Understanding service experience and its impact on brand image in hospitality sector

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ABSTRACT

This paper provides an understanding of customers' common expectations and other important factors that enhance service experience during guest stay in the three selected four star rated hotels in Jammu, Chandigarh and Delhi, India. A structured questionnaire was used to collect data from hotel managers and individual customers. Guest's attitudes, their expected and unexpected feedback in addition to analyzing the important information that helps in finding out particular areas critical to customer service quality are explored. Overall the results indicate that expectations of the guests and actual experiences are at disparity. Viable recommendations to the hotel owners in particular and the hospitality industry overall are made which are likely to improve customer's memorable experience.

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1. Introduction

Service experience is defined as the subjective personal reactions and feelings by consumers when consuming or using a service. Service experience has been found to have an important influence on the consumer evaluation of and satisfaction with a given service (Luoh and Tsaur, 2011; Otto et al., 2000). A better understanding of an experiential phenomenon in the tourism and hospitality service is particularly important and will permit the industry perform better. Guest experiences in any hospitality-based businesses have been identified to be critical in the enhancement memories about places (Wang, 1999). The outcome of tourism and hospitality product or service consumption is mostly psychological in nature and involves a variety of experiences that other few sectors can provide (Pine and Gilmore, 1998).

For any organization to have a competitive advantage, the quality of service experience must take centre stage. According to Fitzsimmons and Fitzsimmons (1994), service experience plays a critical role in brand image enhancement. Na et al. (1999) argue that image cannot be measured unless customer perception about the product image and brand image is established. Furthermore, Yi (1990) argued that customer satisfaction is influenced by experiences and expectations with service performance and quality of the services.

Kim and Kim (2005) observed that "brand image and service quality perceptions share too many features" (p. 556). Aydin and Ozer (2005) found that perceived service quality directly determines the perception of brand image and therefore a study aimed to empirically test this assertion is critical for theory development in this area. Furthermore, whereas service experience is important in establishing performance of different organizations, its underlying factors have not been clearly delineated in the existing literature and this study aims to fill this gap. Several researchers found that service quality had a significant positive impact on image, and a favourable image in turn positively influenced customer satisfaction in the airline, restaurant, retailing, tourism, and telecommunication sectors (Andreassen and Lindestad, 1998; Aydin and Ozer, 2005; Chi and Qu, 2008; Park et al., 2005; Ryu et al., 2008; Schlosser, 1998).

In recent years, companies have become convinced of the strategic benefits of quality (Phillips et al., 1983). As a result, many large companies have created quality-measurement programmes that attempt to associate product and service attributes to customer evaluations of quality (Hauser and Clausing, 1988; Zeithaml et al., 1990). Customer satisfaction has become widely accepted as an important concept in marketing and has been used as a benchmark for measuring company performance (Bennet and Rundle-Thiele, 2004). In many service industries, companies have created programmes including surveys to determine service quality. This is carried out by following a feedback loop that allows service changes to be implemented and evaluated with subsequent survey data

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about service quality levels. Quality is the conformance to specifications, though more recently it is taken to mean meeting and/or exceeding customers' expectations (Ariffin and Maghzi, 2012).

The importance-performance analysis in this study enables an understanding of the service quality dimensions deemed to be important by customers and how hotels have performed based on customers' evaluation. In a case where hotels meet, exceed, or under-perform based on customer expectations hotel managers are enabled to adjust their product in order to effectively serve their target market segments (Wilkins, 2010). Kandampully et al. (2001) suggested that an attempt to have effective service quality management and experiences by the customer is the best way to achieve greater customer contentment. Oakland (2005) and Kandampully et al. (2001) showed that service quality could only be achieved if organizations empower their employees to deliver quality service guided customer previous evaluation of service quality dimensions. These dimensions include tangibles (physical facilities, equipment, and the appearance of personnel); reliability (ability to perform the promised service dependably and accurately); responsiveness (willingness to help customers and offering prompt service); assurance (knowledge and courtesy of employees and their ability to convey trust and confidence); and empathy (caring, individualized attention offered to customers).

In order to build up the brand image of hospitality and tourism related organizations, provision of quality products and services is one of the competitive requirements. Brand image is important because it gives a business an identity as well as maintains a sustainable growth. It is also a medium through which customers associate with businesses. Brand image is developed over time through advertising campaigns with a consistent theme, and is authenticated through the consumers' direct experience. In order to have an effective brand image, a brand should be simple with the ability to convey intended message.

