MEASURING SERVICE QUALITY IN GUESTHOUSES IN KIMBERLEY THROUGH THE USE OF THE SERVQUAL INSTRUMENT

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Opinions expressed and conclusions arrived at are those of the author and are not necessarily to be attributed to Vaal University of Technology

DECLARATION

Except in aspects duly acknowledged, the thesis entitled, "**Measuring service quality in guesthouses in Kimberley through the use of the SERVQUAL instrument**" is my own work. It is submitted for the Magister Technologiae: Tourism and Hospitality Management degree in the Faculty of Human Sciences at Vaal University of Technology. It has not been submitted for any other degree to any other university.

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ABSTRACT

The growth of the tourism industry led to the development of various different types of tourism products. In order to remain competitive it is important that tourism products provide high-quality services for tourists. Tourists are, however, becoming more demanding due to higher education levels, more sophisticated tourists that travel more and are more exposed to various types of experiences. It is therefore important that tourism products satisfy the expectations of the guest to increase loyalty levels as well as return to the product. It is difficult today to exceed the expectations of the guest but high levels of service quality can make a difference in the customer experience and it is thus worthwhile to go the extra mile for guest. Although service quality has been measured in various research studies it has not been measured for the guesthouses in Kimberley and this information can be to the advantage of the tourism products as well as to that of Kimberley as a destination.

The main aim of this study was to measure service quality levels of guesthouses in Kimberley based on the SERVQUAL instrument to gain a competitive advantage over similar tourism products and to assist these products in meeting and exceeding guest's expectations. Questionnaires were distributed at participating guesthouses in Kimberley. A total of 500 questionnaires were distributed among guests guest of which 450 were used in the analyses.

The questionnaire was divided into four sections, namely socio-demographic information, the expectations of guest, the perceptions of guest and the overall service quality of the guesthouse. The data resulting from the questionnaires was captured and analysed by means of descriptive and exploratory analyses in SPSS. A factor analysis was applied to the 29-attribute scale measuring service expectations and perceptions. The paired-samples *t*-tests were used to determine the differences in the expectations and the perceptions. The multiple regression analysis was done to determine the aspects best predicting the overall service quality levels in the guesthouses.

From the descriptive analyses it was clear that the two main expectations from guests include the following: employees will be willing to serve and that employees will always be available when needed. The highest mean value was obtained for the first aspect mentioned. In terms of the perceptions, the main perceptions of the guest included: employees gave individualised attention, the operating hours of the guesthouse are convenient and the guesthouse provides a

safe and secure environment. In the case of perceptions, the aspect that yielded the highest mean was: employees are always available when needed.

The paired *t*-test revealed very few differences in expectations versus perceptions and this indicated that respondents are satisfied with the service levels and that the guesthouses did better than expected. The factor analyses revealed the following five factors: Tangibles, Adequacy, Understanding, Assurance and Convenience. Before visiting the guesthouse it was clear that Assurance made the strongest contribution to overall service quality but after visiting the guesthouse Understanding and Convenience made the strongest contribution to overall service quality; thus indicating what is important to the guests.

This study contributes to the existing body of knowledge in guesthouse management but also to service quality in accommodation establishments such as guesthouses. Knowing that service levels in the participating guesthouses adhered to the needs of the current guests guest is encouraging, but these establishments need to plan strategically for when these guests guest overnight again and might expect something additional, extra or even different.

Keywords: Tourism, Customer service, Service quality, Satisfaction, Tourist expectations, Tourist perceptions, Tourist experience.

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1.1 INTRODUCTION AND BACKGROUND OF THE STUDY

The tourism industry is the world's largest service industry (World Tourism Organisation 2001:2). This industry offers combined services to potential tourists and even though travel involves a number of service providers, tourists are likely to perceive their travel to be a continuous leisure experience. Flaws in the quality of specific services can therefore engender negative perceptions that contribute to the overall travel period and experience (Alison & Damain 2002:96). Kapiki (2012:1) further adds that quality in the tourism industry involves consistent delivery of guest services according to the expected standards of these guests and has thus caused a challenge for tourism managers.

According to Olsen, Teare and Gummesson (1996:164), service quality is concerned with supplying superior benefits based on the opinion of the customer which might lead to a competitive advantage in the tourism industry. This will create efficiency and profitable ways of differentiating one product from another (Atilgan, Akinci & Aksoy 2003:412). Among the service industries, tourism is especially significant in terms of its sensitivity to quality issues. In this industry quality tends to focus on meeting customers' needs and requirements and how well the service delivered meets their expectations (Juwaheer & Ross 2003:106). It is therefore important for tourism products to ensure high quality services for tourists since quality is a main driving force as tourism products strive to meet competitive challenges.

Rising tourist expectations constitute an economic and social phenomenon where tourists are more demanding because they are constantly being educated to be more sophisticated, they travel more and are thus able to make better judgments. Customer satisfaction is an abstract concept and the actual manifestation of the state of

satisfaction will vary from person to person and product/service to product/service. The state of satisfaction depends on a number of both psychological and physical variables, which correlates with satisfaction behaviour such as return- and recommend rate. The level of satisfaction can also vary depending on other factors of the customer such as other products against which the customer can compare the organisation's products, and because services are low in search qualities and high in experience and credence in qualities, customers feel more risks linked to their purchase (Doyle & Stern 2006:352). Large amounts of profit can be gained by providing products and services that meet and exceed customer demand. However, this is easier said than done and exceeding expectations require knowledge of customer needs, a real commitment to service quality and a willingness to go the extra mile. This does not happen that often but in the competitive tourism environment it becomes more and more important.

Quality management is closely linked to the concept of continuous improvement and does not take the form of capital in the sense of an asset but involves work to make something evolve. Quality management should be implemented within a reference framework and also uses tools and methods as well as involves repetition and evaluation (Kapiki 2012:2). Over the years, service quality measurement has become the main subject of several empirical and conceptual studies in service marketing and various scales and indexes such as the Service Quality (SERVQUAL) gap model have been developed and extensively used by academics and practitioners (Atilgan *et al.* 2003:412). SERVQUAL has a generic service application and is a practical approach to measuring the gaps in service quality (Juwaheer & Ross 2003:106).

Five dimensions of service quality can be identified through SERVQUAL, namely tangibles, reliability, responsiveness, assurance and empathy. The importance of these dimensions in understanding service quality cannot be underestimated (Juwaheer & Ross 2003:106). Douglas and Connor (2003:166) stated that service quality is not weighed on the outcomes only, but also on how it is performed during the service delivery process and its ultimate effect on consumers' perceptions, although in some cases the service provider does not do so.

Even with the realisation that the provision of quality service is important in the tourism industry researchers are not engaging fully with the depth of quality issues evident in

the service management literature in all industries. Literature indicated that service quality affects customers' loyalty and behaviour. Despite the enormous volume of literature on service quality in the service marketing area, research related to service quality in travel services is lacking, especially in South Africa. Juwaheer and Ross (2003:105) stated that there is little evidence of the evaluation of service quality from the perspective of the customers, even though they are considered the most important role players in this process.

1.2   PROBLEM STATEMENT

It is no longer sufficient to simply maintain a business; it is necessary to move forward if a business wishes to achieve a sustainable future. This is even truer for smaller businesses which compete against bigger businesses organisations. Customer care, improvements in efficiency and service quality, effective marketing, benchmarking, staff training and development are all vital for survival and competitiveness in a changeable business environment. For tourism products, such as guesthouses, to succeed in a highly competitive tourism market, it is important to provide the goods or services the customer wants. This leads to customer satisfaction and achieving a suitable level of profit. Quality in service delivery also leads to more repeated visits and greater sales revenue (Eraqi 2006:470).

One of the elements that can therefore lead to the success or failure of a guesthouse is the provision of service quality. Parasuraman, Zeithaml and Berry (1985:42) state that service quality is the outcome of comparing the expectations of service quality from tourism activity and the perceived feelings of tourism activity. Service quality therefore refers to the evaluation of service performance and also the process of service delivery. It is important to ensure that the service provided meets the customer expectations and the knowledge of the service is of vital importance because it can influence the buyer's attitude and beliefs about a service. Delivering of quality service is one major challenge that tourism managers will be facing in the following years due to the fact that the needs of guests are changing and the tourism industry therefore needs to keep up (Kapiki 2012:2). Management perceptions most directly affect the design, development and delivery of the services offered and customer perceptions most directly determine the evaluation of the service consumed. Hence it is good to understand the perceptions of managers in relation to those of the customers (Tsang &

Qu 2000:317) as there might be gaps existing between the managers' perceptions and those of customers (tourists). The nature of the tourism product makes it difficult to measure service quality, which adds to the reasons why this type of research is scarce even though it is needed.

Albeit previous studies have been conducted (Montsiemang 2009: Alison & Damain 2002; Gabbie & O'Neil 1996; Eraqi 2006), only a few have been done in the accommodation sector of South Africa and even less in guesthouses, with none having been done in Kimberley. The latter is a developing tourism destination and knowledge in this regard is important for future development. Only a few of the guesthouses in Kimberley are graded and therefore there is no measure of service quality applied at these products which add to the existing knowledge gap. This information will inform guesthouses of their current service quality status, identify the gaps where visible and allow for improvements to be made. This will also lead to higher levels of awareness about the importance of extraordinary levels of service quality and the necessity of maintaining it. This can benefit this destination and guesthouses financially in continuously attracting new and current tourists, thereby improving visitor loyalty (Akbaba 2006:171).

1.3 STUDY OBJECTIVES

The **primary objective** of this study was to measure service quality of guesthouses in Kimberley based on the SERVQUAL instrument to gain a competitive advantage over similar tourism products and to assist these products in meeting and exceeding customers' expectations.

The **secondary objectives** were:
➢ To analyse the theoretical framework of service quality and the application thereof to the tourism industry.
➢ To determine service quality levels of guesthouses in Kimberley by applying the SERVQUAL instrument based on the appropriate dimensions.
➢ To draw conclusions and make recommendations with regard to the improvement of quality of guesthouses in Kimberley.

1.4   IMPORTANCE OF THE STUDY

The study was of importance in respect of the following aspects:

➢ It assists in improving service quality standards and in bringing about a better understanding of expectations of consumers.

➢ Guesthouses can develop a competitive advantage in knowing and improving current service quality levels.

➢ Results of this study can be used to improve the image of Kimberley as a tourist-friendly city.

➢ Satisfied customers are loyal customers; therefore this study can assist in improving loyalty levels of customers by focusing on the high quality dimensions in advertising and marketing material.

1.5   DEMARCATION OF THE FIELD OF STUDY

The study was conducted in Kimberley, focusing on the 120 accommodation establishments (including guesthouses, hotels and self-catering establishments and B&Bs) in this city.

1.6   RESEARCH METHODOLOGY

An analytical survey method was used for this study, based on a two-pronged approach – a literature review and a quantitative study (discussed in more detail in Chapter 4). This following discussion will suffice as a summary of the applied research methodology.

1.6.1   Literature review

The importance of a literature review is to assess and analyse previous research studies done on service quality to thoroughly understand what service quality is and what factors influence the latter. Keywords investigated include tourism, customer service, and service quality, satisfaction, tourist perceptions, tourist expectations and tourist experience. Literature review includes information from books, journal articles, databases and other information sources that will be mentioned in the reference list. The following search engines were used: Google Scholar and international academic databases such as Science Direct, JStor, SAePublications and Emerald. Related journal articles on this research topic were also consulted for purposes of this study.

1.6.2   Quantitative study

Donnelly (2004:130) explains that quantitative data uses numerical value to describe a particular aspect to generate knowledge. Bless, Higson-Smith and Kagee (2006:43) further state that this kind of research relies on measurement to compare and analyse different values. It therefore evaluates objective data consisting of numbers and therefore it was applied to the problem investigated.

1.6.2.1 Sampling and description of sampling

The accommodation sector in Kimberley consists of guesthouses, hotels and self-catering establishments, the total of which is 120. All the guesthouses and B & Bs (for the purposes of this study referred to as guesthouses) were contacted to partake in the research. However, for the distribution of the questionnaires, a non-probability sampling method, namely availability sampling, was used to collect the data from the guest. The number of questionnaires per establishment depended on the number of establishments willing to participate. The total number of guests to Kimberley is not known. However guidelines set by Krejcie and Morgan (1970:608) for general research activities, indicated that the recommended sample size (S) for a population (N) of 1000 000 is 38, thus providing a 95% confidence level. Based on this information, it was decided to complete 500 questionnaires which is representative of the sample population. This data was collected over a period of one month with the assistance of the owners and 450 questionnaires were usable for analyses.

1.6.2.2 Pilot study

Since the questionnaire is standardized, may be slightly adapted to fit the needs of the research problem and has been utilised in various other studies, a pilot study was not necessary.

1.6.2.3 Data collection method

Open and closed-ended questions were used to measure demographic characteristics of respondents. The questionnaire focused on measuring service quality based on tangibles, adequacy, understanding, assurance and convenience. A Likert-scale questionnaire consisting of 29 items measuring the expectations of the guest and a

repeated 29 items measuring the service quality perceptions was used to measure service quality in the guesthouses.

1.6.2.4 Statistical analysis

Once the data was collected, it was captured by the researcher and processed by the Statistical Services of the North-West University (Vaal Campus). Service quality levels were analysed by means of a factor analyses and multiple regression.

1.7   RESEARCH QUESTIONS

The following research questions informed the study:

- What is quality of service relating to tangibles?
- What is quality of service relating to adequacy?
- What is quality of service relating to understanding?
- What is quality of service relating to assurance?
- What is quality of service relating to convenience?
- What are the relationships between these dimensions?
- What is the most important contributing factor to overall service quality?

1.8   OUTCOMES OF THE STUDY

The study leads to the following outcomes:

- Knowledge was provided on the current state of service quality levels in Kimberley and how it is affecting tourism in Kimberley.
- Recommendations were made regarding the improvement of service quality in the guesthouses.
- The study assists managers in developing staff-training programmes according to the needs of the guest.
- This study improves the image of Kimberley as a tourist-friendly city.

1.9   CHAPTER LAYOUT

Chapter 1: Introduction and background of the problem and problem statement

This chapter provided an overview of how the research of the study was organised. The problem statement, objectives of the study, method of research and clarification of concepts were addressed.

Chapter 2: Analysing service quality and delivery

This chapter contextualises service orientation in tourism organisations and the nature of service and service quality. The link between service quality and delivery is discussed with reference to the importance of service quality in the tourism industry and the phases of service delivery. The challenges and existing approaches to measuring service quality were highlighted as well as the models of service quality.

Chapter 3: Service delivery in the tourism industry

This chapter discussed the nature of tourism businesses and more specifically guesthouses. The role of the consumer and the consumer decision-making process are analysed followed by an understanding of guests' expectations. Specific discussions follow on the operational aspects of guesthouses and the role of service quality in delivery. This chapter is concluded with a discussion on the outcomes of excellent service delivery and the important role that the Tourism Grading Council plays in South Africa.

Chapter 4: Research methodology

Chapter 4 focused on the empirical study designed to address the research problem. The quantitative research methodology to be followed was discussed, followed by a description of the research design, the data collection method and the data analysis process.

Chapter 5: Results and discussions

In this chapter the main findings were summarised according to the data captured. This consists of frequency tables and figures as well as factor analyses, multiple regression analyses, *t*-tests and ANOVA's.

Chapter 6: Conclusion and recommendations

Conclusions were drawn, based on the findings of the study. Recommendations were made regarding the service quality in Kimberley, according to the various dimensions, as well as recommendations for future research.

1.10 DEFINITION OF CONCEPTS

The following main concepts form part of the study:

1.10.1 Service quality

Service quality is the delivery of excellent or superior service relative to consumer expectations (Zeithaml & Bitner 2003:85). Palmer (2001:208) indicated that service quality refers to the process of delivering the product or service. Business dictionary.com (2014), further adds that service quality is an assessment of how well a delivered service conforms to the client's expectations. Service business operators often assess the service quality provided to their customers in order to improve their service, to quickly identify problems, and to better assess client satisfaction.

1.10.2 Accommodation establishments

Middleton and Clarke (2001:387) define accommodation establishments as all establishments offering overnight accommodation on a commercial basis to all categories of guest. This can include hotels, motels, guesthouses, bed and breakfast establishments and so on. Tourist accommodation establishments imply a unit provided as a paid service (although the price might be partially or fully subsidised) short-term or short-stay accommodation services (European commission 2012).

1.10.3 Guesthouse

A guesthouse can be an existing home, a renovated home or a building that has been specifically designed as a residential dwelling to provide overnight accommodation. It must have more than three rooms and public areas for the exclusive use of its guests (TGCSA 2013). A guesthouse must provide sleeping accommodation in no less than three double bedrooms; meals must be made available, including dinners and breakfasts; a regular cleaning service is essential and additional or enhanced facilities, furnishings and fittings are required. The owner usually lives in an entirely separate area within the property and the guest house may serve as a form of lodging business.

1.10.4 Bed and Breakfast (B &B)

Bed and Breakfast is more informal accommodation with limited service that is provided in a family (private) home with the owner/manager living in the house or on the property (TGCSA 2013). Bed and Breakfasts are thus typically private homes with fewer than 10

bedrooms available for commercial use. Guests are accommodated in private bedrooms with private bathrooms, or in a suite of rooms including an en-suite bathroom. Some homes have private bedrooms with a bathroom which is shared with other guests. Breakfast is served in the bedroom, a dining room, or the host's kitchen.

For the purposes of this study 'guesthouse/s' will be used to refer to both guesthouses and B & Bs.

CHAPTER 2
ANALYSING SERVICE QUALITY AND DELIVERY

2.1   INTRODUCTION

Service is about people, how they relate to one another, fulfil each other's needs and ultimately care for each other (Noe, Uysal & Magnini 2010:II). It is thus important to prepare for effective interaction with the customer which is the result of a commitment to understand the customer (Harris 2010:ix). The customer should be satisfied with the product and service offering which is the core of all marketing efforts and essential for survival in the market (Vinita & Saroj Kumar 2012:121). Drucker (1954) stated, as early as in the fifties that the principal purpose of a business is to create satisfied customers. The latter can only happen if there is a commitment to excellence in customer service. If every customer is seen as a valuable asset that is difficult to replace, they are more likely to be cherished (Harris 2010:166).

Tourism is a service-intensive industry that is dependent on the quality of customers' service experience and their consequent assessment of satisfaction or dissatisfaction. The management of service quality is thus of crucial importance to the service industry (Zehrer 2009:332). As a result of changing consumption patterns service quality is indeed becoming more important. The aim of this chapter is to analyse service delivery, the nature of service, and service quality including the models of service quality. In this chapter attention is also given to reasons for offering high levels of service quality and the benefits it brings. Firstly service orientation will be discussed.

2.2   CONTEXTUALISING SERVICE ORIENTATION

The adoption of services orientation by businesses has become evident in recent years as a crucial factor in enhancing profit, growth, customer satisfaction, customer loyalty and employee satisfaction. Service orientation is defined by Zehrer (2009:333) as an organisational predisposition that encourages a distinctive approach to all aspects of the consumer market. There are six principles of services management which

represent organisational commitment towards a service orientation. Williams and Buswell (2003:49) identified the six principles as follows:

- The business equitation and business logic – Customer-perceived service quality drives profit.
- Decision-making profit and organisational focus – Decision making has to be decentralised as close as possible to the organisation-customer interface.
- Organisational focus – Organisation has to be structured and functioning so that its main goal is mobilisation of resources to support the frontline operations.
- Supervisory control - Managers and supervisors have to focus on the encouragement and support of employees.
- Reward system – Production of customer-perceived quality has to be the focus of reward systems.
- Measurement focus – Customer satisfaction with service quality has to be the focus of measurement of achievements.

These six principles can be used for monitoring the service delivery and orientation. Williams and Buswell (2003:49) further suggest that the interaction between the frontline staff and customers can be used as moments of opportunities to form relationships, to market the organisation's services and to collect valuable data. Service orientation is the ability and desire to anticipate, recognise and meet others' needs, sometimes even before those needs are articulated. Service oriented people focus on providing satisfaction and making themselves available to others. This can be achieved in the following manner:

- Think of the current customers. This could be the company's direct customers, partners, or 'internal' customers, such as other groups within the company (for example, if you are in a support function in Finance or IT functions)
- Focus on improving the level of service one provides. Identify customers' pain points (have they had a complaint to you in the past?), their needs and concerns. Find out what makes them successful and find ways to help them achieve that. Set a clear and measureable set of goals, which will help in terms of benchmarking.
- Revisit the list you have created and modify it as you get more feedback or as the customers' needs evolve

Zehrer (2009:337) states that for tourism service providers, a superior value proposition is largely concerned with the consumers' experiences. The design of services with a view to creating memorable and satisfying customer experiences is not new. However, the deliberate design and execution of service experiences as a distinctive discipline with own principles, tools and techniques can be said to be a novel approach. Service orientation is not a choice; it is a commitment to deliver high-quality products and services.

2.3 THE NATURE OF SERVICE AND SERVICE QUALITY

Service is a complicated phenomenon and it has been defined in various ways with reference to special characteristics and various service dimensions.

2.3.1 Defining service and service quality

Although customers know when poor service is delivered it is not easy to define this concept (Bennet, 2000:230). Service is an activity or benefit that one person offers to the other person that essentially is non-tangible and has no ownership. The result may be non-material goods or physical (Kotler & Armstrong, 2008). Services can also be defined as deeds, efforts or performances (Hoffman & Bateson 2006:5) which give it an intangible character. This changes the way in which services are presented, managed and marketed as opposed to products.

Added to the above, Bolton and Drew (1991) as well as Parasuraman, Zeithaml and Berry (1988), described service quality as a form of attitude. This is related but not equivalent to satisfaction where expectations are compared with performance. This was referred to by Parasuraman *et al.* (1985; 1988) as the extent of discrepancy between the expectations of the service and the perceptions of performance outcomes. Harris (2010:2) defined customer service as anything that can be done for the customer to enhance the customer experience.

Whittle and Foster (1991:18) categorised services into three conceptual groups:
- Potential-oriented service in which service potentials are defined by the service provider in terms of willingness and ability to provide a particular service in accordance with the provider's personal resources;

- Process-oriented services in which emphasis is on timing and character of services and in which consumption and production coincide;
- Result-oriented services in which services are interpreted as the "immaterial goods" that result from service processes.

All three categories are importance and should be recognised in organisations. Although there are various definitions of service and service quality it is important for tourism organisations to provide the goods and services consumers want (Eraqi 2006:470). Kandampully (2002:115) states that one service concept that is often described in the literature is the "service package" (or bundle), whereby different services and experiences are combined to form the overall service offering. Such a package typically consists of a main service (core services), together with peripheral services as extras. The core service portrays the content of a service but what is delivered is as substantial as how it was delivered; therefore the service product is whatever service features are offered. In the tourism industry the unique characteristics of a particular service is important for understanding satisfaction.

2.3.2   Characteristics of service

Service can be differentiated from a product in four main aspects (Kandampully, 2002:105):

- *Intangibility*

Service acts, creates and functions, but is not physically present as tangible objects. The customer can therefore not evaluate or test the product prior to purchasing it and this led to the creation of clues to help them assess the service such as the behaviour of the receptionist (Bennet 2000:231). Tourists thus experience what is offered when they make use of the service. George (2008:24) alluded to the fact that an element of risk exists for consumers; they are uncertain of exactly what they are purchasing.

- *Perishability*

Service is fixed in time and space and added to that the service cannot be stored for later use (Page 2013:246). Services are produced and consumed simultaneously and this emphasises the importance of quality service delivery the first time (Saayman 2006:17; Bennet 2000:232). For example, guesthouse rooms that are not occupied for

the evening cannot be stored and used at a later date. The perishable nature of tourism offerings means they are very often discounted, especially at the last minute (George 2008:29).

- *Heterogeneity*

George (2008:28) stated that heterogeneity is one of the most visible differences between products and services and variation in consistency between one service and another is how tourism organisations function. Services are created individually for each customer, and service quality and scope can differ in accordance with the behaviour, knowledge and service-mindedness of the service provider's employees and customers (Kandampully 2002:105; Page 2013:246). Employees may render services of varying standard, depending on their mood or even the customer involved. Hoffman and Bateson (2006:41) stated that heterogeneity makes it impossible for a service operation to achieve 100% perfect quality on an on-going basis.

- *Simultaneity/Inseparability*

Services are characterised by coincidence of production and consumption because the service is usually in contact with the consumer. It is also important to realise that service is never 100% just service, since there will always be a physical aspect associated with the service (Saayman 2006:15). This implies that the service provider must be present for a service to be consumed, which has led to a direct experience of the production of the service (George 2008:26).

It is clear that the task of satisfying consumers in services is much more difficult than it is for the manufacturer of a product in many ways – in tourism everything must be right the first time (George 2008:27). These characteristics of services and the implications thereof prove that services should be managed differently than products. According to Laws (2004:141), another significant factor that distinguishes service from manufactured goods/products is the relative difficulty of developing and implementing effective quality control programmemes. The quality standards developed and implemented by tourism organisation managers are significant to the customer's satisfaction in two critical ways, as indicated below:

- The level of service which management sets might be higher than the client's anticipation of service standards
- Quality systems might not control service standards in ways that matter to the client (Laws 2004:141).

This highlights the importance of understanding how service management is or should be applied to the organisation, which is discussed in the following section.

2.3.3   Approaches to service delivery

The principles of service management imply two significant shifts in basic thinking compared to the traditional approach to management derived from manufacturing industries:

- A shift from a focus on internal performances to a focus on external consequences;
- A shift from emphasis on structure to an emphasis on process.

Grönroos (1999:38) stated that a successful service strategy will require both these shifts to be made and thus an organisation's first step towards managing the total customer experience is through delivering a consistent and satisfying customer experience by being aware of the service delivery process. A useful technique for visualising the service-delivery process is the so-called blue print technique. This is essentially a flow chart that depicts and analyses all the processes involved in providing a service and a method by which a service production and delivery process is described. This will include chains of activities, the use of facilitating goods and equipment and time and cost effects (Zeithaml, Parasuruman & Berry, 1990:45).

