# Effect of Service Performance on Consumer Loyalty in North Cyprus Hotel Sector

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# ABSTRACT

In the context of major contributions into tourism development, four- and five-star hotels play vital role in the economy of Northern Cyprus. Based on previous studies related to service performance, RESERVE scale developed and proposed to the readers. The main objective of this study is to find out what are the effects of service performance on the loyalty of the consumers in North Cyprus hotel industry. This research also attempts to find out the mediating role of the consumer satisfaction between the consumer loyalty and service performance. The data was collected using self-administrated survey from 240 hotel guests who have stayed in four- and five-star hotels in Northern Cyprus.

The findings revealed that there is significant positive correlation between the consumer loyalty and service performance. Although, the main results also demonstrated that consumer satisfaction does not act as a mediator between the consumer loyalty and service performance.

Also, managerial and theoretical implications become available on the basis of the study findings in the thesis. In addition, information related to limitations and recommendations of the study for future research is shown in the last chapter of the thesis.

**Keywords:** Hotel industry, Consumer satisfaction, Consumer loyalty, Service performance, Northern Cyprus

# ÖZ

Turizmin gelişimine katkılarından dolayı, dört ve beş yıldızlı oteller, Kuzey Kıbrıs ekonomisinde önemli bir rol oynarlar. Daha önce yapılan çalışmalara dayanarak RESERVE ölçeği geliştirilip, okuyuculara sunulmuştur. Bu araştırmanın amacı, Kuzey Kıbrıs'taki otel endüstrisinde, hizmet performansının müşteri sadakatındaki etkisini ölçmektir. Bu çalışmada ayrıca müşteri memnuniyetinin, hizmet performansı ile müşteri sadakati arasındaki arabulucu rolü incelenmiştir. Kuzey Kıbrıs'taki dört ve beş yıldızlı otellerde kalan 240 otel müşterisinden anket yolu ile veriler toplanmıştır.

Sonuçlar hizmet performansı ve müşteri sadakati arasındaki ilişkinin olumlu yönde olduğunu göstermiştir. Ancak, aynı sonuçlar müşteri memnuniyetinin, hizmet performansı ile müşteri sadakati arasında arabulucu rolünün etkin olmadığını göstermektedir.

Ayrıca, tezdeki bulgular doğrultusunda araştırma ve yönetsel belirlemelere yer verilmiştir. Buna ilaveten, araştırmanın sınırları ile gelecek araştırmalar için öneriler de tezin son ünitesinde sunulmuştur.

**Anahtar Kelimeler:** Otel endüstrisi, Müşteri memnuniyeti, Hizmet performansı, Müşteri sadakati , Kuzey Kıbrıs

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# Chapter 1

# INTRODUCTION

## 1.1 Outline of the Study

This research mainly has seven chapters. The first chapter consists of a brief introduction, problem statement, research objective, the importance of research and the contribution of the study. In this chapter, information about Northern Cyprus as a case study is also briefly presented. The second chapter includes a literature review explaining where the brief information about the service performance, services theatre model, consumer satisfaction and consumer loyalty are given. The third chapter provides theoretical support by reviewing relevant literature. The fourth chapter presents the hypotheses that are developed. The fifth chapter deals with the methodology adopted to do the research. In sixth chapter, the research findings are presented. And finally, in the last chapter, there is discussion of the research, the conclusion, study limitations, and explanations of the theoretical and managerial implications. Recommendations for future research are also presented in this final chapter.

## 1.2 Background

Over the past few decades, tourism has shown sustainable and continuous growth and its developing multicultural context makes it for one of the fastest growing economic industries worldwide. Today, modern tourism has a great role in attracting tourists to an increasing number of new travel destinations. These aspects have made the travel and tourism sector one of the main factors for socio economic progress (WTO, 2017). At present, the business turnover of tourism industry itself can surpass the huge global economic industries such as oil exports, food products and automotive industries (WTO, 2016). In international commerce, tourism plays an important role, while being the main source of income for many households for numerous developing countries. This also leads to an increase in the multicultural environment and competition among tourism destinations around the world. Furthermore, this global dispersion of the tourism sector also have economic and employment benefits in both the industrialized and developed countries (WTO, 2019).

Over time, tourism and hospitality have turned into a worldwide industry in which both producers and consumers are scattered globally. As a result of lifestyle changes such as alterations in travel needs, work patterns, dietary habits and the development of multicultural communities; services provided by the hospitality businesses became part of expected necessities, rather than luxuries (Kandampully & Suhartanto, 2003).

In this globalizing world, to boost the economic well-being of country, tourism and hospitality sector began to be widely acknowledged by different business

houses, multinational fund raiser agencies, and also by the numerous governments around the world; that is so much that developing economies such as India see it as another way for growth in economy (Sindiga, 1999; Oppermann & Chon, 1997). The main reason is because they saw potential advantages with regard to decreasing the unemployment rate and creating more jobs, advancement in infrastructure and financial gain in the foreign exchange (Temiz & Gokmen, 2014; Lee & Brahmasrene, 2013; Goswami & Saikia, 2012). Only in 2017, in export earnings, international tourism earned US\$ 1.6 trillion. By the year 2030, UNWTO estimated that the international tourist arrivals will reach to 1.8 billion people (UNWTO Tourism Towards 2030). Furthermore, in the past twenty years, there has been so much demand for the supply of tourism and hospitality services which exceeds the traditional services aimed for the tourists, and this has increased the main growth of the hospitality sector worldwide, creating a serious competition in the marketplace (Santoro, 2015).

## 1.3 Problem Statement

Most of the literatures related to tourism and hospitality industry considers the quality of the service as an important factor of the consumer behavior (Han & Ryu, 2009; Getty & Getty, 2003; Meiren & Burger, 2010; Yu & Ramanathan, 2012).

Service performance is considered as critical element for most segments of tourism and travel industry, including theme parks, restaurants, hotels, airlines, cruises, casinos and so on, by most of the scholars (Yu & Ramanathan, 2012; Getty & Getty, 2003; Nadiri & Hussain, 2005; Lee, & Kim, 2012; Han & Ryu, 2009; Clemes, Gan, & Ren, 2011; Hu et al., 2009; Ryu, Wong & Fong, 2012;). Different performance

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measurement tools have been formed for measuring the tourism and travel segments, however, a formal and complete accurate measure for measuring resort performance is still missing. In spite of acknowledgement, specific research on hotels is still difficult to find in tourism and hospitality industry literature (Ali et al., 2013).

For the hospitality sector's value proposition to guests, improvement in consumer satisfaction is considered as critical factor (Siguaw a. Enz, 1999). For this, hotels spend millions of dollar in assessment of their guest's satisfaction level and loyalty elements. After analyzing, hospitality industry can implement those things, liked by guests, to increase their loyalty.

Additionally, it's proven that service performance has a direct influence on customer satisfaction as well as customer loyalty (Gerson, 1993; Winsor, Manolis & Lassar, 2000). Yet no literature is present on how these three variables interact with one another. Furthermore, literature doesn't suggest any intervening effect of service performance on customer satisfaction or customer loyalty.

## 1.4 Objectives of the Study

This research sets out to find out a specific applicable tool for performance measurement for the specific context of hotels.

The main purpose of this thesis is to find out the effect of service performance on loyalty of the consumer.

Furthermore, another objective of this study is to reveal the main cause of consumer's loyalty on the hotel sector. As such, the size of service performance

impact on consumer satisfaction would be examined throughout the study that would provide meaningful confirmation based on this field of study in respect to the forthcoming role of consumer loyalty in the hotel sector.

The main objective of this research is to gauge the hotel guests' perceived service performance in 4 and 5 star hotels by developing the existing RESERVE scale in literature and assessing the main effects of this service performance on the consumer loyalty and satisfaction.

Overall this thesis  aims to find proper answers to the following research questions:

RQ1:  Is the hotel service framework and approach beneficial for forming a refined set of measurement tools and scales for the management level use so that the development of service performance in four and five star hotels can be measured?

RQ2: Which elements that hotel guests consider to be significant in evaluating service performance in 4 and 5 star hotels?

RQ3: What is service performance perception of guests in 4 and 5 star hotels?

RQ4: Is consumer loyalty really a critical factor for success in the hospitality industry?

RQ5: How customer satisfaction can be improved through service performance in 4 or 5 star hotels?

## 1.5 Contribution of the Study

The outcome of this research will add to the existing literature related to the effect of consumer loyalty and service performance to hotels.

We will equally understand how a perfect measurement tool could play vital role in better evaluation of hotel service performance, and also be able to attract more tourists and earn more profit of the market in Northern Cyprus. (Kumar, Batista & Maull, 2011).

Different research has been done until now, but still there is a need to study the effects of consumer loyalty and service performance, demographically. This research will further explore the importance of quality of service provided, as it will contribute to the increase of the previous studies, related to subject of the study, demographically (Hashem & Ali, 2019).

## 1.6 Introduction about Tourism in Northern Cyprus

### 1.6.1 Short History of Northern Cyprus

In the Mediterranean, after Sardinia and Sicily, Cyprus is considered as the 3rd biggest island, covering an area of almost 9251 square kilometers. It is mainly located on the eastern side of the Mediterranean Sea, at the center point of 3 big continents. The main area of TRNC (Turkish Republic of Northern Cyprus, referred to as Northern Cyprus hereafter) is almost 3,242 square kilometers. The closest neighboring country to TRNC is the Greek Cypriot Administration of Southern Cyprus. The closest neighboring country to Cyprus off the island is Turkey, situated around 65 kilometers to the north. The island of Cyprus is neighbor with the countries Turkey in the north, Lebanon in the southeast, Syria in

the east and Egypt in south (see figure 2.1). Various assumptions exist regarding what is the main source of the name 'Cyprus'. But over all of these assumptions, the most commonly accepted origin is Cuprum, which is the Latin word for copper, and also related with the excess amount of mines in the island's north-western areas. (Gale & Stos-Gale, 2012)

Shortly after the foundation of the Republic of Cyprus in 1960, serious disagreements arose between the two communities about the implementation and interpretation of the constitution. And this led to inter-communal conflict throughout the time intervals from 1963 to 1974. After this inter-communal conflict followed a Greek military junta carrying out a coup d'état on 15th July, 1974 and this led to the interference of Turkey on the 20th of July 1974, as Turkey is one of the 3 guarantor powers of Cyprus besides Greece and the United Kingdom. Hence, afterwards, the island was spread into two parts, where Greek Cypriot community started to live in the southern side, and the Turkish Cypriot community started to live in the northern part (Albrecht, 1994).



Figure 1: Cyprus Map

Between the two parts of Cyprus, the "green line" separates the North and South and acts as a buffer zone. This buffer zone called "United Nations Buffer Zone" is controlled and patrolled by the United Nations (UN). Additionally, there are two sovereign base areas that are controlled by the United Kingdom.

Following the separation of the two communities in Cyprus, Turkish Cypriots administered the northern side and the Greek Cypriots administered the south side of the island. In 1983, the Turkish Cypriots founded TRNC.

### 1.6.2 Regions of Northern Cyprus

**Nicosia (Lefkoşa)**

Nicosia is the political and commercial capital of Northern Cyprus, situated in the central plain of island. After the war in 1974, the whole city was divided into two by the "green line", with a Greek quarter in the southern side and Turkish quarter in the northern side. They called it "green line" because the color of the pen used by a United Nations (UN) officer to mark a line on the map of the city was green. Nicosia has a history dating back to the ancient times but it was during the Lusignan era when it really started to develop. Before the Ottoman conquest in 1571, to protect the city against Ottoman attack, Venetians built massive walls that encircled the old city. These massive walls still remain almost as they were built and they comprises of eleven bastions.

In the city, there are countless historic monuments which date from the Middle Ages. Among these are several examples of the Gothic and Ottoman architectural feats. Since Cyprus stayed under Turkish rule for more than three centuries, all the towns on the island bear characteristics of typical Turkish towns. Nicosia is not

exception to this (North Cyprus Tourist Map, 2004).

**Famagusta**

Famagusta is a city located on the east coast of Cyprus. Lusignan rule was the turning point for Famagusta. During this period, Famagusta developed as a fully-fledged town and its importance increased in the Eastern Mediterranean as it had naturally deepest harbour as well as fortified walls that protected its inner town. This development continued to accelerate in the 13th century as Famagusta became a center of commerce for both the East and West. Furthermore after the downfall of Acre (1291) in Palestine, Christian refugees fled here, transforming its status from a tiny village into one of the richest cities in Christendom (The Premier Tourist Guide to Northern Cyprus, 2016).

**Kyrenia (Girne)**

Kyrenia is an economic and cultural center, widely famous as the tourist capital of Northern Cyprus and considered as home to many nightlife venues, hotels and a port. It also hosts an arts festival and an annual culture festival with hundreds of participating artists and performers (The Premier Tourist Guide to Northern Cyprus, 2016).

Figure 2: Bellapais Monastery

**Karpaz (Karpasia)**

The Karpaz (Karpasia) peninsula is situated at the tip of Cyprus' north-eastern part. It is considered as the least affected area of Northern Cyprus by in terms of development, construction and urbanization. Therefore, it is one of most unspoiled areas with a plethora of natural beauties. One of the natural scenes here is Golden Beach which has a beautiful sand and blue waves crushing against the golden shore. Golden Beach is also nestling ground for the endangered Caretta sea turtles as well as the Chelonia Mydas in the Eastern Mediterranean. The Karpas peninsula is further known for its natural reserves of sea fossils, birds and wild donkeys. Monastery of Apostolos Andreas and Byzantine churches are prominent places to visit.

