IMPACT OF SERVICE QUALITY ON CUSTOMER SATISFACTION: AN EMPIRICAL STUDY WITH INDIAN HOSPITALITY INDUSTRY

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Abstract
In the extremely customer-focused hospitality sector, providing excellent service is a key differentiator. Here, an organization's capacity to achieve quality standards and surpass client expectations for service quality determines its survival and success. At this juncture, the impact of service quality and customer satisfaction emerged as important topics that have received much attention from academia and business managers. Significantly, there exists a service gap in this area. This research examines the gap model (SERVQUAL Model) in service quality and customer satisfaction in the hospitality sector. This survey-based empirical study primarily aims to reveal the influence of service quality on customer satisfaction in the Indian hospitality arena. Primary data are collected through framed questionnaire. For validation of the model, we use statistical techniques. The study's findings will show the impact of various service quality dimensions on satisfaction levels. In conclusion, this study will definitely add value to the existing literature of service quality impacting customer satisfaction.
Keywords: *Indian Hospitality Industries,Service Quality, Customer Satisfaction,* SERVQUAL Model.

1. INTRODUCTION

The 1990s saw the beginning of reforms, which were linked to the significant growth of India's service industry. The 1980s saw the start of the service sector's expansion.It gained momentum in the 1990s when India initiated a number of economic reforms in reaction to a serious problem with its balance of payments.In addition to accounting for the majority of India's GDP, the services industry has generated a great amount of employment, drawn substantial international investment, and significantly increased exports. The services industry in India includes a wide range of activities, including commerce, lodging and dining, transportation, finance and insurance, business services, community and real estate, social, and individual services, and many more. The government is working hard to increase India's exports of commercial services, increase its market share from 3.31% to 7% worldwide, and allow the GDP to grow rapidly. More than half of India's GDP comes from the service sector, which grew significantly by 10.8% in the first half of 2021–2022. As of 2022, the service

industry has emerged as the largest employer, projected to rise by 5 to 7% annually.
India's extraordinary capabilities and competitive advantage derived from knowledge-based services make it a distinct global rising market. Numerous government efforts, such as intelligent cities, clean India, and digital India, assist the Indian services industry and provide a climate that further develops it.A multitrillion dollar opportunity could arise from this sector, potentially promoting symbiotic prosperity for all countries.One of the sectors in the globe that is thought to be expanding the fastest is the hotel sector, contributing to around 10% of the world's GDP. The growth in Indian hospitality industry has seen a remarkable boom recently; has experienced a notable boost due to the surge in hotel projects. The industry saw an increase in occupancy rates ranging from 60-67% compared to the previous year. Despite this, average rates have fully recovered, showing a significant rise of 37-39 % from the prior year. In the third quarter of 2023, the Indian hospitality sector experienced substantial growth compared to the same period in 2022.
By 2025, the study projects that the number of hotel rooms would increase at a consistent compound annual growth rate (CAGR) of about 3.3%. The sector's performance indicators are expected to improve as a result of this increasing trend and the anticipation that demand will exceed supply.The report further reveals that key industry performance metrics, such as occupancy rates, average daily rates (ADR), and revenue per available room (RevPAR), are expected to surpass pre-pandemic levels in the coming year. RevPAR witnessed a 94 per cent growth in 2022 compared to the previous year. All these statistics indicate a strong rebound, with renewed footfall and steady revenue generation, signalling the sector's successful recovery from the pandemic.

2. SERVICE QUALITY AND CUSTOMER SATISFACTION

In the last decades, service quality and customer satisfaction (SQCS) have been among the most discussed themes in hospitality research. Later, researchers in the area added several new dimensions that were expanded to allied and peripheral regions of hospitality. The field of business management has a long history of fostering both customer satisfaction and service excellence. It was discovered that experts in this field have made remarkable strides in understanding these crucial elements of successful business operations.The hotel and hospitality sectors place a strong emphasis on providing excellent customer service, which gives them a considerable competitive edge.The ability of an organization to surpass consumer expectations for service quality and fulfil quality benchmarks is essential to the survival and success of the hospitality industry.Since 2006, the number of papers in the SQCS field has steadily increased, reinforcing the importance of this subject of study. (Ahmad Syed *et al.,* 2019; Chen *et al.,* 2020).
Scholars and researchers have focused a lot of emphasis on service (SQCS), which has become one of the important subjects in hospitality research. Since the first service quality models were published in the middle of the 1980s, there have been a significant number of publications on SQCS (Grönroos, 1984; Oliver, 1980; Parasuraman et al., 1985), and it is still a hot topic for research.In the hospitality business, the majority of research on (SQCS) has focused on examining consumer expectations and perceptions (Lam & Zhang, 1999). According to Anderson et al. (1994), a business's profitability is significantly impacted by customer satisfaction since it fosters long-term client loyalty and repeat business. An extensive literature review suggests a lack of bibliometric studies examining and scientifically mapping the knowledge related to service quality and customer satisfaction(Chodzaza& Gombachika, 2013).

