

Satisfaction and service quality in uk budget hotels tourism essay



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The outline for the research is presented here. It includes Introduction to the topic and of the company. This is followed by Literature Review. Next comes methodology of research and then Analysis and Results. These are followed by Discussion and Recommendation. Finally the Conclusion and its contents are given.

The budget hotels or low-cost hotels are in great demand today. This is because currently the world is facing the worst economic recession in decades, which has reduced the ability of people to spend on non-essential products and services like holidays. Also there have been huge cuts in the travel budgets of many firms as a result of which more and more companies are using budget hotels for business travel. Another key target market for budget hotels are the backpackers who stay in either youth hostels or budget hotels. This sentiment has been echoed by the author Fiorentino (1995) stating that budget hotels especially thrive in the recessionary environment. The author has further gone to say that, ' the budget hotel is not only a booming short-term phenomenon, but a major strategic development in the international hospitality industry that represents the introduction of the no-frills, purpose-designed and branded product concept in hospitality'. However the quality of service and the level of satisfaction in such types of accommodation has been an area of interest for academics and hotel managers for a long time. But it is especially important in the current economic scenario and presents a great opportunity to study these.

Background

The concept of budget hotels originated in America but it is widely used in the developed world including the UK and many successful chains of such hotels are thriving today. Prominent amongst them are Travelodge and Premier Inn. With the exponential usage of the internet in the search and booking of accommodation there has been an explosion of websites that offer value for money or budget accommodation and this is causing strong demand for such accommodations.

Aims and Objectives

The aim of this study would be to explore the significance of the service quality and satisfaction in the budget hotels operating in the UK. The principal aim of this research will be met by following objectives:

To identify factors affecting service quality in UK budget hotels;

To explore the consumers' perceptions of service quality in UK budget hotels;

To explore the consumers' expectations for service quality in UK budget hotels;

To report the gap between the perceptions and expectations for service quality in UK budget hotels;

To study the factors affecting the customer satisfaction in the budget hotels

Literature Review

Importance of Service Quality

The effectiveness and importance of the service quality according to the academics and marketing experts will be researched and written

Importance of Customer Satisfaction

The effectiveness and importance of the service quality according to the academics and marketing experts will be researched and written

Service Quality in Hospitality Industry

The quality of service is a much researched subject in the hospitality arena. According to the authors Benítez, Martín and Román (2007), 'Hotels provide an ample range of services to customers, including lodging services, reception, meals, room service, among others. Service quality can be regarded as a composite measure of various attributes. It not only consists of tangible attributes but also intangible/subjective attributes such as safety, quietness, which are difficult to measure accurately and usually studied throughout linguistic information'. Thus details and expert views on what constitutes service quality will be researched here.

Measurement of service Quality

SERVQUAL instrument by Parasuraman, Zeithaml and Berry is the most popular one used in the measurement of quality of service today in the hospitality industry. This is the one which will be used here as well for the measurement of service quality

Measurement of customer satisfaction

The ways of measuring customer satisfaction are varied from periodic surveys to continuous ones. The best and most popular methods will be studied here.

Methodology of Research

To assess the service quality and customer satisfaction levels in the firm chosen a number of factors will have to be studied. Both primary and secondary data will be used to understand this. A budget hotel chain in the UK will be chosen and firstly secondary data will be gathered on that organisation to understand its marketing strategies and the overall strategic direction the firm has undertaken. Then a questionnaire will be developed for the survey that will be carried out to gather primary data on that organisation and its customers.

Rationale for Research

There has been tremendous increase in the number of budget accommodations in the UK and surge in demand created increase in the supply with lots of new budget hotels creeping up in the pre-recession growth years. This led the hotels to compete on prices and service quality was side-lined but the view today is changing and the hotels are feeling that there is a need to focus on the customer satisfaction and quality of service being offered in the budget hotels to gain a sustainable competitive advantage amongst the increase in the competition. However, globally the hotel sector is experiencing the decline in service quality and consumers satisfaction. Decline is perceived by the consumer, because in 1990's

consumers' expectations were raised to the standard that hotels couldn't sustain and exceed (Briggs, Sutherland, Drummond, 2007: 1009). Similar pattern has also been noticed in relation to the budget hotels where, constant updates of tangible and intangible aspects in budgeted hotels resulted to development of 'upper budget' hotel type, with the provision of full-service three star hotel facilities (Fiorentino, 1995: 457).

There has been a lot of research in the field of service quality and customer satisfaction in the hospitality sector but there is very little such research done in the budget hotel segment which is one of the fastest growing segments in the hospitality industry today. Hence this research attempts to study and evaluate the factors that affect customer satisfaction and service quality.

Selection of Research Methodology

Secondary data will be used to meet the research objectives. A range of academic journals and other literature will be used to understand the already published experts' views and data on the subject. As author Churchill (2001) suggested the data to be collected for this research will be decided on the different aspect of the research and their importance and relevance to this study.

Questionnaire Design

A structured questionnaire will be designed for the purpose of this study. It will have questions relating to the customer satisfaction and service quality regarding the chosen hotel. The service quality will be based on SERVQUAL elements of Tangibles, Reliability, Responsiveness, Assurance and Empathy.

The SERVQUAL is the most popular and commonly used tool for measuring the quality of service in the hospitality sector. The questionnaire will also include question on customer satisfaction.

Analysis and Results

The data gathered from the survey will be analysed to gain insight into the results and to find the levels of satisfaction and the quality of service offered by the company. The results will be given in both tabulated form as well.

Discussion and Recommendation

This chapter will discuss the results found and the insight generated by the analysis. It will then give the recommendations for managers

Conclusion:

This will list the findings of the study and the recommendations for the future studies as well as the limitations of this study