# An Analytical study of tourist perception for Accommodation sector in reference to Dehradun and Mussoorie

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## ABSTRACT

*Hotel industry has been witnessing an unprecedented growth, especially during the post-world war period, so much, that it has now emerged as a predominant economic factor on the world horizon. As a result, leading multinational and transnational corporate houses have started investing in the hotel and hospitality sector in a big way, thereby giving further boost to its vertical and horizontal growth. It is not just the uniqueness or variety of tourist resources that guarantees a sure success in tourism. But evolving and implementing long term destination development planning supported by effective marketing strategies is equally important. Varied, ever-safer and efficient means of transport facilities, ultramodern communication provisions, comfortable stay facilities, diverse food and drink inputs, special shopping opportunities and highly professional trade services are being blended with destination attractions to enhance the tourism magnetism of any destination. But multitude of diversity in preference, priorities, economic structure, motivations, socio-cultural backgrounds, values and traditions of the customer further pose challenges on the people responsible for the planning and marketing at various level. Priorities and preferences of a tourist or a group of tourists with regard to touristic appeal, purpose of visit, selection of specific transport or accommodation service and price sensitivity etc. do vary from "time to time", "situation to situation". The main aim of research is to analyze the nature and set up of Accommodation industry in Dehradun and Mussoorie and even to understand the quality of goods and services being offered to the tourist. Chi square test is used to analyze the data.*

**Key Words**: *Hospitality, Accommodation, Analysis, Design, Quality, Services*

## 1. INTRODUCTION

Travel and tourism is the largest service industry globally in terms of gross revenue and foreign exchange earnings. It is also one of the largest employment generators in the world. It has been a major social phenomenon and is driven by social, religious, recreational, knowledge seeking and business interests and motivated by the human urge for new experience, adventure, education, and entertainment. Tourism is both cause and consequence of economic development. It has the potential to stimulate other sectors in the economy owing to cross-synergistic benefits and its backward and forward linkages. Tourism comprises activities of people travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and social, recreational and knowledge seeking purposes. According to Tourism Towards 2030, the number of international tourist arrivals worldwide is expected to increase by an average3.3% a year over the period 2010 to 2030.

The Indian hospitality industry has emerged as one of the key industries driving growth of the services sector in India. The boom in India's tourism and hospitality industry and the surge in tourist inflow to the country have percolated to other associated sectors like hospitality. The revenues for the Indian hotel and restaurant industry in the year 2006-07 exceeded US$ 118.85 million, an increase of nearly 22 per cent over the previous year. The industry is poised for rapid growth and is projected to be well worth over US$ 182.49 million by the year 2013. The Indian Hospitality industry contributes around 2.2 per cent of India's GDP. The industry is expected to reach INR 230 billion (US$ 5.2 billion) by 2015, growing at a robust Compounded Annual Growth Rate (CAGR) of 12.2 per cent. India will be investing around INR 448 billion (US$ 10.1 billion) in the hospitality industry in the next five years, according to a report 'The Indian Hotel Industry Report - 2011 Edition' by CYGNUS Business Consulting & Research Firm. Moreover, the sector is expected to provide over 400,000 jobs. In India, the industry supports 48 million jobs, directly or indirectly or 8.27 per cent of total employment and accounts for 5.83 percent of the GDP, according to Department of Tourism estimates. According to a Hospitality Valuation Services (HVS) International report average employee to room ratio is 1:8 in Indian hotels across all markets and it drops to 1:5 for three star categories of hotels. The report also states that the hotel sector would need a fresh workforce of at least 94,000 by 2010-11. For every room constructed, 3-5 jobs are created. The World Travel and Tourism Council has estimated that by 2010, tourism can support 25 million jobs (1 in every 15) in India through 8% annual growth. As per an analysis done by retail consultancy *Technopak*, at the end of 2010 the Indian hotel industry's worth was estimated around US$ 17 billion. Of the total revenue, nearly 70 per cent is being contributed by the unorganized sector and the remaining 30 per cent (US$ 5 billion approx.) comes from the organized sector.

Growth and development of tourism and hospitality in Uttarakhand have added many more dimensions in every part of the region where tourist arrival is experienced. Dehradun, Rishikesh, Mussoorie, Badrinath, Kedarnath, Auli, Gangotri, Yamunotri, Ranikhet, Kausani, Almora, Nainital, Corbett National Park, Valley of Flowers are well known tourist destinations where tourist movement is significantly increasing with the time. Government has also given thrust to other destinations like Dhanaulti, Tehri Lake Area, Chakrata etc. fastly catching up on the sky of tourism in the State.

