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## CASE STUDY ON CUSTOMER SATISFACTION IN THE SERVICES AND FACILITIES OF A BOUTIQUE HOTEL: EVIDENCE FROM THE PHILIPPINES Dr. Dennis A. Sandoval, CMC, IVPF, DBE, CPA

Certified Management Consultant International Visiting Professorial Lecturer, Royal Institution-Singapore Diplomate in Business Education, Philippine Academy of Professionals in Business Education Quezon City, Philippines

### **ABSTRACT:**

Improving guest experience in hotels is one of the most effective and yet least explored ways of building a hotelier's business. When done right, hotel customer satisfaction goes a long way in gaining their loyalty. This, in turn, has a direct and positive impact on a hotel company's revenue, online reputation as well as word-ofmouth marketing.

At a time when of increasing customer demands and higher customer expectations, the most successful hotel brands are those that are able to consistently deliver constantly improving levels of customer satisfaction. Hotel brands that stand out are those that are able to meet both the expressed and the unexpressed needs of customers. Delivering exceptional customer satisfaction begins with understanding who the customer is, anticipating what their needs are likely to be and then creating an environment that meets and exceeds those needs.

Keywords: amenities, boutique, hotelier, word-of-mouth

## INTRODUCTION

In marketing, a service is the non-material equivalent of a good. Service provision has been defined as an economic activity that does not result in ownership, and this is what differentiates it from providing physical goods. It is claimed to be a process that creates benefits by facilitating either a change in customers, a change in their physical possessions, or a change in their intangible assets.

By supplying some level of skill, ingenuity, and experience, providers of a service participate in an economy without the restrictions of carrying stock (inventory) or the need to concern themselves with bulky raw materials. On the other hand, their investment in expertise does require marketing and upgrading in the face of competition which has equally few physical restrictions. A service business like Hotel is marketable. Aside from gaining profit, they somehow help by protecting their customer especially the tourists. By this way of helping the customers, this kind of business helps a lot in our economy. Aside from paying taxes, it helps in promoting tourism by giving its foreign customers a safe place to stay and by offering them the best service a hotel can give. Some other customers come back to our country not because of our natural resources but simply because they want to feel the safety and good service given to them by the hotel.

Different hotels have their own unique designs but customers mostly feel the services and the efficiency they provide and its efficiency. Some may have cheaper prices but their customers do not attempt to book in it again. Why? It is because of poor, inefficient and lame services. Customers may judge hotels by its services that is why hotels should be more emphasizing its services than the price and beauty they have.

In the heart of a vibrant district in Quezon City stands a quality hotel through its services for the priceconscious guest. Hotel C brings historical spots, food establishments, shopping centers, and business districts well within your reach. With a 100% Filipino workforce, Hotel C prides itself in offering excellent amenities and first-class service at economy rates.

Its rooms make you feel at home. Cozy and comfortable, standard and Superior rooms at Hotel C have all the basic amenities to ensure your stay is as convenient as possible. Its staff has taken great efforts to ensure your room is well-kept and has all the ingredients for a good night's sleep, whether in single or twin-bedded configurations. The Hotel C has 60 accommodating rooms, this 60 rooms are consists of 20 standard rooms, 20 superior, 15 deluxe and 5 executive suites.

Unlike other hotels in Quezon City's busy streets, Hotel C accords guests with world-class service and a touch of renowned Filipino hospitality. From its comfy accommodations to our first-class facilities, everything is packaged to deliver beyond your expectations.

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The said hotel is also featured in the internet as one of the hotels that can be easily booked and satisfy its customers. Convenience in a boutique hotel can't be easily compared to five star hotels as long as its services and facilities can satisfy its guests.

#### **BACKGROUND**

Hotel C's belief is that today's price-conscious consumer is looking for quality at low price. This is precisely what Hotel C delivers. With spacious well-appointed rooms. The hotel takes pride in providing 5-star services for the price of a boutique hotel.

