

## EFFECTS OF SERVICES QUALITY ON CUSTOMER SATISFACTION: A CASE FROM PRIVATE HOSTELS IN WA-MUNICIPALITY OF GHANA

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**ABSTRACT:** *The aim of this was to examine the influence of Hostel Services Quality on Student's Satisfaction in the University of Development Studies (UDS) within the Wa-municipality of Ghana. A cross sectional quantitative research design was employed. The target populations of the study were predominately students in private hostels. Whopping 300 students were randomly sampled to participate in the study. The questionnaires were adopted from the SERVQUAL Model. Both primary and secondary data were employed in the study. The data were analyzed with the aid of Statistical Package for Social Science (SPSS). The study had revealed that overall the model used in this study was acceptable ANOVA was significant ( $p$ -value < 0.05). The study also revealed that, taking all the other factors constant at zero; a unit change in tangibility will bring 0.054 change in students satisfaction, a unit change in assurance will bring 0.318 a unit change in reliability will bring 0.342 in customer satisfaction, a unite change in responsiveness will bring 0.096 change in students satisfaction and finally, a unit change in empathy will bring 0.381 change in students satisfaction. It is concluded that hostel management should paid attention to the legitimate discontent among the students to improve efficiency in order to prevent massive switching rate in the long run when supply exceed demand in this business.*

**KEYWORDS:** SERVQUAL, Hostel Service, Students, Satisfaction, Wa-municipality, Ghana

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### INTRODUCTION

Hostels traditionally refer to provision of cheap form of accommodation for travellers especially young travellers. Moreover, Hostels are inexpensive inn or lodging facility. In most part of the world hostels are provided to offer temporal lodging place for students, travellers, holiday makers among other. Barely a score and half ago hostels in Ghana have changed the face of service delivery by using promotional tools such as pricing to attract and maintain customers. Moreover, pricing used to be the major determinant for the demand of hostels especially students hostel. However, visitors, guests as well as students are now demanding more than just a lodging facility. Factors such as reliable and constant flow of water, electricity, safety and security apparatus, presence of internet facilities and location are considered vital in contemporary hostel provision (Ramez, 2012; Arora & Saxena, 2013; Roopchund & Boojhawon, 2014)

Moreover, a hostel without available recreational facilities will not survive in the growing competition. Some writers were of the view that the constant and rapid changes experienced by the world in the area of politics, sociocultural and environmental changes, economic and logistical transformation, technological advancement as well as change in the taste and preference of individuals due to the above mentioned factors has opened the universe to unlimited wants, desires, opportunities, cravings, needs and has also exposed humanity to varying dangers and treats. Raising standards and maintaining competitive edge over competitors', hotel operators needs to build a strong brand name and create a positive image

easily identified by potential and aggregate customers or guests. In relation to this, operators should deliver quality service to the delight of customers and maintain it to set standards (Arora & Saxena, 2013)

Some authors have indicated that the experience consumers have been positive or negative has bearing on their level of satisfaction. That is a good experience has positive impact customer satisfaction and hence influences his decision to have a repeat visit and vice versa (Zeithaml et al., 1996). The author further states that service delivery that delights consumers leads to consumer loyalty formulation while dissatisfied customers are snatched by other competitors.

The student's accommodation situation in the Wa-municipality of Ghana is developing more rapidly than projected. More structures keep on emerging each academic year to meet the growing student's population. The very extent to which these emerging hostels meet students' taste, preference and ultimately satisfaction has not been thoroughly investigated. A reconnaissance survey preceding this study revealed that some of the hostels do not meet the basic standard of a student accommodation.

The students outlined their concerns as follows: unreliable flow of water, fluctuating lighting system, inadequate security gadgets, price fluctuations, poor customer service, unwillingness to offer help in times of need, lack of liaison to mediate between the students and their hostel managers amongst others. Subsequently, this study was carried out to determine the influence of hostel services quality on student's satisfaction in the Wa-municipality of Ghana. The general objective of the study is to determine whether current students are satisfied or not.