Berkley (1996:164) recommends blueprinting as one of the sophisticated and promising approaches to service design and stated that it provides service designers with a way to visualise service processes and to identify service opportunities for improvement. The basic service blueprint should firstly have three main features and must incorporate, within the design, a time dimension, enabling the researcher to follow the customer's progress through the service delivery process. Secondly, it should show the main functions, which together comprise the service and show their interconnectedness. The third feature of the blueprint is that it should incorporate

performance standards for each stage of the process. This introduces a further feature of service blueprints: they can be used to identify fail points and parts of service that are most likely to cause errors. All organisations should develop a blueprint according to the nature of the business and the needs of the customers, where the employees have a definite role to play. Aston University (2014) further adds that service delivery should aim to provide a high quality and professional service for stakeholders. Staff is expected to be approachable, courteous, well-informed about current matters and future developments, to act with integrity and honesty, and to provide accurate and timely information. Staff should be encouraged to appreciate the individual interactions with service users that are likely to impact on their views of the establishment they are visiting.

2.3.4   The important role of employees

Customer satisfaction depends on the total customer experience and thus possesses specific challenges for the tourism industry in the management of service delivery interaction and service quality (Jones& Haven-Tang 2005:7). Employees must define service quality goals so that they commit to them and management must ensure that employees have the appropriate skills, attitude, authority and access to the necessary information for providing high-quality customer service. Ultimately, responsibility for high-quality service provision is dependent on the front line staff and tourism businesses must promote customer focus among staff to ensure that the product/service meets and exceeds customer expectations.

It is clear that despite the fact that the quality of the physical part of the tourism product/service is important, the quality of the human part of the service offers constitutes a critical success factor, meaning that a guesthouse room of top quality is not in a position to compensate for the unfriendly and inhospitable behaviour of staff. Jones and Haven-Tang (2005:8) further points out that while informal approaches to service quality can be effective in some tourism businesses, they are often inadequate. However, mechanistic approaches to quality can hamper creativity and innovation thus has a negative effect on the performance of a business.

Kandampully (2000:16) proposes service packaging as a strategy for allowing service managers the flexibility to manage service quality and demand simultaneously. He

further states that a service packaging strategy will enable tourism businesses to effectively manage their resources and utilise their full market potential and will be able to modify services according to varying needs of the customers; thus projecting a clear message to their current and potential customers of their superior service. The ability of an organisation to distance itself from the competition will undoubtedly engender it with the competitive advantage and a subsequent ability to effectively manage its human resources.

An alternative strategy is for staff to develop more sensitive awareness of the requirements of specific consumer groups and to adjust service provision to these needs (Williams & Buswell 2003:69). Service quality should be focused on 'fitness for purpose at the right price'. It is thus important to emphasise the most attractive features to these markets and exclude the unimportant aspects (Mager 2004:31).

Accepted technical approaches include aiming to exceed customer expectations and empowering employees and encouraging them to respond spontaneously to guests' requests and behaviour. Funds should be allocated for delivery of quality customer service and attention should be given to implement customers' suggestions where possible. Mager (2004:34) further states that technological developments allow for the storing of profile customer data which can be used to update customers' expectations and attitudes. The feedback received from customers should also be captured on the system for future interpretation and correction where possible (Bradley& Sparks 2009:131). Staff must realise the importance of this so that they can know what to do with the data. It is evident that staff plays an important role in service quality and the delivery thereof.

2.4   SERVICE QUALITY AND DELIVERY

Service with a smile used to be enough to satisfy most customers. Today, however, some service organisations differentiate themselves in the market place by offering a service guarantee. Unlike product warranty, which promises to repair or replace a faulty item, service guarantees typically offer the dissatisfied customer a refund discount or free service (Fritzsimmons & Fritzsimmons 2006:127). For example, a restaurant that offers a wrong order to a customer might give their customer the correct order for free. Service guarantee also has a motivating effect on employees. For instance, when a

wrong order is given, the employee might decide to go the extra mile and offer a free voucher for the customer to come back and enjoy another meal at the restaurant. Another benefit or guarantee is customer feedback.

One helpful way of thinking about quality is by viewing it as a no optional expense associated with the service delivered. Just as an automobile manufacturer would not think about manufacturing a car with three wheels just to save costs, tourism organisations should also not provide service that lacks quality. The one reason why most organisations fail to deliver quality is their lack of commitment to it (Chakrapani, 1998:9). The author suggested that quality programmes should be measured against customer expectations and not against quarterly profits. The fundamental requirement to provide service is commitment, and quality only is quality when consumers say so. Bunndles.com (2014) adds that customer service is at the core of any successful business. It provides an incentive for customers to come back and these are the important customers. They will support your business and spread the good word if they are happy.

Maintaining a consistently high level of customer service is a challenge for any company. If the business exceed customer expectations the will return. Service organisations must recognise that every aspect of their business has an impact on customer service in some form, not just those aspects of their business which involve face-to-face customer contact. It comes across in a business and its employees' attitude, customer treatment, and approach to customer service.

Examples of excellence in service quality include personalised service, good return policies, complaints desks and hotlines, being able to speak to a human being when calling for service, and so on. Customer service should be included as part of an overall approach to systematic improvement, as a customer service experience can change the entire perception a customer has of the organisation.

Putting in effort to make sure the person receiving the service is happy, as well as courtesy and warmth, all form essential parts of service quality. The customer needs to be the centre of the service delivery process which can guarantee that service quality is achieved since happy customers are repeat customers and in return, revenue as well as positive word of mouth communication concerning an organisation is received. For

services, the assessment of quality is made during the service delivery process. Each customer contact is referred to as the moment of truth, an opportunity to satisfy or dissatisfy a customer. Customer satisfaction with a service can be defined by comparing perceptions of service received with expectations of service desired. When expectations are exceeded, service is perceived to be of exceptional quality and also to be a pleasant surprise. However, when expectations are not met service quality is deemed unacceptable. When expectations are confirmed by perceived service, quality is satisfactory (Fritzsimmons & Fritzsimmons 2006:128).

2.4.1 The importance and relevance of service quality in the tourism industry

Service delivery and quality in the tourism industry has received considerable attention for decades (Jones & Haven-Tang 2005:5). It is also clear that simultaneous production and consumption make people the key to successful service delivery. In service delivery each party has different expectations of interaction which is influenced by diverse issues, including perceptions of value for money, the service context and in many cases dissatisfied customers are likely to become ex-customers. According to Svenson (2003:268), expectations of service quality by staff and customers is generated by culture and prior socialisation, and attempts to enhance service quality may be compounded by cross-cultural service encounters.

In analysing service quality, both employee and customer expectations must be examined and if they share the same values, service quality expectations should be met (Jones& Haven-Tang 2005:6). Procedures for employee development and training should be put into place where gaps exist. The author further asserts that the concept *satisfaction* relates to a specific transaction. Service quality is a more holistic evaluation by the customers of their complete experience whereas overall service quality may be perceived as acceptable even if one particular transaction was unsatisfactory.

The consumer/tourist judges the total stay in an accommodation establishment even though tourists experience a multitude of individual service encounters and can also evaluate their inherent qualities (Weiermair 2000:398). The key factor in providing quality is by focussing on the customer in delivering the expected service and ensuring that the customers understand that they are empowered to influence service quality. There is temptation in the tourism industry to assume that, because the service

encounter is rooted in personal experience, any assessment of quality will be intangible.

Creating the experiences customers desire and adhering to their needs is useful in developing a competitive position and then maintaining the advantages gained. Laws (2004:142) argues that an understanding of customer perceptions of service delivery is a necessary but insufficient condition for the effective management of consumer experiences. Equally important is the understanding of the organisation and organisational realities underlying the service design.

The fact that services are created and consumed simultaneously and thus cannot be stored eliminates many opportunities for quality control intervention. A product can be inspected before delivery but service must rely on other measures to ensure the quality of service is good. Consumer demand for service typically exhibits very cyclic behaviour over brief periods of time with considerable variation between the peaks and the valleys (Weiermair 2000:398). The subsequent section focuses on the different phases of service delivery.

2.4.2   Phases of service delivery

There are various phases of service delivery and the customer actively evaluates each phase. These phases are pre-transaction, transaction and post-transaction and his/her overall satisfaction regarding it, against what had been anticipated (Laws 2004:60) is important.

Kandampully, Mok and Sparks (2004:58) explain these phases as follows:
- In the *pre-transaction*, the information concerning the tourism services is marketed in a variety of ways and such information gives potential guests their first perception of the service provided and this contributes to the establishment of their expectations. If the services are marketed in an honest and straightforward format, it will be able to measure up to guests' expectations.

- The transaction phase takes place when the guest arrives at the guesthouse and the service provider has an opportunity to interact face to face with the guest. It is important for employees to realise the importance of this first encounter since any

contact with the service provider serves as a service experience. Guests anticipate a pleasant experience and when arriving at the guesthouse it is important that the service provider meet the initial expectations of the guest. The monetary exchange between the tourist and the service provider requires careful consideration as well because should a tourist not be satisfied at this point it might lead to unsatisfied customers as well as bad publicity for the business (Kandampully *et al.* 2004:58).

The post-transaction phase means that after leaving the premises of the service provider, the service experience is still not complete and many opportunities remain for the provision of quality service. Guests' follow-up allows evaluation of the types and quality of services provided. Tourism organisations such as guesthouses have a responsibility with regard to assessing as well as delivering and developing the service programmes. Assessments allow the service provider to identify whether appropriate services were provided, whether other important services were overlooked and whether customers perceive service in the same manner as the service provider intended and promised to deliver. Most important, however, is that assessment results point out appropriate indications and changes in service policies.

These points are illustrated in Table 2.1 that summarizes the continuum of service.

Table 2.1: Continuum of service

	PRE-TRANSACTION	CORE SERVICE DELIVERY AND CONSUMPTION	POST-TRANSACTION
CUSTOMER EXPERIENCE	Customer information and reservations	Check-in and payment terms	Customer follow-up
SERVICE ENCOUNTERS		Guest assistance, physical facilities and check-out	Complaints resolution

Source: Kandampully et al. (2004:58)

Williams and Buswell (2003:59) suggest that customers could judge the quality of a service as good but they did not have satisfaction from the experience. Satisfaction and service quality are not the same; satisfaction is a psychological outcome emerging from an experience, whereas service quality is concerned with the attributes of the service itself, but customers use the same criteria to judge both as the two are interrelated.

The authors allude to the difference in how customers judge service quality and customer satisfaction as indicated in Table 2.2.

Table 2.2: Customers' judgement on service quality and customer satisfaction

SERVICE QUALITY	CUSTOMER SATISFACTION
Evaluated using specific clues	Evaluated more holistic
Based on perceptions of excellence	Based on needs
Cognitive	Emotional

Source: Williams & Buswell (2003:60)

There are three main options available to the tourism and hospitality industry in terms of quality management. Doyle and Broadbridge (1999:72) identify them as follows:

- To improve the specification and provision of the service quality 'product'.
- To understand the needs of customers and tailors provision accordingly.
- To encourage brand loyalty, so that a better match is achieved between a specific quality of service and the perceived needs of a well-known customer segment.

The above-mentioned strategic options for quality management are important and can be implemented by tourism organisations. The quality leaders will probably seek their edge through improved scheduling, communications and marketing, in line with other service sectors. As competition increases aspects such as awards and accreditation will become more rigorous and important and provide guidelines for quality service delivery. Tourism companies should be dedicated to providing an excellent example of services that has been very thoughtfully designed to the smallest detail. Every part of the service delivery process and its supporting processes has to be carefully planned to maximise the customer's experience. Its experiences are mapped out in detail so that each of the elements that comprise service delivery process is aligned with the overall customer experience (Summersoc.eu 2009).

On the other hand Jones and Haven-Tang (2005:6) suggested that the establishment of standards and performance measures are not needed. This should be instilled in the employees in their everyday activities, actions and behaviour. Increasing competition in the accommodation sector of the tourism industry means that businesses need to focus on quality improvement to ensure a competitive advantage and further need to be able

to combine balance and to juggle the tangible and intangible products; thus the establishment of standards is of crucial importance.

Service quality is thus a key to competitive advantage and competition within the tourism industry is fuelled by a pre-occupation with service quality to add value and to enhance the complete tourism experience (Skalpe & Sandvik, 2002:362). The long-term effects of service quality are more important than short-term ones. Various tourism organisations have accepted that quality is one of the most important factors of their competitiveness in the global tourism market and it is thus very important that these organisations spend money on developing quality systems or at least aim at upgrading their facilities which add to quality.

Quality service is required by guesthouses in order to retain customers and to attract new customers but Skalpe and Sandvik (2002:365) argue that in order to create a competitive advantage it is important to progress from quality to excellence. Excellence is seen as exceeding the expectations of customers. The flexibility and innovative nature of small to medium businesses such as guesthouses makes this strategy a real possibility. The sustainability however, is more debatable, as other organisations can see the successes of any initiative and copy it with relative ease. The employees play a very important role in the service levels of tourism organisations.

2.4.3 Understanding the importance of service design

Service design considers service as products that need to be systematically developed with clear focus on consumer value and covers various activities to describe and detail a service, the service system and the service delivery process. However, inadequate service design will cause continuous problems with service delivery. To avoid inadequacy, service design must be consistent with the service orientation and overall strategic orientation of the organisation (Mager 2004:31). Quality cannot be added to a product or service; the design for service quality begins with the design of the service delivery system.

Services requiring design ought to be considered like any other product. Similar to material products, design criteria for services focus on purpose, functionality but a crucial difference to material products cannot be overlooked: services are non-material,

living products. Service design should thus be consistent with transparent service strategies. However, Mager (2004: 32) noted that many businesses lack such a defined service strategy. If one element of service design is inconsistent with the overall strategy and service orientation of the provider, it is unlikely to be satisfactory to the customer.

The importance of service design as composite in the strategic mix is often undervalued or ignored; the holistic nature of design and its informed status can achieve a more coherent offer to the customer (Doyle & Broadbridge 1999:72). In an attempt to ensure that service design is consistent with the overall strategy and orientation of the organisation delivering the service, various principles and models of service design have been suggested, for example Doyle and Broadbridge (1999:75) and Williams and Buswell (2003:61) that suggested a combination of basic principles for developing design principles. See Table 2.3.

Table 2.3: The design principles

TOTALITY	All features of design must share a common purpose
TIME	Every design component and the overall design have a viable life span beyond which it will be rendered obsolete
VALUE	Value attributed to the design of a service is influenced by experience and is concerned with characteristics which customersconsider to be important
RESOURCE	The design process depends on the identification, evaluation and selection of resources with regard to the materials, time expertise and creativity
SYNTHESIS	The design outcome is the result of the synthesis among knowledge, resource and creativity
ITERATION	The design process is on-going in nature and has to be constantly improved
CHANGE RELATIONSHIP	The success of design depends on its ability to relate to its management for example design must reflect the strategic position of a service provider
COMPETENCE	Sound management is needed to integrate design within the business function
SERVICE	Service design has to satisfy everybody, not just those for whom it is

	directly intended

Sources: Doyle and Broadbridge (1999:75); Williams and Buswell (2003:61)

A major task of service design is to materialise the non-material message for the customer. Haeckel, Carbone and Berry (2003:18) suggested that effective service design involves a four-phase process:

First, skills must be acquired to design service experiences with a representative team of all major functions and operational processes of the business. Second, data must be collected and analysed to assess the reaction of customers to the overall experience. Thirdly, the clues are organised into three groups: those that should have been implemented yesterday, those that are implemented today and those that need to be implemented in the future.

In recent years, technology has come to play an increasingly prominent role in service design to ensure memorable service experiences. Many service offerings have evolved to become multi-interface systems that create numerous opportunities for developing new offerings. However, to take full advantage of these capabilities, the technology should be fully integrated into service design and management with an overarching customer orientation (Curran, Meuter & Suprenant 2003:209).

Penn and Tonkinwise (2011), state the following "service designs must guide the recipient in how to make appropriate demands of the service; but they must also guide the provider in how to meet those varied demands in flexible ways". It is important to fully understand the type of experience customers want - beginning with the initial encounter and continuing after the experience has ended and identify ways in which one can cater to those desires as a means to fulfil mission.

2.4.4 Creating a quality culture

According to Burzon (1993:42), some hospitality chains such as Humpton Inn use service guarantees to ensure guest satisfaction and others use computer terminals at check-out stations to measure guest satisfaction and link part of individual employees' compensation directly to this measure. Guest surveys and comment cards or loyalty programmes are also popular with incentives to obtain valuable feedback and

guidance. The usefulness of these tools notwithstanding, they only scratch the surface of the issue. Achieving lasting customer delight requires the creation of service culture, which can be described as a set of values and behaviour that reflect an organisation's commitment to service excellence. A true service culture treats customers alike, regardless of whether they are internal or external to the organisation.

A customer is a customer, and service professionals are committed to providing the best service they can by following the golden rule and treating the others in the way they would like to be treated. The presence of the customer as a participant in the service process requires attention to facility design that is not found in general manufacturing operations. The presence of the customer on sight requires attention to the physical surroundings of the service facility because, to the customer, the quality of service is enhanced if the service facility is designed from the customer's perspective (Ward-Cox 2008:31). It is important for tourism organisations to pay attention to interior decorating, furnishing and colour which can influence consumers' perspective of service. Service organisations have an opportunity to build long-term relationships because customers conduct their transaction directly with the service provider, most often in person.

Fritzsimmons and Fritzsimmons (2006:129) add that service quality can also be enhanced by knowing that the customers are a competitive advantage to service organisations, and by having a database of customers' names, addresses as well as their use of their service, permits targeted marketing and individual treatment of consumers. Customers benefit from membership because of the convenience of fixed annual fees and knowledge that they are valued customers that will receive occasional perks, for example frequent guests from Tsogo Sun receiving discounts for family bookings.

Burzon (1993:43) further states that creating a service culture begins with selecting the right people and training them properly. However, these employees also need to be treated with respect and care as well as to be given recognition and incentives. In fact, he argues that happy employees make for happy customers. To establish a service culture in a tourism organisation it is important for a statement of purpose to be developed which employees will support. Burzon (1993:44) adds that the Ritz-Carlton

Hotels that won the prestigious Malcom Baldrige National Quality Award for world-class service quality begin their credo with the phrase: "We are ladies and gentlemen serving ladies and gentlemen". It is important that the leaders in the organisation must demonstrate what they ask their associates to do by modelling customer-first behaviour and rewarding outstanding performances (Albrecht 1990:85).

Ward-Cox (2008:33) states that by forming a quality culture a business will have the following advantages:

- Company competitiveness is ensured which simply means that the business is well managed, offers quality services and is very successful. In this regard the consumer benefits by getting quality service at a good price.
- Ensuring job satisfaction means that it is ensured that tourism businesses are run professionally; thus employees have to be managed in a professional manner. Standards have been set in all areas in the tourism industry and members of staff in most positions are given training. This improves management of staff but also improves the job satisfaction of those working in the industry.
- Business runs more smoothly – if a business is more competitive, more professional and has staff members that are more satisfied in their jobs, the business should run smoothly and in return they will make more money as more customers will be making use of the service.
- Customers' needs are met – a company with quality culture will be able to create more services that will meet the ever-changing needs of tourists.

It is evident from the above discussion that it is very important for any tourism organisation to create a quality culture to get new customers and retain previous guest as well as to ensure the competitiveness of the organisation and to run the business smoothly. The next step is thus to measure the levels of service quality.

2.5 MEASURING SERVICE QUALITY

Measuring service quality is a challenge because customer satisfaction is determined by many intangible factors as seen above. Unlike a product with physical features that can be objectively measured, service quality contains many psychological features, for example the ambiance of a guesthouse. In addition, service quality often extends beyond the immediate encounter because it has an impact on a person's future quality

of life. An integral part of any organisation's attempt to instil a quality culture is a commitment to the process of continuous improvement (Kandampully *et al.* 2004:168). To support this systematic approach to quality, measurement is needed; this is especially true for businesses of which its predominant product is service such as accommodation establishments. It is thus important to know that managers realise what aspects of a particular service best define its quality and that these are measured.

Sustained and continuous quality improvement is not possible without some indication of quality performance and to know the real effect of changes over time, managers need measures to compare the quality performance of the service. Kandampully *et al.* (2004:169) identify three different sets of measures an organisation must analyse:

- *Service performance measures* are primarily internally focused and evaluate the current performance and ensure that it is continuing to reliably meet the design specifications.

- *Customer measures* on the other hand are both internally and externally focussed, aimed at assessing the impact of the service performance on customers.

- *Financial measures* are indicators of financial health of an organisation.

The correlation between financial and customer measures will determine the revenue-generating potential of the service, while the relationship between service performance measures and customer measure will give an indication as to how the service is performing in the customer's eye. In turn, this will have a direct bearing on the organisation's financial performance and overall market share.

Grönroos (2007:84), however, stated that there are two types of measurement instruments, namely attribute-based measurement instruments and qualitative measurement instruments. Attribute-based are the known instruments available such as SERVQUAL through which the customers rate the levels of service quality. Qualitative approaches are not so well known and used where respondents are asked to describe their perceptions of services and service encounters. The critical incident method is probably the best-known method.

2.5.1 Quality control

According to Strauss (2002:173), there is a high probability that something might go wrong with one of the many elements of the service delivery process and a journey at an accommodation establishment leaves a need for managers to develop recovery programmes which go beyond correcting the immediate problems by attending to customer concerns. In the tourism industry most sectors have regularly experienced a high incidence of complaints, including low standards between home and destination, poor accommodation and associated difficulties.

The first step of quality control should be to acknowledge whose judgment or evaluation of quality is pivotal to the actions then taken to ensure quality is delivered. Longer term, quality management is the key to continuing successes as it embraces the view underlying the service quality dynamics model that customers' expectations of service standards are not static over time. Based on their experience with competitors or substitute suppliers, customers expect that the current performance of a service organisation to be superior to their previous experience of it (Laws 2004:142).

Dickey (1998:9) points out that it is then important to determine what managers should monitor. What are measured traditionally are process standards such as time taken to serve a client and the use of resources. This emphasis on the process is essential but is not sufficient and what also matters is the outcomes. Few organisations have the courage to empower contact staff to take responsibility for their own customers' satisfaction.

If tourist resistance to service is not recognised, understood and acted on or minor complaints are not treated with respect the outcome is reduced customer satisfaction compared to what might have been high levels of satisfaction. This creates an opportunity for more responsive competitors to redefine the vision of service in that sector. However, many organisations focus more on the technical, predefined service criteria which are relatively easy to monitor and control (Laws 2004:143).

Service quality programmes that are geared to increasing profits rather than fulfilling and exceeding customer expectations are not likely to deliver profits. Neither are they likely to deliver quality. Service companies must know that quality is not an add-on or

an optional extra reserved for an organisation's more profitable customers. Higher quality results in higher profits but not necessarily on a short-term basis. A customer is not unimportant if he/she uses the accommodation establishment once or twice in two months. The business worth of small customers (staying for shorter periods) could be high if viewed from a cumulative perspective and in addition small customers can grow into large ones over the years (Chakrapani, 1998:11).

Service quality can be used as a competitive strategy. However, a competitive strategy based upon service quality does not necessarily mean adopting premium levels of service. The guesthouse room is the primary product in an accommodation establishment – how it is delivered to the tourist is where quality service can make the difference. What is of utmost importance is that an establishment should carefully match the level of service quality with the product design (Kandampully *et al.* 2004:118). For example, if a one-star accommodation establishment offers an economy level service, it can be delivered in both a responsive and consistent manner and yet still maintain the desired cost efficiencies.

Being in the service business means that one deals with people and that there is never only one set of answers to dealing with people problems, otherwise they would not be people. What makes service businesses so complex and interesting is that their prime stake in trade is people relations and those relations should be managed (Sternlicht 2002:45).

Since quality increases the cost of doing business it should increase efficiency and eliminate re-works and waste. In that case quality not only increases customers' satisfaction but also employee satisfaction (Chakrapani, 1998:3). Service over the years has become a necessity for thriving businesses and gives them a competitive advantage over its competitors. When organisations deliver service quality, it is thus important to assess how well they are doing and customers' satisfaction provides this measure. In that case, customer satisfaction can be perceived as a subset of service quality measurement.

Poor customer service will lead to perceptions of low service quality and is viewed as unacceptable. Emotionally detached customers would not return to an establishment

and will tell more people about their bad experience than those they would tell about a good experience. It is thus vital to also point out that something wrong is not seen as poor service but the response to the poor service determines whether or not the service was good (National Department of Tourism 2010).

There may not always be one-to-one relationships between service quality and profitability which can be due to two reasons:

- Firstly, there might be other intervening market variables.
- Secondly, there might be a considerable lag effect.

To result in profits, quality should be viewed as an enduring way of doing business rather than as a shortcut to improving the quarterly balance sheet (Bennet, 2000:250). There are, however, certain aspects that can contribute to the good or poor service quality experience.

2.5.2 Key factors in guest satisfaction

Bennet (2000:252) argues that complaints and compliments highlight the dimensions of product or service customers really care about. He also states that some factors have the potential of causing customer dissatisfaction while others are more likely to be involved when a customer is highly satisfied. He proposes a fourfold typology as illustrated in Figure 2.1.
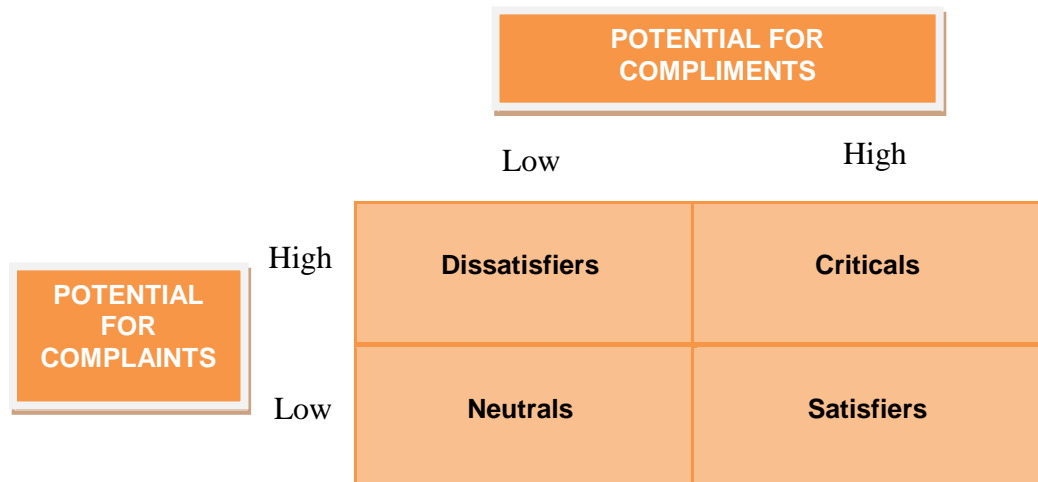
Figure 2.1: Typology of potential compliments and complaints
Source: Bennet (2000:252)

- **Dissatisfiers**

These are the factors that have a high potential for compliant and low potential for eliciting complements. Guests that have no difficulty finding a parking space at a guesthouse will not complement a manager for this feature. However, if they have difficulty finding the parking space they are more likely to complain. Exceeding customer expectations in this dimension will generally not generate any compliments.

