Cultural Impact on Customer Satisfaction and Service Quality Evaluation in Hotels

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Cultural Impact on Customer Satisfaction and Service Quality Evaluation in Hotels

By

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Bachelor of Arts, French
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2007

A professional paper submitted in partial fulfillment
of the requirements for the

Master of Science Hotel Administration
William F. Harrah College of Hotel Administration

Graduate College
University of Nevada, Las Vegas
May 2012
Chair: Dr. Sarah Tanford
PART ONE

Introduction

In today’s society, the general population understands that cultural backgrounds have a significant impact on how customers describe their service experiences at hotels. These cultural influences usually translate to different expectations causing discrepancies in the experiences they encounter. With globalization in full speed and people continually traveling abroad to and from different countries, the hotel industry faces many challenges in accommodating these different cultural influences.

Hotels in the United States not only provide their services to guests domestically, but also to those who come from abroad. With this diversity in customers comes many different perceptions and expectations of what constitutes good service. For this reason, it is essential for hotel businesses to understand the underlying differences among cultures. Better understanding of differences can help hotels integrate the different needs more effectively in their products and service offerings. As a result, it is possible to grant more globalized, custom services that would cater to their unique customers.

Hotels’ practices often dismiss the importance of cultural background in their continual attempts to provide the best quality service based on their own understanding of service quality. Moreover, understanding a culture may seem irrelevant as the complexity of culture add to the difficulty of measuring the critical elements within providing quality service. These critical elements, identified through research done in the past, are already difficult to utilize effectively to accommodate guests from abroad.

The current understanding of service quality and service encounters in an international setting is mainly derived from a standardized definition of high quality
service. However, this quality standard is no longer sufficient in satisfying the ever growing population of sophisticated travelers from abroad.

Compared to service quality, research on the customers’ perceptions of satisfaction and how culture affects it remains highly unexplored (Winsted, 1997). With a close examination of different cultures through the research literature, a clearer understanding of the customers’ perceptions of satisfaction and customized service for hotel customers may be achieved.

**Purpose**

The purpose of this paper is to identify how the cultural differences impact customer satisfaction and service quality evaluation in U.S. hotels.

**Statement of Objective**

The objective of this paper is threefold. The first objective is to define customer satisfaction and what customer satisfaction means to people from different cultural backgrounds. The second objective is to evaluate past research on satisfaction and to develop a taxonomy based on the existing literature to introduce how to measure customers’ satisfaction effectively in accordance with each culture. The third objective is to recommend what should be done by the hotel professionals in order to increase international guests’ satisfaction.

**Justification**

This research has implications for hotel operators due to increases in international travelling. Therefore, it is very imperative to understand different cultures and identify service areas that can be improved upon in order to satisfy guests from around the world. This paper may aid hoteliers in identifying what is the best way to measure cultural
attributes, which then will help prepare better services to the international travellers by understanding their culture more deeply. It also has implications for future researchers in the field to investigate how culture impacts customers’ satisfaction, using cultures that are not investigated in this study.

There are ramifications of not investigating this field, which are:

1. The hoteliers in the U.S. will not be able to meet the international travellers’ expectations of service without understanding their needs first.
2. The potential customer loyalty to the hotel may diminish due to the hotels’ inefficient accommodations based on the cultural aspects of satisfaction.

**Constraints**

There are a few self-inflicted constraints in this study. First, the study is limited due to the fact that cultures studied in the paper do not represent all the segments of cultures. Japanese, Chinese and the U.S. culture are included in the study to be investigated. Therefore, some important findings will not necessarily apply to the cultures that are not investigated.
PART TWO

Introduction

Tourism is a rapidly growing industry worldwide, which is partially fueled by the continual globalization of businesses and nations. However, this newly perceived easy access across countries does not necessarily translate to an easy integration of difference in beliefs and culture. Culture has been highly ignored when it comes to achieving customer satisfaction. With the ever evolving population and customers becoming more sophisticated and demanding, service providers are falling behind in keeping up with the needs of their customers and retaining their high levels of satisfaction they once received. Thus, it is time to take a closer look into how culture impacts modern customers’ satisfaction evaluation. Previous literature looked primarily at the customer satisfaction evaluation process; however, in order to cope with the rapidly changing tourism trend, it is important to pay attention to the effect of culture on customers’ preferences. Limited research has been done in this area of interest, which explains what attributes are important in satisfaction from culture to culture. This understanding is vital to set a common understanding of customers’ satisfaction based on the cultural backgrounds.

Cultural Differences

In order to remain competitive in a globalized hotel industry, it is critical to develop services that are able to satisfy a very diverse customer base. Culture is one of the most effective yet complicated elements that hotel operators need to understand in order to provide great services in accordance with the customers’ needs (Ueltschy, Laroche, Eggert, & Bindl, 2007). Hofstede (1994) defined culture as the unique behaviors and attitudes of a certain group of people that help distinguish one group from
another. The social normality of one culture is not the same in another culture. Ueltschy et al. (2007) stated that it is important for service providing companies such as hotels to realize that customer preferences are not identical all around the world. Therefore, it is important for service providers to identify the critical factors of customer preferences and incorporate these discoveries into the services they offer to satisfy their culturally diverse group of customers more effectively. Culture is deeply integrated into everyone’s day-to-day lives and the decisions one makes are heavily influenced by the culture that one is brought up in. Moreover, culture not only influences behaviors of people, but also affects the rationalization process of the behavior (Patterson & Mattila, 2008). Therefore, the uniqueness of each culture influences the development of people’s perception of service quality.

**Characteristics of Different Cultures**

As noted previously, culture has a strong impact on customers’ expectation and evaluation of service quality. Customers from different cultural backgrounds are accustomed to their standards of service quality; therefore, it is imperative to look at the service cultures in each country and from which hotel operators can determine what guests from each culture expects from their services. Investigating each culture in detail helps hoteliers with the application of culture in their customizable service designs.