**Iskele(Trikomo)**

On the main road Karpaz to Famagusta, 15 kilometers away from Famagusta, you pass through the district of Iskele. The town is also known by its Greek name Trikomo. It was after the relocation of Turkish Cypriots from the Turkish district Iskele in the city of Larnaca on the island's south coast, they moved in 1975 to here,

that the town is renamed to Yeni Iskele which means new Iskele in English. Thus, it is called Yeni Iskele  as well, by the locals. The people here are hospitable, and have a fond interest in culture and arts. In the municipal park of Iskele, locals and tourists stay up until the break of dawn singing live music, and enjoying their times in North Cyprus. At the centre of the town there is the 15th century church of St James (Ayios Iakovas). Iskele Icon museum is another major attraction in the town.  It is an important tourist center where green meets blue over a 25-km-long coastline. Iskele is home to the two touristic regions called Bafra and Bogaz respectively. Bafra is designated as a holiday resort with luxury hotels. Bogaz is full of hotels and fish restaurants. In the small harbour of Bogaz, the fishing boats and others offer cruises along the eastern coast of North Cyprus. (http://www.whatson-northcyprus.com/towns/iskele.htm) Iskele is also famous for its annual international folk dance festival, held during the first two weeks in July, and the Mehmetcik (Galateia) grape festival, normally held during the first week in August. Both these festivals are major regional cultural events, attracting visitors across the island. (North Cyprus Tourist Guide, 2015). Hence, the tourism industry remains Iskele's the single largest employer.

**Lefke**

The town of Lefke is also one of the 6 main districts of North Cyprus. Lefke is a mixture of coastline and vast mountains prospecting great destination point for hikers. Lefke is the greenest corner of the island, surrounded with great amount of walnut and date trees. Furthermore, Jaffa oranges growing in Lefke are considered as the most delicious oranges across Cyprus. Also, Lefke makes for a known agricultural center of Cyprus. Three dams provide constant water all year round,

which is why agriculture is so successful in this region. Lefke was once a prosperous mining town, and its mountains were rich with copper and gold ore. It was the centre of mining in ancient times and a medieval barony.

The Municipality of Lefke and the Lefke Tourism Association, collaborating with each other,  have created the Copper and Culture Museum, establishing natural routes for walking tours, have been restoring historical places. All these projects have been very hopeful developments for the "Nature and Culture Friendly" tourism and sustainable future of the area (Cittaslow, 2017).

Close to Lefke you will find the ancient city of Soli. The origins of Soli can be traced back to the 6th century BC, but it came to prominence during the Roman period. Here you can see a Roman theatre, Basilica and Agora which were discovered in 1929. The theatre is still used today for concerts and plays. Lefke may not be the island's capital, yet the name Cyprus originates from the ancient word for copper, so at one time it surely was the heart of the island. (http://www.whatson-northcyprus.com/towns/lefke.htm)

**Güzelyurt (Morphou)**

The town of Güzelyurt is also famous as "fruit bowl" of the Northern Cyprus. This town is also situated in Western side, surrounded by huge number of citrus trees, due to which it is considered as one of greenest places on the island.

Although Güzelyurt  is not much famous among the tourists, it is  very interesting site to see in Northern Cyprus. It has a museum that encompasses many historical things, covered market and some beautiful orthodox churches (The Premier Tourist

Guide to Northern Cyprus, 2016).

## 1.6.3 Facts about Tourism Industry in Northern Cyprus

For Northern Cyprus, the tourism and travel industry is considered as a major source of income. Tourism sector contains highest share in fixed investments and occupies 80%. Industry and education dorm investments follow it with 9% and 8% respectively. (Prime Ministry State Planning Organization, 2017)

As TRNC is known only by Turkey and not recognized by the international community, this recognition issue has generated serious effects to the tourism and travel industry over the last few years. There are also two main airports in TRNC, Gecitkale and Ercan, which do not have an international airport status yet. All flights to other foreign countries are carried out via Turkey by private and public airline companies. (Katircioglu, Arasli & Ekiz, 2007).

Table 1: Bed capacity by regions and hotel stars, 2018

| Hotel stars | Nicosia | Famagusta | Kyrenia | Guzelyurt | Lefke | Iskele |
|---|---|---|---|---|---|---|
| 1 star | 0 | 28 | 275 | 38 | 0 | 164 |
| 2 star | 160 | 256 | 705 | 0 | 0 | 412 |
| 3 star | 120 | 228 | 2,060 | 0 | 0 | 0 |
| 4 star | 0 | 0 | 1,550 | 0 | 0 | 0 |
| 5 star | 522 | 850 | 8,986 | 0 | 0 | 5,296 |
| Other accommodation | 36 | 475 | 2,689 | 0 | 52 | 0 |
| **Total** | **838** | **1,837** | **16,265** | **38** | **52** | **6,6654** |

Table 2: Occupancy rate in tourist accommodation establishments by months

| Months | 2017 | 2018 | Change% |
|--------|------|------|---------|
| January | 34.8 | 36.7 | 5.5 |
| February | 37.5 | 37.7 | 0.5 |
| March | 55.9 | 49.7 | -11.1 |
| April | 57.7 | 52.1 | -9.7 |
| May | 61.1 | 52.2 | -14.6 |
| June | 62.6 | 51.4 | -17.9 |
| July | 76.0 | 65.2 | -14.2 |
| August | 79.3 | 69.6 | -12.2 |
| September | 69.5 | 60.5 | -12.9 |
| October | 68.4 | 54.7 | -20.0 |
| November | 55.5 | 45.8 | -17.5 |
| December | 42.5 | 34.7 | -18.4 |
| Average | 58.5 | 51.3 | -12.3 |

**1.5.4 Climate**

Northern Cyprus bears typical Mediterranean climate with 300 days of sunshine annually. It also enjoys mild winters and warm summers. The rainfall season starts from November and lasts until March. January is considered as the coldest month, with maximum and minimum mean temperatures of 16 degrees Celsius and 6 degrees Celsius respectively; August is considered as the hottest month with maximum and minimum mean temperatures being 35 degrees Celsius and 21 degrees Celsius (Northern Cyprus State Planning Organization, 2018).

# Chapter 2

# LITERATURE REVIEW

## 2.1 Service Performance

Many academics have examined service performance as a crucial aspect in different enterprises of tourism and travel sector e.g. theme parks, restaurants, cruises, airlines, and so on (Getty & Getty, 2003; Ryu, Lee, & Kim, 2012; Clemes, Gan, & Ren, 2011; Hu et al., 2009; Han & Ryu, 2009; Yu & Ramanathan, 2012; Wong & Fong, 2012; Nadiri & Hussain, 2005). Measuring scales such as SERVQUAL to assess service performance are very comprehensive but they emphasized too less for study framework (Clemes et al., 2011; Cronin & Taylor, 1994; Gilmore & McMullan, 2009; Ladhari, 2012; Wong & Fong, 2012).

Different types of frameworks exist in literature which measures the service performance. Among these different types of approaches, the one that is often yet still arguable, uses perceptions to measure the performance of service (Kao et al., 2008). Grönroos (1984) tried to pursue this approach, presenting new model called Functional and Technical Quality Model. This model refers to service provider's performance as functional quality throughout the service delivery process, while, the outcome is referred as technical quality (Grönroos, 1984; Kang, 2006). Many researchers have articulated from the Grönroos. Technical and Functional Quality Model is noteworthy, however it does not care about core features of the service environment (Fong & Wong, 2012) plus it gives no definition on how same

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dimensions measurement scales will be assessed (Kang, 2006). Then, relying on this functional and technical quality model and expanding it, Zeithaml, Berry and Parasuraman (1985) introduced the main framework of perceptions and expectations of quality service by presenting the Gap Model. Gap model forced that inconsistency exist among the consumer perceptions and expectations of 10 service quality dimensions; later, Zeithaml, Berry and Parasuraman (1988) decreased these 10 dimensions to 5 which are responsiveness, reliability, tangibles, empathy and assurance. This new model was then called the SERVQUAL Measurement Instrument. From their pioneering research work, Zeithaml, Berry and Parasuraman (1990) have formed their own measurement tool SERVQUAL, based on 5 dimensions of service quality which are as follows:

1. *Responsiveness:* providing prompt service in terms of help

2. *Tangibles*: the tangible equipment, facilities and the look of the staff

3. *Reliability:* performing the promised service accurately and dependably

4. *Assurance:* the courtesy and knowledge of employees and their ability to trust

5. *Empathy*: the caring, individualized attention the firm provides to its consumers

Nevertheless, there is certain criticism about the SERVQUAL's conceptualization and operationalization; it is stated by Wong and Fong (2012) that "SERVQUAL is inconsistent and inconclusive". Furthermore, in their studies Buttle (1996) and Taylor and Cronin (1992) proposed that evaluating the difference between the perceived service and service expectations is not essential and it is better to be avoided. Therefore, Cronin and Brady (2001, p. 36) postulated that SERVQUAL is not able to determine "what should be reliable, responsive, empathic, assured, and tangible if service excellence is to be guaranteed". Hence, Cronin and Taylor (1992)

came up with new measurement instrument performance made on the basis of SERVPERF tool, removing the element of expectations (Wong & Sultan, 2013). The SERVPERF measurement scale has been described as being superior in overall measurement of perceived service quality about explaining variance (Cronin et al. 1994). On the other side, SERVQUAL is more accurate about identifying service gaps and deficiencies inside an organization (Parasuraman et al. 1994). SERVQUAL (gap analysis) argues that perceived quality of service should be described as a difference between consumer expectations and performance perceptions while SERVPERF (performance-based measures) conceptualizes the service quality using only performance perceptions. Thus, SERVPERF make assumption that by directly measuring performance, measuring expectations is unnecessary.

One of the factors that has an effect on service performance are demographic and socio-demographic factors. A study was done on different demographic factors, which effects the customer satisfaction and service performance, in which Albert, Mukucha and Njanike (2010) gave more importance on gender effect on the service performance and the customer satisfaction. Through their research, it was found that female customers have more expectations regarding service performance and once they get satisfied, they barely leave that company. On the other hand, male customers do not have high expectations regarding service performance, so it is easy to satisfy them. On the other hand, a study was conducted by Ghazizadeh, Talebi and Besheli (2010), in which they found that different demographic factors like age and gender plays a very important role in influencing the customer loyalty, as they perceive service performance differently.

## 2.2 Service Performance Concept

According to Oliver (2010) service performance can be described as, "the perceived amount of product or service attribute outcomes received, usually reported on an objective scale bounded by good and bad levels of performance". Commonly, the performance of service referred as consumer's whole assessment of the offerings and the processes delivered by service suppliers throughout a service encounter (Kao, Huang, &Wu, 2008; Grove, Fisk, & Dorsch, 1998). Hence, as Cole and Scott state in their study, service performance means quality at the purchase level that consists of all the things delivered to the consumer by the service provider. Oliver (2010, p.23) also affirms that service performance is "a judgment against a standard of excellence". Oliver (2010) discussed in his research the concept of service performance and service quality, examined with various other labels, is nearly like and relevant to the attribute based judgment of clients. In general, conceptual performance and task performance are the elements of employee's service performance when we look from the working behavior aspect (Borman & Motowidlo, 1993). In the service encounter framework, task performance referred as service procurement and transfer actions straight relevant to efficiency, and contextual performance referred as supportive actions to consumers and companies, or social environment. Therefore, task performance means the behavior and actions of frontline staff that fulfills and aid to clients (Liao & Chuang, 2004), or in-role behavior. On the other hand, the conceptual performance shows the behaviors of employee in doing job, in systematic manner. It varies from job to job and role to role (Hameed & Waheed, 2019). Both performances are equally important to understand the service performance of the employees.

## 2.3 Services Theatre Model for Service Performance Measurements

### 2.3.1 Services Theatre Model

Trying all these frameworks throughout the services marketing literature, Grove et al. (1998), suggested a performance measurement framework called Services Theatre Model which is metaphor liken this model to a service theatre performance. The drama metaphor is applied to the marketing management of service companies and the drama metaphor framework can be used to improve how to perceive and control of services and marketing management. This metaphor is unique in its nature as it suited to manage services marketing phenomena as it consists of dynamics of the human interactions that occurs. In their model, Grove et al. (1998) metaphorically explained "actors" as employees of organization who provide services to the "audience" (guests), "setting" as the physical environment where their services are being rendered, and "performance" as whole measurement of these three elements (Grove et al., 1998).