The following can be seen as types of dissatisfiers that might cause problems and decrease the levels of service quality (Bennet 2000:252; Sternlicht 2002:45):

- Wrong type of room
- Room not cleaned properly
- No wake-up calls
- Slow service
- Noise outside the establishment
- Accuracy of the bill
- Slow check in
- Reserved rooms not ready
- Check-out time

It is important to achieve at least minimum standards in this regard. Additional efforts to improve the above will not necessarily be appreciated by guests (Bennet 2000:253).

- **Satisfiers**

These are factors that lead to compliments but not generally to guest complaints. The absence of these features will not cause problems of complaints. Satisfiers include aspects such as:

- Convenience of the location
- Quantity of service
- Neatness of the accommodation establishment
- Spaciousness of the establishment (Bennet 2000:253).

If an accommodation establishment does well in this regard it might lead to a competitive advantage. It is not about delivering the average service, because that is

expected. However, it is about delivering more than what is expected. A service that is of higher quality exceeds customer expectations and the definition of quality there should not be restricted to aspects of the product or service but should be related to customer satisfaction. A service can have quality even when it is offered at no cost or there is nothing to compare it with.

- **Neutrals**

Neutral refers to those aspects that neither generate many compliments nor many complaints. These can include aspects such as:

- o Variety of service
- o Employee appearance
- o Hours of operations
- o Quality of advertising (Bennet 2000:253).

- **Criticals**

These are important aspects to consider since it can elicit compliments and complaints. Employees should ensure the management of at least minimum standards required by guests. These include aspects such as:

- o Cleanliness of the establishment
- o Employee knowledge of service
- o Quality service (Bennet 2000:253).

Added to the above there are various aspects that can increase or decrease the levels of service quality such as seasonality of demand, economic and cultural distance and so on. These will be discussed next.

Kandampully *et al.* (2004:31) sees *seasonality of demand* as also being a factor to consider, meaning that the consumption of tourism services varies over time because the tourism product is consumed and demand is more at certain times of the year than others. As a result the demand for tourism goods is seasonal. Demand for tourism products also tends to constantly fluctuate depending on external forces beyond the control of suppliers, such as political unrest and physical conditions and so on.

Tourism demand also depends on the *economic and cultural distance*. The economic distance refers to the distance the tourist has to travel and costs and the cultural distance refers to the cultural differences between the tourists' country of origin and the destination visited. The greater the difference between the culture of the destination and the country of origin, the lower the demand for visiting a particular destination will be. One implication of demand fluctuation is that it is important to accurately forecast tourism demand to match tourism supply (Kandampully *et al.* 2004:32).

The quality of tourism services depends on *timely provision*. At peak times and high vacation season guesthouses are usually fully booked and then stand empty for the rest of the year. At times of high demand providers have to be quick in responding to tourists' demands and spend less time serving each tourist. Service providers are unable to be as attentive at times of low demand and a large number of human errors occur that result in very poor tourist experience. As a result service quality falls because of underutilised infrastructure and personnel boredom as well as de-motivation. Thus, the time at which the tourist chooses to use a tourist service, is critical to its performance and quality; thus the tourist experience and satisfaction (Kandampully *et al.* 2004:33).

In taking decisions related to tourism product design and marketing, management has to consider the six standards designed for tourism products (World Tourism Organisation 2003:6). These standards should be in place to increase the levels of service experience:

- Safety and security: When a tourism service is being consumed, tourists should have assurance that their lives are not endangered and that there is no potential danger to their health or vital interests and integrity.
- Hygiene: A facility has to be both clean and safe and the standards of food safety in accordance with regulations.
- Accessibility: People should be able to use the facilities without discrimination and all physical, communication and service barriers should be removed.
- Transparency: Tourism organisations should provide and effectively communicate relevant information in marketing campaigns on the characteristics and coverage of

the offering and its total price. This should be experienced as promised at the organisation.

- Authenticity: Attaining authenticity is one of the hardest and most subjective tasks faced by service organisations. As authenticity is determined by culture; an accommodation establishment loses authenticity when it can no longer be linked to its original culture and natural background. All this is done in an effort to meet consumer expectations.
- Harmony: During the consumption of the tourism offering, tourists need to be considerate of the local population as well as the surrounding natural environment, including the Fauna and Flora.

In addition to the above the following factors influence the expectations of customers and desired service:

- Beliefs about what is possible: These are described as individual, stable factors that can influence a customer's expectations of a service and explain why some customers are more demanding than others. A customer's belief can be driven by the expectations of others and these are described as derived service expectations.
- Personal needs: A customer's personal needs can fall into many different categories, including physical, social, functional and psychological needs. For example, when a customer is travelling for business reasons the personal needs will be more functional, for example arriving on time for a meeting while on the other hand if a customer is travelling in a group the personal needs will be more social.
- Implicit service promises: Some service promises are communicated less directly to customers. This occurs when customers make inferences about service. These inferences can be based on price of a particular service or the tangibles associated with the service. For example, the price of accommodation in a four-star guesthouse would therefore signal what the prospective customer can expect to receive when checking in at the guesthouse.
- Word of mouth communication: Any personal or non-personal communication concerning a service from someone outside the organisation also influences a customer's expectations. A traveller from Botswana, that experienced great service at the Table Mountain National Park in Cape Town will no doubt inspire others from

Botswana to go too and his/her communication will also shape the expectations of those whom he/she talks to.

- Past experience: Customers will generally draw from their past experiences with a particular service or a similar one to build on their desired and adequate expectations. Like desired service, adequate service is also influenced by explicit and implicit service promises together with the above-mentioned factors as well as the four other factors, namely:

  o Perceived service alternatives: For most tourism services, accommodation is multiple service alternatives. In such cases, customers' adequate expectations are higher. When, however, they have limited or no alternatives their expectation levels will be lower.

  o Transitory service intensifiers: These are temporally, usually short-term individual factors that influence a customer's adequate expectations. They include emergencies, for instance what a customer experiences in a foreign environment. This emergency will increase a customer's adequate expectation level.

  o Self-perceived service role: In some services a customer must play a role or parts of the service themselves. When they feel they can perform their roles adequately, their adequate expectation levels will be higher. For instance, a guesthouse guest that has specifically requested a non-smoking room will be very angry when this turns out to not be the case.

  o Situational factors: Customers are generally realistic in terms of what they expect from service organisations, especially when they believe certain factors are beyond the organisation's control. Bad weather and natural disasters cause customers to reduce their service expectations. The predicted service refers to a customer's estimation of what he/she expects to receive in an individual transaction, rather than in an overall relationship with the service provider. While desired and adequate expectations refer to global assessment of the service which consists of many individual transactions, the predicted service is an estimation of what will happen the next time a customer does a transaction with the organisation (Robinson 1999:29).

Harington and Akehurst (1996:135-137) undertook a detailed review of 21 leading articles on the topic of service quality and from this they identified some 60 terms used by various authors to define the dimensions of quality. Examination of their data

indicated that the most frequently discussed general factors were service delivery, interactions, standards of performance, technical factors and image. In terminology of writers, particularly Bateson (2002:207), the fundamental aspects to quality are the technical quality provided by the organisation and the functional quality: how it is perceived by the customer.

Laws (2004:80) further said that what customers receive in their interaction with the organisation is clearly important to them and to their quality evaluation. Internally this is very often thought of as the quality of the service delivered. However, it is merely one quality dimension called the technical quality of the outcome of the service production process. As there are a number of interactions between the provider and the customer, including more or less successfully handled moments of truth, the technical quality dimension will not count for the total quality the customer has already received. The customer will also obviously be influenced by the way in which the technical quality is transferred to him/her – this is the functional quality of the process.

Harington and Akehurst (1996:139) emphasise that service organisations do not have products but only an interactive process built from resources and a governing system. The resources are employees, physical assets, technology and systems as well as the organisation's customers. Good customer service is the lifeblood of any business. One can offer promotions and cut prices to bring in as many new customers. Unless one can get some of those customers to come back, the business will not be profitable for long. Good customer service is all about bringing customers back and about sending them away happy - happy enough to pass positive feedback about your business along to others, who may then try the product or service you offer for themselves and in their turn become repeat customers. (Kapiki 2012:4).

The degree of quality experienced in a service transaction can be considered to give rise to a level of satisfaction which may vary between customers. The following factors are significant in understanding variability in enjoyment of service as identified by Lewis and Booms (1983:53):
• Service quality is more difficult for the customer to evaluate than the quality of goods.

- Service quality perceptions result from comparison of consumer expectations with actual service performance.
- Quality evaluations are not made solely on outcome of a service; they also involve evaluations of the process of service delivery.

Parasuruman*et al.*(1988:97) argue that a customer reaches a judgment about the quality of a service actually experienced when measured against the perceived service and the consumerist gap model provides a way of investigating quality of service experience from the perspective of the client. The consumerist gap model shows that consumer satisfaction is often based on identifying and understanding the gaps which may be perceived by customers between what they had anticipated and their experiences of the service.

The predicted level of service quality is thus based on what the organisation promises in its advertising, word-of-mouth and past experiences (Clow, Kurtz, Ozment & Soo Ong 1997:230). In the expectancy theory customers predict what they expect to be the outcome of the service. The expectations which a customer has prior to a service influence their evaluation of the organisation's performance and affect their satisfaction. The analysis of service failures cast light on both weaknesses and strengths in service delivery. Failure is usually more apparent and transparent than success. Analysis of the causes of failure casts light on the dynamic nature of tourism service and is thus a blueprinting method of studying service design and delivery as already discussed.

2.6   MODELS OF SERVICE QUALITY

Measuring service quality is quite important to improve perceived service quality, especially in competitive environments. This topic has received much attention from researchers and practitioners. The various models that deal with service quality will be discussed in this section.

2.6.1   The Haywood-Farmer model of service quality

This model was developed in 1983 and is also known as the service classification cube (Saayman, 2009:99). This model argues that service organisations may be classified according to their characteristics along three dimensions: the degree of customisation, degree of contact and interaction and degree of labour intensity. The author further

states that in order to provide quality service, organisations should pay due attention to the following:

- The system for delivery

- How employees behave while delivering the service

- The discretion or judgment required to customise the service
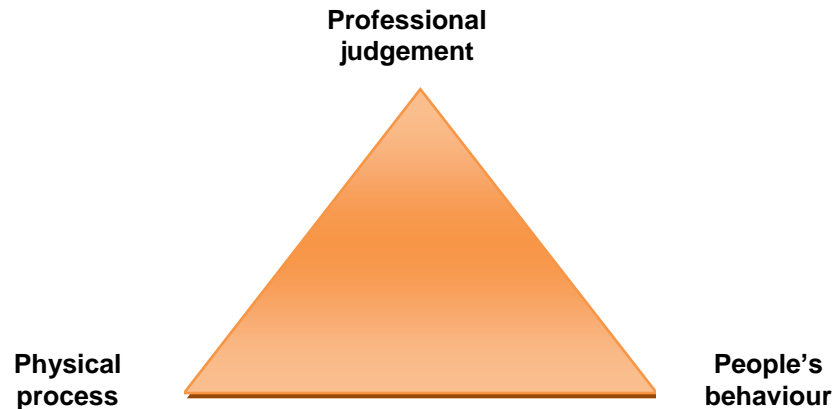
Figure 2.2: Haywood-Farmer's model of service quality

Saayman (2009:101) further adds that when using this two-way Haywood-Farmer conceptual framework it is easy to see why some organisations have been successful in using strategies aimed primarily at the physical process corner of the triangle. Such organisation's degree of service customisation is low and much of the process is carried out in the "back room", out of contact with the tourist (See Figure 2.2).

The accommodation sector has to provide service that requires tourists to participate to a greater extent. Although some activities in both contexts can take place behind the scenes, a much higher proportion of the service is prepared and delivered in the presence of the tourists. Tourists are unpredictable and might not behave as expected, for example a tourist that does not check in at the agreed-upon time. In situations characterised by high contact with the customer, much more emphasis needs to be placed on both professionalism and judgment of front line employees and their behaviour. These are the employees that deal mostly with tourists and in most cases they are ignorant of what they are supposed to do (Saayman 2009:101).

2.6.2 Kano's model of customer satisfaction

The Kano's model of customer satisfaction aims at explaining how assigning priorities to operational objectives may result in lasting improvements in customer service delivery (Saeidipour, Vantandost, Akbari & Branch 2012; Shen, Tan & Xie 2000:92). This model is used for the classification of products and services based on understanding wishes and the way it affects customers' satisfaction (Xu, Jiao, Yang, Helander, Khalid & Opperud 2009:148).

Kano's model categorizes the quality attributes of products or services into three categories:

- Must-be attributes: The absence of these attributes results in customer dissatisfaction, but their presence does not significantly contribute to customer satisfaction. These requirements are a competitive must for the service provider and not supplying tourists with these may result in tourists not being interested in the service at all. A good example may be safety and hygiene in a tourism organisation.

- One-dimensional attributes: These attributes are positively and linearly related to customer satisfaction. The greater the degree of these attributes, the more the customer satisfaction. The tourist typically requires these in the case of tourism services. This could be the spaciousness of a five star guesthouse room or variety of tourism attractions and even leisure activities.

- Attractive quality attributes: The presence of these attributes gives satisfaction to customers, but their absence does not bring dissatisfaction. Satisfying these requirements leads to more than proportional satisfaction. These are tourist-tailored actions that are highly appreciated. This requires knowledge of tourist habits and preferences in delivering service in the accommodation sector. This implies going the extra mile (Afshan & Sindhuja 2013:51; Saayman 2009:104).

This multi-dimensional measurement provides the basis for Kano's model which plots satisfaction on the Y axis, attributes performance on the X axis, and reveals the predicted effect on satisfaction based on expected attribute quality. Kano's model emphasises the dynamic nature of customers' tastes and preferences. The attributes which delight customers today may not be so exciting for them tomorrow (Afshan & Sindhuja 2013:51).

2.6.3 SERVQUAL Model

SERVQUAL measures the gap between customer expectations and experience (Jia-Yuan, Jing, Chang-Bing, Qi-Yao & Ning 2013:2974). It is an instrument used to measure the dimensions of service quality. This two-part instrument has an initial section to record customer expectations of a service followed by a second option to record customers' perceptions of a particular service. This instrument has been assigned and validated for use in a variety of service encounters and its most important function is tracking service quality trends through customer surveys (Laws 2004:85).

Initially Parasuraman *et al.* (1985) introduced service quality dimensions which consist of 10 dimensions, namely reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding and tangibles. These items were recused to five factors (Parasuraman 1998:313), namely reliability, responsiveness, assurance, tangibles and empathy. These dimensions represent how consumers organise in their minds information about service quality. SERVQUAL is concerned with a spectrum of linked service gaps impinging on service quality and its dimensions are as follows (Eda, Serkan & Safak 2003:412; Jia-Yuan *et al.* 2013:2975):

- **Tangibles**

Tangibles are the appearance of physical facilities, equipment, personnel and communication materials. The condition of the physical surroundings, e.g. cleanliness, is the tangible evidence of the care and attention to detail exhibited by the service provider. The tourism sector attracting tourists by focusing on a particular business/leisure purpose such as accommodation (hotel and chalet), attraction (the museum, art gallery or the beach), amenity (restaurant or public facilities) and ancillary (travel agents, guide/organiser) should be focused on in this dimension (Suki 2013:1817).

- **Empathy**

Empathy is the provision of caring, individualised attention to customers and includes the following features: approachability, sensitivity and an effort to understand the customer (Suki 2013:1817). Richins (1997:128) stated that many specific consumption experiences involve a broad range of mixed emotions or ambivalence. Consumers

might experience a high level of satisfaction that consists of both positive (for example pleasure, happiness) and negative feelings (for example sad, regretful).

- **Assurance**

The knowledge and courtesy of employees as well as their ability to convey trust and confidence includes features such as politeness, respect for the customer and the general attitude that the server has the customer's best interest at heart. Services are created individually for each customer, and service quality and scope can differ in accordance with the behaviour, knowledge and service-mindedness of the service provider's employees and customers.

- **Reliability**

Reliability is the ability to perform the promised service both dependably and accurately and also to the customer's expectation and means that service is accomplished on time, in the same manner and without errors every time. Reliability also extends into the back office, where accuracy in billing and record keeping is expected.

- **Responsiveness**

The willingness to help customers and provide prompt service, keeping the customers waiting particularly for no apparent reason creates unnecessary negative perceptions of quality. If a service failure occurs, the ability to recover quickly and with professionalism can create very positive customer perceptions of the service (Parasuruman*et al.* 1988:54).

SERVQUAL is further described in terms of serviced quality gaps, used to measure the gap between expected and perceived service (Fritzsimmons & Fritzsimmons 2006:129) (See Figure 2.3):
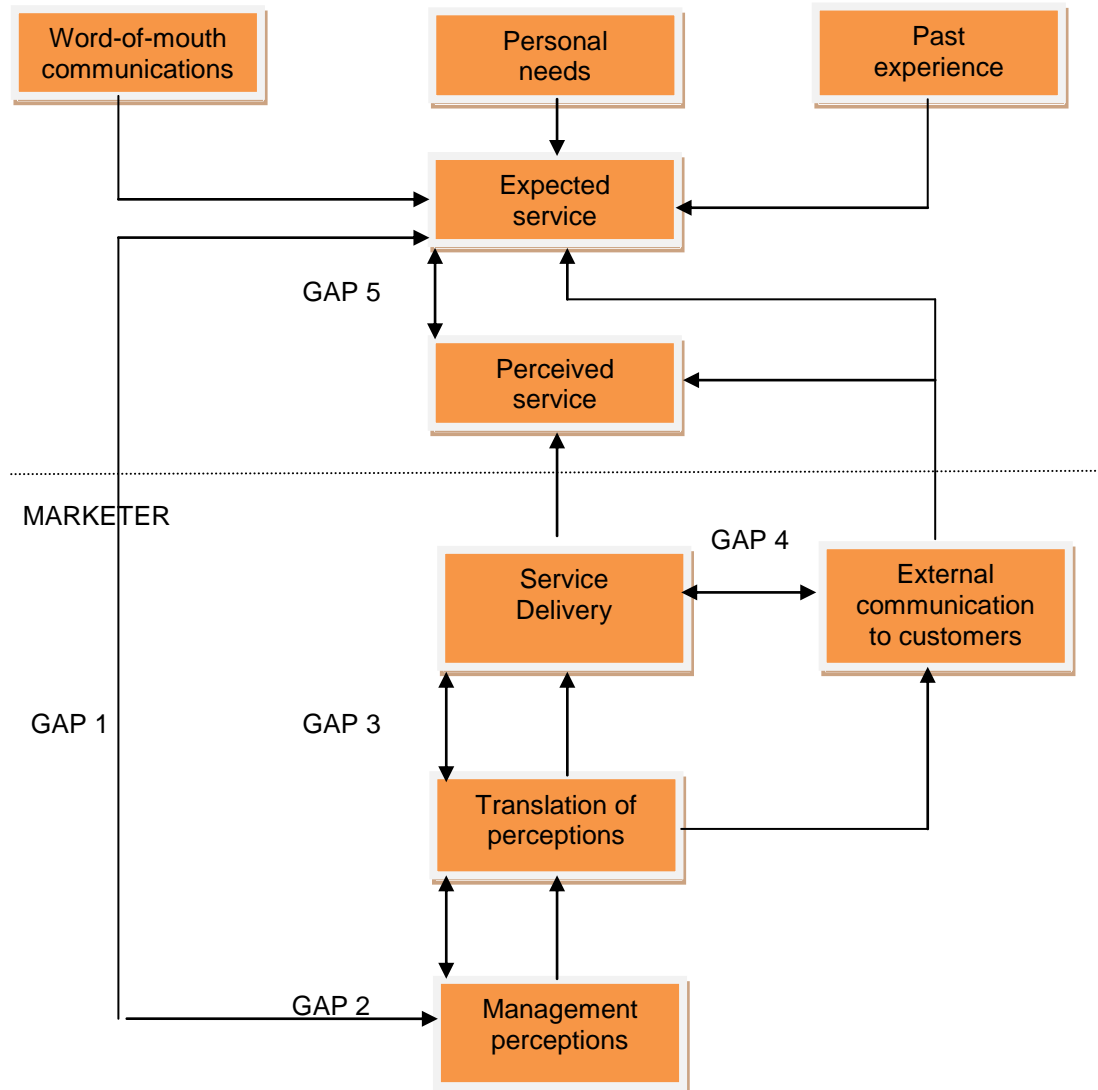
Figure 2.3: The SERVQUAL model

Source: Bennet (2000:233); Parasuraman et al. (1988:54).

- **GAP 1: Not understanding customer expectations**

This gap arises from management's lack to fully understand how customers formulate their expectations on the basis of a number of sources such as advertising, past experiences with the organisation and its competitors. Even if this gap does not cause problems, further difficulties might cause dissatisfaction. When an organisation does not know what customers need, they cannot supply it. In this regard Bennet (2000:234) remarks that service must be designed for customers' needs and their willingness to pay for it. Therefore any strategies that aim to improve service quality levels must start

with a thorough understanding of customer expectations. Table 2.4 provides the reasons for Gap 1 to exist as well as possible strategies for solving this gap.

Table 2.4: Gap 1: Reasons for the gap and strategies for solving it

REASONS FOR THE GAP	STRATEGIES FOR SOLVING THE GAP
• Lack of marketing research orientation • Inadequate upward communication • Too many levels of management	• Customer complaints provide opportunities to stay in touch with the needs of the customers • Customer panels can be created to meet and discuss service standards • Satisfaction with services should be assessed after the transactions have taken place • Market research should be used for managerial action in improving the service quality • Managers and customers should interact with one another

Source: Bennet (2000:234)

- **GAP 2: Setting poor service standards**

Laws (2004:87) states that this gap relates to problems in the technical specifications of the service. This gap can also result from management's lack of commitment to service quality or a perception of the unfeasibility of meeting customers' expectations. Bennet (2000:236) further states that this gap measures the difference between management's perception of customer expectations and the service standards formulated to achieve these expectations. This gap is larger in companies that have managers that refuse to change company systems of service delivery since this usually requires radical changes to established job procedures. There are four principal factors contributing to gap 2 but there are also solutions to these gaps as indicated in Table 2.5.

Table 2.5: Gap 2: Reasons for the gap and strategies for solving it

REASONS FOR THE GAP	STRATEGIES FOR SOLVING THE GAP
• Inadequate management commitment to service quality • Perceptions of unfeasibility • Inadequate task standardisation • Absence of goals setting	• Genuine commitment to service quality • Attainability through possibility • Standardisation of tasks • Develop specific service quality goals

Source: Bennet (2000:237)

- **GAP 3: Service performance gap**

This gap occurs when actual delivery of the service does not meet the specifications set by management and this gap can arise due to a number of reasons such as lack of team work, poor employee selection, inappropriate job design as well as inadequate training. This gap describes the varied set of circumstances which occasionally occur such as giving a tourist a wrong room and not noticing until the tourist complains. Bennet (2000:51) further states that when employees are unable or unwilling to perform services customers expect them to perform, they fall short of standards formulated with regard to a specific service. Services are highly interactive, and tourism resorts under those that are particularly vulnerable.

Achieving service excellence in a tourism establishment is not solely based on perfect knowledge of the customer needs and perfectly accurate service standards but derives from front-line support staff that are willing and able to perform their duties at the level desired. For this reason that many service companies have adopted Total Quality Management (TQM) programs. These programs have three key elements:

- First, the company recognises that it is in business to serve the customer. The customer's needs must be addressed.

- Second, quality management is no longer the responsibility of the quality control department. It is the responsibility of all departments.

- Third, quality improvement never stops. Customer tastes are constantly changing and new technology is constantly developing. For these reasons, TQM focuses on continuous product improvement (Customerexpressions.com 2013).

Table 2.6: Gap 3: Reasons for the gap and strategies for solving it

REASONS FOR THE GAP	STRATEGIES FOR SOLVING THE GAP
• Role ambiguity • Role conflict • Poor employee job fit • Lack of team work • Inappropriate supervisory control system	• Proved role clarity to job description and quality standards • Service standards should be defined in terms of customer expectations • Implement creative reward system • Empower customer-contact employees • Build a winning team

Source: Bennet (2000:240-242)

- **GAP 4: Service delivery and communication gap**

Customer expectations of the service are formed by media advertising and other communications from the organisation. This gap is the discrepancy between service delivery and external communications in the form of exaggerated promises and lack of information provided to contact personnel. Consequently the organisation is merely raising the expectations of its customers while it is not in the position to deliver these promises (Bennet, 2000:243). The secret is thus to concentrate on accurate and appropriate communication messages.

Self-confidence is important for effective delivery of reference services. Lack of self-confidence makes it difficult for reference tourism personnel to handle difficult questions from supposedly highly knowledgeable clients which in turn make them feel inferior to these groups of users. Inferiority complex arises as a result of low self-esteem. Yusuf (2011), described it as an abnormal or pathological state which due to the tendency of the complex to draw unrelated ideas into itself, leads the individual to deprecate him- or herself to become unduly sensitive, to be too eager for praise and flattery, and to adopt a derogatory attitude towards others. This can affect communication between the staff member and the client. A tourism staff member who has low self- esteem may perceive the client to have higher qualifications and superior knowledge. A staff member that lacks social skills and is withdrawn will not be able to tease out questions from clients and cannot help them to articulate their information needs this in turn makes the staff member want to quickly dispatch the client to avoid further queries.

In some cases, promises made by companies through advertising media and communication raise customer expectations. When over-promising in advertising does not match the actual service delivery, it creates a communication gap. Consumers are disappointed because the promised service does not match the expected service and consequently may seek alternative product sources (Brainmates.com.au 2013).

The following are the possible reasons for gap 4 as well as strategies for solving the gap.

Table 2.7: Gap 4: Reasons for the gap and strategies for solving it

REASONS FOR THE GAP	STRATEGIES FOR SOLVING THE GAP
• Inadequate horizontal communication • Different policies and procedures • Propensity to overpromise	• Effective communication between advertising and operations • Effective communication between sales and operations • Effective communication between human resources, marketing and operations departments • Provide consistent service across branches • Develop appropriate and effective communications about service quality

Source: Bennet (2000:240-242)

- **GAP 5: Perception–expectation gap**

All or some of these gaps contribute to this gap, for which a score for the quality of service is calculated by computing the differences between the ratings that customers assign to paired expectations and perception statements. In simple terms the customer compares his/her own experiences with what was expected from the service. It is important for an establishment to ensure that this gap does not arise by keeping the promise made to the customer and even exceeding their expectations as the service offering cannot be re-done should something go wrong (Bennet, 2000:245).