**Japan**

Japan is famous for its great customer services. Winsted (1999) has identified aspects of service Japanese people consider the most important and they are: promptness, formality, and friendliness. Japanese service philosophy entails four major aspects. First, due to Japan’s economic factor such as high cost of living, it is inevitable for Japanese
people to pay higher prices for goods. Therefore, they believe that intangibles such as service should be free. Hence, there is no tipping culture in Japan and service providers to not expect to get tipped for doing their job as service providers (Johansson, 1990).

Second, while many believe that customers are always right, Japanese service providers believe that the customers are not always right. Although they are not always right, Japanese people believe that the customer is king (Foit, 1995). Thus, Japanese customers are provided services with respect, patience, and friendliness.

Third, empathy plays an important role in Japanese service providers’ point of view on customer complaints. According to Johansson (1990), Japanese service providers view complaints as opportunities. Once a customer expresses dissatisfaction with the service provided, service providers do everything possible to figure out the source of dissatisfaction on behalf of customers and try their best to correct the mistakes.

Lastly, Hofstede’s power distance theory explains Japanese people’s belief of inequality between service providers and customers. Service providers in Japan believe that customers are doing them a favor by coming into their businesses and purchasing from them. Therefore, the acceptance of inequality in status helps the service providers to treat customers with respect and strong empathy.

China

China’s current economic success had brought Chinese people with freedom to travel and interact in international settings. The Chinese people are considered as global travellers now that China is an economic superpower. However, despite this new classification, they continue to retain their culture and traditions wherever they go. Their cultural beliefs are deeply rooted within the way they live.
Superstition. Chinese people tend to be superstitious about placement of objects (Feng-Shui) and numbers (numerical homonyms). Literal meaning of Feng-Shui is wind and water. Chinese people believe that it is important to create harmony between the nature and people’s living arrangements (Tsang, 2004). According to Tsang (2004), Chinese people believe that the position of buildings such as which direction they face and the placements of furniture and windows are among the most important factors because they believe that these aspects will determine their luck and fortune. Numerical homonyms exists in Western cultures as well; however, Chinese people, including many other Asian cultures, believe that number four is bad due to the fact that the pronunciation of four in Chinese is similar to the pronunciation of the character representing death (si). These beliefs in superstition affect Chinese people’s day-to-day life decisions.

Communication style. According to Gao & Ting-Toomey (1998), there are five distinctive characteristics of Chinese communication style: implicit communication (hanxu), listening-centered (tinghua), polite communication (keqi), insider-communication (zijiren), and face-directed communication (mianzi). First, the literal meaning of “hanxu” is to reserve and to save. Using Hall’s classification, Chinese communication style is categorized as high contextual culture. In high context culture and to be “hanxu”, implicit messages are to be inferred based on context and it is a receiver’s responsibility to read between the lines and extract the actual meaning of conversations (Fang & Faure, 2010). Second, “keqi” is embedded in Chinese people’s everyday lives. It means being polite and courteous. The ritual of “keqi” not only is prevalent in communication, but it also embodies values of humbleness and modesty (Gao & Ting-Toomey, 1998). Lastly, insider-communication (zijiren) is important for
Chinese people. “Zijiren” means insiders or people they know. Chinese people tend to communicate better and more involved in the conversations with the people they know; however, they rarely engage in conversations with people they do not know.

**United States**

The culture of the United States is one of the examples of low contextual culture and the classification was made based on the communication style (Hall, 1976). In low context cultures, meanings of the messages derive from the words used in conversations and the messages are more direct and very much business oriented. People in low context cultures believe that everyone needs to be treated equally, which also can be described as having low power distance. In comparison to the Asian cultures, the culture value system in the United States emphasizes on individualism, individual assertiveness, informality, and amicability. These values are incorporated in the nature of service providers (Naumann, 2009).

Winsted (1997) identified dimensions that influence customers’ evaluation process of service encounters. The respondents from the United States were asked to identify aspects that are the most relevant when evaluating their service encounters and they mentioned personalization as an important aspect. Personalization includes recognition of customers’ names and customization of service according to their needs. The Americans also valued authenticity of service as another important factor.

In the United States, service quality is often measured by how much tip is received from the customers. According to Bodvarsson & Gibson (1994), the tipping culture exists because it is the most efficient method in evaluating services due to the intangibility characteristic of service. In the United States, tipping became socially
pressed culture and the most common way of measuring customer satisfaction and service quality (Lynn, 2000).

**Cultural Theories**

There has been much effort devoted to identify the cultural differences in order to better understand impact of culture on one’s behavior, perceptions, norms, expectations, and beliefs. Many cultural theories exist; however, two most relevant cultural theories are chosen and they are: Hall’s classification of cultures (1976) and Hofstede’s cultural dimensions (2001).

**High Context versus Low Context Culture**

The United States and Japan are often used as prime examples for cultural differences due to their similarities in terms of national economy with extreme differences in cultural values. Hall (1976) identified cultural difference spectrum ranging from low context to high context. The United States and Japan are used most frequently in explaining the concept and Barnlund (1975) defined the relationship between the two nations as polar extremes. He identified Japan as a high context country and the United States as a low context country. These classifications were made based on each country’s communication styles. For example, in a low context country such as the United States, the meaning comes directly from the vocabularies used in conversations and people tend to express themselves and be more business oriented. In high context cultures, facial expressions and the settings of the conversation highly influence the meaning of what is being said. Therefore, people tend to choose the words more carefully and often real meaning is left unsaid, but left to be inferred (Ueltschy et al., 2007).
Cross-cultural studies using the high context and low context concept have been used to study consumers’ attitudes toward telemarketing using the United States and Japan (Taylor, Franke, & Maynard, 2000). The results of this study also confirmed that each culture had an effect on consumers’ perception of telemarketing and once again proved that it is important to consider the cultural aspects before providing services. Also, the results of the studies demonstrate that the differences between high context and low context cultures are expected to be important prognosticators of how customers evaluate service quality and service encounters.

