International tourists' perceptions of hotels service quality in Lalibela town using importance performance analysis

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Abstract

Quality service has become a serious issue among scholars in the hotel industry. This arises due to the fact that operators of the industry still find it difficult to understand what a customer's needs are at a particular time. The purpose of this study is to examine international tourists' perceptions of hotels service quality. An Importance-Performance Analysis technique was used to determine the importance tourists assign to salient attributes and to assess their perception with the hotels' performance on each of the attributes. As a foundation for questionnaire development, the SERVQUAL model was used. However, the original items were slightly modified to suit to the specific features of a hotel setting. The study was conducted in Lalibela town with the participation of larger mid-range hotels because these hotels are less fragmented and exhibit higher levels of competition as majority of international tourists lodge in those hotels. The results showed that, tourists' perceptions of service quality provided were consistently lower than their expected importance. Moreover, managers overestimated the service delivery, compared to tourists' perceptions of actual service quality. This means that there is room for continuous improvement. Thus, hotel operators must continuously provide more intricate service standards to enhance the satisfaction of tourists; otherwise, it will adversely affect the willingness of tourists to stay at hotels and lower corporate profit in the short run and weaken the destination's competitiveness in the long run.

Key words: IPA, service quality, tourists' perception

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1. Introduction

1.1. Background of the study

The tourism sector, formed primarily by services is composed of various interdependent sub-sectors, such as transportation, accommodation, food, leisure, recreation, among others. The hotel market is considered as the 'back bone' of the tourism system. The hotel industry is economically important in most countries and provides substantial employment. It is an industry that is highly segmented based on quality, location and style, with higher levels of competition (Carman, 1990).

Over recent decades, rapid tourism growth has brought with it a number of challenges for accommodation providers. Increasing competition has necessitated the need to offer quality service and secure high customer satisfaction. Thus, providing quality service has become an increasingly important topic for destination management organizations because it serves as a reliable yardstick to assess overall performance. A good understanding of tourists' quality rating levels, as well as the dynamic changes in these levels, benefits not only the service industries that focus on inbound tourism, but also the government regulators and private investors that have a vested interest in the development of a high-quality tourism infrastructure (Gronoos, 2003). Improving service quality standards is likely to contribute to an enhanced reputation for both service providers and the destination as a whole. In addition, consumer studies indicate that an improvement in these standards may contribute to increased consumer loyalty, reduced price elasticity, a lower cost of future transactions and improved productivity.

While investigating tourists' perceived service quality is important for hotels (Hudson and Shephard, 2008), the knowledge about perception alone

can be flawed. For example, a hotel can do well in a certain activity/service, but that might not be of great importance to tourists. Thus, would it make sense to spend time, money and/or energy on such an activity/ service? On the other hand, a certain service might receive low marks on a quality rating survey. However, since it is not known how important this service is to the tourist, it is difficult for management to decide whether it is important for this service to be improved. The importance performance analysis (IPA) technique attempts to rectify this problem, by looking at two sides of a feature: the importance of that feature to the customer, and how the customer rates the performance of the business with regards to the same feature (Martin, 2005). Keyt, Yavas and Riecken (2004), also state that, for an organization to ensure customers are satisfied, it is essential for them to know the importance customers place on the individual components of the service experience and how the hotel performs in relation to those components. This information and understanding of the customer evaluations is, in a competitive environment, essential in order to achieve and sustain high levels of business performance.

Importance–performance analysis technique is a recognized approach for the management of quality levels in tourism (Sethna, 2004). The approach is effective in making comparison between the importance consumers place on an attribute and performance in relation to that attribute (Martilla and James, 1977). It not only provides comparison of the dimensions, but also facilitates a matrix evaluation of the differences between the dimensions, allowing managers to identify areas where they need to revise resource allocation. Considering this, an importance-performance analysis approach that is developed by Martilla and James (1977), was employed in this study

in order to investigate international tourists' perception with regard to hotel operations in Lalibela town.

1.2. Statement of the problem

Though noted for its tourism potential, Africa's underdeveloped tourism sector is attracting only 4.81% (40.7 million) of the total tourist arrivals in the world. What makes the problem severe is the fact that a considerable proportion of this number is taken by South Africa and Northern African countries (Carina, 2007). The situation in Ethiopia is even worse. On the one hand, its tourism potential is diversified, on the other; it is one of the poorly performing countries in terms of tourist arrivals. For example, the total number of tourist arrivals in Ethiopia in 2006 is 290,000 which is more than five times smaller than the number in neighboring Kenya, 1,644,000 (Frost and Shanka,2008).

Lalibela has emerged as the most important tourist destination in Ethiopia and tourist demand in Lalibela is increasing (ODI Survey, 2009). Despite an increase in the number of international tourist arrivals, the future of Lalibela hotel industry looks challenging. An analysis of comments in visitor book in Lalibela airport suggests that the beauty of the rock churches is by far the strongest impression on tourists, along with good guides, friendly people and beautiful local stone architecture. Negative comments were related to hotels among others. In order to maintain Lalibela's present status as one of the world's most attractive tourist destinations, and to render consistent and excellent services to international tourists, hoteliers must thoroughly understand how international tourists perceive the service attributes, and the level of their importance and performance. According to the tourism bureau of Lalibela, however, little research has been done on the evaluation of

service quality in the hotel industry in Lalibela from the perspective of international tourists. It is, therefore, necessary for hotel managers to know how guests perceive their hotel and what they can do to satisfy what their guests expect. Because failure to give due attention to the likely attributes can result in a tourist's negative evaluation of the hotel service, negative word of mouth, may refrain the chance of that guest returning to the hotel in the short run and deteriorate the destination's competitiveness in the long run.

