

Customer Satisfaction: A Case Study of Hotel Industry in Kashmir Valley

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ABSTRACT

In the present competitive era, consumer satisfaction is a fundamental strength for any business to subsist. Service quality and customer satisfaction turn out to be the only way to differentiate services from those of the competitors. Customer satisfaction is largely hooked upon quality of services. Hotels which are able to comprehend and satisfy customer's needs make greater profits than those which fail to understand and satisfy them. Customers in the hospitality industry will no longer stand for being treated as one demographic class and they will not tolerate a generalized mind-set. Thus the service providing companies need to customize their services as per the needs and requirement of the consumers in order to have a competitive advantage in the market. In view of the rising significance of customer satisfaction for tourism promotion; present study attempts to explore the literature available on the consumer satisfaction in hotel industry and also determine the satisfaction level of customers towards hotel industry in Kashmir Valley on the basis of existing literature and a fresh qualitative study. The study offers various suggestions so as to make services more efficient and effective.

Keywords: Customer, Satisfaction, Jammu and Kashmir, Tourism, Hotel, Industry

INTRODUCTION

Customer satisfaction has been heavily emphasized in the hospitality industry. As the level of competition strengthens, service organizations discover their offerings becoming analogous to one another's specifications. Under such circumstances, service quality and customer satisfaction turn out to be the only way to differentiate services from those of the competitors. Most recently, more and more researches have reported that even though customers had been satisfied or very satisfied with their original provider, they still switch to a different provider (Skogland & Siguaw, 2004). Thus, if the companies want to increase customer loyalty, then they need to consider ways to build a relationship with customers, including the way satisfaction influences their decision to return to the same hotel. In hotel industry also customer satisfaction is largely hooked upon quality of services. Hotels which are able to comprehend and satisfy customer's needs make greater profits than those which fail to understand and satisfy them.

Customer satisfaction is a rising issue in the hotel industry and many studies have been carried out in the same setting by different scholars. Customer satisfaction has developed into an important performance indicator for the hospitality industry, as it shows the magnitude of relationship among the consumer and the service provider. From a number of years the hospitality industry has presented a substantial growth and diversification. As hospitality industry is a service industry a straight interaction between the customer and service provider is very noticeable. The logic of marketing is to recognize and understand the consumer so well that the product or service fits him and sells itself. In hotel industry the tailored services for the customers emphasize on at least three key elements: improved personalization, further applications of technology and increased cognizance of changing demographics. Customers in the hospitality industry will no longer stand for being treated as one demographic class and they will not tolerate a generalized mind-set. Thus the service providing companies need to customize their services as per the needs and requirement of the consumers in order to have a competitive advantage in the market. The customs being aware of the market drifts will look for personally designed products, services and communication and only successful hotels will be able to communicate with every customer as an individual with special needs and expectations.

Thus the service organisations must customize their services as per the needs of the consumers in order to ensure a competitive advantage in the market. As the level of competition strengthens, service organizations discover their offerings becoming parallel to one another's specifications. Under such conditions, service quality and customer satisfaction turns out to be the single way to differentiate services from those of the competitors. Hotels which are able to recognize and satisfy consumer's needs make better profits than those which fail to understand and satisfy them.

Customer satisfaction is a complex construct. Recently, researchers have argued that there is a distinction between customer satisfaction as related to tangible products and as related to service experiences. This distinction is due to the inherent intangibility and perishability of services, as well as the inability to separate production and consumption. Hence, customer satisfaction with services and with goods may derive from, and may be influenced by, different factors and therefore should be treated as separate and distinct.

The Importance of Customer Loyalty in the Hotel Industry

The hotel industry today has been recognized as a global industry, with producers and consumers spread around the world (Kandampully et al., 2000). The use of hotel facilities such as: guestroom, restaurant, bar, spa or wellness services, is no longer considered a luxury. For many people, these services have become an integral component of their lifestyle. Moreover, in the last two decades, demand for supply of hospitality services beyond that of traditional services intended for 11 travelers have escalated the growth of the hospitality industry globally, leading to intense competition in the marketplace (Kandampully et al., 2000).

