Chapter 2
Customer Relationship and Satisfaction: The Jumeirah Beach Hotel Case Study

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ABSTRACT

This paper establishes if using a comment card provides a reliable form of feedback regarding customer satisfaction in hotels. This exploratory study was conducted at the Jumeirah Beach Hotel-Dubai, UAE. They are a convenient way for guests to complain, make suggestions and praise. Managers use this input to make quick fixes and comfort distraught guests. The trouble is that hotels depend on comment cards for more than casual guest feedback. Hotels use the results for determining employee bonuses or employee performance evaluations and depend them when making business decisions. This paper examines the comment cards as an important feedback mechanism to measure customer satisfaction and argues that it is an effective instrument to strengthen relationships. Literature suggests that comment cards are not scientific or secure. Only happy or unhappy guests participate in these surveys, which can lead to extreme or misleading results.

INTRODUCTION

Hotels that attempt to improve their market share by discounting price, however, run the serious risk of having a negative impact on the hotel’s medium and long term profitability. As a result, it is quality of service rather than price that has become the key to a hotel’s ability to differentiate itself from its competitors and to gain customer loyalty (Kandampully & Suhartanto, 2000). Consumers from different cultural backgrounds may have different tastes and assessment of hotel quality attributes. For example, they may differ in the desired attributes such as the colors of the beddings and furniture; music; design, smell and
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freshness of room; temperature; view of surrounding environment; employees’ appearance, gestures and verbal communication. Therefore, consumers’ cultural background has an impact on their expectations and perceptions of the hotel quality (Wang et al., 2008).

Alpert (1971) and Kivela (1996) viewed consumer products and services as a bundle of attributes, or features, and benefits; and stated that those attributes that directly influence consumer choice are termed “determinant” attributes. These attributes which could be different from those of competitors’ offerings, may be vital factors in determining consumers’ intentions regarding future purchases. Wuest et al. (1996) defined perceptions of hotel attributes as the degree to which travelers find various services and facilities important in promoting their satisfaction with hotel stays. There have been many studies reviewing the needs and characteristics of travelers. Reviews of the literature suggest that most travelers would consider the following hotel attributes when making a hotel choice decision: cleanliness, location, room rate.

Security, service quality and the reputation of the hotel or chain (Ananth et al., 1992; Atkinson, 1988; Clow et al., 1994; Le Blanc & Nguhen, 1996; Mc Cleary et al., 1993; Rivers et al., 1991; Weaver & Heung, 1993; Wilensky & Buttle, 1998). Atkinson found that cleanliness of accommodation, followed by safety and security, courtesy and helpfulness of staff were the top attributes for travelers in hotel choice selection. Rivers et al. (1991) examined the hotel selection decision of members and nonmembers of frequent guest programs. Their results show that convenience of location and overall service received the highest ratings.

Le Blanc and Nguhen (1996) in particular examined the five hotel factors that may signal a hotel’s image to travelers: physical environment, corporate identity, service personnel, quality of services and accessibility. They suggested that marketing efforts should be directed to highlight the environmental cues to attract new customers.

Satisfaction and perceived quality, have received wide attention in the services marketing literature. Works on this concept have dealt with these issues in many different ways: on the one hand, researchers have tried to provide a conceptual definition of satisfaction and to distinguish it from the concept of perceived quality and attitude. On the other hand, efforts have been made to develop reliable and valid measures of both concepts. As far as the distinction between satisfaction and perceived quality is concerned, several authors have attempted to provide clarification, since early definitions show a strong overlap between the two concepts. For example, satisfaction is defined by Johnston and Lyth (1991) as the degree of agreement between customer expectations on service quality and customer perceived level of service quality and Eiglier and Langeard (1987) affirm that a high quality service is the one that satisfies the client in a given situation.

Oliver’s (1997) work on satisfaction provide some clarification; according to his view satisfaction refers to a specific transaction, while quality represents a more stable state of mind independent from a given service situation. This conceptual distinction raises the issue of the existence of causal links between the different constructs. For example, Parasuraman et al. (1985, p. 16) state that “incidents of satisfaction over time result in perceptions of service quality” which implies that satisfaction resulting from a service experience influences the level of perceived quality. Oliva et al. (1992) have empirically demonstrated such a causal path; however, further studies (Cronin & Taylor, 1992; Dabholkar, 1993) have questioned these results affirming that it is possible to express a quality judgment after a single transaction and to feel satisfaction toward a company after several service experiences.

An additional way of distinguishing satisfaction from perceived quality lies in the cognitive and affective nature of the two constructs. According to several authors (Dabholkar, 1995, Iacobucci et al., 1994) quality evaluation is mostly cognitive