3. DIMENSIONS OF SERVICE QUALITY

3.1 Reliability
This is a reference to the capacity and reliability of an organization to provide a service that meets the needs of its customer.Every stage of the customer engagement process is involved in this process, including the execution or delivery of the good or service, quick and accurate problem solving, and competitive pricing.When purchasing a particular product, customers have a certain expectation of reliability, and a company's success typically rests on its capacity to live up to such expectations (Pisni & Aleksandra, 2010).
The capacity to consistently and precisely deliver the promised service is what is meant by reliability. This refers, broadly speaking, to the promises made by service providers on delivery, service offerings, problem solving, and cost. Costumers like doing business with companies who fulfil their commitments.Thus, it is a crucial component in how the customer perceives the quality of the services. Therefore, service providers must understand what their clients want in terms of dependability and reliability.

3.2 Empathy
Another dimension of service quality is empathy. Empathy is how an organization delivers services to make the company seem empathetic to its customer's desires and demands. Customers are more likely to remain loyal to a firm if they feel that it genuinely cares about their welfare. It is described as the considerate, customized care that service provider renders their customers.This dimension attempts to communicate the idea that each consumer is special and unique to the business through personalized or tailored services. This dimension is centred on services that meet the demands of the customer, including personalized or customised services.Service providers in this situation need to be aware of the needs, desires, and preferences of their customers.

3.3 Assurance
The Assurance dimension is the third aspect of service quality. Assurance is the faith and confidence that customers have in a particular establishment. This is particularly critical for service provider that a customer may feel are beyond their capacity to comprehend and fairly assess, therefore there needs to be a certain level of confidence in the service provider organization's capacity to fulfil expected desire of customer.Customers' lack of confidence in their ability to assess results makes this dimension crucial in the services industry.
This dimension is concerned with the correctness, politeness, job knowledge and expertise, security, and security ensured by the organization.

3.4 Responsiveness
The ability to assist customers and deliver timely service promptly is referred to as responsiveness. This demonstrates the commitment and capability of an organization to offer customer prompt services. Being responsive is taking in, evaluating, and quickly addressing requests, comments, queries, and problems from customers. A business that values customer satisfaction will usually reply to communications from customers as soon as possible. This is a sign of great service quality. This dimension emphasizes on how one responds to requests, inquiries, grievances, and issues from customers with a prompt and courteous approach. It also emphasizes the employees' attendance, timeliness, level of professionalism, etc. It can be computed using variables like customer wait times for support, clarification, etc. It is possible to raise the level of responsiveness by keeping an eye and reviewing the process on how services are delivered and how staff members respond to client requests.

3.5 Tangibility
Tangibility, which is characterized as the physical attributes of buildings, machinery,

communication materials, and technology, is the fifth dimension of service quality. This is the capacity of a company to present high-quality customer service. Numerous elements contribute to a company's very tangible quality, including the way its corporate office looks, how its staff is dressed and behaves, the marketing materials it uses, and the quality of its customer service division. Customers can infer enough about the firm's service quality from all of these. Additionally, this dimension improves the company's reputation. Because of this, businesses need to prioritize the tangibility component and make significant investments in setting up physical spaces.

4. MEASUREMENT OF SERVICE QUALITY

There are two primary approaches of assessing the quality of a service:
- Gap Analysis Service
- Performance measures Gap analysis

Parasuraman et al. created the gap analysis model of service quality in 1985.The model concluded that five distinct gaps influenced customer perception of quality. They are mentioned below.

- *Gap-1.Knowledge Gap: Gap between customer expectation and Management perception.* The reasons for this gap are a lack of adequate market research and a lack of upward communication. This gap can be narrowed by adopting adequate research to understand customer needs and improve communication. Knowledge gap can be measured by using the SERVQUAL scale and comparing the scores obtained from the management and customers (end users).

- *Gap-2.Standard Gap: Gap between Management perception and service quality specification.* This gap exists in service firms because of the lack of wholehearted commitment of management to service quality, inadequate service leadership, etc. It can be closed by standardizing the service delivery process and setting organizational goals.

- *Gap-3.Delivery Gap: Gap between Service quality specification and service delivery.* The third gap originates from the discrepancies in the actual service delivery; the service providers or employees do not perform at the level the management expects. This is because of ineffective recruitment, lack of proper incentives and motivations, etc.By giving the staff members better human resource management tools, a sufficient support network, etc., this gap may be eliminated.

- *Gap-4.Communication Gap: Gap between Service delivery and external communication.*Customer expectations are raised by too optimistic promises or poor customer communication, which creates a disconnect between the provision of services and external communication.This can be narrowed with an effective and efficient communication system.

- *Gap-5. Satisfaction Gap: Gap between expected quality and perceived quality.* The disparity between the expectations and perceptions of customers' service accounts for this discrepancy. This can be avoided by using efficient marketing and marketing research techniques to recognize, measure, and track consumer expectations and perceptions.

5. LITERATURE REVIEW

Literature review is based on keywords of the study undertaken. This is systematic in nature. Various researchers have proposed several important definitions of *service quality*. Service quality evaluation compares an organization's performance to its customers' expectations.According to Danish et al. (2018), service quality is the comparing function that connects the service rendered to the expectations of the client. Service quality was described

by Fida et al. (2020) as an industry's or company's fundamental ability to meet the expectations of its customers. Furthermore, service quality was defined by Tabaku & Cerri (2016) as a kind of assessment that serves as a long-term review. Despite these differing interpretations, Danish et al.'s (2018) explanation of service quality is the one that is most frequently employed.