**Setting**

In case of Services Theatre Model, the physical environment is referred as an important entity where the service encounter actually happens. As per the Parasuraman et al. (1988) it is explained and illustrated that the physical environment is as a skeleton of physical characteristics. The function of the physical environment in creating impact on the consumer behaviors and in making an image of its provider is especially applicable in service sectors like the restaurant sector (Bitner & Booms, 1982). According to Mossberg (2007), the service dealers in hospitality hinge on the physical environment as well as environment to generate an outstanding service encounter with the consumer. Additionally, in an earlier study

Bitner (1992) considered the notion of servicescape, recognizing manifold characteristics of servicescape touching the awareness of purchaser as well as workers. Moreover, Ryu et al. (2012) similarly underlined the significance of the physical atmosphere, asserting that different features of services offer tangible signals to the consumers, giving them a notion, regarding the performance of service. On the other hand, if we look at the prior literature awareness and understanding, there were no earlier studies which have scrutinized physical environment in the setting of hotels other than that of Ali et al. (2013); but, there is a sufficient sign to provide assistance in the important role of physical environment in emerging consumer satisfaction as well as positive behavior in other parts of travel and tourism: hotels, voyages, eateries, leisure related facilities, casinos, as well as commercial airline (Han & Ryu, 2009; Getty & Getty, 2003; Hwang & Ok, 2013; Hyun & Kang, 2014; Hu et al., 2009; Ryu et al., 2012; Yu & Ramanathan, 2012; Lin & Liang, 2011). Therefore, Ali et al. (2013), by directing a research on a Malaysian resort hotel, have contemplated on the importance of the physical environment in encouraging the behavioral intentions. In the same way, Ryu et al. (2012) established a vibrant connection among the physical environment, and consumer perceived value, satisfaction, and behavioral intention in fine-dining and quality restaurants in America. In addition to that, Chen et al. (2013) detected as well as argued the main effect of physical environment on the consumer loyalty as well as behavioral intention in the Chinese hospitality industry.

When we look from the perspective of service provider, the moderate price and physical environment are two crucial aspects which leads to the degree of the consumer satisfaction, and eventually this improve the consumer loyalty (Nguyen &

Leblanc, 2002; Bolton & Lemon, 1999; Varki & Colgate, 2001; Ryu & Jang, 2007; Reimer & Kuehn, 2005).
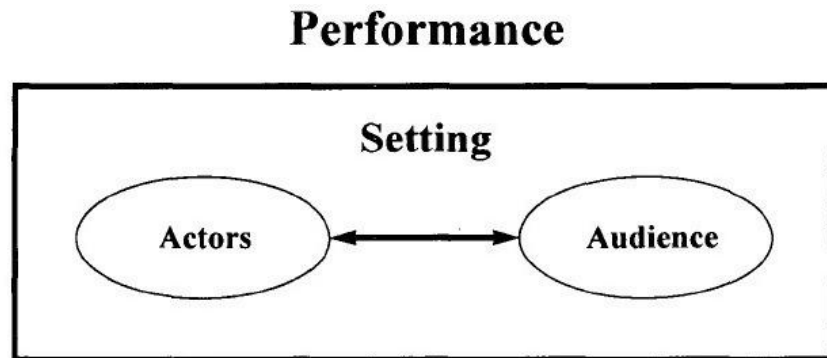
## Performance



Source: Adapted from Grove, Fisk and Bitner [1992].

Figure 3: Services Theatre Model

As it is shown in the figure, setting is basically the background for the performance of service, just like as in a play in a theatre. The atmospherics (Kotler, 1973) or surrounding situations it causes (Bitner, 1992; Parasuraman and Baker, Berry, 1988), the set or props, and décor it comprises of (Bitner and Booms, 1982; Baker, 1987), and the layout quality it symbolizes (Wener, 1985; Bitner, 1992) all is to assist and  construct a platform which ultimately  has an considerable effect on the communication between service providers and their clients.

**2.3.2 Role of Guests in Service performance as Audience**

In service environment, guests have turned into a significant feature that helps to find out how the employee service performance is defined (Waldman & Bowen, 1999). Guests plays an important role in service performance as audience, as they are the ones, who are not much active, but they observe things. They may react unbiased in evaluating service performance of employees. They can also encourage or motivate the employees to improve their service performance as an audience, by

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applauding them (Grove et al., 1998). The main audience in the Service Theatre Model is known as consumers. In her study, Baker (1986) expressed that service engagement happens when the other guests are there, changing from inactive receivers in the service contexts into active contributors in the drama (Grove et al., 1998; Fisk et al., 2004). To better understand and judge service performance, in a later attempt, the concept of service received widespread attention (Kao et al., 2008; Cherry & Calvert, 2012). In the whole process of service encounter, the performance of the employee has a direct effect on to the service delivery operations (Sizoo, 20018). Where there is a large number of contact interaction, for instance among service providing theatres such as resort and hotels, contact with other clients is known as the essential factor of consumer fulfilment as well as observed service quality (Mehmetoglu & Engen, 2011; Walls, Okumus, Wang, & Kwun, 2011; Mossberg, 2007; Zeithaml, Bitner, & Gremler, 2006). Previous academics such as Rust and Oliver (1994) as well as Brady and Cronin (2001) also emphasize on the importance of contact with consumers during the service delivery. Likewise, Tam, Sharma and Kim (2009) also argued on the impact communication with the other clients has on the complete atmosphere as well as consumer knowledge. Developed OCP (Other Consumer Perception), is a comprehensive tool to measure the consumer's ultimate satisfaction and how other consumer's presence affects their experiences in a service setting. ( Brocato, Voorhees, and Baker, 2012). Moreover, resorts have not been the emphasis in tourism and travel investigations. Consequently, there is no mention of previous investigation which measured the impact of communication with other guests in resort hotels. Therefore proof in other studies assists the influence of this communication on guest's fulfilment and manners in different other sections of the tourism and travel industry such as

restaurants, casinos and hotels (Wong & Fong, 2012; Chen et al., 2013; Andersson & Mossberg, 2004). For instance, Gummesson (1993) argued on the effect of communication with other consumers on affirmative behavioral intentions such as recommendation and re-visiting the restaurants. In the same way, Wong and Fong (2012) witnessed an affirmative connection between interactions in casinos with other consumer's satisfaction. This connection was also proved by Chen et al. (2013) in investigation on the Chinese bed-and-breakfast commerce.

### 2.3.3 Role of Service Providers as Actors

The definition of actors means clients plus employee communicating with one another. Most of the actors look themselves as service providers, because they are indeed providing services. They provide services to the audience, to the story and to each other. Actors provides services for the large amount of people and thus it transforms to customer services (Walls et al., 2011). As in Services Theatre Model, the people who work known as 'actors' or 'cast members' as in a theatre.( Lovelock,1994; Grove, Fisk and Bitner, 1992; Berry, 1981) whose role acting aid describe the service excellence (Solomon et al., 1985).There are many academics who have argued the significance of consumer communicating with employee during a service meeting. Hartline and Farrell (1996) underline and emphasize "the employee–consumer interface" also Zeithaml et al. (2006) mention the "moment of truth". On the other hand, Carbone and Haeckel (1994, p. 13) mentioned to it as the "Humanics" also illustrated that "they are caused by describing and designing the looked-for behavior of workers and guests included in the purchaser meeting". In this type of setting, Yuan and Wu (2008) specified that "humanics" depict how service worker makes consumer feel. Since Wong and Ap (2001) stated and highlighted the significance of workers who work on the frontline, whose endeavors

can affect the whole involvement of the consumers. Generally, staff performance means manners which are appropriate and aligned with the company objectives and which are respected by individual personnel (Campbell, McCloy, Oppler, & Sager, 1993). In this setting, Price and Arnould (1993, p. 41) indicated "emotional results linked with unusual understanding are fixed in relationships between guests and service supplier". Bearing in mind the importance of communication with the worker, Walls et al. (2011) assumed that the service suppliers in hospitality commerce should emphasise on the human communication components in addition to tangible setting components to grow whole consumer involvement. It is for the reason of the essential role of worker communication that most academics have perceived that consumer sensitivities of service performance is typically based on worker attitude, behavior, responsiveness, and punctuality (Wong & Fong, 2012; Chen et al., 2013; Walls et al., 2011; Homburg, Wieseke, & Hoyer, 2009; Ryu et al., 2012). No studies exist about the influence of human communication on tourists' manner in resort hotels; on the other hand, very few academics have the experience to complete the connection with other sections of the tourism and travel industry. (Park,Hsieh & Miller,2019) E.g., the main role of the tour guide in emerging and unexpected experience was argued by Arnould and Price (1993) in their research of river rafting. Likewise, Walls et al. (2011) underlined that communication with service worker is a vital element of a purchaser's overall familiarity in luxury hotels. This connection has also been established in bed-and-breakfast hotels by Chen et al. (2013) also in casinos by Wong and Fong (2012). Furthermore, the hospitality literature proposes that consumer communication with worker seriously touches both fulfilment and behavioral intentions (Mossbeg, 2007; Ryu et al., 2012).
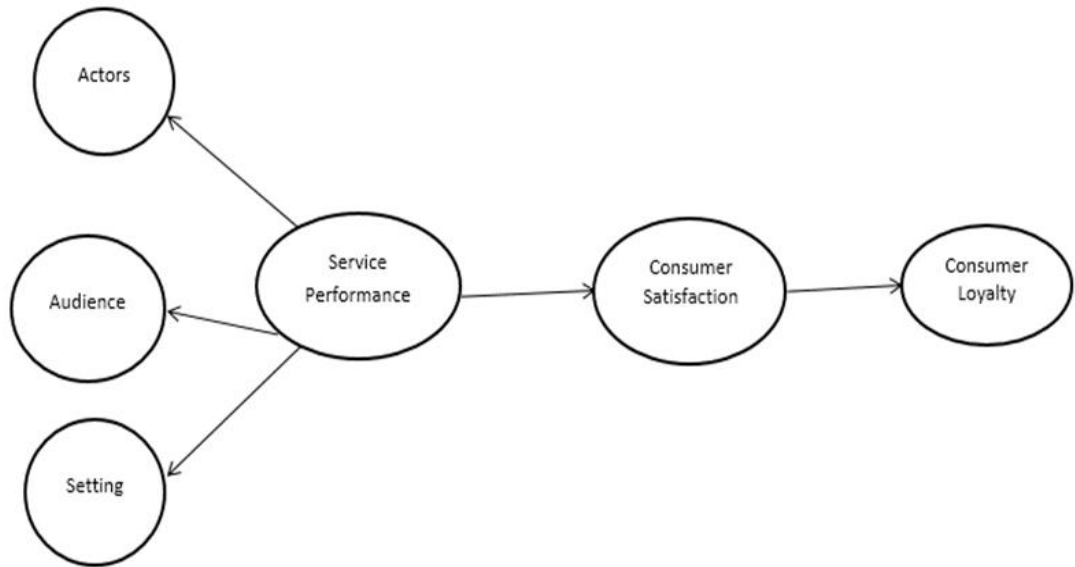
Figure 4: Research model adapted from  Ali, Hussain & Ryu (2017).

Table 3 :  Representation of Theatrical Components in Services Theatre Model

| Actors | Service Provider |
| --- | --- |
| Audience | Guests |
| Setting | Physical Environment |
| Performance | Service Encounter |

## 2.4 Consumer Loyalty

**Definition**

Customer loyalty refers to the devotion of customers towards the products or services of the company. It also shows the power of brand over its competitors, by selecting the specific brand (Al-Maamari & Abdulra, 2017).

Loyalty arises when the consumer consumes the product or in other  situations related to the service encounter (Kandampully et al., 2000). In general, defining of consumer loyalty has been explained as occurring when the consumers:

1. Hold positive attitudes and approach towards the good service

2. Repeatedly buy a good service over the time

As stated by Bowen & Chen (2001) researchers agree that consumer loyalty can be enhanced by reducing marketing costs and increasing profits. Furthermore, loyal consumers cost lower to deliver services due to their similarity with the product or service as they need less detail (Reichheld & Sasser, 1990).According to Raman (1999) , loyal and satisfied consumers work as a "fantastic marketing force" by giving suggestions and by telling favorable word of mouth, creating best option for marketing the activities a firm can get. In their research, Shoemaker and Bowen (1998) proved that loyal and satisfied guests of the hotels had high amount of food and beverage consumptions compared to non-loyal guests at that particular hotel. Therefore, over the past years, service providers have emphasized on accomplishing consumer loyalty by providing high quality services which is a key aspect that determines loyalty (Yang & Peterson, 2004; Parasuraman & Grewal, 2000; McDougall & Levesque, 2000).

**Advantages of Customer Loyalty**

Academics have proved that it is much costly to attain a new client as compared to retaining a current consumer of the firm (Holmund & Kock, 1996:289). In their study, Reichheld and Teal (1996) showed that, there are many advantages that consumer satisfaction and loyalty comprises of: an incessant profit stream, growth of revenue per client, raise in price premium, decreasing of market cost, reduction in operating cost, rise in word-of-mouth recommendation and changing barriers amongst satisfied and loyal consumers who do not easily submit to the efforts of

rival companies' promotions. Thus, by taking these advantages into account, consumer loyalty and satisfaction are an essential prerequisite for the future of the hotels to survive in the industry (Yian Jeon, 2003; Reichheld and Teal, 1996; Reinartz and Kumar, 2000). There are various examples which show that for hospitality industry, it is crucial to develop the consumer loyalty and not to rely only in pricing strategies. Academics have found out that 5% increase in consumer loyalty can lead to profit increase of 25% to 85% (Sasser and Reichheld, 1990). To sum up, if a hospitality organization is dedicated to emphasize on consumer loyalty, the chance of future survival of that hospitality organization increases.

## 2.5 Consumer Satisfaction

**Definition**

Customer satisfaction refers how the products or services, provided by the company, exceed the customer expectations. It is the number or percentage of total customers, to whom goods or services of a company surpass the specific expectation goals of the company (Lee et al., 2016).