**The Hofstede Model**

The Hofstede model of national culture (Hofstede, 2001) is an extremely valuable framework that helps distinguish one country from another based on five categories and they are: power distance, collectivism/individualism, masculinity/femininity, uncertainty avoidance, and long/short-term orientation. A total of seventy-six countries were studied and each culture was positioned on a scale based on the categories.

**Power distance.** The power distance dimension refers to the degree of acceptance of existing inequality among people with and without power. For example, in large power distance cultures, people tend to accept the fact that inequality exists and that each member in the society has his/her rightful position in the hierarchy. Countries in the Middle East such as Saudi Arabia and Kuwait fall in the category of large power distance culture (O'Regan & Alturkman, 2010). Conversely, countries such as Canada, the United States, Germany and many other Western nations are examples of small power distance cultures. People from these cultures are often less accepting of the status differences and expect equal opportunities and treatments.
Collectivism/individualism. Collectivism and individualism is another category in the Hofstede model. According to Kanousi (2005), individualism refers to cultures with loose ties between individuals of the society and everyone is expected to focus and look after oneself only and its immediate family. Collectivism, on the other hand, refers to cultures in which harmony amongst members of the society is important. The cohesive groups that are formed last throughout people’s lifetime and the groups provide protection in exchange of loyalty. The United States is a great example of a culture that emphasizes on the importance of individualism, whereas, Japan, China, and Korea are used as examples of collectivist society.

Masculinity/femininity. According to Hofstede (2001), masculinity and femininity refer to the gender dominance pattern in both traditional and modern societies. In masculine societies, male dominance is prevalent and the society values male assertiveness. Females in high masculine society are expected to be nurturing and sex roles are definitely divided. On the contrary, in feminine societies, female nurturance is valued; however, male nurturance is accepted. Moreover, sex roles in society are believed to be fluid and the differences in roles does not necessarily equal differences in power. Quality of life and interdependence is idyllic.

Uncertainty avoidance. Uncertainty avoidance refers to how members of the society react to and tolerate uncertainties and ambiguities in day-to-day lives (Hofstede, 2001). According to the Uncertainty Avoidance Index (UAI), people from high uncertainty avoidance culture tend to have higher anxiety and stress. Members in these societies need strong need for written rules and regulations. On the other hand, in the
cultures with low uncertainty avoidance level, people tend to show fewer emotions and they are more willing to take risks (Hofstede, 1983).

**Long/short-term orientation.** Long-term and short-term orientation dimension is also known as the “Confucian dynamic” and the dimension originated from the study of cultural values (Kanousi, 2005). This particular dimensions explains the differences between the Eastern and the Western culture. Some of the values that describe long-term oriented culture are having sense of shame and perseverance. Some of the values that describe short-term oriented culture are personal stability oriented and exchange of greetings (Hofstede & De Mooji, 2010).

**Customer Satisfaction**

Customer satisfaction is an important aspect in service quality measurement. Service providers’ ultimate goal is to maximize customer satisfaction. This comes from the strong belief that high customer satisfaction level leads to high business performance (Morgan, Anderson, & Mittal, 2005). Through a review of literature, it is found that customers’ previous experience of satisfaction and dissatisfaction is crucial because of its effect on the expectations of one’s next purchase decision (Sanchez-Gutierrez, J., Gonzalez-Uribe, E. G., & Coton, S. G. H., 2011). Customers that experienced positive service encounters are less likely to switch to other service providers and they are more likely to refer the service to their friends.

Customer satisfaction is defined as the customers’ evaluation of the service encounter based on their expectation and actual performance (Tse & Wilton, 1988). According to Ueltschy et al. (2007), different customers express different levels of satisfaction for the same or similar service encounters due to the fact that customer
satisfaction is evaluated based on individual’s perceptions such as culture and past experience. Therefore, it is important to identify the attributes of hotels that customers deem most important in order to maximize customer satisfaction and to improve service quality.

In order to better understand the attributes of hotels that customers believe are most important, a variety of research has been devoted to identifying the determinants of satisfaction. Table 1 shows the summary of literature that investigated customer satisfaction of hotel guests in different settings. Studies included in Table 1 were conducted in many different cultural settings and the results found possess some similarities and differences based on the target respondents. The most recurring satisfaction attributes were room related aspects such as cleanliness of rooms and excellent performance by housekeeping department (Prayukvong, Sophon, Hongpukdee, & Charapas, 2007; Kim, Kim, & Way, 2009; and Mohsin, Hussain, & Khan, 2011). Employee performance factor is another key attribute that is important for guests when evaluating satisfaction (Sim, Mak, & Jones, 2006; Skogland & Sun, 2004; and Kuo, 2007).

**Satisfaction Attributes**

Through review of literature, it was found that many studies were conducted on customer satisfaction using attributes of hotel. By using attributes of hotel, it is possible to find out which attribute is most vital in achieving maximum customer satisfaction. In Markovic et al. (2010)’s study, four attributes were studied: reception department, food and beverage department, housekeeping department, and price. This study measured customer satisfaction level of each category. The reception department yielded the
highest importance of all, whereas, price of hotel rooms did not show statistically significant value. The authors also investigated the impact of country of residence on customer satisfaction. The study did not investigate country by country, but it regrouped respondents by continents: Europeans, Asians, and North Americans. It is found in the study that country of residence and level of education significantly influenced customer satisfaction.

According to Kuo (2007), due to the close interaction between hotel employees and customers, service attitude of the employees plays a critical role in maximizing customer satisfaction. In Kuo’s study, the following dimensions of service attitude were investigated: problem solving, empathetic feeling, enthusiastic service, and friendliness. The study was chosen because it focused on the three cultures that this paper is investigating. The study concluded that the employees’ ability to solve problems efficiently and accurately is the most important factor in maintaining customer satisfaction level. Furthermore, the results indicated that there were significant differences in customer satisfaction regarding employee service attitude amongst American, Japanese, and Taiwanese customers. First, American travelers pointed out that service attitude elements such as employees’ ability to solve problems accurately and effectively and offering appropriate service are the most important. Additionally, American customers had the least rigid requirements for service attitude. Second, Japanese travelers emphasize employees keeping alert to all possible problems and incidents. They also emphasize the importance of employee ability to solve problem efficiently, accurately, and quickly. Japanese people have the most rigid requirements for service attitude among three cultures. Third, Taiwanese travelers consider employees
making an effort to solve problems quickly, employees paying as much attention as possible to customers, and employee politeness regardless of customers’ attire as the most important elements.