### **Theoretical Orientation of the Study**

SERVQUAL is the underpinning theory adopted by this study to measure the extent of customer's satisfaction with the service they receive from their hotels management. The history of the Servqual model dates back to 1977 where the first phase of the theory was initiated which consisted of ten determinants (competency, courtesy, credibility, security, access communication, knowing the customer, tangibility reliability and responsiveness) with 97 items. By early 1990 the authors had redefined the model and shortened the determinant to only five dimensions enabling the acronym RATER (Reliability, Assurance, Tangibility, Empathy and Responsiveness) with 22 items.

The Parasuraman, Berry and Zeithaml are accredited as the proponents of the Servqual model. From the model the dimensions were explained as follows: Reliability: This implies the ability to deliver promise service more accurately. Assurance: This implies employees' knowledge and ability to convey trust and confidence. Tangibility: Implies how the physical facilities, equipments, personal and communication apparatus appear. Empathy: Implies the feeling of care and individual attention towards the customer. Responsiveness: this implies the provision of prompt services and self-propelled willingness to help customers. Applying this model into the present study customers are assessed on all the 5-dimensions of quality to ascertain their overall satisfaction towards the services being rendered for them.

### **Empirical Review**

Markovi and Raspor (2010) studied Croatian hostels deploying the SERVQUAL model and reported that the hostels were reliable. Moreover, the staffs of the selected hostels were also competent, empathetic and have neat appearance. They however concluded that two out of

the five quality dimensions were similar but others overlap with the original Servqual model. Meybody (2012) adopted the service quality model to measure brokerage offices in Iran and concluded that there are significant differences between donor expectation and the actual quality in all the five quality dimensions of reliability, tangibility, assurance, empathy and responsiveness.

Ramez (2012) assessed patient's perception of health care quality, satisfaction behavioral intentions in Bahrain. The Author discovered that the perceived quality was more sufficient than the Servqual scale in explaining the variance in the quality service. Kulasin & Santos (2005) posited after conducting a systematic review on the Servqual model. The Authors further asserted that the Servqual model is concise multi-item scale that can be relied upon to better understand the service expectations and perceptions of customer. Conduct feedback survey and improve on efficiency.

Cerril (2012) deployed the Servqual model in the field of education to performing quality assessment and maintained that the Servqual model is reliable in assessing quality in the public sector just as it is in the private sector. Roopchund & Boojhawon (2014) applied the Servqual model in the postal service delivery in Mauritius Post services Limited. The Authors concluded that the quality dimension of responsiveness is ranked the second most important dimension. They further asserted that customers expect the postal organization to provide prompt service delivery and also responding to their queries and complains.

Arora & Saxena (2013) studied the banking sector in India and revealed that all the hypotheses set off in their study were significant. They implied that all the dimensions of service quality had association with customer satisfaction. They concluded that assurance was the highest and tangibility been the least but there were all positively related. Albarg (2013) employed the Servqual model to measure the impact of service quality on customer's loyalty in Saudi banks in Riyadh. The author further argued that there is an ongoing competition among local banks in Riyadh hence quality is improved as it serves as the only surety to survival in the on-going competition. Moreover, managers have the responsibility to ensure that customers are satisfied regarding service quality in order to achieve customer loyalty which is the ultimate. In Tanzania service quality had always been employed to assess the performance of business services.

In the year 2013, Mbise & Tunginga applied the Servqual model to assess business schools in the emerging market. They reported that students in the business schools are now demanding quality services more than ever before to meet their increasing needs. This customer led quality had created much awareness for improvement in the business schools in Tanzania.

Arambewela & Hall (2006) conducted a study involving four Asian countries and deployed the Servqual model to measure satisfactions among students from these countries. They concluded that there are significance relationships among the degree of satisfaction among students from these Asian countries on all the quality dimensions. Notably reliability, assurance, empathy, responsiveness and tangibility

## **METHODOLOGY**

The study investigated the influence of hostel services quality on student's satisfaction in Ghana. To achieve this study adopted quantitative research method. The target population of the study was predominately. The study adopted simple random technique and sample size of

300 students in the University of Development Studies (UDS) Wa - campus. The questionnaires were adopted from the SERQUA Model. Both primary and secondary data were employed in the study. The data were analyzed with the aid of statistical package for social science (SPSS). Regression, correlation, frequency and percentages were used to present the result.