In the quest for improved service quality, it is derived important for hotel service providers to determine what aspects the guests consider to be significant when evaluating the hotel experience (Keyt, Yavas and Ricken, 2004). Thus, it was thought important to provide a direct examination of how hotels perform in relation to areas of tourists' importance. Considering this, this study attempts to find answer for the following research questions:

- What degree of relative importance do international tourists' attach to different attributes of hotels' services?
- How effectively do hotels perform in comparison to tourists' importance?
- Is there a significant difference between tourists' expected importance and perceived performance?
- What relative contributions do service quality dimensions have in determining international tourists' perceptions of service quality delivered by larger mid-range hotels'?

1.3.Objectives of the study

The general objective of the study is to examine the perceptions of international tourists' on the importance of attributes and to evaluate the

performance of the hotels within the same attributes using Important Performance Analysis (IPA) approach. More specifically, the objectives of the study are:

- to identify the degree of relative importance international tourists' attach to different attributes of hotels' services;
- to examine the effectiveness of hotels' performance in comparison to tourists' importance;
- to identify the significance of differences for tourists' in their expected importance and perceived performance; and
- to determine the impact of service quality dimensions on international tourists' perceptions of service quality delivered by larger-mid range hotels.

1.4. Significance of the study

First, it is argued that the finding of this study will have major implications for management of hotel operations and perhaps also for other types of service operations. Instead of giving all aspects of the service operations the same attention, managers need to identify the "key factors" and concentrate resources on these, which for long have been recognized in the rather extensive literature as critical success factors. Thus, this research will be of practical use to hotel managers to weight the allocation of resources to the areas that matter most to tourists and assist them in identifying the aspects of performance that need development. Second, the importance of having satisfied customer is unquestionable. Therefore, using the results of the study, service providers will devise strategies that will enable them to deliver effective and consistent service in a competitive marketing environment. Third, to date there has been extremely little published work

regarding tourists' perception of hotel operations as far as Lalibela town is concerned. To that effect, the study will go a long way to add up to the store of knowledge on hotel operations in the hospitality industry in general.

2. Review of related literature

The entire hotel service process consists of many services and different groups of service employees (Lewis, 2007). Initially a potential hotel guest will choose a hotel from a range of hotels within a specific location that offer relatively similar services and price ranges. The general location of the hotel is important in the first place in attracting visitors to that region or part of town (Bodet, 2008). The convenience of finding the hotel is important when the guest is actually travelling to the hotel. Hotels need to maintain an up-to-date internal and external appearance and image with effective communications. The overall appearance and detail of the physical facilities are very important in how the hotel is perceived.

The pricing aspect of the hotel service also needs to take account of a combination of tangible and intangible aspects of service delivery. Pricing tends to capture the value of the product in the customer's mind (Atilgan, Akinci and Aksay, 2003). To hoteliers setting the appropriate price is important. In addition to the pricing issues, hotel guests' perception of staff will be determined by how the staff appears and the level of professionalism demonstrated (Judd, 2005). This will entail both tangible and intangible qualities. For example, the physical appearance of staff in terms of being clean and tidy and identifiable as staff is important. Also the more intangible aspects of appearing to be professional depend on staff attitudes, actions and ability to carry out the service role in relation to all aspects of service delivery. Because of the highly people-dependent services in hotels, the

quality of face to face interactions and front-line company staff can have a major influence on the perceived service quality and customer care in general which is called ‘moments of truth’ by (Ros, 2005). These interactions can be interpreted as moments of opportunity where the hotel’s reputation is under scrutiny.

2.1. Issues on measuring service quality

Different researchers have different views on the measurement of service quality. Several methods of measuring service quality have been developed and discussed over the last few years. Most of the studies use SERVQUAL, SERVPERF and Importance-Performance Analysis.

SERVQUAL

Parasmaman, Zeithaml, and Berry (1985) defined service quality ‘as perceived by consumers, is the result of a comparison of expectations of a service they will receive and perceptions of the performance of the firms providing that service’. In fact, service quality is an abstract and elusive construct because of three features unique to services: intangibility, heterogeneity, and inseparability of production and consumption (Parasuraman et al., 1985). Therefore, it is difficult to evaluate as different customers have different perceptions of service quality (Bojanic and Rosen, 1994). Further research of Parasuraman et al, (1988) led to the deletion of certain items and the reassigning of other items, and resulted in the current SERVQUAL instrument that consists of five key dimensions of service quality: (1) tangibles; (2) reliability; (3) responsiveness; (4) assurance; and (5) empathy. Thus, the theory underlying the SERVQUAL scale suggests that the service quality construct forms as the result of the following relationships: **Service Quality =f (Performance - Expectations)**.

Parasuraman et a1. (1990) further defined an additional series of items that captured the importance consumers placed on each service attribute captured by the SERVQUAL scale: **Service Quality = f (Perceptions - Expectations)*Importance**. Since the relative importance of variables is relevant in an evaluation of overall quality, all dimensions should be weighted in terms of relative importance of the consumers attach to them. The equation above shows that all three variables: importance, perceptions and expectations do play different roles in evaluating overall quality, and information should be collected in all these variables.

While the SERVQUAL instrument has been widely used, it has also been widely criticized by Cronin and Taylor (1992) about the validity and reliability of the difference between expectations and performance and Gronroos (2003) from the ground of expectation instruments. Hemmasi et al. (2004) suggested that valuable information can be obtained from the proper use of the information derived from the importance and performance subscales. Specifically, the SERVQUAL scale items can be placed on an importance-performance (Martila and James, 1977) grid, which will then identify areas in which improvement should be made on service quality.

