

SERVICE FACTORS MOTIVATED RESPONDENTS TO OPT HOTEL BUSINESS – A STUDY IN COIMBATORE DISTRICT

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Abstract—Hotel business is not an easy one to carry on. It is difficult to all who are engaged in that business too. The hoteliers have to be very careful throughout the business, because it is a 24-hour serving type of business. Competition is another factor which is ready to hit the business all the time. This type of business people tries to render maximum possible services to their customers in order to overcome the competition that is prevailing in the market. As they are providing numerous services, some hoteliers are providing them at an ease. This is because some factors have motivated them to opt this type of service industry. Hence this study has been carried out to find out those decision-making service factors which motivated the respondents to choose hotel business in easy provision of services which may result in development of hotel business.

Keywords—Demographic Variables, Communication, Entertainment, General Services, Hygiene, Knowledge.

INTRODUCTION

The hotel industry and tourism constitute a very important sector of the touristic infrastructure and is considered the king-pin of the tourism industry. It has been aptly said “No Hotels, No Tourism”. Among the numerous types of facilities, sought by the tourists, transport and accommodation form the important items. In the world tourism is the largest industry in terms of earnings and is also one of the largest employers of people. Total revenue directly attributable to tourism, including travel and purchases by tourists is estimated at US \$ 3,300 billion. It constitutes over 13 per cent of the Global Gross Domestic Product. This industry provides direct employment to 262 million people who constitute 10.5 per cent of the global work force. Tourism also accounts for eight per cent of the world’s exports making it the largest international trade product or service.

As a multi-segmented industry, tourism demands bringing together the mix of products possessing the quality of satisfying the users. There are three main aspects of tourism. The development of tourism, travel industry and hotel industry rest on the management of hospitality industry. Emerged as the most lucrative business of the world, tourism has tremendous potential for earning foreign exchange. Globally speaking, tourism accounts for nearly 5.4 per cent of world’s trade and 11 per cent of world’s gross product. In the global market of 400 million tourists, India’s share constitutes, at present, a meagre 0.35 per cent. In the modern times, tourism has received the widest recognition and it is the second largest industry in the world while it is the sixth largest in India. This study analyses the various selected service factors which motivated the hoteliers opting for hotel business.

The various selected service factors influencing the respondents opting for hotels were classified as Provision of Facility Oriented General Services, Provision of Communication Oriented Services, Provision of Hygiene Oriented Services, Provision of Entertainment Oriented Service and Provision of Knowledge Oriented Service. The researcher carried out the factor analysis and made an attempt to extract specific service factors and to define variables which constitute each service factor based on the strength and direction of service factor leading to the decision-making process of opting for hotel business.

METHODOLOGY

The major objective of the study was to identify the Service Factors that Motivated respondents to Opt Hotels Business.

An interview schedule was prepared by the researcher for collecting the primary data. Before preparing the interview schedule, the researcher made a comprehensive review of the literature both directly and indirectly connected to the topic. The variables to be studied were identified by the researcher with the help of the officials of the Hotel Corporation of India, the TTDC, the District Industries Centre and the Tamil Nadu Industrial Investment Corporation.

Coimbatore is one among the 32 districts of Tamil Nadu. There are ten Revenue Taluks in Coimbatore district. As per the records of the Administrative Records of Hotels of the Ministry of Tourism, there are 741 hotels of all kinds in the sample district. All categories of hotels are run by people who have put in more than 15 years of service. These hoteliers were chosen as they have more number of respondents when compared to others. All these categories have numerous customers. These hotels were chosen on the basis of random sampling technique. In the present study the sample size is confined to 360 beneficiaries. Thus, random sampling method was applied. Tippet's Random Sampling Numbers were used for selection of the respondents.

PROVISION OF FACILITY ORIENTED GENERAL SERVICES

Easy provision of facilities to customers has been the first factor by which the hoteliers have opted hotel business. This is because the main aim of hoteliers is to attract large number of customers to their hotels so that they may with stand in the marketing of various hotel services. They felt it very easy. Services are offered in a very attractive manner. It has become mandatory for the hectic competition which is prevailing in the hotel market. Hoteliers are easily introducing new and innovative services to the end users so that the existing customers may be retained and new customers may be attracted to visit the hotels. This is done in a competitive spirit. The causes for the variable relating to easy Provision of Facility Oriented General Services is presented in Table 1.

TABLE 1
CAUSES RELATING TO FACILITY ORIENTED GENERAL SERVICES

<i>Sl. No</i>	<i>Cause</i>	<i>Factor Loadings</i>	<i>Communality</i>
1	Receptionists services	.812	.866
2	Facility of Lift	.791	.788
3	Laundry facilities	.733	.741
4	Arranging daily trips	.684	.694
5	Car parking facilities	.652	.632
6	Room heater/ fire	.615	.611
7	First aid medical facility	.589	.593

Source: Computed data

Among the various factors motivation of respondents to opt the hotel business, the factor, 'Provision of Facility Oriented General Services' based on the causes such as Receptionists services, Facility of Lift, Laundry facilities, Arranging daily trips, Car parking facilities and Room heater/ fire and First aid medical facility constituted factor 1. These seven causes with higher factor loadings on factor 1 are characterized as "Facility Oriented General Services". All the attributes have a high communality, indicating that the attributes within factor 1 have a very high association among them.

