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THE EFFECT OF SERVICE QUALITY ON CUSTOMER
SATISFACTION: THE CASE OF FOUR STAR HOTELS IN
ADDIS ABABA, ETHIOPIA

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THE EFFECT OF SERVICE QUALITY ON CUSTOMER SATISFACTION: THE CASE OF FOUR STAR HOTELS IN ADDIS ABABA, ETHIOPIA

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Thesis summited to Saint Mary university marketing management graduating program in partial fulfillment of requirements for Master's Degree of arts in Marketing Management

Advisor: Dr. MULUGETA G. (PHD)

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Addis Ababa, Ethiopia

DECLARATION

I, Yehualashet Nigus, hereby declare that the thesis entitled the effect of service quality on customer satisfaction: the case of four star hotels in Addis Ababa, Ethiopia is the outcome of my own effort and study. All sources of materials used for the study have been truly acknowledged. This study has not been submitted for any degree in this university or any other university. It is offered for partial fulfillment of the degree of master in marketing management.

By Yehualashet Nigus

Signature: - _____

Date: - _16/06/2020GC_

Letter of certification

This is to certify that Xehualashet Nigua carried out his research entitled *the effect of service quality on customer satisfaction: the case of four star hotels in Addis Ababa, Ethiopia.* This work is original in nature and is suitable for submission for the award of master of marketing management.

Dr. Milugeta G. (PHD)

(The Research Advisor)

APPROVAL SHEET

As members of board of examining of the final MSc thesis open defense, we certify that we have read and evaluated the thesis prepared by Yehualashet Nigus under the title "The Effect of service quality on customer satisfaction: In the Case of four star hotels in Addis Ababa, Ethiopia"we recommend that this thesis to be accepted as fulfilling the thesis requirement for the Degree of Master of Science in Marketing Management.

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ACRONOMYS

REL…………………………………………………………. Reliability

RES………………………………………………….. Responsibility

ASSU ……………………………………………………. Assurance

EMP ……………………………………………………. Empathy

TANG …………………………………………………….. Tangibility

HSP ……………………………………………………. Hotel service product

PRI …………………………………………………………. Price

CS ……………………………………………………… customer satisfaction

SERVPER …………………………………………………… Service performance

SPSS ……………………………………………. Statistical package for social stud

Abstract

The concern of this research is assessing the effect of hotel service quality on customer satisfaction: the case of four star hotels in Addis, Ethiopia based on the SERVEQUAL model with seven service dimensions. The study used descriptive and explanatory research design that employee quantitative method. The 384 data were collected by using questionnaire. The respondents were identified by using convenient sampling method. The study used SPSS to reveal that, the four which are reliability, tangibility, hotel service product quality and the price of hotel service dimensions are positively significant to the customers satisfaction whereas responsiveness, assurance and empathy service dimensions are insignificant to the customer satisfaction analyzed by multiple linear regression model as well as the seven service dimensions have positive correlation with the customer satisfaction. To sum up with the customer satisfaction can be satisfied with having employees with cognitive, affective and psychomotor domains together with assuring the investments with required equipment and capitals additionally the system aligned with connecting professionals to the industry.

Keywords: service quality, customer satisfaction, SPSS, regression, correlation

CHAPTER ONE

1. INTRODUCTION

1.1 Background of the Study

Hospitality industry consist hotel and tourism sector, is growing around the world and also become a major source of income generation and employment creation for several countries.In today's global economy, hospitality industry is one of the world largest and the most dynamic industry. This industry is growing around the world and also become a major source of income generation and employment creation for several countries. As confirmed by the World Tourism Organization (2009), the industry create local economic stability through increasing foreign exchange earnings, create employment, investment opportunities, enhancing government revenues, building a country's image and supporting all sectors in the economy, as well as local communities.

Higher demand in the market could potentially push to increase the number of hotels built in Ethiopia. The hotel industry is the essential industry to Ethiopia not only to improve people's life but also for overall national economy.

