Factors Affecting Customer Satisfaction Using Accomodation Service at Da Huong Hotel

Nguyen Mai Huong[1], Dang Hoang Ha[2], Vu Thuy Ha[1]

[1]*International School, Thai Nguyen University, Viet Nam (huongnm@tnu.edu.vn)*
[2]*Trade Union University, Viet Nam (hoangha@dhcd.edu.vn).*

Abstracts
The study was conducted to determine factors affecting customer satisfaction using accomodation service at Da Huong Hotel. Using the technique of direct information collection using a prepared questionnaire, analyzing research samples, testing the scale with Cronbach's alpha reliability coefficient and EFA analysis method (Exploratory Factor Analysis) through SPSS version V20 software. Then, testing the model, determining the factors affecting customer satisfaction using accommodation service at Da Huong Company by qualitative analysis techniques
According to the EFA analysis and regression analysis, all five criteria determining customer satisfaction with Da Huong Hotel's accommodation service, organized in descending order, were accepted: Assurance, Responsiveness, Tangibles, Empathy, and Reliability.
The finding of this research provide more insight and implications for hotels to open their eyes and recognize contemporary situations. If there is any departure in their methods, the managers must move quickly to remedy it. Customer satisfaction is becoming increasingly vital for business success. As a result, hotel managers must pay close attention to all aspects of the establishment.
Keywords: factors; customer satisfaction; hotel; service quality; accommodation service.

I. Introduction

Da Huong Hotel is rated by the Vietnam National Administration of Tourism as a 3-star hotel standard. It was equipped with modern and elegant technical facilities, many utilities, international standard service quality , and professional service style. Officially opened in 2004, Da Huong Hotel has always maintained its pioneering and prestigious position in the field of hotels and restaurants in Thai Nguyen.

After 27 years of establishment and development, today Da Huong Hotel company has always maintained its position as one of the leading enterprises in the service industry of Thai Nguyen province with an average annual revenue of 20 billion VND, which contributes hundreds of millions of tax dollars to the local budget every year.

The business environment is evolving rapidly these days, in tandem with the advancement of science and technology. As a result, in order to survive in the long run, firms must adopt various consumer strategies. One of the most effective strategies is to satisfy customers in order to assure long-term business growth.

Customer satisfaction is a key factor to success for a company. It appears in any company's customer strategy and business leaders have to think about customer satisfaction. Only the idea "customer-centric" can help companies improve customer satisfaction and keep customers truly; conversely, if its competitor improves customer satisfaction, then it may lose corporate customers (Fangfang Tao, 2014).

Customer satisfaction is essential for satisfied customers to provide value to the business, spread positive word of mouth , and contribute to the company's positive image Customers that are satisfied with the brand will be able to develop a long-term profitable relationship with it. Customers who are dissatisfied may not want to buy from you again because they don't know what else can be offered. Customer satisfaction is very important because that would create a sense of belongingness, emotional binding and brand loyalty among customers, Muzammil Hanif et al., (2010).

II. Literature Review

Although they are two distinct ideas, service quality and satisfaction are tightly linked in service research (Parasuraman et al., 1988). Previous research has related service quality to consumer satisfaction (Cronin and Taylor, 1992). The rationale for this is that quality is linked to service delivery, and satisfaction can only be determined after a service has been used. Customers will never be satisfied with a service if the quality is increased but not based on their desires.

Customer satisfaction is a value-based phenomenon, in which value is defined as the ratio of perceived quality to price (Zeithaml, 1988). As a result, while price influences satisfaction, service quality is not always affected. Customer satisfaction is calculated using the sum of present, previous, and expected future experiences. Quality, on the other hand, is measured in terms of a customer's current perception of a product or service. Customer satisfaction is influenced by quality (Fornell, 1992; Cronin and Taylor, 1992; Churchill and Serprenant, 1982).

Because a company's success is mainly based on how effectively it maintains its customers through service, customer satisfaction and service quality are crucial parts of business. Superior service quality is expected to boost customer satisfaction, resulting in increased customer retention and loyalty.

In Vietnam, various previous studies have shown that the service quality has a significant impact on customer satisfaction. According to research by Nguyen Hue Minh et al., (2013), Service Quality and Customer Satisfaction: A Case Study of Hotel Industry in Vietnam, used the Service Quality (SERVQUAL) model to evaluate customer satisfaction, according to studies, service quality has a significant impact on customer satisfaction. In hotel service, service quality plays a significant role as a driver for improved levels of customer satisfaction. Managers would concentrate on the Service quality model in order to attain a high level of customer happiness, which leads to customer loyalty and profits.

In the research of author Nguyen Thi Thanh Xuan (2018), Factors affecting customer satisfaction in hotels at Thanh Hoa Province, Vietnam that showed intangibles and tangibles elements of service quality have a positive impact on satisfaction, in which intangible is the strongest element influence on satisfaction.

Based on the research of Nguyen Quyet Thang and Phan Thi Minh Thao (2021),Factors affecting the satisfaction of tourists using travel services provided by Lua Viet Tours Limited Liability Company, the research result showed that five factors in SERQUAL model has the impact on the customer satisfaction at Lua Viet Travel Co., Ltd.