According to Kandampully and Suhartanto (2000), one of the greatest challenges facing hotel organizations today is the ever-growing volume and pace of competition. Competition has major implications for the customer, providing increased choice, greater value for money, and augmented level of service. Additionally, there is little to distinguish one hotel's products and services from another. Thus, it is imperative for hotel organizations to gain a competitive advantage. To gain a competitive advantage, hotel operators are using two commonly-known strategies. They are:

1. Providing low-cost leadership through price discounting, and
2. Developing customer loyalty by providing unique benefits to customers.

Hotels that attempt to improve their market share by discounting price run the serious risk of having a negative impact on hotel's medium- and long-term profitability. Thus, it is quality of service rather than price that has become the key to a hotel's ability to differentiate itself from its competitors and to gain customer loyalty (Kandampully et al., 2000).

Due to the importance of customer loyalty, companies are trying to enhance their customers' loyalty through retention programs and 12 relationship marketing strategies (Hallowell, 1996). Customer loyalty is important because loyal customers bring many benefits to a firm.

According to Reichheld and Teal (1996), the various advantages of customer loyalty include: a continuous stream of profit, reduction of marketing cost, growth of per-customer revenue, decrease in operating cost, increase in referral, increase in price premium, and switching barriers among loyal customers who do not easily surrender to the competitors' promotion efforts. Considering these benefits, customer loyalty is a necessary prerequisite for the future survival of hotel organizations (Reichheld and Teal, 1996; Reinartz and Kumar, 2000; Yian Jeon, 2003).

LITERATURE REVIEW

According to the previous literature, study for this model supports the conceptualization of perceived quality as a discrete construct, distinct from satisfaction (Bitner and Hubbert, 1994). Customer satisfaction may be defined the extent to which a firm accomplishes a consumer's needs and desires in relation to his expectations, prior to receiving the products or service (McCarthy and Perrault, 2002). Thus customer expectation is the difference between the expectations of the customers before receiving the services and perceptions of the customers after receiving the services. Customer satisfaction mainly depends on the build-up of the perceived value to which the customers have concerning a product or service (Kotler and Armstrong, 2004; 2009). So customers' satisfaction can reflect a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance or outcome in relation to the expectations. As per Liu and Yen (2010) Customer satisfaction is regarded as customers can get more benefits than their cost. Customer satisfaction is attaining the maximum out of the value invested for a product or a service.

Fournier and Glenmick (1991) concluded that the concept of satisfaction holds well only when the expectation is positive. Expectations from the customer's point of view are the reference points on which a customer forms a judgement about a service or a product. Customer satisfaction starts with the first contact an organization has with a customer and continues throughout the entire lifetime of the relationship i.e. the guest cycle (Reichheld, 1996). Customer satisfaction plays the most important role in total quality management. In comparison with other traditional performance measures, customer satisfaction is probably less sensitive to seasonal fluctuations, changes in costs, or changes in accounting practices (Kotler, 2006). So, for a hotel to carry on in business, it must ensure the satisfaction of needs and wants of the customers continuously, which will eventually lead to a strong customer base.

Chamayne (2013) enumerated the strategies that can be used to improve customer satisfaction as listening ears, (i.e. proper customer compliant handling procedure or technique) pricing (adequate and reasonable pricing policy),

