ASSESSMENT OF SERVICE QUALITY AND CUSTOMER SATISFACTION IN HOSPITALITY INDUSTRY - A CASE STUDY OF SOME SELECTED HOTELS, RESORTS AND LODGES IN JINKA TOWN

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Abstract

The main aim of this study was to assess service quality and customer satisfaction in Jinka town selected hotels, resort and lodges by applying service quality dimensions of tangibility, reliability, responsiveness, confidence and communication. Descriptive statistics (mean score and standard deviation) were used to examine the customers' perceptions of each service quality dimensions with respect to the selected hospitality service providers and current status of customer satisfaction. The highest mean score was observed from tangibility dimension whereas the least performance was obtained from the mean score of communication dimension. Correlation and regression analysis were used to see the relationship between dependent and independent variables as well as to investigate cause and effect relationships. The key finding showed that there was a positive and significant effect of service quality dimensions of tangibility, reliability and communication on customer satisfaction and selected hotel, resort and lodge guests status of satisfaction shows that they were slightly or satisfied to some extent with the overall services. The confidence and responsiveness dimension of service quality dimension did not significantly affect guests' satisfaction. Though, it is not statistically significant, hotelier simply cannot ignore the importance of confidence and responsiveness because literatures supported that they are crucial indicators of customer satisfaction.

Keywords:

Hospitality Service, Service Quality, Customer Satisfaction, Lodging Quality Index

1. INTRODUCTION

1.1 BACKGROUND AND JUSTIFICATION

Hospitality is an umbrella term covering a variety of businesses, including restaurants, hotels, resorts and lodges. The market for the hospitality industry, especially classified hotels, resorts and lodges in a developing country like Ethiopia, is closely linked to the tourism industry, because a majority of consumers for the sector come from international tourists [1]. As a result, investigating service quality aspects of major tourist destination sites is very crucial. Service quality is one of the most effective tools for hotel Industry's success. The definition of service quality given as "the overall evaluation of a specific service firm that results from comparing that firm's performance with the customer's general expectations of how firms in that industry should perform [2]. Satisfaction of stakeholders is considered to be a pillar for the survival of any business organization. [5] describes customers as being major and critical players among those stakeholders and they are the sources of profit for profit-making organizations and the primary reason for being in operation for any non-profit making organizations.

Expectations play an important role in the satisfaction formation. Expectations are beliefs about the level of service that will be delivered by a service provider and they are assumed to provide standards of reference against which the delivered service is compared [48]. According to Kotler and Keller [22], customers are satisfied when their judgment of the service they have received equals or exceed what they expected. If performance matches expectations, the customers are said to be satisfied and, if it exceeds expectations, even delighted. If the performances fall short of expectations, the customers will be dissatisfied.

In general, the relationship between customer satisfaction and service quality is a controversial issue in the literature. There is a general agreement by researchers that the concepts of customer satisfaction and service quality are extremely interrelated. Although satisfaction and service quality are close in meaning; they are distinct. Perceived service quality was explained as a form of attitude and a long-run overall evaluation of a product or service, while customer satisfaction was considered as a transaction-specific evaluation [41].

According to [13], there are lack of adequate research undertakings in the areas of service quality and customer satisfaction in hotel industries of Ethiopia that can serve as an input towards development of marketing strategy that improves service quality and customer satisfaction. Service quality is conceptualized and measured by a number of models. Among these numerous methods, the most recommended for the hospitality industry is the lodging quality index (LQI), which is a modified form of the SERVQUAL model. It was developed by [8, 9]. This model is proved to be best advisable to measure customer service and perceived satisfaction because it was reasonably built and used only for hotel or hospitality industry. It contains five dimensions of service quality; Tangibility, reliability, responsiveness, confidence and communication.

The importance of customers in the business process has made it vital to always conduct research about customers. In service industries, service quality has been proven to be the best determinant of customer satisfaction. Service quality and customer satisfaction studies with respect to the hotel industry are a recent insight in Ethiopia compared to other service sectors. Accordingly, few studies have been conducted to evaluate service quality then relating it with customer satisfaction. In almost all of those researches a negative gap has been found between customer's expectation and perception of service quality. Such studies have also tried to describe the level of impact that the service quality dimensions have on customer satisfaction. But empirical results indicate that similar results have not been found in different places. Moreover, customer satisfaction is not a onetime study due to the changing behavior of customers. So, there is a need for continuous research in this area.

