

Service Quality and Customer Satisfaction in Hospitality Industry: The Case of Selected Hotels in Jimma Town, Ethiopia

Seid Hussien Ali¹

¹ Jimma University

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Abstract

Hospitality is an umbrella term covering a variety of businesses, including restaurants, hotels, resorts and casinos. In a highly competitive hotel industry, individual hoteliers must find ways to make their products and services stand out among the others. The main aim of this study was to investigate service quality and customers satisfactions in hospitality industry: the case of selected hotels in Jimma town in Ethiopia, by applying a modified version of the LODGING QUALITY INDEX model. In line with the objective, descriptive and explorative research methods were employed to analyze the data collected through questionnaire from a sample of 172 respondents and correlation and regression analysis were used to see the cause and effect relationships. The key finding showed that there was a negative gap between actual service and expected service in all dimensions of lodging quality index and significant and positive relationships of five service quality dimensions and customers satisfactions.

Index terms— service quality, LODGING QUALITY INDEX, expectations, perceptions, and satisfaction.

1 Introduction

Despite the vast amount of research done in the area of service quality, quality related issues have received little research attention within the hospitality context especially in Ethiopia. The hotel industry consists of many different services, including accommodation, restaurants, cafes, and catering. The market for the hotel industry, especially classified hotels 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 (G/egziabher, 2015).

Even though Ethiopia is in development path in different service sectors, still the country suffered from having world class hotel chains in number and providing international service standards. The country also suffered attracting more private hotel owners due to different reasons and the existed hotels do not perform well as per the international hotel standards and these clearly show that the country does not enjoy economic contribution from hospitality industry as expected (Mitiku, 2015).

According to Ethiopian ministry of culture and tourism quality standards to the hotels grading requirements and classification evaluation criteria states Author ? : Jimma University. e-mail: seidju63@gmail.com that to obtain a higher Star rating a progressively higher quality and range of services and physical facilities should be provided across all areas with particular emphasis in five key areas: cleanliness, service, food, bedrooms and bathrooms (Culture, 2015).

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 and with no applicable practical SERVQUAL model (G/egziabher, 2015). These problems likewise have been seen currently in Jimma town hotels service.

45 The research results showed that most of the hotels in Jimma town did not meet the standards those are
46 expected in terms of service delivery such as adequate facilities, excellent customer relationship, and knowledge
47 of product or service offerings, trained personnel, provision of confidence and trust of services offered. These have
48 led to customers complaining of poor quality of service, loss of confidence and dissatisfaction.

49 Moreover, managers of the observed hotels sometimes act as if today's profits are primary and customer
50 satisfaction is secondary. They have lost sight of the idea that customers are their most important priority.
51 Many of them have no idea who their customers are, or what their customers want and have no idea how to find
52 out. This attitude leads to fewer repeat customers and negative word of mouth.

53 Even if few studies were conducted on hospitality industry for example by G/egziabher ??2015) and Andargie
54 (2013) assessed hotel related services in Addis Ababa, deep reviewed of these research result showed that there
55 is a gap in way of measuring customers satisfactions. As different writers stated that customers' satisfactions
56 should be measured based on D computing the actual service and expected service results. Customer satisfaction
57 is the outcome of customer's perception of the value received in a transaction or relationship, where value equals
58 perceived service quality, compared to the value expected from transactions or relationships with competing
59 vendors (Parasuraman et al, 1988).

60 The objective of the study is to show the gap between provided services and expected services and relationships
61 in terms of five dimensions: tangibility, reliability, responsiveness, confidences and communications and customers'
62 satisfactions the case of selected hotels in Jimma town, Ethiopia.

63 Providing high standard of service quality can result in high level of customer satisfaction Suki (2013) and
64 based on the widely common service quality measurement model LODGING QUALITY INDEX developed by
65 Getty and Thompson (1995) and to see the relationship of these five dimensions with customer satisfaction
66 hypotheses were done.

67 2 II.

68 3 Literature Review a) Service Quality and Customer Satisfac- 69 tion

70 Quality in a service business has become a measure of the extent to which the service provided meets the
71 customer's expectations. Companies have found that in order to increase profits and market share, they should
72 pay much attention to service quality. Service quality has become a key strategic factor for companies to
73 differentiate their products and services from other competitors by using service quality. Many researchers
74 recommend that customers assess service quality by comparing what they feel a seller should offer and compare
75 it against the seller's actual service performance (Gronroos, 1982) and the importance of quality to firms
76 and customers is unequivocal because of its benefits contributing to market share and return on investment
77 (Parasuraman et al, 1988).

78 According to Henning-Thurau et al (2001), the service quality is considered essential for the success and
79 survival in a competitive environment and this influence the consumer behavior in a decision making process,
80 and also the level of relationship between customer and company and can impact customer's loyalty. Measuring
81 service quality is a better way to dictate whether the services are good or bad and whether the customers will or
82 are satisfied with it.

