

## Assessment of Customer Satisfaction in the Luxury Hotels in Bucharest

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### Abstract

*In the hospitality industry, the quality of the services provided to customers determines the level of business success. In order to support and continuously improve the high level of quality, the hotel managerial staff should constantly assess the level of customer satisfaction, as well as the level of competitiveness as a result of the improvements of the services based on customers' feedback. Such an evaluation begins by identifying the main attributes of the provided services, which make up the quality perceived by the customer and can influence his/her level of satisfaction.*

*In order to achieve full customer satisfaction and maintain its place on the market, the hotel managerial staff should know, obtain, and maintain a competitive position in the context of the market's dynamic change and create the opportunity for continuous improvement of its services. In this regard, this research seeks to evaluate the services provided by the selected hotels in order to help the administrators monitor their service delivery process, identify shortcomings and take corrective action. Thus, based on the exploratory study of the customers, this paper identifies the key success factors for luxury hotels in Bucharest and develops plans for the hotel managerial staff to improve their services.*

**Key words:** management quality, price, services, expectations, perceptions, experience

**J.E.L. classification:** L80, L83, L84

### 1. Introduction

Tourism, as part of the economic system, influences the level of development of a country, the quality of people's lives and the evolution of the population in number and long-term structure (Munteanu Florea et al., 2017).

In addition to elements such as location, price, security, service quality is one of the important factors identified in the selection of the hotel, especially when it comes to hotels that are considered luxury hotels, where quality determines the reputation of the brand. The luxury hotel industry has become a significant section of the general hospitality industry and is experiencing a rapid expansion in our country, too. The luxury hotel sector is truly a distinct area from several perspectives when considering the hotel industry. These hotels offer customers top services and among the most complex lavish facilities, but also present a high degree of risk for developers and owners. Luxury hotels are generally the ones that are expected to have a very high degree of quality, since they are known for their performance and reputation.

The experiences in luxury hotels are largely interconnected with very high quality. These experiences are pursued by the individuals who strive to achieve self-actualization and self-fulfillment through better knowledge, appreciation of beauty, spiritual sophistication, peace, art, culture, and aesthetics. The luxury hotel industry has emerged and evolved as an opportunity for

travelers to dream and experience other lifestyles, benefiting from superior quality. That is why the luxury hotel industry places a special emphasis on guest experience and their satisfaction, since luxury is more an experience rather than a product or a service.

The interception of the experiences of the clients of luxury hotels in Bucharest was carried out with the intention to identify their degree of satisfaction taking into account the importance of the luxury services sector. It should be borne in mind that customer satisfaction differs depending on the hotel, but also his/her expectations. It is assumed that in the case of luxury hotels customer expectations regarding location, service quality, security or price are much higher than customer expectations in budget hotels. Thus, in the luxury hotel industry, quality acquires another dimension, requiring a better understanding of customer needs and requirements, as well as the degree of satisfaction.

## 2. Literature review

The concept of service quality has been a popular topic for the last two decades, being tackled by both researchers and practitioners, who demonstrated in their previous studies the impact of service quality on customer decision-making (Zeithaml et al., 1996). Accordingly, the quality of services is a key component in the hospitality and tourism industry. For example, Akan (1995) conducted an exploratory study examining the relevance of service quality (SERVQUAL) in Turkish hotels. This early work identified new dimensions of service quality and determined their importance for customers (Azman et al., 2016). Furthermore, in previous studies, researchers suggested that expectations regarding the quality of services may vary depending on individual needs.

Over time, quality has become one of the most important variables in the hotel industry everywhere. Thus, a successful hotel is considered to be the one that offers customers excellent quality services, which are considered the very life of the hotel. In this context, there has been a lot of emphasis lately on the quality of luxury hotel services. This is plausible, especially since luxury hotels visitors have higher expectations regarding the services offered to them. The higher the reputation of a hotel, the higher the expectations of customers. For example, Rhee and Yang (2015) compared customer expectations and their actual experience in luxury hotels. Through a joint analysis, they found that the importance of hotel attributes varies depending on the classification of hotels. In a study on luxury hotels in Ghana, found that although all the dimensions of SERVQUAL influenced customer retention, tangibility and reliability were the most crucial retention factors (Allan, 2016).

