

Salazar, A., Costa, J. e Rita, P., *Relationship between Service Quality, Customer Satisfaction and Behavioural Intentions: A Study on the Hospitality Sector*, Proceedings of the 33rd EMAC (European Marketing Academy Conference), May 2004, Murcia, Spain.

**RELATIONSHIP BETWEEN SERVICE QUALITY, CUSTOMER SATISFACTION
AND BEHAVIOURAL INTENTIONS:
A STUDY OF THE HOSPITALITY SECTOR**

Ana Salazar – Centre for Research Trends in Hospitality and Tourism
Fernando Pessoa University, Praça 9 de Abril, 349, 4249-004 Porto, Portugal
aks@ufp.pt - T. 351 22 507 13 11 Fax. 351 22 550 82 69

Paulo Rita – Marketing Group, ISCTE Business School - Lisbon,
Avenida das Forças Armadas, Lisboa, Portugal
paulo.rita@iscte.pt - T. 351 93 409 87 12 Fax. 351 21 453 78 66

Jorge Costa - Centre for Research Trends in Hospitality and Tourism
Fernando Pessoa University, Praça 9 de Abril, 349, 4249-004 Porto, Portugal
jcosta@ufp.pt - T. 351 22 507 13 11 Fax. 351 22 550 82 69

Track : Services Marketing

RELATIONSHIP BETWEEN SERVICE QUALITY, CUSTOMER SATISFACTION AND BEHAVIOURAL INTENTIONS: A STUDY OF THE HOSPITALITY SECTOR

ABSTRACT

Customer satisfaction is essential for the success of service firms because it leads to repeated purchases and word-of-mouth recommendations. It is also considered the most reliable indicator of the service quality that is actually delivered to customers. Based on these assumptions, and in order to assess their empirical validation, a study was conducted on 32 chains of four and five stars hotels in Portugal. A total of 532 questionnaires were used for statistical analysis, with the objective of measuring: (i) the relationship between service quality and customer satisfaction; (ii) the influence customer satisfaction and service quality have on the intention of returning to the hotel; and (iii) the influence customer satisfaction and service quality have on the intention of recommending the hotel. The conclusions are that (i) service quality influences guest satisfaction; (ii) the intention to return to the hotel is partially influenced by the quality of the service provided and by the guest satisfaction, and (iii) the intention to recommend the hotel is just but strongly affected by the satisfaction with the stay.

Keywords – Service quality; Customer satisfaction; Behavioural intentions.

INTRODUCTION

One of the main debates on the service quality literature is about the similarities and differences between service quality and customer satisfaction constructs (Cronin and Taylor, 1992; Bolton and Drew, 1991; Oliver, 1993; Zeithaml, Berry and Parasuraman, 1993). There is some kind of consensus that satisfaction is a result of individual transactions and global service, whereas service quality is the general impression of the relative superiority/inferiority of the organization and its services (Bitner and Hubbert, 1994). In other words, service quality is a general attitude before the service. When measuring perceived quality, the comparison level is what the consumer should expect. In the case of satisfaction, the appropriated standard is what the customer is probably expecting (Cronin and Taylor, 1992). According to Rust and Oliver (1994), service quality and customer satisfaction should not be treated as equivalent constructs, for they have different foundations and operating levels.

LITERATURE REVIEW

Regarding the relationship between quality and satisfaction, there are two opposed perspectives. Satisfaction is an antecedent of service quality, when this last one is seen as a global perception (Bitner, 1990; Bolton and Drew, 1991). On the other side are Cronin and Taylor (1992) and Spreng and MacKoy (1996) stating that service quality is the cause of customer satisfaction.

The behavioural intentions are one of the most important factors that allow managers to increase profits in the services sector. A positive attitude before the brand enhances the probability of repetition and recommendation to other consumers (Reichheld and Sasser, 1990). Concerning the influences of satisfaction and quality on these intentions, Taylor and Baker (1994), suggested that satisfaction should be described as a moderator between service quality and purchasing intention. Cronin and Taylor (1992), Woodside, Frey and Dale (1989) also believe that consumer satisfaction is a cause of their purchasing intentions. A different perspective is supported by Bitner (1990), according to whom the service quality judgements mediate satisfaction and purchasing intention.