83 Likewise Murasiranwa et al (2010), the hospitality industry has been facing increased number of competitors
84 and a pressure environment, as a consequence of the combined effect of the current worldwide economic situation,
85 technological advancement and globalization. The competitive environment in a hospitality industry has modified
86 the way the companies' delivery the quality of service to customers and has made them adopting new approaches
87 to maximize the customer satisfaction based in a service quality.

88 Furthermore, the players in the hospitality industry, precisely the hotel has been directed the efforts to change
89 the way they act in this industry, focusing in understand customer's needs and set out strategies to meet or
90 exceed these needs. The way they have found to achieve this strategy is to raise the attention to service quality
91 from the customer's perspective (Al Khattab & Aldehayyat, 2011).

92 4 b) Customer satisfaction

93 Customer satisfaction is the outcome of customer's perception of the value received in a transaction or relationship,
94 where value equals perceived service quality, compared to the value expected from transactions or relationships
95 with competing vendors (W.H.D.P.U.G, 2014).

96 In order to achieve customer satisfaction, it is important to recognize and to anticipate customers' needs and
97 to be able to satisfy them. Companies which are able to rapidly understand and satisfy customers' needs, make
98 greater profits than those which fail to understand and satisfy them (Almsalam, 2014).

99 Commitment towards quality improves the guest's level of satisfaction and increases profits and consequently
100 the benefits gained by the guest and the employee. On the opposite, mistakes in service provision cost the hotel
101 money and its reputation may suffer. This is the "non-quality cost" concept. The scenario created by non-quality
102 service can be daunting for any hotel manager. An unhappy guest does not usually express his/her unhappiness to
103 the management of a hotel, but will on average, inform at least nine other people about poor service experiences.

104 A happy guest will, by contrast, only inform three people about his/her good service experiences in a hotel
105 (W.H.D.P.U.G, 2014).

106 Moreover based on (Oliver 1980), customer satisfaction is stated based on the expectation disconfirmation point
107 of view. Before purchasing or using the product or service, customers always have their personal expectation
108 about its performance. After buying or using product or service, if the result is equal or better than expectation,
109 it means the expectation has positive confirmation. In the opposite case, if the result is lower than expectation,
110 we have negative confirmation. Customers are said to be satisfied only if there are positive confirmations of
111 expectation. Customer satisfaction leads to repeat purchases, loyalty and to retain customers. Satisfied customers
112 are more likely to repeat buying products or services. They will also tend to say good things and to recommend
113 the product or service to others. On the other hand dissatisfied customers respond differently. Dissatisfied
114 customers may try to reduce the dissonance by abandoning or returning the product, or they may try to reduce
115 the dissonance by seeking information that might confirm its high value (Kotler, 2000).

116 The SERVQUAL instrument is used to assess consumer perceptions and expectations regarding the quality
117 of a service. The original service dimensions used by consumers to judge the quality of a service include:
118 Assurance-knowledge and courtesy of all employees and their ability to inspire trust and confidence in hotel
119 guests. Empathy-consideration, individualized attention the hotel provides to its guests. Reliability-the ability
120 to perform the promised service dependably and accurately. Responsiveness-a sincere willingness to assist guests
121 and provide timely service. Tangibles-The ambience and general appearance of the physical facilities, rooms,
122 restaurants, equipment, personnel, and communication materials (Na, 2010).

123 For each dimension, the SERVQUAL scale provides a score for customer expectations (E) and as core for
124 customer perceptions (P) of service providers' performances. Customer expectations are wants or desires of
125 customer, what they feel from the providers or it can be the prediction of future events. While customer
126 perceptions are measured directly within and after their experience in using service. They reveal the evaluations
127 of customers about what they gain from service (Na, 2010).

128 According to Parasuraman et al (1988), the difference between the two scores is service quality (Q).

129 **5 Q = P -E**

130 The key to optimizing service quality is to maximize this positive gap score. The negative value of this gap score
131 reveals the dissatisfaction of customers. The input to calculate this score is customers' feedbacks.

132 **6 c) Lodging Quality Index**

133 The lodging quality index (LQI) is a multidimensional scale developed on the basis of SERVQUAL model. The
134 process of the LQI scale began with ten dimensions that were originally in the first version of SERVQUAL
135 (Parasuraman et al, 1988). The authors claimed that the LQI is a generic measure of hotel service quality (Na,
136 2010).