The hospitality sector is one of the most important parts of service industry challenged with increased globalization, competition, higher customer turnover, growing acquisition costs and rising customer expectation. Various hospitality industry investigations revealed that employees are important asset of the hotel. To build memorable relationships with customers, employees shall have technical knowhow concerning how to treat guests, respond to their needs, concerns and complains maintain good rapport and provide an enjoyable experience [14, 15]. As a result, to treat customers at the desired manner understanding the most significant service quality dimension is very crucial.

Lack of sufficient and competent professionals, lack of essential researches and professional support to provide essential input for modernizing the sector are considered as the major problems which manifested the Ethiopian hospitality industry [17]. In the highly competitive hotel industry, offering quality service becomes one of the most important elements for gaining a sustainable competitive advantage in the marketplace. Consequently, the efforts of service managers and academic researchers are directed towards understanding how customers perceive the quality of service [26]. For the reason that Ethiopia initially overlooked the hotel sector by not paying attention to the hospitality industry, authorities likewise failed to monitor the code of ethics governing hoteliers. The hotels handling of customer related issues are not scientific still it is following traditional way for example throwing the food in front of the guest, insulting the guests, cheat the guest or failure to give the change back as fast as possible, chewing gum while serving the guests, pasting finger into the nose while serving, touching hair and other bodies, failure to keep their neatness and the poor quality of food and lack of complaint handling. In addition, they were simply collecting money with no progress in service quality [19, 20].

To the researchers' knowledge, there is no service quality encompassing study has been done on Jinka town hospitality industry. Therefore, lack of sufficient research from customer perspectives of service quality and customer satisfaction that is conducted on Jinka town hospitality sector is the major gap of the study. As a result, the study examined the service quality and customer satisfaction of the selected hotels, resorts and lodges in Jinka town, using the modified version of SERVQUAL model i.e. the Lodging Quality Index (LQI). In this study, the following basic research questions were raised and answered [21, 23, 24].

1.2 OBJECTIVES OF THE STUDY

The overall objective of the proposed study is to assess service quality and the resulting customer satisfaction in Jinka town selected hotels, resorts and lodges.

The specific objectives for this study were:

- To explore the perception of customers toward the services of the selected hotels, resorts and lodges.
- To identify the service quality dimensions that are needed to be improved
- To investigate the correlation between Service Quality and Customer Satisfaction
- To identify the most significant service quality dimensions for customer satisfaction

2. REVIEW OF RELATED LITERATURE

2.1 SERVICE QUALITY MEASUREMENT MODEL

Some of the most widely utilized service quality models which are more accepted in the field of service quality measurement are described in this section.

2.1.1 SERVQUAL Model:

The SERVQUAL model is an instrument to measure customer service and perceived satisfaction. This model includes five dimensions. First, reliability which refers to the organizations' ability to provide services on time; Second, responsiveness deals with the extent to which service provider's readiness to provide service quickly [27, 36]. Third, assurance, which focuses on the ability of workers to communicate trust to customers or their professional ability related to the service. Fourth, empathy, related with care and attention given to the customers. Lastly, tangibility which is related with the observable facilities or it might be personnel and in general it is physical facilities [49]. In addition to this, SERVQUAL model is very important instrument for managers to identify the gaps in their service [34]. To appreciate more fully the benefits of using SERVQUAL [39], surveys should be conducted every year, for the following reasons:

- To allow yearly comparisons;
- To determine how service improvements have affected customers' perceptions and expectations of the service over time; and
- To determine the effectiveness of service development and improvement initiatives in targeted dimensions (Brysland and Curry 2001, pp. 389-401).

2.1.2 SERVPERF Model or Service Performance Model:

Although SERVQUAL model is a good measurement for many industries, researchers reported that this model is not suitable for some areas like retail store environment and by years of study on this model and more debates among scientists, some stated that this model is not comprehensive in different applications [7] [10] [35]. They suggested a new model for service quality based on SERVQUAL with respect to the conceptualization and measurement of service quality which used performance as the only measurement for service quality model called SERVPERF [44, 46].

2.1.3 Lodging Quality Index:

[47] suggest that an assessment measure of hotel quality must include dimensions that reflect the unique nature of the lodging industry. As such, they propose the lodging quality index (LQI), which is based on SERVQUAL model of [31]. But the LQI is designed specifically to provide accurate customer feedback in a lodging context. The lodging quality index model is composed of five dimensions and these dimensions are described as follows.

- **Tangibility**: In service organization, customers often rely on tangible evidence that surrounds the service to form their own evaluation of the service (Srinivasan, 2012). According to Getty and Getty, tangibility refers to the physical characteristics associated with the service encounter. In lodging context, this consists of the general appearance and functionality of the property.