The hospitality industry is very sensible to word-of-mouth communications. A non-satisfied consumer tells his/her negative experience to 9 to 20 persons, and this will obviously influence the hotel's image and subsequent efforts to attract new customers. A study conducted by Getty and Thomson (1994) in a hotel, concluded that the intention of recommending is more affected by the service quality level than by the expressed level of consumer satisfaction. A similar conclusion was achieved by Kandampully and Suhartanto (2000), also in a hotel environment, more specifically, that satisfaction is determinant on the consumer's decision of returning and recommending the hotel.

RESEARCH METHOD

The hypotheses tested on this study were:

H1: service quality is an antecedent of consumer satisfaction.

H2: the intention of returning to the hotel is influenced by service quality and consumer satisfaction.

H3: the intention of recommending the hotel is influenced by service quality and consumer satisfaction.

The questionnaire used included, besides respondents characterization, a question about the general service quality provided by the hotel (1- very weak to 9 - excellent scale); a question asking for the level of satisfaction with the stay (1- very low to 9 - very high scale); a question about the intention to recommend (yes/no), and another about the intention to return (yes/no) to the hotel.

Thirty-two hotels participated on the study, summing 532 questionnaires that were used in statistical analysis. To test H1 Qui-square test and *Sommer's* and *Gamma's* measures of association were applied. The tests of H2 and H3 were made using the logistic regression method, calculating the equation and the probability confidence interval, using service quality and satisfaction as independent variables and behavioural intentions as dependent variable.

RESULTS

The respondents included 238 males and 216 females; 375 persons (72%) were on holiday and 107 (21%) were on a business trip. 80% of the respondents (426) were between 25 and 60 years old. Concerning the level of education, 69.5% had a college degree and 25.2% finished high school. The length of stay for 277 (52%) of the respondents was 7 days, and for 152 (28.6%) between 1 and 3 days.

H1: service quality is an antecedent of customer satisfaction.

Service quality mean score was 7.48 with a standard deviation of 0.99. For customer satisfaction, the average was 7.53, with a standard deviation of 1.01. To test the independency of these two variables, we used a Qui-square test, having rejected the null hypothesis, and therefore concluded that they are not independent (table 1).

Table 1 –Qui-square test results

	Customer Satisfaction	Service quality
Qui-square	664,242	626,046
Degrees of freedom	6	6
Significance	0,000	0,000

To assess the strength of their relationship, the *Gamma* measure of association was computed, resulting in 0.91, meaning that it is a very strong and statistical significant association between service quality and satisfaction. In order to know the direction of this association, we used the *Sommers'd* measure (table 2), that distinguishes between the dependent and the independent variable.

Table 2 – Results of the association measure between customer satisfaction and service quality

Sommers'd	Value	Standard deviation	Significance
Simetric	0,734	0,024	0,000
Dependent: service quality	0,739	0,024	0,000
Dependent: satisfaction	0,730	0,024	0,000

The results led to the conclusion that using service quality as the dependent variable and satisfaction as the independent one, the predictions can improve 73.9%, against 73% when using satisfaction as the dependent variable. The conclusion is that service quality perceptions influence or are a cause of consumer satisfaction.

H2: the intention of returning to the hotel is influenced by service quality and consumer satisfaction.

The results here indicated that 41% of the intention to return to the hotel was explained by service quality and consumer satisfaction (table 3).

Table 3 – Results from logistic regression with intention to return as dependent variable

Step	-2 logarithmic probability	R square Cox e Snell	R square Nagelkerke
1	169,621	0,162	0,410

Table 4– Variables of the regression equation with intention to return as dependent variable

	B	S.E.	Wald	Df	Significance	Probability ratio
Quality	-0,897	0,326	7,570	1	0,006	0,408
Satisfaction	-0,830	0,293	7,992	1	0,005	0,436
Constant	9,365	1,529	37,519	1	0,000	11669,498

From table 4, the regression equation obtained is: $P(\text{not returning})/P(\text{returning}) = e^{9,365 - 0,897 \cdot \text{SQ} - 0,830 \cdot \text{SAT}}$, leading to the conclusion that when service quality and satisfaction increases, the probability of not returning to the hotel decreases. Another way to confirm if the ratio changed was to analyze the confidence interval (table 5).