SERVPERF

An alternative instrument to measure service quality was introduced by one of the SERVQUAL's critics - Cronin and Taylor (1992). Instead of SERVQUAL, Cronin and Taylor (1992) introduced the performance-based measure of service quality, SERVPERF. In other word, SERVPERF differs from SERVQUAL in that SERVPERF does not assess gap scores because the expectations portion of the pairings is not included. The research of Cronin and Taylor (1992) suggested that although expectations can have unique effect on consumers' perception of service quality, the performance-

minus-expectations is an inappropriate basis for use in the measurement of service quality. Moreover, there were many emerging literature supported the performance-based paradigm over the disconfirmation-based SERVQUAL paradigm. Concerning this issue, Babakus and Boller (1992), Churchill and Surprenant (1994) both supported for the superiority of simple performance-based measures of service quality over gap measures of SERVQUAL.

In spite of the criticism of SERVPERF by Parasuraman et a1. (1994), Cronin and Taylor (1992) still revealed that SERVPERF was the superior measure of service quality over SERVQUAL. They also claimed that SERVPERF scale consistently outperformed any of the other competing models in service environments, and it also provided a useful tool for measuring overall service quality attitudes by service managers.

2.2. Importance-performance analysis

Importance-Performance Analysis (IPA), which is designed for measuring the service quality, acts as a framework for overcoming many of the identified difficulties implicit with the SERVQUAL and SERVPERF scale. Carman (1990) claimed that a complete attitude model service quality must measure the effects of the importance of individual attributes on perceptions of quality.

Importance-Performance Analysis, like SERVQUAL, maintains the quality is a function of customer perceptions of performance and the importance of the attribute. However, customer expectations are not included in importance-performance analysis, because customers "expect" uniformly high levels of service (Brown et al., 1993). Besides, expectations as a

concept of measurement turned out to be problematic as they deal with different meanings of the expression such as ideal, predictive, product type oriented or minimal expectations. Therefore, the importance a customer places on any given service attribute is a principle dimension of importance-performance analysis rather than expectations.

The interpretation of the IPA is graphically presented on a grid divided into four quadrants. The X-axis reports the respondents' perceived importance of selected attributes, and the Y-axis shows the service attributes performance. The four identifiable quadrants are: Concentrate here, Keep up the good work, Low priority and possible overkill.

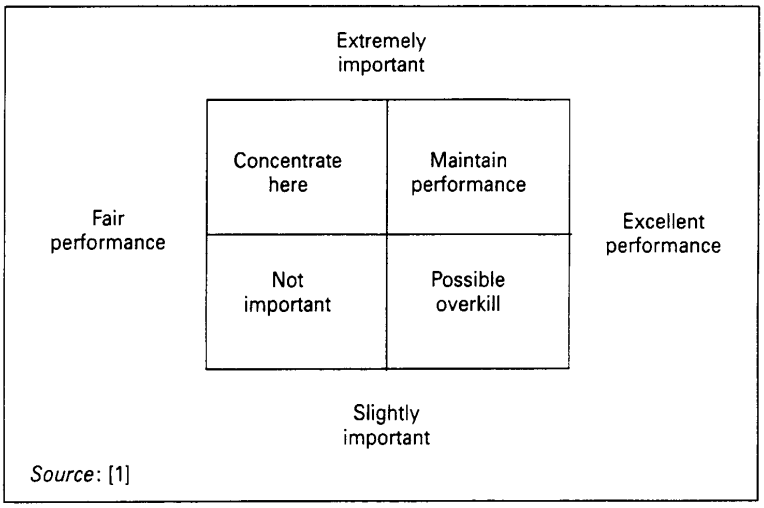

Fig. [1]Important-performance analysis model

Source: Martilla, and James (1977, PP. 77-79)

In the concentrate here quadrant (Quadrant II), attributes are perceived to be very important to respondents, but performance levels are fairly low. The

implication to management is that improvement efforts should concentrate here. In the keep up the good work quadrant (Quadrant I), attributes are perceived to be very important, and at the same time, performance on these service attributes seems at a high level. The message here is to keep up the good work. In the low priority quadrant (Quadrant III), attributes are with low importance and low performance. Although performance levels may be low in this cell, managers need not be overly concerned since the attribute in this cell is not perceived to be very important. Limited resources should be expended on this low priority cell. Lastly, the possible overkill quadrant (Quadrant IV) contains attributes of low importance, but relatively high performance. Respondents are satisfied with the performance of the organizations, but managers should consider present efforts on the attributes of this cell as being over-utilized (Martina and James, 1977).

Since the seminal work by Martilla and James (1977), the IPA framework has gained popularity among researchers in service quality. It has been proved by many researchers as an effective quantitative research tool for policy and evaluation research and it is a proper technique for identify service quality areas requiring remedial strategic action. The importance-performance analysis model (see Figure I) has been used in hospitality and tourism research for years. Sethna (2004), proposed that the importance-performance assessment provided a clear direction for action, identifying areas where scare resources should be concentrated. Lewis (1985), used the IPA as a competitive analysis technique to identify tourists' perceptions of the hotel industry. Lewis and Chambers (1989), reported the effective use of the importance-performance analysis technique by the Sheraton hotel company in the monitoring of customer satisfaction.

While Evans and Chon (1989), used the IPA to formulate tourism policy, Keyt et al. (2004), adopted the IPA technique in restaurant positioning. Almanza, Jaffe and Lin (2006), used the IPA matrix to determine means for improving customer satisfaction. Martin (2005), examined service quality service in the hotel industry using the IPA technique. Hemmasi, et a1. (2004), conducted a study to investigate the efficacy of importance-performance maps as managerially relevant way to use service quality data derived from the SERVQUAL scale, and the result of their study suggested that service quality, at least from strategic management perspective, appears more appropriately identified through the type of importance-performance analysis which was based on the SERVPERF scale and SERVQUAL. Anecdotal evidence also suggests that studies applying IPA are frequently presented at various hospitality and tourism conferences. As Martilla and James (1977), emphasized, ease of application and the appealing methods of presenting both data and strategic suggestions seem to be the factors, among others, that contribute to wide acceptance of the technique.

