

# Service Quality at A.P. Tourism Hotels in Selected Districts: A Perspective of SERVPERF Model

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## Abstract

Tourism, one of the key emerging services in India, has been attracting the huge crowd of domestic and international tourists. Globalization, privatisation, and liberalization of Indian economy improved the social and economic conditions of the nation as a result, a progressive growth has been noticing in Indian tourism from few decades. Andhra Pradesh, one of the most populous states in India, comprises pilgrimage centers, historical monuments, scenic forests and hills. Andhra Pradesh having rich history, culture and representing its unique character as a meeting point for both south and north India. APTDC runs several hotels across the state especially in all major destinations of AP including cities, religious and historical sites. For the purpose present study, the data were collected from the 148 tourist respondents who utilized the services from AP Tourism Hotels in Anantapur, Chittoor, Kurnool, Kadapa and Nellore districts. The collected data from the tourist respondents meaningfully analyzed with SPSS 19.0. Factor Analysis, Reliability Analysis, and Descriptive Statistics were applied to measure the service quality with a perspective of SERVPERF model. Finally, the results of SERVPERF confirmed that there was adequate level of service quality at AP Tourism Hotels in selected districts.

**Key words:** Tourism, Tourism Hotels, Service Quality, SERVPERF

## 1. Introduction

Service is an intangible, inseparable, customized, perishable, and variable thing which gives a bundle of benefits to the customer. Education, banking, insurance, entertainment, transportation, medical, legal, tourism, hotels and restaurants, amusement, telecommunications, consultancy, trucking, repair services, etc. are the major services offered to the Indian customer. Amongst, tourism is one of the key services which plays key role in development of the nation's economy

and creation of employment opportunities in India. India is a country of vivid climatic conditions, rich history and diversified culture, hence the international and domestic tourists visit every corner of the country and their focus is on medical, recreational and religious tourisms. A twenty-two item survey instrument used to assess non-electronic service quality based on perceptions of actual service quality. The instrument includes five dimensions: reliability, assurance, tangibles, empathy, and responsiveness

According to planning commission survey report tourism is a second largest sector in India. It provides employment opportunities for low-skilled workers, and also tourism is considering as a one of the revenue sources of the country. For the period of 2011 the foreign tourist arrivals (FTA) members in India has researched up to 6.29 million, the registered growth is 8.9% over the foreign tourist arrivals of 5.78 million in 2010. As compared the worldwide tourist arrivals (4.4%) the India tourist arrivals almost double (8.9%). And the foreign exchange earnings (FEE) value in India almost touch the 18.70 million dollars as compared to 10.20 million dollars in the year 2010, as it observed that the net growth rate is 18.20 %.

Andhra Pradesh is one of the most populous states in India, comprises pilgrimage centers, historical monuments, scenic forests and hills. It is known for its rich history, culture and representing its unique character as a meeting point for North and South India. It is hailed as "Koh-I-Noor of Indian Tourism". Andhra Pradesh Tourism Development Corporation (APTDC) runs several hotels across the state. This government owned chain is present in all major destinations of the state including cities, religious and historical sites. For this study, the data were collected from the tourist respondents who utilized the services from AP Tourism Hotels.

## 2. Literature Review

Numerous research works have been going on measuring service quality in services marketing domain with two widely used scales viz., the SERVQUAL (Parasuraman, Zeithaml, & Berry, 1988) and the SERVPERF (Cronin & Taylor, 1992; 1994).SERVQUAL scale measures service quality, based on difference between expectation and performance perception of customers using 22 items and five-dimensional structure. In the SERVPERF scale, service quality is operational zed through performance only score based on the same 22 items and five dimensional structure of SERVQUAL.It is now agreed in the current literature that perception-only measure of service