## 2. REVIEW OF LITERATURE

Several studies have been carried out by various researchers on the hospitality industry from the various dimensions over the world. Kandampully and Suhartanto (2000), Parasuraman et al. (1985, 1988, and 1991) and Rust and Oliver (1994) presented quality dimensions of services as a base for the discussions in hospitality industry such as reliability, responsiveness, assurance, empathy and tangibles features. Similar study was performed by Parasuraman, Zeithaml and Berry (1991); Cronin & Taylor (1992) to measure quality based on the presumption that service quality occurs when customers perceive received performance to equate with prior expectations (McDonald, 2002).

In hospitality sector the product, quality and the relation between price and performance will gain importance in the coming year which leads to heavier focus on customer relation

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management (Kandari and Chandra, 2004; Dharmarajan, 1981; Mohanty, 1992; Sharma, 2005; Bansal, 1994; Prajapati and Kachwala, 2006). Apart from these some of the relevant existing literary work concerning the accommodation sector has been done in India (Mohanty, 1992; Ananda, 1976; Negi, 1982; Krishnaswamy, 1980; Kachru, 1981). It was an attempt to analyze the nature of accommodation industry in India.

## 3. SELECTION OF PROBLEM

Tourism and hospitality industry has been a major social phenomenon of the societies all along. It is motivated by the natural urge of every human being for new experiences, adventure, leisure, education and entertainment. The motivation also includes social, religious and business interest. The spread of education has fostered a desire to know about different parts of the globe. The basic human thirst for new experience and knowledge has become stronger as communication barriers are getting overcome by technological advancements.

Dehradun and Mussoorie region of Uttarakhand state are emerging as most favorite tourist's destination for the different categories of customers. With the increase in number of tourist visiting these places in Uttarakhand, it becomes essential to analyze the standards of service provided by all those involved in tourism related activities specifically hospitality. Hotels and other supplementary accommodation units is the core of tourism industry and an effort is required to analyze these ingredients in order to proper development of tourism sector in Uttarakhand.

## 4. OBJECTIVE OF STUDY

Every research, in business studies, is supposed to be purposeful. It should have objectives to be achieved through study as the specification of them enables the researcher to zero in on the well-defined objectives. Recognition for hospitality industry has become an area of concern by many hospitality researchers in Uttarakhand. Number of research studies as well as observations have been made that there exists a huge difference between the services perception and expectation level in hotel industry. Research study is aimed to assess and observe needs and expectations, which deal with the status of hospitality industry in Dehradun and Mussoorie. Present study is based on both primary and secondary data. At the same time to have a more insight into various depth and dimensions of hospitality industry in the study area direct communication and interview techniques were executed for soliciting the respondents' views. The secondary data was collected from the published materials/documents like statistical bulletins, research journals, seminar proceedings and Govt. reports on tourism and hotel industry tourist brochures, magazines published by Department of Tourism, Government of Uttarakhand etc. some hotels and restaurants owners were also interviewed.

The main objectives of the research study were to investigate and evaluating the scope for hospitality industry in Dehradun and Mussoorie region of Uttarakhand in terms of existing tourist use patterns; services demanded and offered by the tourists. The other objective of the research study includes:

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1. To analyze the nature and setup of accommodation industry in Dehradun and Mussoorie.
2. To examine the quality of goods and services being offered to the clients.
3. To understand the major problems / constraints faced by the guest during the stay.

- **Sampling and Methodology**

Sampling is the process of making a selection of sampling elements from a defined set of elements called a population. Sampling process is categorized in to two - Probability sampling and Non-probability. Probability sampling techniques are those in which the researcher knows

The probability of a sampling unit getting selected in the sample. In non-probability sampling methods, no such knowledge selection probability is possible. The biggest problem with real-life populations is that there is no accurate listing available of the sampling units or the sampling elements. This makes it difficult to use probability sampling techniques in practice. Therefore, in real life, researchers tend to combination of probability and non-probability techniques, or an adapted form of probability sampling techniques. The popular probability sampling techniques are simple random sampling, systemic sampling, stratified sampling, and cluster sampling. The non-probability techniques include quota sampling, judgment sampling, and convenience samplings and snowball sampling.