The study of Hemmasi et a1. (2004), suggested that service quality assessment using importance performance analysis may be a more useful strategic management tool than the gap measures recommended by the authors of the SERVQUAL scale. The evidence of their study suggests that the gap measure does not appear to be an appropriate conceptualization or operationalization of the service quality construct. The primary reason is the inadequacy of the expectations/performance gap model which underlies the conceptual development of the SERVQUAL scale. Service quality seems more appropriately identified through the type of importance performance analysis that has been demonstrated in the study. Specifically, the SERVQUAL scale items can be placed on an importance-performance grid

(Martilla and James, 1977), which will then identify areas in which strategic redeployment of resources may be warranted to improve service quality. This suggestion forms the basis for this study.

3. Research methodology

To uncover how international tourists perceive the larger mid-range hotel operations and how these perceptions affect international tourists' repeat patronage intentions, a cross-sectional explanatory survey method was used.

3.1.Sampling techniques and size determination

The target population used in this study includes all the international tourists accommodated in larger mid-range hotels corresponding to the period of the collection of data. The only international tourists (samples) who responded were those who stayed for a minimum of 2 nights in the hotel at the time of contact. It is due to the fact that those tourists who stayed a minimum of 2 nights will have a complete picture of the hotels' operations than otherwise. Moreover, the research focused on larger mid-range hotels because these hotels are less fragmented and exhibit higher levels of competition as a majority of international tourists are accommodated in those hotels. Concerning the sampling techniques, the researchers depended on both purposive and convenience sampling techniques. Based on Krejcie and Morgan's (1970), sampling table, it was appropriate to select a sample size of 140.

3.2.Sources of data and analysis methods

Under this study, both primary and secondary data were used. Both structured questionnaire and interview were used to collect primary data. To

tap the international tourists' perceptions on hotel service provisions, the SERVQUAL (Parasuraman, Zenithal and Berry 1988), model was used with little modifications to meet the research context. Besides, respondents were asked to indicate the level of perceived performance of service quality they received from hotels by using a five-point Likert scale where 1 is "very poor" and 5 is "very good. Correlations and multiple regression methods were used to analyze the data.

4. Results and discussion

Of the 140 distributed questionnaires, 134 were returned. Due to incompleteness or missing values, only 126 questionnaires were found to be usable and form the basis of the data reported herein. This represents a response rate of 90%, which is quite reasonable for this type of survey.

4.1 Reliability analysis

This study has included all the items from the questionnaires to conduct reliability test on the seven service quality dimensions. Nunnally (1978), has suggested 0.60 as the acceptable level for reliability measure. The average result of Cronbach's alpha on pilot questionnaires range from 0.713 to 0.894, which is within the acceptable level as Nunnally suggested.

4.2. Importance and performance of hotel service attributes

a) Importance

The mean scores of the perceived importance and performance of hotel service attributes were presented in Table 1. The mean score of the overall level of importance was found to be 4.240. Service attributes such as

"feeling safe and secure when staying at the hotel," "clean and hygienic bedrooms," "menu item variety," "food served hot and fresh," clean and comfortable bathrooms," and "understanding the specific needs of guests" were perceived by the respondents as very important. They are mainly in the areas of assurance, room amenities, hotels food quality and empathy factors. All of these attributes were rated 4.714 and higher in terms of the level of importance.

Furthermore, items like "Convenient operating hours," "correct and complete order," "efficient check-in and check-out services," "staffs ability to communicate effectively with guests," "trustworthiness of staffs," "receiving individualized attention," "prompt service," "staffs willingness to help," "reliable reservation system," "quick response to requests," "readable and understandable menu" "visually appealing buildings and facilities," "skillful staffs," "telling exactly when service will be provided," "staffs who speak with guests using appropriate forms" and "appealing hotel décor" were rated from 4.007 to 4.698, indicating that these service areas were also perceived by the respondents as important service attributes.

Only ten service attributes were rated lower than 4.0 of their level of importance. They were “dressings of staffs,” “appearance of staffs,” “perform right service first time,” employees who have in-depth knowledge of the hotel," "clean staff uniform," "attractive bedroom," "providing service with smiling," "keeping promises," and "error free bills." Tea and coffee making facilities in the room were rated 2.571, indicating that respondents perceived this area as unimportant service attribute.

b) Performance

The mean score of the overall level of performance were 3.846. Among the 32 service attributes, attributes relating to "cleanliness of bedrooms," "freshness of food served," "cleanliness of bathrooms," "understanding the specific needs of guests," operating hours," "giving individualized attention," "trustworthiness of staffs," willingness to help," "speaking with guests appropriately," "staffs uniform cleanliness," "promptness of service," "error free bills," "dressings of staffs" and "correctness of order" had relatively higher ratings in performance (from 4.103 to 4.793).

Ten service attributes received mean scores ranging from 3.190 to 3.952. They were "provide services with smiling," "staffs appearance," "feeling safe when staying at the hotel," "staffs knowledge about the hotel," "performing the right service first time," "keeping promises," "attractiveness of bedrooms," "skills of staffs," "readable and understandable menu" and "reliability of reservation system."

Service attributes with performance rating lower than 3.00 covered several service areas. They were "response to requests," "staffs ability to communicate effectively with guests," telling exactly when service will be provided," "visually appealing buildings and facilities," "hotels décor factors," "efficiency of check-in and check-out services" and "tea and coffee making facilities in rooms."