provision of adequate security and proper satisfaction management, quality service delivery, prompt service delivery courteous staff, employee training and retraining, etc. Hotels are increasing their investments to improve service quality and the perceived value for guests so as to achieve better customer satisfaction and loyalty, thus resulting in better relationships with each customer (Jones et al., 2007). As Valdani (2009) points out an enterprise subsist only because they have customers to serve, thus making it clear that an organisation exists only because of its customers. The key to attain sustainable benefit lies in delivering high quality service that eventually leads to satisfied customers (Shemwellet al, 1998). As per the various carried out the major determinants of customer satisfaction vary from one individual to another. But many individuals/customers have been discovered to prefer nearly the same thing. Among the top three (3) determinants of customers satisfactions are: cleanliness, appearance and price. Knutson (1988) publicized that room cleanliness and comfort, prompt service, friendliness of employee's convenience of location, safety and security, and are important. Choi and Chu (2001) concluded that staff quality, room qualities and value are the top three factors free breakfast, airport shuttle, car hire service, atmosphere, security and friendly staff. Atkinson (1988) found out that cleanliness, security, value for money and courtesy of staff. Since 1990's there have been several literatures on the service quality, especially on the relationship between service quality and customer satisfaction and service quality and behavioural intention in various industries, and developing recommendations to increase service performance and overall profitability (Parasuraman et al., 1988; Carman 1990; Cronin & Taylor, 1992; Asubonteng et al., 1996; Lee & Cunningham 2001; Jones et al., 2002; Santos, 2003). Despite the important theoretical role of service quality in improving customer satisfaction and behavioral intention, as previously explained, few empirical studies have investigated this relationship. However, there is contradiction in the literature concerning (1) the dimensional structure of service quality and (2) which service quality dimensions can affect customer satisfaction and behavioral intention.

Service quality

Quality is gaining in importance in all areas of life. In tourism too, guests require "products" where they are guaranteed of getting high-quality, value-for-money services. The further reasons for organised quality in tourism are widely documented: growing competition, lack of willingness to provide a service, growing loss of individuality by standardization of products (Unwto, 2004). Service Quality has been defined differently by different authors. Parasuraman et al. (1985) defined service quality as "the degree and direction of discrepancy between customers' perceptions and expectations", and "Perceived service quality" as "the gap between customers' expectations and perceptions, as a measurement of service quality". So, the smaller the gap, the better the service quality provided, and the greatest the customer satisfaction.

Measuring service quality has received increasing attention in recent years in the tourism literature (Hudson& et al, 2004). Literature including service quality in the hospitality industry can be categorized into three major groups: human resource related, strategy and management related, and service quality measurement issues. Some examples of the service quality articles related to the measurement of service quality using the SERVQUAL or modified instrument to identify the perception of service quality in the hospitality industry (Douglas, Connor, 2003: Juwaheer & Ross, 2003: Antony, Antony, & Ghosh, 2004:Ndhlovu & Senguder, 2002: Chen, Ekinci, Riley, Yoon, & Tjelflaat, 2001: Tsang & Qu, 2000: Ingram & Daskalakis, 1999: Mei, Dean, & White, 1999: Gabbie & O'Neill, 1996: Webster & Hung, 1994: Saleh & Ryan, 1991). Another group concerns the constructs of service quality measurement combined with those using other techniques. This group includes Getty & Getty (2003), Olorunniwo, Hsu, & Udo (2003), Ekinci & Riley (1999), Stauss & Weinlich (1997), Randall & Senior (1992), Wisner & Corney (1997), Hersh(2010), Akbaba(2006), Haghhkiah & et al (2011) , Yu et al (2005), ,Clemen. (2001).

Service Quality Dimensions

Regardless of the type of service, consumers used basically similar criteria in evaluating service quality. These criteria seem to fall into 10 key categories which are labelled service quality determinants (dimensions) that company executives consistently mentioned in terms of consumers' evaluations of service quality. Parasuraman et al., (1985) defined the ten determinants of service quality as follows (Reliability , Responsiveness , Competence, Access , Courtesy ,Communication, Credibility ,Security ,Understanding and Tangibles) Further and more quantitative research made by Parasuraman et al. (1988) three years after their initial article on service quality led these researchers to conclude that consumers use five underlying dimensions in judging service quality, so these ten were later reduced to five through exploratory factor analysis by Parasuraman, et al. (1988). The five final dimensions factored down to:

- 1- Tangibles: Physical facilities, equipment, appearance of personnel and communication materials.
- 2- Reliability: Ability to perform the promise service dependably and accurately.
- 3- Responsiveness: Willingness to help customers and provide prompt service.
- 4- Assurance: Knowledge and courtesy of employees and their ability to convey trust and confidence.
- 5- Empathy: Caring, individualized attention the firm provides its customers.