137 **7 d) Previous Studies on Hotel Industry**

138 According to the study by Hasan (2014), on the measuring service quality and customer satisfaction of the Hotels
139 guests in Bangladesh, guest states that the hotel guests' perceptions of service quality provided by the hotel
140 industry were lower than their expectations. The lowest expectations and perceptions were given by Bangladesh
141 guests towards the hotels and domestic and international hotel guests the results showed that the overall customer
142 satisfaction levels towards the hotel stay is not satisfactory. Likewise, Kariru (2014) has made a research on
143 the customers' perceptions and expectations of service quality in hotels in Western tourism circuit, in Kenya
144 indicated that the hotels have room to improve their service quality and adapt to customers' expectations, so
145 as to generate increased customer satisfaction and the resultant competitiveness. It is evident that a gap exists
146 between customers' perceived and expected service quality standards of hotels.

147 Furthermore, G/egziabher ?? 2 (2015) examined the service quality and customers satisfaction in hotel
148 industry in Addis Ababa, Ethiopia on three star hotels stated that the combination of tangibility, reliability, re-
149 sponsiveness, confidence and communication together has significant and positive effect on customer satisfaction.
150 And also the hotel guests' perceptions of service quality provided by the hotel industry were lower than their
151 expectations.

152 Andargie (2013) conducted a study on foreign customer satisfaction in Ethiopian five star hotels Sheraton
153 Addis and Hilton intercontinental hotels reported that foreign customers are not satisfied by the services of the
154 hotels, more over all services quality dimensions created a gap in their expectation and perception of guests.
155 Besides Zeleke (2012) has examined a study about the impact of service quality on customer satisfaction at the
156 public owned National Alcohol and Liquor Factory stated that the five service quality dimensions brought an
157 impact on customer satisfaction was significant in all factors of service quality.

158 **8 e) Conceptual Frame work**

159 Conceptual framework was developed to identify the capability to predict the customer satisfaction based on the
160 dimensions of service quality.

161 The conceptual frame work depicts the relationship between the independent and the dependent variables.

162 Currently the LODGING QUALITY INDEX model has been proven to be the best model to measure service
163 quality in service sectors especially with the customer perspective. This idea generates an assumption that the five
164 dimensions of LODGING QUALITY INDEX model could have a direct relationship with customer satisfaction.
165 To see the relationship between customer satisfaction and service quality dimensions it is better to use the model
166 (G/egziabher, 2015 and Na, 2010).

167 **9 Predicted Model of Customer Satisfaction based on Service** 168 **Quality dimensions (LQI)**

169 Source: extracted from review of related literature If customers agree that they are satisfied and give the reasons
170 for satisfaction as service quality; service quality dimension has significant relationship with service quality and
171 customer satisfaction, then a conclusion could be drawn that service quality has a significant relationship with
172 customer satisfaction and with service quality dimensions.

173 To know about the impact of the individual dimensions of hotel service quality on overall customer satisfaction,
174 multiple regressions using the following model can predict:

175 We allow for independent variables five to potentially be related to the dependent variable one. Let:
176 x_1 =tangibility X_2 = reliability X_3 =responsiveness X_4 =confidence X_5 =communications Overall Customer Sat-
177 isfaction(y) = $\beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + e$

178 Where: β_0 is the intercept $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$ are coefficients/parameters associated with X_1, X_2, X_3, X_4, X_5 y -Response
179 variable X_1, X_2, X_3, X_4, X_5 are known constants/explanatory variables e -is random error III.

180 **10 Research Methodology**

181 The study was descriptive in nature and employed explanatory research method which was aimed at establishing
182 the cause and effect relationship between variables. The researcher used the facts or information already available
183 to analyze and make a critical evaluation of the data/information.

184 **11 a) Sampling Technique and Sample Size**

185 In this study, both non probability and probability sampling were employed. Purposive/ judgment type of non-
186 probability sampling was used for selecting the hotels and probability sampling was used. The sample size of
187 this research was 172 guests from population of approximately 1428 guests based on ratio of customers in the
188 specified days. The sample size from the guests is calculated as follows;

189 no-Adjusted sample size N -The population size. $n = 196/1 + (195/1428) n = 172$

190 The sample break down of hotels based on ratio: Central hotel, Syf hotel, Honey Land hotel and W/abegaze
191 hotel based on the ratio of (??)

192 **12 b) Data Collection Instrument**

193 For the purpose of gathering primary data, structured questionnaire were developed and administered with the
194 selected sample respondents/ guests. In this survey, self-completion questionnaire with closed questions were
195 developed.

196 The questionnaire were a complete survey of 40 questions covering mostly hotel services including the first
197 division with 4 items based on general information second part with 30 items based LODGING QUALITY
198 INDEX.

199 **13 c) Data Analysis**

200 Quantitative analysis techniques were employed to show processed data in absolute terms through the use
201 of descriptive statistical tools such as frequency, valid percentages, minimum and maximum value, mean and
202 standard deviation of results with the help of SPSS version 16 by employing descriptive and inferential analysis
203 techniques.