The standard deviation varies from 0.321 to 0.981 for different variables that reflect the pattern of scatter diagram**.** The standard deviation is also imperative as it illustrates a clue of the average distance from the mean. As calculated, low standard deviation can be evident that most observations lie around the mean for all variables.

4.3. Importance and performance gap

A gap analysis was conducted on the level of the importance and performance of the 32-hotel service attributes. The purpose of this gap analysis was to explore the difference between the level of perceived importance and performance of these hotel services attributes. Table 1, shows the respective importance means, performance means and gap scores regarding the hotel service quality perceived by international tourists. It should be noted that, in this study, of all thirty-two service attributes fifteen had a negative mean gap score, implying that almost half of the service attribute suffered a service quality shortfall. The largest gap scores were "menu item variety"(-2.094), "efficiency of check-in and check-out services" (-1.896), "staffs ability to communicate effectively with guests" (-1.738), "response to requests" (-1.413), "visually appealing buildings and facilities" (-1.412), "reliability of reservation system"(-1.278), "telling the exact time when service will be provided" (-1.269), and "décor factors" (-1.166). These service attributes were the major service shortfalls and will require special attention from hotel management to make improvement efforts.

Table 1: Mean ratings of perceived importance and performance of hotel service attributes

Hotel Service Attributes	Importance		Performance		Gap (P-I)
	Mean	Std. Deviation	Mean	Std. Deviation	
1. The hotel has visually appealing buildings and facilities	4.269	.651	2.857	.619	-1.412
2. The hotel staffs dress properly	3.920	.546	4.222	.788	0.302
3. The hotel staffs uniform is clean	3.738	.331	4.468	.768	0.730
4. The staffs provide the service with smiling	3.650	.356	3.952	.412	0.302
5. The staffs have attractive appearance	3.880	.434	3.912	.451	0.032
6. The hotel completes tasks of what	3.595	.806	3.667	.365	0.072

Hotel Service Attributes	Importance		Performance		Gap (P-I)
	Mean	Std. Deviation	Mean	Std. Deviation	
has been promised to guests					
7. The hotel performs the right service first time	3.809	.914	3.753	.896	-0.056
8. The hotel has error free bills	3.579	.405	4.261	.509	0.682
9. The hotels reservation system is reliable	4.468	.455	3.190	.714	-1.278
10. The hotel has efficient check-in and check-out services	4.664	.537	2.778	.566	-1.896
11. The hotel has visually appealing buildings and facilities	4.269	.651	2.857	.619	-1.412
12. The hotel staffs dress properly	3.920	.546	4.222	.788	0.302
13. The hotel staffs uniform is clean	3.738	.331	4.468	.768	0.730
14. The staffs provide the service with smiling	3.650	.356	3.952	.412	0.302
15. The staffs have attractive appearance	3.880	.434	3.912	.451	0.032
16. The hotel completes tasks of what has been promised to guests	3.595	.806	3.667	.365	0.072
17. The hotel performs the right service first time	3.809	.914	3.753	.896	-0.056
18. The hotel has error free bills	3.579	.405	4.261	.509	0.682
19. The hotels reservation system is reliable	4.468	.455	3.190	.714	-1.278
20. The hotel has efficient check-in and check-out services	4.664	.537	2.778	.566	-1.896
21. The staffs tells you exactly when service will be provided	4.142	.344	2.873	.401	-1.269
22. The staffs gives you prompt service	4.603	.508	4.380	.599	-0.223
23. The hotel has staffs that are ever willing to help	4.523	.590	4.587	.674	0.064
24. Staffs respond to requests quickly	4.373	.601	2.960	.901	-1.413
25. The employees of the hotel has in-depth knowledge of the hotel	3.746	.309	3.849	.458	0.103
26. The staffs have the skill required to perform the service	4.198	.821	3.587	.666	-0.611
27. The staffs speak with you by using appropriate forms	4.095	.414	4.468	.406	0.373
28. The staffs are trustworthy	4.650	.327	4.674	.624	0.024
29. The staffs makes you feel safe when staying at the hotel	4.793	.616	3.889	.859	-0.904
30. The hotel has staffs who are able to communicate with you effectively	4.658	.433	2.920	.339	-1.738
31. Hotel staffs give individualized attention to guests	4.626	.520	4.698	.378	0.072
32. Hotel staffs understand the specific	4.714	.711	4.730	.894	0.016

Hotel Service Attributes	Importance		Performance		Gap (P-I)
	Mean	Std. Deviation	Mean	Std. Deviation	
needs of guests					
33. The hotel have operating hours convenient to all guests	4.698	.853	4.714	.410	0.016
34. The hotels menu item variety was excellent	4.761	.335	2.667	.443	-2.094
35. The contents of the menu were readable and understandable	4.309	.667	3.571	.711	-0.738
36. The food is served hot and fresh	4.746	.781	4.761	.398	0.015
37. The order was correct and complete	4.682	.624	4.103	.640	-0.579
38. The hotel has clean and hygienic bedrooms	4.778	.531	4.793	.661	0.015
39. The hotel has attractive bedrooms	3.698	.408	3.667	.531	-0.031
40. The hotel has clean and comfortable bathrooms	4.730	.981	4.746	.756	0.016
41. The hotel has tea and coffee making facilities in the room	2.571	.863	2.539	.719	-0.032
42. The hotel has an appealing décor	4.007	.741	2.841	.530	-1.166

Source: Survey Data, 2013.