In Ryan & Huimin (2005)’s study, the authors investigated Chinese and international tourists’ perception of hotels in China. The authors did not specify any impact of cultural value on their results, but the results of the study are important because the respondents of the study includes Chinese guests and other international guests’ perceptions of hotels in China. In the study, it was found that cleanliness of guest rooms is the most important satisfaction attribute. Other attributes related to guest rooms followed the importance rating such as having a comfortable mattress and pillow, cleanliness of bathroom, security of the room, and quietness. The effects of hotel star-ratings on guests’ satisfaction evaluation revealed that cleanliness of guest rooms was the most important attribute for guests regardless of hotel start-ratings.

The two studies conducted in the United States showed some similarities. According to Gagnon & Roh (2007), respondents of the study were generally happy with their stays. They chose customization of service as the most important aspect that has the biggest impact on customer satisfaction evaluation. Reliability also was an important attribute, but employees’ ability to adapt and customize service was the most important. The authors also found that customization and reliability are closely related; however, customers are able to distinguish between the two attributes. Another study done in the United States by Skogland & Siguaw (2004) used thirteen items to measure customer satisfaction and the results pointed out that hotel employee factors are the most important when hotel guests evaluate satisfaction. The similarity between the two studies done in
the United States was that customers deem employee factors such as customization of service, friendliness of employees, how well employees cater to the needs of customers, and timeliness of employees, the most important in service satisfaction evaluation.

Table 1

Customer Satisfaction Literature Review

<table>
<thead>
<tr>
<th>Study</th>
<th>Settings</th>
<th>Respondents</th>
<th>Satisfaction Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Markovic et al. (2010)</td>
<td>Croatia</td>
<td>Domestic &amp; International hotel guests</td>
<td>● Reception Department&lt;br&gt; ○ Accurate reservation&lt;br&gt; ○ Politeness&lt;br&gt; ○ Prompt service</td>
</tr>
<tr>
<td>Prayukvong et al. (2007)</td>
<td>Thailand</td>
<td>General hotel guests</td>
<td>● Room Cleanliness&lt;br&gt; ○ Cleanliness of sheets, pillows, etc.</td>
</tr>
<tr>
<td>Sanchez-Gutierrez et al. (2011)</td>
<td>Guadalajara, Mexico</td>
<td>General hotel guests</td>
<td>● Existence of direct care staff&lt;br&gt; ● Price</td>
</tr>
<tr>
<td>Gagnon &amp; Roh (2007)</td>
<td>U.S.A.</td>
<td>General hotel guests</td>
<td>● Overall quality&lt;br&gt; ● Customization&lt;br&gt; ● Reliability</td>
</tr>
<tr>
<td>Fawzy (2010)</td>
<td>Cairo, Egypt</td>
<td>General hotel guests</td>
<td>● Accuracy of wake up call&lt;br&gt; ● Cleanliness of rooms&lt;br&gt; ● Quality of food and beverage services</td>
</tr>
<tr>
<td>Chi &amp; Qu (2009)</td>
<td>Arkansas, U.S.A.</td>
<td>Tourists who came to visit Eureka Springs and lodged</td>
<td>● Lodging&lt;br&gt; ● Attractions&lt;br&gt; ● Environments&lt;br&gt; ● Dining</td>
</tr>
<tr>
<td>Sim et al. (2006)</td>
<td>San Francisco Bay area</td>
<td>General hotel guests</td>
<td>● Ambience of hotel&lt;br&gt; ● Hospitality of hotel employees</td>
</tr>
<tr>
<td>Kim et al. (2009)</td>
<td>South Korea</td>
<td>Luxury hotel guests</td>
<td>● Cleanliness of rooms&lt;br&gt; ● Communication ability of employees&lt;br&gt; ● Friendliness of employees&lt;br&gt; ● Location</td>
</tr>
<tr>
<td>Kandampully &amp; Suhartanto (2000)</td>
<td>New Zealand</td>
<td>General hotel guests</td>
<td>● Performance of housekeeping&lt;br&gt; ● Reception&lt;br&gt; ● Food and beverage&lt;br&gt; ● Price&lt;br&gt; ● Performance of housekeeping&lt;br&gt; ● Front desk</td>
</tr>
<tr>
<td>Gunderson et al. (1996)</td>
<td>Norway</td>
<td>General hotel guests</td>
<td>● Housekeeping&lt;br&gt; ● Food and beverage</td>
</tr>
<tr>
<td>Mohsin et al. (2011)</td>
<td>Lahore, Pakistan</td>
<td>Luxury hotel guests</td>
<td>● Housekeeping&lt;br&gt; ● Food and beverage</td>
</tr>
<tr>
<td>Study</td>
<td>Settings</td>
<td>Respondents</td>
<td>Service Attributes</td>
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<tr>
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<tr>
<td>Moshin &amp; Lockyer (2010)</td>
<td>New Delhi, India</td>
<td>General hotel guests</td>
<td>• Performance of front office</td>
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<td></td>
<td></td>
<td></td>
<td>• Food and beverage</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Cleanliness of guest rooms</td>
</tr>
<tr>
<td>Ryan &amp; Huimin (2007)</td>
<td>China</td>
<td>General hotel guests</td>
<td></td>
</tr>
<tr>
<td>Nadiri &amp; Hussain (2005)</td>
<td>North Cyprus</td>
<td>Tourists visiting Cyprus</td>
<td>• Safety</td>
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<td></td>
<td></td>
<td></td>
<td>• Convenience</td>
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<td></td>
<td></td>
<td></td>
<td>• Performance of hotel employees</td>
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<tr>
<td>Skogland &amp; Siguaw (2004)</td>
<td>U.S.A.</td>
<td>General hotel guests</td>
<td></td>
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<tr>
<td>Heung (2000)</td>
<td>Hong Kong</td>
<td>Mainland Chinese hotel guests</td>
<td>• Hotel employee factors</td>
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<tr>
<td>Weng et al. (2012)</td>
<td>Taiwan</td>
<td>General hotel guests</td>
<td></td>
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<tr>
<td>Ramanathan (2012)</td>
<td>United Kingdom</td>
<td>Online guest ratings</td>
<td>• Innovative service</td>
</tr>
<tr>
<td>Emir &amp; Kozak (2011)</td>
<td>Turkey</td>
<td>General hotel guests</td>
<td>• Value for money</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>• Good performance of hotels (physical-product management)</td>
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<tr>
<td>Kuo (2007)</td>
<td>Taiwan</td>
<td>Domestic and international tourists</td>
<td>• Front office services</td>
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<td></td>
<td></td>
<td>(Americans, Japanese, and Taiwanese)</td>
<td>• Welcome and provision of information</td>
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<td></td>
<td></td>
<td></td>
<td>• Speed of check-in &amp; check-out services</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Individual attention and respect</td>
</tr>
<tr>
<td>Ramanathan &amp; Ramanathan(2011)</td>
<td>United Kingdom</td>
<td>Online ratings of hotel guests</td>
<td>• Americans: employees ability to solve problems and offering appropriate service</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Japanese: quick and efficient problem solving skills</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Taiwanese: employee attentiveness to customer’s needs</td>
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<td></td>
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<td>• Value for money</td>
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**Service Quality**