Globally, the importance of service is becoming a crucial part of the hospitality industry. Thus, maintaining guest satisfaction by giving a high quality service is a paramount strategy in a highly competitive business world (Idris, Noor, Tarmazi, Hashim & Ghazali, 2017). There has been noteworthy progress in the area of quality of service, but in recent times, the most crucial objectives in the hospitality market are to deliver total consumer satisfaction (Skogland & Siguaw, 2004). In all competitive industries, keeping the consumer satisfaction to the maximum, is a must which cannot be neglected. When the clients are satisfied, the other stakeholders will be satisfied due to a potential increase in the revenue. (Stauss and Seidel, 2007).

As Vavra (1997) stated, consumer satisfaction is essential criterion to determine quality, provided to consumers with the service or product and by along with the servicing. Furthermore, consumer satisfaction and loyalty are known as paramount to all enterprises due to their impact on the repeat word of mouth recommendations and purchases (Gilson and Berkman, 1986). A consumer tends to buy more every time, they encounter and they buy more often, as these are suggested in the services marketing literature. The satisfied and loyal consumers also recommend the product or service to their family and friends. There is a direct correlation amongst service, sales, profits and satisfaction. The increase amount in consumer satisfaction and loyalty will increase their spending habit (Gerson, 1993).

In their research, Taylor and Cronin (1992) described consumer satisfaction as "a summary evaluation of a consumer's overall experience with a company or its products". Consumer satisfaction states as primary mental state of consumer which contains two aspects that are expectation before perception and purchase about the performance after a purchase (Westbrook & Oliver 1991, Oliver 1997). In another research, Andreessen and Lindestad (1998) defined the consumer satisfaction and loyalty as the collection of experience of consumer's purchase. Consumer loyalty is known as a psychological notion which contains the feeling of pleasure, the result from getting what one expects from an appealing product or service (WTO, 1985).

However, recent studies demonstrated that loyal consumers are not enough, as there is no guarantee that loyal consumers will repurchase the product/service. Hence, in a company's success, it is evident that the consumer satisfaction is considerably essential compared to the consumer satisfaction.

## 2.6 Relationship between the Consumer Satisfaction and Loyalty

In literature, there are various research activities made which empirically prove and validate that there is a link between the behavioral intentions and satisfaction such is the consumer retention (Cronin & Taylor, 2000; Anderson & Sullivan, 1993; 1999). Hence, academics have proven that there is a favorable link between consumer loyalty and consumer satisfaction (Bolton & Drew, 1991). The consumer satisfaction is arguably a final goal to improve profitability, increase market share, and ultimately earn custom due to repeated transactions and referred business (Barsky, 1992). In their study, Goodwin, Taylor & Celuch (2004) indicate that the consumer loyalty has a favorable effect on consumer satisfaction. Furthermore, Mittal & Lassar (1998) state it as the direct favorable correlation between consumer loyalty and satisfaction. In the tourism marketing literature, consumer satisfaction seems as the main element of the consumer loyalty and it is generally well recognized (Buckley, 2016; Gallarza & Saura, 2006). A research made by File, Cermak, and Prince (1994) which gauges the effect of word of mouth on purchasing habits in professional services proved that there is a positive relation between the consumer satisfaction and positive verbal recommendation.

As Gremler and Brown (2017) commented that scholars and practitioners have not acknowledged a theoretical approach that determines factors that lead to the development of consumer loyalty (Brown and Gremler, 1997). Nevertheless, there is harmony among the practitioners and the researchers that service quality and consumer satisfaction are requirements of the consumer loyalty (Cronin and Taylor, 1992). According to practitioners and researchers, in order to develop loyalty, they need only one catalyst that is; they have to ensure that a satisfied consumer, because

of his satisfaction, by nature becomes a loyal satisfied consumer. Hence, satisfaction is very essential and sufficient circumstance to develop consumer loyalty (Ostrowski, O'Brien and Gordon, 1993).

In numerous studies about consumer satisfaction, most of the time repurchase decision is comprised as result of consumer satisfaction (Boulding et al., 1993). When a consumer experiences satisfaction with the product/service it will impact his/her future intention to buy, hence, consumer loyalty. Researchers claimed that overall level of satisfaction is depended by consumer loyalty (Anderson and Fornell, 1994). Recently, a study was conducted by the University of Alabama at Birmingham Collat School of Business, which reflects that quality and customer satisfaction are the most important influencing factors to customer satisfaction. Study showed that companies are trying to find out new and innovative ways to increase the customer satisfaction and customer loyalty (Rohan, 2019).

## 2.7 Service Quality

In spite the fact that different studies made about tourist hotels since 1980s (Olsen and Barrington, 1987), in the last 10 years, the quality or the service received the focus of academicians, practitioners, and researchers (Winsor, Manolis and Lassar, 2000). In order for a company to be successful and its business sustainable, service quality makes for an essential driving force (Rust & Oliver, 1994). Academics came to agreement that the fundamental topic in service research is service quality, which is vital element for the business performance and company's long term survival (Gale, 1994; Bolton and Drew, 1991). Studies also revealed that service quality provided by staff has a direct influence on consumer's decision to re-stay at a resort. Furthermore, it is also noted that the improvements in the aspects of hotel

productivity like employee training, motivation and enhancing facilities can lead to higher service quality and greater consumer satisfaction (Kilic, 2005). Zeithaml (1988) describes the perceived service quality as how consumers assess the overall service excellence or overall service superiority. The reason is that the service quality directs to the consumer satisfaction thus consumer satisfaction has a direct influence on consumer word-of-mouth (Gwinner and Gremler, 2000).

# Chapter 3

# THEORETICAL BACKGROUND

## 3.1 Social Exchange Theory

This theory proposes that an individual view their relationship either positive or negative due to a collaborative set of 3 elements: comparison level, comparison level of alternatives and the cost-benefit analysis (Thibaut & Kelly, 1959).

In light of comparison levels, an individual utilize levels of comparison to find out the relationship of their interest. The customer will think of the past benefits and costs he/she had experienced previously from the service he/she received or item he/she purchased. The consumer will than compare the benefits and costs of past relationship with the existing cost-benefit analysis and choose to either buy the product or not. (Goodwin, Nelson, Ackerman & Weisskopf, 2008).

As per the social exchange theory, an individual prefers to create and maintain those relationships which maximize the benefits and minimize the costs. This is known as cost-benefit analysis. An individual buying a product will analyze the costs and benefits of buying that product and buy that item if the rewards are greater than the costs. (Baxter & Braithwaite, 2008).

Moreover, individuals utilize the levels of comparison for alternative relationships which in turn shape their satisfaction and loyalty with a certain product. The consumer will compare the costs and benefits of the product he/she intends to buy, with the costs and benefits of other products available and decide accordingly if he/she wants to buy that product or not (Thibaut and Kelley, 2001).

If the consumer was previously overwhelmed by the performance of the product, he/she will be satisfied with that product. However, if the performance of the product is not up to the standard marked as a result of previous experiences, the consumer will be dissatisfied with the product and will quit the relationship (Zahorik and Rust, 1993). Research evidence suggests significant positive association between the past experiences with the products and the current expectation levels associated with satisfaction (Zeithaml, Berry and Parasuraman, 1993).

## 3.2 Confirmation-Disconfirmation Theory

As per the confirmation-disconfirmation theory, a consumer compares two aspects i.e. their expectation and real delivery. On the basis of these comparisons, a consumer either confirms about how well they are satisfied with the service delivery or their disconfirm with that. (Poister & Thomas, 2011).Homburg and Giering (2001) describe consumer satisfaction as a percipience towards purchasing a certain product before buying that product. The confirmation-disconfirmation model suggests that buyers compare their

true experiences with the prior acquaintances, beliefs, and opinions about the item's performance and shape their satisfaction towards that item accordingly (Oliver, 1980). The model suggests three possible outcomes of such appraisal; (Woodruff, Cadotte & Jenkins, 1983);

1. If the expectation is being met by the performance, the consumer experiences a neutral feeling and confirmation takes place

2. If the performance of the product is better than the expectation, a positive disconfirmation will be required and the consumer becomes highly satisfied.

3. If the performance of the product is less than the expectation, negative disconfirmation takes place and the consumer becomes highly dissatisfied.

The above mentioned theory is quite realistic. If a person gets something above than his/her expectation, he/she will get fully satisfied. On the other hand, if he/she finds something less than his/her expectation, he/she may get dissatisfied, and thus he/she might not return ever to buy again. Therefore, it is quite true that customer compares real thing with his expectation to get the satisfaction. This will also help to understand the satisfaction level of customers, and thus it will be easy to make goods or provide services for companies, to satisfy certain levels.

## 3.3 Services Theatre Model

The Services theatre model compares the provision of various services with the theatre, while highlighting the features both mutually share with each other. Both the service delivery and the theatres strive hard to satisfy the

consumer and audience, proper planning is needed and implementation of that planning is given significant importance at back stage as well as in front of the audience and consumers so as to leave a positive impression on them. Just like the component of theatre, service also includes same elements i.e. audience, actors, setting, backstage, front stage and delivery of service.

As it is known that the actors of theatres have significant impact on the audience, in the same way, in context of service provision, service communication workers lay great emphasis in shaping the worth of service. The consumers regard and associate the service they are being provided with the service providers (Grönroos, 1982). The physical outlook and the way they deal with the consumers have great impact on them in making perceptions about the service experience. The qualities of service providers that have a great influence on the consumers include their physical outlook, the way they deal with the consumers, the role they play capably, their mood, their personal relationship with consumers, and the general dedication they depict with respect to the service performance (Solomon, 1985; Berry, 1980).

Additionally, service receiver or audience also has great influence on the quality of service delivered to them by the service providers or actors and the results of the service as well (Booms and Bitner 1981; Lovelock 1983; Parasuraman, Zeithaml and Berry 1988; Pranter and Martin 1991). If a consumer denies collaborating with the service providers, or highlights the negative aspects of service experience in front of other consumers, it can result in destruction of the service performance.

Just like actors have to maintain their standards and act accordingly, in the same way audience of theatrical production also has to abide by the certain rules i.e. behave appropriately while service is being provided to them, avoid disturbing others' service experiences etc.

Furthermore, as in theatres, the setting where the drama is to be presented is maintained like lights, sceneries etc. to make the audience positively influenced by them, in the same way, in the process of the service provision, the setting in which the service is being provided is highly important. The settings depict and describe the service exchange (Parasuraman & Berry, 1985). The setting of the service attracts various consumers (Booms & Bitner. 1982) and it also assists the new consumers to make positive perception towards the service's nature.

Another important element which is common between theatre and service providing is performance, which includes the behavior or things done in front of audience. This includes the role of actors, audience and setting altogether. The performance also includes backstage performers, the managers of front stage setting, the organizers of setting, the dedication of actors related to the significance of maintaining a good performance, and the overall cooperation among the actors.

All of these things i.e. actors, audience, setting, and performance work collaboratively and predicts the consumer satisfaction with respect to a service provided to them.

# Chapter 4

# HYPOTHESES DEVELOPMENT

## 4.1 Hypothesis 1

In their studies Zeithaml, Lemon and Rust (2002) stated that the notion of consumer loyalty is the main element of the CRM (Consumer Relationship Management). In addition, in the academic world researchers has discovered that significant differences exist in cognitive behavior among the female and male consumers (Meyers-Levy 1988, 1989; Meyers-Levy and Sternthal 1991; Meyers-Levy and Maheswaran 1991; Fisher and Dubé 2005). Until the early 1990s, gender differences drew small amount of attention in the consumer literature (Das, 2014; Bakewell and Mitchell, 2003).

On the other hand, there is little research like Fournier's (1998), in her research Fournier came to the conclusion that the interpersonal and brand relationships among women are more and stronger compared to men. Moreover, in their research Mittal and Kamakura (2001) proved for a particular level of loyalty score, females have a high chance of buy than the men.

These recommend that women were more loyal and faithful than men. Thus, there is still a dearth of literature on this area, so we determined to enhance and contribute to the current understanding of this area. Therefore, and we can hypothesize our first hypothesis as below:

H1a: Females' score is significantly higher on consumer loyalty as compared to males.

## 4.2 Hypothesis 2

In the service industry, consumer satisfaction is the most critical concept for the organization to reach to success. The studies that are made about gender, there is a strong support for the concept that males and females in the literature have distinct perceptions, needs and expectations .The literature that examined loyalty and satisfaction levels of males and females has provided random outcomes. In some of the research undertaken, researchers found out that there is no prominent distinction between men and women (Carmel, 1985; Ross et al., 1999). Other researchers have also found out that women encounter higher levels of satisfaction as compared to men (Buller and Buller, 1987). Furthermore, in other studies it is reported that women are less satisfied with service than men over a period of time (Bendall-Lyon and Powers, 2002). Hence, the formulation of the following hypothesis is:

H2a: Males' scores are high on consumer satisfaction as compared to females.

## 4.2 Hypothesis 3

In his study Patterson (2007) reviewed that, the consumers that are old in age act in a more traditionalist way compared to younger ones and they are less eager to go for the latest brands and therefore these consumers may be more likely to show a loyal behavior. Ndubisi (2007) added to this view by saying that female consumers express more loyalty while male consumers do less, however, he also underlines the important role of age factor; by stating that younger age groups of consumers are not as loyal as senior groups. Thus it is crucial to attain young consumers at an early age, companies could perform deeper relationships, with

increased opportunities for retention (Foscht et al., 2009). Hence, this is hypothesizing as follow:

H3a: Consumer loyalty increases with age.