III. Research Methodology

This research provided a discussion of the chosen research design in order to answer the research questions and to achieve the objectives of this study. The research model pointed out that five factors (Tangibles, Reliability, Assurance, Empathy and Responsiveness) are independent variables effect on customer satisfaction is dependent variable. The research design was created with the purpose of finding out the factors affect the customer satisfaction at Da Huong Hotel, therefore, proposing some solutions to improve service quality and enhance customer satisfaction using accommodation service at Da Huong Hotel. The data will be provided from both primary and secondary sources. A 5-point Likert scale will be used to measure the service quality and customer satisfaction. In addition, the sample of the study focused to totally 183 respondents using accommodation service at Da Huong Hotel in October and November 2021. Accordingly, descriptive method, Cronbach's Alpha testing, EFA method, regression analysis was used to test the hypotheses, which interpreted mainly by SPSS version V20. Furthermore, a mixture of methods such as tables and figures were used for illustrating the data from the survey.

IV. Findings and Discussions

4.1. Descriptive analysis of respondents' profile

This section presents the findings of the respondent's profile in terms of their age, gender and income of Da Huong's customer. The data are shown in frequency, percentage and valid percent. These tables below illustrate the descriptive statistics of repondents participated in this research.

Table 1: Respondents

	Frequency	Percent(%)	Valid Percent
Tourists	150	81.97	81.97
Business Travelers	33	18.03	18.03
Total	183	100	100

(Source: author)

This study was conducted among business travelers and tourists in Da Huong Hotel. There are 183 participants who took part in this research. The majority of respondents were tourists accounted for 81.97% while other respondents were business travelers accounted for 18.03%. In fact, tourists using accommodation services at Da Huong Hotel account for about 55-70% of the hotel's revenue.

Table 2: Gender

		Frequency	Percent	Valid Percent
	Male	100	54.64	54.64
Valid	Female	83	45.36	45.36
	Total	183	100.0	100.0

(Source: author)

In terms of gender statistics of 183 research samples, the responding to the survey questionnaires shows that out of 183 participants, 100 male customers and 83 female customers accounted for 54.64 % and 45.36%, respectively.

Table 3: Age

	Frequency	Percent	Valid Percent
Under 20 years old	26	14.20	14.20
21 to 30 years old	38	20.77	20.77
31 to 40 years old	74	40.44	40.44
Above 40 years old	45	24.59	24.59
Total	183	100	100

(Source: author)

Regarding the ages, customers who under 20 years old is the smallest number, 14.20% because they don't have enough financial to pay for the hotel services. In the contrast, the age group from 31 to 40 years old is the largest number, 40.44% and following by the age group above 40 years old accounted for 24.59%. The age group from 21 to 30 years old accounted for 20.77%.

Table 4: Personal Income

	Frequency	Percent	Valid Percent
Under 5 mil VND/month	15	8.20	8.20
5 to 10 mil VND/month	98	53.55	53.55
11 to 20 mil VND/month	51	27.87	27.87
Above 21 mil VND/month	19	10.38	10.38
Total	183	100	100

(Source: author)

In general, two groups have the income from 5 to 10 million VND/month and from 11 to 20 million VND/month are the largest number accounted for 53.55% and 27.87%, respectively. While two groups under 5 million VND/month and above 21 million VND/month accounted for 8.20% and 10.38%, respectively.

4.2. Reliability Statistics
The quality of measurement is what reliability refers to. The results would be roughly the same if the testing process was repeated with a set of test takers. To show the level of inaccuracy in the scores, various types of reliability coefficients with values ranging from 0.00 (many mistake) to 1.00 (no error) are commonly employed.
The most commonly used internal consistency metric is Cronbach's alpha ("reliability"). It is most typically used when a survey/questionnaire contains many Likert items that create a scale, and the researcher wants to know if the scale is reliable.
Only variables with the Corrected Iterm (Total Correlation) coefficient greater than 0.3 and Cronbach's Alpha coefficient greater than 0.6 are considered acceptable and appropriate to include next step analysis (Nunnally,1978).

4.3. Factors analysis - Exploratory Factor Analysis (EFA)
The processes for assessing measurement quality are discussed in this section. Exploratory factor analysis was conducted to examine a factor loading and item-total correlation of an indicator for each of constructs in the hypothesized model. The reliability of each factors was investigated in the previous section. Some items have factor loading values less than 0.45 or high cross-correlation with other indicators, or low item-total correlations were deleted. If the construct shows low level of reliability with Cronbach Alpha less than 0.6, it was also deleted (Hair et al., 2010).