According to Parasuraman, Zeithaml, and Leonard (1988), service quality is defined as the discrepancy between expected service and perceived service. Also, service quality is identified as an important indicator for customer satisfaction and business performance measurement (Lewis and Mitchell, 1990). According to Fornell, Johnson,
Anderson, Cha, & Bryant (1998), the customers’ perception of service quality is more important than the customers’ perception driven by price. Therefore, satisfaction is quality driven rather than value driven.

Parasuraman et al. (1988) studied on dimensions of service quality (SERVQUAL) and the studies have provided an extremely valuable insight on measurement of service quality. The authors identified five different dimensions and they are:

1. Tangibles: refers to physical aspects such as facilities, equipment, appearances of personnel
2. Reliability: refers to ability to perform the promised service efficiently and accurately
3. Responsiveness: refers to willingness to help customers and provide prompt service
4. Assurance: refers to knowledge and courtesy of employees and their ability to convey trust
5. Empathy: refers to caring and individualized attention provided to customers

SERVQUAL has provided a framework of service quality; however, the cultural factors were not considered. Thus, it is critical to incorporate cultural factors in identifying dimensions of service quality (Winsted, 1997).

Based on SERVQUAL theory, Winsted (1999) studied two cultures – Japan and the U.S. – in order to further investigate on how cultural differences impact customers’ service quality evaluation. The study identified the following dimensions of service quality: authenticity, caring, perceived control, courtesy, formality, friendliness,
personalization, and promptness. Respondents from both countries were asked to name which are the most relevant aspects they consider when evaluating their service experiences. The results from the study indicated that there were similarities and differences between the two cultures. Although this study was not conducted specifically for the hotel industry, the differences found are significant, by showing that it is important to adapt and utilize culture appropriate service designs.

Service Quality Attributes

The dimensions of SERVQUAL are one of the most predominantly used measurements of service quality. Table 2 illustrates results of the review of literature on service quality. It was found that most studies identified the ‘tangibles’ dimension as the most important attribute that hotel guests deem critical when evaluating service quality. Tangibles include cleanliness of the room, comfortable room (Lau et al., 2005), room related service (Moshin, Hussain, & Rizwan, 2011), physical factors of hotels (Kang, Okamoto, & Donovan, 2004), and employee attire.

According to Wang, Vela, & Tyler (2008), empathy was found to be the most important attribute of Chinese guests who visited the United Kingdom. The authors defined Chinese culture into three categories and they are: traditional culture, communist ideology, and recent Western ideology. It is mentioned that there are different cultural values within Chinese culture that it is important to investigate all possible elements. Also, the study suggested that Chinese guests have higher expectation level than perception level. Chinese customers deem empathy as the most important attribute because of their customer centered culture that they are exposed to in China. Due to the
fact that Chinese culture is high contextual, tourists tend to read and infer from employees’ gestures and non-verbal qualities.

In Law & Yip (2010)’s study, the authors surveyed hotel and hot springs resorts guests from Hong Kong in Guangdong, China. The study revealed that the tangible aspects of hotel and hot springs resorts have the most impact on guests’ evaluation of service quality. The guests had high expectation about equipment, appearances of employees, and facilities. The safe transaction also showed some importance in service quality evaluation. Interestingly, guests from Hong Kong had very low expectations of employees’ knowledge on guests’ needs. The study measured service quality by assessing the discrepancy between Hong Kong guests’ expectations and perceptions of service.

The study conducted in Japan by Kang et al. (2004) investigated general hotel and ryokan guests’ perception of service quality using the SERVQUAL model. The results revealed that the physical aspects of the establishment had the most powerful impact on the guests. There were other dimensions of service quality that were important to guests such as contact performance and encounter performance between guests and employees. However, the assurance dimension scored the lowest of importance in customer perception of service quality.

According to Hsieh & Tsai (2009)’s comparative cultural study between the American tourists and Taiwanese tourists, there are discrepancies between the two groups of respondents in regards to the perceptions of service quality due to their cultural background. The study showed that Taiwanese guests are more concerned about overall satisfaction. Although, both groups view the tangible aspects of hotels important when
evaluating service quality, Taiwanese guests are more concerned about the tangible assets.