- **Reliability**: reliability is the extent to which employees can be depended to perform service correctly and consistently. Customers want trustable services on which they can rely. Generally, reliability refers the extent to which the service is delivered to the standards expected and promised or it represents the customer getting what they feel they have paid for. Reliability is about the organization keeping its word [37].

- **Responsiveness:** this dimension is concerned with the customer's requests, questions and complaints promptly and attentively. Responsiveness is defined as the willingness or readiness of employees to provide service. It involves timeliness of services [30]. According to Getty and Getty, responsiveness relates to the willingness that employees exhibit to promptly and efficiently customers' problem.

- **Confidence:** refers to employees possessing the required skills and knowledge necessary to perform the service adequately. It also measures guests' perception of how they are free from danger, risk or doubt. Confidence, in addition, a measure of the extent to which employees and other facilities are approachable and easy to find.

- **Communication:** the communication quality dimension refers to the ability of employees to keep customers informed. Good communication implies good listening skills and using language and terms that all customers can understand. This dimension also describes the efforts made by employees to know the customers' needs.

2.2 CUSTOMER SATISFACTION

Satisfaction is a feeling that surfaces from an evaluation process, i.e. when the consumer or user of a good or service compares what is received against what is expected from the utilization of that good or service [22]. The following criteria are laid down for measuring the satisfaction level of customers regarding purchase and subsequent consumption of goods or services [25]. They are discussed as follows:

- *Satisfaction*: The perception developed by the customers that the goods or services are acceptable or tolerable.

- *Content*: The features of goods or services and the underlying benefits that give customer a positive consumption experience.

- *Relived*: The alleviation of the negative state of customers' mind by the goods or services provided.

- *Novelty*: The goods or services bring freshness and excitement in customers.

- *Surprise*: The amazement and unexpected pleasure brought to people by good or services consumed.

Customer satisfaction is described as the result of a comparison of the customers' expectations and his or her subsequent perceived performance of service quality [12]. Customer satisfaction is an important construct as satisfaction is a critical measure of a firm's success. According to Verma [45], customer satisfaction is an outcome of the purchase and use of product and services, resulting from a customer's comparison of the rewards and costs of the purchase in relation to the anticipated consequence. Putting it in another way, customer satisfaction is the percentage of total customers who reported that their

experience with the company or its products exceeded specific satisfaction goal [11]. Customer satisfaction can be conceptualized as either transaction-specific satisfaction or cumulative satisfaction [6]. Transaction-specific satisfaction is a customer's evaluation of her or his experience and reactions to a specific company encounter. Cumulative satisfaction refers to customers' overall evaluation of service experience from inception to date [40].

Table.1. Empirical Findings

Topic	Study area and time	Model used	Highest predictor of customer satisfaction	Lowest predictor of customer satisfaction
Service quality and customer satisfaction in hotel industry	Addis Ababa, 2015 case study on three star hotels	Lodging quality index	Responsiveness dimensions	Reliability dimension
Service Quality and Customer Satisfaction in Hospitality Industry:	Jimma town, Ethiopia, 2016	Lodging quality index	Responsiveness dimension	Comm-unication dimension
Service Quality and Customer Satisfaction	A Case Study of Hotel Industry in Vietnam, 2015	SERV-QUAL model	Empathy dimension	Tangibility dimension
An assessment of customer satisfaction in hotel industry	Cambodia, 2013	SERV-QUAL model	Tangibility dimension	Assurance dimension
The Impact of Service Quality on Customer Satisfaction in a Dublin Hostel	Ireland, 2014	SERV-QUAL model	Tangibility dimension	Reliability dimension
Service quality and customer satisfaction in hotels in Nairobi	Kenya, 2014	SERV-QUAL model	Reliability dimension	Assurance dimension

Source: Reviewed literatures, 2019

2.3 CONCEPTUAL FRAMEWORK FOR THE STUDY

The study investigated how service quality affects customer satisfaction. Customer satisfaction is a dependent variable which occurs when the services provided by the selected hotels is rated by customers as high quality and satisfactory. Since customers are the back bone for any organization, working towards satisfaction of customers plays a vital role. The study postulates that the quality of the services provided by the hospitality services determines the satisfaction degree of customers. To measure service performance and customers Perception of a service, LQI model was used.