204 IV.

205 **14 Data Analysis and Discussions**

206 All items shows strong consistency and its constructs indicated by values of Cronbach's alpha higher than 0.70.
207 This suggests that the items concerned adequately measure a single construct for each tested variable (tangibility,
208 empathy, responsiveness, reliability, assurance). Reliability measurements for each construct are shown in Table
209 4.1. First, the results in the table 4.4 in the dimension Tangibility showed that customers had high expectations for
210 an excellent hotel to have modern functionality and appearance of the property. However, when their perceptions
211 of studied hotels functionality and appearance were compared to their expectation levels a gap of -0.65 was found.

212 The data shows that customer perceptions' on actually having modern looking functionality and appearance
213 of the property were lower than what they expected. That is provided services by the studied hotels had not
214 been met customers' expectations based on all Tangibility dimension.

215 All the tangibility dimensions such as visually appealing front desk, the neatness of employees, the restaurant's
216 atmosphere, attractiveness of outdoor surroundings, brightness of the hotel, well maintaining interior and exterior
217 of the hotel are not appealing as the customers' expectations. As a result negative difference between perceptions
218 and expectations of the customers The data shows that Customers' expectation levels vary in this dimension
219 according to which service attribute was being evaluated. However, on all the statements in this dimension
220 customers' expectations exceeded their perceptions of the service quality at the studied hotels (-0.83) These
221 finding indicates that Overall satisfactions on studied hotels promised service dependably and accurately was
222 below customer expectations. Customers were asked six questions to ascertain their level of expectations and
223 perceptions on the above variables. In the statement of responsiveness dimension customers' perceptions range
224 from (mean 2.85 to 3.05) and expectations (mean 3.85 to 3.99) results -0.92. In all items of responsiveness such as
225 employee's willingness to promptly respond the customers' request, availability of informative literature about the
226 hotel, employee's willingness to solve the guest problem quick availability of room service, fast check-in check-out
227 procedure are a negative results to customers satisfactions. Fourth, Customers' expectations and perceptions on
228 confidence dimension of the Hotel were sought on six variables (Table 4.7) above. They were examined through
229 six questions to verify their level of expectations and perceptions on the above variables. The result perceptions
230 mean's score range from (mean 2.96 to 3.13) and expectations (3.60 to 4.00);

231 In all items includes: knowledge of employees about local place, treatments' of guest, secured environment
232 delivered by the hotels, politeness of staffs and facilities located suitable place are a negative results when we
233 compare customers' expatiations.

234 A negative difference (-0.75) was observed with regard to the customers' perceptions and expectations of the
235 all confidence dimension. It confirmed that customers' expectations had not been met and they were dissatisfied
236 about the confidence dimension of Hotel services. Finally, Customers were asked six questions to ascertain
237 their level of expectations and perceptions on the communications variables (Table 4.8) above. Dimension of
238 communications perceptions range from (mean 2.9 to 3.2) and expectations (mean 3.5 to 3.8).

239 It showed that the customers' perception was lower than their expectations.

240 A negative difference (-0.72) on the dimension of communications was noted between the customers'
241 expectations and perceptions.

242 It showed that the customers' perception was lower than their expectation and they had been dissatisfied
243 with the communications dimension of the Hotel. Customers had expressed dissatisfaction with items includes
244 Charges on customers' account were clearly explained, Hotels employees have the customer's best interest at
245 heart, customers received undivided attention at the front desk, Reservationists tried to find These findings
246 indicate that the customers still expect more in the quality of service given by the service providers. Because
247 service delivered by Jimma Hotels are not match with their expectations. Table 4.2.1 shows that Correlation
248 value between service quality dimensions and customer satisfaction. The results of correlation analysis supported
249 the hypothesis H1, H2, H3, H4, & H5 and proved that there is a positive and strong significance relationship
250 between the LODGING QUALITY INDEX dimensions and customer satisfaction.

251 15 b) Correlation Result of Service quality and Customer 252 satisfaction

253 Tangibility and customer satisfaction ($r=0.345^{**}$, $p < 0.01$), reliability and customer satisfaction ($r =0.418^{**}$, P
254 < 0.01), responsiveness and customer satisfaction ($r=0.545^{**}$, $P < 0.01$), confidence and customer satisfaction (r
255 $= 0.474^{**}$, $p < 0.01$), communications and customer Satisfaction ($r=0.402^{**}$, $P < 0.01$) are positively correlated
256 respectively.

257 16 Reliability

258 is positive relations with responsiveness($r=0.361^{**}$, $P<0.01$).

259 Responsiveness is no correlations with confidence and communications ($r=0.297^{**}$, $p < 0.01$ and $r=244^{**}$,
260 $p<0.01$ respectively).

261 Confidence is positive relations with communications ($r=.471^{**}$, $p<0.01$).

262 Tangibility is no correlations with reliability and confidence ($r=0.134^{*}$, $p<0.05$ and 0.213^{**} , $p<0.01$
263 respectively).