The difference between what a customer expects from a service provider and what they really think of the services is what determines the quality of the service (Ali et al. 2021).

According to another definition put out by Ottman & Abdullah (2016), service quality can be defined as the difference between what customers expect to happen when they receive a service and what they see when they receive it. The definition, provided by Gefan (2002) and referenced in Abdullah & Othman (2016), states that service quality is the specific judgment that customers make between the quality of services they expect and the quality of services they receive. Quality is harder to define than customer satisfaction because different academics have come up with different claims. Since quality is determined by what customers think, it can be defined as anything the customer considers to be of high quality (Abdullah & Abdul Rahman, 2015). Expectations and quality standards are two factors that affect consumers' impressions, according to Anwar & Abdullah (2021). Anwar and Shukur (2015) define expectations as what the customer should anticipate receiving from the service provider.

6. PROBLEM IDENTIFICATION WITH GAP(S), RESEARCH QUESTION(S) AND OBJECTIVE OF THE STUDY

Any firm that wants to succeed must provide high-quality services that add value and satisfy customers (Makanyeza & Mumiriki, 2016). Businesses have come to understand that keeping consumers is essential to succeed in light of the fierce competition and market demand. Similarly, businesses have found that happy customers are easier to keep. Accordingly, the foundation of any company's success is its ability to satisfy its customers (Oliver, 1999). According to research by Priyo et al. (2019), in the service sector, client loyalty and satisfaction are directly correlated with service quality. In the communication sector, consumer satisfaction is positively correlated with service quality. Thus, businesses should enhance customer service in a seamless way (Agyapong, 2011). According to Ramachandran and Chidambaram (2012), a key determinant of purchase intention is customer happiness. Fulfilling the expectations of the client boosts client loyalty and brings about customer satisfaction (Lau et al., 2013). According to Muyeed (2012), achieving customer happiness is the most important component in ensuring successful completion.

*Gap(s):*Though prior research has demonstrated the basic connection between customer satisfaction and service quality, relatively little research has tried to measure service quality and determine how it relates to customer satisfaction. Based on the aspects of service quality, a few research have attempted to ascertain the relationship between customer satisfaction and service quality. Furthermore, the relationship between customer satisfaction and service quality based on the five-dimensional gap(s)/factors have not been well-defined in many studies. None of the research have made use of all the variables listed in the SERVQUAL model, even though these handful have used the service quality dimensions to establish the association.n light of this, the purpose of this study is to ascertain how customer satisfaction in the hotel sector is affected by service quality. It aims to ascertain the precise relationship between the service rendered and the opinion of the customer. The purpose of the study is to determine how customer feedback is impacted by improvements or decreases in service quality. The goal of this study is to demonstrate the relationship between customer satisfaction and the services provided using the five-dimensional models as a foundation.

This study aims to ascertain how the five service quality factors evaluate the type of customer satisfaction using the SERVQUAL model.

The following research questions were addressed in order to fulfill the stated purpose of this study:

- *Research Question 1:*How does customer satisfaction correlate to each of the five service quality dimensions?
- *Research Question 2:*In what way does the quality of service provided to customers align with each of the five characteristics of service quality?
- *Research Question 3:* What significant correlation exists between service quality and customer satisfaction?

Objective(s): Furthermore, the study explains how consumer happiness in the hotel industry is impacted by aspects including responsiveness, assurance, tangibles, empathy, and reliability. The aim is to delineate the nature of each dimension's influence on customer satisfaction.We'll assign a low, moderate, or high rating to the impacts. The study intends to ascertain how the five dimensions directly affect the quality of services, in addition to customersatisfaction.

7. THEORETICAL FRAMEWORK WITH HYPOTHESIZED MODEL

The rising level of competitiveness in most industries forces companies operating in the hospitality industry to look for new sources of competitive advantages. To increase efficiency and enlarge revenues, they are looking for new instruments to help them successfully compete with rivals (Fernandez, Martinez, & Martin, 2022). Maintaining high customer loyalty rates is traditionally considered one of the most desirable outcomes for hospitality firms because retaining existing clients is approximately 5 to 25 times cheaper than acquiring new customers (Reid & Bojanic, 2009). However, it is becoming hard for various firms to retain clients because of dramatic changes in the business environment and consumer behaviour. Decreasing switching costs and growing information about multiple brands stimulate consumers to purchase products and services from many firms based on situational factors (Boone & Kurtz, 2021). Maintaining high customer retention rates in this situation becomes challenging for companies operating in most sectors. It is traditionally believed that a high quality of customer service might be one factor that translates into high customer satisfaction and, by extension, high customer loyalty. Compelling evidence concerning the positive impact of service quality on customer loyalty can be found in many studies that focus on the hospitality industry (Nadeem & Nasir, 2017; Arias-Bolzmann *et al.,* 2018); Nilashi *et al.,* 2021; Fernandez *et al.,* 2022). Some of these researches employ the SERVQUAL framework, which approaches service quality as a set of five dimensions: *reliability, tangibility, empathy, assurance, and responsiveness* (Nadeem & Nasir, 2017; Arias-Bolzmann *et al.,* 2018). At the same time, others employ general assessments of service quality as a single construct without distinguishing between its various domains (Shyju *et al.,* 2021; Moguerza*et al.,* 2022). It is known that an increase in service quality usually correlates with the growth of customer satisfaction rates; however, customer satisfaction does not always have a proportional influence on customer loyalty because these two variables are fundamentally different from each other (Boone & Kurtz, 2021). Despite certain controversies, the available evidence provides a compelling reason to believe that maintaining high customer service levels effectively ensures high customer satisfaction.