This model is made up of five dimensions: tangibility, reliability responsiveness, confidence and communication. These

variables are directly related to customer satisfaction. This implies, if one of the variables is not performed as expected, the customers will be dissatisfied. This shows all LQI variables play a vital role for the satisfaction of customers. In general, when service performance, is higher than customers' expectation of the variables, customers will be satisfied.
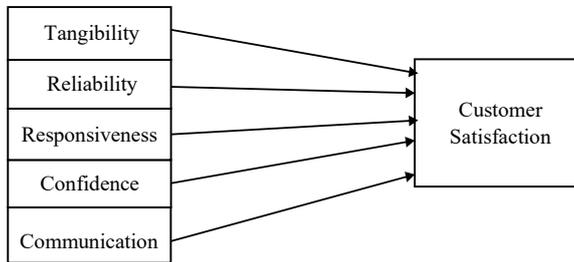

Fig.1. Conceptual frame work

Source: adapted from reviewed literatures

3. MATERIALS AND METHODS

3.1 RESEARCH DESIGN

Methodologically, quantitative research method was used in this research. It is a type of methodology that seeks to quantify the data typically and conclude the evidence by analyzing the data scientifically. Survey questionnaire was developed and analyzed using different statistical analysis techniques. Based on research approach, descriptive research design was used. This research design enables to describe characteristics of objects, people, groups, organizations, or environments.

In other words, descriptive research tries to "paint a picture" of a given situation by addressing who, what, when, where, and how questions. The purpose of using this type of research design was to find out and describe information concerning the present status of service quality and customer satisfaction in the selected hotels, resorts and lodges in Jinka town. In addition, explanatory research design was employed to find out how and to what extent the variables were related.

3.2 SAMPLE SIZE AND SAMPLING TECHNIQUES

The researchers utilized a purposive sampling technique for selecting the hotel, resorts and lodges included in this study. Accordingly, the targeted hotels, resorts and lodges are those hospitality sectors with high bed room service capacity due to better service quality expectation relative to the remaining hotel categories and for that they are frequently used by the targeted visitors or tourists. There exist a total of fifty-one tourist hospitality service providers in Jinka town. Based on the consent of hotelier's as well as based on the accessibility of their services to international tourists one resort, one lodge and three hotels were included in the study. The researchers also considered the selected hospitality service providers' proximity to the center of the town for the sake of increasing the response rate of the study. Thus, finally the researchers intended to obtain the required information from Eco Omo lodge, Jinka resort, Orit hotel, Goh hotel and Central hotel.

As indicated by different studies the target population of hospitality services or customers considered as infinite. In order

to determine sample size or to determine sample respondents, the researchers determine to use Cochran's formula for calculating sample size when the population is infinite. Cochran (1977) developed a formula to calculate a representative sample for infinite populations.

$$n_o = Z^2pq/e^2$$
$$n_o = 1.96^2*0.5*0.5/0.05^2 = 385$$

where, n_o is the sample size, z is the selected critical value of desired confidence

Level, the value for Z is found in statistical tables which contain the area under the normal curve $Z = 1.96$ for 95 % level of confidence, p is the estimated proportion of an attribute that is present in the population, which is 0.5 and q= 1− p and e is the desired level of precision.

Finally, by giving around seven percent grant for possible risks associated with low response rate the researchers distributed 412 questionnaires to the selected major hospitality service providers. To allocate the total sample size for the selected hotels, resort and lodge the researchers considered the variation of the selected service providers with regard to the expected guests during the data collection period. The expected guests of the selected hotels, resort and lodge during the data collection period (eight weeks) were determined through considering the obtained evidence from the researchers' observation and the acquired information from the reception workers. As a result, the study implemented proportional allocation of the total sample size of the selected hospitality service providers by using the following formula.

$$n_1 = nN_1/N$$

where,

n_1 = sample size of each selected hotel

n = total sample size of the selected hotels

N_1 = expected customers in each hotels

N = total number of expected guests of the selected hotels

Table.2. Distribution of Expected visitors per month during data collection period

Service providers Name	Expected guest	No. of beds	Sample size
Central hotel	1400	19	115
Orit hotel	1300	27	107
Jinka resort	900	22	74
Goh hotel	1200	24	99
Eco-omo lodge	200	40	17
Total	**5000**	**179**	**412**

Finally, the respondents were selected by using Convenience sampling technique. Guests who stayed at least one night in the selected hospitality service providers assumed to better evaluate the services and included in the study. This was done during their checkout. This method was implemented by Khan [18], by considering hotel customers are not common and as a result the researcher selected every customer which comes in the study area hotel.