4.4. Importance-performance analysis (IPA)

The mean scores of the thirty-two hotel service attributes in relation to importance and performance were presented in Table 1 above. The data was then transferred to the IPA grid presentation (Fig 2.), to yield important insights into which aspects of hotel operations hoteliers should devote more attention, as well as identify areas that may be consuming too many resources. In Fig.2, the X-axis represents the performance scores of the service attributes, while the Y-axis represents their importance scores. The mean importance and performance ratings of each service attribute obtained were then plotted on appropriately scaled grids. Referring to the graph as a guideline, the line of distinction on the two scales of Importance-Performance was set at three. That is, ratings of 3.0 and greater were considered important or satisfactory while ratings of less than 3.0 were considered unimportant or unsatisfactory.

As shown in Fig 2, seven hotel service attributes were captured in the Concentrate Here Quadrant. They were "physical appearance of buildings and facilities" (1), "efficiency of check-in and check-out services" (10), "telling exactly when service will be provided" (11), "response to requests" (14), "staff ability to communicate effectively with guests" (20), "menu item variety" (24) and "favorable room decoration" (32). This quadrant represents those areas international tourists deem particularly important, yet perceive the hotel as only providing adequate service quality. The data captured in this quadrant suggest that larger-mid range hotels in Lalibela town were perceived as providing less than optimal service.

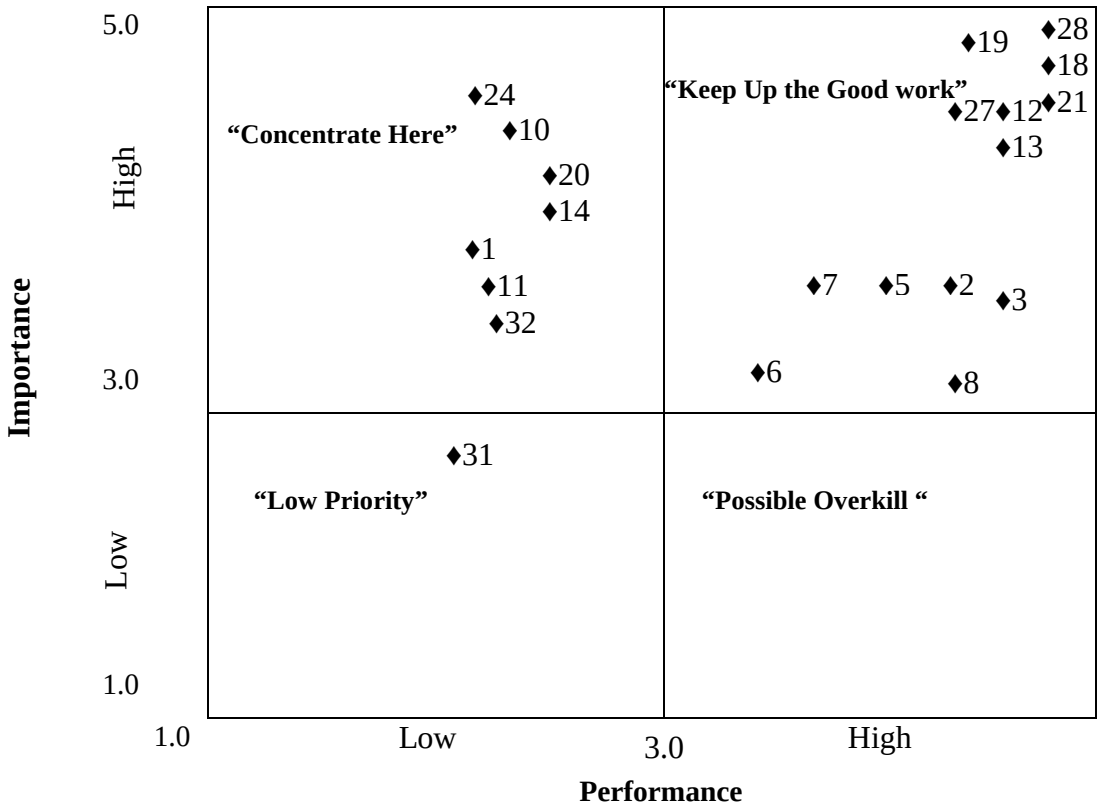

Figure 2. Importance-Performance Analysis of Hotel Service Attributes

Note: The number in grid is the statement number of questionnaire (see table 1)

Hotel service attributes which fell into the Keep up the Good Work Quadrant includes "staffs dressing" (2), "cleanliness of staffs uniform" (3), "providing the service with smiling" (4), "appearance of staffs"(5), "keeping promises" (6), "performing the right service first time" (7), "error free bills" (8), "reliability of reservation system" (9), "promptness of service" (12), "willingness to help" (13), "staffs knowledge about the hotel" (15), "staffs skill required to perform the service" (16), "appropriateness of staffs speaking" (17), "trustworthiness of staffs" (18), "feeling safe during hotel stay" (19), "attention given by staffs" (21), "understanding the specific needs of guests" (22), "operating hours" (23), "understandability of menu" (25), "freshness of food served" (26), "completeness of orders" (27), "cleanliness of bedrooms" (28), "attractiveness of bedrooms" (29) and "cleanliness of bathrooms" (30). Service attributes identified in this quadrant were considered satisfactorily in meeting international tourists' needs. The interpretation of attributes in this quadrant is that hotels are doing a good job. However, it should be noted that service attributes with a negative mean gap score although identified in this quadrant, management might consider those attributes as attributes that need the same improvement efforts as those attributes identified in the Concentrate Here Quadrant.

