
STUDY ON THE RELATIONSHIP BETWEEN SERVICE QUALITY AND GUEST SATISFACTION IN HOMESTAY

Y. Praveen

and

P.B.S.N. Kumara

Department of Travel & Tour Management, University College of Anuradhapura
Email: sumithranandana@gmail.com

ABSTRACT

Sri Lankan tourism industry is a fast-growing industry. Sri Lankan hospitality needs to provide accommodation based on tourist arrivals. After the Easter attack tourists' arrivals increase by more than one million tourists. Ella is one of the famous destinations for homestay tourism in Sri Lanka. In this context, this study was investigated Relationship between service quality and guest satisfaction with special reference to the Ella area. To find the answer to this research problem, the researchers selected 203 guests who stayed and consumed the service quality in homestays. The simple random sampling method was used as a sampling technique. Both primary and secondary data were used. Primary data was collected using a self-completion questionnaire. The SERVQUAL model has been used to measure service quality. The findings of the study have expressed the existing level of service quality and customer satisfaction. Correlation analysis defined a significant relationship between service quality dimensions and customer satisfaction. Based on the findings, the researchers found that service quality is a key driver of customer satisfaction in the homestays in Ella. It is recommended that tourists expect service further than the existing level.

Keywords: Tourism, Tourist, Homestay, Customer satisfaction, Service quality

1. INTRODUCTION

Tourism can be defined as the sum of activities, services, and industries. These elements deliver travel experiences such as transport, accommodation, food and beverage establishments, retail, and activity shops. Those establishments provide goods and services related to tourism for people who are strangers to the destination. This means those facilities create a home away from home for the tourists. When considering revenue fact of tourism, The World Tourism Organization (WTO) claims that tourism is currently the world's largest industry with annual revenues of over 3 trillion dollars (Deshani et al, 2012).

Tourism can be defined as a short temporary movement of people. They move to destinations outside their normal places of work and residence. Also, new activities were undertaken during their stay outside. The facilities are created to cater to tourists' needs (Wall, 1982). According to Macintosh and Goeldner (1986), tourism can be explained as a collection of phenomena and relationships. It creates tourist interaction and business among more suppliers. The government and hospitality providers process necessary things for attracting tourists and visitors. In the business world in the present day, the tourism and hospitality industry is becoming highly competitive. Guest satisfaction becomes one of the considerable factors which is creating the guests' revisit intention. To measure Guests' satisfaction mainly use the quality of the products and services of the accommodation. The hospitality service provider should be measured guests' expectations are and that should create a memorable experience in the guest's mind. When the tourists arrive, accommodation is a must for them. Without accommodation, they can't save themselves. So, as a destination Sri Lanka has the responsibility to save them. Accommodation has become a very important part of the tourism infrastructure. Accommodation is an essential

part of tourism facilities and infrastructure development. Accommodation creates a home away from home for both local & foreign tourists. The hotel industry has become the most sophisticated industry day by day. In Sri Lanka, there are so many types of accommodations available such as hotels, bungalows, restaurants, homestays and etc. Guest's satisfaction effect on service quality. So, less knowledge about the service quality and hospitality industry, the homestays, how hosts community satisfy their guests. Because of these above reasons, researchers filled the gap in the way of doing research to determine whether there is a relationship between Service Quality of homestay and tourist satisfaction in homestays in the Ella area.

Research objectives

- To examine the relationship between service quality and guest satisfaction
- To analyze the significant service quality dimensions towards guest satisfaction.
- To make the recommendation for service quality in homestay operation

2.LITERATURE REVIEW

Homestay concept can be explained as a visitation of somebody's home which is located in a foreign country. Those homestay units should allow visitors to rent a room. Also provide learning opportunities for local culture, lifestyle, language, food patterns, and other living conditions which unfamiliar to the guest. The living arrangement is offered by a host or host family. They can consume it while staying in their furnished house or suite which is related to the homestay unit. Shared living spaces, facilities, and amenities create a home-like accommodation feeling in the mind of the guest who stays homestay unit. Utilities and meals are usually included for the guest and the length of stay could be daily, weekly, monthly, or unlimited (Raju, 2015).

The homestay concept was started in the late 1970s in Europe. Homestay concept is outstanding for the attractions. This concept was identified as an alternative accommodation source. Additionally, these are alternative places where people selected to spend their vacation. Different countries have their own meanings about homestays (Yong, 2004).

In late 2009, the Sri Lankan government and the Ministry of tourism identified the importance and value of this concept. Presently Sri Lankan homestays are established in every part. Mostly Western, Southern, North Central, Central, and the Northwestern part in Sri Lanka. Homestays directly affect community development through increasing income while sustaining the locals in the area. The lifestyle of the locals which was identified in homestays creates attention from tourists (Ranasinghe, 2015). Homestay concept is a sustainable concept based on community. Locals can benefit from the homestay industry directly. Money is remaining whitening locals while improving visitor experience and satisfaction. (Wijesundara & Gnanapala, 2016).