These five dimensions appear again along with the scale developed to measure them, called "SERVQUAL". These dimensions represent how consumers organize information about service quality in their mind (Zeithaml & et al, 2006).

The measurement of service quality:

The conceptualization and measurement of service quality perceptions have been the most debated topics in the services marketing literature to date. This debate continues today, as is marked from the on-going and largely failed attempts either to mix the SERVQUAL / SERVPERF conceptualization into new industries (e.g., Durvasula, Lysonski, and Mehta 1999; Kettinger, Lee, and Lee 1995) or to repeat its conceptual structure (e.g., Asubonteng, McCleary, and Swan 1996; Kettinger and Lee 1995; Mels, Boshoff, and Nel 1997; Van Dyke, Kappelman, and Prybutok 1997). Indeed, perceived service quality has proved to be a difficult concept to understanding. A call for research that specifically examines the "dimensionality" of the service quality construct (Parasuraman, Zeithaml, and Berry, 1994) has yet to be successfully addressed.

Given the importance of customers' perceptions of quality in a service context, it is no surprise that numerous studies have been devoted to its measurement (Ladhari, 2008). Examples of service quality models include the Nordic model (Grönroos, 1984; 2007); SERVPERF (Cronin and Taylor, 1992); and SERVQUAL (Parasuraman et al., 1988). SERVQUAL is probably the most commonly used model applied and examined across a variety of tourism and leisure contexts and is hence described in more detail (Radder & Han, 2011).

It is generally might be accepted today that service quality is a multi-dimensional construct (this assumption will be tested in the current study through exploratory factor analysis). There have been a variety of service quality models (measures) in the literature. One of the widely used models is the SERVQUAL/SEVPERF (Kouthouris & Alexandris, 2005) SERVQUAL model based on the original conceptual gap model of service quality produced by Parasuraman et al. (1985, 1988 and 1991). The SERVQUAL model consists of 22 items on service attributes developed by Parasuraman & et al., (1988) which are grouped along the five dimensions of tangibles, reliability, assurance, responsiveness, and empathy to measure customers' expectations (E) and perceptions (P) of the five RATER dimensions. Four or five numbered items are used to measure each dimension. The SERVQUAL was a questionnaire that examined customers' perceived service quality by measuring customer expectation in the first portion, and their perceived service performance in the second portion (Narangajavana, 2007).

However its growing popularity and widespread application, SERVQUAL has been subjected to a number of criticisms Buttle (1996). Additionally, despite the fact that the SERVQUAL model might be an excellent instrument for measuring service quality, several researchers comment on the SERVQUAL model, indicating that there are some shortcomings and defects associated with SERVQUAL. The SERVQUAL was criticized for its predictive power, and length. Hoffman and Bateson (2006) argued about the length of the SERVQUAL questionnaire because it consists of 44 questions to measure customer expectations and perceptions. This may result in respondent fatigue. Cronin (1992: 1994) and Brady, Cronin, and Brand (2002) preferred the use of only perception of service performance to measure service quality (Narangajavana, 2007 and Zhang, 2009).

Hoffman and Bateson (1997) mentioned the critique about the predictive power of the SERVQUAL (measuring both expectation and perception): that its ability to predict customer purchase intention was less than the modified instrument that measured only the perception of service performance. Service quality required customer satisfaction as a mediating variable that affected purchase intention. Cronin & Taylor (1992) stated, "service quality is an antecedent of consumer satisfaction and that consumer satisfaction exerts a stronger influence on purchase intentions than does service quality." They suggested for managerial purpose the customer satisfaction program should be more emphasized than strategies that focused exclusively on service quality (Narangajavana, 2007).