First, the American guests picked the assurance dimension as the most important overall. The assurance dimension included sub-categories such as giving the customers the feelings of safety, employee politeness, and knowledgeable employees to answer questions. The research showed that the most important aspect within the assurance dimension was whether employees’ service behaviors instill customers’ confidence or not. Second, Taiwanese hotel guests rated reliability dimension as the most important when evaluating service quality. In the study, reliability dimension included sub-categories such as hotels holding the promise to customers by the certain time, helping customers to revolve encountering problems as best as it could, making a right and adequate decision at the first time, and handling customers’ complain promptly and efficiently. The two most important categories were employees’ willingness to serve customers and provide service at the time it promises to do so.

Other dimensions did not show much difference; however, Taiwanese guests are more concerned about these aspects to be fulfilled than the American guests. Interestingly, the American guests considered the safety issue more importantly than Taiwanese guests.

Table 2

<table>
<thead>
<tr>
<th>Author</th>
<th>Setting</th>
<th>Respondents</th>
<th>Service Quality Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lau et al. (2005)</td>
<td>Malaysia</td>
<td>General hotel guests</td>
<td>• Tangibles</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Cleanliness of rooms</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Comfortable rooms</td>
</tr>
<tr>
<td>Author</td>
<td>Setting</td>
<td>Respondents</td>
<td>Service Quality Attributes</td>
</tr>
<tr>
<td>---------------------</td>
<td>---------------</td>
<td>------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Chang (2008)        | Taiwan        | General hotel guests                     | • Tangible cues  
  ○ Physical location of a hotel  
  ○ Up to date hotel equipment  
  ○ Employee appearance |
| Wang et al. (2008)  | United Kingdom| Chinese hotel guests                     | • Empathy  
  ○ People-oriented service  
  ○ Hotel has customers’ best interest at heart |
| Al Khattab &        | Jordan        | General hotel guests                     | • Empathy  
  ○ Employees of the hotel have the knowledge to answer questions  
  ○ Employees give personal attention  
  ○ Hotel has guest’s best interest at heart  
  ○ Employees understand guest’s specific needs  
  ○ Existence of competent employees  
  • Tangibles  
  ○ Hotel’s modern equipment  
  ○ Positive visual appeal of physical facilities  
  ○ Employees are neat-appearing  
  ○ Materials associate with the service are visually appealing |
| Aldehayyat (2011)   |               |                                          |                                                                                                             |
| Blesic et al. (2011)| Serbia        | General hotel guests                     | • Tangibles  
  ○ Quality of hotel food and beverages  
  ○ Restaurant amenities  
  ○ Room amenities  
  ○ Appearance of employees  
  • Assurance  
  ○ Friendliness of the employees  
  ○ Professionalism of the employees  
  ○ Personal and material safety of guests |
| Yilmaz (2009)       | Turkey        | General hotel guests                     | • Tangibles  
  ○ Modern-looking equipment  
  ○ Visually appealing physical facilities  
  ○ Clean and neat appearing employees  
  ○ Convenient operation hours to all customers |
| Gill et al. (2006)  | Spain         | General hotel guests                     | • Tangibles  
  ○ Physical factors of a hotel  
  ○ Physical factors of a restaurant |
| Hsieh & Tsai (2009) | Taiwan        | American and Taiwanese hotel guests      | • Americans: Assurance  
  ○ Employees’ service behaviors instill customers’ confidence  
  ○ Employees keep polite attitude to customers  
  ○ Employees have enough professional knowledge to answer questions  
  • Taiwanese: Reliability  
  ○ Timely service  
  ○ Effective and prompt problem solving abilities  
  ○ Willingness to serve guests  
  ○ Ability to handle customer’s complain |

<table>
<thead>
<tr>
<th>Study</th>
<th>Setting</th>
<th>Respondents</th>
<th>Service Quality Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moshin et al. (2011)</td>
<td>Lahore, Pakistan</td>
<td>Luxury hotel guests</td>
<td>• Tangibles</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Quality of room cleanliness</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Sanitation quality of the bath and toilet facilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Quality of restaurant service</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Timely service</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Quality of food</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Comfort of the furniture and fixtures in the room</td>
</tr>
<tr>
<td>Kang et al. (2004)</td>
<td>Japan</td>
<td>General hotel and Ryokan guests</td>
<td>• Tangibles</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Physical factor of hotels and ryokans</td>
</tr>
<tr>
<td>Clemes et al. (2010)</td>
<td>New Zealand</td>
<td>General motel guests</td>
<td>• Tangibles</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Cleanliness and comfort</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Noise level</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Parking</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Security</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Staff professionalism</td>
</tr>
<tr>
<td>Law &amp; Yip (2010)</td>
<td>China</td>
<td>Hotel and hot springs resort guests from Hong Kong</td>
<td>• Tangibles</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Up to date equipment</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Appealing facilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Neat and well-dressed employees</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>o Safe transactions</td>
</tr>
</tbody>
</table>

**Conclusion**

Literature on this topic investigated customer satisfaction and service quality perception of hotel guests using hotel attributes and SERVQUAL dimensions. Through review of literature, it is found that customer satisfaction attributes range differently depending on the setting of the study. There were a few key attributes that hotel guests pointed out as the most important aspects when evaluating customer satisfaction:

Cleanliness of rooms and hotel employee factors. The studies done in the United States revealed that customers are generally more concerned about employee related factors such as friendliness of staff, customization of service, the ability of hotel employees to cater to customers’ needs, timeliness of employees, and the ability to solve problems efficiently and promptly. According to the studies done in China, hotel guests are more concerned with room related aspects such as cleanliness of room, comfort level of beds, and efficiency of housekeeping. When hotel guests from the United States, Japan, and
Taiwan were asked only to evaluate on the employee factors, the Americans chose employees’ ability to solve problems and offering of appropriate service as the most important factor. The Japanese guests considered employees’ ability to solve problems quickly and efficiently as the most critical attribute and the Taiwanese guests considered employee attentiveness to customers’ needs as the most critical attribute. Therefore, it was evident that the cultural backgrounds have an impact on customer satisfaction evaluation process. Although literature provided important findings, the need for culture specific measurements still exist.