quality produce a better result than perception-versus-expectation measure (Cronin & Taylor, 1992; 1994; Gounaris, Stathakopoulos, & Athanassopoulos, 2003; Parasuraman, Zeithaml, & Berry, 1994; Teas, 1994). This is because perceived quality is based on one's experience and is a function of attitude (Sultan & Wong, 2010). After the development of SERVQUAL model by Parasuraman, Zeithaml, & Berry (1985), it has been used by many researchers for the measurement of service quality in different fields such as banking (Cronin & Taylor, 1992; Spreng & Singh, 1993; Sharma & Mehta, 2004), Information System (Jimei Li & Tieying Song), higher education (Zanudin, Awang, Mohd Azuhari, & Che Mat), port service (Kolanovic, Skenderovic, & Zenzerovic, 2008), hospital (Babakus & Mangold, 1992) CPA firm (Bojanic, 1991), dental school patient clinic, business school placement center, tire store, and acute care hospital (Carman, 1990), pest control, dry-cleaning, and fast food (Cronin & Taylor, 1992), discount and departmental stores (Finn & Lamb, 1991) and restaurant industry (Yap Sheau Fen, KewMeilian, & Kdu College). All these studies do not support the factor structure proposed by Parasuraman et al. (1988). The universality of the scale and its dimensions has also been the subject of criticisms (Lapierre, 1996) and it is suggested that they require customization to the specific service sector in which they are applied. A little research work has been done in the field of service quality of hotels (Saleh & Ryan, 1992).

Hotels play the role of providing guests a home away from home. And it is this facility that facilitates the further attraction of guests towards a place because it makes their visit more convenient (Babita, Gagandeep, & Jagriti, 2007). Knutson et al (1991) used SERVQUAL to create a lodging specific instrument called LODGSERV which is a 26 item index designed to measure consumer expectations for the service quality in the hotel experience (Knutson, Stevens, Wullaert, Patton, & Yokoyama, 1991). The present study adopts the SERVPERF scale, which a modified 20 item scale for measuring service quality of AP Tourism Hotels.

### 3. Research Methodology

The service quality has been reported by number of researchers in various fields like, banking, information systems, higher education, port service, hospitals, departmental stores, dental clinic services etc. a little research work was done in the area of service quality of tourism hotels in Andhra Pradesh. In this context, the objective of my study is to find the service quality of selected

A.P. Tourism Hotels on the basis of the dimensions viz., tangibility, reliability, responsiveness, assurance, and empathy using SERVPERF instrument.

Both primary data secondary data were tapped together for understanding and analyzing the service quality. A structured questionnaire, consists of 20 items of Likert seven point scale (1=strongly agree; 7=strongly disagree), was constructed to collect primary data from the respondents. The secondary data has been gathered from journals, business magazines and various websites pertaining to previous research studies and investigations.

The convenience sampling method is used as a research technique; it helps to obtain right information from respondents. Over a period of four months' duration, the primary data were collected from 148 respondents (male-132; female-16) who got the services from A.P. Tourism Hotels of selected districts namely, Anantapur, Chittoor, Kurnool, Kadapa and Nellore.

#### 4. Data Analysis

After the collection of the data had been completed, the next step is analyzing the collected data. The statistical package for social sciences, known as IBM SPSS (Version 19.0 for windows) software was used to perform all the necessary statistical analysis. All the responses were recorded in SPSS data format by means of the predefined 7-point Likert scale. By using factor analysis, the major factor included in the model were tested for validity and reliability.

For measuring of the internal consistency or reliability the common used one is Cronbach's  $\alpha$  (alpha). Before assessing the service quality, it was necessary to institute the reliability of the instrument for the data collection, with reference to the reliability of the instrument for internal service quality scores. The results of the Cronbach's alpha values are indicated in the Table 1. The outcome revealed that all the proportions reflected acceptable reliability: all the values of the Cronbach's alpha values were greater than 0.7, the cut-off suggested by Nunnally (1978) for the basic research.

*Table 1: Cronbach's alpha for each Service Quality Dimension*

Dimension	Cronbach's Alpha	Number of Items
Tangibles	0.985	4
Reliability	0.987	4
Responsiveness	0.994	4
Assurance	0.992	4
Empathy	0.982	4
Total	0.879	20

**Note:** The Measure of Reliability has tested with the help of *IBM SPSS 19.0*

The following table shows that Kaiser –Meyer-Olkin measure the adequacy of sampling and Bartlett test of sphericity. Kaiser (1974) suggested that accepting values greater than 0.5 as acceptable. The factor analysis is appropriate this data because of the result value (0.870) is greater than the acceptable value. The loading factor was exceeds the 0.5 cut-off value, which was proposed by Straub (1989) and 0.6 proposed by Hairret al.(1989)

*Table 2: KMO and Bartlett's Test*

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.870
Bartlett's Test of Sphericity	Approx. Chi-Square	6188.277
	Df	190
	Sig.	.000

**Note:** KMO

and Bartlett's Test has tested with the help of *IBM SPSS 19.0*

For the test of the significance of the items to the creation of the factor their loading has also been examined. Importance of each item to each indicator is depends on factor loading and it is also considered as the correlation coefficient for both factors and variables. The loading value is 0.5 is considered as an adequate value for a sample of above a hundred observations. The above tests are support the reliable and adequate measurement of the factor and as a result they can safely to be used for the next stage of our analysis.