PROVISION OF COMMUNICATION ORIENTED SERVICES

Most of the hoteliers are well versed with the features of communication. We live in the world of Information Technology. New features are being added with the technology on communication by men who have lot of knowledge in Artificial Intelligence. Men have brought the world in palms. Everyone is accustomed with Information Technology. In order to communicate ones wishes we use the electronic media, which connects two or more people at a time. The causes relating to easy provision of communication related services are presented in Table 2.

TABLE 2
CAUSES RELATING TO COMMUNICATION ORIENTED SERVICES

Sl. No	Cause	Factor Loadings	Communality
1	Common Phone	.777	.794
2	Attached Phone	.754	.692
3	Tourist Information Center	.682	.691
4	Conducted daily trips	.651	.682

Source: Computed data

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Among the various factors motivation of respondents to opt the hotel business, the factor, ‘Provision of Communication Oriented Services’ based on the causes such as ‘Common Phone’, ‘Attached Phone’, ‘Tourist Information Center’ and Conducted daily trips constituted factor 2. These four variables with higher factor loadings on factor 2 are characterized as “Communication Oriented Services”. All the four attributes have a high communality indicating that the attributes within factor 2 have a very high association among them.

PROVISION OF HYGIENE ORIENTED SERVICES

Health and hygiene go hand in hand. One depends on the other. Many factors are responsible for good health. Among all health-related factors hygiene is the most important factor which adds life to anybody. So, everyone will be careful in this regard. Table 3 gives the causes relating to easy provision of Hygiene Oriented Services.

TABLE 3
CAUSES RELATING TO HYGIENE ORIENTED SERVICES

<i>Sl. No</i>	<i>Cause</i>	<i>Factor Loadings</i>	<i>Communality</i>
1	Bath attached room	.841	.849
2	Common bath room	.771	.802
3	24 hours running hot water	.717	.719
4	Full room service	.652	.688

Source: Computed data

Among the various factors motivation of respondents to opt the hotel business, the factor ‘Provision of Hygiene Oriented Services’ based on the causes such as ‘Bath attached room’, ‘Common bath room’, ‘24 hours running hot water’, and ‘Full room service’ constituted factor 3. These four causes with higher factor loadings on factor 3 are characterized as “Hygiene Oriented Services”. All the four attributes have a high communality indicating that the attributes within factor 3 have a very high association between them.

PROVISION OF ENTERTAINMENT ORIENTED SERVICES

Hoteliers follow different types of entertainments as everyone is fond of entertainments. They vary in nature too. There are many types of entertainments. Some are meant for mind some for health (exercise) time passing, gathering knowledge and the like. The various causes relating to Entertainment Oriented Services are depicted in Table 4.

TABLE 4.
CAUSES RELATING TO ENTERTAINMENT ORIENTED SERVICES

<i>Sl. No</i>	<i>Cause</i>	<i>Factor Loadings</i>	<i>Communality</i>
1	Channel music	.732	.784
2	Provision of TV	.721	.752
3	Indoor games like table tennis, carom, chess	.696	.690

Source: Computed data

Among the various factors motivation of respondents to opt the hotel business, the factor, ‘Provision of Entertainment Oriented Services’ based on the causes such as ‘Channel music’, ‘Provision of TV’ and ‘Indoor games like table tennis, carom, chess’ constituted factor 4. These three variables with higher factor loadings on factor 4 are characterized as “Entertainment Oriented Services”. All the three attributes have a high communality indicating that the attributes within factor 4 have a very high association among them.

PROVISION OF KNOWLEDGE ORIENTED SERVICES

Knowledge is the primary requisite for all in all occasions. Where ever one goes or moves knowledge gathering and updating are done with small efforts. So, it is time bound. Knowledge can be updated by external and internal factors. Media also improves one knowledge. Reading, roaming, moving, touring, seeing, hearing also enhance one’s knowledge. Hoteliers are well versed with knowledge-based services and them very prominent by providing knowledge-based services. he causes relating to “Knowledge Oriented Services” are depicted in Table 5.

TABLE 5
CAUSES RELATING TO KNOWLEDGE ORIENTED SERVICES

Sl. No	Cause	Factor Loadings	Communality
1	Library	.811	.866
2	Book Store	.782	.801

Source: Computed data

Among the various factors motivation of respondents to opt the hotel business, the factor, ‘Provision of Knowledge Oriented Services’ based on the causes such as ‘Library’ and ‘Book Store’ constituted factor 5. These two variables with higher factor loadings on factor 5 is characterized as “Knowledge Oriented Services”. All the two attributes have a high communality indicating that the attributes within factor 5 have a very high association among them.