The relevant data for the study has been collected from both the primary and secondary sources; the primary data is collected through online, telephonic and field survey conducted on various stakeholders of the industry *viz*; hoteliers, accommodation operators, tourists, employees of various approved hotel properties by the way of structured questionnaire, personal interviews, discussions and mails. Set of questionnaire was designed for the tourists, visiting Mussoorie and Dehradun. As regards to the tourists, there were a total of 170 and 130 respondents from Dehradun and Mussoorie respectively. The survey lasted for a period of one year in the different months of the year in 2010 and 2011. The questionnaire designed had both open ended and close ended questions. The observation was done using likert's scale and the hypotheses were tested through tools standard deviation, chi-square test, average and mean, table, charts and graphs.

## 5. DATA ANALYSIS AND INTERPRETATION

Customer satisfaction is a business philosophy which tends to the creation of value for customers, anticipating and managing their expectations, and demonstrating ability and responsibility to satisfy their needs (Table 1.1). Quality of service and customer satisfaction is critical factors for success of any business. In order to be successful in the market it is not sufficient to attract new customers, managers must concentrate on retaining existing customers implementing effective policies of customer satisfaction and loyalty. In hotel industry customer satisfaction is largely hooked upon quality of service. A management approach focused on customer satisfaction can improve customer loyalty, thus increasing the positive image of the touristic destination. Hence, exploring the importance for customers of hotel attributes in hotel selection is indispensable.

*Table 1.1: Expectations of the Customers*

| Services/Products in the Hotels | Mean Score | S.D. | Services/Products in the Hotels | Mean Score | S.D. |
|---|---|---|---|---|---|
| Attitude of the Staff | 3.4 | 1.13 | Fulfillment of the Commitment | 4.2 | 1.23 |
| Appearance of the Staff | 3.9 | 1.30 | Reliability of the Services | 3.8 | 1.13 |
| Individual Attention | 4.3 | 1.33 | Prompt Solution to Problem | 4.3 | 1.13 |
| Convenient Business Hours | 3.9 | 1.07 | Cost of the Services | 4.5 | 1.33 |
| Décor and Interior of Place | 3.2 | 0.80 | Quality of Food | 4.4 | 1.23 |
| Information about variety of dishes | 3.8 | 1.27 | Availability of better Accommodation | 4.2 | 1.10 |
| Prompt Response | 4.4 | 1.40 | Transparent Price Policy | 4.3 | 0.93 |
| Safety and Security | 4.6 | 1.20 | Eco Practices | 3.2 | 0.70 |

**Source: Primary Data**

Satisfaction is a main factor to deliver the services effectively in any industry. Hospitality industry is a major industry where customer satisfaction plays a major role. The level of satisfaction must be very high to deliver the quality service to the guests. Customer satisfaction levels can be understood by studying areas like behavior, attitude of the tourists towards the services offered to them. The Hospitality sector is an important area in the State which needs to understand the perception of tourists in respect to their service experience and thereby finding the solutions to enhance the satisfaction level of tourists to promote the growth of tourism in the State. Table 1.2 enumerates data on the hotel selection criteria by the consumer.

*Table 1.2 Hotel selection criteria by Consumer*

| Priority | Hotel selection criteria | Percentage of response |
|---|---|---|
| 1 | Hygiene & cleanliness | 90 |
| 2 | Price | 85 |
| 3 | Type of food | 70 |
| 4 | location | 60 |
| 5 | Service & decor | 30 |

**Source: Primary Data**

In respect to the criteria of hotel selection as per table 1.2 consumers gave emphasis on Hygiene and cleanliness as their top priority. Unhygienic conditions can adversely affect the decision of tourists in selecting a hotel as opined by the tourists. The second criterion of selecting a hotel was based on the prices/hotel tariffs. However, the upper income group people also come here but the majority belongs to the middle class.

In the research study a separate questionnaire was designed for the customers to analyze their perception and attitude towards various aspects of quality of services offered by the hotel units to the. The mean perception in the scale of 1 to 5 along with the standard deviation is shown in table. Here 1 stands for "Not Satisfied" and 5 stands for "Fully Satisfied. The results indicate that the customers have very high expectations about the quality of services especially in case of Quality of accommodation, Pricing and security issues. It is also found that the customers in general they are less concerned with Eco Practices, Interior of the place and information about dishes as exhibited in fig. 1.2 (a).