4.4. Correlate Pearson

Table 5:Correlations

		Tangible	Reliability	Assurance	Empathy	Responsiveness	Satisfaction
Tangible	Pearson Correlation	1	.076	.502**	.466**	.475**	.480**
	Sig. (2-tailed)		.308	.000	.000	.000	.000
	N	183	183	183	183	183	183
Reliability	Pearson Correlation	.076	1	-.054	-.045	.025	.036
	Sig. (2-tailed)	.308		.468	.544	.740	.625
	N	183	183	183	183	183	183

Assurance	Pearson Correlation	.502**	-.054	1	.704**	.455**	.586**
	Sig. (2-tailed)	.000	.468		.000	.000	.000
	N	183	183	183	183	183	183
Empathy	Pearson Correlation	.466**	-.045	.704**	1	.431**	.508**
	Sig. (2-tailed)	.000	.544	.000		.000	.000
	N	183	183	183	183	183	183
Responsiveness	Pearson Correlation	.475**	.025	.455**	.431**	1	.545**
	Sig. (2-tailed)	.000	.740	.000	.000		.000
	N	183	183	183	183	183	183
Satisfaction	Pearson Correlation	.480**	.036	.586**	.508**	.545**	1
	Sig. (2-tailed)	.000	.625	.000	.000	.000	
	N	183	183	183	183	183	183

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

(Source: author)

The degree of rigor of linear relationships between the independent and dependent variables is measured using a statistical metric called Pearson's correlation coefficient. A positive correlation value of 1 indicates that the two variables are inextricably linked. The multi-collinearity problem must be highlighted in regression analysis if there is a substantial connection between two independent variables. There was no differentiation between the independent and dependent variables in Pearson's correlation analysis, and they were all treated identically.

According to table 5, the correlation matrix results show that the independent variables: Tangibles, Reliability, Assurance, Empathy and Responsiveness have correlation coefficients ranging from 0.036 to 0.586 (< 1) show they are positively related. The correlation coefficient between the variable "Assurance" and "Satisfaction" has the highest r = 0.586, which shows that these two factors have the most positive and positive relationship.

V.   Conclusion

The purpose of this study was to determine the factors affecting customer satisfaction using accommodation service at Da Huong Hotel. Specifically, there are 5 factors affecting customer satisfaction using accommodation service at Da Huong Hotel, arranged in descending order: Assurance, Responsiveness, Tangibles, Empathy and Reliability.

Customers are the most crucial aspect in every business's or firm's success, and managers go to great lengths to ensure that customers are satisfied. As a result, this study provided valuable information and insights into what elements service providers can focus on in order to attract more clients.

The findings of this study will aid Da Huong Hotel in becoming more competitive. The organization will make every attempt to improve its service quality once it gets these critical insights and skills. By presenting five elements affecting customer satisfaction, this study assisted Da Huong Hotel in determining how to attract more consumers, or future customers, in order to assure that the company can produce larger profits. As a result, Da Huong Hotel will be forced to be more imaginative and creative in order to deliver more benefits to its customers.

Reference

[1].   Churchill, G.A. and Serprenant, C. (1982), An Investigation into the Determinants of Consumer Satisfaction. The Journal of Marketing Research, 19: 491-504.
[2].   Cronin, J. J., & Taylor, S. A. (1992). Measuring service quality: A reexamination and extension. Journal of Marketing, 56(3), 55-68.
[3].   Fangfang Tao (2014). Customer Relationship Management based on Increasing Customer Satisfaction. International Journal of Business and Social Science, Vo. 5, no. 5, pp 256-263.
[4].   Fornell, C. (1992). A National Customer Satisfaction Barometer: The Swedish Experience. Journal of Marketing, 56, 6-21.
[5].   Hair et al., (2014), Multivariate Data Analysis, Pearson, New Jersey.
[6].   Muzammil Hanif., Sehrish Hafeez., Adnan Riaz., "Factor Affecting Customer Satisfaction' International Research Journal of Finance and Economics, ISSN 1450-2887, Issue 60, 2010, pp 44-52.
[7].   Nguyen Hue Minh, Nguyen Thu Ha, Phan Chi Anh & Yoshiki Matsui (2013), "Service Quality and Customer Satisfaction: A Case Study of Hotel Industry in Vietnam", Asian Social Science; Vol. 11 (10); ISSN 1911-2017, Published by Canadian Center of Science and Education, pp. 73-85.
[8].   Nguyen Thi ThanhXuan, 2018. Factors affecting customer satisfaction in hotels at Thanh Hoa province, Vietnam. Science and Technology Journal, Vol. 183, no. 07, pp 207-212.
[9].   Nguyen Quyet Thang and Phan Thi Minh Thao, 2021. Các nhân tố ảnh hưởng đến sự hài lòng của khách hàng sử dụng dịch vụ du lịch của Công ty trách nhiệm hữu hạn Du lịch Lửa Việt. Tạp chí Công Thương. Số 26-Tháng 22/2021.
[10].   Nunnally, J. (1978), "Psycometric Theory", New York, McGraw-Hill.

[11].   Parasuraman, A, Ziethaml, V. and Berry, L.L., "SERVQUAL: A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality' *Journal of Retailing,* Vo. 62, no. 1, 1988, pp 12-40.
[12].   Zeithaml, V.A. (1988) Consumer Perceptions of Price, Quality and Value: A Mean- End Model and Synthesis. Journal of Marketing, 52 (July): 2-22.