Regards the measurement of expectations, Baron and Harris (2003) stress that the timing of expectation measurements is of crucial importance. In SERVQUAL, respondents must rate their expectations and perceptions of a particular service on the same scale for each of 22 items. Moreover, respondents are often interviewed only once and questioned to rate both their expectations and perceptions on one occasion. If respondents are using these retrospective expectations in their post-purchase evaluations, the initially measured expectations are disputable by biased experience of the respondents (Zhang, 2009).

These above-mentioned criticisms and other criticisms led Cronin and Taylor (1992; 1994) to conclude that it is much better to use questions about performance (=perception) and delete all the questions on expectations. That is the essence of their SERVPERF model. In fact, the SERVPERF model is based on the perception items in SERVQUAL. One of the arguments is that the predictive validity of using only the perceptions component is higher than in using the difference (perception-expectation) scores (Parasuraman et al 1994, and Zhang, 2009). It has also been argued that the performance-only measure proposed by Cronin and Taylor (1994), the SERVPERF, explains more variance in an overall measure of service quality than SERVQUAL instrument (Tahir Jan, 2012) The SERVPERF Measurement (Performance-based measure). Since 1990's there have been many literatures on the service quality, especially on the factors which affect customer satisfaction, loyalty, and behaviour intention in various industries, and developing recommendations to increase service performance (Parasuraman et al., 1988; Carman 1990; Cronin & Taylor, 1992; Asubonteng et al., 1996; Lee & Cunningham 2001; Jones et al., 2002; Santos, 2003). There has also been studies done

on the airline industry (Chin, 2002), hotels industry (Pei et al., 2006), and banking services (Haron, et al., 1994; Levesque & McDougall, 1996; Babakus et al., 2004). The empirical research of Cronin and Taylor (1992) suggested that measuring service quality from only the perceptions of the service experience. For more consistent results of the analysis of a structural model, they recommended using "SERVPERF" -a modified SERVQUAL instrument to measure service quality. The five dimensions of SERVQUAL scale (Parasuraman et al., 1988) include the physical facilities, equipment and the appearance of the staff (Tangibles); the dependability and accuracy of the service provider (Reliability); the ability to know and willingness to cater to customer needs (Responsiveness); the ability of staff to instill confidence and trust in the company (Assurance); and finally, the ability of the staff in providing a caring service to customers (Empathy). Instead of measuring both customer expectations and perceptions as in the SERVQUAL, the SERVPERF was operationalized by only one part of the perceived performance. It did not assess the gap scores between expectation and perception as the expectation does not exist in the SERVPERF. Therefore, by excluding the measurement of customer expectation, a total of only 22 items remained in the new measure. Cronin and Taylor (1992) concluded that the SERVPERF was a superior service quality measurement in comparison to the SERVQUAL. In addition, the results demonstrated that the new measure had more predictive power on the overall service quality judgment than the original instrument (Narangajavana, 2007).

Moreover, while it seems logical that identifying the gaps is the best way to define quality, identify possible problems and predict loyalty, there have been some researchers (e.g., Cronin & Taylor, 1992; Teas, 1993), who questioned the gap model, suggesting that measuring perceptions alone might be a better indicator of service quality, than measuring the differences between expectations and perceptions (Robledo, 2001; Zeithaml et al., 1996). From a methodological point of view, it is not always easy to adopt the gap approach, since in a real life setting it requires to collect data twice (before and after using the service) from the same customers, and compare their answers. In the same vein, the study conducted by Lee & et al (2000) to test whether SERVPERF better than SERVQUAL in measuring overall service quality in an entertainment park as the facility/equipment-based firm and an aerobic school and an investment consulting firm as the people-based firm, finding stated that performance only (SERVPERF) explains more variance in overall service quality than does the difference between expectation and performance (SERVQUAL).