### Demographics

The survey revealed that 47.3% of the respondents' aged between 21-25, followed by respondents with age less than 21 years which accounted for 36%, 8.7% were above 30 years of age and 8% were between the age group 26-30. The gender of respondents shows that majority (n=202, 67.3%) were females and 32.7% were males. This implies that most submissions in this study are from females.

The researcher assessed factors that influence the choice of hotel and the results shows that majority (n=146, 48.7%) give preference to low prices in selecting a hotel, 22% considers location of the hotel, also 16.7% of the respondents easily choose hotels with powerful brand names, 8.6% of the respondents belief that their previous experience influences the selection process and 4% said the availability of water, proper illumination and facilities attract and determine their choice pattern.

The safety of hotels were explored among respondents and it was discovered that 78.7% agree to the fact that hotels are safe as far as providing accommodation is concern whereas only 21.3% of respondents disagree to that effect.

Respondent's demographics were correlated with their overall satisfaction to estimate their association, notably; gender, age and safety. The study revealed that there is a very weak negative and insignificant relationship between students satisfaction and their age ( $r=-016$ ,  $p\text{-value} > 0.05$ ) moreover, there is weak negative and insignificant relationship between respondents gender and their satisfaction ( $r=-016$ ,  $p\text{-value} > 0.05$ ) albeit, there is a weak positive and insignificant relationship between respondents hotel safety and their overall satisfaction with the hostel services( $r=-056$ ,  $p\text{-value} > 0.05$ ).

### Correlations

		Sat.	Tan.	Ass.	Rel.	Res.	Emp.
Overall S.	Pearson Correlation	1					
	Sig. (2-tailed)						
Tangibility	Pearson Correlation	.111	1				
	Sig. (2-tailed)	.055					
Assurance	Pearson Correlation	-.439**	-.464**	1			
	Sig. (2-tailed)	.000	.000				
Reliability	Pearson Correlation	.457**	.077	-.043	1		
	Sig. (2-tailed)	.000	.185	.453			
Responsiveness	Pearson Correlation	.220**	.285**	-.150**	-.086	1	
	Sig. (2-tailed)	.000	.000	.000	.000		

	Sig. (2-tailed)	.000	.000	.009	.139		
Empathy	Pearson					-	
	Correlation	-.483**	.115*	.201**	.070	.238**	1
	Sig. (2-tailed)	.000	.047	.000	.223	.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed).

From the survey Karl Pearson correlation were conducted to assess the degree of association between the dependent and the independent variables. Overall, all the variables have significant association with students satisfaction. The study revealed a significant but weak positive relationship between student's satisfaction and the tangibility ( $r= 0.111$ ,  $p\text{-value}<0.05$ ) dimension of hostels services. Moreover, the study unearthed that there is a significant and negative relationship between student overall satisfaction and the assurance dimension of hostel services ( $r= -0.439$ ,  $p\text{-value} < 0.05$ ). Furtherance, there is a weak but positive and significant relationship between students satisfaction and the responsiveness dimension of service quality rendered by the hostels ( $r= 0.220$ ,  $p\text{-value}<0.05$ ). The study again, reveals that there is weak positive and a significance relationship between students overall satisfaction and reliability dimension of service quality ( $r= 0.457$ ,  $p\text{-value}<0.05$ ). Finally, there is a negative and significant relationship between student satisfaction and empathy dimension of service quality ( $r= -0.438$ ,  $p\text{-value}<0.05$ ).