With all the above discussion, we now figure out the hypothetical model.

The causal relationship between service attributes and customer satisfaction can be depicted below.

Service Attibutes to Performance	→	Customer Satisfaction
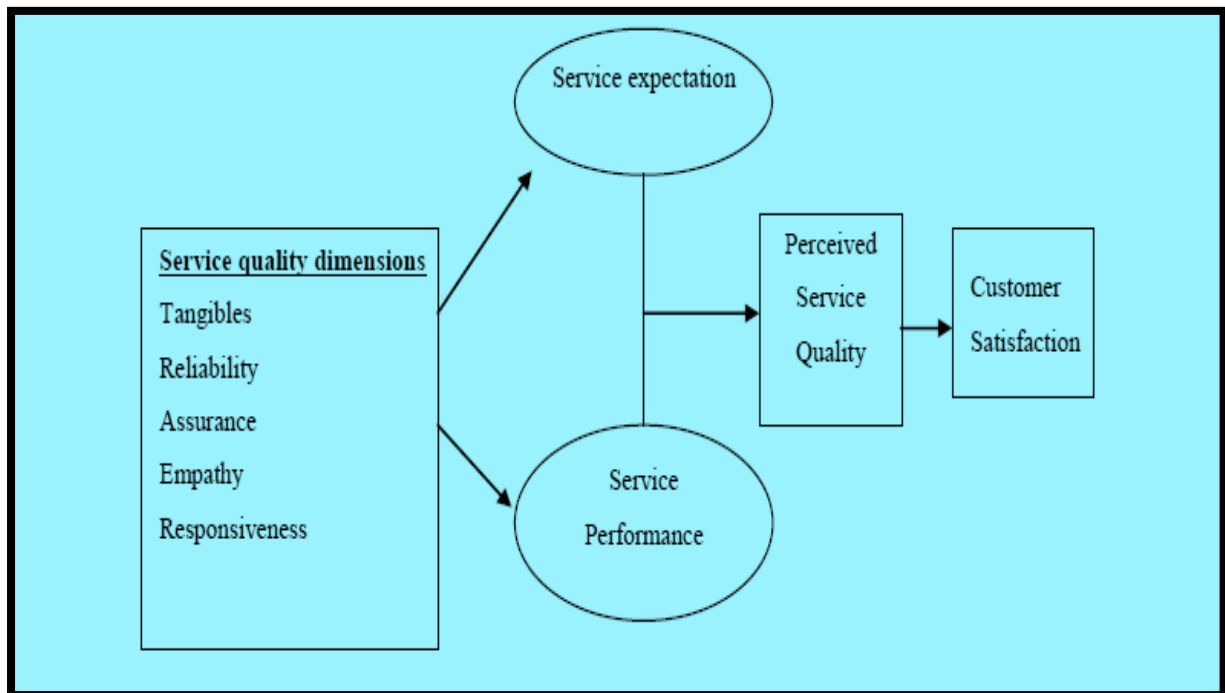
Conceptual Framework (Author, 2024)

With all the discussion and followed by hypothetical relationship, we write the following hypothesis to be validated from primary data collected through a questionnaire.

The following hypotheses are framed accordingly.

H_1: There is no significant difference between the expected and perceived levels of service quality.

H_2: The overall service quality dimensions positively impact the customers' satisfaction level.

> H_{2a}: Tangibility has an impact on customers' level of satisfaction.
> H_{2b}: Reliability influences customers' level of satisfaction.
> H_{2c}: Responsiveness has an impact on customers' level of satisfaction.
> H_{2d}: Assurance influences customers' level of satisfaction.
> H_{2e}: Empathy has an impact on customers' level of satisfaction.

8. RESEARCH METHODOLOGY

This study looks into how consumer satisfaction in India's hospitality sectors is affected by the quality of the services provided. Explaining research methodology includes defining the measures and scale used in measuring tools, outlining the methods followed, providing a clear explanation of the statistical method used to evaluate the data, and explaining data gathering.Data analysis is performed using a quantitative approach. To gather firsthand information, we create a questionnaire.

The questionnaire was divided into two sections.

- The respondents' gender, nationality, marital status,annual income, degree of education, reason for travel and number of trips annually, and were the first set of questions in the demographic section.
- Five dimensions of service quality were covered in the second section of the questionnaire. Three questions made up the first section, which focused on empathy, and five questions covered the second, which dealt with reliability. Five questions made up the assurance section, which was the third section. Eight questions made up the tangible portion (part five) and four questions covered responsiveness (part four). Finally, a measurement of the dependent variable, customer satisfaction, was made.