3.3 SOURCES OF DATA AND COLLECTION INSTRUMENT:

Both primary and secondary data was used for the study in order to come up with concrete finding. Survey approach was the most common method of primary data collection technique implemented in this study. Questionnaire was used to collect relevant data. Questionnaires permit the researcher to gather information that cannot be found elsewhere (Islam, 2015). The questionnaire survey was the most successful method for this study to collect the data.

The literature reviewed was the major input, to develop the data collection instrument. Therefore, after carefully reviewing all the sources, the researchers utilized five point Likert- scales questionnaire and distributed to the samples selected from the customers of the selected hotels, lodges and resorts. The items were constructed from LQI model to measure customer satisfaction.

The questionnaire of the study is categorized in to three parts with close ended questions. Part one aimed for collecting general information about guests or customers of the selected hotels. Part two consist of questions about the perceptions of respondents towards each service quality dimension of the selected hotels, resort and lodge on the basis of the variables (tangibility, reliability, responsiveness, confidence and communication) and part three constructed to measure the satisfaction status of the selected hospitality service providers' guests.

3.4 METHOD OF DATA ANALYSIS:

The analysis of the study was executed on the basis of data and information collected from respondents through questionnaires from the selected hotel customers. The data collected through questionnaire was summarized by using statistical package for social science (SPSS version 20 by means of statistical methods such as tabulation, average mean and frequency count. The collected data analyzed and processed both qualitatively and quantitatively by using descriptive data analysis techniques. In addition to this, to show the relative influence and the degree of relationship among independent variables and dependent variables, inferential data analysis techniques such as Pearson's correlation coefficient (r) and multiple linear regression model were used by the researcher.

3.5 MULTIPLE LINEAR REGRESSION MODEL:

To assess the influence of service quality on customer satisfaction multiple linear regression model was implemented after testing basic assumption of normality, linearity, and multicollinearity. Regression in the form of mathematical equation, written as,

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

where, Y_i, is the dependent variable representing customer satisfaction and X_1, X_2, X_3, X_4, and X_5 are the explanatory variables representing perceived tangibility, reliability, responsiveness, confidence and communication respectively. β_0, is the constant (the intercept of the model), β_i are regression coefficients of X is variables while e is the error term.

4. RESULTS AND DISCUSSION

4.1 ANALYSIS OF RESPONDENT PROFILE

The first part of the questionnaire was constructed for the sake of obtaining personal information of the sample respondents. In order to understand the profile of the respondents' information related to the respondents' gender, age, marital status, nationality, occupation, purpose of visit to the service providers, booking way and their length of stay in the hotel were collected and analyzed by using frequency and percentages.

Table.3. Demographic Characteristics of Respondents

Characteristics		Frequency	Percent	Cumulative percent
Gender	Female	139	37.6%	37.6%
	Male	231	62.4%	100.0%
	Total	**370**	**100.0%**	-
Age	20 - 30	87	23.5%	23.5%
	31 - 40	155	41.9%	65.4%
	41 - 50	89	24.1%	89.5%
	> 50	39	10.5%	100.0%
	Total	**370**	**100.0%**	-
Marital status	Not Married	99	26.8%	26.8%
	Married	212	57.3%	84.1%
	Divorced	32	8.6%	92.7%
	Widowed	27	7.3%	100.0%
	Total	**370**	**100.0%**	-
Nationality	Ethiopian	198	53.5%	53.5%
	Foreigner	172	46.5%	100.0%
	Total	**370**	**100.0**	-
Occupation	Student	22	5.9%	5.9%
	Employed	143	38.6%	44.6%
	Own Business	176	47.6%	92.2%
	Retired	29	7.8%	100.0%
	Total	**370**	**100.0%**	-
Purpose of visit	Business	98	26.5%	26.5%
	Personal	108	29.2%	55.7%
	Leisure	137	37.0%	92.7%
	Transit	27	7.3%	100.0%
	Total	**370**	**100.0%**	-
Number of night's respondents stayed	One night	148	40.0%	40.0%
	Two nights	159	43.0%	83.0%
	More than two nights	63	17.0%	100.0%
	Total	**370**	**100.0%**	-

Source: Own Survey, 2019

As indicated by Table.3 great majority 231 (62.4%) of the respondents were male and the remaining 139 (37.6%), female. It can therefore be said that males are more exposed to staying out as compared to their female counterparts. As far as age of respondents is concerned, 87 (23.5%) of the respondents are in the range of 20-30 years, 155 (41.9%) of the respondents are in the range of 31-40 years, 89 (24.1%) are in the range of 41-50 years, and 39 (10.5%) of the respondents are above 50 years. Therefore, the finding from the age profile of the respondents indicates that the majority of the customer respondents were found between the ages of 31-40 years. The results depicted in age profile of respondents have an important implication for hoteliers.