Moreover, other research has indicated and explained that the service quality factors of and their priorities, from the customers' perspective, differ depending on the type of hotel. In this regard, Victorino pointed out that there may be a different quality of service when dealing with hotels serving different market segments or countries, which all have different characteristics (Victorino et al., 2005). In another study, Xu and Chan (2010) showed that, in a specific hotel setting, some of the dimensions of service quality differ from the five dimensions described in the original SERVQUAL. Another study by Mohsin and Lockyer (2010) assessed the perception of customers regarding service quality of luxury hotels in India. They provided an opportunity to recognize, in order of their ranking, the features that are considered important by the guests staying in luxury hotels. Although there are studies that measure the quality and satisfaction of luxury hotels' customers, these research studies have mostly focused on developed countries, such as Australia, Korea, the United States, etc. Only a minimal number of research studies related to the quality of service in the luxury hotel industry can be found regarding developing countries.

Although service quality and customer satisfaction are closely linked to each other and even interdependent, the specialized literature still suggests that they are different concepts. Thus, because we have talked about the quality of service, we consider it necessary to refer to luxury hotels' customer satisfaction, in the context of the quality service offered by them. Satisfaction is an antecedent of service quality (Crick and Spencer, 2011). Satisfaction is a specific transaction seen as an evaluative assessment after choosing a hotel service. The studies of Olorunniwo et al. (2006) and Li and Jarinto (2012) suggest that the causal relationship between service quality and customer satisfaction is mediated by the consumer's orientation. If the consumer is cognitively

oriented, he/she perceives this relationship as the quality of service leading to satisfaction. If the consumer is emotionally driven, he/she perceives this relationship in the opposite direction, with the satisfaction that leads to the quality of services. Assuming that customers can assess a service only after its use and interpretation (perception of its value), it is understandable that the perception of service quality precedes satisfaction (Lee G.G. et al., 2005).

Some authors consider quality to be the result of subjective customer decisions. Therefore, it is always better to define it as a subjective perception that refers to the evaluation of the service that the customer has encountered and to focus in particular on the type of services provided. The main responsibility of luxury hotels is to provide high quality services to customers, which suggests that in order to be successful in this sector, the hotel must offer maximum customer satisfaction, as well as a special experience.

When it comes to luxury hotels, customers seem to have higher expectations and thus find it harder to be satisfied with the services they offer, as research in the field shows. In this sense, although we would expect the satisfaction of the customers of luxury hotels to be higher, there is the possibility of being surprised by it actually being lower.

### **3. Research methodology**

Luxury hotels are a less researched area in the studies carried out regarding the hotel industry at the level of our country and capital. In terms of the quality they provide and the degree of satisfaction of their customers, luxury hotels can be quite overestimated. Given that people who use this type of luxury services have very high expectations, the expectation-satisfaction ratio can be quite high.

The study offers an opportunity to ascertain a largely underestimated area of service quality, customer perceptions and the real experience of luxury hotels in Bucharest. The study also offers the opportunity to determine the changes or improvements needed to provide the highest quality hotel services to customers. Thus, the study aims to understand the expectations of luxury hotels' customers and the factors that determine their satisfaction.

This research is characterized as being quantitative, using a statistical analysis process to assess the degree of satisfaction of the customers who visited luxury hotels in Bucharest. Peterson and Wilson (1992) confirm that customer satisfaction appears to be typically measured by surveys. Surveys provide formal feedback to a company and send a positive signal to customers that the company is interested in them (Peterson and Wilson, 1992). This framework approach is carried out in the present study.