*Fig 1.2 (a): Expectations of the Customers*
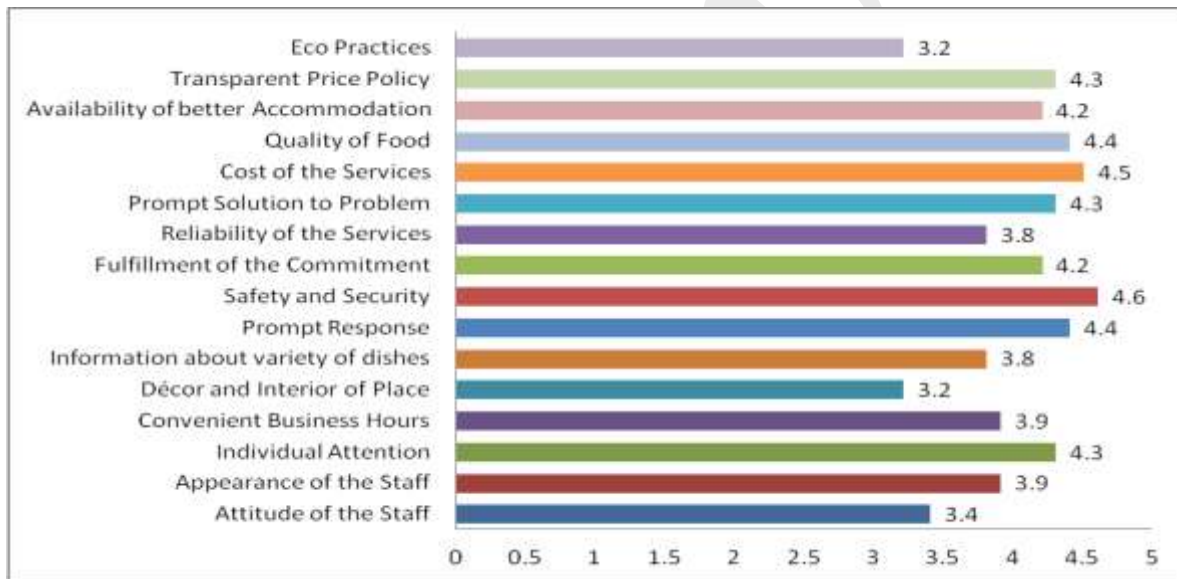


**Source: Primary Data**

In the research study the efforts are made to analyze the satisfaction level of the customers with respect to variety of services provided by the hotel units to them. The results are shown in Table 1.3 and its representation in fig. 1.2 (b). The results indicate that on an average the customers are satisfied with the services provided by the hotels.

*Table 1.3: Services/Products in the Hotels*

| Services/Products in the Hotels | Mean Score | S.D. | Services/Products in the Hotels | Mean Score | S.D. |
|---|---|---|---|---|---|
| Behavior of the Staff | 3.4 | 1.03 | Attitude of the Serving Staff | 3.1 | 0.94 |
| Readiness to Solve Problems | 4 | 1.21 | Hygiene and Sanitation | 2.6 | 0.79 |
| Delivery of Services as Committed | 3.7 | 1.12 | Offering Best Available Services | 2.5 | 0.76 |
| Information about the Service/Product | 3.2 | 0.97 | Promptness of Services | 2.9 | 0.88 |
| Safety Arrangements During the Stay | 3.6 | 1.09 | Quality of the Accommodation | 3 | 0.91 |
| Fulfillment of Individual Commitments | 3.1 | 0.94 | Quality of Food | 3.2 | 0.97 |
| Prompt Attention by the Staff | 2.9 | 1.18 | Time Management | 3.1 | 0.94 |
| Reliability | 3.5 | 1.06 | Price taken corresponding to the quality of services | 4 | 1.21 |

**Source: Primary Data**

**Fig: 1.2 (b): Services/Products in the Hotels**

**Source: Primary Data**

In the research study the efforts is done to analyze the expectation level of the customers regarding the services and the products offered by the hotel restaurants. The sixteen attributes of the products and services offered by the hotels are included in the questionnaire. The factor analysis is applied on the responses in order to identify the latent factors which influence the expectations of the customers of hospitality industry.