Hotels in Quezon City and elsewhere in the country again suffered depressed operating conditions in 2017. The global economic downturn, internal political bickering, and terrorism in Southern Philippines have led to a decline in tourism arrivals to, and investment sentiments toward the country.

With these, the administration made an intensive move to intensify the country's tourism in which the hotel industry belongs. Hotels in return participated in this move by providing more satisfying services and promotions for their guests both local and foreign

Most of businessmen, in and out of the country, would usually avail or book on a more known and hotels like five-star hotels. And yet three-star hotels exist and sometimes much preferred by some clients. What could be its assets or things to offer that makes its guests go back and book in it again and again. Or what can this kind of hotels offer that made their guests choose them in the first place.

Its guests mostly consists of foreigners, might be looking for a more efficient way of spending heir in money in terms of booking for their stay in the country regardless of their purpose, whether for business or traveling. The services and facilities they have may be enough for them to continuously pick them whenever their clients would to stay in the country.

The researcher would like to find out whether these services serve as one of their strengths and affect the hotel's sales in customer satisfaction and why customers patronize this hotel.

## STATEMENT OF THE PROBLEM

This study is focused on assessing the level of the guests' satisfaction on the services and facilities of Hotel C or the following attributes:

- I. Are the Service providers:
  - a) Efficient
  - b) Courteous
  - c) Friendly
  - d) Prompt
  - II. Are the Guestrooms:
    - a) Ambiance/Mood pleasant
    - b) Clean
    - c) Physical Arrangement appropriate for the guests
    - d) Facilities enough
  - III. Are the Foods':
    - a) Taste good
    - b) Presentation good
    - c) Variety enough
    - d) Quantity sufficient
  - IV. Other Facilities:
    - a) are the Function Rooms excellent
    - b) is the Business Center good
    - c) is the Parking space adequate for the guests

## Hypothesis

**HO:** The level of satisfaction among respondents is relative to the type of guests on services and facilities offered by Hotel C.

## SIGNIFICANCE OF THE STUDY

The Hotel Management

The study would help the company know whether its services affect its sales through the perception and satisfaction of its customers. It will also allow them to know the strengths and weakness of their services and the benefits they get from it. With this study, they can improve the kind of service and facilities they give to their customers.

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### The Hotel Employees

Its employees will be aware that their contribution as far as serving their guests is concerned, is as vital as attracting customers. They will know that their guests may continue to stay or decide to go because of them. They will also know that they are essential in hotel industry because they performance is a reflection of their respective hotels. To prospective tourists/customers, upon knowing the kind of service that is given by the employees, they will not think twice in booking in the hotel if they knew the good service being offered by the Hotel.

## The Returning Customers

The employees greatly affect the customers. If the customers are satisfied with the kind of service that is given by the employees, it is expected that the customers will come back again and again.

## **Prospective Customers**

Upon knowing the kind of service that is given by the employees, they will not think twice in booking in the hotel if they knew the good service being offered by the Hotel.

#### The Researcher

The study will provide knowledge about the importance of service in a business and its effectiveness as a tool or reason for customers to continue in patronizing service business such as hotel. This study can help them in the near future if they knew how marketable and profitable a service business is. Aside from gaining profit, in such ways they also help some other people like

#### The Future Researchers

The future researchers may use this study as a reference or source on studies that they may be conducting. They will also know the importance of services and it may also give them ideas on what should be emphasized so that a business may prosper.