Since majority of respondents lays at the most productive age groups tailoring customized marketing strategies for those age groups through utilizing effective service quality elements is essential.

With regard to marital status of the respondents as indicated by the above table, 212 (57.3%) of the respondents were married followed by unmarried 99 (26.8%) respondents. Whereas about 32 (8.6%) and 27(7.3%) of the respondents were divorced and widowed respectively. This shows that the dominant marital status of participants in the study were married followed by those who are unmarried. Only a few participants were divorced and widowed. As far as nationality of respondents is concerned, majority 198 (53.5%) of the respondents were appeared to be Ethiopians while the remaining 172(46.5%) were foreign guests.

As depicted in the above table, out of the total respondents concerning of occupation, 22 (5.9%) were students, 143 (38.6%) were employed, 176 (47.6%) were run their own business, and 29 (7.8%) were retired. It seems that those who run their own business as well as those who are employed have more chance compared to other people regarding the advantage of traveling more. The result dictates that hotel management should try very hard to build long term relationship with customers to identify the needs and wants of each consumer group. As indicated by Table.3, 137(37%) of those who mentioned leisure as a reason for their hotel, resort or lodge stay followed by 108 (29.2%) personal travelers. 98 (26.5%) of those mentioned business as a reason for their hotel stay and transit travelers 27(7.3%) constitute relatively less for being staying in the selected hospitality service providers. This indicates that the purpose of stay of the selected service provider guests distributed fairly to all items and almost all guests with different staying purpose involved in this study.

As stated by Table.3 149(40.3%) of respondents were spending one night at the selected hotels, resorts and lodges, 159(43.0%) were spending two nights there, and 62(16.8%) were spending more than two nights there. From this one can conclude that majority of the respondents were found to be experiencing various services since they were found to be staying in corresponding service providers for two or more nights. Guests who stayed for more nights are supposed to have better service experience to assess and comment on the perceived service quality of the selected hospitality service providers. As indicated by the findings the selected sample represented a balanced mix of various demographic factors- Gender, age, marital status, nationality, educational qualification, occupation and visit purpose

4.2 CORRELATION ANALYSIS

Correlation is a statistical measurement of the relationship between two variables. The linear correlation coefficient measures the strength and the direction of a linear relationship between two variables. The following general guidelines indicate a quick way of interpreting the value of correlation coefficient: -0.9 to -1.0 or 1.0 to 0.9 very strong; -0.9 to 0.7 or 0.7 to 0.9 strong; -0.7 to -0.4 or 0.4 to 0.7 moderate; -0.4 to -0.2 or 0.2 to 0.4 weak, low correlation and -0.2 to 0.0 or 0.0 to 0.2 very weak to negligible negative/positive correlation [32]. Accordingly, Pearson's correlation coefficients statistical method was used to determine the relationship between service quality of the selected hospitality service providers and customers' satisfaction (see Table.4).

Table.4. Correlations between service quality and Customer satisfaction

Service quality dimension		Customer satisfaction
Tangibility	Pearson correlation	0 .596**
	Sig.(2-tailed)	0.000
	N	370
Reliability	Pearson correlation	0 .540**
	Sig.(2-tailed)	0.000
	N	370
Responsiveness	Pearson correlation	0 .338**
	Sig.(2-tailed)	0.000
	N	370
Confidence	Pearson correlation	0 .327**
	Sig.(2-tailed)	0.000
	N	370
Communication	Pearson correlation	0 .589**
	Sig.(2-tailed)	0.000
	N	370
Customer satisfaction	Pearson correlation	1
	Sig.(2-tailed)	0.000
	N	370

**Correlation is significant at the 0.01 level (2-tailed).

Source: *Own Survey*, 2019

The results of correlation analysis show that all the independent variables (tangibility, reliability, responsiveness, confidence and communication) are positively and significantly correlated with the dependent variable (customer satisfaction). The highest correlation is signified by tangibility (r = 0.596, p<0.01), followed by communication (r = 0.589, p<0.01), reliability (r = 0.540, p<0.01) and responsiveness (r = 0 .338, p<0.01). Confidence dimension is the least ranked but has a positive and significant correlation with customer satisfaction (*r* = 0 .338, *p*<0.01).