Furthermore, enhancement of customer satisfaction requires that hospitality service providers offer quality services to customer and make their quality experiences memorable (Pine and Gilmore, 1998). Quality of service is generally identified with the help of a few traits like multidimensionality, underlying quality dimensions which change with respect to time, intangibility, which can be accessed through its tangible clues, service processes and services outcomes. Service standards for intangible services in hospitality would be the factors that affect the emotions of guests/customers. These actions are reflected when the tangible aspects of service are delivered effectively in an efficient manner. For example, offering a sincere smile (intangible), to a guest when delivering a cup of coffee (tangible) in a restaurant creates a difference. Other aspects of service that augment service experience would be using appropriate body language, facial expressions, the warmth and tone of voice.

This study explores how customers' common expectations are linked with importance of service quality experience factors. Results from this study help us to understand the impact of customers' common expectations and factors important to provide service quality experience during guest stay. This is explored using data obtained from guests who were staying at 3-star grade hotels. Comparison of the actual customer service quality experience with service quality delivered by the selected hotels is made. The rest of the paper entails the literature review, methodology; findings, conclusion, recommendations and suggested areas for future research.

2. Literature review

Since late 1990s and into the early stages of the twenty-first century, marketing literature has grown in studies that have explored "experience" and "experiences" as specific areas of research focus.

Expectations vary from person to person and time to time, and are generally considered as desires or wants of customers. Since customers have a range of expectations rather than a single ideal level of expectations, a zone of tolerance would be confined by desired service – the level that customers believe can and should be delivered, and adequate service – the minimum service level customers are willing to accept. In particular, experience marketing has become a niche area itself (Gilmore and Pine, 2002; Lenderman, 2005; Marconi, 2005; O'Sullivan and Spangler, 1998; Smith and Wheeler, 2002). Additionally, it should be noted that the particular study and use of service quality measures have permeated tourism, hospitality as well as marketing since the 1980s with the work of Parasuraman et al. (1985).

2.1. SERVQUAL model

The importance of service quality is reflected in various studies that have been carried out over years in various disciplines. One of the important model code named SERVQUAL predicated on an expectation/disconfirmation paradigm derived from gap theory was developed (Parasuraman et al., 1988). The development of SERQUAL model improved the general understanding of quality in different aspects of service-based organizations (Saleh and Ryan, 1991). SERVQUAL was developed to measure service quality determined as the difference in scores of the expectation and perceived performance points of a given service in terms of five dimensions of reliability, responsiveness, assurance, empathy, and tangibles (Parasuraman et al., 1988). Although the interpretive power of such a comparison is of high diagnostic value for practice, the difference score structure of perceived performance less expectations has been criticized heavily due to issues in using measures of difference scores in research (Watson et al., 1998). Nevertheless the model remains relevant to-date for application in different service based business organizations.

2.2. Service quality

In general, service quality is deemed to involve a comparison of expectations with performance. This conceptualization goes back a number of years and is well summarized by Lewis and Booms (1983). The authors referred service quality as a measure of how well the service level delivered matches customer expectations. Delivering quality service means conforming to customer expectations on a consistent basis. SERVQUAL is a fundamental model that is still used as a basis of research to determine service quality (Parasuraman et al., 1985). The attainment of expectations is always closely matched to other psychological need fulfilment models that examine how attitudes are affected by the congruence between desires and the supplies in the environment (Oliver, 1981). Expected service is based on personal needs of the customer as well as personal and second-hand knowledge about the service provider.

Perceived service is based on communications between the provider and client as well as actual service delivery. A number of service quality determinants go into the formation of perceived service performance and client expectations. These determinants include access, communication, competence, courtesy, reliability, responsiveness, assurance, empathy, and certain tangibles (Parasuraman et al., 1985).

The concept of "quality" has been contemplated throughout history and continues to be a topic of intense interest today. It has been addressed in numerous academic and trade publications, the media and it is perhaps the most frequently repeated mantra among managers and executives in contemporary organizations (Jeong and Oh, 1993; Mei et al., 1999; Jeong et al., 2003). Contemporary organizations in this study are defined as modern organizations which do