For this study, a questionnaire was structured based on the SERVQUAL model; however, it was adapted to the needs and desires of identifying the objectives proposed by this study. Thus, the questionnaire is structured in four essential dimensions for each client of a luxury hotel: appearance, staff, facilities, and performance. Each dimension, in its turn, comprises between 5 and 10 items for which the respondents must give a rating from 1 to 5, depending on the satisfaction they felt (Table 1).

In the second part of the questionnaire there are questions regarding the importance for the customers of the following types of services: valet parking, front desk, room service, cafe / restaurant. Here, the respondents were able to indicate the degree of importance versus performance that providing these services to the highest quality has for them by selecting a number on a scale from 1 to 5 (Table 2).

Therefore, the study uses a scale from 1 to 5, where 5 represents the highest satisfaction or importance and 1 represents the lowest satisfaction and importance; there was no 0, and thus it was excluded from the analysis. The sample of hotels for which the questionnaire was applied includes six 5-star hotels in the capital of our country: Hotel Lido by Phoenicia, Hilton Garden Inn, Concorde Old Bucharest Hotel, Hotel Berthelot, JW Marriot Bucharest Grand Hotel, Grand Boutique Hotel. The respondents are represented by the customers of these hotels who agreed to answer the questions in the questionnaire between 01.02.2020 and 01.03.2020. The sample of respondents consisted of 465 Romanian and international respondents, 283 male respondents (61.0%) and 182 female respondents (39.0%). The age of the respondents ranges between 31 and 72 years. The questionnaires, as mentioned above, were applied to the guests during check-out.

#### 4. Findings

According to the obtained results, as shown in Table 1, the lowest degree of satisfaction was felt by consumers within the Appearance dimension, being less satisfied with the view offered by the hotel (3.9). On the other hand, the highest satisfaction was obtained within the Facilities dimension, the customers being very satisfied with the services provided within the restaurants.

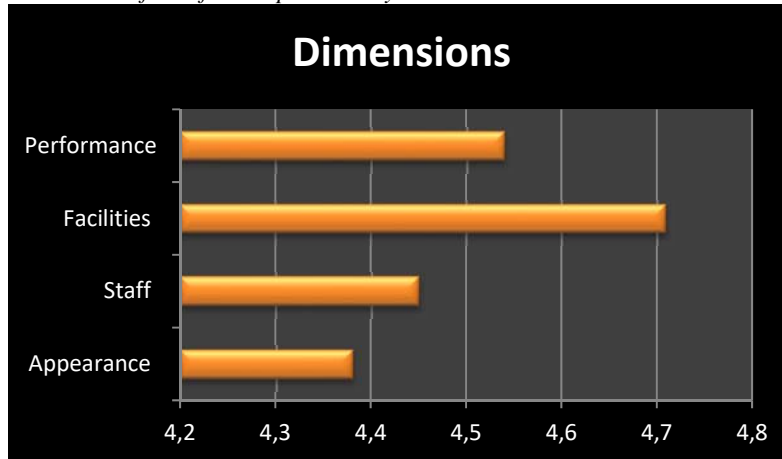
Table no. 1 The obtained results

Dimensions	Degree of satisfaction					Mean
	1	2	3	4	5	
Appearance						
First impression of the hotel			128	197	140	4.1
First impression of the staff's appearance			5	203	256	4.5
The furniture in the room		7	23	89	346	4.7
The ambiance in the restaurant		5	6	82	372	4.8
Cleanliness			98	124	243	4.3
The view		12	143	187	123	3.9
Staff						
First contact with hotel staff			101	123	241	4.3
Friendliness of staff			98	65	303	4.4
Staff's knowledge			34	198	232	4.4
Staff's promptness			45	76	344	4.6
Staff's availability			62	85	318	4.5
Solving requests			55	67	343	4.6
Use of an international language			86	92	287	4.4
Facilities						
Room's dimensions		4	18	45	398	4.8
Room's facilities		6	39	104	316	4.6
Restaurant		8	23	34	408	4.9
Room service			24	57	384	4.8
Valet		12	44	45	364	4.6
Gym and / or spa		3	34	34	394	4.8
Pool		4	23	56	386	4.8
Waking up services			13	56	396	4.7
Business center			47	75	343	4.6
Relaxation room			56	76	333	4.6
Separate luggage entrance		15	23	67	360	4.7
Performance						
Use of new technologies		4	53	66	342	4.6
Online booking system			23	67	375	4.8
Quality / price ratio		32	56	102	275	4.3
24/24 staff availability			59	78	328	4.6
Ability to meet requirements		34	43	106	282	4.4