The sampling technique used here is stratified random sampling. In this sampling scheme, we split up Indian hotels geographically into four strata/sections: north, south, east and west. Samples are drawn from each stratum randomly. Respondents were the guests staying in those hotels and had some experience staying with star hotels. We gathered a total of 129 filled-in questionnaires. Demographic details of the respondents are as follows: out of 129 respondents, 70 were male, and 59 were female. In percentage, this was 54 percent for males and 46 per cent for females. We gathered 33, 37, 30, and 29 responses from the north, south, east, and west region. In the age category, the total number of respondents under 20 was 21. In the range of 21-25, it was 27. In the range 26-30, it was 30. In the range of 30-40, this was 25; in the above 40 years, it was 26.

Out of 129 responses collected, 18 were found incomplete in all senses, and 111 fully responded to the questionnaire. The target population of this study is finite. Due to the complexity of data collection, the total number of samples though is not so large; is reasonably fit for further calculation. Multiple-choice questions were used as the design structure for the questionnaire by the researcher. Each item had to be marked by the participants on a "five-point scale ranging from agree to do not agree" (Nunally, 1978).

Earlier researchers validated these instruments as appropriate for measuring the hotel guests' perceived performance (Hair *et al.* 2010).

8.1 Data Analysis
8.1.1 Factor Analysis
A statistical technique, factor analysis analyzes the variability between correlated, observed variables in terms of a smaller number of possible, unseen variables known as factors (Nunally, 1994).By applying statistical techniques to investigate the underlying dimensions that explain the relationships between the various variables/items, factor analysis enables us to simplify a set of complicated variables or items.

Table No.:xxx : *Factor Analysis*

Factors	Questions	Factor Loading %	Reliability Statistics; Cronbach's Alpha	No. of Items
Tangible	Equipment at the hotel appears modern.	.857	.770	4
	The hotel provides clean and comfortable rooms.	.769		
	The hotel features a health club, sauna, and swimming pool.	.624		
	The hotel has sufficient fire safety	.919		

	equipment and guidelines.			
Empathy	The hotel gives its customers individualized attention.	.936	.833	3
	The hotel staff understands the specific needs of its customers.	.945		
	The hotel staff have the customers' best interests at heart.	.708		
Reliability	The hotel staff can provide the service as promised.	.800	.894	3
	The hotel personnelsare dependable, in resolving customer service issues.	.965		
	The hotel updates its guests on the quality of its offerings.	.956		
Assurance	The hotel's employees are constantly polite, friendly and welcoming to guests.	.818	.784	3
	The hotel offers a secure environment for guests to stay in.	.883		
	The hotel staff is knowledgeable enough to respond to inquiries from guests.	.889		
Responsiveness	The hotel staff is prepared to address requests from patrons.	.934	.882	2
	The hotel staff is always eager to assist guests.	.946		

The reliability analysis of constructs was checked via Cronbach's alpha. Nunnally (1978) suggested that 0.70 is the acceptable level for reliability measures. Factor analysis is employed to reduce the amount of datain order to identify a small number of variables that explain the majority of the variance observed in a larger number of visible variables.Five dimensions of service quality are displayed in the table as an independent variable: Four components make up the tangible factor of concern, and Cronbach's Alpha (∂) =.770 is the reliability statistic. There are three items related to the empathy factor and Reliability Statistics Cronbach's Alpha ∂ =.833, three items related to the reliability factor and Reliability Statistics Cronbach's Alpha ∂ =.894, three items related to the assurance factor and Reliability Statistics Cronbach's Alpha − =.784, and two items related to the responsiveness factor and Reliability Statistics Cronbach's Alpha ∂ =.882.

8.1.2 Correction Analysis
A statistical technique called correlation analysis is used to determine whether or not two variables or datasets have a link and how strong that relationship might be. Correlation analysis is essentially used to identify trends in datasets.When two variables are positively correlated, they elevate each other; when they are negatively correlated, one variable increases while the other declines.
An examination of the correlations between the six variable measures was done using Pearson's correlation analysis. Since the questionnaire measured a single construct through numerous items, the average score of the multi-items for that construct was calculated beforehand. Pearson's correlation coefficients for all variables were less than 1. Therefore, there is no multicollinearity.

Table No.Xx . Correlation Analysis

Factors	Pearson Correlation	Customer satisfaction
Empathy	Pearson Correlation	.816(**)
	Sig. (2-tailed)	.000
	N	111
Reliability	Pearson Correlation	.681(**)
	Sig. (2-tailed)	.000
	N	111
Assurance	Pearson Correlation	.781(**)
	Sig. (2-tailed)	.000
	N	111
Responsiveness	Pearson Correlation	.261(**)
	Sig. (2-tailed)	.000
	N	111
Tangible	Pearson Correlation	-.256(**)
	Sig. (2-tailed)	.000
	N	111

* Correlation is significant at the 0.05 level (2-tailed)

- The correlation test in the aforementioned Table indicates a substantial association between empathy and customer happiness (r=.816**, p<0.01). the relationships between the dependent variable of customer satisfaction and the independent variable of reliability. According to the correlation test, the researcher found that *assurance significantly correlates (r =.681**, p<0.01) with customer satisfaction.* The correlations between assurance as an independent factor and customer satisfaction as a dependent factor.