Additionally, the study conducted by Jain and Gupta (2004) supported the above assumption and made a comparative assessment of the SERVQUAL and the SERVPERF scales in the Indian context in terms of their validity, ability to explain variance in the overall service quality, power to distinguish among service objects/firms, parsimony in data collection, and, more importantly, their diagnostic ability to provide insights for managerial interventions in case of quality shortfalls. To find that while the SERVPERF scale is a more convergent and discriminant valid explanation of the service construct, possesses greater power to explain variations in the overall service quality scores, and is also a more parsimonious data collection instrument, the study findings is that when one is interested simply in assessing the overall service quality of a firm or making quality comparisons across service industries, one can employ the SERVPERF scale because of its psychometric soundness and instrument parsimoniousness. In the same context, Cronin and Taylor (1994) defended that the SERVPERF also provided practical values to managers. They supposed that the performance-based measure of service quality could offer a longitudinal index of the service quality perceptions, relative to time and customer subgroups. Their final thoughts did not commit them to remain supportive to the SERVQUAL, yet remained confident of their SERVPERF.

Previous studies have shown that a perception study based on tourist experiences has been widely utilized to measure service or product quality. Among the popular models is the SERVPERF model introduced by Cronin and Taylor (1992), who improved the five service quality constructs of SERVQUAL: tangibles, reliability, responsiveness, assurance and empathy. Different from SERVQUAL, the SERVPERF model collects opinions on service quality based on the perceptions of the tourists after experiencing or using the services or products. A perception study is based on the argument that tourist satisfaction is a consequence of service quality (Kumra, 2008). This means that tourist satisfaction can be explained by the positive perception a visitor gains as a result of his or her experience after using a service or product (Lee, 2009). The perception data were collected at the end of a trip (Khan, 2003). Therefore, the SERVPERF model is said to consider performance attributes of Parasuraman's SERVQUAL model (Bouranta & et al, 2009). According to Ko (2005) in cases where technical measurements of the services or products received by the tourists is difficult to obtain, tourist perception can serve as a valuable tool to assess the quality of services or products. A perception study (SERVPERF) is argued to be relatively easy to conduct, as opposed to a service gap study (SERVQUAL) that involves data collection before the tourists leave for their trips (tourist expectation) and after the tourists complete the trips (tourist perception) (Yusof et al., 2010 and Khan, 2003). Unlike the SERVQUAL model, which faced much criticism because of its use of expectations in measuring service quality (V, 1993), the SERVPERF model is argued to be capable of explaining higher variances (Cronin & Taylor, 1992) and yielding better results (Asubonteng & et al, 1996).

Service quality and customer satisfaction

One of the biggest contemporary challenges of management in service industries is providing and maintaining customer satisfaction. Service quality and customer satisfaction have increasingly been identified as key factors in the battle for competitive differentiation and customer retention. Additionally, increased competition between leisure

service businesses has force managers to place greater importance on understanding and satisfying their customers' requirements. Like other service industries, hospitality research is focusing on the relationship between customer satisfaction, and repeated sales. Customer satisfaction is one of the most important sources of competitive advantage and its accurate measurement is essential for the positioning or repositioning the service mix to meet customers' needs (Ispas & et al, 2010).

According to Spreng and Mackoy (1996), there is no clear definition of satisfaction, although most definitions would involve "an evaluative, affective or emotional response." More specific, there are a number of approaches to define what customer satisfaction is. Zeithaml and Bitner (2000) describe it as "the customer's evaluation of product or service in terms of whether that product or service has met their needs and expectations." Considering the travel industry, where the product offering addresses hedonistic (leisure) needs, so satisfaction is defined by Oliver (1997, 1999) "as pleasurable fulfillment." Therefore, the overall experience of the tourist is evaluated based on fulfillment of his/her needs, wants, desires and hopes. Consequently, "satisfaction is the tourist's sense that consumption provides outcomes against a standard of pleasure versus displeasure" (Moliner & at al., 2006 and Kobylanski, 2012).