Zeithaml *et al.* (1990:58) stated that expectations can be based on image, word-of-mouth or consumer needs. In addition, consumer pre-attitudes or even the traditional

marketing mix can influence what consumers will expect from a product or service. Prior experience with an organisation also forms a basis for consumer expectations along with organisational and structural attributes. In service quality, expectations have a normative role, which is based on past experience and create the consumer's perception of what should happen. Over time, the fulfilment of customers' expected needs may become a minimum expected standard. The customer gap is the difference between customer expectations and customer perceptions.

Customer expectation is what the customer expects according to available resources and is influenced by cultural background, family lifestyle, personality, demographics, advertising, experience with similar products and information available online. Customer perception is totally subjective and is based on the customer's interaction with the product or service (Brainmates.com.eu 2013). Perception is derived from the customer's satisfaction of the specific product or service and the quality of service delivery. The customer gap is the most important gap and in an ideal world the customer's expectation would be almost identical to the customer's perception.In a customer orientated strategy, delivering a quality service for a specific product should be based on a clear understanding of the target market. Understanding customer needs and knowing customer expectations could be the best way to close the gap.

Expectation can also be described as consumer needs and be divided into three main categories: 'must be needs'- those which consumers would not think about expressing but will only be missed if not provided for; 'expected needs' – those which consumers are able to articulate when asked about what they want and 'exiting requirements'- those unexpected needs that produce great satisfaction. Customers use dimensions to form their judgments of service quality, which are based on a comparison between expected and perceived service. The gap between expected and perceived service is a measure of service quality; satisfaction is either negative or positive.

Laws (2004:89) states that the SERVQUAL model has been criticised both for its conceptualisation and its methodology and some researchers even went as far as questioning the continuing use of it. Nevertheless the SERVQUAL model has been applied to various sectors of tourism and hospitality in a number of studies, for example Robledo (2001). Debate still continues on the appropriateness of the gap approach

including its core constructs of customer satisfaction, expectations and quality (Chadee & Mattson, 1996:210). These researchers even suggested that perceived service quality, in contrast to the quality of individual service transactions, may be similar to an individual's general attitude towards the organisation.

Many researchers investigating the related issues of service quality and the ways in which customers experience service episodes continue to refer in their work to the SERVQUAL model, either by directly employing some or all of its constructs or by explicitly attempting to differentiate their analysis from what has become a benchmark of modern service management research. Although the SERVQUAL model has been subjected to severe criticism it continues to be used due to the following reasons: it highlights unequivocally the centrality of quality in service research and management and it emphasises the complexity of managing service experiences (Laws 2004:89).

2.7 CONCLUSION

The aim of this chapter was to analyse service delivery, the nature of service, service quality including the models of service quality. It was found that service holds many intangible characteristics which make it difficult to manage and to even re-produce. The importance of quality services was, however, seen as an important part of the tourism product and process and that it requires special attention. Services are intangible, perishable, heterogeneous and produced and used simultaneously. The importance of the customer in this process is clear and tourism organisations such as guesthouses have one chance to impress the visitor.

Employees should be trained and focused on delivering service of high quality and should consider the presentation of service packages to customers – this provides flexibility in managing service quality. Managers should provide and design a service blueprint for their organisations which will indicate what needs to happen and by when. This empowers employees to improve service delivery. Guest are influenced by dissatisfiers, criticals, neutrals and satisfiers and these should be managed at the accommodation establishments. These indicators should be regularly measured with specific reference to service performance measures, customer measures and financial measures. Although various models of service quality exist, it was decided to implement the SERVQUAL since it is widely applied, reliable and still relevant.

CHAPTER 3
SERVICE DELIVERY IN
THE TOURISM INDUSTRY

3.1 INTRODUCTION

In South Africa, tourism is growing (StatsSA, 2013:7) and it is thus important to offer tourists a range of experiences and to ensure that the tourism industry is able to cater for the need for diversity and authenticity, especially for guest from abroad (Indaba 2010:1). The regional African tourist market is South Africa's important tourist markets, contributing more than 73% of total tourist arrivals and more than R50-billion in revenue in 2011 (SouthAfrica.info 2014).

The delivery of service excellence in this industry requires a focused, results-oriented approach. Taking that into account it is necessary for South African service standards to be adjusted where necessary to ensure consistency of service standards throughout the tourism industry (TBCSA 2010:2) thereby contributing to the growth process.

There is currently an emphasis on and realisation of the importance of providing excellent customer service. A study by the National Department of Tourism (2010) on the current customer service levels in South Africa suggested that there are a number of critical elements that currently have a negative impact on consistent excellent delivery of customer service in the South African tourism industry. These elements include aspects such as poor attitude of some employees, inadequate job training, and deficient general education, imbalanced focus on technical job skills opposed to interpersonal "people and customer skills". Another area highlighted is the inability of South Africans to provide constructive feedback to the tourism personnel, which has fuelled the continuance of poor service delivery as a norm.

Other aspects that make this situation even more difficult and problematic is the fact that most frontline employees in South African guesthouses and B & Bs have never experienced excellent customer service or never been served in the type of

establishment where they are employed. Thus, there is a disconnection that prevents employees from consistently providing a level of excellent service to customers that address the wants and needs of individuals and groups without having their own personal experience. Because of this, organisations need to serve their employees in the establishment they work so that the employees will know exactly the type of service to provide to customers. The tourism industry deals with people and emotions so it is important for accommodation establishments such as guesthouses and B&Bs to hire employees with interpersonal skills or even to teach them these skills.

What is unfortunate for the majority of tourism-related organisations today, however, is that the modern-day customer (tourist) has experienced quality and high levels of service delivery and is no longer prepared to settle for anything less. Managers should also take into consideration that the standard of living of tourists from different places and discrepancy in expectations of service quality exist between tourists and employees (Laws 2004:6).

The purpose of this chapter is to provide an overview of service delivery in the tourism industry with specific reference to guesthouse management and aspects that will contribute to excellent service delivery in these types of establishments. Firstly, the unique nature of tourism businesses will be discussed.

3.2   NATURE OF TOURISM BUSINESSES

Added to the characteristics of services (discussed in chapter 2) the tourism industry consists of various small- and medium-sized enterprises (SMEs). This has an influence on the service delivery levels in the tourism industry. Tourism offers relatively easy entry for SMEs. Many establishments of various types can thus set up with low capital requirements and operate at a low cost by a few people. In many cases motivation for involvement in these business relates as much to lifestyle, location and leisure preferences as it does to desire for profit or security (Getz & Carlsen 2005:238). The importance of excellent service delivery is thus not always understood. However, according to Bird (1996:38), it is especially important in this industry to give customers better service than expected, since this will create competitive advantages.

It is therefore not surprising that, in many countries, tourism is dominated by SMEs and family-owned businesses. Pechler, Raich and Petyers (2004:9) observed that in most parts of the world but notably in many regions of Europe, tourism has developed into a fragmented industry. The same authors stated that the tourism industry is characterised by poor internalisation, relatively low market entry barriers and poor qualification levels, all of which have significant implications for management and competitiveness of the SMEs that dominate the industry. Owners' commitment to excellent service delivery can thus be questioned, given the characteristics.

Pechlaner *et al.* (2004:12) stated that these SMEs need to face certain challenges such as: little scope for economies of scale; limited potential; lack of access to capital markets; inadequate information concerning the market; and high-debt capital ratios as a result of past disinvestments in facilities which now have low utilisation rates and poor operation plans. For these reasons, many tourism SMEs are unable to offer service excellence; thus face an insecure future.

Added to the challenges above research on the failure of SMEs has revealed that the following are likely to increase the likelihood of business collapse (Getz& Carlsen2005:535):

- Emotional attachment to the business, which makes the owner reluctant to abandon the enterprise in difficult times;
- No formal business and prior experience in the tourism industry;
- Focus of lifestyle and desire not to grow;
- Little capital and inadequate management and ;
- Inability to cope with seasonal and weekend peaks.

Against this background, it is apparent that the traditional SME structure of the tourism industry in many countries has become a real disadvantage and changes are needed if these businesses wish to remain competitive in the future (Zehrer 2009:340). These types of businesses should be focused on providing greater customer benefits and keep the following in mind:

- What constitutes a quality offering depends on the customer and affects their view of quality

- Customer expectations change over time (usually they will increase) due to exposure to other alternatives and experiences. Thus the relative benefits perceived to derive from an offer may reduce over time as competing suppliers improve their benefit offerings (Olsen *et al.* 1996:165).

The World Tourism Organisation (2003) defined quality in tourism as "the result of a process which implies the satisfaction of all the legitimate product and service needs, requirements and expectations of the consumer, at an acceptable price, in conformity with the underlying quality determinants such as safety and security, hygiene, accessibility, transparency, authenticity and harmony of the tourism activity concerned with its human and natural environment". Accommodation establishments can assist in providing a quality experience to customers.

Rapidly increasing competition makes established organisations even more vulnerable, especially from the point of view of pricing. It is, however, clear that the economy as a whole is becoming more service oriented and that a point of differentiation not entirely depends on product quality. Given the nature of tourism businesses, even these smaller establishments such as guesthouses and B&Bs should realise that quality decreases the cost of doing business by increasing efficiency and eliminating rework and waste; in that case quality increases the customer and employee satisfaction. The following section discusses the development and functioning of guesthouses and B&Bs as part of the tourism industry.

3.3 CONTEXTUALISING GUESTHOUSES

The guesthouse industry offers an opportunity for more entrepreneurs to participate in tourism. Henning (2007:22) stated that a guesthouse provides suitable accommodation and services to temporary guest for payment. A guesthouse must provide sleeping accommodation in no less than three double bedrooms; meals must be made available, including dinners and breakfasts; a regular cleaning service is essential and additional or enhanced facilities, furnishings and fittings are required. A guesthouse is either an existing home or a renovated home or building, that has been specifically designed to provide overnight accommodation (TBCSA, 2010:2).

Close to guesthouses, bed and breakfasts are typically private homes with fewer than 10 bedrooms available for commercial use. Guests are accommodated in private bedrooms with private bathrooms, or in a suite of rooms including an en-suite bathroom. Some homes have private bedrooms with a bathroom which is shared with other guests. Breakfast is served in the bedroom, a dining room, or the host's kitchen. The differences between the types of accommodation establishments can thus be seen as the following: Bed & Breakfasts are usually family-owned, with the family living on the premises. Guesthouses are in some cases family-owned and in some cases not and can be separate buildings used for the purpose of lodging. For both these accommodation establishments there are often limited staff and thus in many cases check-in is often by appointment.

Guesthouses opened doors in South Africa in the late 1970s. A few South African entrepreneurs converted their spare rooms in their houses or made unoccupied flats available to tourists. However, in the late 1980s the growth started when the rural guesthouses came into play with rural hotels closing down due to changes in the preferences of guest. Even higher growth numbers were achieved in 1990-1992 when guesthouses were established in middle-high status residential areas and were within walking distance from services and the location was more important than accessibility (van der Westhuizen 2003:35-36). The ease of access to the industry created various opportunities for opening a guesthouse or a B&B and continues to grow.

Before one purchases or builds a new guesthouse or renovates an existing building as a guesthouse one should take note of the following:

- The local municipality has requirements and bylaws for running a guesthouse in a specific area.
- One may require departures from existing zoning for the property, depending on regulations.
- Most Town & Regional Planning Commissions require that one needs to obtain neighbours' consent before operation starts.
- It is advised to contact the local Ratepayers Association, as there are some associations that do object to having more of these types of establishments in a specific area.
- Check the cost involved in rezoning or consent use application (GHASA 2013).

Other requirements for running a professional guesthouse include the following:

- Public liability insurance. These requirements will differ substantially from the domestic policy.
- License to sell or supply meals should be supplied by the local municipality.
- The local Health Department's inspector should certify the establishment for compliance to food preparation regulations.
- The Fire Department should inspect the premises and fire extinguishers are needed.
- The business should be registered for income tax purposes.
- Employees should be correctly registered in terms of the Basic Conditions of Employment Act.
- A liquor licence is needed if liquor is sold or provided complimentary.
- SABC requires all TV sets to be separately registered.
- MultiChoice: Every room receiving DSTV is charged for.
- SAMRO: Playing background music (radio, CD's or TV) to the guests requires licencing.
- Smoking is not permitted in public areas and the signs must be displayed
- Guests must sign a guest register and this document should be kept for a minimum of 6 months (GHASA 2013).

Even with all the regulations and policies in place to operate a guesthouse or a B & B it is not stated how one should deal with the guests and what excellent service would be required. Maybe if some people realise the importance of providing excellent service 24/7 they might reconsider opening a guesthouse or B & B. It is, however, imperative to first understand the consumer and the consumer decision making process as the role and place of service becomes evident in this process.

3.4 THE ROLE OF THE CONSUMER AND THE CONSUMER DECISION PROCESS

To provide in the needs of the guest it is important for guesthouse managers and employees to understand the thought processes of the consumers. Firstly the needs of the customers, which will differ among customers, should be discussed.

3.4.1   Needs of the customers

Needs are distinguished from expectations in that customers are generally aware of their expectations but are often unaware of what they need (Hoffman & Bateson 2006:426). Customers have differing needs and wants, but the following needs seem to be more general to all customers (Harris 2010:5):

- *Service*

Customers have certain expectations of what they think is appropriate for the level of purchase. The larger the purchase the more carefully it is planned and researched and therefore the expectations levels will also be higher (Harris 2010:5).

- **Price**

Cost is an important element for all consumers and financial resources need to be efficiently utilised. This is also strongly linked to value for money which also differs between consumers (Harris 2010:5). Hoffman and Bateson (2006:169) stated that the ultimate pricing challenge organisations are facing is to determine a price that sells the service while at the same time offer a profitable return.

- *Quality*

Durability and functionality become more important for customers when making product and service decisions. Customers are much less likely to question price if they are doing business with an organisation that has a reputation for producing a high-quality product and service (Harris 2010:5). Quality is thus independent of cost or value (Ford & Heaton 2000:19). Grönroos (1984) stated that quality perceived by a customer has at least two dimensions: technical (the received outcome) and functional (how the service has been delivered).

- *Action*

When a problem, question or need arises it is important for the customer to receive answers. Customers want to be considered to be important and they expect employees to be ready and willing to serve and assist them. Ford, Sturman and Heaton (2012:152) stated that providing either a tangible or intangible service product requires many different employees doing many different jobs. Some people are 'service naturals' because they instinctively give great service when provided the opportunity.

- **Appreciation**

Customers want to know that their business is appreciated and valued. A basic 'thank you for visiting our guesthouse' can make a huge difference. Also preferred customer mailing lists, special discounts, courtesy and name recognition are all appreciative behaviour (Harris 2010:5).

3.4.2   Expectations versus perceptions

All customers have a known or unknown set of expectations. Expectations are thus personal visions of the result that will come from experience and can be positive or negative. Expectations are partially based on perceptions. If the previous experience with a guesthouse was negative, the next visit will probably start on a negative note of dissatisfaction. If guests' experiences fall short of what they have been led to expect or have learned to expect, they will be unhappy (Ford *et al.* 2012:17). At the least guests expect: cleanliness, courtesy, responsiveness, reliability and friendliness.

Perception is the way one sees something which is based on experiences. Everyone's perceptions of a situation will be at least slightly different. Perceptions are developed over time and reflected in the ways people have been treated, their values, priorities, prejudices and sensitivity to others. What is important here is that customers may not remember every detail of an experience but they will retain an overall feeling about it. That 'feeling' in combination with other experiences will create the perceptions. One may not be able to erase customers' negative perceptions but one can show them that their perceptions are not accurate (Harris 2010:16).

3.4.3   The consumer decision-making process

The consumer decision-making process can be divided into three stages, namely the pre-purchase choice among alternatives; the consumer's reaction during consumption and the post-purchase evaluation of satisfaction (see Figure 3.1).

- ***The pre-purchase stage: the stimulus***

This entails all the consumer activities occurring before the acquisition of the service is included in this stage of the decision-making process. The consumer receives a stimulus that motivates consideration of a purchase, be it a product or a service. The commercial cues result from promotional efforts, the social cues from individuals in the

peer group or significant others and the physical cues from biological cues such as hunger and thirst.

The stimulus leads to the awareness of a problem or imbalance and consumers need to determine whether they actually want to pursue the need. The need may be based on a shortage (a need) or an unfulfilled desire (want). If the consumer does not recognise the need the process stops, but if he/she does recognise the need he/she continues to search for information (Bennet 2000:94; Hoffman & Bateson 2006:85).

Commercial cue Physical cue Social cue		**STIMULUS**		
Shortage Unfulfilled desire		**PROBLEM AWARENESS**		*PRE-PURCHASE STAGE*
Internal External		**INFORMATION SEARCH**		
Multi-attribute models		**EVALUATION OF ALTERNATIVES**		
Buying Using Disposing		**CHOICE**		*CONSUMPTION STAGE*
Evaluation of satisfaction		**POST-PURCHASE EVALUATION**		*POST-PURCHASE STAGE*
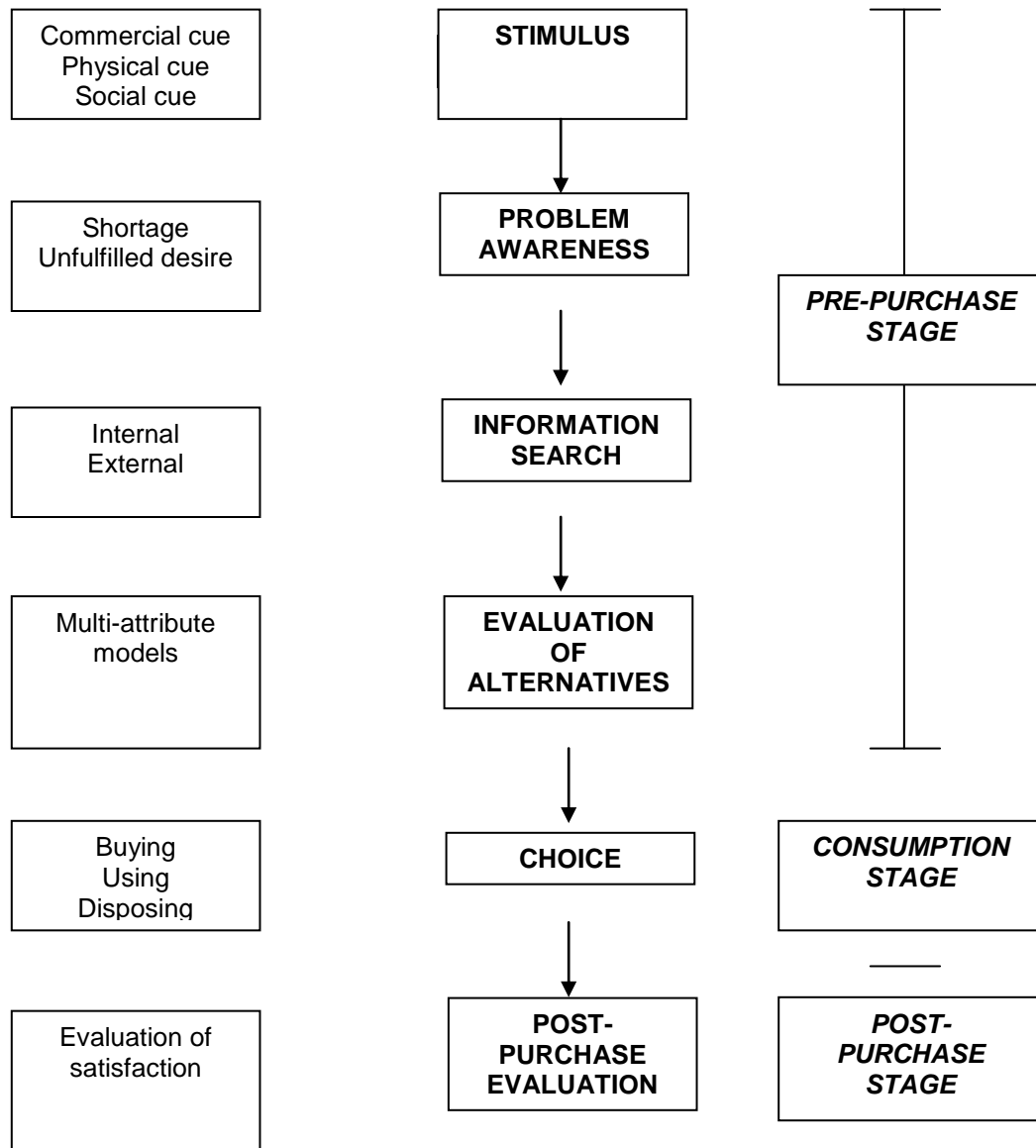
Figure 3.1: Consumer decision making process
Source: Hoffman & Bateson (2006:84)

During the information search the consumer collects information regarding possible alternatives based on the information gathered from past experience, convenience and knowledge. Thus internally the consumer assesses his/her own memories but externally the consumer searches for new information.

With all the information gathered the consumer has to evaluate the alternatives to find the best solution. Some consumers will go with the 'gut-level feeling' and others will follow a more formal process in evaluating the alternatives. At this level consumers should be able to compare alternatives, have easy access to product and service information and descriptions and be able to contact the service provider, such as the guesthouse, for additional information of availability (Hoffman & Bateson 2006:84-87).

- *The consumption stage: Choice*

At this stage the decision is made and consumption is taking place. With this come certain expectations concerning the performance of the service. It is during this stage that the service delivery should be excellent since it influences all future decisions and behaviour (Hoffman & Bateson 2006:88-89).

The consumption stage is more complex for services than that of goods. It involves a series of personal interactions between the customer and the service provider and this leads to the service experience. A guesthouse plays an active role in the customer consumption of the product and service which makes a huge difference in how this is approached. Consumers thus evaluate the service whilst consuming the product and this allows for the service provider to directly influence the evaluation of the service (Hoffman & Bateson 2006:97).

- *The post-purchase stage: Evaluation*

Post-purchase evaluation is all about customer satisfaction and this is a key outcome of the marketing process. Customers' expectations should be met or exceeded since customer satisfaction is an end in itself but also the source of word-of-mouth recommendations, which can stimulate further purchases. Customers compare perceptions and expectations (as is the case for this study) by weighing the importance of the various product/service attributes. The smaller the gap between expectations and

perceptions, the more positive the post-purchase evaluation will be (Bennet 2000:96; Hoffman & Bateson 2006:91). This is important for guesthouses and they should strive to exceed the expectations.

The importance of service delivery is thus clear from the consumer decision-making process, and guesthouse staff should be aware of their role in this process. In the next section attention is given to expectations and how to meet these, in many cases, unknown expectations.

3.5 MEETING GUESTS' EXPECTATIONS

Radder and Wang (2006:554) stated that many guesthouse managers in South Africa are not formally trained and there is a need for information on managing and marketing guesthouses in a professional, effective and profitable manner. This will require insights regarding customers and their needs as customers' expectations and management's perceptions can differ. Expectations are beliefs about a service that serve as standards against which service performance is judged (Zeithaml & Bitner 2003).

Guests arrive at the guesthouse with a set of expectations as to what the guesthouse can do and should do, how it should do it, how the people providing the service should behave and how the physical setting should appear. This goes together with what the cost and value of the successfully delivered service should be (Ford & Heaton 2000:15). First-time guest base their expectations on advertising, brand names, and previous experiences with other similar organisations and many more. However, those that have visited the guesthouse before have specific perceptions of what the experience will be like. Kaura and Datta (2012:38) stated that customer satisfaction results in the disconfirmation of prior expectations; thus meeting or exceeding the expectations. Customers buy something they have high expectations of based on the marketing mix, which is shaped by people, physical attributes and the processes of delivery. Page (2013:251) stated that service provision refers to a system in which elements of the product are created and assembled as well as delivered to the customer. It is thus in this process that expectations need to be met.

It remains a challenge to estimate guests' expectations accurately and then meet or exceed them. If the organisation cannot meet expectations it should not say it can –

never over-promise and under-deliver. Most guests have the same general expectations when visiting a guesthouse – as already stated, all expect cleanliness, courtesy, and reliability. The latter is also part of the SERVQUAL model (Parasuraman 1989). If these are not delivered, customers will complain. As a means of delivering on the expectations of the guests it is important to develop a service strategy.

3.5.1 Developing a service strategy

The service strategy forms part of the overall strategy of the organisation. This strategy provides guidance in how to make every organisational decision, from capital budgeting to handling a customer complaint. It is important to link the service strategy with the needs of the target market.

Step 1: Ask the customers what they want

This is an important step in the development of the service strategy. The guesthouse should know what their core competencies are and also ask the customers what they expect from this guesthouse. The value stated by the customers should guide the decision process on resource allocations. The star grading system (to be discussed later) provides guidance to both the owner and the customer what can be expected if the guesthouse is graded.

Step 2: The excellent service strategy

The first important aspect is to emphasise that quality and a commitment to quality will make a difference. The guests should receive more benefits from the guest experience than other costs. No matter what the service costs, customers must believe that they are getting significant value for their money (Ford & Heaton 2000:66). Value is perceived as quality received for a given price or price paid for a given quality (Fornell, Johnson, Anderson, Cha &Bryant 1996:9). Tourists want value for money with regard to accommodation (Yuksel &Yuksel 2001:340).

Service excellence is directed at the complete organisation. Employees should believe in service, training programmes should emphasise commitment to service quality, resources should be allocated to serving the customer and all action plans should support the service mission. Service excellence is also about genuine achievement.

When the service strategy has been defined it provides a basis for determining what the organisation's service product should be and all employees must be aware of this.

Employees must also be aware of the barriers to excellent customer service which include the following:

- Laziness of staff
- Poor communication skills
- Poor time management
- Poor attitudes
- Moodiness
- Lack of adequate training
- Inability to handle stress
- Insufficient authority
- Serving customers on autopilot
- Inadequate staffing (Harris 2010:15).

These barriers should be addressed to make sure it does not stand in the way of providing excellent service. Guesthouses can exceed the expectations of customers by becoming familiar with the customers, communicating with customers regarding their expectations, informing the customers what they can expect, living up to their expectations, maintaining consistency in service delivery and communicating with customers by using their preferred method of communication (Harris 2010:20).