Source: processing according to the results of the questionnaire.

Among the analyzed dimensions, the one that offered the greatest satisfaction to the respondent clients is the one related to the facilities offered by the luxury hotels where they were accommodated. What has been found is that these facilities are exactly what the guests staying at a luxury hotel are looking for. As a result, the score obtained by the hotels analyzed in terms of these aspects is satisfactory. The lowest score was obtained in the *Appearance* dimension, customers being less satisfied with the view and the appearance of the furniture in the rooms (see Figure 1).

Figure no. 1. The share of satisfaction provided by each dimension



Source: processing according to the results of the questionnaire.

In the second part of the study, an analysis was carried out on the four factors indicated by the hotels, namely: valet parking, front desk, room service, cafe / restaurant.

Table no. 2 The importance and performance provided by the four categories of analyzed services

	Importance	Performance	Difference
Valet parking	4.8	4.3	-0.5
Front desk	4.9	4.8	-0.1
Room service	4.7	4.8	+0.1
Cafe/restaurant	4.9	4.9	0

Source: processing according to the results of the questionnaire.

The prominent services with an average difference of more than 0.5 show a greater difference between the importance given to the services (the expectation) and the real experience based on the performance of the service (the satisfaction). The biggest difference was felt in terms of valet parking, where performance was lower than the importance given to this type of service. This indicates that hotel managerial staff must recognize the significance assigned to these services by the respondents. The difference between the importance and performance scores, as illustrated in the table, also identifies the degree of involvement of managers in those areas, as well as the extent to which it is necessary to make improvements.

The table shows that, in all the responses related to Room service, performance is greater than importance and the difference is statistically significant (Table 2). Furthermore, the scores illustrate the difference between importance and performance, which has managerial implications in improving quality. This case is one which demonstrates the involvement and performance of quality management in providing performant room service, above customer expectations.

The comparison between the importance and the actual performance of the internal cafe / restaurant reflects a different experience, the statistical results being equal. This indicates that customer expectations regarding hotel restaurants have been met.

Table 2 illustrates, overall, that the general importance was assessed more than the performance, and the average score difference of 0.3 indicates the statistical disparity in significance. This leads to an uneven situation, as the expectations of the participating respondents are not fully met, and usually this affects their perceptions regarding the quality of the services. However, two of the

dimensions can compensate for this discriminatory situation given that the scores offered by the cafe / restaurant and the room service equal and even exceed customer expectations.

## 5. Conclusions and recommendations

The factors which influence the activity of choosing a hotel are very complex. In order to understand these factors, an analysis of the results was performed on four basic dimensions: performance, facilities, staff, appearance. The results based on the dimensions suggest their impact on the repeated choice by the guests of the respective hotel. The model also helps identify the factors that could be changed in order to achieve greater customer satisfaction in the future. In this case, it is recommended to pay more attention to the Appearance dimension. Hotel managerial staff must ensure a positive impression in terms of Appearance from the outset. Given that the shortcomings have been recorded in terms of the view, an aspect which cannot be modified, compensation is required by offering other things that provide visual satisfaction, such as pieces of furniture or decoration. Continuous staff training is also required so as to be able to meet all customer requirements. Continuous improvement and modern times adaptability are absolutely necessary for luxury hotels' success.

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