Table 5 – Confidence interval of the logistic regression with intention to return as dependent variable

	Confidence interval at 95% for the probability ratio	
	Inferior limit	Superior limit
General quality	0,215	0,773
Satisfaction with the stay	0,245	0,773

The value 1 was not present, meaning that satisfaction and service quality influence the probability of returning to the hotel.

H3: the intention of recommending the hotel is influenced by service quality and consumer satisfaction.

The results indicated that 73.2% of the intention to recommend the hotel is explained by consumer satisfaction (table 6), and that service quality has no influence on that behavioral intention (table 7).

Table 6 – Results from logistic regression with intention to recommend as dependent variable

Step	-2 logarithmic probability	R square Cox e Snell	R square Nagelkerke
1	44,533	0,182	0,732

Table 7 – Variables of the regression equation with intention to recommend as dependent variable

	B	S.E.	Wald	Df	Significance	Probability ratio
Satisfaction	-2,447	0,619	15,606	1	0,000	0,087
Quality	-0,790	0,477	2,745	1	0,098	0,454
Constant	16,655	3,489	22,785	1	0,000	17115133

The regression equation obtained is: $P(\text{not recommend})/P(\text{recommend}) = e^{16,655 - 2,447 * SAT}$, leading to the conclusion that when satisfaction increases, the probability of not returning to the hotel decreases. This result is confirmed by the interval confidence (table 8), which includes the value 1 associated with the variable service quality, meaning that any change on it won't influence the probability of the guest recommending the hotel.

Table 8 – Confidence interval of the logistic regression with intention to recommend as dependent variable

	Confidence interval at 95% for the probability ratio	
	Inferior limit	Inferior limit
Satisfaction with the stay	0,026	0,292
General quality	0,178	1,155

The general summary from these data analyses is that (i) service quality influences guest satisfaction; (ii) the intention to return to the hotel is partially (41%) influenced by the quality of the service provided and by the guest satisfaction, and (iii) the intention to recommend the hotel is just but strongly (73%) affected by the satisfaction with the stay.

CONCLUSIONS

The first conclusion that can be drawn from this study is that service quality perceptions contribute more to consumer satisfaction (73,9%), than the contrary. This result confirms others studies (Cronin e Taylor, 1992; Spreng and MacKoy, 1996). But it is relevant to note

that satisfaction has also a very strong influence on service quality perceptions (73%). This causal reciprocity can explain the confusion often made between the two constructs, and it could lead us to the conclusion that the evaluation of a service is an iterative process. This might be related to the difference suggested by some authors (Cronin and Taylor, 1994; Brown Churchill and Peter, 1993) about the moments these evaluations are made. That is, satisfaction evaluations are made upon each transaction and quality as a general view or attitude before the service. This justification fits the present study, because satisfaction was asked concerning the stay and quality as the general perception.

Due to the strong relationship found between satisfaction and service quality perceptions, it becomes pertinent to know what should be measured. Should we ask for satisfaction ratings or for quality perceptions? It seems that when rating only quality, the picture is not complete; one can classify as excellent the quality provided by a service, but not being satisfied, if the price, for example, is considered too expensive. So, and also considering the findings here presented, it probably makes more sense to try to rate consumer satisfaction and their intentions for returning and recommending the hotel, once it seems to be sufficiently evident that satisfaction is an indicator of loyalty by influencing both behavioral intentions.

Other authors such as Bitner (1990), and Bolton and Drew (1991) have a different perspective. According to the model of those authors, the satisfaction results from disconfirmation and is prior to the quality, and the quality perceptions will then result in intentions and subsequent behaviour. Based on the results achieved on the present study, this model (Bolton and Drew, 1991) doesn't apply to the hotel environment. The only influence quality has (and is only a part of the 41% found) is on the intention to return. But the explanation for the difference satisfaction has on the intention to return (41%) and to recommend (73%) can be that, when a guest is satisfied it is simple to recommend the hotel (and so the probability of doing it is high); on the other hand, the probability of returning to the same hotel (and location) is affected by so many other factors that he/she doesn't control, and so the probability of returning is difficult to forecast. Perhaps here the question should be *would you like to return to this hotel?* The answers to this could point out some indication about the degree of loyalty the guest has towards the hotel, and at the same time eliminate practical considerations that would bias their reactions.