- According to the test it was discovered that assurance and customer satisfaction had a substantial link (r =.781**, p<0.01) based on the results of the correlation test. the relationships between customer satisfaction, a dependent factor, and responsiveness, an independent factor.

- Based on the results of the correlation test, the researcher concluded that there is a substantial association between responsiveness and customer satisfaction (r=.261**, p<0.01),and as does the correlation between tangible as a independent component and customer satisfaction as an dependent factor.

- According to the result of correlation test, the researcher found that *tangible correlates significantly (r =. -256**, p<0.01) with customer satisfaction.*

8.1.3 Regression Analysis

Table No. XX. Model Summary

MODEL	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.907(a)	.819	.808	.561

a Predictors: (Constant), Tangible, Responsiveness, Empathy, Assurance, Reliability

The Table shows the value of R square = .808. This shows that the explanation of variance accounts for 80% of the overall variation.

8.1.4 ANOVA Table

Table No. XX. ANOVA Table

Model		Sum of Squares	d.f	Mean Square	F	Sig.
1	Regression	136.564	5	27.313	91.19	.000(a)
	Residual	31.760	105	.302		
	TOTAL	168.324	110			

a Predictors: (Constant), Tangible, Responsiveness, Empathy, Assurance, Reliability
b Dependent Variable: Satisfaction

Table elucidates that the F value for independent variables = 91.19 as (91.19>1) suggests a significant relation between dimensions of service quality and customer satisfaction.

8.1.5 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	*Beta*		
1	Constant	-4.185	.502	-	-8.339	.000
	Empathy	1.421	.185	.932	7.684	.000
	Reliability	-.407	.143	-.271	-2.848	.005
	Assurance	.513	.169	.356	3.034	.003
	Responsiveness	.373	.098	.151	3.797	.000
	Tangible	.619	.085	.371	7.278	.000

The Table explains the results of the research hypothesis.

- The *first hypothesis*, empathy, significantly predicts customer satisfaction (*Beta* is weight 0.932, $p<.001$). This indicates that empathy has a positive relationship with customer satisfaction. *Therefore, based on this result, the first hypothesis was supported.*

- The *second hypothesis*, reliability, has not significantly predicted customer satisfaction (Beta is weight -0.271, $p<.001$). This indicates that reliability does not have a positive relationship with customer satisfaction. *Therefore, based on this result, the second hypothesis was rejected.*

- The *third hypothesis*, assurance, has significantly predicted customer satisfaction (Beta is weight 0.356, $p<.001$). This indicates that assurance has a positive relationship with customer satisfaction. *Therefore, based on these results, the third hypothesis was supported.*

- The *fourth hypothesis*, responsiveness, significantly predicts customer satisfaction (Beta is weight 0.151, $p<.001$). This indicates that responsiveness has a positive relationship with customer satisfaction. *Therefore, based on the results, the fourth hypothesis was supported.*

- Finally, the *fifth hypothesis*, tangible, has significantly predicted customer satisfaction (Beta is weight 0.371, $p<.001$). This indicates that tangible has a positive relationship with customer satisfaction. *Therefore, based on this result, the fifth hypothesis was supported.*

9. RESULT ANALYSIS

The study's primary research findings are examined in light of the research questions. When comparing the modified SERVQUAL to the original version created by Parasurarnan et al. (1988), the reliability coefficients of the five service quality dimensions were found to be reliable. The study employs Cronbach's alpha to assess the dependability of the instruments utilized. According to Sekaran (2005), a Cronbach's alpha that is more significant than 0.6 and within 0.8 indicates that the instrument is appropriate for assessing research.

The following was the reliability test for each of the five service quality dimensions: Statistics of Reliability For tangibles, Cronbach's Alpha ∂ =.770. Cronbach's Alpha for empathy is ∂=.833. Cronbach's Alpha for dependability was ∂ =.894. Cronbach's Alpha for assurance was ∂ =.784, and for responsiveness, it was ∂ =.882. All five of the research's service quality measures passed reliability testing with scores over 0.6, meaning they may all move on with more analysis.This study's primary focus is on the connection between customer satisfactionand service quality dimensions.The findings summary makes it clear that there are numerous topics to cover in the current study.Except for the reliability dimension, hotel customers expressed greater satisfaction with the hotel's service quality. The present clients ascribed unique significance to hotel service quality, which was connected to the SERVQUAL dimensions, according to the descriptive analysis conducted for this study. This supports Parasuraman et al. (1988)'s theory of service quality (SERVQUAL), which focused assessment on perceptions of assurance, reliability, empathy, tangible, and responsiveness.

The study found a substantial correlation between customer satisfaction and reliability, tangible traits, assurance, responsiveness, and empathy.One factor that applied to hotels for this study was the empathy element. Customer satisfaction and the empathy factor had a strong correlation (r=.816**, p<0.01). For this study, the hotels were considered to have the reliability factor. Customer satisfaction showed a substantial correlation (r=.681**, p<0.01) with the reliability component.From this study, hotels could benefit from the assurance factor. The correlation between the assurance component and customer happiness was statistically significant (r=.781**, p<0.01). For the purposes of this study, hotels were considered to have the responsiveness factor. Customer satisfaction and responsiveness component had a substantial correlation (r=.261**, p<0.01) and the for the purposes of this research, the hotels fit the definition of the tangible component. Customer satisfaction showed a substantial correlation (r=-256**, p<0.01) with the tangible element.