Step 3: Action plans

The action plans represent the decision on how to best implement the service strategy in specific terms that will motivate and guide the rest of the organisation to accomplish the overall service strategy. The key action plan areas include: Management, Human resources, Capacity utilisation, Finance and Marketing. Each area should have a plan to ensure service excellence. Good plans are accompanied by good measures of achievement so that everyone knows how the plan is working. A service strategy can only be a success if employees understand the service-profit chain, to be discussed next.

3.5.2 The service-profit chain

The service-profit chain framework was developed by Heskett, Sasser & Schlesinger.(1997) and they proposed that customer satisfaction, loyalty and profitability to an organisation derive from the customer value equation (see Figure 3.2). The service-profit chain links employee satisfaction to customer satisfaction. In a workplace where the job design leads to employee satisfaction it will facilitate internal service quality. It is thus important for one to employ the right staff members. Satisfied employees remain with the organisation and improve their productivity. This leads to a sincere desire to assist customers, which results in external service value. Employee attitudes and beliefs about the organisation are often reflected in their behaviour which is visible to the customer and influences the satisfaction levels of the customer.

Satisfied customers become loyal customers and these customers demonstrate their loyalty by positive word-of-mouth referrals. The net effects of customer retention are increased revenues and profitability of the organisation (Hoffman & Bateson 2006:271-272). Satisfied customers are thus considered economic assets with high returns and low risks (Fornell *et al.* 2006) which will create shareholder value by increasing future cash flow growth and reduce its variability. Heskett *et al.* (1997) stated that the impact of perceived process quality, along with results produced, is on the customer's assessment of value received which, in turn, impacts on customer satisfaction.

OPERATING STRATEGY AND SERVICE DELIVERY SYSTEM
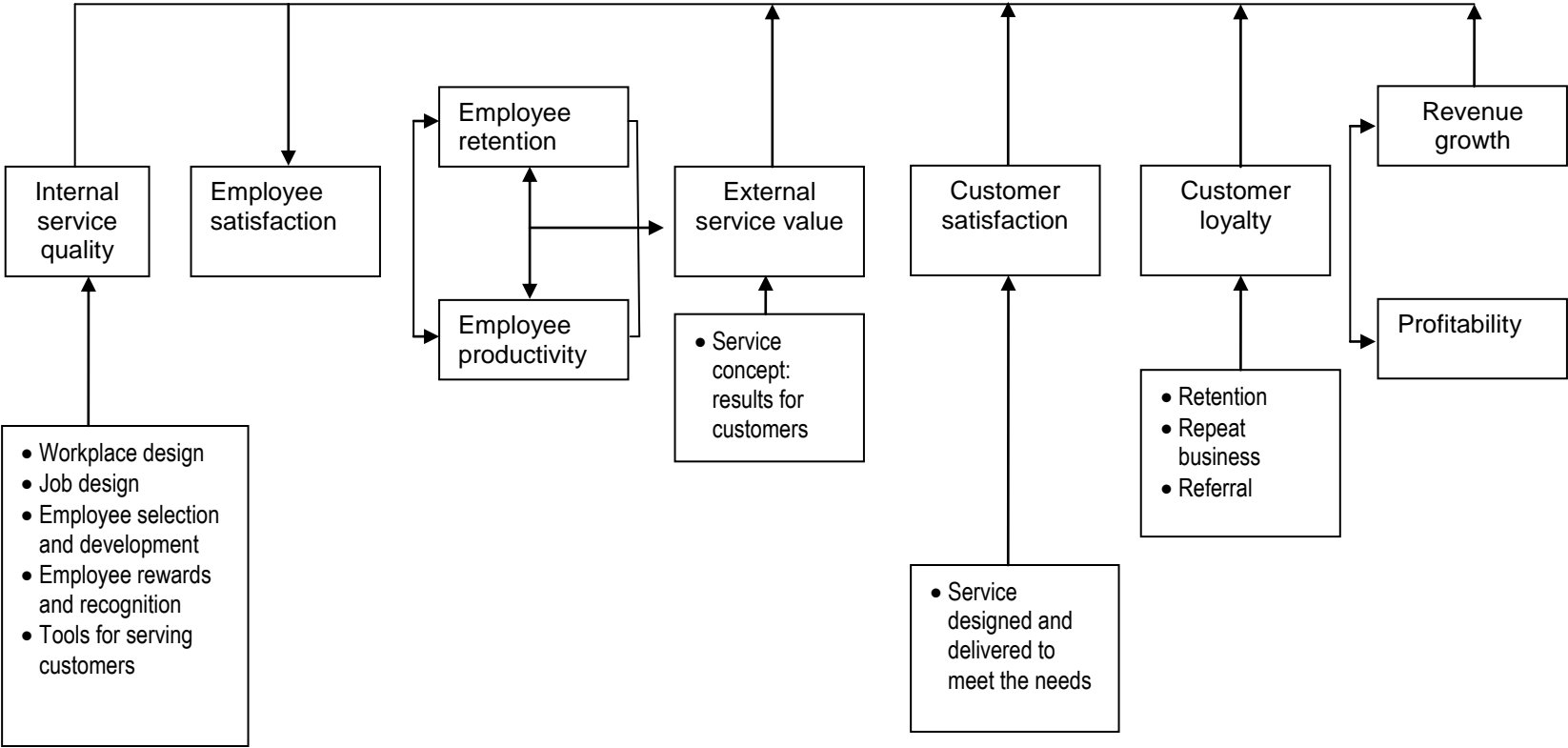
Figure 3.2: The service-profit chain

Source: Hoffman & Bateson (2006:272)

The next section focuses on the operational aspects of guesthouses and how service quality plays a role in each of these.

3.6 OPERATIONAL ASPECTS AND THE ROLE OF SERVICE QUALITY IN DELIVERY

As stated previously, guests have certain expectations when they visit a guesthouse. This will also differ between first-time and repeat guest. One needs to plan for these expectations and ensure that the expectations of guests are adhered to (Slabbert & Saayman 2003:117). The guest experience is dependent on the service product, the service setting and the service delivery system. The service product consists of both tangible and intangible elements and these should be optimised. The service setting refers to the environment in which the experience takes place. The physical aspects are important in this regard. Lastly the service-delivery system includes the staff and facilities as well as the organisational and information systems that assist in delivering the service (Slabbert & Saayman 2003:117).

The contact with the guesthouse is normally the reception area or contact with the frontline staff. The management of various guesthouse operations and functions are discussed below with an emphasis of where and how service delivery can make a difference with specific reference to front desk, food and beverages, purchase management and marketing. To run a bed & breakfast inn (B&B), you need to take care of business issues first, and then go about the business of caring for your guests. To make sure guests get the best impression of your B&B, train everyone who answers the phone, get rooms ready the right way, and do the prep work for the "breakfast" part of the service. You also need to keep important phone numbers handy for those unexpected but inevitable problems (White 2009:1) Even the best-run bed & breakfast suffers an occasional crisis, and the time to search for a drain-cleaning service is not when you have guests waiting for breakfast. Record telephone numbers of people to call in case of emergency such as Plumbing & drain cleaning service electrician, carpenter/Contractor, roofer etc. for quick fixes to ensure your guests' comfort, enjoyment, and safety

3.6.1 Front desk

The front desk is directly responsible for providing the value and quality of an exceptional experience because they are the interface between the guest and the guesthouse (Ford *et al.* 2012:152). When arriving at the guesthouse guest meet staff at reception and this is normally their first face-to-face encounter with the staff. It is expected by the guest that this person will be courteous, act professionally and take care of the specific needs of the guests. Even if guests are rude he/she should remain friendly and in control. Some personal qualities a receptionist is expected to possess in order to do the job successfully include attentiveness, a well-groomed appearance, initiative, loyalty, maturity, respect for confidentiality and discretion, a positive attitude and dependability. This is the first step in creating a positive image and even positive word-of-mouth communication.

When guests arrive at a guesthouse they should never have to wait for a room after check-in time as that is their first impression of the guesthouse and first impressions last. The arrival of guests marks the crucial moment at which they subconsciously decide whether the establishment meets or exceeds their expectations. An establishment should avail itself of this opportunity of convincing guests that they have made the right choice of guesthouse (Henning 2007:65).

It is also expected that the front desk should be open for specific periods of time and, if not, a contact number must be available where guests can reach someone from the establishment outside office hours. A guesthouse can also provide an extension number in cases where the front desk office is closed. It is normally sufficient to have staff members for service half an hour after guests have gone to their rooms as guests will seldom need assistance later than that (Holloway 1998:145).

Tsaur and Lin (2004:471) highlighted the fact that service quality depends heavily on the effectiveness with which frontline employees deal with customers and other employees. Managing employee behaviour should therefore be one of the key elements in efforts to promote service quality. In order to remain competitive it is important to increase service quality through increased employee performance. Employee service behaviour is explained by Bettencourt and Brown (1997:40) as the extra role and the role prescribed. Extra role service behaviour refers to the discretionary behaviour of

contact employees in service encounters that extends beyond their formal role requirements. Role prescribed service behaviour refers to expected employee behaviour that may derive from implicit norms in the workplace or from explicit obligations, as specified in organisational documents such as job descriptions. Frontline staff should be aware of the important role they play in improving service quality perceptions.

The front desk staff and guesthouse can assist in various ways:

- *Additional reservations:*

Reservations are regarded as a service delivered by the guesthouse to assist guests with reservations in restaurants, theatres and so on. The receptionist should help the guests in meeting their needs which might not necessarily be part of the service offering of a guesthouse as the guests are normally not familiar with the place and therefore require guidance. The way in which this is done can make a difference in service perceptions.

- *Additional information:*

Additional information is provided to guests to ease their stay and it is true that relevant information is important to the traveller (Narayan, Rajendran, Prakash Sai & Gopalan, 2009:77). This refers to information on how to reach a destination, down to where to dine. Henning (2007:26) states that telephone directories or brochures of the area of operation should be made available to guests in their rooms. Guests can also be provided with information regarding activities, events and much more. Since books or magazines containing South Africa's wildlife or other interesting topics can appeal to most guests it is advised that the lounge area should contain such magazines (Henning 2007:124; Narayan *et al.* 2009:77). The information required by first-time and repeat guest will differ and frontline staff should be attentive to this.

- *Safekeeping:*

The front desk also offers safe keeping of valuables of their guests, especially where a safe is not available in each room. While doing this, establishments must exercise strict control over the safekeeping area because it will only be as safe as their security measures (Henning 2007:120). Safekeeping facilities is a service, which provides secure keeping of any valuables ranging from money, traveller cheques, passports,

stand-over luggage and firearms of the guest. Strict control over the safekeeping area is associated with security measures of the staff and creates a sense of trust between guests and the staff. It is advisable that the receptionist or front desk operator issues receipts when receiving valuables for safe keeping and state the contents and amounts clearly to avoid the possibility of misunderstanding. The front desk is also used for keeping keys to different rooms within the establishment. By keeping the keys in this area, it guarantees that keys will not leave the premises when a guest checks out as they will have to hand it in at reception (Saayman & Slabbert 2003:142).

- *Wake-up calls:*

Wake-up calls are also managed by the front desk and it is very important that the front desk operator does not forget the wakeup-call at the arranged time. The guest relies on the front desk operator to prevent him/her from oversleeping and possibly missing an important meeting or interview. The best way to ensure that wake-up calls are performed correctly is to note them down on the breakfast schedule and let each staff member responsible for breakfast do the wake-up calls (Henning 2007:122).

- *Administrative assistance:*

Guesthouses provide a business area where guests can access internet, send faxes en print information. This is essential for any tourism product. However in some instances assistance is required from the front desk staff and thus these staff members should keep messages for guests, receive faxes and so on and provide these to guests when they collect their keys in the reception area or when they drop them off. This information should be dealt with in a confidential manner and also safe guard against supplying information concerning guests to outside callers. A business could become unpopular if employees answer questions about the whereabouts of guests from unknown callers from outside.

General operational aspects contributing to the effective management of the guesthouse:

Seen from an operational management perspective, it is important for managers of tourism services such as guesthouses to understand the importance of tourists' involvement in the various activities of the service delivery process because tourists highly value this involvement. Understanding this will assist managers in streamlining

their operations, enabling them to enhance the quality of the guest experience by incorporating the services they enjoy the most (Kandampully 2000:11).

- *Hospitality:*

Tourism, like the guesthouse industry, is fundamentally about hospitality. Customers expect hospitality above anything else from the service providers. They would prefer their accommodation to feel like a 'home away from home' and expect employees to be trustworthy, reliable and able to respondent to complaints as effectively as possible (Narayan *et al.* 2009:78).

- *Location of the guesthouse:*

The location of a guesthouse will invariably be a first consideration when a tourist is selecting accommodation. Location implies both the destination and the location within the destination are suitable for different types of tourists. It is for this reason that most business people prefer to be accommodated in a city area (Holloway 1998:148).

Guesthouses can, however, be far from the city centre by having a good transport system such as the Gautrain. However, this is not the case everywhere in South Africa but provision is made in some cases for shuttle services to transport guests on request.

- *Departure times:*

The adherence to departure times has a direct impact on the readiness of rooms when a new client arrives. Staff of guesthouses need to mention the time of departure to guests in their welcome letter or during check-in to avoid having guests that assume they can vacate their rooms at their own convenience (Bettencourt &Brown1997:50).

It is advisable that a friendly but firm stand concerning departure time be taken unless a later departure time had been pre-arranged without causing inconvenience to the next guest. A reasonable time for departure is between 10h00 and 11h00 in order to prepare for the standard arrival time of between 12h00 and 14h00. These times are internationally accepted and a guesthouse does not have to apologies for adhering to these.

In some cases there are requests for early arrivals and late departures that might result in the room not being occupied the day after late departure or the day before early arrival. It is acceptable in such cases to charge up to 50 percent more of the normal rate. It could, however, do a great deal for an establishment to allow late departures and early arrivals at no cost because of the goodwill extended beyond the level that the guest anticipated. This is good for the establishment and it is recognised as meeting more than the customer's expectation (George 2001:55).

- *Dry cleaning:*

Dry cleaning is one of the services guesthouses can offer, at an extra fee though. Guesthouses usually have an arrangement with a reliable dry cleaner depending on the size of the establishment and its star rating. In smaller guesthouses though, the housekeeping staff do occasionally wash guests' clothing on request.

It is important to make sure that the dry cleaners do deliver on time so that the guests do not become inconvenienced in any way, bearing in mind that all these small extras will determine the establishment's customer service level in the eyes of the customer. It is important to make sure that the laundry of different guests does not get mixed up with others by checking the laundry items against a laundry check list from the time they are taken from the guests to the time they get delivered back to the guest.

- *Billing:*

With regard to presenting the guest's bill, it is important that the bill the front desk presents to the guest at the point of departure must be perfectly correct. The bill must be checked before it is presented to the guest as it would reflect badly on the client if there are any inaccuracies, and no excuse will be acceptable at that time. The guest's bill should be considered to be one of the most important facets of the establishment. With regard to payment of the account, it is advisable for guesthouses to have facilities for cash, credit card and direct deposit into a bank account. The key words here are ease and accessibility.

If a guest is not personally responsible for the account and does not pay it when checking out, the establishment will send the account to a booking agent or company responsible for payment. Even if the guest does not settle the account on departure, it

is important to have the account ready at this point to obtain his/her signature against the final amount. This will serve as a proof that no extra amount was added to the account. The departing guest will leave with a certain impression of an establishment; this will determine the kind of reference he/she will give to other prospective customers. Guests could be used as the best marketing tool because they speak from personal experience and not hearsay with regard to an establishment.

- *Availability of health services:*

Guesthouses should make an arrangement with a specific health practitioner that will be available to attend to guests' medical needs whenever necessary or a reliable nearby clinic or hospital where guests could be taken to in case of emergency. Guesthouses should have a well-equipped first aid kit with anything normally needed in a household (Laws 2004:59).

- *Security:*

Tourists choose to visit safe and pleasant places. Guesthouses compensate location by having a very good security system and being located in relatively safe areas. Secure parking area behind locked gates is essential. This is to prevent a situation in which a guest's own car or rented car is stolen or damaged, that in return will leave a bad name for the guesthouse. Guesthouses usually have registration books of all the cars that will be inside the premises overnight, with car registration number and the name of the person driving it. Security has thus become an inevitable dimension of service quality in tourism-related studies (Yuksel & Yuksel 2001:335).

- *The importance of staff:*

Staff is the most important source of product differentiation. It is often the challenge of service organisations such as guesthouses to differentiate itself from other similar organisations and service levels can provide that differentiation (Hoffman & Bateson 2006:254). Highly motivated staff will are more likely render excellent service than unhappy staff, which will form part of the experience of the visitor.

Pro-active tourism managers have made quality their focal point. In a study done in China by Tsang and Qu (2000:316) it was stated that the hotel industry in China was facing a problem of finding qualified and well-trained employees and management to

provide service that could meet the standards of foreign tourists. It was also evident that most service providers lack understanding and appreciation of international standards. Many hotel employees also had service attitude problems that drew constant complaints from foreign tourists.

As the service industry employees have more contact with consumers, it is essential that they be empowered and enabled. Grönroos (2007:225) argues that if the employees in consumer contacts are not given the authority to think and make decisions for themselves, they become victims of a rigid system. Through these rigid rules and systems, which hamper consumer-contact employees instead of them being empowered to handle deviations from standard operational procedures; consumer contact employees may become demotivated.

- *Influence of culture:*

Weiermair (2000:399) states that a cross-cultural service encounter typically exists when the supplier and the customer belong to different cultures. The service provider must attempt to understand foreign expectations if the customer is to be satisfied (Warden, Liu, Huang & Lee 2003:438). Tourists in a new environment with different cultures may lack the social support system and networks which mediate the service environment within their own culture. When tourist expectations cannot be met, the differences between perceived reality and expectations are reconciled. This often forms the basis for an emotional reaction such as disappointment, loneliness and fear, which can result in cultural conflicts. Thus cultural conflicts implicitly emerge between the service provider and the tourist which will decrease the service experience for the visitor. Warden *et al.* (2003:450) stated that customers from outside cultures come with their ideas but it is impossible for an organisation and its employees to understand all cultures and thus service failures should be dealt with effectively. The result of doing nothing can be classified as rude and experienced as negative.

- *Amenities:*

Should a guesthouse have a *swimming pool*, then swimming pool towels should be made available for guests and deck chairs next to the swimming pool are always a good investment. This is particularly true if a guesthouse's clientele are tourists – not academic or business type of persons.

Whether or not a guesthouse has a policy about *smoking*, the employees should always use their discretion about confronting guests with regard to smoking. A designated smoking area should be made available and "no smoking" signs put up in the rooms. Management decides whether or not they can afford a rigid policy with regard to smoking (Henning 2007:194).

The authors suggest that guesthouses should invest in a good quality *visitor book* as it has undoubtedly become a treasured item in recent years. These books are displayed where guests can read them, and guests are more likely to browse through these books and make their own entry without an employee prompting them to do so.

Housekeeping is an essential element in a guesthouse and linen should be changed regularly as guests sometimes do inspect these aspects when entering a room. Housekeeping staff should be trustworthy people as they will be touching some of the guests' personal belongings. Each guesthouse has a specific way of making their beds and new staff members should be properly trained in this regard. Housekeeping usually takes place after the check-out time so that by the time a new guest arrives the room is clean. Hygiene is a very important aspect of service delivery and the lack thereof can emerge as a source of concern (Narayan*et al.* 2009:79).

The bedrooms form a very important part of a guesthouse as guests spend most of their time in their rooms. It is advisable that the bedrooms must be located away from the reception area and bedrooms should not be accessible to non-guests. The layout should accommodate an en-suite bathroom for every room and it must be large enough to accommodate the furniture (Henning 2007:62).

Both service and facilities must be maintained at the same high standard on a daily basis to establish a favourable image of a guest to use. It might be fairly straight forward to maintain facilities at a high level but, since the service and product is highly perishable, it can never be stored from day to day. The best way of ensuring that the upkeep of facilities stays under control is by developing a systematic programme during which all facilities that need to be maintained are checked regularly. This will prevent an embarrassing moment where everything goes out of order all at once.

A very important point to be taken into consideration is that accommodation should not only be seen as 'a room to sleep in' but rather as a total leisure experience comprising a range of services and emotional experiences which together make up a holiday or business stay (Holloway 1998:152).

3.6.2 Food and beverages

Certain tourists travel to a destination primarily to understand and experience the local cuisine, which highlights the importance of the quality of the food (Narayan *et al.* 2009:80). In general, guesthouses offer breakfast and the price is usually included in the final amount. Other meals can, however, be provided on request. With regard to offering breakfast, the welcome letter should specify the times at which breakfast will be served and the employees should ask the guest what time is preferable to them for breakfast within the provided times. This is important so that an establishment gives each guest undivided attention. This will lead to increased levels of service delivery. The breakfast should be the flagship of the meals an establishment serves because it is often the only meal guests enjoy at this type of establishment or the last meal a guest eats before departing (Laws 2004:15). These impressions must last.

Laws (2004:17) further adds that the standard of the breakfast served will thus strongly influence the guest's impression of an establishment. The establishment should decide on how wide a variety will be provided to guests and then make a selection from a list of items that have been chosen. An important factor to be taken into consideration is to not try to offer too wide a variety because it will complicate the preparation process to be borne in mind is that guests do not eat the same things as they are all different and unique.

In a small establishment it is advisable to ask guests what they would like to eat for cooked breakfast from a number of available options. This will also help decrease the amount of leftovers and waste. Items that will be needed for breakfast must be standardized and make sure that there is enough stock to last for at least two days. Guesthouses should not offer an a la carte choice to guests of dinner or breakfast as it is not economically viable. This is done to prevent wastage of food that has not been used economically.

Various guesthouses host a communal bar in a lounge where guests can help themselves to cold beverages and often it works more efficiently than bar fridges in the rooms. The basis of such a bar is that guests help themselves to drinks and enter the items they used in the bar in a consumption book placed at the honesty bar. It is a lot easier to check the items in the book than to check contents in different fridges.

3.6.3 Purchasing

The objectives of good purchasing management are to keep continual regular stock as running out of stock would mean poor service delivery. Better time management is important to avoid daily shopping for products. To optimise frequency with regard to purchasing function, one should standardise certain items and plan purchasing according to chosen criteria for all meals that an establishment offers, and cleaning needs. Standardising all items has the following advantages (Henning 2007:125-126).

- Allows comparison of prices between suppliers
- Cost of items can be worked out in a standardised manner.
- Orders can be made on either weekly or monthly basis if storage space allows that.
- Works more effectively because telephone calls and petrol and time will be saved.

This area is one of the most critical areas in an organisation and needs intensive management. Purchasing management also covers areas of outsourcing and insourcing. In recent years the term strategic purchasing has taken over and has been defined by Cousins, Lawson and Squire (2006:99) as the process of planning, implementing, evaluating and controlling strategic and operation purchasing decisions by directing all the activities of purchasing functions towards opportunities consistent with the organisation's capabilities to achieve its long-term goals. If purchases are not done in the correct manner the staff will not be able to deliver the desired levels of service since they do not have the means to do that. This will have a direct negative effect on service perceptions.

3.6.4 Marketing and Public Relations

Marketing efforts and public relations of any guesthouse influence the impression the outside world has of this guesthouse and due to the intense competition in this area it is

important to maintain a favourable image. For this reason it is important for guesthouses to pay attention to all stationery, communication, correspondence as well as advertising brochures and other marketing material which should reflect a high level of professionalism. Furthermore, specific attention to language and spelling is important. All the staff members who deal with clients or potential clients are representatives of an establishment and managers should never make incompetent people deal with clients as this will most definitely destroy the professional image of an organisation.

The whole objective of marketing and public relations is to create awareness about an establishment and consequently generate a flow of satisfied guests who will advertise by word-of-mouth. If a marketing strategy is well planned and implemented successfully it will save a huge amount in new marketing costs. More important, what is promised in the marketing material should be delivered and experienced at the guesthouse. It is fairly easy to make promises in marketing material but employees should be able to deliver.

Word-of-mouth communication and marketing does not work very well in the first few years of the existence of the guesthouse and it takes approximately three years for guesthouses to establish themselves in the market. All the employees in the organisation thus have a crucial role to play in the marketing process of the organisation, be it the front-line employees or those supporting them from behind the scenes. Some employees play a more important role than others depending on the situation and the level of interaction they have with the customers and this level usually depends on the tangibility of the service (George 2001:275).

Business firstly needs to get consumers in order to have customers. Biech (2007:75) stresses that business owners cannot wait for customers to come into the business or wait for the phone to ring – active marketing for guesthouses is important. The guesthouse needs to promote itself and the services it offers and create an image of exceptional service delivery. A guesthouse will be successful if there is adequate flow of customers, professional image and an ethical reputation and this requires a large amount of time and energy (Biech, 2007:76).

3.7 OUTCOMES OF EXCELLENT SERVICE DELIVERY

When providing a service, the initial task is to differentiate between important needs and needs of lesser or no importance, determine the guest's important needs and concentrate on emphasising product and service benefits that will satisfy these needs (Futrell 2004:109). Hence it is important for staff to know and understand how consumers perceive the quality of the product offering. Furthermore, they need to have an understanding of how these perceptions influence the consumer's ultimate purchase decision (Douglas & Connor 2003:167) as described in the consumer decision-making process. People buy for reasons other than only what the service will actually do or its price. There are practical as well as psychological reasons for buying, which should be understood by those delivering the service. It is also important to comprehend that aspects such as the cleanliness of a guesthouse can improve tourists' level of satisfaction.

The following outcomes can exist:

- Staff on performance-related pay will work harder to enhance the quality of their service due to the additional income
- Extra profit may be generated (Parasuraman *et al*. 1988) that enables the establishment to upgrade its facilities and to send staff on training programmes
- Experience strongly influences consumers concerning repurchase decisions. In other words, customers become primed by every experience to create more positive memories of earlier brand experiences. Based on research conducted by Barlow and Steward (2004:56), lived experience with a brand through purchase and usage over the life cycle will tend to dominate the mediated experience of advertising. Reinforcing a brand through every customer touch point can therefore provide the repetition necessary to inspire repeat purchase.
- Staff members are more content to work for a guesthouse that provides high-quality service.
- A guesthouse can differentiate itself from other businesses by either emphasising that it offers good value for money services, for example by offering only fresh food and certain types of linen for their beds.
- The way in which management responds to customer grievances can also play a role in customer satisfaction and has a lasting effect on customers' relationship with the establishment concerned since in the tourism industry service is a once off and cannot be repeated thus, making it very sensitive (George, Salgoankar & Hedge 2007:22).