A suggestion to future research would be to know the timing after the stay that the recommendation is normally done. Making use of that information, the hotel could contact the guest to remind him/her about the pleasant stay he/she had, and so inciting the recommendation. To control the effectiveness of this measure, a question on the check-in questionnaire could be asked to know if the decision was influenced by any recommendation from a friend or a family member. Another proposal of future research, and to have a broader and practical view, the determinants of the satisfaction should be assessed in order to supply valuable information for hotel managers when allocating their resources. Concerning limitations, it must be considered the degree of generalization to the sector as a limitation, as this was an occasional research in 4 and 5 stars chain hotels.

REFERENCES

Bitner, M. J. (1990). "Evaluation Service Encounters: The Effects of Physical Surroundings and Employee Responses", *Journal of Marketing*, 54[April], 69-82.

- Bitner, M. J. e Hubbert, A. R. (1994). "Encounter Satisfaction versus Overall Satisfaction versus Quality the Customer's Voice". In: Rust, R. e Oliver, R. (Eds.) *Service Quality New Directions in Theory and Practice*. Thousand Oaks, Sage Publications, 72-94.
- Bolton, R. N. e Drew, J. H. (1991). "A Multistage Model of Customers' Assessments of Service Quality and Value", *Journal of Consumer Research*, 17[March], 375-384.
- Brown, T. J., Churchill, G. A. Jr. e Peter, J. P. (1993). "Research Note: Improving the Measurement of Service Quality", *Journal of Retailing*, 69[1, Spring], 127-139.
- Chadee, D. D. e Mattsson, J. (1996). "An Empirical Assessment of Customer Satisfaction in Tourism", *The Service Industries Journal*, 16[3, July], 305.
- Cronin, J. J. Jr. e Taylor, S. A. (1992). "Measuring Service Quality: A Reexamination and Extension", *Journal of Marketing*, 56[July], 55-68.
- Cronin, J. J. Jr. e Taylor, S. A. (1994). "SERVPERF versus SERVQUAL: Reconciling Performance-Based and Perceptions-Minus-Expectations Measurement of Service Quality", *Journal of Marketing*, 58[January], 125-131.
- Getty, J. M. e Thompson, K. N. (1994). "The Relationship Between Quality, Satisfaction, and Recommending Behaviour in Lodging Decisions", *Journal of Hospitality & Leisure Marketing*, 2[3], 3-22.
- Kandampully, J. e Suhartanto, D. (2000). "Customer Loyalty in the Hotel Industry: The Role of Customer Satisfaction and Image", *International Journal of Contemporary Hospitality Management*, 12[6], 346-351.
- Oliver, R. L. (1993). "Cognitive, Affective, and Attribute Bases of the Satisfaction Response", *Journal of Consumer Research*, 20[December], 418-430.
- Reichheld, F. F. e Sasser, W. E. (1990). "Zero Defections: Quality Comes to Services", *Harvard Business Review*, 68[September-November], 105-111.
- Rust, R. e Oliver, R. (1994). *Service Quality New Directions in Theory and Practice*. Thousand Oaks, Sage Publications.
- Spreng, R. A., Mackoy, R. D. (1996). "An Empirical Examination of a Model of Perceived Service Quality and Satisfaction", *Journal of Retailing*, 72[2, Summer], 201-214.
- Woodside, A. G., Frey, L. L. e Daly, R. T. (1989). "Linking service quality, customer satisfaction, and behavioral intention", *Journal of Health Care Marketing*, 9[4, December], 50-67.
- Zeithaml, V. A., Berry, L. L. e Parasuraman, A. (1993). "The Nature and Determinants of Customer Expectations of Service", *Journal of the Academy of Marketing Science*, 21[1], 1-12.