The findings of this study suggest that SERVQUAL is an excellent instrument for measuring hotel service quality.

The results of multiple regression analysis are summarized in Table. Except for reliability, four SERVQUAL dimensions were significantly associated with customer satisfaction at p < 0.01. According to the multiple regression analysis, we highlight that,

- *The first hypothesis*, empathy, significantly predicts customer satisfaction (Beta is weight 0.932, p<.001). This indicates that empathy has a positive relationship with customer satisfaction. *Therefore, based on this result, the first hypothesis was supported.* The findings of this study show that empathy is positively related to guest satisfaction. However, guests perceive a low degree of interaction with hotel staff. *Empathy comprises seven originally developed dimensions: communication, credibility, competence, understanding/knowing customers, courtesy, and access.* The hotel reflects a capability to fulfill guests' concerns regarding their needs, for instance, individualized attention and having guests' best interests at heart.
- The *second hypothesis*, reliability, has not significantly predicted customer satisfaction (Beta is weight -0.271, p<.001). This indicates that reliability does not have a positive

relationship with customer satisfaction. *Therefore, based on this result, the second hypothesis was rejected, regardless of the second hypothesis's results, which did not prove that reliability has a positive impact due to participants' different educational backgrounds, income, age, etc. However, reliability could still be a factor that positively influences guests in hotel industries.* According to the research data, current hotel guests are not satisfied with providing service as promised. The hotel's staff is not dependable in handling guest's service problems. Reliability should reflect the service provider's ability to perform service dependably and accurately. One of the most important aspects for the guests is reliability, which should be defined as "doing it right the first time."

- *Customer satisfaction has been significantly predicted by the third hypothesis, assurance (Beta is weight 0.356, p<.001). This suggests that assurance and customer satisfaction are positively correlated.Thus, the third hypothesis was validated in light of this outcome.* Another aspect of service quality that hotel guests' emphasis is assurance. The level of confidence and trust that guests have in hotel services is contingent upon the quality of the hotel personnel.The results of this study indicate that guests' satisfaction is positively impacted by assurance. This conclusion may be supported by the excellent and competent services offered by the hotel's staff. Employees should be reliable and trustworthy if they want guests to feel secure during all financial transactions. This component is particularly important when it comes to services that customers perceive as high risk or when the outcome is unclear. The hotel must demonstrate that it is reliable and worthy of the money guests are spending. The customer wants to feel protected throughout his stay and should feel safe using the many services provided by the hotel.

- The *fourth hypothesis*, responsiveness, significantly predicts customer satisfaction (Beta is weight 0.151, p<.001). This suggests that there is a favorable correlation between responsiveness and customer satisfaction. The fourth hypothesis was therefore validated in light of this result. In the hotel industry, another crucial success component is the responsiveness aspect of the service quality dimension. A guest's evaluation of the hotel depends on the hotel's desire to serve them promptly. The results of this study demonstrated that in the hotel industry, responsiveness positively affects visitor satisfaction. As per Ahmad et al. (2014), responsiveness pertains to the hotel's capacity to promptly resolve complaints and deliver exceptionally fast service. All requests from customers must be fulfilled; if not, they may turn into complaints. For major clients, the capacity of service providers to guarantee timely delivery of their services is critical to the quality of their offerings. This dimension emphasizes being alert and responsive while handling consumer complaints, inquiries, appeals, and other matters. The amount of time that customers must wait for an answer to an inquiry indicates responsiveness to them. Moreover, responsiveness captures the notion of flexibility and the capacity to modify the service in response to customer demands. The internal policy of the organization may have different standards for promptness than what customers need or anticipate. Hotel front-line staffs are receptionists, waitpersons, hostesses, and guest relations, and must be very well trained and responsive towards customers. It's evident that, at the moment, hotel guests are content with the individualized attention and understanding that hotel management gives them.

- Finally, the *fifth hypothesis,*Customer satisfaction has been significantly predicted by tangible (Beta is weighted at 0.371, p<.001). This suggests a positive correlation between tangibility and customer satisfaction.*Thus, the fifth hypothesis was validated in light of this outcome.*Guest perceptions state that tangibles

- include actual hotel structures, furnishings, and personnel appearance. Visitors may assess hotel amenities and layout equipment visibility. Customers, particularly new ones, will utilize the tangible factor's physical pictures of the services to gauge their quality. While

service providers often use tangibles to bolster their brand, provide consistency for clients, and signal quality, most businesses combine tangibles to create a service quality approach specific to the hotel. Tangibility includes things like how well-kept the restaurants, rooms, and other spaces are, how well-groomed the staff is in their uniform, whether they use throwaway gloves, etc.

The study's conclusions indicate that the following aspects of service quality are critical to total guest satisfaction in hotels: tangible, assurance, responsiveness, empathy, and assurance.