- It can provide a competitive advantage (Goffin 1999:376)
- It can have an impact on increasing the success rate of new service offerings (Goffin 1999:376)
- A quality product and service creates loyal customers and increases positive word-of-mouth communication.
- Providing quality offering not only brings in more revenue; it also reduces costs.

Service encounters involve feelings of anxiety and uncertainty about service outcomes as customers (tourists) feel \they have no or little control. Tourists may sense this lack of control due to the varied nature of service employees' motivation and non-controllable service settings, and due to varying embedded social support systems/groups (Weiermair 2000:399). Hence, in order to deliver quality service, the procedures must be designed to meet the needs of all customers and thus it is important for the organisation to:

- Be customer-focused and customer driven, designed for the convenience of the customer and staff;
- Be flexible to attend to individual needs and ensure fast and effective recovery of service failure where needed;
- Constantly monitor external performance and make provision for changing customer requirements;
- Support front-line staff in their role as customer-service providers;
- Constantly monitor internal performance and make provision for additional recruitment, training and development B & B (O'Neill, Williams & Groves2000:132).

In order to facilitate service delivery in South Africa, the Tourism Grading Council of South Africa was developed to manage the process of grading and therefore contributing to the promise of service quality for those graded with this quality body. This is discussed in the next section.

3.8 TOURISM GRADING COUNCIL OF SOUTH AFRICA AS QUALITY BODY

The Tourism Grading Council of South Africa (TGCSA) is an independent assessment agency that attempts to establish a common set of standards ("star ratings") by which guest to hotels, guesthouses, conference venues, and other accommodation facilities may compare different establishments. TGCSA is the officially recognized assurance

body for tourism products in South Africa. Tourism products can participate on a voluntary basis in this programme.

TGCSA ensures that the establishments one visits adhere to certain standards and offer excellent client service. Graded establishments are allowed to use the South African Tourism Grading Council logo. South Africa Accommodation by Star Grading, as graded by the Tourism Grading Council of South Africa, which is the only government mandated, industry-supported quality assurance authority in South Africa. The Tourism Grading Council evaluates those South African establishments which apply for grading and grades them one to five stars, according to the type of accommodation provided - hotels, lodges, guest houses, self-catering, caravan parks & camping and backpacking.

The Star Grading Assessments is explained as follows:

- One Star - Fair to good (acceptable/modest) quality in the overall standard of furnishings, service and guest care. Clean, comfortable and functional accommodation.
- Two Stars - Good quality in the overall standard of furnishings, service and guest care.
- Three Stars - Very good quality in the overall standard of furnishings, service and guest care.
- Four Stars - Superior (excellent) comfort and quality. High standard of furnishings, service and guest care.
- Five Stars - Exceptional quality, luxury accommodation (matching best international standards). Highest standard of furnishings, flawless service and meticulous guest care.

The TGCSA grading plaque can be displayed by establishments but remains the property of the TGCSA. The TGCSA granted grace periods for establishments to meet criteria. For the period 2011-2012, a total of 208 establishments had been given grace periods. Up until March 2012, the TGCSA had set itself a target to grade 6 051 properties, but the actual figure attained was 5 728. The Committee was given a breakdown of the number of graded establishments in the provinces. There was a total of 23 467 accredited establishments in South Africa and of these, only 5 728 were

graded. The remaining approximately 17 000 non-graded establishments, of which profiles are on the South African Tourism's website, are encouraged to get graded. Establishments are well aware of the marketing value of having their profiles on the website (Tourism Grading Council of South Africa website: 2013).

3.9 CONCLUSION

The purpose of this chapter was to provide an overview of service delivery in the tourism industry, with specific reference to guesthouse management and aspects that will contribute to excellent service delivery in these types of establishments. It was clear that the fragmentation and the structure of the tourism industry, consisting of high numbers of SMEs, can have an influence on the awareness of and the priority given to service excellence. This taken into account it was also evident that the high levels of competition in this industry drives guesthouses to provide excellent services. Guesthouses seem to offer more benefits and services than do B & Bs. However, in many cases in the industry the guidelines for being called a guesthouse or being called a B&B is not controlled or adhered to. This also leaves room for uncertainty regarding what they can and should offer guests. It was clear that although various rules and regulations exist for setting up a business such as a guesthouse, the importance of employees that are trained in delivering high levels of service quality was not as strict or visible even though it is expected from these establishments.

The role of the consumer in delivering quality service was highlighted and one cannot exceed expectations if there is no awareness of what these expectations consist of. Expectations can be seen as personal visions that are partially based on perceptions. Perceptions are the way one sees something and these are based on experiences. Service delivery plays an important role in the consumption stage of the decision-making process and it is in this phase that the expectations should be met or exceeded to facilitate positive perceptions. It was also evident that promises should be kept, especially those made in marketing material. The first step in developing a service strategy is by asking the customers what they want and also to be clear on what the guesthouse can provide. From these bases the service strategy can be developed and managed by the employees. The employees can be considered the key role players in the service delivery process and management must equip them with the means to provide excellent service. The ultimate goal of service delivery is customer satisfaction,

which will lead to loyal customers. The service-profit chain can assist in understanding and implementing this process.

It was clear in the discussion that there are various sections in the guest-encounter that excellent service can be delivered but that the front-line staff is the component that plays the most important role in this process. Attention should be given to the general expectations such as responsiveness and cleanliness but also to the ways in which the employee can go the extra mile for the guest – this will make a difference to the perceptions. It was also found that excellent service will pay off in the form of profit, employee loyalty, and guest loyalty, having a competitive advantage and reducing costs. This in itself makes it important to measure the expectations of guests and compare these with the perceptions to measure the level of service quality.

CHAPTER 4
RESEARCH METHODOLOGY

4.1 INTRODUCTION

Research is a process that involves obtaining scientific knowledge by means of various objective methods and procedures (Welman, Kruger & Mitchell 2005:2). Research methodology is usually a guideline system used for solving a problem, with specific components such as phases, tasks, methods, techniques and tools. It generally refers to the rationale for the application of particular research methods (Hammond & Wellington 2013:109) and techniques. Binsardi (2013:2) stated that research methodology is needed to reach efficient conclusions since methodology provides a systematic way of undertaking research and producing knowledge.

Research methodology can be considered to include multiple methods, each as applied to various facets of the whole scope of the methodology. The research can be divided into two parts; they are qualitative research and quantitative research. The purpose of this chapter is to describe the research methodology used in this study in order to address the research problem. This is realised by means of a discussion of the research design followed by a description of the quantitative research measurement used, the data collection method and the process of statistical analysis.

4.2 RESEARCH DESIGN

Research design is considered a "blueprint" for research, dealing with at least four problems, namely which questions to study, which data are relevant, what data to collect, and how to analyse the results. The best design depends on the research question as well as the orientation of the researcher. Every design has its positive and negative sides (Blumberg, Cooper & Schindler 2005:195; McDaniel & Gates 2002:63; Robson 1993:16).

The following designs exist:

- *Exploratory studies:*

Exploratory research is useful when researchers lack a clear idea of the problems they will encounter during the study. Jennings (2010:17) stated that this is conducted when very little or no information exists on the tourism phenomenon being investigated. This design allows for development of concepts, establishment of priorities, development of operational definitions and the improvement of the final research design (Blumberg *et al.* 2005:201).

- *Descriptive studies:*

Descriptive studies are more formalised and structured with investigative questions. These formal studies can be directed at: descriptions of phenomena or characteristics associated with a subject population, estimates of the proportions of a population that have these characteristics and discovery of associations among different variables (Blumberg *et al.* 2005:207). Descriptive research is interested in 'who' and 'what' and can be developed using quantitative, qualitative or mixed method methodologies (Jennings 2010:18).

McCutcheon, Aruguete, Edman and Kennison (2011:8) stated that descriptive research aims at describing something by summarising it to make it easier and simpler to understand. Common descriptive statistics include the mean, median and mode.

- *Causal studies:*

Causal research may be generated from either exploratory or descriptive research. It is primarily linked to the use of a quantitative methodology and involves the use of variables and the construction of hypotheses to support or reject causal relationships between two or more variables (Jennings 2010:19). McCutcheon *et al.* (2011:10) stated that the ultimate goal in science is to determine the truth about what caused the observed behaviour. The essential element of causation is that A 'produces' B or A 'forces' B to occur and therefore implies a kind of prediction. Predictions can be considered to reflect cause only when all the relevant information is considered (Blumberg *et al.* 2005:211). A dependent variable is a symbol or concept expected to

be explained or affected by an independent variable. The independent variable can to some extent be manipulated, altered and changed (McDaniel & Gates 2002:64).

For purposes of this study descriptive design was chosen to describe the differences between service expectations and service perceptions.

4.3   RESEARCH METHODS

There are two main approaches to research, namely quantitative and qualitative methods. These allow for the exploration of unexplained phenomena as well as those previously explained but misunderstood (Welman *et al.* 2005:9). The distinction is based mainly on the kind of information used to study a phenomenon.

4.3.1   Qualitative research

Qualitative research is a term used loosely to refer to research of which the findings are not subject to quantification or quantitative analysis (McDaniel & Gates 2002:122). It is text-based interpretation to identify themes.. It is an inductive approach that generates theory from empirical materials and evidence (Jennings 2010:205). Qualitative research can be used to describe events and persons scientifically without the use of numerical data. It is concerned with collecting in-depth information and samples tend to be smaller than those of quantitative research, which includes much larger samples. In-depth interviews or group discussions are two common methods used for collecting qualitative information (Monoharan 2010:13).

Welman *et al.* (2005:8) stated that qualitative data are thus presented in words instead of numbers and the researcher tries to understand the significance respondents attach to their environment. It is seen as the dynamic and changeable nature of reality.

Various methods can be used to implement qualitative research which includes case study research, participant observation, interviews and focus groups. Jennings (2010:193) stated that these methods are informed by the holistic-inductive paradigm that reflects multiple realities, a grounding in real-world settings and a subjective epistemology. These methods aim at explaining and understanding the participants' experiences of phenomena and not the description of the phenomena.

4.3.2 Quantitative research

This is the research conducted using a range of methods which use measurement to record and investigate aspects of social reality (Bles & Higson-Smith 2000:156). The process of measurement is central to quantitative research because it provides the fundamental connection between empirical observation and mathematical expression of quantitative relationships. Quantitative data are any data that are in numerical form such as statistics, percentages and so on (McDaniel & Gates 2002:122).

The greatest weakness of quantitative research is that it decontextualises human behaviour in a way that it removes the event from its real-world settings and ignores the effects of variables that have not been included in the model. It also lacks depth and richness of data that is present with qualitative research because there are so many participants using quantitative research and it is impossible to know all the details about each and every one (Andersen & Taylor 2009:25).

Hulley (2007:169) stated that the quantitative researcher asks a specific, narrow question and collects numerical data from participants to answer the question. The researcher analyses the data with the help of statistics. The researcher knows in advance what he/she is looking for and all aspects of the study are carefully designed before the data is collected. The data can be analysed by means of univariate, bivariate and multivariate analysis (Jennings 2010:299).

For purposes of this study quantitative research by means of an analytical survey method was used based on a two-pronged approach – a literature review and an empirical study.

4.4   RESEARCH METHODOLOGY

This section discusses the research methods followed in this study.

4.4.1   Literature review

The literature review focuses on reviewing the literature dealing with the chosen research topic. It is important to conduct a comprehensive literature review in order to reveal inconsistencies and gaps that may justify further research. Welman *et al.* (2005:39) stated that a literature review can provide important facts; it enables the

researcher to avoid duplicating research – if the topic is the same it can provide information on the aspects that have not been investigated or used in a different case study. It thus provides a basic body of knowledge for the derivation of theories, principles, concepts and approaches for research (Struwig & Stead 2004:39).

There is no single best structure for a literature review but one should ensure that it gives a decent account of the literature and informs the reader about what has been done so far in the field. The literature review should not consist of a mere compilation of separate, isolated summaries of the individual studies of previous researchers. One should indicate how these studies relate to one another and how the proposed research ties in with them. If a contradictory finding is evident one should point out this discrepancy. It is also important to include both primary and secondary literature sources (Welman *et al.* 2005:43). This process thus involves: searching for information, assessing the information obtained and synthesizing the assessment of the information (Blumberg *et al.* 2005:114).

The literature review is thus a piece of academic writing and it must be logically structured and clear. To meet the objectives of this research, both primary and secondary sources were used. Online databases such as EBSCO-Host, Social Science Indexes, Science Direct, Humanities Indexes as well as Google Scholar were used to search for related articles, mainly in the service quality, service delivery and the tourism industry sources. Books were obtained from the library of Vaal University of Technology.

Keywords in the literature search included: *service delivery, service quality, tourism industry, guesthouses, accommodation.*

4.4.2   Quantitative study

Quantitative research involves larger representative samples, and structured data collection methods being used. Descriptive research can be conducted by means of a quantitative study which is the reason for selecting it for this study.

4.4.2.1 Sampling and description of sampling

Bles and Higson-Smith (2000:156) defines sampling as the technique by means of which a sample is drawn from the population. Researchers rarely survey the entire population because the cost of a census is too high. The three main advantages of sampling are that the cost is lower, data collection is faster, and since the data set is smaller it is possible to ensure homogeneity and to improve the accuracy and quality of the data. When conducting quantitative research, it is always impossible to study the entire population one is interested in as it would be expensive and time consuming. For this reason, in research a technique widely used to gather information about a population without using the entire population, called sampling, is used.

Blumberg *et al.* (2005:232) stated that the ultimate test of a sample design is how well it represents the characteristics of the population and this depends on accuracy and precision. Accuracy is the degree to which bias is absent from the sample and precision is measured by the standard error of estimate – the smaller the standard error of estimate, the greater the precision of the sample. The goal in sampling is to determine through facts whether that which is relevant for the sample will also be true of the population.

There are two approaches with various methods for conducting sampling, namely **probability** and **non-probability** sampling.

- **Probability sampling:**

In probability sampling every element in the population has a known non-zero probability of selection. Therefore each element has a known probability of being included in the sample.

  o *Random probability sampling*

A complete and accurate list of all items in the universe is needed. A random sample can then be drawn from the list with the aid of random numbers. Although this method is regarded as the best it is subject to error. The sample will not always be a precise replica of the universe and no research statistic is ever absolutely correct (Struwig & Stead 2004:112). McDaniel and Gates (2002:409) stated that it is not always possible to obtain a list but it can be obtained from sources such as telephone books.

o   ***Stratified random sampling***

Stratified random sampling is designed in such a manner that a predetermined number of items are chosen from each stratum (Struwig & Stead 2004:113). This method is preferred to simple random samples because of their potential for greater statistical efficiency – it will have a smaller sampling error (McDaniel & Gates 2002:410).

o   ***Cluster sampling***

When conducting cluster sampling the universe is divided into groups and then any number from these groups are selected at random (Struwig & Stead 2004:114). Cluster sampling assumes that the elements in a cluster are as heterogeneous as those in the total population.

o   ***Systematic sampling***

Systematic sampling is often used as a substitute for simple random sampling (McDaniel & Gates 2002:409). It includes a procedure in which an initial point is selected by a random process. One would randomly select a starting point and then include every 8th name (Struwig & Stead 2004:114). The main advantage of systematic sampling as opposed to simple random sampling is economy. It is often simpler, less time consuming and less expensive to use.

- **Non-probability sampling**

Implementation of non-probability sampling implies that the probability of any particular member of the population being chosen is unknown. In some instances non-probability sampling will best suit the needs of the research and thus the following methods exist:

- ***Convenience sampling***

Convenience sampling is chosen on the basis of availability. Respondents are selected due to their accessibility and their willingness to participate (Struwig & Stead 2004:111).

- ***Judgement sampling***

A sample could be selected on the basis of expert judgement. Specialists in the subject choose what they believe to be the best sample for that particular study (Struwig & Stead 2004:111; McDaniel & Gates 2002:417).

- *Quota sampling*

Respondents may be selected according to their characteristics for example age or income. The respondent therefore has to comply with certain criteria before qualifying for inclusion in the sample (Struwig & Stead 2004:111; McDaniel & Gates 2002:417).

- *Snowball sampling*

Snowball sampling refers to a variety of procedures in which initial respondents are selected by probability methods, but in which additional respondents are then obtained from information provided by the initial respondents (Struwig & Stead 2004:112). This procedure is used to sample from low-incidence or rare populations – that is populations that make up a very small percentage of the total population. The costs of finding these respondents may be so great that one has to utilise snowball sampling to obtain respondents (McDaniel & Gates 2002:418).

For purposes of this study the accommodation sector of Kimberley was identified as the population which included guesthouses, hotels, B & B's and self-catering establishments, the total of which was 120. Guesthouses and B & B's were contacted via telephone and/or e-mail to partake in the research. Those that responded favourably participated in the research. For the distribution of the questionnaires, a non-probability sampling method, namely convenience sampling, was used to collect the data from the guest.

Guesthouses did not provide lists of guest and the managers of these guesthouses were therefore requested to ask all guest to complete the questionnaire during the indicated time-frame (1 month). Each guesthouse was given a certain number of questionnaires based on the number of rooms available at the guesthouse. Added to the above the total number of guest to Kimberley is not known. The sampling procedure was based on guidelines set by Krejcie and Morgan (1970:608) for general research activities, which indicated that the recommended sample size (S) for a population (N) of 1 000 000 is 384. Based on this information, it was decided to distribute 500 questionnaires which would be representative of the sample population. Four hundred and fifty completed questionnaires were included in the final analysis.

4.4.2.2 Pilot study

A pilot experiment, also called a pilot study, is a small-scale preliminary study conducted in order to evaluate feasibility, time, cost, adverse events, and affect size (statistical variability) in an attempt to predict an appropriate sample size and improve upon the study design prior to performance of a full-scale research project.

According to Bles and Higson-Smith (2000:85) and Hulley (2007:168), a pilot study is a small study conducted prior to a larger piece of research to determine whether the methodology, sampling, instruments and analysis are adequate and appropriate. The authors further add that this allows the evaluator to identify any difficulty with the method or materials and to investigate the accuracy of appropriateness of any instruments that have been developed.

One advantage of this is that it might give advance warnings with regard to where the main research project can fail and where research protocol may not be followed. The first step of the pilot may involve using in-depth interviews or focus groups to establish issues to be addressed in a larger scale questionnaire.

Van Teijlingen and Hundley (2001:1) further add that the steps used to pilot a questionnaire on a small group of volunteers that are as similar as possible to the target population. A pilot study can also uncover local politics or problems that may affect the research. It should also be recognised that pilot studies may have a number of limitations and these include the possibility of making inaccurate predictions and assumptions on the basis of pilot data. Completing a pilot study successfully does not guarantee the success of the full-scale survey although the findings may offer some indication of the likely size of the response rate in the main survey. Pilot studies cannot guarantee this because they do not have a statistical foundation and are nearly always based on small numbers.

Since the current project analyses the phenomenon according to the SERVQUAL, which is a standardised measuring instrument, it was not necessary to conduct a pilot study. This instrument was also applied by Akbaba (2006) who implemented the instrument in the hotel industry in Turkey.

4.4.2.3 Data collection methods

Data are collected by means of one or more of the following methods and this goes hand in hand with the research method selected: observation, interviews and/or questionnaires. The type and amount of data to be collected depends upon the nature of the study together with its research objectives. The various data collection approaches can be divided into two categories: observation and survey methods. These methods have advantages and disadvantages (Hair, Babin, Money & Samouel 2003:124). The most appropriate method therefore has to be selected by the researcher (Maree 2007:156).

Struwig and Stead (2004:41) explain that data can be collected from questionnaires, observation, experiments, interviews, documents, photographs and films.

- *Questionnaires*

McDaniel and Gates (2002:352) stated that every form of survey research relies on the use of a questionnaire. This is a set of questions designed to generate the data necessary to accomplish the objectives of the research project and is a formalised schedule for collecting information from respondents. It is important for a questionnaire to provide the information required for management decisions, that it consider the type of respondents and the length of the questionnaire and that it meets editing, coding and data processing requirements.

Struwig and Stead (2004:89) indicate the following guidelines to questionnaire design:
- The questionnaire should contain precise and clear instructions on how to answer the questions
- It should be divided into logical sections by subject
- It should start with the questions that are easy to answer
- It should proceed from general to specific questions
- It should avoid technical jargon.

A questionnaire thus consists of a number of questions the respondent has to answer in a set format. A distinction is drawn between open-ended and closed-ended questions. An open-ended question asks the respondent to formulate his own answer, whereas a

closed-ended question has the respondent pick an answer from a given number of options. The response options for a closed-ended question should be exhaustive and mutually exclusive (Leung 2001:5).

- ***Observation***

Observation is a qualitative research method that occurs in naturalistic contexts. This can include one researcher or a team of researchers. The setting of the research is not structured and the actors in the environment are not aware of his/her presence. The participants continue with their everyday live and the observer is looking at larger trends or patterns of behaviour (Struwig & Stead 2004:100).

- ***Experiments***

Experiments can be conducted in a field setting or a laboratory. Field experiments are conducted outside the laboratory in an actual market environment. These can solve the problem of realism of the environment but it cannot control all the factors that might influence the dependent variable. Internal validity is thus questionable with field experiments (McDaniel & Gates 2002:245). For the purpose of this study the privacy and confidentiality of respondents was ensured by not asking personal sensitive questions such as names and contact details. Ethical clearance was not necessary because no personal sensitive information was taken and used from respondents.

- ***Interviews***

Personal interviews are versatile and flexible. Personal interviews allow for adaptions to the given situation and there are opportunities for explanations and clarifications. Sampling respondents can, however, be problematic and it is an expensive method for collecting data because the interviewers have to be trained and many interviewers may be needed to conduct all the interviews (Struwig & Stead 2004:87). If data is needed over a short term, this method is not recommended.

For purposes of this study the SERVQUAL measuring instrument, as developed by Parasuraman *et al.* (1988) and adapted by Akbaba (2006), was implemented.The questionnaire focused on measuring service quality based on tangibles (8 items), adequacy (8 items), understanding (6 items), assurance (4 items) and convenience (3 items). A Likert-scale questionnaire consisting of 29 items was used to measure service

quality in the accommodation establishments based on expectations and after-service perceptions. Respondents were asked to rate the importance of these factors on a Likert-scale of 1 to 5 where 1 was "not at all important" and 5 was "extremely important." Open and closed-ended questions were used to measure demographic characteristics of respondents.

Section A focused on the socio-demographic information which included questions on gender, age, marital status, province of residence and level of education. Travel behaviour questions related to frequency of stays at guesthouses and length of stay.

Section B focused on the expectations of guest to the guesthouse where the 29 service-quality items were analysed.

Section C focused on the perceptions of the guest after having visited the guesthouse where the 29 service-quality items were analysed.

Section D analysed the overall service quality of the guesthouse by means of a Likert scale question.

4.4.2.4 Statistical analysis

Analysis of data is a process of inspecting, cleaning, transforming, and modelling data with the goal of highlighting useful information, suggesting conclusions, and supporting decision making. Data analysis has multiple facets and approaches, encompassing diverse techniques under a variety of names, in different business, science, and social science domains (Adèr, Mellenbergh & Hand 2008:54).

Data analysis is conducted so that the researcher can detect consistent patterns within the data and furthermore, it allows the researcher to generalise the findings from the sample used in the research to the larger population in which the researcher is interested. Bles and Higson-Smith (2000:137) add that the process of data analysis itself takes many different forms depending upon the nature of the research question and design and the nature of data itself. The most important distinction between the initial data analysis phase and the main analysis phase is that during initial data analysis one refrains from any analysis aimed at answering the original research question.

The quality of data should be checked as early as possible. Data quality can be assessed in several ways using different types of analyses, frequent counts for example

and possibly corrected if coding schemes are not comparable. The quality of the measurement instrument should be checked during the initial data analysis phase when this is not the focus or research question of the study. One should check whether structure of measurement instrument corresponds to structure reported in the literature (Adèr *et al.* 2008:54).

After the data for this study was captured in the Statistical Package for the Social Sciences (Version 21) it was initially analysed to detect obvious mistakes. These mistakes were corrected by again consulting the physical questionnaires. Descriptive statistics were used to measure guest's expectation and perception scores. Paired *t*-tests were done to test the significant differences between the two means of expectations and perceptions. A factor analysis was performed to explore the dimensionality of the 29 attribute scale, and validity and reliability were established. Based on the factor analysis a multiple regression analysis was used to identify the relative importance of the factors in predicting the overall customer satisfaction with the service quality provided by the guesthouses.

A factor analysis is a data-reduction technique whereby a large set of variables are reduced or summarised by using a smaller set of factors or components. The manageable number of factors can be used in other analyses such as multiple regression or multivariate analysis of variance (Pallant 2010:181).

Paired-samples t-tests are used when one is interested in changes in scores for participants tested at Time 1 and then again at Time 2 (Pallant 2010:105).

Multiple regression is a more sophisticated extension of correlation and it is used to explore the predictive ability of a set of independent variables on one continuous dependent measure (Pallant 2010:104).

4.5 CONCLUSIONS

The purpose of this chapter was to describe the research methodology used in this study in order to address the research problem. It is clear that this research follows a descriptive research design based on quantitative research and that the research structure was logically planned and executed. Four hundred and fifty questionnaires

were usable for data analyses after distribution at the Kimberley guesthouses and B & Bs.

The analyses were done by frequency tables and figures (including the means and standard deviations in some cases), factor analysis, paired-samples t-tests and multiple regression. The next chapter will present the analysis and discussion of the data.

CHAPTER 5
EMPIRICAL
RESULTS

5.1 INTRODUCTION

The objective of this study was to measure service quality levels of guesthouses in Kimberley based on tangibles, adequacy, understanding, assurance and convenience. This can assist these establishments in gaining a competitive advantage over similar tourism products and assisting them in meeting and exceeding expectations of customers. This is especially needed in the accommodation sector where the high number of establishments in one city or town demands high levels of service quality.

The purpose of this chapter is thus to analyse and discuss the data gathered by means of the survey. Respondents were asked to complete the questionnaire whilst visiting the guesthouses and B & B's in Kimberley. Five hundred questionnaires were distributed of which a total of 450 completed questionnaires were captured and analysed. The first part of this chapter focuses on the descriptive results of the study and the second part on the exploratory results.