The important service quality dimensions for hotel guests are measured using SERVQUAL model. Through review of literature, it was found that tangible aspects of hotels had the most impact on customer evaluation of service quality. Although, all of three cultures identified tangibles as one of the most important attributes, each culture expressed different service quality attributes as important as tangibles. Guests from the United States also identified assurance dimension important. Japanese customers identified empathy as an important dimension and Chinese guests identified reliability as another important service quality attribute.

Customers in today’s society demand better quality services. There are great benefits for hotels to devote their time and resources to understanding the cultural values of their hotel guests. Such dedication would improve overall customer satisfaction through the better understanding of their customers as well as the potential newfound ability to customize their services according to the customers’ cultural needs (Vilares & Coelho, 2003).
PART THREE

Introduction

The purpose of this professional paper was to identify how cultural aspects impact customer’s evaluation of satisfaction and service quality of hotel stays. Three cultures were evaluated in detail in order to identify their cultural beliefs and traditions. The chosen cultures are the United States, Japan, and China. The United States was chosen to show the differences from the Asian culture. Japan and China were chosen to study in order to show that there are differences between the Asian cultures as well. The information gathered through literature review was used to create tables that exhibit cultural differences based on cultural dimensions. Tables also exhibit the list of satisfaction and service quality attributes that customers from each culture consider important when evaluating hotel stays.

Cultural Differences

The cultures used in the paper are the United States, Japan, and China. The three cultures in the study represent the Western and the Eastern culture. Table 3 illustrates the differences among the three countries based on the cultural dimensions. Asian cultures have many similarities, but there are culture specifics that need to be satisfied in order to maximize customer satisfaction.

The United States showed very different results than the Asian countries. Due to the fact that the Americans value equality in the society, the United States showed very small power distance. This shows that the social hierarchy does not exist and that everyone believes that everyone should be treated the same way. The United States is categorized as a low-contextual culture, where people are more outspoken and they use
words to communicate. Therefore, it can be concluded that hotel guests from the United States need to be treated equally with same respect regardless of social status, wealth, and appearances. Also, it is important to communicate more openly with the customers.

According to Hofstede’s model, China has large power distance. Chinese people believe that the hierarchy exists in the society and they accept that people are not equal. It is also a collectivist culture where tourists tend to travel together in a big group and people put a group’s best interest first rather than the individual’s. China is categorized as a high-contextual culture. In high-contextual culture, people use less words to communicate and gestures or environment where communication is taking place are also analyzed in order to get the full meaning of the conversation.

The Japanese culture is very similar to the Chinese culture. Both cultures show large power distance and they are high-contextual cultures. It is a collectivist culture as well. Japanese people emphasize very much on unity and respect in their daily lives. The Japanese culture also showed high level of uncertainty avoidance, which means, Japanese people do not like to deal with ambiguities and uncertainties in their lives.

The cultural dimension comparisons should be used in hotel operations to better understand guests’ needs based on different cultural backgrounds. These cultural differences could help hotels to customize their service and enable hotels to differentiate themselves from other hotels.

Table 3

*Cultural Differences*

<table>
<thead>
<tr>
<th>Cultural Dimensions</th>
<th>United States</th>
<th>China</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power distance</td>
<td>• Small</td>
<td>• Large</td>
<td>• Large</td>
</tr>
<tr>
<td>Collectivism/Individualism</td>
<td>• Individualistic</td>
<td>• Collectivist</td>
<td>• Collectivist</td>
</tr>
<tr>
<td>Cultural Dimensions</td>
<td>United States</td>
<td>China</td>
<td>Japan</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>---------------</td>
<td>-----------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Communication style</td>
<td>• Low-contextual</td>
<td>• High-contextual</td>
<td>• High-contextual</td>
</tr>
<tr>
<td>Uncertainty avoidance</td>
<td>• Low</td>
<td>• Low</td>
<td>• High</td>
</tr>
<tr>
<td>Long/Short-term orientation</td>
<td>• Short-term</td>
<td>• Long-term</td>
<td>• Long-term</td>
</tr>
</tbody>
</table>

**Satisfaction Attributes**

Customers’ evaluation of satisfaction is one of the most important ways to measure hotels’ performance and to identify ways to improve service. Table 4 is a list of attributes of hotels that are considered important for each cultural backgrounds. Each culture pointed out different attributes as important elements; however, some attributes overlapped regardless of cultural background. One of the attributes that continuously showed up was hotel employee-related concerns such as the employees’ ability to cater to customer needs and the employees’ ability to solve problem efficiently and promptly. However, the importance of employee-related attributes varied from culture to culture.

First, guests from the United States were most concerned about employee-related attributes, reliability attributes, and appearance of hotels. Employee-related attributes include customization of service, friendliness of hotel employees, employees’ ability to efficiently cater to customers’ needs, timeliness of employees, and offering of appropriate service. Despite the fact that not all of the employee-related attributes are ranked high, the frequency of employee-related attributes showed that these aspects are important to the guests from the United States. Reliability of service provided is important to the guests from the United States; therefore, it is critical to instill confidence in guests that hotels will deliver what was promised to guests. Ambience of hotel is another important attribute to the guests visiting from the United States.
Second, guests from China showed that room-related attributes, employee-related attributes, quality of food and beverage, and location of hotels as important attributes. In terms of room-related attributes, cleanliness of rooms and comfortableness of beds and pillows were most important. Chinese customers chose employees’ ability to communicate as an important aspect; therefore, it is imperative to provide Chinese guests with employees whom can communicate in Chinese languages. Unlike other cultures, Chinese guests picked quality of food and beverage as an important factor. Chinese travellers choose to eat at Chinese restaurants over other restaurants when travelling; therefore, hotels that have in-house Chinese restaurants with good quality food have enormous advantage.