Respondents were most satisfied with the behavior of the hotel owners but the behavior and efficiency of the servicemen brought the dissatisfaction. Quality seems to be a satisfying factor again though the taste and aroma of the dishes were not satisfactory that is because of the variety of the tourists and their different eating habits and different taste. On being interviewed, the Hotel owners gave the following reasons for the dissatisfaction regarding the behavior & efficiency of the servicemen:

 Comparatively less manpower

- ➢ Semi-skilled servicemen
- ➢ Seasonal employees
- ➢ High volume of customers at a time

With such a variegated nature of the industry prices tends to rise when demand exceeds the supply. During the peak tourist season the higher prices often dissatisfied the tourists. Tourist gave unsatisfactory response in respect to the behaviour of the servicemen. With reference to the services, employees are sometime unable to render quality services to tourists as hotel occupancy level is quite high in peak season. Even though as mentioned earlier check-in and check-out facilities leave a good impact on the tourists.

Factor analysis is a method of data reduction.  It does this by seeking underlying unobservable (latent) variables that are reflected in the observed variables (manifest variables).  There are many different methods that can be used to conduct a factor analysis (such as principal axis factor, maximum likelihood, generalized least squares, unweighted least squares), Factor analysis is a technique that requires a large sample size.  Factor analysis is based on the correlation matrix of the variables involved, and correlations usually need a large sample size before they stabilize.

The results of factor analysis are shown in table 1.4 shown below. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy statistic indicates that the sample is adequate and the p value of Bartlett''s Test of Sphericity statistic (0.000) indicates that the correlation matrix of the variables considered in the study is not an identity matrix. This indicates that the factor analysis can be done on the data collected from the Tourists.

*Table: 1.4 : KMO and Bartlett's Test*

| KMO and Bartlett's Test | | |
|---|---|---|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .737 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 417.960 |
| | Sig. | .000 |

**Source: Primary Data**

The Communalities can be defined as the proportion of each variable's variance that can be explained by the principal components (e.g., the underlying latent continua). It is also defined as the sum of squared factor loadings. The communalities of the variables including in the analysis is shown in the Table 1.5. The results indicate that the communalities of all the variables are significant except in case of eco practices.

*Table 1.5: Communalities Variance*

| Communalities | | |
|---|---|---|
| | Initial | Extraction |
| Attitude of the Staff | 1.000 | .734 |
| Appearance of the Staff | 1.000 | .475 |
| Individual Attention | 1.000 | .831 |
| Convenient Business Hours | 1.000 | .784 |
| Décor and Interior of Place | 1.000 | .432 |
| Information about variety of dishes | 1.000 | .707 |
| Prompt Response | 1.000 | .693 |
| Safety and Security | 1.000 | .798 |
| Fulfillment of the Commitment | 1.000 | .623 |
| Reliability of the Services | 1.000 | .342 |
| Prompt Solution to Problem | 1.000 | .702 |
| Cost of the Services | 1.000 | .798 |

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| Quality of Food | 1.000 | .668 |
|---|---|---|
| Availability of better Accommodation | 1.000 | .531 |
| Transparent Price Policy | 1.000 | .680 |
| Eco Practices | 1.000 | .330 |
| Extraction Method: Principal Component Analysis. | | |

## 6. CONCLUSIONS AND RECOMMENDATIONS

Quality of services itself largely depends upon the good and effective management. Management should not be centralized in the same way as other ancillary activities. It is supposed to be variable, flexible and essentially as an integrating process. Hotel industry is very much a people industry with humane elements. Many visitors need to have direct access and interaction with the working staff. Their behavior and attitude forms an essential ingredient of the hospitality functions. They are part of the finished product that the visitor is paying for. An understanding of the pervasive influences, determining the attitude of workers within the establishment, which ultimately determines the quality of services, should therefore, form a central focus of the management. Tourist satisfaction, which affects the economic return of the hotel properties, is likely to be affected as much by the attitudes and behavior of the staff as by the standard of accommodation and quality of food and other services.

The conclusions and suggestions drawn on the basis of data analysis and interpretation are discussed as below:

- The climate of the Dehradun and Mussoorie region is slightly cold and the tourists come normally in the summer.
- The profit of hospitality industry comes from different services provided by the hotels to the customers.
- Service attitude of the employees means that they must be inspired to provide service that exceeds the expectations of guests.
- Customer satisfaction is a business philosophy which tends to the creation of value for customers, anticipating and managing their expectations, and demonstrating ability and responsibility to satisfy their needs. Quality of service and customer satisfaction is critical factors for success of any business.
- In the research study the efforts are made to analyze the satisfaction level of the customers with respect to variety of services provided by the hotel units to them. It is found that on an average the customers are satisfied with the services provided by the hotels.

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