## 4.4 Hypothesis 4

Oyewole (2001) examined the effects of demographic variables on consumer loyalty in terms of the services provided by the air travel industry. Studies discovered that education (less educated passengers), marital status (married passengers), occupation (managers of enterprises) and gender (men) groups showed major effect on the consumer satisfaction with various types of services rendered by the airline passengers travelled with, whereas age and household income had no substantial effect on satisfaction. Furthermore, in their research Boyd et al. (1994) emphasized on the status of the consumers and discovered that consumers are different in putting emphasis on various bank selection factors such as reputation, cost-benefit, efficiency etc... Moreover, according to Ogden & Ogden (2005) the most important demographic profile component is 'marital status' because it displays if clients are buying for themselves, for a spouse, or a family with children. Therefore, our fourth hypothesis is as follow:

H4a: Single and who have never been married people are more satisfied with service performance as compared to married, divorced and widowed.

## 4.5 Hypothesis 5

There are various studies where the monthly income has a significant role in consumer loyalty. Research has shown that those people who are more focused on the price are not much loyal as compared to people with high income (East et al., 1995). Klopatan et. Al (2016) indicate and affirm in their studies that the level of income has an important impact on the consumers' attitude in regards to

determining their loyalty in Croatia. Therefore, it seems appropriate to propose that:

H5a: Consumer loyalty increases with increase in monthly income.

## 4.6 Hypothesis 6

Chen and Wang (2009) propose customer loyalty perspective as a type of evaluation measurement tool which is consistent between the former expectations and the expected service performance. Perceived service quality, which is in accordance of service performance to consumers' expectation (Radomir et al., 2012) is a very important factor leading to consumer satisfaction. Thus, we hypothesize as below:

H6a: Service performance positively influences consumer satisfaction.

## 4.7 Hypothesis 7

Consumer loyalty is critical by product of consumer satisfaction, as it ultimately turns into the consumer loyalty (Fornell 1992). When the consumer satisfaction will achieve then the consumer loyalty will also be increased and thus it keeps on increase, but once it reaches to top level, then it will start decreasing with time. Also, loyal customers are those who are satisfied with the services rather than those who are not much satisfied. Barden and Teel (1983) say that it is very critical for marketing personnel to understand the consumer satisfaction and thus it can help to improve the consumer loyalty and ultimately sales of the company. Also, Bloemer, de Ruyter, & Peeters (1998) say that brand loyalty's important factor is customer satisfaction.

Several researches have taken place to find out the main reason of consumer satisfaction (Srivastava and Rai, 2013; Pereira et al., 2016; Agus and Abdullah,

2000; Usta and Memiş, 2009; Chumpitaz and Swaen, 2002; Wahab et al., 2016; Al-Hawari and Ward, 2006; Osman and Sentosa, 2013). Already found researches are not enough. Therefore, it is considered that if the consumer satisfaction is a mediator variable, an important contribution will be made to the literature. So the last hypothesis of the research is designed as follows:

H7a: Consumer satisfaction positively influences consumer loyalty.
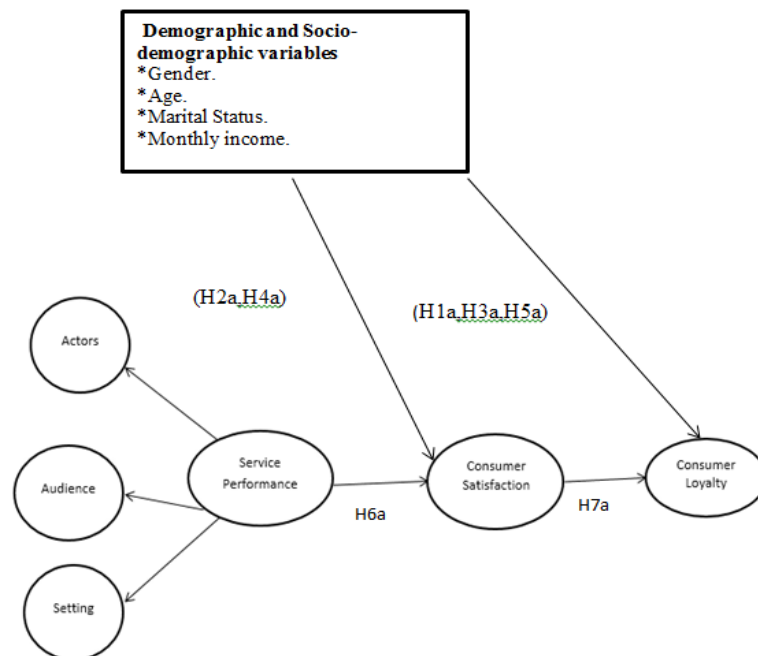
Figure 5: Proposed Model and Hypotheses adapted from studies of Ali, Hussain and Ryu(2017)

# Chapter 5

# METHODOLOGY

This section puts emphasize on research techniques, which are used in our research. The main aspects of the methodology are addressed. This includes quantitative and qualitative method, inductive and deductive approach. In this chapter, data collection procedure, characteristics of items, the structure of the demographic information and questionnaire will be discussed in detail respectively.

This research's main motive is to measure the impact of the service performance on the consumer loyalty and to identify the arbitrator role of the consumer satisfaction using RESERVE framework adapted from the research of Ali, Hussain & Ryu (2017). This current model was developed and consumer loyalty dimension added on it. Therefore, this research tests the effect of the service performance on consumer loyalty plus identifies the mediating role of consumer satisfaction. Hypotheses of the research were developed and these hypotheses will be discussed according to this model.

When a researcher starts a field investigation, the first step is to select the most appropriate research approach. Thus, this chapter further provides information about quantitative method and qualitative method.

## 5.1 Qualitative method

In qualitative research method, the purpose is going into a detailed knowledge of a specific situation, in spite of the surface description of a large sample of a population (Mayers, 2013). This mode of study is tending to be more emphasized with the words rather than on only numbers (Kawamura, 2011). It is useful when scholars are discovering a subject about which they do not have idea what to expect, to define the problem or develop an approach to the problem, when they try to understand the definition, patterns, reasons, etc., usually unnoticed in the standardized approaches (Mayers, 2013). As a result, we did not conduct this research method in our study, since it is not suitable for our study because of the factors such as time and finance.

## 5.2 Quantitative method

As Aliaga & Gunderson (2000), stated in their study, quantitative research refers to the act of gathering statistical data to give details about phenomena and analyze this numerical data by mathematical methods. When academics and practitioners' purpose is to relate their data in an organized way, and generalize this data to population or test the theories with hypothesis, quantitative research method is more useful and preferable. This is especially, when these researchers want to generalize information in large amount within and from a specific population sample (Aliaga & Gunderson, 2000). This study technique is very beneficial when a researcher's purpose is to find correlations between variables. For instance, one may be dependent variable and the other an independent one. So in this method the researcher tries to eliminate of being subjective and he/she aims to be more objective. Therefore, it uses positivist view toward the problem. Hence, in this study we used quantitative approach.

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## 5.3 Inductive and Deductive Approaches

It is very much significant to find out best approach for conducting a research. As per Babbie (2009), many scientific queries are used to suffer in between many alternative approaches for conducting research; although deductive and inductive are two different approaches to take observations.

Altinay and Paraskevas (2008) stressed that the concept of a study is constructed depending on the creation of data from the first point or conclusion of the investigation. If the study is constructed on a theory and creating hypothesis, reviewing the literature review, and testing the hypothesis, this means that the study is a deductive research. It also known as top down approach, as based on the proved law and rules, from general to specific facts primarily focused on the causality. This approach signifies quantitative methodology.

Deduction approach is the process of shifting from one subject to a different or from known element to unknown component. In fact, in regards to the deductive approach, the investigation is going through with the acknowledged philosophy and the information investigation is going to demonstrate the relationship. Moreover, this method proceeds from general to specific subjects. It is known as Top-Down method and is linked with quantitative method (Spangler 1986). According to Robson (2002), the deductive approach has been divided into four points.
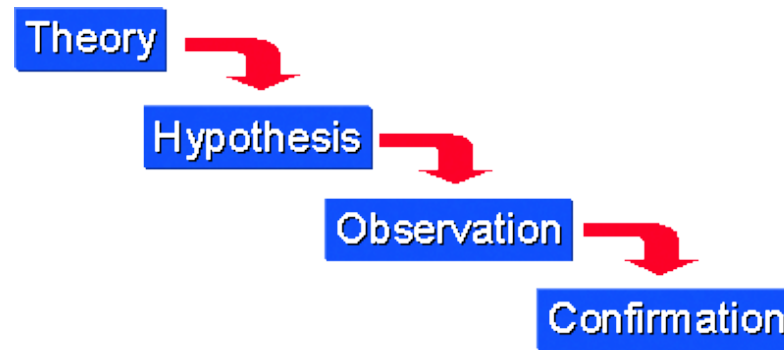
Figure 6: Deductive Approach Model

On the other side, in case of inductive approach it is grounded on examining and exploring a particular fact which aims to construct philosophies or ideas according to the collected statistics or information (Altinay & Paraskevas, 2008). The inductive method studies any subject from specific to the general. In the literature, this process is called bottom-up. Also this approach signifies qualitative methodology.
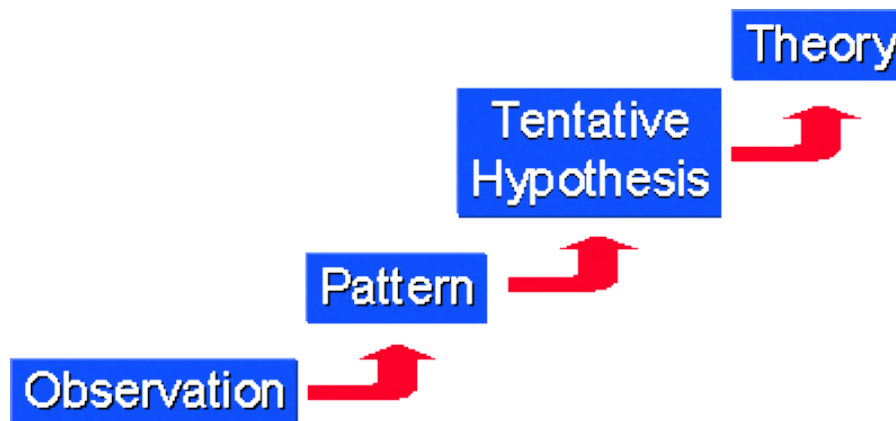

Figure 7: Inductive Approach

Hence, in this research we used deductive approach through quantitative method since we try to reveal the truth that exists already and the relationships effect; which are also conclusive in its purpose.

## 5.4 Pilot Study

In order to give in validated and reliable process attributes during the phase of pilot study, for this research with the aim of determining whether there is a case of uncertainty in application, questionnaires were done by 10 hotel guests during the pilot study phase. After the pilot study was conducted, some changes were made in the questions to enhance the readability and understandability of the questionnaire.

## 5.5 Sampling Procedure

The sample population in this study was mainly consisted of the tourists, who stayed in high class hotels in the Northern Cyprus from December 2018 to February 2019. Since the topic of this study is impact of service performance on the customer loyalty, this study is targeted to hotel guests in Northern Cyprus. We used questionnaires in this research as our research aimed in quantitative method and also distrusting questionnaires is less time consuming compared to in-depth interviews or semi-structural interviews. Since we wanted to get empirical data we conducted this research by collecting this questionnaire.

The sampling technique has two main categories, which are non-probability and probability. The probability technique is "a sampling technique in which every member of the population has a known, non-zero probability of selection", while on the other hand non-probability technique is "a sampling technique in which units of the sample are selected on the basis of personal judgment or convenience, and the probability of any particular member of the population being chosen is unknown" (Zikmund et al., 2012, p. 394). In this study we used non-probability sampling technique.

## 5.6 Instrument Development

For collecting the data, the questionnaire method is being used for the literature and the questionnaire was first written in English language and then translated into Turkish language by utilizing back-translation method (McGorry, 2000). It was later on verified by English and Turkish expert to improve the linguistic compatibility. This questionnaire translated into Turkish due to there is respondents for the questionnaires who are Turkish. The items were adapted from the 5 point Likert scale format (1="Strongly Agree", 2="Agree", 3="Neutral", 4="Disagree", 5="Strongly disagree").

## 5.7 Data Collection Procedures

For the data collection for our research, tourists staying in 4 and 5 stars hotels in different parts of the Northern Cyprus were targeted. To get the permission for the data collection process, front office managers of hotels were met.   Then, questionnaires were allowed to be distributed to the hotel guests in lobbies of hotels. Finally, 240 questionnaires were retrieved successfully out of 300 questionnaires distributed  which is equivalent to 75% response rate. Table 4 shows the list of the hotels that our 240 questionnaires were retrieved from.

Table 4: List of hotels that the questionnaires were retrieved

| Hotel name | Location |
| --- | --- |
| Acapulco Resort & Convention & Spa | Kyrenia |
| Arkin Palm Beach Hotel | Famagusta |
| Cratos Premium Hotel | Kyrenia |
| Elexus Hotel | Kyrenia |
| Golden Tulip Hotel | Nicosia |
| Kaya Artemis Hotel | Iskele |
| Limak Cyprus Deluxe Hotel | Iskele |
| Malpas Hotel & Casino | Kyrenia |
| Merit Lefkosa Hotel,Casino & Spa | Nicosia |
| Merit Royal Premium Hotel | Kyrenia |
| Noah's Ark Hotel | Iskele |
| Salamis Bay Conti Hotel | Famagusta |

## 5.8 Data Analysis

After getting all the relevant data, different types of questionnaires were analyzed by the SPSS software. Detailed process of data analysis was conducted through vast array of the descriptive statistics like standard deviation, reliability testing and mean. One-way ANOVA test was taken place to find out the importance of differences among the sample means. After analyzing the collected data, we tested all proposed hypotheses and investigated the relationships among service performance, customer satisfaction and customer loyalty

# Chapter 6

# RESEARCH FINDINGS

According to our research,  the findings revealed that the sample consisted of 116 female respondents, which were 48.33% of total sample and 124 male respondents, which were 51.67%. 13.8 % of the respondents had high school degree, while 56.7% had a bachelor degree and, 18.3% a master's degree. Among respondents, 11.3% had doctorate degree.  As per the income, the majority of respondents, 40.4 %, had a salary that of less than $2000 USD.