### Regression

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.771 <sup>a</sup>	.595	.588	.76575	2.494
a. Predictors: (Constant), empathy, reliability, tangibility, responsiveness, assurance					
b. Dependent Variable: Overall satisfaction					

From the model summary above, correlation value ( $r$ ) is obtained as 0.771, which implies that a unit change in the independent variables bring 59.5% variance in the dependent variable. The  $R^2$  value from the model was obtained as 0.595 which implies that the independent variables (empathy, reliability, tangibility, responsiveness, assurance) have 59.5% influence on student overall satisfaction. Durbin Watson value was estimated at 2.494. This was done to assess the type of relationship that exist among the study variables e.g. positive or negative. It can thus be concluded that the correlation among the variables were predominantly positive. The adjusted R- square value is 0.588 and the Std. Error of the Estimate was very low (0.765)

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	253.272	5	50.654	86.386	.000 <sup>b</sup>
	Residual	172.394	294	.586		
	Total	425.667	299			
a. Dependent Variable: Overall satisfaction						
b. Predictors: (Constant), empathy, reliability, tangibility, responsiveness, assurance						

The ANOVA represents the analysis of variance. From the ANOVA table we observed that the overall model is significant ( $p$ -value < 0.05). This implies that the model is acceptable and fit to explain the influence of the independent variables (empathy, reliability, tangibility, responsiveness, assurance) on the dependent variable (satisfaction). The F-statistics was 86.386, means square was 50.65, sum of squares was 253.27 and the degree of freedom (df) was 5. The analysis of variance illustrates that the overall model is significant ( $p$ -value < 0.05) this implies that the model is acceptable and shows the level of influence that the independents variables (Environmental Factors, Social Factors – Peers , Familial Factors and Cultural & Demographic Factors) exert on the dependent variable (attitude towards gambling).

### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics		
	B	Std. Error	Beta			Tolerance	VIF	
1	(Constant)	8.26	1.51		5.49	.000		
	tangibility	-.054	.029	-.084	-1.84	.067	.663	1.51
	assurance	-.318	.039	-.355	-8.08	.000	.716	1.39
	reliability	.342	.026	.489	13.03	.000	.980	1.02
	responsiveness	.096	.029	.136	3.35	.001	.833	1.20
	empathy	-.381	.038	-.404	-9.90	.000	.827	1.21
a. Dependent Variable: Overall satisfaction								

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \epsilon$$

$$Y = 8.262 + -0.054 X_1 + -0.318 X_2 + 0.342 X_3 + 0.096 X_4 + -0.381 X_5$$

The  $\beta$  coefficients table above shows the effects of the independent variables (empathy, reliability, tangibility, responsiveness, assurance) on the dependent variable (satisfaction). From the linear regression above it is established that taking all the independent variables (empathy, reliability, tangibility, responsiveness, assurance) constants at zero; student satisfaction will be 8.262. Moreover, taking all the other independent factors constant at zero; a unit change in tangibility will bring 0.054 (5.4%) change in students satisfaction, a unit change in assurance will bring -0.318 (31.8%) a unit change in reliability will bring 0.342 (34.2%) in customer satisfaction, a unite change in responsiveness will bring 0.096 (9.6%) change in students satisfaction and finally, a unit change in empathy will bring -0.381 (38.1%) change in students satisfaction. All the explanatory variables were significant. Hence, all the hypotheses of the study are accepted. H1 there is significant relationship between student satisfaction and tangibility dimension of quality. H2 there is significant relationship between student satisfaction and H1 there is significant relationship between student satisfaction and their tangibility dimension of quality assurance dimension of quality. H4 there is significant relationship between student satisfaction and responsiveness dimension of quality. H5 there is significant relationship between student satisfaction and empathy dimension of quality. Moreover, multicollinearity was never a problem in this study since variance Inflationary factor were all less than three (VIP Scores < 3).

## CONCLUSION AND RECOMMENDATIONS

The study reviewed that the overall model was acceptable ( $R^2 = 0.595$ ,  $R = 0.771$ , ANOVA =  $0.000 < 0.05$ ). The study also revealed that, taking all the other independent factors constant at zero; a unit change in tangibility will bring 0.054 (5.4%) change in students satisfaction, a unit change in assurance will bring 0.318 (31.8%) a unit change in reliability will bring 0.342 (34.2%) in customer satisfaction, a unite change in responsiveness will bring 0.096 (9.6%) change in students satisfaction and finally, a unit change in empathy will bring 0.381 (38.1%) change in students satisfaction. It is concluded that hostel management should paid attention to the legitimate discontent among the students to improve efficiency to prevent massive switching rate in the long run when supply exceed demand.

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