264 17 c) Regression Analysis

265 The researcher used multiple regression analysis to examine the independent variables: The above results
266 illustrated the highest impact of the Responsiveness on customer satisfaction, where an increase in Responsiveness
267 by ($\beta = 0.308$, $t=5.149$, $p<0.01$) could cause an increase in the customer satisfaction in hotel industry.

268 Similarly, Reliability has a positive and significant effect on the customer satisfaction with (β coefficient
269 $=0.270$ $t=4.729$, and $p<0.01$).

270 Also, the customer satisfaction in Jimma studied hotels will be strongly affected by tangibility, where an
271 increase in tangibility by ($\beta = 0.207$, t -value= 3.814 , $p < 0.01$) will causes a direct increase in the customer
272 satisfaction.

273 The coefficient beta and p value of Confidence were positive and significant (beta= 0.250, p < 0.01) effect on
274 customers' satisfactions in Jimma studied hotels. Means the customer satisfaction in hotel is directly affected by
275 the Confidence where an increase in Confidence by 0.250 will cause a direct increase in the customer satisfaction.

276 The value of communications contribution to the Customer Satisfaction is (beta=0.178, t-value of 2.963 and
277 p-value less than 1% sig. level). That means communications on customer satisfaction, where an increase in
278 communications by 0.178 will cause an increase in the customer satisfaction in hotel industry.

279 The Model summary table 4.3.2 and the ANOVA table 4.3.3, include the R Square value, which serves as the
280 proportions of the variation in dependent variable (customers' satisfactions) being explained by the variation in
281 independent variable service quality dimensions. In other words this means that the R Square depicts how good
282 the regression model is at explaining the variance in Customer Satisfaction in hotels' industry.

283 It can be observed that the coefficient of determination (R^2) was 0.542, representing that 54.2% of customer
284 satisfaction can be explained by the five dimensions of service quality (LODGING QUALITY INDEX). This is
285 a good finding, but in order to find out if it is significant one must study the ANOVA table. The ANOVA table
286 shows the results from the analysis of the variance and determines if the R Square value is significant or not. In
287 this case the ANOVA table shows that the finding is significant because the p-value is less than significance level
288 0.1%. This indicates that the overall model was reasonable fit and there was a statistically significant association
289 between service quality dimensions and customer satisfaction. The following hypotheses were tested to answer the
290 problem statement and consequently address the objective of the study. H0: There is no a significant relationship
291 between the dimension tangibility of service quality and customer satisfaction.

292 H1: There is a significant relationship between the dimension tangibility of service quality and customer
293 satisfaction.

294 The result of the multiple regression analysis found that the variable tangibility had a beta value of 0.207
295 and that it was significant at a 0.01% significance level, as shown in Table 4.15. These finding indicate that
296 the researcher have very strong evidence to reject the null hypothesis and support the research hypothesis. The
297 positive relationship between tangibility and customer satisfaction was strengthened by the strong correlation
298 between the two variables, a Pearson coefficient of $r=0.345^{**}$ with p-value less than 0.01 as shown in Table 4.14. So,
299 there is a significant and positive relationship between the dimension tangibility of service quality and customer
300 satisfaction. H0: There is no significant relationship between the dimension reliability of service quality and
301 customer satisfaction. H1: There is a significant relationship between the dimension reliability of service quality
302 and customer satisfaction

303 The finding in the data analysis presented in Table 4.15, shows that the variable Reliability had a beta value of
304 0.270 and the p-value was less than one percent (1%) level of significance. This means that the variable Reliability
305 was the significant contributor to customer satisfaction. The data analysis also found that Reliability was strongly
306 correlated to customer satisfaction with a significant Pearson coefficient of 0.419.

307 So, the alternative hypothesis (H2) can be supported by the data because contribution to the customer
308 satisfaction has taken positive value and very strong evidence to reject null hypothesis with 99% confidence level.

309 Thus it can be concluded that there is a significant and positive relationship between Reliability and customer
310 satisfaction. H0: There is no significant relationship between the dimension responsiveness of service quality and
311 customer satisfaction. H1: There is a significant relationship between the dimension responsiveness of service
312 quality and customer satisfaction.

313 The regression analysis showed that responsiveness had a beta value of 0.308, which was the highest of all the
314 variables and p-value less than 1% sig. level. The data analysis also found that Reliability was strongly correlated
315 to customer satisfaction with a significant Pearson coefficient of 0.543^{**} with 1% sig. level. With this data we
316 can support the developed alternative (H3) and we have very strong evidence to reject the null hypothesis. So
317 the finding concludes that there is a significant and positive relationship between Responsiveness and Customer
318 satisfaction. H0: There is no significant relationship between the dimension confidence of service quality and
319 customer satisfaction. H1: There is a significant relationship between the dimension confidence of service quality
320 and customer satisfaction.