The Low Priority Quadrant identifies those items where hotels are underperforming and, as the same time tourists perceive them as less important when compared with other service attributes. Only one service attribute, "tea and coffee making facility in rooms" (31), were identified in this quadrant. The results of this analysis suggest that international tourists

place relative little importance on this area. The implication is that hotels should carefully monitor the allocation of resources toward service attribute that is identified in this quadrant, and excess resources would be better directed toward those attributes identified in the Concentrate Here Quadrant. In this study, there was no service attribute that were identified in the possible overkill quadrant, indicating that none of the service attributes was perceived by tourists as not important but hotels are over performing.

4.5. Differential analysis: comparison of importance and perceived performance, based on service quality dimensions

Paired samples t-test with a confidence interval of 95% were used to compare the mean score of importance level with the mean score of the performance level on the seven hotel service dimensions and to test the significant difference between the two means. The following table (table 2) illustrates the resultant representation of the data produced.

Tangibility, reliability, responsiveness, assurance, empathy, hotels food/beverage quality, room amenities and décor factors in this study represents service quality dimensions for hotels, for which international tourists were asked to indicate the perceived importance of these dimensions when they choose a hotel and their perceptions of actual hotels performance during their hotel stay. As such, Table 2 shows the paired difference, overall self-stated importance and tourists' perception of actual performance. The paired difference signifies that the mean of self-stated importance is higher than the mean of tourists' perception of actual hotels performance. Moreover, the t-test result shows that the P value of service quality dimensions is lower than 0.05, which demonstrates a significant difference

between tourists' expected importance and perceived performance of hotels' except in tangibility dimension (-.108, sig. p >.05).

Table 2: Paired samples t-test of the difference between importance and perceived Performance, *n=126.*

Service Quality Dimensions	Importance		Performance		Paired Difference	t	Sig.
	Mean	Std.dev	Mean	Std.dev			
Tangibility	3.990	.711	3.882	.639	-.108	-1.366	.174
Reliability	4.025	.729	3.482	.794	-.543	-25.132	.000**
Responsiveness	4.412	.447	3.704	.752	-.708	-30.547	.000**
Assurance	4.296	.672	4.055	.792	-.241	-13.561	.000**
Empathy	4.674	.525	4.265	.699	-.409	-27.128	.000**
Hotel Food/Beverage	4.625	.824	3.773	.777	-.852	-29.050	.000**
Room Amenities and Décor Factors	3.934	.702	3.717	.707	-.217	-13.251	.000**

**The paired difference is significant at the .05 level (2-tailed).
Source: Survey Data, 2013.

4.6. Relative importance of hotel service factors to international tourists' overall evaluation of service quality

The seven service quality factors were entered into regression analysis, to determine their relative importance in contributing to overall evaluation of service quality by international tourists. Table 4 reports the results of the regression model using respondents' overall judgment of service quality as the dependent variable, this variable being measured on a five-point Likert scale type and the seven service quality factors presented above as the independent variables.

To predict the goodness of fit of the regression model, the multiple correlation coefficient R, coefficient of determination (R^2), and F ratio were examined. The coefficient of determination (R^2) or 0.505, which indicates 50.5% of the variation for the factor affecting tourists' perception of the

overall service quality in hotels is explained by the seven independent variables tested. The model also indicates that 49.4% of the variance can be explained by other factors and reveals that further research is needed to identify the additional factors that influence the level of service quality in hotels.

The F-ratio which explains whether the results of the regression model could have occurred by chance has a value of 5.334 and is significant at 0.000. Therefore, it is possible to say that the regression model adopted in this study could have not occurred by chance and is considered significant. The effect of multicollinearity was examined by using the variance inflation factor (VIF) values for each of the regression coefficients. A small tolerance value and a large VIF value implying there exist multicollinearity. In this study, tolerance values between 0.703 and 0.901, and VIF between 1.409 and 1.422 from the multiple regression analysis were in the acceptable threshold. Consequently, the results show that multicollinearity is trifling in this study.

Table 3: Model summary for multiple linear regressions

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.711[a]	.505	.476	.217

	Sum of Squares	df	Mean Square	F	Sig.
Regression	133.740	7	19.106	5.334	.000[a]
Residual	5.562	118	.047		
Total	139.302	125			

Source: Survey Data, 2013.

The relative importance of the factors (independent variables) in contributing to the variance of the tourists' perception of service quality (dependent variable) was explained by the standardized Beta coefficient. As such, of the seven dimensions, the factor which had the greatest impact on the overall service quality in larger mid-range hotels has been responsiveness with a coefficient (β=0.231). Assurance with a (β=0.221) also appears to play an important role in hotel guests' evaluation of overall service quality rating of the hotel. Perceptions engendered by tangibility with a (β=0.210) such as cleanliness of staff's uniform, attractiveness of staff's appearance, etc, have also been significant in the overall rating of service quality.

As hotel guests consider service attributes like food and beverage service as the basic facilities or necessary service provisions, it was also interesting to note that food and beverage quality factors with a (β=0.174) have been significant in explaining overall rating of service quality. Hotel guests have also shown empathy factors as significant in determining the overall level of service quality rating with a (β=0.072). Out of the seven dimensions, room amenities and décor factors with a (β=0.041) carries the lowest weight in explaining the overall level of service quality, followed by reliability (β=0.050). Meanwhile Table14 also indicates that tangibility, reliability, responsiveness, assurance ,empathy, hotels food/beverage quality, room amenities and décor factors have significant contribution to tourists' perception of service quality because their significant values were less than 0.05 ($p < 0.05$) . The results revealed that, a one unit increase in performance with the "responsiveness" would lead to a 23.1 percent increase in tourists' overall perception of service quality.