5.2 DESCRIPTIVE RESULTS

The descriptive results of this study are divided into four sections. Firstly, the socio-demographic information of the respondents is discussed, followed by respondents' expectations of the services to be delivered. In the third section attention is given to the perceptions of the delivered service and in the fourth section the similarities and differences between expectations and perceptions are discussed.

5.2.1 Socio-demographic information

The socio-demographic information provides an overview of the type of respondents that participated in the survey. This also provides an indication of the characteristics of guest to accommodation establishments in Kimberley.

5.2.1.1 Gender

GENDER

57%

43%

Male   Female
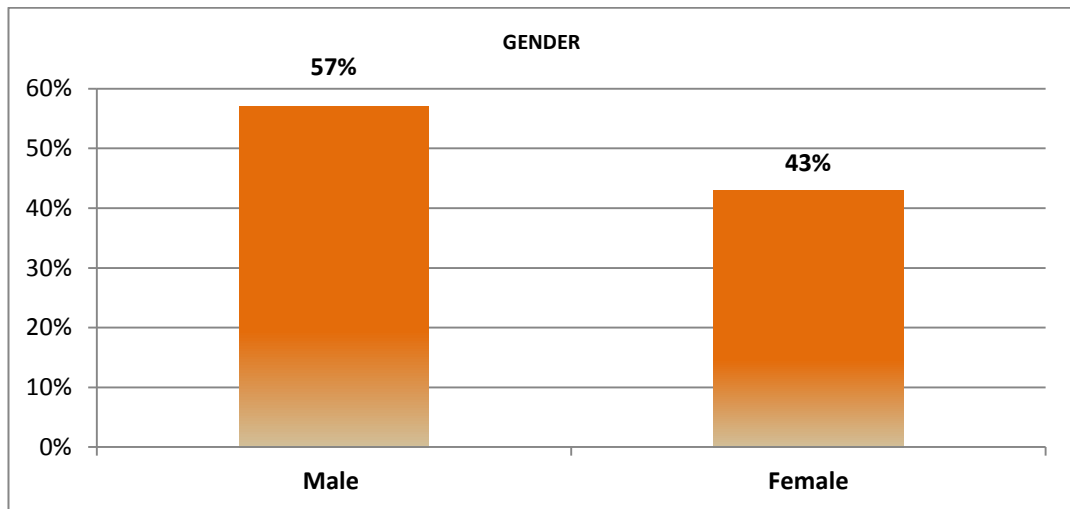
Figure 5.1: Gender

According to Figure 5.1, 57% of the respondents were male and 43% female.

5.2.1.2 Age

AGE OF RESPONDENTS

33%

26%

20%

16%

5%

< 25 years   26-30 years   31-40 years   41-50 years   50+
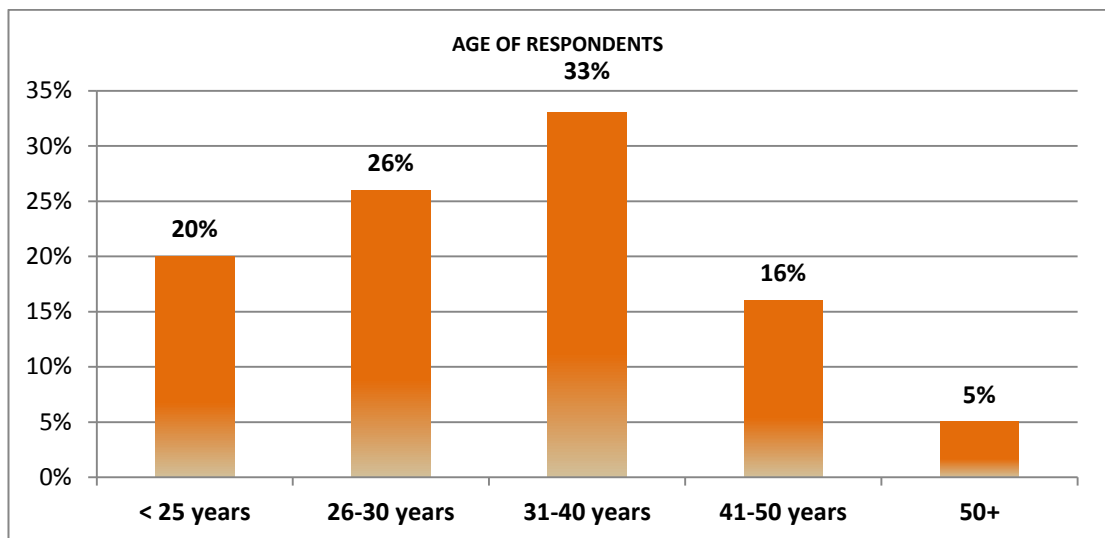
Figure 5.2: Age

According to Figure 5.2, 33% of respondents were between ages 31 and 40 years. Twenty six percent (26%) were between ages 26 and 30 years, 20% were 25 years and younger, 16% of respondents were between ages 41 and 50 years of age and the lowest was 5% consisting of respondents 50 years and older. Respondents were on average 33 years old.

5.1.2.3 Marital status
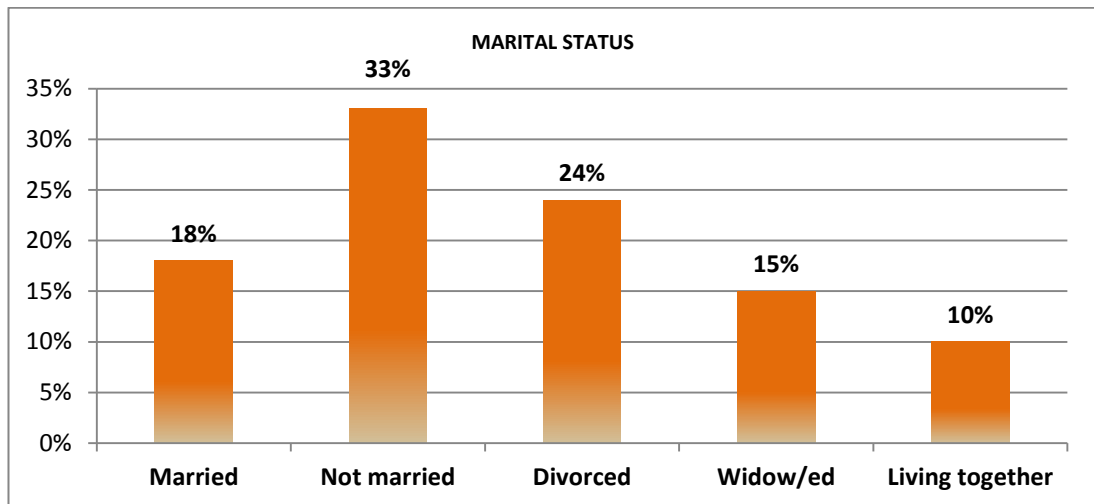
Figure 5.3: Marital status

According to the Figure 5.3, 33% of respondents were not married while 24% were divorced. 18% of respondents were married and 15% were widowed and the lowest was 10%, which consisted of respondents that were living together.

5.1.2.4 Residence

a.   Province of residence

Table 5.1: Province of residence

PROVINCE	PERCENTAGE	PROVINCE	PERCENTAGE
Gauteng	7%	Limpopo	9%
KwaZulu-Natal	12%	Mpumalanga	5%
Eastern Cape	**19%**	Free State	4%
Western Cape	**19%**	North West	3%
Northern Cape	**22%**		

Table 5.1 shows that most of the South African respondents came from the Northern Cape which is 22%, whilst 19% came from Eastern Cape and Western Cape respectively. 12% of respondents came from KwaZulu-Natal, 9% from Limpopo and 7% from Gauteng Province. The lowest number of respondents came from North West (3%), Free State (4%) and Mpumalanga (5%). It is thus clear that the people from the home province tend to stay in the establishments of Kimberley.

b.   Country of residence

According to the figure below (Figure 5.4), 80% of respondents reside in South Africa and 19% reside in Namibia while the remaining 1% reside in other countries besides the ones mentioned, for example Ghana. Kimberley might be seen as a stop-over for respondents from Namibia and could be considered a potential market.
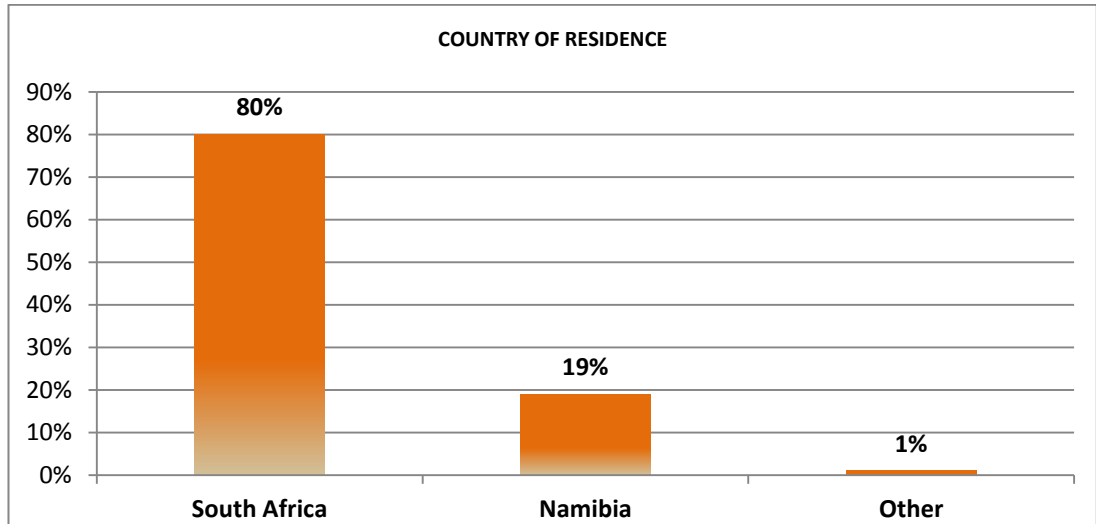
Figure 5.4: Country of residence

5.1.2.5 Level of education
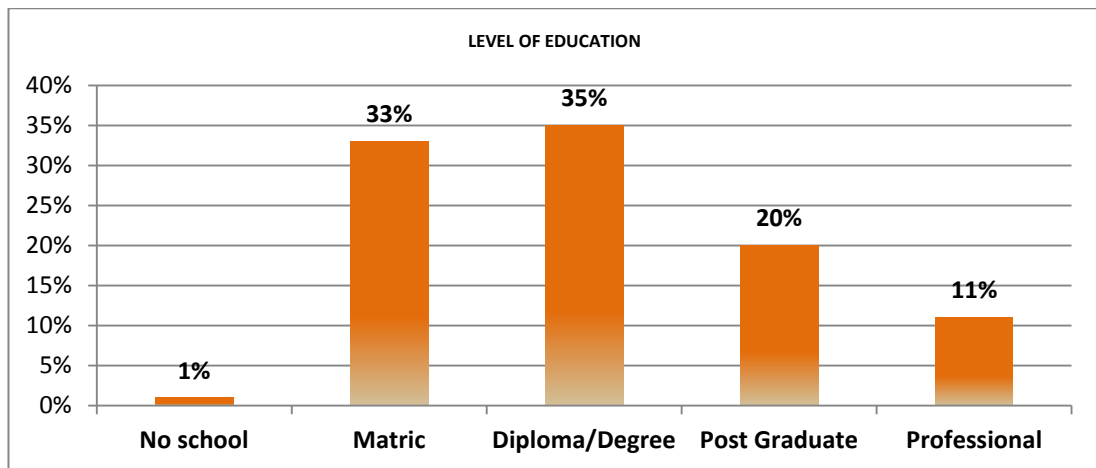
Figure 5.5: Level of education

According to Figure 5.5, 35% of the respondents had either a diploma or a degree and 33% had a matric qualification. Twenty percent of the respondents had a post-graduate qualification and 11% a professional qualification.

5.2.2   Travel behaviour regarding guesthouses/B & Bs

5.2.2.1 Frequency of stay in B & Bs

FREQUENCY OF STAY IN B&Bs

- Less than once a year: 9%
- Once a year: 27%
- Twice a year: 36%
- Three times a year: 14%
- Four times a year: 8%
- Five times or more: 6%
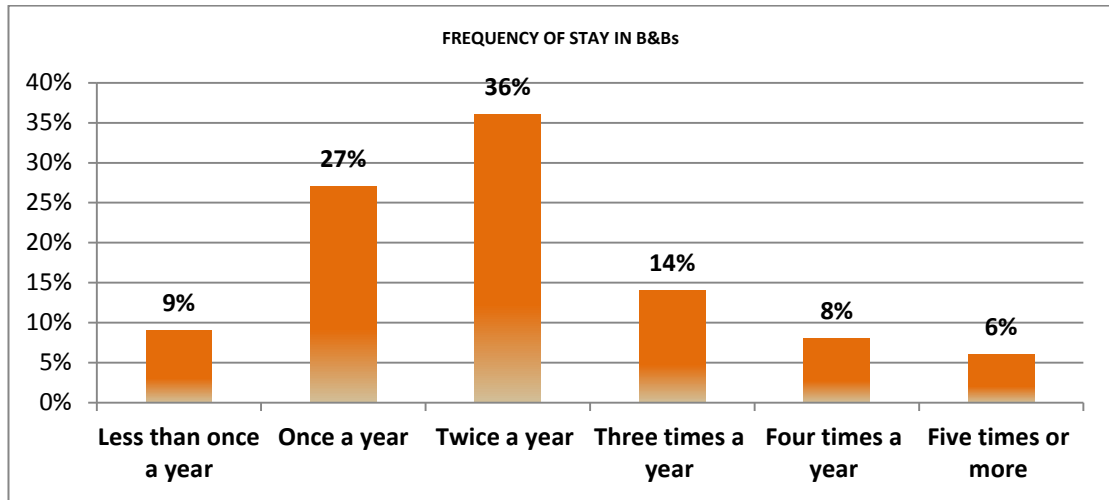
Figure 5.6: Frequency of stay in guesthouses/ B & Bs

Thirty-six percent of the respondents stay in guesthouses and B & Bs twice a year, 27% once a year and 14% three times a year. Nine percent of the respondents stay in guesthouses and B & Bs less than once a year and 8% four times a year. Only 6% of the respondents stay in guesthouses and B & Bs more than five times.

5.2.2.2 Length of stay

LENGTH OF STAY

- One day: 41%
- Two days: 38%
- Three days: 16%
- More than three days: 5%
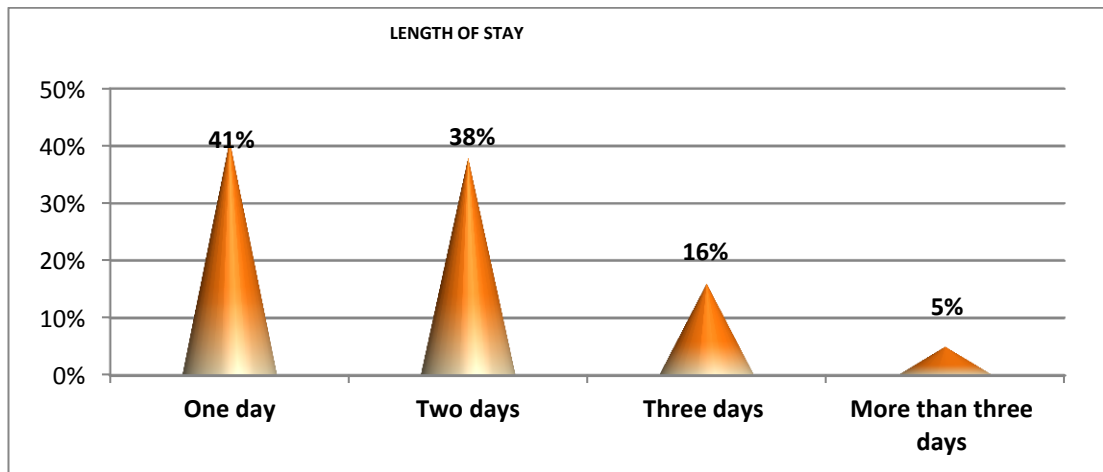
Figure 5.7: Length of stay

Figure 5.7 shows that 41% of respondents stay in guesthouses/ B & Bs one day only and 38% stay for two days. Those that stay three days were 16% and 5% stayed longer than three days.

5.2.3 Expectations of service quality in the guesthouse/B & B

Table 5.2: Expectations of service quality

EXPECTATIONS OF THE GUESTHOUSE/ B & B							
EXPECTATIONS OF THE SERVICE QUALITY	Not at all important	Not important	Important	Very important	Extremely important	Mean Value	Standard Deviation
The guesthouse will have visually appealing buildings and facilities	3%	12%	**41%**	38%	6%	3.32	.882
The guesthouse will have adequate capacity	2%	15%	37%	**39%**	7%	3.33	.891
The guesthouse will have modern-looking equipment	1%	16%	36%	**39%**	8%	3.35	.896
The atmosphere and equipment will be comfortable and appropriate for purpose of stay	1%	12%	**39%**	**39%**	9%	3.44	.848
The equipment of the guesthouse will work properly without causing breakdowns	1%	4%	**44%**	39%	12%	3.59	.757
Materials associated with the services will be adequate and sufficient	1%	4%	40%	**43%**	12%	3.62	.758
Food and beverages served will be hygienic, adequate, and sufficient	0%	3%	40%	**41%**	16%	3.70	.766
Employees of the guesthouse will appear neat	0%	2%	**41%**	**41%**	16%	3.71	.748
The guesthouse will provide the services as promised	0%	2%	41%	**44%**	13%	3.69	.715
The guesthouse will perform services right the first time	0%	2%	**42%**	**42%**	14%	3.68	.729
Employees will provide prompt service	1%	2%	**42%**	**42%**	13%	3.66	.738

The guesthouse will provide services at the time it promises to do so	0%	2%	36%	**48%**	14%	3.74	.715
Employees will always be willing to serve guests	0%	2%	34%	**48%**	16%	3.76	.730
Employees will always be available when needed	0%	2%	35%	**49%**	14%	3.75	.715
The guesthouse will keep accurate records	0%	2%	36%	**47%**	15%	3.75	.727
The guesthouse will resolve guest complaints and compensate for the inconveniences guests experience	0%	3%	35%	**49%**	13%	3.72	.723
The guesthouse will provide flexibility in services according to guest demands	0%	2%	37%	**47%**	14%	3.72	.725
The guesthouse will provide consistent services	0%	3%	40%	**43%**	12%	3.67	.739
Employees will have knowledge to provide information and assistance to guests in areas they would require	0%	4%	36%	**46%**	14%	3.70	.748
Employees will always treat guests in a friendly manner	0%	2%	36%	**47%**	15%	3.75	.735
Employees of the guesthouse will understand the specific needs of guests	0%	3%	39%	**45%**	13%	3.66	.759
It will also be convenient for disabled guests	1%	3%	**40%**	**40%**	16%	3.67	.819
Employees will give guests individualised attention that makes them feel special	0%	3%	43%	**44%**	10%	3.60	.706
The guesthouse and its facilities will have operating hours convenient to all their guests	0%	3%	**47%**	42%	8%	3.56	.679
The guesthouse will provide its guests a safe and secure environment	0%	3%	**47%**	42%	8%	3.67	.733

Employees will instil confidence in guests	0%	2%	**48%**	41%	9%	3.59	.676
Employees will have in-depth occupational knowledge	0%	2%	**45%**	42%	11%	3.61	.712
It will be easy to access the guesthouse	0%	2%	**45%**	42%	11%	3.67	.721
Getting information about the facilities and services of the guesthouse will be easy	0%	2%	39%	**43%**	16%	3.74	.748

Based on the information provided in Table 5.2 the following **expectations** were rated by the respondents as very to extremely important:

- Employees will always be willing to serve guests   :   64%
- Employees will always be available when needed: 63%
- Employees will provide service at the time they promises to do so: 62%
- Guest house will keep accurate records: 62%
- Guest complaints will be resolved and guesthouse will compensate for inconveniences experienced by guests: 62%
- Employees will always treat guests in a friendly manner: 62%

The highest mean value was obtained for:

- Employees will always be willing to serve guests: 3.76

5.2.4 Perceptions of service quality in the guesthouse/B & B

Table 5.3: Perceptions of service quality in the guesthouse/ B & B

PERCEPTIONS OF THE SERVICE EXPERIENCE	PERCEPTIONS OF THE GUESTHOUSE						
	Not at all important	Not important	Important	Very important	Extremely important	Mean Value	Standard Deviation
The guesthouse has visually appealing buildings and facilities	1%	4%	40%	**43%**	12%	3.62	.785
The guesthouse have adequate capacity	2%	5%	36%	**46%**	11%	3.62	.793
The guesthouse has modern-looking equipment	1%	6%	35%	**46%**	12%	3.63	.790
The atmosphere and equipment are comfortable and appropriate for purpose of stay	0%	5%	33%	**46%**	16%	3.72	.794
The equipment of the guesthouse works properly without causing breakdowns	2%	4%	35%	**45%**	16%	3.71	.794
Materials associated with the services are adequate and sufficient	1%	3%	34%	**42%**	20%	3.78	.803
Food and beverages served are hygienic, adequate, and sufficient	0%	3%	35%	**42%**	20%	3.79	.810
Employees of the guesthouse appears neat and tidy	0%	3%	34%	**44%**	19%	3.78	.796
The guesthouse provides the services as promised	0%	3%	39%	**40%**	18%	3.75	.788
The guesthouse performs services right the first time	0%	3%	40%	**40%**	17%	3.70	.781
Employees provide prompt service	0%	3%	37%	**42%**	18%	3.74	.783
The guesthouse provided services at the time it promises to do so	0%	2%	36%	**42%**	20%	3.79	.795
Employees are always willing to serve guests	0%	3%	36%	**45%**	16%	3.74	.786

Employees are always available when needed	1%	2%	32%	**46%**	19%	3.81	.791
The guesthouse keeps accurate records	1%	3%	33%	**46%**	17%	3.77	.780
The guesthouse resolves guest complaints and compensate for the inconveniences guests experience	0%	3%	34%	**45%**	18%	3.76	.787
The guesthouse provides flexibility in services according to guest demands	0%	3%	35%	**42%**	20%	3.78	.808
The guesthouse provides consistent services	0%	3%	38%	**43%**	16%	3.69	.796
Employees have knowledge to provide information and assistance to guests in areas they would require	0%	4%	37%	**45%**	14%	3.67	.777
Employees always treat guests in a friendly manner	0%	5%	37%	**43%**	15%	3.67	.794
Employees of the guesthouse understand the specific needs of guests	1%	5%	36%	**44%**	14%	3.68	.788
It is also convenient for disabled guests	0%	3%	34%	**48%**	15%	3.73	.772
Employees give guests individualised attention that makes them feel special	0%	3%	30%	**49%**	18%	3.80	.786
The guesthouse and its facilities have operating hours convenient to all their guests	0%	4%	30%	**49%**	17%	3.78	.776
The guesthouse provides its guests a safe and secure environment	0%	3%	31%	**48%**	18%	3.79	.775
Employees instil confidence in guests	0%	3%	35%	**44%**	18%	3.77	.780
Employees have in-depth occupational knowledge	0%	3%	35%	**41%**	21%	3.80	.797
It is easy to access the guesthouse	0%	4%	36%	**40%**	20%	3.78	.816
Getting information about the facilities and services of the guesthouse is easy	0%	3%	36%	**39%**	22%	3.80	.820

Based on the information provided in Table 5.3 the following perceptions were rated by the respondents as very to extremely important:

- Employees give guests individualised attention: 67%
- The guesthouse and its facilities have convenient operating hours: 66%
- The guesthouse provides its guests a safe and secure environment: 66%
- Employees are always available when needed: 65%
- Employees of the guesthouse appears neat and tidy: 63%
- The guesthouse keeps accurate records: 63%
- The guesthouse resolves guest complaints and provide compensation: 63%
- The guesthouse is also convenient for disabled guests: 63%

The highest mean value was obtained for:
- Employees are always available when needed: 3.81

5.2.5 Overall service quality of Kimberley guesthouses

OVERALL SERVICE QUALITY IN KIMBERLEY GUESTHOUSES
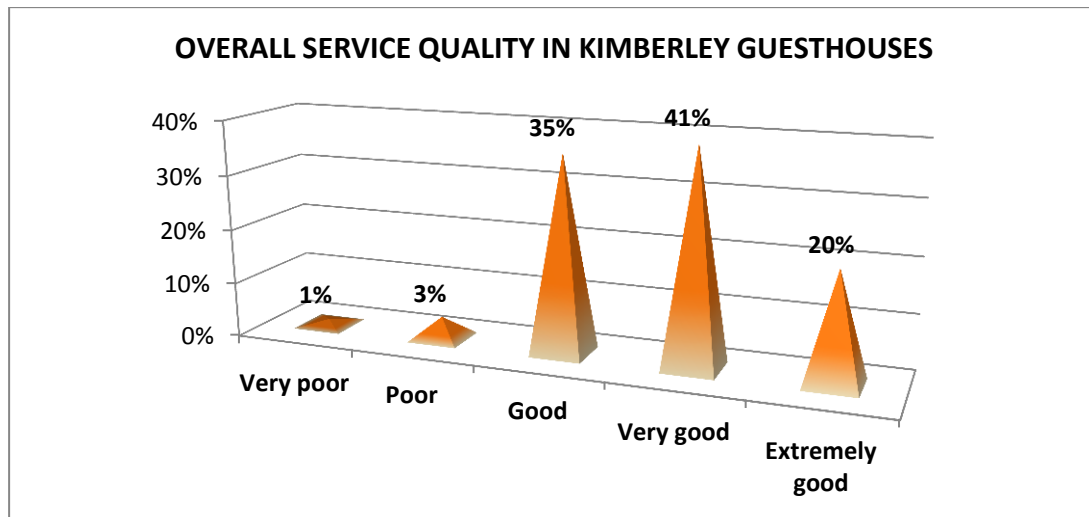
Figure 5.8: Overall service quality

The above figure indicates that the service quality standard in Kimberley guest houses is very good (41%) followed by good (35%) and extremely good (20%). Very few respondents (4%) rated the overall service quality as very poor to poor.

5.3 EXPLORATORY RESULTS

The purpose of this section is to explore guests' expectations and perceptions regarding service quality.

5.3.1   Guests' expectations and perceptions

Table 5.4 shows the means, standard deviations and the difference (Perception – expectation) score calculated for each attribute, P-value and Cohen D effect sizes. Ellis and Steyn (2003:2) state that a natural way to comment on practical significance is by using the absolute difference between the groups (for example age: (1) 87 – 67; (2) 66 – 57; (3) 56 – 47) divided by square root of the mean square error. This measure is called an effect size, which not only makes the difference independent of units and sample size, but relates it also to the spread of the data (Steyn, 1999 & Steyn, 2000, as quoted by Ellis and Steyn (2003:2).