321 As shown in table 4.15 in the data analysis, Confidence had a significant beta value of 0.250 and pvalue less
322 than 1% sig. level. And the variable confidence was also positively correlated to customer satisfaction ($r=0.474^{**}$
323 and $p<0.001$) as depicted in table 4.14. With this data developed alternative hypothesis (H4) can be supported
324 and the researcher has very strong evidence against the null hypothesis at 1% significance level.

325 So the finding concludes that there is a significant and positive relationship between Confidence and Customer
326 satisfaction. H0: There is a significant relationship between the dimension communication of service quality and
327 customer satisfaction. H1: There is no significant relationship between the dimension communication of service
328 quality and customer satisfaction

329 As shown in table 4.15 in the data analysis, Communication had a significant beta value of 0.178 and p-value
330 less than 1% sig. level. And the variable Communication was also positively correlated to customer satisfaction
331 ($r=0.407^{**}$ and $p<0.001$) as depicted in table 4. 14 So the constructed alternative hypothesis can be supported
332 and the researcher has very strong evidence against the null hypothesis at 1% significance level. Finally it can
333 conclude that there is a positive and significant relationship between communications and Customer satisfaction.

334 To sum up the five dimensions of the lodging quality index (LQI) those generic measures of hotel industries'
335 quality service have significant and positive relationships with customers' satisfactions at 99% confidence level.

337 18 Conclusion and Recommendations a) Conclusion

338 Customers are very crucial part of the success of any company. Their satisfaction with a purchased product or
 339 service influences their decision to purchase it again. This holds true for the companies in the hotels industry
 340 satisfied customers prefer to return to the same hotel or restaurant if they really liked it. Therefore, customer
 341 satisfaction plays a very important role in the hotel industry and should be seen as one of the first management's
 342 priorities at all hospitality companies. The findings of the study could be summed up:

343 1. The dimension of responsiveness has significant and positive relationships with the customers' satisfactions
 344 at more than 99% confidence level. And also all attributes of responsiveness were not match with customer
 345 expectations. The result leads to negative disconfirmation, where performance is deemed worse than standard,
 346 resulting in dissatisfaction of customers to the studied hotels. 2. Communications had a significant and positive
 347 relationship with the customer satisfaction in hotel services. All elements of communications were results a
 348 negative sign in each considered hotels. In other words, the studied hotels were not capable in fulfilling the guest
 349 satisfactions in any elements of communications. 3. Tangibility had a significant and positive relationship with
 350 the customer satisfaction in hotel services. And negative difference between perceptions and expectations of the
 351 customers related to the Tangibility dimension was recorded. So, customers were dissatisfied with the Tangibility
 352 dimension of the studied Hotel. 4. Reliability had a significant and positive relationship with the customer
 353 satisfaction in hotel services. And also the studied hotels failed in fulfilling in customers' expectations in all
 354 elements of reliability dimensions. 5. Confidence had a significant and positive relationship with the customer
 355 satisfaction in hotel services. All items includes: knowledge of employees about local place, treatments' of guest,
 356 secured environment delivered by the hotels, politeness of staffs and facilities located suitable place are a negative
 357 average score results when we compare customers' expatiations.

358 19 b) Recommendations

359 The following are the recommendations:

360 1. To curve the problem related to responsiveness dimensions, motivating employees are critical points to the
 361 managers and owners of the hotels. When hotel companies find great employees, train them, and incorporate
 362 them into their work team, they do not want to lose them. They need to motivate them so they stay and do
 363 their work well. 2. Communication is at the heart of all business relationships. Managers must give instructions,
 364 feedback, encouragement, carry-out discipline, and solve problems using interpersonal communication.

365 There must be constant and clear communication down as well up within the company.

366 Communication is probably the most important step to achieve improved satisfaction among employees that
 367 consequently leads to increased customer satisfaction. 3. The owners of the hotels or the top level of managers
 368 should maintain the service attribute of tangibility at the acceptable level, because different type of customer
 369 usually has a variety of their preference. The facilities' physical appearance like facilities at excellent hotels
 370 should be visually appealing, materials in excellent hotels should be neat in appearance and the front office
 371 area and restaurants must be attractive and appealing. 4. Be reliable one way for the firm to keep customers'
 372 expectations from rising is to perform the service properly at the first time. It is imperative to be a reliable
 373 service provider that can deliver consistently competitive performance. 5. To solve the problems regarding
 374 confidence of employees, attracting or recruiting staffs that have adequate knowledge in managing, especially
 375 in hotel management and tourism with appropriate short and long term training and orientations concerning
 376 customers handling should be provided. Well-trained employees can deliver quality service which helps the image
 377 of the company and attracts more customers to the company. 6. Managers should understand that profit is the
 378 result of doing things right rather, than only purpose of doing business. They know that the purpose of business
 379 is to create and maintain satisfied customers. Satisfied customers not only return to the same hotel or restaurant,
 380 but they also talk favorably to others about their satisfaction. 7. Concerned bodies like the government officials
 381 are seriously considering or supporting the hospitality business to make the hotel sectors more international brand
 and to give attentions to the hospitality sectors like other disciplines. ^{1 2 3}

3

1: Sample break down

Figure 1: Table 3 .