The results reflected that service quality dimension of the selected hospitality service providers' effort to create conductive or appealing environment related to tangibility dimension was strongly associated with guests' satisfaction level. These

relationships were both theoretically and logically acceptable as tangibility aspects in terms of creating appealing environment for customers can contribute towards better service perceptions and favorable future behavioral intention. Additionally, the perceived service quality dimension related to reliability and communication dimension was also found to be maintaining moderate relationship with customer satisfaction. Relatively weak association was observed between responsiveness as well as confidence dimension and customer satisfaction. This signified the existence of relatively weak, though significant, relationship between the selected service providers' efforts of providing prompt and polite response to customers and perceived level of customer satisfaction.

4.3 MULTIPLE REGRESSION ANALYSIS

A Multiple Linear Regression analysis was conducted to investigate the relative influence of each service quality dimension on customer loyalty. The test of MLR assumption found expected patterns for non-violation of the assumptions and this result supports the use of MLR as an appropriate statistical analysis for this study. In this part, customer satisfaction variable was regressed against the five variables (tangibility, reliability, responsiveness, confidence and communication). The results are presented in Table.5 below.

Table.5. Model summery, Anova, and Coefficients of constructs

Model Summary	R	R Square	Adjusted R Square		Std. Error of the Estimate		
	.758a	.574	.568		1.34926		
ANOVAa	**Model**	**Sum of Squares**	**Df**	**Mean Square**	**F**		**Sig.**
	Regression	892.390	5	178.478	98.037		.000b
	Residual	662.667	364	1.821			
	Total	1555.057	369				

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	**Std. Error**	**Beta**			**Tolerance**	**VIF**
1	(Constant)	1.293	.477		2.711	.007		
	Tangibility	.167	.024	.342	7.023	.000	.495	2.022
	Reliability	.268	.028	.348	9.484	.000	.868	1.152
	Responsiveness	-.044	.029	-.066	-1.501	.134	.613	1.632
	Confidence	-.056	.039	-.061	-1.426	.155	.642	1.559
	Communication	.305	.035	.381	8.719	.000	.613	1.632
a. Dependent Variable: customer satisfaction								
b. Predictors: (Constant), Communication, Reliability, Responsiveness, Confidence, Tangibility								

Source: *Own Survey*, 2019

R defines the relationship among the variables and that should be more than 0.5 and the Table.5 result shows that (R=0.758) which is greater than 0.5 [4]. The magnitude of the adjusted R Square is 0.568. This means that 56.8 percent of the dependent variable (customer satisfaction) can be explained or influenced by the independent variables of service quality dimensions, while the remaining 43.2 percent is explained by other causes. The model summary result clearly revealed that the model is reasonably fit for further analysis. R^2 values of 0.26 and above are considered substantial as Cohen (1988) discussed cited in Rahman and Kamarulzaman [33].

The ANOVA results associated with the model are presented in Table.5 and shows that F-stat which is used to measure the overall significance of the model is 98.037 and the p-value was 0.000 (p<0.05). This indicates that the overall model was reasonable fit and there was a statistically significant association between service quality dimensions and customer satisfaction.

The Table.5 above displays the estimates of the multiple regression of customer satisfaction against its variables for the sample of 370 hotels, resort and lodge guests of the selected hospitality service providers.

On the basis of the analysis of multiple regression result, it can be said that the relationship between the independent variables (viz. tangibility, reliability, and communication) and dependent variable (i.e. customer satisfaction) is significant at 5 percent significance level. Unstandardized beta coefficients (also known as rate of change) indicated how much the dependent variable varies with an independent variable, when all other independent variables are held constant. Standardized regression coefficients, were used to determine the relative importance of the service quality dimensions in predicting customer satisfaction. The beta coefficients indicated that how and to what extent the service quality dimensions' influence customers' satisfaction [16]. On the basis of the result of multiple linear regression analysis result, multiple regression model can be written as follows;

$$Y_i = 1.293 + 0.342X_1 + 0.348X_2 + 0.381X_3 + 0.05$$

where, Y_i, is the dependent variable (customer satisfaction),

The value 1.293 is the constant (the value of y when the value of all independent variables are 0), whereas, X_1, X_2, and X_3 refers perceived tangibility, reliability and communication. Finally, the researchers set its confidence level at 95 percent with 5 percent (0.05) error term.

The standardized beta coefficient column shows the contribution that an individual variable makes to the model. The

higher the value of beta coefficient shows the great contribution or impact of the independent variable in explaining and predicting the dependent variable. Among all the lodging quality index constructs, 'communication' with its beta coefficient value of 0.381 has emerged as the most important lodging quality index construct in predicting customer satisfaction followed by reliability with beta value of (0.348) and tangibility with beta value of (0.342) respectively. The dimensions of responsiveness and confidence found to be insignificant for customer satisfaction.