### SCOPE AND DELIMITATIONS

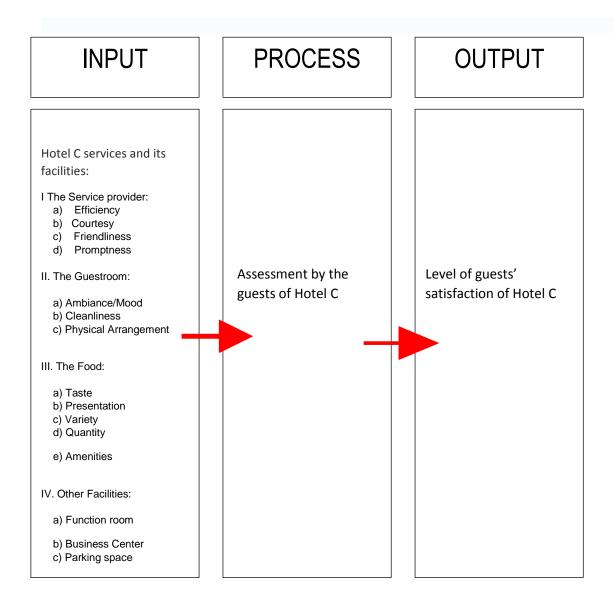
The scope of the study on the guests' satisfaction on the services and facilities of Hotel C is to assess its strengths and as far as their services and facilities are concerned. The study will be conducted during slack season (from 2<sup>nd</sup> week of October 2017 up to 2<sup>nd</sup> week of November 2017) and peak season (from 3<sup>rd</sup> week of December 2017 up to 2<sup>nd</sup> week of January 2018).

The study also seeks to know the perception of its guests as well as their employees about the services and facilities they offer like the food, guestroom, and other facilities such as the function room, business center and parking space as well as the service providers. It identifies the preference of the customers on the services and facilities they have.

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### **CONCEPTUAL PARADIGM**





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#### **DEFINITION OF TERMS**

- 1. Ambiance The special atmosphere or mood created by a particular environment
- 2. Analysis the action of taking something apart in order to study it.
- 3. Amenities something that conduces to comfort, convenience, or enjoyment
- 4. Assessment process of documenting. Usually in measurable terms knowledge and skills attitudes and beliefs
- 5. **Comprehension -** perception or understanding
- 6. Courtesy excellence of manners or social conduct; polite behavior
- 7. **Guest/s** a term used by hotels for their customers.
- 8. Ingenuity the ability to come up with (especially original and creative) solutions to difficult problems
- 9. **Patronize** to make oneself a regular customer of a business
- 10. **Promptness** being ready and quick to act as occasion demands.
- 11. **Service -** the performance of duties or the duties performed as or by a waiter or servant; occupation or employment as a waiter or servant.
- 12. **Type of guest** referring to local and foreign guest.

### RESEARCH DESIGN

The researcher used the basic descriptive approach. Descriptive method of research is fact- finding study with adequate and accurate interpretations of the findings. It specifically describes the current situations, conditions, and phenomena that actually exist. Since the present study is concerned primarily with the services and facilities of Hotel C if whether they have enough facilities to cater good service to their guest. Questionnaires were dispensed. Data was accumulated, tabulated, evaluated and interpreted. The aforesaid chosen method of research was the most appropriate method to use.

### SOURCES OF DATA

Primary Sources of Data

The researcher gathered data from the guest, and other reliable sources that gave information about the facilities and services of the hotel. And, the researchers performed direct observation regarding the services of the hotel.

Secondary Sources of Data

The best references that the researcher obtained information are books, articles, digests, journals, brochures, hotel manuals, etc. The researchers were able to avail these references from libraries, hotels, etc.

## DATA GATHERING PROCEDURES

The researcher used survey questionnaires in obtaining substantial information, which was used as a primary source of data. The group sent a letter to the Hotel Guest Services Manager asking permission to conduct a survey and interview in their branch.

## RESPONDENTS OF THE STUDY

The research study is about the Assessment of the Services and Facilities of Hotel C. The guest and employees of the hotel were chosen to cater the needed information. The determination of the total respondents from the total number of guest was derived using Sloven Formula to arrive to the accurate number of respondents. Data was accumulated, grouped, tabulated, analyzed and interpreted qualitatively and quantitatively in order to arrive to the essential or necessary information needed that has given the researcher the knowledge and information to generate conclusion and recommendations that leads to the bringing about the realization of the study.

