the importance of the factors to the customer and how well the performance of the hotel is according to the customer point of view as seen on the quadrant.

Compared to previous study by Choosrichom (2011: 136), the result of this research shows a similarities. The previous research revealed that security was cited as one of the most important criteria in selecting a hotel. Tourists want to be safe and secure in their accommodation, and are willing to pay for this. And for the "value" factor was considered by customers as an important factor. The results show that international travelers give importance to the price and value for money, the second most important in determining selection of an accommodation. The factor 'value,' which is associated with the travelers' perceptions about the value for money, has three items: room value for money, hotel food and beverage value for money, and comfortable ambiance of the hotel.

The previous study conducted by Chu and Choi (2000) also indicates some similarities compared to this research. 'Security', 'rooms and reception 'and 'employee service quality' factors appears to be the top criterion in determining hotel choices. This sends meaningful message to hoteliers that they must concentrate on these aspects from the point of view of their customers. Resource must be directed to improve and maintain these factors. While 'food and recreation' are considered as less important and also assessed have a low performance. It may happen because, these service categories are often considered as the basic facilities to travelers.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

After examining the findings and discussing the result, the Importance Performance Analysis is used to compare the five factors of hotel selection factors according to the customer' perspective toward their importance and performance. The conclusions drawn from this research are as follows:

1. There are five factors of hotel selection factors which is Employee Service Quality, Value, Rooms and Receptionist, Food and Recreations, and Security. The factors that considered important for the customers according to their perspective are Employee service quality and was placed on quadrant I (concentrate here quadrant). It means the level of importance for Employee Service Quality is on above average. Rooms and Receptionist and Security are located in quadrant II (keep up the good work quadrant), Security is the highest importance level to the customers, followed by Rooms and Receptionist that located in quadrant II. There is Food and Recreations that located in quadrant III (low priority), which means these criteria are perceived as low important for customers. In quadrant VI (possible overkill), Value are included for in here, this also means that customers did not perceived this factor as a priority.

2. Security, Rooms and Receptionist and Value are the factors that have high performance. The factors that have low in performance are Food and Recreations. Employee Service Quality also have low in performance but it closed to the limit of high performance, it because Employee Service Quality is located in quadrant I (concentrate here quadrant) the performance still did not reach the level of what customer's expect. While Security is the factor that perform really well and it located in quadrant II (keep up the good work quadrant), followed by Rooms and Receptionist that also located in quadrant II. Food and Recreations are the low performance, so these criteria are located in quadrant III (low priority). Value is in this quadrant VI. It has

high performance level to customers but it is not the priority rather than other factor, so that's why it is located on quadrant VI (possible overkill).

Recommendations

This study was done with hope that it can be a contribution to Four Points Hotel Manado. These are the recommendations as listed that hopefully can be useful as suggestion:

1. Employee service quality has high importance but the customers seems like not satisfied enough with the performance. Perhaps the hotel management should devote more resources to staff training in order to improve the performance of the employee service quality.
2. Security, Rooms and Receptionist are the factors that have high importance and also high performance or in the other words, it already meet the customer's expectation. Therefore, Four Points by Sheraton Manado, should keep maintain the good performance of this factors because these could be considered as Four Points by Sheraton Manado's key of success.
3. Food and Recreations has low importance and also low performance. The importance itself for some customers might be low because this factor are often considered as the basic facilities that hotel should provide, although the importance are perceived low by customers but perhaps Four Points by Sheraton Manado should do some improvement regarding this factor performance for instance, add more varieties of food and beverage that can suit with a broader scope of customers taste. But if only the others priority has already accomplished, then it can be fulfill later.
4. Value is the factor that assessed has low importance but the performance is high. For some customers might think this factor is not as importance as it is, but there's also customers that perceived this factor as important and it is better for Four Points by Sheraton Manado to keep maintaining the good performance of this factor. If only there is some excess resources that unused, than it can be transferred into other factors that are on the top priority list.

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