Item No.	Rotated Component Matrix <sup>a</sup>					
		Component				
		1	2	3	4	5
1	Attractiveness of the hotel decorate and design	.092	-.067	.940	-.021	.254
2	Neat and professional appearance of staffs	.069	-.068	.938	.017	.258
3	Modern-looking and well-maintain hotel equipment	.103	-.036	.920	.020	.308
4	Quietness of the hotel environment for purpose of stay	.108	-.035	.932	.046	.282
5	Well-trained and knowledgeable staff	.175	.158	.334	-.032	.886
6	Handled complaints and problems graciously	.157	.098	.293	.028	.925
7	Provides services as promised	.119	.122	.298	.016	.921
8	Performs services right at the first time	.161	.161	.274	.009	.914
9	Gives individual attention to guests	.976	.044	.094	.007	.133
10	Provides prompt services	.976	.066	.076	.017	.143
11	Willingness of staffs to help guests	.978	.051	.082	-.003	.130
12	Availability of employees when needed	.977	.069	.099	.028	.121
13	Instilling confidence in guests	.041	.978	-.050	-.021	.102
14	convenience of service availability	.040	.983	-.036	-.021	.096
15	Occupational knowledge of employees	.079	.977	-.046	-.025	.128
16	Provides a safe and secure place for guests	.066	.980	-.040	-.026	.117
17	Friendliness and courtesy of staffs	.005	-.037	.016	.984	.035
18	Providing a menu for diet	-.003	-.010	.025	.985	.014
19	Understands specific needs of guests	.010	-.025	.019	.987	.028
20	Special attention given by staff to know each guest	.032	-.018	-.007	.939	-.053

Table 3: Factor Analysis

**Extraction Method:**Principal Component Analysis.

**Rotation Method:** Varimax with Kaiser Normalization.<sup>a</sup>Rotation converged in 5 iterations.

From the following table it is clear that among the five dimensions of SERVPERF, only *Responsiveness* ( $\bar{x} = 4.1098, S.D. = 1.81130$ ) and *Assurance* ( $\bar{x} = 4.3767, S.D. = 1.88001$ ) have shown inadequate service quality and the rest of three dimensions viz., *Tangibles* ( $\bar{x} = 3.5034, S.D. = 1.57224$ ), *Reliability* ( $\bar{x} = 3.5507, S.D. = 1.68046$ ) and *Empathy* ( $\bar{x} = 3.5507, S.D. = 1.51858$ ) indicated adequate service quality. Finally the *Mean* (3.8182) and *Standard Deviation* (0.95067) values of SERVPERF confirmed the adequate level of overall service quality of AP Tourism Hotels in selected districts.

Table 4: Descriptive Statistics

Service Quality Dimensions	Mean	Standard Deviation
Tangibles	3.5034	1.57224
Reliability	3.5507	1.68046
Responsiveness	4.1098	1.81130
Assurance	4.3767	1.88001
Empathy	3.5507	1.51858
<b>SERVPERF</b>	<b>3.8182</b>	<b>0.95067</b>

**Note:** Calculated with *IBM SPSS 19.0*

## Conclusion

The SERVPERF scale was originated to enlighten an enormous deal of the variation in service quality. Even though satisfaction seems to have positive effect but service quality does not seem to have a similar effect. In reality purchase intention closely united to satisfaction than service quality. The items in SERVPERF instrument gives evidence of strong internal consistency.

Based on the current results, three dimensions (Tangibles, Reliability and Empathy) need to be improved under respondents' point of view. The AP Tourism Hotels need to currently focus on gaining a competitive advantage by consistently providing Service Excellence. One way of

achieving this is through continuous improvement through benchmarking. The data collected was analyzed comprehensively and the objectives and problem statements of this research have been addressed. The results of this research proved to be most valuable to AP Tourism Hotels.

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