The discrepancy between perceived service quality and satisfaction is important because managers need to know whether their objective is to provide the maximum level of perceived service quality or to have satisfied customers. The standard of comparison in forming satisfaction is predictive expectations, or what the consumer believes will happen. Perceived service quality is the result of a comparison of performance and what the consumer feels a firm should provide (Shonk, 2006). One of the widespread determinants of overall customer satisfaction is perceived quality (Fornell & et al., 1996).

In contrast to this idea to equate the two constructs, the idea that perceived service quality and customer satisfaction are distinctive constructs has later achieved some degree of consensus among researchers. According to this view, perceived service quality is evaluated by the actual performance of the service in terms of particular service attributes in the specific context, whereas customer satisfaction is assessed by the customers' overall experience of the service (Oliver, 1997). Customer satisfaction thus depends on a variety of factors, including perceived service quality, customers' mood, emotions, social interactions, and other experience-specific subjective factors (Oliver and Rust, 1994). Satisfying the consumer in tourism is important for three main reasons (Swarbrooke & Horner, 1999). First it leads to positive word-of-mouth recommendation of the product to friends and relatives, which in turn brings in new customers. Second creating repeat customer by satisfying them with their first use of the product brings a steady source of income with no need for extra marketing expenditure. Third dealing with complaints is expensive, time consuming and bad for the organization's reputation. Furthermore, it can bring direct costs through compensation payments (Abdalla, 2008).

In tourism industry, quality of consistent delivery and visitor services according to expected standards is become one of the major challenges for the destination management will be facing in the following years as it is a crucial condition for destinations' success in the competitive and emerging tourism industry. On other hand, service quality has become a great predictor to outcomes, such as customer satisfaction (Atilgan & et al., 2003). In destination marketing, tourist satisfaction is considered to be very important, as it is very influential in the choice of destinations, the consumption of products and services, and the tourists' decision to return (Kozak and Rimmington, 2002). Bowen and Clarke (2002) indicated that measurement between service qualities with tourist satisfactions allows destination management to fully understand how to provide the best possible service quality to satisfied tourists.

As indicated before service quality and customer satisfaction are different concepts, although they are closely related. According to some authors, satisfaction represents an antecedent of service quality (Carman, 1990; Bolton and Drew, 1991). In this sense, satisfactory experience may affect customer attitude and the assessment of perceived service quality. Thus, satisfaction with a specific transaction may result with positive global assessment of service quality. Other authors conflicts the previous approach and claimed that service quality is antecedent of customer satisfaction = Oliver, 1997; Oh, 1999; Zeithaml and Bitner, 2000) This group of authors suggests that service quality is a cognitive evaluation, which may lead to satisfaction. Hence, customer satisfaction is the result of service quality (Holjevac & et al , 2009). The current study adopted the latest point of view in which service quality as a process will cause customer satisfaction as an output. A second debate within the literature relates to the relationship between service quality and customer satisfaction. Satisfied customers tend to be loyal to the company and more likely to return (Greenwell et al., 2002). In the tourism and recreation field, distinctions have been made between quality of opportunity or performance, and satisfaction or/and quality of experience. Crompton and Love (1995) in their discussion of the quality and satisfaction constructs in the context of tourism quality of performance, which may also be termed quality of opportunity, refers to the attributes of a service which are primarily controlled by a supplier. It is the output of a tourism provider. Evaluations of the quality of performance are based on tourists' perceptions of the performance of the provider. In contrast, satisfaction refers to an emotional state of mind after exposure to the opportunity. It recognizes that satisfaction may be influenced by the social-psychological state a tourist brings to a site (mood, disposition, needs) and by extraneous events (for example climate, social group interactions) that are beyond the provider's control, as well as by the program or site attributes that suppliers can control. Thus, performance quality is

conceptualized as a measure of a provider's output, whereas level of satisfaction is concerned with measuring a tourist's outcome. All else equal, higher quality performance in facility provision, programming, and service are likely in facility provision, programming, and service are likely to result in a higher level of visitor satisfaction. However, extraneous variables associated with factors outside the control of the provider make it likely that there will be a less than perfect correlation between the two measures.