## 6.1 Sample Population

Table 5: Respondents' Gender Distribution

| Gender | Frequency | Percentage (%) |
|--------|-----------|----------------|
| Male | 124 | 51.7 |
| Female | 116 | 48.3 |
| Total | 240 | 100 |

Table 6: Respondents' Age Distribution

| Age | Frequency | Percentage (%) |
|-----|-----------|----------------|
| 18-24 | 66 | 27.5 |
| 25-40 | 119 | 49.6 |
| Over 40 | 55 | 22.9 |
| Total | 240 | 100 |

Table 7: Respondents' Education Status

| Education | Frequency | Percentage (%) |
|---|---|---|
| High school (lycee) | 33 | 13.8 |
| Bachelor degree | 136 | 56.7 |
| Master's degree | 44 | 18.3 |
| Doctorate | 27 | 11.3 |
| Total | 240 | 100 |

Table 8: Respondents' Marital Status

| Marital Status | Frequency | Percentage (%) |
|---|---|---|
| Single | 107 | 44.6 |
| Married | 103 | 42.9 |
| Divorced/Widow | 30 | 12.5 |
| Total | 240 | 100 |

Table 9: Respondents' Occupation

| Occupation | Frequency | Percentage (%) |
|---|---|---|
| Student | 69 | 28.7 |
| Self-employed | 37 | 15.4 |
| Public sector | 19 | 7.9 |
| Private sector | 84 | 35.0 |
| Retired | 16 | 6.7 |
| Other | 15 | 6.3 |
| Total | 240 | 100 |

Table 10: Respondents' Income Status

| Income per month | Frequency | Percentage (%) |
|---|---|---|
| Below 2000 $ | 97 | 40.4 |
| 2001-5000 $ | 77 | 32.1 |
| 5001-8000 $ | 55 | 22.9 |
| Above 8000 $ | 11 | 4.6 |
| Total | 240 | 100 |

Table 11 shows the frequency of the respondents categorized by nationalities. The majority of the respondents were Turkish hotel guests (22.9%) followed by British guests with a percentage of 9.6%. Iranian hotel guests accounted as the third highest nationality group conducted in our research.

Table 11: Respondents' Nationalities

| Nationality | Frequency | Percentage(%) |
|---|---|---|
| Turkish | 55 | 22.9 |
| British | 23 | 9.6 |
| Iranian | 17 | 7.1 |
| Chinese | 15 | 6.3 |
| German | 12 | 5.0 |
| Russian | 11 | 4.6 |
| Pakistani | 10 | 4.2 |
| Italian | 7 | 2.9 |
| French | 6 | 2.5 |
| Austrian | 4 | 1.7 |
| Greek Cypriot | 4 | 1.7 |
| Jordanian | 4 | 1.7 |
| Polish | 4 | 1.7 |
| American | 3 | 1.3 |
| Azerbaijani | 3 | 1.3 |
| Estonian | 3 | 1.3 |

| | | |
|---|---|---|
| Saudi Arabian | 3 | 1.3 |
| Spanish | 3 | 1.3 |
| Australian | 2 | 0.8 |
| Bangladeshi | 2 | 0.8 |
| Belgian | 2 | 0.8 |
| Czech | 2 | 0.8 |
| Dutch | 2 | 0.8 |
| Finnish | 2 | 0.8 |
| Greek | 2 | 0.8 |
| Hungarian | 2 | 0.8 |
| Indian | 2 | 0.8 |
| Iraqi | 2 | 0.8 |
| Kazakh | 2 | 0.8 |
| Lithuanian | 2 | 0.8 |
| Moroccan | 2 | 0.8 |
| Nigerian | 2 | 0.8 |
| Qatari | 2 | 0.8 |
| Slovenian | 2 | 0.8 |
| Syrian | 2 | 0.8 |
| Turkmen Other nationalities | 2 17 | 0.8 7.1 |
| **Total** | **240** | **100** |

## 6.2 Tripograhic characteristics

Table 12: Tripographic characteristics

| Tripographic variables | | Percent |
|---|---|---|
| **How many times did you stay in four /five star hotels during last 2 years in North Cyprus?** | 1 time | 14.6 |
| | 2-3 times | 42.1 |
| | 4-5 times | 31.7 |
| | 5 times | 11.7 |
| **How many days did you stay in the most recent stay at a four or five star hotel in** | 1-2 | 30.0 |
| | 3-4 | 50.4 |

| | | |
|---|---|---|
| **North Cyprus?** | 5-6 | 7.1 |
| | More than 6 | 12.5 |
| **Who accompanied you by during the most recent stay at four or five-star hotel in North Cyprus?** | Alone | 12.1 |
| | Colleagues | 36.7 |
| | Family Members | 45.4 |
| | Friends | 5.8 |

The results in table 12 depict the statistics for tripographic variables of this research. A high percentage of the respondents (42.1%) answered that they have stayed 2-3 times in a 4 or 5 star hotels during the last 2 years in North Cyprus.  In addition, more than half of the respondents (50.4%) responded that they've stayed 3-4 days during their last stay at a four or five star hotel in  North Cyprus. Furthermore, a majority of the respondents (45.4%) answered that they have been accompanied by family members during their most recent stay at a four or five-star hotel in North Cyprus.

Table 13 shows the frequency of items that respondents answered to what extent they agree or disagree. 5-point likert scale was used in all  questions except question 40 which is "As overall did you satisfied with the hotel?".

Table 13: Frequency of Items

| Items | Strongly agree | | Agree | | Neutral | | Disagree | | Strongly Disagree | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Frequency | % | Frequency | % | Frequency | % | Frequency | % | Frequency | % |
| Q11 | 36 | 15.0 | 112 | 46.7 | 80 | 33.3 | 11 | 4.6 | 1 | 0.4 |
| Q12 | 35 | 14.6 | 111 | 46.3 | 68 | 28.3 | 24 | 10.0 | 2 | 0.8 |
| Q13 | 41 | 17.1 | 103 | 42.9 | 66 | 27.5 | 22 | 9.2 | 8 | 3.3 |
| Q14 | 31 | 12.9 | 109 | 45.4 | 64 | 26.7 | 28 | 11.7 | 8 | 3.3 |
| Q15 | 26 | 10.8 | 100 | 41.7 | 80 | 33.3 | 27 | 11.3 | 7 | 2.9 |
| Q16 | 41 | 17.1 | 114 | 47.5 | 59 | 24.6 | 20 | 8.3 | 6 | 2.5 |
| Q17 | 27 | 11.3 | 80 | 33.3 | 90 | 37.5 | 33 | 13.8 | 10 | 4.2 |
| Q18 | 30 | 12.5 | 91 | 37.9 | 89 | 37.1 | 23 | 9.6 | 7 | 2.9 |
| Q19 | 38 | 15.8 | 104 | 43.3 | 66 | 27.5 | 28 | 11.7 | 4 | 1.7 |
| Q20 | 33 | 13.8 | 119 | 49.6 | 59 | 24.6 | 26 | 10.8 | 3 | 1.3 |
| Q21 | 26 | 10.8 | 110 | 45.8 | 80 | 33.3 | 20 | 8.3 | 4 | 1.7 |
| Q22 | 22 | 9.2 | 95 | 39.6 | 103 | 42.9 | 16 | 6.7 | 4 | 1.7 |
| Q23 | 26 | 10.8 | 108 | 45.0 | 78 | 32.5 | 27 | 11.3 | 1 | 0.4 |
| Q24 | 25 | 10.4 | 93 | 38.8 | 79 | 32.9 | 40 | 16.7 | 3 | 1.3 |
| Q25 | 26 | 10.8 | 89 | 37.1 | 73 | 30.4 | 42 | 17.5 | 10 | 4.2 |
| Q26 | 40 | 16.7 | 105 | 43.8 | 60 | 25.0 | 28 | 11.7 | 7 | 2.9 |
| Q27 | 44 | 18.3 | 86 | 35.8 | 79 | 32.9 | 21 | 8.8 | 10 | 4.2 |
| Q28 | 36 | 15.0 | 100 | 41.7 | 72 | 30.0 | 24 | 10.0 | 8 | 3.3 |
| Q29 | 23 | 9.6 | 91 | 37.9 | 79 | 32.9 | 37 | 15.4 | 10 | 4.2 |
| Q30 | 25 | 10.4 | 114 | 47.5 | 71 | 29.6 | 22 | 9.2 | 8 | 3.3 |
| Q31 | 26 | 10.8 | 93 | 38.8 | 85 | 35.4 | 31 | 12.9 | 5 | 2.1 |
| Q32 | 37 | 15.4 | 111 | 46.3 | 55 | 22.9 | 31 | 12.9 | 6 | 2.5 |
| Q33 | 34 | 14.2 | 102 | 42.5 | 71 | 29.6 | 21 | 8.8 | 12 | 5.0 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Q34 | 24 | 10.0 | 74 | 30.8 | 108 | 45.0 | 18 | 7.5 | 16 | 6.7 |
| Q35 | 24 | 10.0 | 81 | 33.8 | 99 | 41.3 | 22 | 9.2 | 14 | 5.8 |
| Q36 | 27 | 11.3 | 101 | 42.1 | 78 | 32.5 | 18 | 7.5 | 16 | 6.7 |
| Q37 | 28 | 11.7 | 101 | 42.1 | 74 | 30.8 | 22 | 9.2 | 15 | 6.3 |
| Q38 | 25 | 10.4 | 66 | 27.5 | 83 | 34.6 | 40 | 16.7 | 26 | 10.8 |
| Q39 | 27 | 11.3 | 101 | 42.1 | 78 | 32.5 | 21 | 8.8 | 13 | 5.4 |

| Item | Satisfied | | Neutral | | Dissatisfied | |
|---|---|---|---|---|---|---|
| | Frequency | % | Frequency | % | Frequency | % |
| Q40 | 124 | 51.7 | 72 | 30.0 | 44 | 18.3 |

## 6.3 Reliability

It is very beneficial for the reliability test to measure reliability of sample. So, Cronbach's Alpha computed to check the service performance components is 0.95 and for consumer loyalty and consumer satisfaction it is also 0.95. It should be taken into account that the figures above 0.70 are considered good (Nunnally, 1978). Therefore, the internal consistency of our sample is verified.

Table 13: Cronbach's Alpha for variables service performance and consumer loyalty

| Variables | Cronbach's Alpha |
|---|---|
| 1.Service performance | 0.95 |
| 2.Consumer Loyalty | 0.95 |

## 6.4 Factor Analysis

Factor analysis was used to less the items to various types of elements. Sometimes, some of the items showed the same idea, so they can be ignored if they are not required and in excess. The current research has adopted explanatory factor analysis

via SPSS 21. Two factor analyses were conducted: factor analysis for service performance and factor analysis for consumer loyalty. The adequacy of the sample size was decided through the both Kaiser-Meyer Olkin (KMO) test sampling adequacy and Barlett's Test of Sphericity. In fact, KMO for service performance (0.94) and consumer loyalty (0.92) go above the satisfactory values.

## 6.5 Factor analysis for service performance

The results of the analysis related to the service performance depict that all found items to have a three dimensional construct. The chosen rotation for this study is varimax rotation with the latent root criterion of 1. The factor loading of 0.4 is being selected as the benchmark. The results from analysis are indicated in Table 16. The extracted factors according to factor analysis are Setting (Se); Audience (Au); Actors (Ac). The findings also indicate that three factor solutions with Eigenvalues were high than 1.0, and total variance explained was 67.15% of the total variance.

Table 14: Kaiser–Meyer–Olkin (KMO) and Bartlett's test of sphericity for service performance

| KMO | Chi-Square | Df |
|---|---|---|
| 0.94 | 4124.47 | 231*** |

* p < 0.05; ** p < 0.01; *** p < 0.001.

Bartlett's test of sphericity and Kaiser–Meyer–Olkin (KMO) was used to find out suitability of the analysis. The sampling adequacy of KMO measurement was 0.94, which indicates an enough inter-correlation. Meanwhile, the Barlett Test of Sphericity was important (Chi square= 4124.47, p <0.001).

Findings from the factor analysis showed that 22 items could be distributed into 3 factors. Rotation, were 5.20, 4.96 and 4.60, after extracting three factors with

eigenvalues.

Throughout the process of exploratory factor analysis, items that do not load properly on a particular factor (<0.40) or have cross-loadings should be deleted (Kim et al., 2012). However, none of the items were deleted because all the items had loadings greater than 0.40. Reliability analysis (Cronbach's alpha) of the three extracted factors was then conducted (Setting = 0.91; Audience = 0.93; Actors = 0.89), which compellingly exceeded the cut-off value of 0.70.

Table 16 explains a factor loading is the correlation between a variable. Factor loading came from a factor that has been extracted from the data set. The loading for service performance was ranging from 0.41 to 0.82.