Service quality and customer satisfaction are major keys to open the guest's revisit intention and to gain a competitive advantage in hotels (Ali & Kaldeen, 2017). Customer satisfaction leads to high profitability (Gundersen et al, 1996), and also Service failures lead to customer complaints (Johnston, 2001). According to Gunderson (et al., 1996), Customer satisfaction usually can be defined as a post-consumption evaluation which is a judgment regarding a specific product or service of providers. The concept of service quality is complex, subjective, elusive, and abstract. It means different things to different people. Customers make a comparison between their expectations and perceptions of the received service (Kaldeen, 2020), which can be derived as the most common definition of service quality (Pei & Ayub, 2015). Service quality often varies from person to person according to the situational basis, also it can define what customers perceived. Service delivery meets, exceeds, or fails to satisfying customer desires and it directly affects the business (Mwiya, Bawalya, & Sikombie, 2017).

Parasuraman et al (1988), developed the SERVQUAL model as a multi-item scale to access the service quality of customers in commission and retain the business. It consists of five constructors, those are Tangibles, Reliability, Responsiveness, Assurance, and empathy. SERVQUAL model is based on the gap between customer knowledge and expectation. It might be affected negatively or positively with the above two dimensions which mean expectation is quite over than capable experience respectively.

Further about SERVQUAL model, it was constructed considering the below five dimensions and reliability.

- Tangibility: physical facilities, equipment, and appearance of personnel
- Reliability: ability to perform the promised service dependably and accurately
- Responsiveness: willingness to help customers and provide prompt service
- Assurance: Knowledge and courtesy of employees and their ability to inspire trust and confidence
- Empathy: caring individualized attention the firm provides to its customers

Assurance and empathy dimensions are involved that have been done away with like communication, credibility, security, competence, courtesy, understanding and so on (Parasuraman et al. 1988). SERVQUAL model is based on service quality which is evaluated by the client about the comparison of expected. That quality obtained value as well as the gap in the service supervision process. The gap model was the foundation of SERVQUAL model (Sharma, 2014).

3.METHODOLOGY

The study site was identified as Ella destination area. The researchers used qualitative methods for the study. The study population was tourists who stayed at Ella homestay in the last quarter in the year 2019. Both primary and secondary data were collected for the study. Five points Likert scale questioner used the collected primary data. It consists of demographic characteristics of respondents, independent variables (tangibility, reliability, responsiveness, assurance, empathy), and dependent variable (customer satisfaction).

Selected 203 foreign tourists who stayed in Ella homestay were identified in a study sample. Simple random sampling was used as a sampling technique. Journal articles, e-books, websites, previous research, etc. were used as a secondary data source. The model was adopted from Parasuraman et al. (1988).

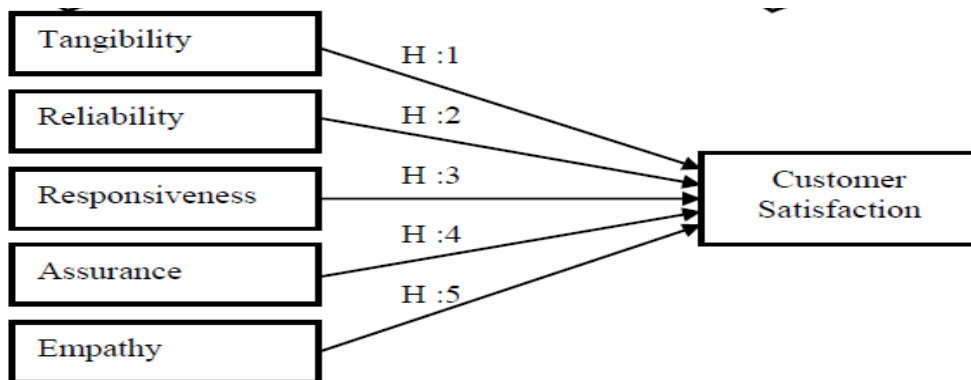


Figure 1: Conceptual framework & Hypothesis

4. RESULT AND DISCUSSION

According to the respondents, male guests are higher than female guests. 52.71% of guests are males. 42.29% of guests are females. Also, the majority of guests were from European countries and they represent 67% of the sample. Other countries represent the next place, after the Europeans and it represent 18.23% of the sample. Asian countries represent 12.81% of the sample. Middle Eastern countries represent the lowest arrivals to homestays in Ella and they represent 1.97% of the sample. The vast majority of the respondents were 61.1% were single. As well as it shows 38.9 percent of tourists are married. The majority of the respondents' guests were between 20-30 age groups and they represent 50.25% of the sample. 36.95% of respondents were between 31-40 age group. 8.37% the guest falls into the 41-50 age group and 4.43% fall into 51 or above age group. Most of them are private-sector employees. It means that 44.83% of guests work in the private sector. Among them, 24.14% of guests engage with the business sector and 16.75% to the government sector. 12.32% of guests engage in the service sector. 1.97% of guests join other jobs. Also, 77.83% of visitors have visited the homestay with the purpose of leisure and recreation. 8.87% of guests are visiting for the purpose of religious and cultural purpose and also the same percentage of guests visit for the purpose of visiting friends and relatives. 2.46% of guests visited for business purposes. 1.97% of the guests are visited for other purposes. 50.25% of the visitors have graduated. 45.3% of guests are post graduated.