Cohen (as quoted by Ellis and Steyn, 2003:3) gives the following guidelines for interpreting the effect size in the current study:

- Small effect: d=0.2
- Medium effect: d=0.5 and
- Large effect: d=0.8.

The gap scores are thus determined by subtracting the expectations from the perceptions. Positive scores indicate better than expected service while negative scores indicate poorer quality than expected. A zero or near zero indicates that the quality of the service has met the expectations. The significant difference between the means of expectations and the perceptions were tested by means of Paired t-tests.

Table 5.4: Gap scores between expectations and perceptions (n = 450)

	Expectations Means (SD)	Perceptions Means (SD)	Difference (PM-EM)	t-value	P-value	Cohen D	Effect size interpretation
The guesthouse has visually appealing buildings and facilities	3.32 (0.882)	3.62 (0.785)	.300	-6.257	.000	0.340	Small
The service units of the guesthouse have adequate capacity	3.33 (0.891)	3.62 (0.793)	.293	-6.303	.000	0.321	Small
The guesthouse has modern-looking equipment	3.35 (0.896)	3.63 (0.790)	.280	-5.902	.000	0.312	Small
The atmosphere and equipment are comfortable and appropriate for purpose of stay	3.44 (0.848)	3.72 (0.794)	.282	-5.907	.000	0.333	Small
The equipment of the guesthouse works properly without causing breakdowns	3.59 (0.757)	3.71 (0.794)	.122	-2.788	.006	0.154	None
Materials associated with the services are adequate and sufficient	3.62 (0.758)	3.78 (0.803)	.156	-3.500	.001	0.194	None
Food and beverages served are hygienic, adequate, and sufficient	3.70 (0.766)	3.79 (0.810)	.084	-1.855	.064	0.104	None
Employees of the guesthouse appears neat and tidy	3.71 (0.748)	3.78 (0.796)	.073	-1.520	.129	0.082	None
The guesthouse provides the services as promised	3.69 (0.715)	3.75 (0.788)	.069	-1.345	.179	0.077	None
The guesthouse performs services right the first time	3.68 (0.729)	3.70 (0.781)	.033	-.629	.530	0.032	None
Employees provide prompt service	3.66 (0.738)	3.74 (0.783)	.089	-1.812	.071	0.103	None
The guesthouse provided services at the time it promises to do so	3.74 (0.715)	3.79 (0.795)	.058	-1.321	.187	0.073	None

Employees are always willing to serve guests	3.76 (0.730)	3.74 (0.786)	-.018	.391	.696	0.023	None
Employees are always available when needed	3.75 (0.715)	3.81 (0.791)	.053	-1.139	.255	0.067	None
The guesthouse keeps accurate records	3.75 (0.727)	3.77 (0.780)	.027	-.574	.566	0.034	None
The guesthouse resolves guest complaints and compensate for the inconveniences guests experience	3.72 (0.723)	3.76 (0.787)	.040	-.846	.398	0.051	None
The guesthouse provides flexibility in services according to guest demands	3.72 (.725)	3.78 (0.808)	.056	-1.162	.246	0.069	None
The guesthouse provides consistent services	3.67 (0.739)	3.69 (0.796)	.013	-.467	.641	0.027	None
Employees have knowledge to provide information and assistance to guests in areas they would require	3.70 (0.748)	3.67 (0.777)	-.024	.518	.605	0.031	None
Employees always treat guests in a friendly manner	3.75 (0.735)	3.67 (0.794)	-.076	1.620	.106	0.095	None
Employees of the guesthouse understand the specific needs of guests	3.66 (0.759)	3.68 (0.788)	.013	-.286	.775	0.017	None
The guesthouse is also convenient for disabled guests	3.67 (0.818)	3.73 (0.772)	.056	-1.167	.244	0.068	None
Employees give guests individualised attention that makes them feel special	3.60 (0.706)	3.80 (0.786)	.198	-4.251	.000	0.252	Small
The guesthouse and its facilities have operating hours convenient to all their guests	3.56 (0.679)	3.78 (0.776)	.227	-5.002	.000	0.292	Small
The guesthouse provides its guests a safe and secure environment	3.67 (0.733)	3.79 (0.775)	.113	-2.482	.013	0.146	None
Employees instil confidence in guests	3.59 (0.676)	3.77 (0.780)	.187	-4.173	.000	0.239	Small

Employees have in-depth occupational knowledge	3.61 (0.712)	3.80 (0.797)	.189	-4.280	.000	0.248	Small
It is easy to access the guesthouse	3.67 (0.721)	3.78 (0.816)	.111	-2.402	.017	0.136	None
Getting information about the facilities and services of the guesthouse is easy	3.74 (0.748)	3.8 (0.820)	.064	-1.425	.155	0.079	None

It is evident from Table 5.4 that there were mostly small and in many cases no effects between the service expectations and the service perceptions; therefore indicating that respondents received the service they expected.

5.3.2 Factor analyses for expectations and perceptions

Factor analyses were performed on the 29 service attributes to reduce these to a meaningful, interpretable and manageable set of factors with regard to expectations and perceptions. These attributes were factor analysed in relation to their gap scores. In both cases a principal component analysis and varimax rotation methods were used to summarize the information. This will also allow for the application of the derived dimension score in the subsequent multiple regression analysis. Only factors with eigen values equal to or greater than one were considered significant.

The results of the factor analyses revealed the five factors as dimensions of service quality for expectations and perceptions. These five dimensions with 26 attributes from the original 29 attributes explained 66% in the case of expectations and 74% in the case of perceptions of the total variance. These were named: tangibles, adequacy, understanding, assurance and convenience. The reliability test of each factor indicated that the reliability coefficients from the five factors of expectations as well as perceptions were higher than 0.800, which is an indication of good internal consistency among the attributes. The reliability coefficients for convenience were 0.612 for expectations and 0.768 for perceptions and this should be reconsidered in future research to improve the internal consistency for application in the tourism industry. The fairly low factor loadings to factor 5 should also be re-considered in future research.

Table 5.5: Factor analysis for expectations and perceptions (n = 450)

FACTOR LABEL	Factor 1: Tangibles		Factor 2: Adequacy		Factor 3: Understanding		Factor 4: Assurance		Factor 5: Convenience	
	E	P	E	P	E	P	E	P	E	P
The guesthouse has visually appealing buildings and facilities	-.874	.864								
The service units of the guesthouse have adequate capacity	-.913	.925								
The guesthouse has modern-looking equipment	-.939	.908								
The atmosphere and equipment are comfortable and appropriate for purpose of stay	-.802	.803								
The equipment of the guesthouse works properly without causing breakdowns	-.536	.719								
Materials associated with the services are adequate and sufficient	-.228	.323								
The guesthouse provides the services as promised			.530	-.787						
The guesthouse performs services right the first time			.576	-.823						
Employees provide prompt service			.694	-.703						
The guesthouse provided services at the time it promises to do so			.812	-.497						
Employees are always willing to serve guests			.806	-.453						
Employees are always available when needed			.815	-.241						
The guesthouse keeps accurate records			.645	-.110						

	1	2	3	4	5	6	7	8	9	10
The guesthouse provides flexibility in services according to guest demands					.736	-.098				
Employees have knowledge to provide information and assistance to guests in areas they would require					.740	-.792				
Employees always treat guests in a friendly manner					.754	-.871				
Employees of the guesthouse understand the specific needs of guests					.764	-.904				
The guesthouse is also convenient for disabled guests					.665	-.838				
Employees give guests individualised attention that makes them feel special					.132	-.697				
The guesthouse and its facilities have operating hours convenient to all their guests							-.741	-.540		
The guesthouse provides its guests a safe and secure environment							-.719	-.742		
Employees instil confidence in guests							-.900	-.811		
Employees have in-depth occupational knowledge (professional skills, communication skills, etc.)							-.831	-.950		
The guesthouse resolves guest complaints and compensate for the inconveniences guests experience									-.247	.810
It is easy to access the guesthouse									-.157	.015
Getting information about the facilities and services of the guesthouse is easy (reaching information via phone, internet, direction signs, etc.)									-.060	.021
Cronbach Alpha Values	**.887**	**.908**	**.891**	**.923**	**.842**	**.906**	**.870**	**.890**	**.612**	**.768**

Table 5.6: Factor analysis summary

	Cronbach Alpha	Loading range	Expectations		Perceptions		Difference	
			Mean	SD	Mean	SD	Mean	SD
Tangibles	0.890 (E)	-.228 - -.939	3.51	0.616	3.70	0.621	0.199	0.708
	0.908 (P)	.323 - .925						
Adequacy	0.868 (E)	.530 - .81	**3.71**	0.523	3.75	0.636	0.040	0.697
	0.923 (P)	-.110 - -.823						
Understanding	0.842 (E)	.132 - .764	3.68	0.560	3.72	0.649	0.370	0.748
	0.906 (P)	-.098 - -.697						
Assurance	0.870 (E)	-.719 - -.900	3.61	0.594	**3.79**	0.678	0.179	0.800
	0.890 (P)	-.540 - -.950						
Convenience	0.612 (E)	-.060 - -.247	**3.71**	0.549	**3.78**	0.668	0.072	0.724
	0.768 (P)	0.15 - .810						

Table 5.6 shows the ranges of within-scale factor loading. It is also clear from this table that no significant differences exist between service expectations and service perceptions. A regression analysis was used to investigate the relative importance of the five service factors in predicting overall quality. Thus the five service quality factors were used as independent variables and the overall service quality measure as dependent variable.

It is clear from Table 5.7 that Assurance in terms of expectations makes the strongest unique contribution to explaining the overall service quality (0.76). It was also found that none of these variables makes a significant unique contribution to the prediction of the overall service quality

Table 5.7: Regression analysis, overall service quality against the expectations of the five service quality factors

Independent variables	Standardized Coefficients Beta	t-values	Significance
(Constant)		6.996	0.000
Factor 1: Tangibles	0.53	0.902	.376
Factor 2: Adequacy	0.26	0.421	.674
Factor 3: Understanding	-0.35	-0.576	.656
Factor 4: Assurance	0.76	1.191	.234
Factor 5: Convenience	0.13	1.939	.053

$R^2 = 0.037$ F = 4.448   Significant F = 0.001

Dependent Variable: Overall service quality

Independent Variable = Service Quality Expectation factors

It is evident from Table 5.8 that Assurance in terms of perceptions makes the strongest unique contribution to explaining the overall service quality (0.32). It was also found that Understanding, Assurance, Convenience Tangibles made a significantly unique contribution to the prediction of the overall service quality.

Table 5.8: Regression analysis, overall service quality against the perceptions of the five service quality factors

Independent variables	Standardized Coefficients Beta	t-values	Significance
(Constant)		-1.922	0.055
Factor 1: Tangibles	0.12	2.806	0.005
Factor 2: Adequacy	-0.03	-0.693	0.489
Factor 3: Understanding	0.21	4.159	0.000
Factor 4: Assurance	0.32	5.985	0.000
Factor 5: Convenience	0.23	3.920	0.000

$R^2 = 0.541$ F = 106.759   Significant F = 0.000

Dependent Variable: Overall service quality

Independent Variable = Service Quality Perception factors

5.4 CONCLUSIONS

The purpose of this chapter was thus to analyse and discuss the data gathered by means of the survey. Firstly with regard to the socio-demographic results it was found that respondents were mostly male, not married, between ages 31 and 40 years and residing in either Northern Cape, Western Cape or Eastern Cape. These respondents have a diploma/degree or a matric qualification. Most of these respondents visit guesthouses and B & Bs twice a year or once a year and stay either one day or two days. This group of respondents fits the profile of business tourists.

Secondly, from the analyses on the expectations of guest to guesthouses/B & Bs in Kimberley it was clear that the two main expectations from guests include that employees will be willing to serve the guests and that employees will always be available when needed. Willingness to serve guests yielded a mean value of 3.76 on a 5-point Lickert scale. Thirdly, the analyses on the perceptions of guest to guesthouses/B & Bs in Kimberley yielded slightly higher values than the expectations. The three main perceptions of guest included: employees gave individualised attention, the operating hours of the guesthouse are convenient and the guesthouse provides a safe and secure environment. The perception that yielded the highest mean value was: employees are always available when needed (3.81). The latter was also one of their expectations of the guesthouse and it is therefore good that this specific expectation was met.

Fourthly, the guests rated the overall service quality of guesthouses in Kimberley as very good, with only 20% that rated it as extremely good. Fifthly, it was found that very small or no differences exist between the expectations and the perceptions. It was clear that respondents actually expected less from the guesthouses and received more than expected on a few aspects.

Sixthly, the factor analyses on expectations and perceptions yielded 5 reliable factors for both, namely tangibles, adequacy, understanding, assurance and convenience with high Cronbach Alpha (CA) values in most factors. Only factor 5 for expectations as well as perceptions yielded lower CAs. The multiple regression indicated that Assurance made the strongest contribution to overall service quality in the expectation phase. This

was also the case for perceptions but the analyses show that Understanding, Convenience and Tangibles contribute to the prediction of overall service quality in the perception phase.

CHAPTER 6
CONCLUSIONS AND RECOMMENDATIONS

6

6.1   INTRODUCTION

This chapter's main purpose is to provide conclusions and make recommendations regarding the research. The aim of this study was to measure service quality levels of guesthouses in Kimberley based on the SERVQUAL instrument to gain a competitive advantage over similar tourism products and to assist these products in meeting and exceeding customers' expectations.

To achieve the main aim of the study, the following objectives were set in Chapter 1 and met throughout the study:

- To analyse the theoretical framework of service quality as applied to the tourism industry. This objective was achieved in Chapters 2 and 3. In Chapter 2 attention was given to describing service, service quality and service orientation in general. This was achieved by analysing the following important concepts and aspects:
  - o   Contextualisation of service orientation;
  - o   The nature of service and service quality;
  - o   Service quality and delivery;
  - o   Measuring service quality;
  - o   Models of service quality.

  In Chapter 3 attention was given to the application and importance of service quality in the tourism industry. This was achieved by analysing and discussing the following aspects:
  - o   Nature of tourism businesses;
  - o   Contextualising guesthouses;
  - o   The role of the consumer and the consumer decision process;
  - o   Meeting guests' expectations;
  - o   Operational aspects and the role of service quality in delivery;

o   Outcomes of excellent service delivery;

o   The Tourism Grading Council of South Africa as quality body.

- To determine service quality levels of guesthouses in Kimberley by applying the SERVQUAL instrument based on tangibles, adequacy, understanding, assurance and convenience. Chapter 5 focused on the empirical survey and results of the study by discussing the following:

  o   The socio-demographic information of the respondents;

  o   The travel behaviour regarding guesthouses and B & Bs;

  o   The expectations of service quality in the guesthouses and B & Bs;

  o   The perceptions of service quality in the guesthouses and B & Bs;

  o   The overall service quality in Kimberley guesthouses;

  o   The guests' expectations and perceptions;

  o   The factor analyses for expectations and perceptions.

Various conclusions can be drawn and recommendations made from the research objectives. The aim of this chapter is thus to state the conclusions of the study and make recommendations with regard to the study and future research.

6.2   CONCLUSIONS

The following conclusions are drawn according to the objectives of the study:

6.2.1   Conclusions regarding the analysis of the theoretical framework for service quality in the tourism industry (Chapter 2 & Chapter 3)

- Businesses had to adopt a service orientation over the last few years (c.f. 2.2).

- The following principles can be applied for monitoring commitment towards a service orientation: the business equitation, the decision-making profit focus, the organisational focus, the supervisory control, the reward system and the measurement focus (c.f 2.2).

- It is, however, the interactions with the consumers that can be considered to be the moment of truth (c.f. 2.2).

- Defining service quality is not easy but it is important that organisations give consumers what they want and that they consider it value for money (c.f. 2.3).

- Services differ from other products in that it is intangible, perishable, heterogeneous and inseparable. This makes the provision of service quality even more difficult (c.f. 2.3.1).

- When delivering service quality it is important to focus on the complete process and not on specific points of contact and consider the external consequences of certain behaviour (c.f. 2.3.3).

- The most important role players in the service delivery process are the employees and they should be well equipped to provide high levels of service quality (c.f. 2.3.4).

- A balance should be maintained between expectations of service delivery and the organisational realities underlying the service design (c.f. 2.4.1).

- Service quality is a key to competitive advantage but organistions should realise that the long-term effects of service quality are more important than the short-term ones (c.f.2.4.2).

- Service quality begins with the designing of the service delivery system (c.f. 2.4.3).

- Organistions should focus on the creation of a quality culture in the organisation that will involve all key role players involved (c.f. 2.4.4).

- The creation of a quality culture can lead to: company competitiveness, job satisfaction, smooth running of the business and the assurance that the needs of customers are met (c.f. 2.4.4).

- It is important for businesses to measure service quality levels to sustain or improve the current delivery thereof. Measurement involves: service performance measures, customer measures and financial measures (c.f. 2.5).

- Bennet identified the typology of potential complaints and compliments by referring to dissatisfiers, neutrals, satisfiers and criticals. Bennet further recommended the measurement of these to determine the service quality levels (c.f. 2.5.2).

- The World Tourism Organisation indicated that the following standards should be in place to increase the levels of service experience: safety and security, hygiene, accessibility, transparency, authenticity and harmony (c.f. 2.5.2).

- Various models of service quality exist: The Haywood-Framer model argues that service organisations may be classified according to their characteristics along three dimensions: the degree of customisation, the degree of contact and interaction and the degree of labour intensity (c.f. 2.6.1).

- Kano's model was used for the classification of products and services based on understanding wishes and the way it affects customers' satisfaction (c.f. 2.6.2).

- Customers use the SERVQUAL model dimensions to form their judgments of service quality, which are based on a comparison between expected and perceived service. The gap between expected and perceived service is a measure of service quality; satisfaction is either negative or positive (c.f.2.6.3).

- Although the SERVQUAL model has been subjected to severe criticism, it continues to serve us well in two important respects: it highlights unequivocally the centrality of quality in service research and management and it emphasises the complexity of managing service experiences (c.f. 2.6.3).

- Attention is given to measuring service quality expectations and perceptions on tangibles, empathy, assurance, reliability and responsiveness. The SERVQUAL has been applied to various contexts with variations on the instrument (c.f. 2.6.3).

- If variables are not met, certain gaps exist which need to be solved with immediate action (c.f. 2.6.3).

- The tourism industry has been exposed to significant growth in the last few years. Tourists are more experienced and require higher and higher levels of service quality (c.f. 3.1).

- The structure and nature of tourism businesses, mostly SMEs, lead to a fairly low level of service quality. However, the competition in the industry assists in improving the levels of service delivery (c.f. 3.2).

- Guesthouses and B & Bs have unique characteristics with the main aim of providing over-night accommodation and additional services (c.f. 3.3)

- It is important for employees of these establishments to realise the importance of providing high levels of service quality which will contribute to gaining a competitive advantage (c.f. 3.3).

- It seems to be fairly easy and straight forward to open a guesthouse. However, the importance of providing high levels of service quality is not highlighted in these policies and regulations (c.f. 3.3).

- The general needs of customers are very much the same; they require: service, price, quality, action and appreciation. Customers do, however, differ in the way they want to receive these and that is a challenge (c.f. 3.4.1).

- Service quality levels are based on the expectations and perceptions of guests (c.f. 3.4.2).

- Service quality plays the most important role in the consumption stage of the consumer decision-making process which is more difficult in the case of services than in the case of product (c.f. 3.4.3).

- In order to meet the expectations of the guests it is important to develop a service strategy for the guesthouse where the first priority is to ask the guests what they want and match that to what the guesthouse can deliver. Target marketing is thus important here (c.f. 3.5.1).

- The service-profit chain highlights the link between employee satisfaction and customer satisfaction. The value of loyal customers and employees should not be underestimated (c.f. 3.5.2).

- The most important place in the guesthouse to provide quality service is at the front desk; being the first face-to-face interaction with the customer (c.f. 3.6.1).

- It was also clear that small things can make a difference in exceeding the expectations of guests such as additional reservations and directions, correct billing, additional information, remembering the preferences of repeat guests and so on (c.f. 3.6).

- Delivering excellent service definitely holds various benefits which should encourage guesthouses to improve their current levels of service quality (c.f. 3.7).

- The Tourism Grading Council of South Africa is the assessment agency of South Africa attempting to establish a common set of standards for the tourism industry but participation is voluntary.

- Guesthouses showcasing their grading show their commitment to providing high levels of service quality but also provide the guest with a certain level of assurance of what they can expect.

6.2.2 Conclusions regarding the service quality levels of guesthouses in Kimberley by applying the SERVQUAL instrument (Chapter 5)

Based on the empirical survey, the following conclusions can be drawn regarding research objective 2.

Socio-demographic profile:
- 57% of the respondents were male and 43% female (c.f.5.2.1.1).

- 33% of the respondents were between ages 31 and 40 years and on average 33 years old (c.f.5.2.1.2).

- 33% of respondents were not married while 24% were divorced (c.f.5.1.2.3).

- These respondents reside in Northern Cape (22%), with 19% from Eastern Cape and Western Cape respectively (c.f. 5.1.2.4).

- 80% of the respondents were from South Africa with 19% from Namibia (c.f. 5.12.5).

- 35% of the respondents 35% had a diploma or a degree followed by 33% that had a matric qualification (c.f.5.1.2.5).

- It can thus be concluded that most of the respondents to the guesthouses were male, well educated, 33 years of age and divorced or not married, living in Northern Cape.

Travel behaviour regarding guesthouses/B & Bs:

- 36% stays in these types of establishments twice a year with 27% using these types of services only once a year (c.f. 5.2.2.1).

- When visiting guesthouses or B & Bs they only stay one day (41%) or for two days (38%).

- It can thus be concluded that the respondents are not necessarily regular guest and their stay is more short term than long-term.

Expectations of service quality in the guesthouses/B & Bs:

- Respondents rated the following expectations of service aspects as very to extremely important:
  - Employees will always be willing to serve guests   64%
  - Employees will always be available when needed: 63%
  - Employees will provide service at the time they promised to do so:62%
  - Guest house will keep accurate records: 62%
  - Guest complaints will be resolved and guesthouse will compensate for inconveniences experienced by guests: 62%
  - Employees will always treat guests in a friendly manner: 62%

- The highest mean value was obtained for:Employees will always be willing to serve guests (3.76/5.00 = 75%)

- It is clear that the role of employees should not be underestimated and that most of the aspects expected by guests include the employees to some extent.

Perceptions of service quality in the guesthouses/B & Bs:

- Respondents rated the following perceptions of service aspects as very to extremely important:
  - Employees give guests individualised attention: 67%
  - The guesthouse and its facilities have convenient operating hours: 66%
  - The guesthouse provides its guests a safe and secure environment: 66%
  - Employees are always available when needed: 65%
  - Employees of the guesthouse appear neat and tidy: 63%
  - The guesthouse keeps accurate records: 63%
  - The guesthouse resolves guest complaints and provides compensation: 63%
  - The guesthouse is also convenient for disabled guests: 63%
- The highest mean value was obtained for: Employees are always available when needed   (3.81/5.00 = 76%)
- From the descriptive results it is evident that the perceptions were rated higher than the expectations, which is a very good sign for the guesthouses.

Overall service quality of Kimberley guesthouses:

- The overall service quality levels of Kimberley guesthouses are experienced as good to very good.

Guests' expectations versus perceptions of service delivery:

- The significant difference between the means of expectations and the perceptions were tested by means of Paired *t*-tests and Cohen's effect sizes. There were mostly small and in many cases no effects between the service expectations and the service perceptions; therefore indicating that respondents received the service they expected.
- The SERVQUAL application revealed 5 reliable factors, namely Tangibles, Adequacy, Understanding, Assurance and Convenience in line with those of Akbaba and Parasuraman.
- The two most important factors were Adequacy (including aspects such as providing services as promised, performing services right the first time, providing prompt service, employees are willing to serve guests and employees are available when needed) and Convenience (including aspects such as resolving complaints

and providing compensation, easy access to the guesthouse and provision of information).

- The regression analyses revealed that Assurance in terms of expectations makes the strongest unique contribution to explaining the overall service quality.

- In terms of perceptions Assurance also makes the strongest unique contribution to explaining the overall service quality.

6.3 RECOMMENDATIONS

Recommendations regarding the service levels of guesthouses in Kimberley will be made in this section as well as recommendations regarding further research in this field of study.

6.3.1 Recommendations regarding the service levels of guesthouses in Kimberley

- It is evident that quality service delivery is a planned process and guesthouse owners, managers and staff should be able to plan this process.

- Guesthouses should ensure that they employ the right people which will directly contribute to service levels in these guesthouses.

- It is important for the guesthouses to ask guest what their expectations are in terms of service delivery and thus determine whether the guesthouse can provide in the needs of these guest.

- Service levels should be measured to get the honest opinion of guest to the guesthouse which will allow employees to make changes to the service delivery process where needed.

- Employees should be trained if they do not have the necessary qualifications to effectively deal with customers.

- The guesthouses in Kimberley that participated in the survey live up to the expectations of the guest since they actually expected less than what was received.

- The role of the employees in the service delivery process is evident and employees should be made aware of this, especially with regard to employees' willingness to serve and the availability of employees.

- Guesthouses should deliver excellent service regarding the Tangibles, Adequacy, Understanding, Assurance and Convenience. In terms of expectations *Adequacy and Convenience* were rated as the highest service elements.

- However, in terms of perceptions *Assurance and Convenience* were rated as the highest service elements.
- It was evident that most of these factors contribute to the overall service quality.

6.3.2   Recommendations regarding further research

- It is recommended that the same research be conducted at the other tourism products of Kimberley such as restaurants, attractions, hotels and so on. One can therefore determine the overall service quality levels of the tourism industry in Kimberley.
- This research can also be conducted in other provinces and cities to determine their levels of service quality and to compare results.
- The effect of the socio-demographic profile on service expectations and perceptions can also be determined.

6.4   LIMITATIONS OF THE STUDY

- This study was limited to the Kimberley area, which does not represent guesthouses in South Africa.
- It was difficult to get the cooperation of guesthouses in this project as some of the managers did not initially see the value of conducting a study such as this one.
- The existence of a database where the questionnaire can be send to guest before actually visiting and then send again after visiting is the ideal situation but cooperation from guesthouse owners and guest in this regard is almost impossible.

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