## RESEARCH INSTRUMENT

The instrument used to gather and accumulate data is the questionnaire. This was used because it gathers faster than any other methods, with the same measure of accuracy. Since most of the guest, as respondents are literate enough, they can easily relate to the study. Information gathered from the respondents was most beneficial to the researcher in the accomplishment of the study.

## STATISTICAL TREATMENT OF DATA

The researcher used the descriptive method. Together with are the percentage, weighted mean, and the Chi square.

### SUMMARY, CONCLUSION & RECOMMENDATIONS

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#### **SUMMARY**

This study is focused in determining the level of the guests' satisfaction of the services and facilities of Hotel C.

The researcher created questionnaires for the guests to be answered and to know their reaction and experience during their stay in Hotel C. The questionnaires were given to both local and foreign guests and their answers will be compared. The questionnaires were given to them before they leave the hotel while they are fixing their transaction.

The researcher then used chi-square method in order to compare the level of satisfaction of both local and foreign guests.

### **Findings**

- 1-a Most of the local guests find the service provider inefficient while the foreign guests find the service provider efficient
- 1 –b Most of the local guests find the service provider not courteous while the foreign guests find the service provider courteous
- 1-c Most of the local guests find the service provider not friendly while the foreign guests find the service provider friendly
- 1-d Most of the local guests find the service provider not prompt while the foreign guests find the service provider prompt
- 2-a Most of the local guests find the guestroom's mood or ambiance not pleasant while the foreign guests find the guestroom's mood or ambiance pleasant
- 2-b Most of the local guests find the guestroom not clean while the foreign guests find the guestroom clean
- 2-c Most of the local guests find the guestroom not appropriate for them while the foreign guests find the guestroom appropriate for them
- 2-d Most of the local guests find the guestroom's amenities enough for them while the foreign guests find the guestroom's amenities enough for them
- 3-a Most of the local guests find the food not delicious while the foreign guests find the food delicious
- 3-b Most of the local guests find the presentation of the food is not good while the foreign guests find the presentation of the food good
- 3-c Most of the local guests find that there are not enough variety of food offered while the foreign guests find that there are variety of food offered
- 3-d Most of the local guests find that the quantity of food is not sufficient while the foreign guests find the quantity of food sufficient
- 4-a Most of the local guests find the function room excellent while the foreign guests find the function room not excellent
- 4-b Most of the local guests find the business center good not while the foreign guests find the business center not good
- 4-c Most of the local guests find the parking space is adequate for them while the foreign guests do not find the parking space adequate for them

## CONCLUSION

The researcher concludes that most of the local guests were not satisfied with the service provider, guestroom, and food while most of the foreign guests were satisfied with the service provider, guestroom, and food.

The researcher also concludes that most of the local guests were satisfied with the other facilities of the hotel (function room, business center, parking space) while most of the foreign guests were not satisfied.

## RECOMMENDATIONS

- 1. The researcher recommend a seminar for the employees of the hotel in order for them to know tips and importance of their duty and role to make the hotel successful
- 2. Make sure that the guestrooms are well ventilated and clean at all times in order to please the guests
- 3. Add more food in order for the guests to have enough variety to choose from. Also, add more Filipino cuisines for the local guests and also for the foreign guest to taste our cuisines
- 4. Add latest appliances or machines that can make the guests feel secured within the premises of the hotel.

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#### **Author Profile**



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**Dr. Dennis A. Sandoval, CPA** received the B.S. in Accountancy degree from De La Salle University in 1993, M.B.A. degree in 1999 from Ateneo de Manila University in 1999, Doctor in Business Management degree from the Philippine Women's University in 2008, and PhD in Educational Management from St. Jude College-Manila in 2014. From 2009 to present, he successively served as Dean of the School of Business in three higher educational institutions in Caloocan City, City of Manila, and Quezon City. He is a lecturer of finance, accountancy, and taxation courses in some colleges and universities in Manila and Quezon