Nowadays in any economy level globalization have an impact on doing business. This leads the enterprises to sustain a successful business operating in a competitive environment. The process of economic globalization will be further accelerated. The world economy has entered a period of major development, greater opening ups, tough competition, and higher adjustment. With this regard, talent competition gradually replaced the tradition of competitive technologies and products. Thus, succeed from competitive environment has become one of the focus of bigger hotels. Besides this, improve the knowledge of personnel, retaining talented people, enhance their work performance, further to develop company performance through standard service and keeping customer satisfaction, has become intimidating task that hotels has to face now a days in the market. On the other hand, the increased globalization of hotel development has created a great challenge for the hotel corporations to be successful competent in the market the hotel should satisfy customers by the quality service they provide. Having satisfied customers by the

quality service delivering aid the hotel to sustain and continue revenue generating establishment so that the investment is said to be profitable for all stakeholders.

Studying customer's service is both important and difficult task. Its difficulty arises because of the unique characteristics of the service including intangibility, inseparability, perishability, heterogeneity. It's important is related with customers loyalty with necessary satisfaction, image building, increase business performance and etc. (Chu and Choi, 2001).

Among many scholars who define and describe service quality Gronroos (1978) suggests service quality has two components: technical quality and functional quality.

Technical quality refers to what the service provider delivers during the service provision while functional quality is how the service employee provides the service.

And also Parasuraman et al. (1988) define service quality as a difference between customer expectation of service and customers' perceptions of the actual service. From this definition customers are the sole judges of service quality. If they perceive it to be good service, then it is. They assess the quality of service their expectation to the service with perception/ actual service. Even several studies are conducted throughout the world still there is a room to work on service quality of country and culture specific because service quality of one culture may not be applicable to the other even with tourism industry itself (Salazar, 2010).

As far as competition and sustainability of a hotel is concerned, providing a quality service is likely forced operation in order to satisfy customers so that hotels can stand through making profits. On the other hand, the increasing of franchising of hotel management system has created a great challenge for the hotel service to stand with the competition. A failure to cope up with this competition will not bring customer dissatisfaction, but also put the hotel into greater loss and may extend to change the investment to other sector. According to Irons, 1997, in order to provide the desired quality level service companies should know customers expectation and the way they perceive or evaluate the quality of a service.

As Zeithml and Bitner, (2003) stated, customer satisfaction or dissatisfaction is considered to be the result of a comparison between the pre-use expectations that a customer has about the product or service and the post-use perception of product or service performance.

In the highly competitive hotel industry, service becomes one of the most important elements for gaining a sustainable competitive advantage in the marketplace. Consequently, the efforts of service managers and academic researchers are directed towards understanding how customers perceive the quality of service.

According to Ministry of Culture and Tourism Bureau as of January 2020, throughout Addis Ababa there are 19 four star hotels. Among many reasons for competition towards the hotel sector is: The growing sector of tourism which is highly attracting foreigners from different countries across the world, also the fact that Addis Ababa is the sit for different world wide organizations and offices like African Union (AU), Economic Commission for Africa (ECA) and the government's provision of great incentive for investors played its role too. By these and different other reasons the stiff positive competition in this beneficiary business is attracting a number of local and foreign investors in the area in the coming few years. International brands and franchises from different part of the world and locally standardized hotels, restaurants, night clubs, and other accommodation centers are believed to boost this industry and business.

Therefore, giving a quality service is essential in order to satisfy guests and customers by attracting, satisfying and retaining them which help to get a high market share for making the intended profit.

1.2 Statement of the problem

Service quality is an important topic in the service delivering industry including in the hotel and catering service (Davidson, 2003).

As stated by Sit, Ooi, Lin, and Chong (2009), to get highly satisfied customers, organizations throughout the world are striving to produce products and services of superior quality. Thus, to achieve this any organizations in the world work towards service quality to meet customer's expectation. The higher satisfactions and meeting customer's expectation in the hospitality industry in turn generate numerous benefits to the institutions including positive image towards the institution, employee satisfaction, customer's satisfaction (HailuFentayeKasa and NigatuTesfayeFentaw, 2015; Gunderson & et al, 1996).

If assessing service quality is important in order to get a perfect brand image and gain attractive profit, then knowing the status of the service quality given by the company and make a necessary

adjustment when it's needed is the way to survive in the business environment. As far as the researcher accessed researches have done in the hotel industry in Ethiopia and also the rest of the world that emphasize different aspect of the industry. For instance Jana Lauková (2006) studies hospitality management, Ekaterina Makeeva (2010) studies service quality and customer satisfaction, Afshan, Sadia and Khusro (2011) studies Improvement of Hotel Service Quality; an Empirical Research in Pakistan, KidaneAssefa (2012) studies Relationship Marketing in the Hotel Industry; The Nexus between Concepts and Practices (A case of Ghion Hotel, Addis Ababa Branch, Ethiopia), AlelignAschale (2013) studies a Critical research on the Major Challenges of the Hospitality industry in Addis Ababa and so on.