Third, most of the important satisfaction attributes chosen by Japanese guests are employee related. Japan puts much emphasis on prompt and accurate service. The service providers in Japan think of customers as king. Japanese people are used to these service philosophies and they expect the same treatment when travelling abroad. The important satisfaction attributes for Japanese guests are quick and efficient problem solving skills, ability to efficiently cater to customer needs, prompt service, and ability to communicate with customers. Also, the Japanese culture puts emphasis on politeness to one another and appropriate attire for each occasion. Therefore, it is important to note that employees at hotels need to be polite and appropriately dressed when greeting guests from Japan.

Maximizing guest satisfaction is every hotel’s ultimate goal. By knowing what guests from different countries look for in hotel stays, hotels could reduce level of guest dissatisfaction. There were differences among different cultures in regards to what
customers deem important in hotel stays. However, all the cultures studied chose employee-related attributes as one of the most important aspects; therefore, hotel operators should focus on those aspects and improve operations by educating their employees on cultural differences.

Table 4

*Satisfaction Attributes*

<table>
<thead>
<tr>
<th>United States</th>
<th>China</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Customization of service</td>
<td>• Cleanliness of rooms</td>
<td>• Quick and efficient problem solving skills</td>
</tr>
<tr>
<td>• Reliability of service</td>
<td>• Employee attentiveness to customers’ needs</td>
<td>• Ability to efficiently cater to customer needs</td>
</tr>
<tr>
<td>• Ambience of hotel</td>
<td>• Quality of food and beverage service</td>
<td>• Prompt service</td>
</tr>
<tr>
<td>• Friendliness of hotel employees</td>
<td>• Comfortable beds and pillows</td>
<td>• Cleanliness of rooms</td>
</tr>
<tr>
<td>• Ability to efficiently cater to customer needs</td>
<td>• Communication ability of employees</td>
<td>• Appealing employee attire</td>
</tr>
<tr>
<td>• Timeliness of employees</td>
<td>• Location of hotels</td>
<td>• Employee politeness</td>
</tr>
<tr>
<td>• Offer appropriate service</td>
<td>• Ability to solve problems efficiently and promptly</td>
<td>• Ability to communicate with customers</td>
</tr>
</tbody>
</table>

**Service Quality Attributes**

Service quality is an important indicator of customer satisfaction. Table 5 shows which service quality attributes are important for each culture. Each culture had different perception of service quality, but the tangible cues of hotels are the common attribute chosen by the three cultures. The tangible cues include overall physical factors of hotels, location of hotels, cleanliness of rooms, up to date equipment, employee appearance, and accessibility. Therefore, the tangible aspect of hotels are the foremost important area to focus on.

Hotel guests from the United States put an emphasis on assurance as another critical attribute they value when evaluating service quality. Assurance factors include
employee service behavior that instill confidence, employee composure, politeness, and whether employees have enough professional knowledge to answer questions or not. Chinese guests mentioned that reliability factors have an impact on service quality evaluations. Reliability factors include timely service, willingness to serve guests, and ability to handle customers’ complain well. Travellers from Japan chose empathy as another important aspect that they focus on. Empathy factors include employee-related service categories such as employees’ ability to solve problems promptly. Japanese guests also care if hotels have guests’ best interest at heart.

It is important to focus on improving tangible cues in order to improve service quality regardless of guests’ cultural backgrounds. However, it is also imperative to look at culture specifics so that hotels are able to cater to their guests’ needs in accordance with these cultural differences.

Table 5

*Service Quality Attributes*

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>China</th>
<th>Japan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tangibles</strong></td>
<td>- Physical factors of hotels</td>
<td>- Physical location of hotels</td>
<td>- Physical factors of hotels</td>
</tr>
<tr>
<td></td>
<td>- Cleanliness of rooms</td>
<td>- Up to date hotel equipment</td>
<td>- Employee appearance</td>
</tr>
<tr>
<td></td>
<td><strong>Assurance</strong></td>
<td><strong>Reliability</strong></td>
<td><strong>Empathy</strong></td>
</tr>
<tr>
<td></td>
<td>- Employees’ service behaviors instill customers’ confidence</td>
<td>- Timely service</td>
<td>- Hotel has guests’ best interest at heart</td>
</tr>
<tr>
<td></td>
<td>- Employees keep polite attitude to customers</td>
<td>- Willingness to serve guests</td>
<td>- Ability to solve problem promptly</td>
</tr>
<tr>
<td></td>
<td>- Employees have enough professional knowledge to answer questions</td>
<td>- Ability to handle customer’s complain</td>
<td></td>
</tr>
</tbody>
</table>

31
Conclusion and Recommendations

In today’s globalized society, international tourism is an ever-growing business sector. It is vital to identify hotels’ customer segments and better understand their guests. Hotels with concentrated international guests such as Chinese tourists in Las Vegas, it is imperative to facilitate their needs. Therefore, it is important to measure customer satisfaction of hotel guests using cultural aspects and to provide service in accordance with the cultural aspects identified in the study.

Not every lodging companies have means to implement such changes to their operations. However, it is important to focus on the attributes that each culture value the most because it enables hotels to provide customizable service to their guests. In turn, it helps hotels in maximizing customer satisfaction and loyalty. Hotels should use the attributes identified for each culture in the study and develop training manuals for hotel employees so that the employees are more aware of cultural differences. Hotel employees are also able to provide appropriate service for each guest visiting the property.

Much effort has been devoted to better understand what affects customer satisfaction and service quality evaluation processes. It is evident that cultural background of a guest has a strong impact on how one expects and perceives satisfaction and service quality. In the hotel industry, it is imperative to be knowledgeable about what guests’ wants and needs are. Therefore, it is hotels’ utmost competitive advantage to utilize the information on cultural differences and to implement cultural values into their operations.
References


Kuo, C. (2007). The importance of hotel employee service attitude and satisfaction of