Table 15: Results of Exploratory Factor Analysis

| Code | Description | Setting | Audience | Actors |
|---|---|---|---|---|
| Setting (eigenvalue = 11.48; Variance explained % = 23.64%; Cronbach's Alpha = 0.91) | | | | |
| Se1 | The hotel have up-to-date facilities. | 0.721 | | |
| Se 2 | The hotel and its amenities are well decorated. | 0.738 | | |
| Se 3 | The hotel and its amenities are clean. | 0.773 | | |
| Se 4 | The hotel and its amenities are comfortable and cozily. | 0.777 | | |
| Se 5 | The hotel and its amenities are attractive. | 0.803 | | |
| Se 6 | The hotel has beautiful sight. | 0.663 | | |
| Se7 | The hotel has many places for enjoyment. | 0.659 | | |
| Se 8 | The hotel depicts the cultural side. | 0.458 | | |
| Se9 | Various amenities are held in hotel. | 0.411 | | |
| Actor (eigenvalue = 1.70; Variance explained % = 22.57%; Cronbach's Alpha | | | | |

| | | | | |
|---|---|---|---|---|
| **= 0.93)** | | | | |
| Ac 1 | Politeness of hotel staff. | | 0.673 | |
| Ac2 | Friendly attitude of staff. | | 0.755 | |
| Ac 3 | Informative staff of hotel. | | 0.823 | |
| Ac4 | Excellent communication and multilingual skills of the staff | | 0.759 | |
| Ac5 | Efficiency of hotel staff. | | 0.719 | |
| Ac 6 | Trained staff of hotel. | | 0.721 | |
| Ac7 | Staff at the hotel is helpful. | | 0.759 | |
| **Audience (eigenvalue = 1.59; Variance explained % = 20.93%; Cronbach's Alpha = 0.89)** | | | | |
| Au 1 | Other hotel guests are well mannered and behaved. | | | 0.674 |
| Au 2 | Other hotel guests are considerate and respectful. | | | 0.687 |
| Au3 | Other hotel guests are not noisy and loud. | | | 0.769 |
| Au 4 | Other hotel guests show respect regarding the privacy of others. | | | 0.736 |
| Au 5 | Other hotel guests are following the regulations and instructions. | | | 0.765 |
| Au 6 | The hotel is not overcrowded with other guests. | | | 0.634 |

### 6.5.1 Factor analysis for consumer loyalty

The findings of the factor analysis of consumer loyalty show that this variable is a one-dimensional construct.

The KMO should be higher than the 0.5 for proceeding satisfactory factor analysis. Looking at the Table 17, the KMO measure is 0.92 (Chi-Square = 1592.84; p<0.001).

Table 16: Test of Sphericity for Consumer Loyalty

| KMO | Chi-Square | Df |
|------|-----------|-----|
| 0.92 | 1592.84 | 21*** |

Findings from the factor analysis showed that the 7 items could be categorized into one factor. The findings show that the one factor solutions with Eigenvalues were higher than 1.0, and the total variance explained was 77.38 % of the total variance.

Table 18 explains a factor loading is the relationship between a variable. It came from a factor, find out from the data set. The loading for consumer loyalty was ranging from 0.79 to 0.90. At the same time, the Eigenvalues is 5.41 and the total variance is 77.38 %.

Table 17: Exploratory Factor Analysis's Results

| Code | Items | Factor loading |
|------|-------|----------------|
| **Setting (eigenvalue = 5.41; Variance explained % = 77.38 %; Cronbach's Alpha = 0.95)** | | |
| Cl 1 | I will recommend this hotel to other people. | 0.865 |
| Cl 2 | I would like to stay next time in this hotel. | 0.888 |
| Cl 3 | I would like avail again many services in this hotel. | 0.908 |
| Cl 4 | I would also ask my relatives and friends to visit this hotel. | 0.903 |
| Cl 5 | I find out strong performance in this hotel. | 0.885 |
| Cl 6 | I would consider this hotel as first choice whenever I need hotel service. | 0.796 |
| Cl 7 | I intend to continue using this hotel. | 0.908 |

**Hypothesis 1**

Table 18: Independent sample t-test showing gender differences in consumer loyalty

| | Gender | | | | | | | |
| | Male | | | Female | | | | |
| | M | SD | n | M | SD | N | T | Sig |
| **Consumer loyalty** | 3.3571 | .87505 | 124 | 3.3793 | .91524 | 116 | -.192 | 0.84 |

The findings of the t-test show that there were insignificant differences in consumer loyalty among females (M= 3.3793, SD = .91524); t (238) =--.192, p>0.05 and males (M= 3.3571, SD = .87505). Therefore, we will reject the alternate hypothesis and accept null hypothesis stating that there is an unimportant gender difference in consumer loyalty.

**Hypothesis 2**

Table 19: Independent sample t-test showing gender differences in consumer satisfaction

| | Gender | | | | | | | |
| | Male | | | Female | | | | |
| | M | SD | n | M | SD | n | t | Sig |
| **Consumer satisfaction** | 2.153 | 1.075 | 124 | 2.147 | 1.151 | 116 | 0.046 | 0.96 |

*p<0.05, **p<0.05, ***p<0.001

The results of the t-test show that there were not any important differences in consumer satisfaction among males (M= 2.1532, SD = 1.0748) and females (M= 2.1466, SD = 1.15159); t (238) = .046, p>0.05. That is why we will reject the alternate hypothesis and accept a null hypothesis stating that there is an insignificant gender difference in consumer satisfaction.

**Hypothesis 3**

Table 20: Spearman rank order Correlation between age and consumer loyalty

|   | **Variable** | **1** | **2** |
|---|---|---|---|
| 1 | Age | - | 0.051 |
| 2 | Consumer loyalty |   | - |

**. Correlation is significant at the 0.01 level (2-tailed).

Spearman rank order relation was analyzed in order to measure the strength and direction of the association between the age and consumer loyalty. The results of the analysis shows that there exist an insignificant association between age and consumer loyalty (r = 0.051, p>0.05). We will accept the null hypothesis.

**Hypothesis 4**

Table 21: Summary of ANOVA

|   | **SS** | **Df** | **Mean Square** | **F** |
|---|---|---|---|---|
| **Between Groups** | 4.203 | 2 | 2.102 | 1.715 |
| **Within Groups** | 290.397 | 237 | 1.225 |   |

| | | | | |
|---|---|---|---|---|
| **Total** | 294.600 | 239 | | |

**p < 0.01

Table 22: The Effect of Marital Status

| *Tukey HSD Comparison for consumer satisfaction* | | | | | |
|---|---|---|---|---|---|
| (I) Marital Status | (J) Marital Status | Mean Difference (I-J) | Std. Error | 95% Confidence Interval | |
| | | | | Lower Bound | Upper Bound |
| Single | Married | -0.0076 | 0.1528 | -.3680 | .3528 |
| | Divorced/widowed | 0.3963 | 0.2287 | -.1431 | .9356 |
| Married | Single | .00762 | .15280 | -.3528 | .3680 |
| | Divorced/widowed | .40388 | .22965 | -.1378 | .9455 |
| Divorced/widowed | Single | -.39626 | .22868 | -.9356 | .1431 |
| | Married | -.40388 | .22965 | -.9455 | .1378 |

An analysis revealed that an effect of marital status on consumer loyalty was not important, $F_{(2,237)} = 1.715$, $p > 0.05$. Therefore, we will reject another hypothesis and accept null hypothesis.

**Hypothesis 5**

Consumer loyalty increases with increase in monthly income.

Table 23: Spearman rank order Correlation between monthly income and consumer loyalty

| | Variable | 1 | 2 |
|---|---|---|---|
| 1 | Monthly income | - | -0.130* |
| 2 | Consumer loyalty | | - |

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

Spearman rank order Correlation was analyzed in order to measure strength and direction of the association between monthly income and consumer loyalty. The findings of analysis show that there exists an important negative association between monthly income and consumer loyalty (r = -0.130, p<0.05).

**Hypothesis 6**

Table 24: Pearson Product Moment Correlation between consumer satisfaction and service performance

| | **Variable** | **1** | **2** |
|---|---|---|---|
| 1 | Consumer satisfaction | - | 0.760** |
| 2 | Service performance | | - |

**. Correlation is significant at the 0.01 level (2-tailed).

Pearson Product Moment Correlation was analyzed for measuring the direction and magnitude of the relationship between consumer satisfaction and service performance. The results of the analysis show that there exists a significant positive correlation between service performance and consumer satisfaction (r = 0.760, p<0.01). This suggests that greater the service performance, greater will be the consumer satisfaction. We will accept the alternate hypothesis.

**Hypothesis 7**

Table 25: Pearson Product Moment Correlation between consumer loyalty and satisfaction

|   | **Variable** | **1** | **2** |
|---|---|---|---|
| 1 | Consumer satisfaction | - | 0.839** |
| 2 | Consumer loyalty | | - |

**. Correlation is significant at the 0.01 level (2-tailed).

The Pearson Product Moment Correlation was analyzed for measuring direction and magnitude of the relationship between consumer loyalty and satisfaction. The results of the analysis show that there exists a significant favorable correlation between consumer loyalty and satisfaction ($r = 0.839$, $p<0.01$). This suggests that the greater the consumer satisfaction, the greater will be the consumer loyalty. We will accept the alternate hypothesis.

A regression analysis was used to further investigate the relative importance of consumer satisfaction and service performance in predicting consumer loyalty. Table 27 shows the results of the regression analysis.

Table 26: Regression analysis- consumer satisfaction and service performance predict consumer loyalty

|   | consumer loyalty | |
|---|---|---|
|   | Standardized Coefficients Beta | t-value |
| consumer satisfaction | 11.299** | 11.299 |
| service performance | 8.052** | 8.052 |
|   | R=0.87 R²=0.76** | |

** $p < 0.01$; * $p < 0.05$.

A linear regression establish that consumer satisfaction and service performance statistically significantly predict consumer loyalty (F=390.911, df=2, p=0.00). Consumer satisfaction and service performance as predictors accounted for 87.2% of the explained variability in consumer loyalty. Next, the effects of consumer satisfaction ($\beta$ =-3.702, p=0.000) and service performance ($\beta$ =-3.702, p=0.000) are significant and its coefficients are positive indicating that a greater service performance and consumer satisfaction leads to greater consumer loyalty (and vice versa lower service performance and consumer satisfaction leads to lower consumer loyalty).

The beta coefficient' main function is to do comparison of the relative strength of various predictors within the model. Variable consumer satisfaction has more strength in prediction of consumer loyalty than service performance.

# Chapter 7

# DISCUSSION AND CONCLUSION

The intent of this chapter is to provide an insight to the thesis by highlighting this study's key findings in terms of its contribution to the literature. The research findings will be mirrored with the presented theoretical framework and further conclusion will be made. Study limitations, and recommendations for future research will also be provided at the end of this chapter.

## 7.1 Discussion and Conclusion

The main objective of this research is to find out the effect of service performance on loyalty of the consumer. The secondary objective of this study is to analyze the mediating role of consumer satisfaction on consumer loyalty in the influence of service performance. Furthermore, demographic differences in consumer loyalty, satisfaction and service performance were also analyzed. The demographic variables included marital status, age, gender and the monthly income.

The reliability of the service performance scale, consumer satisfaction and consumer loyalty scale were computed to be 0.95 for each scale. The reliability calculated are in line with the previous researches which also evidenced higher alpha values for reliability values of consumer loyalty scale (Mohamed, Ramzi & Al Rousan, 2010). The good reliability estimates of the service performance scale were in same line with the findings of Ali, Kashif and Ryu (2017).

The findings of the research indicate huge favorable relationship between the consumer satisfaction and loyalty. The results are same like previous research work done by Chi (2005), Fornell (1992) and Tepeci (1999). The previous researchers also highlighted the importance of association between consumer loyalty and satisfaction and found a positive relationship between these two variables. The higher the satisfactions of consumer the higher the consumer loyalty will be. This high consumer loyalty in turn leads to increased sales and profits of the company.

Additionally, the finding of the study suggests important positive association between service performance and consumer loyalty. These findings are directed in a way as proposed by previous researchers (Caceres & Paparoidamis, 2007; Brady & Robertson, 2001).

Moreover, the study examined the part of consumer satisfaction in mediating the relationship between the consumer loyalty and service performance. The findings indicated that service performance is the main predictor of consumer loyalty, even after controlling the role of mediator i.e. consumer satisfaction. This implies that consumer satisfaction does not act as a mediator in the relationship between service performance and consumer loyalty. This result is deviant from findings of last researches which show that the consumer satisfaction mediates the association between the consumer loyalty and service performance (Ngo & Nguyen, 2016; Caceres & Paparoidamis, 2007; Hu, Kandampully, & Juwaheer, 2009). The discrepancy in the results of the current research and the previous research (Ngo & Nguyen, 2016) might be due to the fact that the current study considered tourists as their population, while the study of Ngo and Nguyen (2016) targeted and gained

data from the retail banking consumers. There is obviously a difference between these two populations and how the variables affect each other is different in different populations. Additionally, the study done by Ngo and Nguyen (2016) was conducted in Vietnam, while the current study has been conducted in Northern Cyprus. Both the countries have quite distinct culture from each other. So here, the discrepancy in the findings can be greatly explained due to cultural differences as consumer loyalty is a construct that is more related with one's emotions. And the ways in which different people experience various emotions differ according to their cultures.