Thus, to find the impact of predictors on dependent variable, the specified regression equation in this study takes the following form:

$$SQ = \beta 0 + \beta 1\,(TAN) + \beta 2\,(REL) + \beta 3\,(RES) + \beta 4\,(ASS) + \beta 5\,(EMP) + \beta 6\,(HFBQ) + \beta 7\,(RADF) + £$$

Where, SQ – Tourists' Overall Perception of Service Quality; ***TAN*** – Tangibility; ***REL*** – Reliability; ***RES*** – Responsiveness; ***ASS*** – Assurance; ***EMP*** – Empathy; ***HFBQ*** – Hotels Food/Beverage Quality; ***RADF***- Room Amenities and Décor Factors and E-error terms.

Table 4: Service dimensions affecting perceptions of service quality

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	.261	.297		.815	.000		
Tangibility	.288	.077	.210	2.221	.004	0.703	1.422
Reliability	.059	.079	.050	.748	.003	0.750	1.333
Responsiveness	.248	.081	.231	2.988	.001	0.815	1.226
Assurance	.347	.084	.221	.938	.004	0.901	1.110
Empathy	.070	.071	.072	.853	.000	0.888	1.126
Hotels Food/Beverage	.181	.077	.174	2.442	.003	0.710	1.409
Room Amenities and Décor	.041	.079	.041	.610	.004	0.858	1.165

Dependent Variable: Service Quality
Source: Survey Data, 2013.

Tourists' Overall Perception of Service Quality = 0.261 + 0.210(TAN) + 0.050(REL) + 0.231(RES) + 0.221(ASS) + 0.072(EMP) + 0.174(HFBQ) + 0.041(RADF)

The result of the regression analysis shows that there was a positive relationship between the seven independent variables and the dependent variable "tourists' overall perception of service quality" as the seven coefficient carried positive signs. This indicated that the tourists' overall perception of service quality depended largely on these seven variables. In other words, when there was a higher performance level in these dimensions, the tourists' overall perception of quality level increases.

Conclusion and managerial implication

The objective of this study was to examine the perceptions of international tourists on the importance of service attributes and to evaluate the performance of the hotels within the same attributes using Important Performance Analysis (IPA) approach.

There is a difference in the degree of relative importance international tourists' attach to different attributes of hotels' services. Based on the mean analysis, it was found that, feeling safe or secure during hotel stay, cleanliness of rooms, menu item variety, and freshness of food served and cleanliness of bathrooms receives relatively higher ranking in terms of importance than other attributes. Coffee and tea making facilities in rooms matters least of all attributes to international tourists.

Among those ranked on the highest level of importance, menu item variety, efficiency of check-in and check-out services, staffs ability to communicate effectively with guests, response to requests, physical appearance of buildings and décor factors were captured in the " Concentrate Here" quadrant. Only one attribute received low importance rating coupled with low performance rating from the respondents and as such fall into the "Low

Priority " quadrant. The attribute include coffee and tea making facilities in rooms. There was no service attribute that were identified in the "Possible Overkill" quadrant. This suggests that none of the service attributes were perceived by tourists as not important at the same time hotels' are over performing.

From the gaps calculated, fifteen had a negative mean gap score, implying that almost half of the service attribute suffered a service quality shortfall. The largest mean difference between importance and perceptions of hotels' performance were noted from menu item variety perspective, followed by, efficiency of check-in and check-out services, staffs ability to communicate effectively with guests, response to requests, visually appealing buildings and facilities, reliability of reservation system, telling the exact time when service will be provided and décor factors. These service attributes were the major service shortfalls and will require special attention from hotel management to make improvement efforts.

The actual values of the performance mean were relatively high. However, based on t-test results, the comparison between importance and perceptions of hotels' actual performance rated by tourists' on all seven service quality dimensions indicates a significant difference except tangibility dimension. The result of the regression analysis shows a positive relationship between independent variables and the dependent variable as the coefficient of independent variables carried positive signs. Moreover, all the independent variables have significant contribution to tourists' quality perception.

The relative importance of hotel service factors to international tourists' overall evaluation of service quality is determined by looking at the standardized beta coefficient. The factor which had the greatest impact on

the overall service quality has been responsiveness with a beta coefficient of 0.231. The mean scores generated shows that tourists' are indifferent about their intention of repeat patronage and propensity to recommend.

Keeping the findings of the study in view, managers in hotel industry may particularly focus on the following;

- ☞ It is necessary to note that all of the attributes that were in the greatest negative gaps in quality (performance below importance) are in the group of the most important attributes for tourists. This means that there is room for continuous improvement. Hoteliers as service providers should, therefore, focus on those factors that are most important to tourists.
- ☞ Employees at front desk are the key personnel who form the impression of the hotel Therefore, from a strategic management perspective of service quality, in-house or external training programs should be there to help improve employee competence in, language skills, check-in/check-out efficiency and so on.
- ☞ Tourists' suggestion for improvement indicates that they normally prefer hotels that have broad product lines. Therefore, managers should have keen focus at these factors. It is the extraordinary level of hospitality, which can actually play the role to help bring back the tourists to a particular hotel in the future, and spread positive word of mouth as well.
- ☞ The tourist satisfaction survey is one of the most important activities within the QUALITEST tool. A tourist satisfaction survey generates a wealth of information regarding their needs and is vital for managing and evaluating the quality performance of a hotel. Its results may serve as inputs for a trend analysis on the one hand and strategic discussions

on the other. It is, therefore, recommended that individual hotels further develop the tourist satisfaction survey on a continuous basis.

- In an increasingly competitive environment for organizations, a self-evaluating process is one of the greatest challenges for management. One such strategy is benchmarking, “See what others are doing in order to be the best”. Instead of their own approaches to problems, numerous large companies opt for benchmarking methods to improve their performances. It is therefore, recommended that hoteliers to use this strategy to boost the quality of service provided.

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