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: Reliability Statistics Alpha(Perceptions) 0.780 0.761 0.853 0.882 0.813 1. How many times have you previously visit at the studied hotels within a month? Variables No. of items Tangibility 6 Reliability 6 Responsiveness 6 Confidences 6 Communications 6 Alphas (expectation) 0.803 0.803 0.841 0.892 0.879	Year 77 Volume XVI Is- sue V Version I Global Journal of Management and Business Research ()
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Figure 2: Table 4 . 1

42

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 times	14	8.1	8.1	8.1
	2 times	28	16.3	16.3	24.4
	3 times	32	18.6	18.6	43.0
	four times	40	23.3	23.3	66.3
	more than 4 times	58	33.7	33.7	100.0
	Total	172	100.0	100.0	

As the table 4.2 shows that most of the studied hotels visit the hotels approximately more than four times within a month. So the customers have enough information's to judge or evaluate level of service quality to studied hotels.

Figure 3: Table 4 . 2 :

43

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-8	18	10.5	10.5	10.5
	9-12	14	8.1	8.1	18.6
	diploma	27	15.7	15.7	34.3
	degree	54	31.4	31.4	65.7
	MA	59	34.3	34.3	100.0
	and above				
Total	172	100.0	100.0		

review service quality is composed of tang
reliability, responsiveness,

78

a) Level of customers' expectation and perception towards service quality of hotels

This section presents the customers_

expectation and perception towards service quality of

Hotels. As the researcher tried to states on the literature

Figure 4: Table 4 . 3 :

44

No.	LODGING QUALITY INDEX	N	Customers' expectation		Customers' Perceptions		Cu
			mean	S.D	mean	S.D	Le
1	TQ1:The front desk was visually appealing	172	3.80	.74094	3.24	1.16284	P-
2	TQ2:The employees had clean, neat uniforms	172	3.88	.81533	3.20	1.14421	-0.
3	TQ3:The restaurant's atmosphere was inviting	172	3.82	.84038	3.20	1.20366	-0.
4	TQ4:The outdoor surroundings were visually attractive	172	3.72	.88722	2.98	.95191	-0.
5	TQ5:The hotel was bright and well lighted	172	3.78	.81305	3.17	1.16671	-0.
6	TQ6:The hotel's interior and exterior were well maintained	172	3.70	.75811	2.96	.99917	-0.
	Cumulative/aggregate/ level		3.78		3.12		Di (-0

Figure 5: Table 4 . 4 :

19 B) RECOMMENDATIONS

45

LODGING QUALITY INDEX			Customers' expectation		Custom
RELIABILITY		N			
1	RLQ1:My reservation was handled efficiently	172	3.80	.83576	3.20
2	RLQ2:My guest room was ready as promised	172	3.80	.7468	3.22
3	RLQ3:TV, radio, A/C, lights, and other mechanical equipment worked properly	172	3.81	.91341	3.03
4	RLQ4:I got what I paid for	172	3.78	.88866	2.60
5	RLQ5:Hotel Provides services at the time it promises to do so	172	3.92	.70924	2.91
6	RLQ6:Employees were able to accurately answer my questions	172	3.94	.72313	3.10
Aggregate mean			3.84		3.01

[Note: 2016E © 2016 Global Journals Inc. (US)]

Figure 6: Table 4 . 5 :

46

No.	LODGING QUALITY INDEX	N	Customers' expectation		Cu
RESPONSIVENESS			mean	S.D	me
1	RQ1:Employees responded promptly to my requests	172	3.90	.77731	2.8
2	RQ2:Informative literature about the hotel was provided	172	3.89	.71784	3.0
3	RQ3:Employees were willing to answer my questions	172	3.85	.88973	3.0
4	RQ4:Employees responded quickly to solve my problems	172	3.87	.83043	3.0
5	RQ5:Room service was prompt	172	3.96	.69160	3.0
6	RQ6:Check-in and check-out procedures were fast and efficient	172	3.99	.67967	2.9
AGREGATE MEAN			3.91		2.9

Third, Customers' expectations and perceptions were sought on four variables coming under the Responsiveness

dimension (Table 4.6)

above.