Tian-Cole and Crompton (2003) believe there is agreement that service quality and tourist satisfaction are unique and different constructs. They strengthen their position by arguing that service quality contributes to overall satisfaction. It can therefore, be viewed as one of the factors that determine tourist satisfaction. Other factors are the experience, desired outcomes, perceptions, needs and desires. With the argument given above, it is clear that there is a need to clarify the relationship between service quality and tourist satisfaction in terms of differences and similarities in order to evaluate variables that contribute to tourist satisfaction. Tian-Cole and Crompton (2003) state that "service quality relates to quality of opportunities or performance of management, while satisfaction relates to the psychological outcome resulting from the experience, which is out of direct control of management."

To sum up, the relationship between quality and satisfaction is complex. Some authors have described it as Siamese twins (Danaher and Mattsson, 1994). Although there still remain a lot of unresolved questions, it can be concluded that service quality and customer satisfaction can be perceived as separate concepts that have causal ordering (Holjevac & et al., 2009). Several studies have investigated the relationship of service quality with customer behavior patterns (Kandampully and Suhartanto, 2000; Dimitriadis, 2006; Olorunniwo et al., 2006; Chi and Qu, 2008; Faullant et al., 2008). According to these findings, customer satisfaction increases customer loyalty, influences repurchase intentions and leads to positive word-of-mouth (Holjevac & et al., 2009).

RESEARCH METHODOLOGY

The present study has mostly used secondary data for analysis and also combined data from some personal interviews conducted on the same lines. Most of the secondary data was utilized from relevant research papers of reputed journals, articles, dissertations and books. Hence the overall methodology of this study has been exploratory in nature.

OBJECTIVES

1. To present a comprehensive view of the existing literature on customer satisfaction towards hotel industry.
2. To study the level of customer satisfaction towards hotel industry in Kashmir.
3. To advise the service providers with various strategies so as to improve customer services.

ANALYSIS AND CONCLUSION

The present study was taken so as to measure customer satisfaction in the hotels of the Kashmir valley and the study has been clearly analysed with appropriate methodology based on the objectives. The study is an attempt to make the hotel industry more perfection towards the customer satisfaction much more effective way.

On the basis of data analysis of previous studies and also on the basis of personal interviews conducted, it is proved that the satisfaction level of the customers towards the hotel industry is good but certain attempts should be made by the managers to make the services more efficient and sustainable in the longer run. The hotel long-term success on the market is determined by its ability to recognize that the guest loyalty as time specific and non-permanent; thus, requires continuous and consistent investment.

The result through the analysis showed that the customers are very much sensitive towards the various service segments and thus it is very much needed from the service provider's end that they should draft and present their services in such a manner that maximum customer satisfaction and a strong customer base is attained. The service providers thus need to augment their services in such a way that they meet the expectations of the customers at desired levels. The service providers need to enhance their services from time to time to meet the changing global scenario. The managers should make a provision for customized services which should be customer centric and should focus on complaint handling and addressing grievances of the customers. The accommodation service providers must not forget this fact and must provide the services when asked for, so as to increase the image in the eyes of customers and gain loyalty. Hospitality industry must pay attention to potential failure points and service recovery procedures which becomes integral to employees training. In other words, it amounts to empowering employees to exercise responsibility, judgment and creativity in responding to guests' problems. With the every characteristic the level of satisfaction varies, thus making it clear that customers evaluate their satisfaction differently with every single characteristic/attribute. Finally we can conclude that the customer satisfaction in the hotels here is significant. And the service providers should make business more customer centric so as to maximum customer satisfaction is attained eventually.

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