Additionally, the results of the study indicate that the gender differences in consumer loyalty were insignificant. This reveals that the males and females both have almost equal level of consumer loyalty. Previous literature suggests that females are more loyal consumers as compared to males (Ndubisi, 2006; Melnyk, van Osselaer & Bijmolt, 2009). The discrepancy between the current research results and previous researches might be due to the difference in context of the participants chosen. The previous researches were majorly based on retail consumers, while the current research considers tourists as its participants. Melynk et al. (2009) have further highlighted that the nature of males and female loyalty is dissimilar. Noble, Griffith & Adjei (2006) concluded that female loyalty is more dependent on the instincts of social interactions while, males' loyalty is more dependent on acquisition of information motives. As in tourism industry, there are no social interaction benefits and information acquisition benefits. Therefore, the results were insignificant for gender differences in consumer loyalty.

Furthermore, the result of the study suggests insignificant gender differences in consumer satisfaction. The literature has mixed responses in terms of impact of gender on consumer satisfaction. Many researchers suggest that females are higher on consumer satisfaction as compared to males (Buller and Buller, 1987).

Moreover, the current research results suggest an insignificant influence of age on consumer loyalty. The previous literature suggests that the consumer loyalty increases with age (Patterson, 2007; Ndubisi, 2007). However, various researchers have also concluded that there is no effect of age on the consumer loyalty (Sara & Viktoria, 2013). Current research supports the latter literature.

While the results showed insignificant association between marital status and consumer satisfaction. This displays that the person who are married, singles or divorced do not differ in consumer satisfaction. Mburu (2014) also found insignificant impact of marital status in effecting consumer satisfaction. However, there are researches present concluding that the married people are higher on consumer satisfaction as compared to singles and divorced (Dewan & Mahajan, 2014).

Lastly, the result of the analysis shows that as the monthly income of participants increases, the consumer loyalty decreases. This finding is inconsistent with the previous literature. Klopotan, Vrhovec-Žohar and Mahič (2016) concluded that people with lower monthly income are least loyal consumers, while people having higher incomes are most loyal ones. However, the current research result showed opposite association between consumer loyalty and monthly income. In this

condition, it is noteworthy to highlight that consumer loyalty is shaped and influenced by various factors like prices, service provision, staff attitude, quick pay and installments (Klopotan, Vrhovec-Žohar & Mahič, 2016). All these factors impact on the consumer loyalty, therefore, these must be considered and controlled while studying the influence of monthly income on consumer loyalty.

The current research aimed to study about the relationship among service performance, consumer satisfaction and consumer loyalty as well as the role of consumer satisfaction as a mediator on the service performance on consumer loyalty. The findings highlighted the significance of positive relationship between consumer satisfaction and service performance, as well as favorable association exists between consumer satisfaction and consumer loyalty. The research indicates that the consumer satisfaction does not play role as a mediator in association between service performance and consumer loyalty. Service performance, even after controlling the impact of consumer satisfaction, still predicted the consumer loyalty. Different demographic factors were also considered, while doing the research. The demographic analysis suggests insignificant influence of gender on consumer loyalty and consumer satisfaction, because whether the customer is male or female, they will react same. While insignificant differences were found in consumer satisfaction on the basis of marital status of participants. It is observed that whether customer is single or married, does not cause any different in perceiving satisfaction. Additionally, insignificant differences were found in consumer loyalty with age. However, a significant negative relationship was observed between monthly income of participants and consumer loyalty. It is observed that if a person has low income in a specific month, he will not buy his usual items, may go for

cost-cuttings, thus the customer loyalty will be compromised.

On the other hand, it is also found that employees play an important role in service performance of an organization. If the employees are professional and experts, they will be able to entertain the guests and customers professionally, thus they will be satisfied and become loyal. However, if the staff will be unprofessional and with no skills, customers and guests will not be satisfied with the service and thus no customer loyalty will be build.

To conclude, this research study set out to identify the effect of service performance on consumer loyalty in the hotel industry. We can deduce that, managers and other authorities within the hotel sector should realize the effect which service performance has on consumer satisfaction that may lead to consumer loyalty. The outcomes of the research suggests important positive association between service performance and consumer loyalty which is consistent with the previous studies of Caceres & Paparoidamis,( 2007) and Brady & Robertson, ( 2001). Furthermore, this study also found out that consumer satisfaction does not act as a mediator in the relationship between service performance and consumer loyalty which is deviant from findings of previous research (Ngo & Nguyen, 2016; Caceres & Paparoidamis, 2007; Hu, Kandampully, & Juwaheer, 2009). Finally, except monthly income, demographic characteristics does not show significant difference in the variables of service performance, consumer satisfaction and consumer loyalty.

## 7.2 Theoretical Implications

Theoretically, the results of this research give an empirical evidence for the influence of the service performance (namely actors, audience and setting) on

consumer loyalty. The research found that service performance positively correlates with consumer loyalty. This implies that improvements in service performance can lead to improvements in loyalty of consumers. Because quality service performance will make the customers loyal towards the company, and low-quality service performance will make the customers disloyal with the company.

The research result highlights insightful points in order to comprehend the effect of service performance on consumer loyalty. The influences of service performance on consumer loyalty focus on significance of quality and type of service performance to build consumer loyalty. This depicts that apart from behavioral aspects in building consumer loyalty, the cognitive aspects of the consumers are also considered vital in building the consumer loyalty.

Moreover, the current study revealed that there exist a favorable association between the service performance and the consumer satisfaction. This theoretically shows that with improvements in service performance, the satisfaction is likely to increase,  because customers require a good service and if they get it above their expectations, they will be satisfied. Otherwise they may become dissatisfied and will not come again.

In the same way, the theoretical implication for the association between service consumer satisfaction and consumer loyalty is that  there is direct relation of customer satisfaction and customer loyalty. Customers, who will be satisfied with the service performance, will become loyal customers too, but if they are dissatisfied with the service performance, they may not come again.

The current research enhances the service theatre model explanation of the association between service performance and consumer loyalty and how each component of service performance i.e. actors, audience, and setting, are valuable in predicting the loyalty of consumers. Therefore, the service theatre model is ideal for describing the association between the service performance and consumer loyalty. Audience will help to evaluate the service performance without any biasness, and will give opinion as independent person. Actors are considered as service provider, so they will able to judge the service performance. So, it is proved that it will be great to use them in the model.

The research also highlights that demographic factors, like age, gender and marital status have insignificant effect on the customer satisfaction and loyalty, while, the monthly income has negative relationship with the customer loyalty.

Additionally, the current research validated the instruments used for measuring service performance, consumer satisfaction and consumer loyalty. Scientific evidence suggests that many instruments are available for measuring service performance which are referred to be valid and reliable as well, and measuring the construct in the context of tourism industry, yet no other instrument, apart from the service performance measure, measured the multiple components which were analyzed in the literature and the service theatre model which was utilized in the current research. The current instrument used covered all the components and aspects of service performance as well as supported the utilization of the instrument with good validity and reliability estimates.

## 7.3 Managerial Implications

It is a foremost objective of every tourist hotel or company to get maximum profit, which they can gain when they get a good number of clients or consumers. The key to get more number of consumers is to make them satisfied with their service, as this ultimately makes them satisfied with service and they are likely to avail the service again and again as well as recommend the service to others. As indicated by the results of the current research, it can be implied that tourist hotels increase their service performance to become successful by making their consumers satisfied and make them loyal with the hotel. Due to the increase in service performance, ultimately the returns and profits of the hotel will also increase and it will be able to attract more customers.

Secondly, the hiring of the people in a hotel industry must be done as per their skill and capability. If the candidates seem to be capable enough to deliver the service to the fullest, they must be hired. However, if they do not seem to be capable enough, they must not be hired. This is because the more skilled the person is in service performance, the greater would be the quality of service performance in the employee's hand, and resultantly, the greater will be the consumer satisfaction and loyalty. And this research seconded this theory that professional and skillful staff will be able to provide an excellent service performance and thus customers will be satisfied and become loyal. Otherwise, they may go to competitors to get the desired satisfaction.

## 7.4 Limitations and Recommendations for Future Research

This research has few limitations which should be taken account. The first limitation is the current study only used quantitative methods for measuring the constructs of interest. A more comprehensive data collection, including qualitative findings, may put light on the definition of the consumer satisfaction and the association between the customer loyalty and service performance.

The second limitation is that the data in this study is only composed of participants from Northern Cyprus. As reviewed above, some studies find geographical and cultural differences that might affect service performance and the association it has with consumer satisfaction and consumer loyalty. Future studies in this field should include a cross-national comparative analysis based on data from countries that differ in their acceptance and prevalence of constructs of interest.

Additionally, the current research utilized a correlation research methodology, in which the significance and direction of relationships between variables was taken into consideration. However, causality of the association cannot be proven using this methodology. In order to establish causality, experimental studies must be utilized by future researchers. (Vinciullo & Bradley, 2009).

Moreover, the study design utilized was a correlational study design, which gathers data from participants just at one time. In order to study the interested variables descriptively, longitudinal study design can be implemented by future researchers, yielding the differences in trend of association among variables over different periods of time.

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# APPENDIX

## Questionnaire

Dear participants;

We prepared a questionnaire for my graduation thesis in Tourism Management master's program at Eastern Mediterranean University. The main aim of this questionnaire is to gauge hotel guests' perceived service performance. If interested, kindly take part in this study by filling this questionnaire. Your participation will be completely voluntary and feel free to stop the questionnaire at any time. This questionnaire will be strictly used for academic purposes. Your responses will remain anonymous and confidential. If you want to take part in this research, please answer all the below questions.

Research Team:

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*Please check the appropriate box or, where relevant, specify your answer*

1. **Gender:**        Male ☐        Female ☐

2. **Age:**        18- 24 ☐   25-40 ☐ Over 40 ☐

3. **Education :** High School (Lycee) ☐ Bachelor degree ☐      Master's degree ☐   Doctorate other ☐

4. **Marital status**    a)single ☐     b)married ☐   c)divorced/widowed ☐

5. **Occupation:**    Public sector ☐    Private sector ☐   Student ☐
                  Self -employed ☐   Retired  ☐    Other ☐

6. **Monthly Income:**    Below 2000 US$ ☐    2001-5000 US$ ☐
                      5001-8000 US$ ☐    above 8000 US$ ☐

7. **Nationality**   a) Turkish ☐  b) British ☐  c) German ☐ d) Russian ☐
                 e) Italian ☐  f) French ☐  g) Chinese ☐  h) Iranian ☐   i) other (please specify)...............

8. **How many times did you stay in a four/five star hotels during last 2 years in North Cyprus?**
   1☐        2–3☐        4–5☐      More than 5☐

9. **How many days did you stay in the most recent stay at a four/five star hotel in North Cyprus**
    1–2☐          3–4 ☐      5–6 ☐     More than 6 ☐

10. **Whom did you accompanied by during the most recent stay at four/five star hotel in North Cyprus?**
    Friends ☐    Family Members ☐     Colleagues ☐     Alone ☐

*Please indicate how strongly you agree or disagree with all the following statements hotels at Northern Cyprus by checking the appropriate box.*

| | Tick the choice you agree most | Strongly Agree | Agree | Neutral | Disagree | Strongly disagree |
|---|---|---|---|---|---|---|
| 1 | The hotel has up-to-date facilities. | | | | | |
| 2 | The hotel and its amenities are well decorated. | | | | | |
| 3 | The hotel and its amenities are very clean. | | | | | |
| 4 | The hotel and its amenities are cozy. | | | | | |
| 5 | The hotel and its amenities are attractive. | | | | | |
| 6 | The hotel is located in a beautiful location. | | | | | |
| 7 | The hotel has enough recreational activities. | | | | | |
| 8 | The hotel and its amenities are designed considering religious and cultural factors. | | | | | |
| 9 | Various amenities are placed at a reasonable | | | | | |
| 10 | Other guests are well behaved at the hotel. | | | | | |
| 11 | Other guests are respectful and considerate at the hotel. | | | | | |
| 12 | Other guests are not loud and noisy at the hotel. | | | | | |
| 13 | Other guests shows respect regarding the | | | | | |
| 14 | Other guests are following the instructions | | | | | |
| 15 | The hotel is not overcrowded with other | | | | | |
| 16 | Staff at the hotel is polite. | | | | | |
| 17 | Staff at the hotel has a friendly attitude. | | | | | |
| 18 | Staff at the hotel is informative. | | | | | |
| 19 | Staff at the hotel has excellent | | | | | |
| 20 | Staff at the hotel is efficient. | | | | | |
| 21 | Staff at the hotel is properly trained. | | | | | |
| 22 | Staff at the hotel is helpful. | | | | | |
| 23 | I will recommend this hotel to other people. | | | | | |
| 24 | I would like to stay next time in this hotel. | | | | | |
| 25 | I would repurchase many services in this hotel. | | | | | |
| 26 | I would encourage friends and relatives to visit this hotel. | | | | | |
| 27 | I consider the performance in this hotel | | | | | |
| 28 | I intend to continue using this hotel. | | | | | |
| 29 | I consider performance in this hotel strong. | | | | | |

| | | Satisfied | Neutral | Dissatisfied |
|---|---|---|---|---|
| **30** | As overall did you satisfied with the hotel? | | | |

**What suggestions would you like to give to hotel?**

………………………………………………………………………………………………
………………………………………………………………………………………………

*Thank you for kindly participating in this questionnaire, we really appreciate your time and effort.*