Figure 7: Table 4 . 6 :

47

LODGING QUALITY INDEX	N	Customers' expectation	Customers' Perceptions	Cu		
CONFIDENCE						
1 CQ1:Employees knew about local places of interest	172	3.68	.92215	3.13	1.14943	-0.5
2 CQ2:Employees treated me with respect	172	3.75	.85925	3.03	1.17923	-0.7
3 CQ3:I felt safe in the delivery of services	172	4.01	.78724	3.10	1.00093	-0.9
4 CQ4:Employees were polite when answering my questions	172	3.80	.91088	2.99	1.18464	-0.8
5 CQ5;The hotel provided a safe environment	172	3.74	.88768	2.96	1.21826	-0.7
80 6 CQ6:The facilities were conveniently located	172	3.78	.88392	3.05	1.21787	-0.7
AGREGATE MEAN GAP		3.79		3.04		Dis (-0

[Note: 2016E © 2016 Global Journals Inc. (US) 1]

Figure 8: Table 4 . 7 :

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LODGING QUALITY INDEX	N	Customers' expectation	Customers' Perceptions		
COMMUNICATIONS					
1 CNQ1:Charges on my account were clearly explained	172	3.53	.89461	2.95	1.18600
2 CNQ2:Hotels employees have the customer's best interest at heart	172	3.77	.89409	2.99	1.16226
3 CNQ4:I received little attention at the front desk	172	3.73	.78620	2.98	1.21623
4 CNQ5:Reservationists tried to find out my particular needs	172	3.74	.94041	3.21	1.01585
5 CNQ6: Managers of the hotel was supervising and friendly welcoming me.	172	3.68	.86319	2.91	1.02173
6 CNQ3:Hotels employees deals with guests in a caring fashion	172	3.89	.89872	2.92	1.13132
Aggregate mean gap		3.72		2.99	

Figure 9: Table 4 . 8 :

19 B) RECOMMENDATIONS

4

CUSTOMERS' SATISFACTIONS	Pearson Correlation	1	.345 **	.419 **	.543 **	.474 **	.402 **
RESPONSIVENESS	Sig. (1-tailed)		.000	.000	.000	.000	.000
CONFIDENCE	N	172	172	172	172	172	172
TANGIBILITY	Pearson Correlation	.345 **	1	.134 *	.097	.213 **	.104
COMMUNICATIONS	Sig. (1-tailed)	.000		.040	.103	.002	.088
	N	172	172	172	172	172	172

[Note: 2016 E © 2016 Global Journals Inc. (US) *. Correlation is significant at the 0.05 level (1-tailed).]

Figure 10: Table 4 .

4

Model	Unstandardized Coefficients		Standardized Coefficients	Sig.	Collinearity Tolerance
	B	Std. Error			
(Constant)	-3.744	.228	-	.000	
RESPON.	.238	.046	.308	5.149	.000
CONFID.	.180	.045	.250	4.021	.000
RELIAB.	.239	.051	.270	4.729	.000
TANGEB.	.191	.050	.207	3.814	.000
COMUN.	.135	.046	.178	2.963	.003

a. Dependent Variable: CUSTOMERS' SATISFACTIONS

The results are as follows:

Estimated customers' satisfactions

(Y)=-3.744+0.308*Respo.+0.250*Conf.+0.270*Reliab.+0.207*Tang.+ 0.178*Comun.+e

Where:

Constant a=-3.744

Responsiveness Coefficient = 0.308

Confidence Coefficient = 0.250

Reliability Coefficient = 0.270

Tangibility Coefficient = 0.207

Communications Coefficient=0.178

e-Indicates random error.

Figure 11: Table 4 .

4

Model	R	3.2: Model Summary		
		R Square	Adjusted R Square	Std. Error of the Estimate
1	.543	.295	.291	.45471
2	.634	.402	.395	.42000
3	.691	.478	.468	.39383
4	.720	.518	.506	.37950
5	.736	.542	.528	.37095

a. Predictors: (Constant), RESPONSIVENESS
 b. Predictors: (Constant), RESPONSIVENESS, CONFIDENCES
 c. Predictors: (Constant), RESPONSIVENESS, CONFIDENCES, RELIABILITY
 d. Predictors: (Constant), RESPONSIVENESS, CONFIDENCES, RELIABILITY, TANGEBLITY
 e. Predictors: (Constant), RESPONSIVENESS, CONFIDENCES, RELIABILITY, TANGEBLITY, COMUNICATIONS

Figure 12: Table 4 .

4

Model	3.3: ANOVA b				
	Sum of Squares	df	Mean Square	F	Sig.
1	Regression 27.032	5	5.406	39.28000	a
	Residual 22.843	166	.138		
	Total 49.875	171			

a. Predictors: (Constant), COMUNICATIONS, RELIABILITY, TANGEBLITY, RESPONSIVENESS, CONFIDENCES
 b. Dependent Variable: CUSTOMERS' SATISFACTIONS
 d) Test of the Hypotheses

Figure 13: Table 4 .

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