On the basis of the multiple linear regression analysis made, it can be said that the customers or guests of the selected hotels, resorts and lodges in Jinka town tend to be significantly very satisfied if the hotels, resorts or lodges in the study area provides customer oriented services dealing with its customers via providing visually appealing service, through communicating with customers based on the desire of customers as well as through offering consistent services to the customers. Generally, as indicated from the regression result, the researchers identified that not all of the proposed service quality dimensions have positive and significant influence on customer satisfaction. Out of the five service quality dimensions three dimensions (tangibility, reliability, and communication) have positive and significant influence on customer satisfaction. Responsiveness and confidence dimension of service quality have no significant influence on customer satisfaction. This postulates that increase in service quality dimensions related to responsiveness and confidence dimension couldn't necessarily leads to increase in customer satisfaction.

Finally, one can conclude that the findings of this study comply with the results of earlier studies. These findings provide significant support for tangibility, reliability and communication literatures which advocates that the variables have positive and significant influence up on customer satisfaction. For instance, the study conducted by Valter [43] and Tessera et al. [42], revealed that tangibility dimension of service quality has significant contribution for customer satisfaction. The findings of Al-Azzam [3] and Minh et al. [28] also indicates that reliability dimension of service quality is the major factor which influence customer satisfaction. In contrast, the study in Chinese fast food restaurants by Tan et al. [41] exposed that reliability was not significant contributor for customer satisfaction. This indicates that the perception of customers may depend on economic, socio-cultural or any other distinctive characteristics customers. Furthermore, the study by Soonsan [38], found that communication is the most important service dimension for increasing the hotel guests' satisfaction and positive word-of-mouth. Communication might be an element that could build an empathetic relation between service provider and its customers. A possible solution for the increment of profitable business could be sustainable market communication [29].

5. CONCLUSION

This study aimed at assessing service quality and customer satisfaction in Jinka town selected hotels, resorts and lodges. An empirical study on the importance of service quality on customer satisfaction in the hospitality sector has been largely unexplored in literature. However, this study shows that improving service quality has the potential of enhancing customers' satisfaction.

This study could benefit practitioners in the field of service sector, especially the hospitality service providers to gain insight into how to satisfy their customers. The study implemented measures such as mean and standard deviation to depict the extent of customer perception of the various dimensions of service quality and to investigate the current status of customers' satisfaction. The mean values represent the average response of all the respondents regarding a particular item on the scale. It was revealed that based on the customers' view, customers are highly satisfied by the perceived tangibility dimension of the selected hotels, resort and lodge. The least performance was obtained from the mean score of communication dimension. From the finding of this study the researchers conclude that the customers have slightly positive experience with the selected service providers. However, customers were failed to pay premium prices for services of the selected hotels, resorts and lodge.

The study concluded that providing quality service plays significant role to enrich customer satisfaction. Three service quality dimensions have the greatest predictive power on customer satisfaction and these are tangibility, reliability and communication. An increase in these service quality variables results in an increase in the levels of customer satisfaction. Thus, based on the study result it is identified that the need to improve service quality dimensions with more emphasis serving customers through interacting with them by using effective communication tool. Similarly, providing services as promised and delivering visually appealing service to guests as indicated in the inferential statistics result of the study considered as essential service quality dimension to enhance customer satisfaction. Though, it is not statistically significant, hotelier simply cannot ignore the importance of responsiveness and confidence because literatures supported that they are crucial indicators of quality of services provided by service sectors.

5.1 IMPLICATIONS FOR FUTURE RESEARCH

This study can provide insights for further research in service marketing area. First of all, the findings of this study show that the implemented service quality dimensions are incomplete and that further investigations can uncover more dimensions in different service context. Other relational variables, such as free gifts, bonus cards, service customization, convenient check in/out, switching cost and commitment of service providers should also be considered for further investigation. Second, the results of this study may not have been representative of the whole population. The study was limited to five hotels, resort and lodge in Jinka town; a replication can be undertaken with a more hotels, resorts and lodges which existed in the town as well as in South Omo Zone being included in the study. Furthermore, as this research has been carried out with limited resources planned to tailor the study only at Jinka town, total of 370 valid respondents have taken part, however for the future endeavors larger samples would be advisable to include the most tourist destination places in South Omo Zone.

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