INFLUENCING FACTORS BY THE RESPONDENTS

The factor analysis of the twenty-six attributes relating to the factors influencing the respondents opted for hotel business is presented in Table 6.

TABLE 6
INFLUENCING FACTORS OF RESPONDENTS OPTING HOTELS

Sl. No	Factor	Eigen Value	Percentage of Variance	Cumulative Percentage of Variance
1.	Facility Oriented General Services	2.93	12.195	12.195
2.	Communication Oriented Services	2.41	10.032	22.227
3.	Hygiene Oriented Services	1.911	7.963	30.190
4.	Entertainment Oriented Services	1.67	6.947	37.137
5.	Knowledge Oriented Services	1.40	5.808	42.945

Source: Computed data

- Kaiser-Meyer-Olkin measures of sampling adequacy = 0.551
- Bartlett’s Test of Sphericity: Chi-Square = 1713.846
- Degrees of freedom = 276
- Significance = 0.000

It is observed from Table 6 that the five factors were extracted out of the twenty-six attributes. These factors account for about 42.945 per cent of the variance in the data. The eigen value for the first factor, ‘Facility Oriented General Services’ is 2.93, which indicates that the factor contains much higher information than the other factors. The first factor ‘Facility Oriented General Services’ provides the maximum score into the factors influencing the respondents in the study area.

It is a very important factor because the respondents decide on the basis of facilities, otherwise called services. The second ranking factor being ‘Communication Oriented Services’ which had an eigen value of 2.41, followed by ‘Hygiene Oriented Services’ with 1.91, ‘Entertainment Oriented Services’ 1.67 and ‘Knowledge Oriented Services’, with a least eigen value of 1.40.

RELATIONSHIP BETWEEN SELECTION FACTORS OPTING FOR HOTELS

After finding the factors involved in influencing the respondents the next step is to find the relationship between the factors and the influence on the respondents in the study area. The Multiple Regression Analysis has been carried out to identify the relationship between the factors and the overall factors influencing the respondents which takes the following form

$$\log y = \log b_0 + b_1 \log X_1 + b_2 \log X_2 + \dots + b_y \log X_y + e^u$$

Whereas

- Y - Overall score on factors influencing the respondents
- X₁ - Facility Oriented General Services
- X₂ - Communication Oriented Services
- X₃ - Hygiene Oriented Services
- X₄ - Entertainment Oriented Service
- X₅ - Knowledge Oriented Service
- X₆ - b₀, b₁, b₂,.....b_y are parameters of independent

variable to be estimated

- b₀ - Regression Constant
- e - Error term

In order to term the significance of the estimated parameters b₀, b₁, b₂ b_y, t-test of the following formula has been used,

$$t = b_1 / \text{seb}_1$$

where Seb₁ = Standard error of b₁

The regression co-efficient of the independent variables has been estimated and the results are shown in Table 7.

TABLE 4.10

THE IMPACT OF INFLUENCING FACTORS ON THE RESPONDENTS OPTING FOR HOTELS

S.No.	Factor	Notation	Elasticity of co-efficient	Standard Error	't' Value
1.	Overall Scores on decision making	Y	-		
2.	Constant	b ₀	11.562*	0.629	12.946
3.	Facility Oriented General Services	X ₁	4.626**	0.226	5.814
4.	Communication Oriented Services	X ₂	3.946**	0.110	21.431
5.	Hygiene Oriented Services	X ₃	4.567**	0.082	6.591
6.	Entertainment Oriented Services	X ₄	-0.112 ^{NS}	0.040	-1.763
7.	Knowledge Oriented Services	X ₅	0.135*	0.041	4.944

Source: Computed data.

$$R^2 = 0.890$$

$$F\text{-Test} = 446.721$$

* - Significant at five per cent level ** Significant at one per cent level

NS - Not Significant

FINDINGS AND SUGGESTIONS

Factor analysis was applied. Each factor had more than one variable. Each variable was expressed as a linear combination of the underlying factors. The amount of variance than a variable share with all the other variables included in the analysis was referred to as communality. Among all the attributes that are formed under each factor there was high association.

It is observed that among the various factors analysed, factors like Facility Oriented Services, Communication Oriented Service and Hygiene Oriented Service have proved to be significant at one per cent followed by the factor Knowledge Oriented Services was significant at five per cent and factor Entertainment Oriented Services is not significant. The R² has been 0.804 and the value of the F test was 446.721.

For the effective development of the Hotel Industry following ideas are suggested. It is suggested that the hotel owners should have more professional knowledge to analyse their customer and their expectation. In this respect the association

of hotels may arrange for some counselling programmes or psychological camps or training programmes to their members to understand the behaviour of the customers. The hotel owners may be advised to open a 24-hour customer care centre in their respective hotel premises which will concentrate on continuous improvement of services to the customers.

The Government can take steps to provide adequate loan facilities for the construction of new hotels and liberal terms of finance should also be made available for renovations and modernization of facilities in the existing hotels besides, land for hotel site should also be made available at concessional prices or on lease basis. When these measures are implemented, the Hotel industry will be placed in an elevated plane.

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