Table 01: Descriptive statistics

Measure	Options	Frequency	Percentage (%)
Gender	Male	107	52.7
	Female	96	47.3
Country of origin	Europe	136	67
	Asia	26	12.8
	Middle East	4	2
	Other	37	18.2
Marital status	Single	124	61.1

	Married	79	38.9
Age group	20-30 years	102	50.2
	31-40 years	75	36.9
	41-50 years	17	8.4
	51 or above	9	4.4
Occupation	Government sector	34	16.7
	Private sector	91	44.8
	Service sector	25	12.3
	Business sector	49	24.1
	Other	4	2
Purpose of visit	Business	5	2.5
	Leisure and Recreation	158	77.8
	Visiting friends and relatives	18	8.9
	Religious and Cultural	18	8.9
	Other	4	2
Educational Level	Graduate	102	50.2
	Post graduate	92	45.3
	Other	9	4.4

Source: Survey data

According to the table, tangible and the reliability's Cronbach alpha values are 0.731 and 0.728 so these two variables are an acceptable level. Also, responsiveness, assurance, empathy, and customer satisfaction Cronbach alpha's are 0.841, 0.832, 0.826, and 0.884, and these three variables are highly acceptable. Also, the validity of the variables is measured by KMO and Bartlett's Test. All variable's results were higher than 0.6. This means all variables are valid.

Table 02: Validity and reliability

Variable	Reliability Statistics	Validity test
	Cronbach's Alpha	KMO and Bartlett's Test
Tangibles	0.731	0.727
Reliability	0.728	0.672
Responsiveness	0.841	0.713
Assurance	0.832	0.711
Empathy	0.826	0.783
Customer satisfaction	0.884	0.832

Source: Survey data

According to the Pearson Correlation values, Tangibility, Reliability, Responsiveness, Assurance created a weak positive relationship with customer satisfaction. Values were accordingly 0.622, 0.579, 0.637, and 0.623. But when concerned with empathy value with understanding customer needs, wants, interests, and treating respective way by homestay owners is created a strong positive relationship with customer satisfaction. The value was 0.810. Also based on the T test value, null hypothesis were rejected and accepted hypothesis are,

- H1: There is a significant relationship between tangibles and customer satisfaction
- H2: There is a significant relationship between reliability and customer satisfaction
- H3: There is a significant relationship between responsiveness and customer satisfaction
- H4: There is a significant relationship between Assurance and customer satisfaction
- H5: There is a significant relationship between Empathy and customer satisfaction

Table 03: Correlation and hypothesis testing

Variables	Pearson Correlation	T test	Significant or not	Accepted Hypothesis
Tangibility and Customer satisfaction	0.622	0.000	Significant	H1
Reliability and Customer satisfaction	0.579	0.000	Significant	H2
Responsiveness and Customer satisfaction	0.637	0.000	Significant	H3
Assurance and Customer satisfaction	0.623	0.000	Significant	H4
Empathy and Customer satisfaction	0.810	0.000	Significant	H5

Source: Survey data

5. CONCLUSION AND RECOMMENDATION

The purpose of this study is to examine whether there is a relationship between service quality and guest satisfaction and find out the significance of service quality dimensions towards guest satisfaction by using five dimensions (Tangibility, Reliability, Responsiveness, Assurance, and Empathy) of service Quality that identified. Homestay concept has become a popular concept in the global. Both developed and developing countries engage with this concept. It can provide more benefits to the local community. Additionally, it provides a means of education, cultural awareness, and entertainment for visitors. Service quality is the most important factor influencing customer satisfaction in Ella homestays and there is a relationship between service quality and customer satisfaction. Because according to this research there are many single tourists arriving at Ella. The reason can be Ella is one of the most of the young tourists are like to travel for Ella. Mostly young tourists can be single and also, they are backpackers (individual tourists). When there traveling for budget homestay can be suitable accommodation for them. While hosts mostly need to target the solo travelers according to the study, the researchers suggest the homestay should be the easily attracted one that means the environment and appearances should have different themes. And it should attract adventure travelers. Also, according to the study, researchers found there is no strong positive relationship between service quality and customer satisfaction except the empathy variable. Then the hosts can change the service styles and there are so many hosts who didn't conduct any courses or diploma programs regarding service improvement for homestay operation. This means it is essential to conduct the workshops and seminars for the hosts by government sector organizations and education institutes. Also, some of the awareness programs help to improve the host's service qualities. With good service quality guests are highly satisfied and it can make strong positive relationships between the service qualities and satisfaction of the guest.

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