10. MANAGERIAL IMPLICATIONS

The study makes a number of important and practically useful observations. The pandemic in 2020 has already had an impact on the hospitality industry, and a recovery will only be achievable with the right business plans. The study provides the following recommendations to ensure service quality is the most critical task of hospitality sector.

- *First and foremost*, managers and business owners in the hotel industry should focus on the following crucial elements that have been recognized as developing study themes: the service setting's physical environment, the behavior of the staff-customer relationship, and ongoing customer involvement.
- *Second,* since reviews posted on social media and other communication sights are highly regarded by consumers and serve as a means of shaping opinions and influencing choices, consistent customer interaction on social media is essential to boosting satisfaction and loyalty.
- *Third*, Innovative information technology solutions can also be used by managers to gauge customer satisfaction and service effectiveness, as well as to convey the importance of providing a quality product or service in order to compete in the marketplace. Its pursuit of a sustained competitive edge presents a challenge in terms of improving customer happiness and service quality.
- *Fourth*, one aspect of the supply chain that managers ought to be aware of is service delivery. It is crucial to correct the errors by examining the individuals and procedures involved in service delivery in order to prevent service failure.

11. CONCLUSION

The *findings of this study* show that even though hospitality businesses might still benefit from using their old strategies, they should take advantage of opportunities brought about by the pandemic and utilize new sources of competitive advantages that have been proving their usefulness in the hospitality sector since 2020. In particular, they might segment the target audience based on the consumers' willingness or unwillingness to comply with strict sanitary and safety restrictions and adjust their product offers. It is also recommended that digitization in customer service be expanded, a detailed market analysis be carried out to customize products and services to the unique needs and preferences of particular consumers, and the highest possible level of service quality across all five dimensions be maintained. At the same time, it seems that the dimension of empathy has turned into the most critical driver of customer loyalty; therefore, managers of hospitality firms should emphasize improving the empathy of the staff while also making sure that tangibles, which also were found to be a relevant pillar of customer satisfaction and loyalty, fully meet clients' needs.

Several recommendations for further research could be formulated based on the study's findings. *First,*researchers are recommended to revisit the problem under investigation in a year to address the study's limitation and determine whether there are any long-term effects

of the pandemic that had been missed in this study. *Second*, focusing on specific indicators of customer loyalty, such as to ensure consistency in reporting data on the impact of service quality on customer loyalty. *Finally*, it might also be a promising idea to conduct primary research focusing on the specific facets of a relationship between service quality and customer loyalty based on other hospitality business. Focusing on a specific case study vividly could help investigate particular patterns in a relationship between the variables.

The study has several limitations. *First*, the scope of the systematic literature review includes articles that focused on timelines before, during, and after the COVID-19 pandemic. Therefore, some considered patterns during different periods, making it hard to compare their conclusions. *Second*, the articles examined in the research employed fundamentally different conceptualizations of customer service. While some used the SERVQUAL framework, others discussed only specific aspects of customer service, such as emotional aspects or perceived service innovation. *Third*, the pandemic has not ended by the beginning of 2024; therefore, it is possible that some long-term implications of the COVID-19 crisis for the hospitality industry have not manifested themselves yet.

Next is the sample size which is always a concern for data analysis. Due to the complexity of data collection, this study is restricted to 129 responses, which are not very sound for data analysis. More is the sample size, and more suitable is the analysis and better inference. We used regression to measure the interrelationship between predictor and dependent variables. Other advanced statistical analysis methods, such as structural equation modelling, may produce better results. For that, more data is required. The latest research demands more data with coding in the R engine. Further study is envisaged.

This study's scope was restricted to the Web of Science database, despite the fact that it advances SQCS research in the hospitality industry.Scholarly papers not used in this investigation can be found in a number of sources, including Google Scholar, PubMed, Scopus, and others. Falagas et al. (2008) state that the Web of Science citation data is regarded as accurate and repeatable, despite having a longer publishing time horizon. It is a trustworthy resource that offers a wide selection of SQCS research articles that were published in academic journals throughout the study period. Thus, the study's conclusions are reliable and pertinent.

Furthermore, there is a ton of room to grow SQCS research to include digital and sharing economy companies as well as traditional hotel sectors. The amount of SQCS research conducted in developed and emerging economies doesn't seem to be equal. It is necessary to investigate the extent, obstacles, and facilitators of SQCS in developing countries' businesses and institutions because of their innate shortcomings in attaining quality and competitiveness.

In addition, it appears that the hospitality industry has done less research on quality management methodologies including Six Sigma,Cost of Quality (CoQ), Lean Methods, and the European Foundation for Quality Management (EFQM) Excellence Model. Investigating these topics would enhance the body of knowledge regarding quality management and boost competitiveness and quality standards. Subsequent studies could examine the results of comparable SQCS research carried out in various geographic locations, enabling the determination and analysis of customer perspectives in a range of environments and cultural contexts.

In conclusion, the hospitality industry constantly evolves, and must stay ahead of the curve to meet guests' changing needs and expectations. From technology integration to sustainability, personalization, health and wellness, and the rise of leisure travel, several key trends will shape the hospitality industry in the coming years. By embracing these trends and implementing innovative solutions, the hospitality sector can provide memorable experiences for guests and stay competitive in a rapidly evolving industry.

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