Currently, Ethiopia is hosting major international conferences. Moreover, the customers are not only tourists but also higher officials, famous and celebrity peoples. Because of this, it is expected to satisfy the needs of its customers by providing quality service through its trained employees so as to satisfy the customers. Some of the services that are delivered by the hotels are: Bedrooms, Restaurants and Bar, Banquet and Conference rooms, laundry, cultural and duty free shops, swimming pool, Gymnasiums, Jacuzzi steam, sauna and hair salon.

But according to the management staff of some hotels and guests themselves, the hotel industry is not meeting the service requirement to its customers as per their expectation due to some reasons. Among those reasons the lack of providing quality service is the major one.

The SERVQUAL scale contains desirable characteristics of services with ten dimensions (responsiveness, competence, courtesy, credibility, security, access, communication, understanding, reliability and tangibles) and then it is summed up into five in Parasuraman, Zeithaml, and Berry (1988) tangibles, reliability, responsiveness, assurance and empathy. However, researchers found that when applying SERVQUAL to different industries, items must be removed or added in order to customize the scale to accommodate differences in service settings.

Due to the above reasons, the purposes of this thesis will to measure the service quality and customer satisfaction of four star hotels found in Addis Ababa, Ethiopia.

While doing this paper, it was possible to observe the damage & risk of corona virus (Covid-19) how affects the hospitality industry as well as the whole financial transaction together with how much it is fatal and known as it is pandemic disease for our world.

1.3 Research Questions

1. How does reliability of the service influence customer satisfaction in four star hotels in A.A?

2. To what extent does assurance affect customer satisfaction in four star hotels in A.A?

3. How does responsiveness of employees affect customer satisfaction in four star hotels in A.A?

4. To what extent does tangibility of service affect customer satisfaction in these hotels?

5. How does empathy of employees affect customer satisfaction in four star hotels in A.A?

1.4 Objectives of the study

1.4.1 Main Objective of the study

The main objective of this thesis is to assess the effect of service quality and customers' satisfaction in four star hotels in Addis Ababa, Ethiopia.

1.4.2 Specific objectives of the study

1. To examine the effect of reliability on customer satisfaction in four star hotels in Addis Ababa.

2. To analyze the effect of responsiveness on customer satisfaction in four star hotels in Addis Ababa.

3. To test the effect of assurance of employee on customer satisfaction in four star hotels in Addis Ababa.

4. To evaluate the effect of tangibility on customer satisfaction in four star hotels in Addis A.A.

5. To know the effect of empathy of employees on customer satisfaction in four star hotels in Addis Ababa.

1.5 Significance of the Study

Hotel business has a great opportunity for countries like Ethiopia for rapid growth in tourism sector. Ethiopia have the well diversified cultural and religious heritages in different nations and nationalities which registered by UNESCO. The capital city, being a business center, a conference venue, hosts annual conferences for Africa Union, UN branches, Pan-African business organizations and special interest groups are attracting escort for a growing number of delegates to the country each year. Conference tourism creates great potential to grow and it's on the edge to gain greater significance attributable to the development of several top hotels in Addis Ababa to meet the demand.

As Poul (2001) stated the cost of lost customers can be many times the simple loss of revenue from what they no longer buy. This makes customer satisfaction essential to meet the goal of hotels therefore it's important to give quality service and make the customer satisfy in order to be a strong competitor and customer's choice in the industry.

Therefore assessing service quality and customer satisfaction are important in order to get a perfect brand image and gain attractive profit, then knowing the status of the service quality given by the company and make a necessary adjustment when it's needed is the way to survive in the business environment by making profit together with keeping customers satisfaction.

And there are researches and thesis on service quality and customer satisfaction by using explanatory method type but not paper find easily done by using survey type on service quality and customer satisfaction in the case of hotels in Ethiopia particularly in Addis Ababa.

The reason behind doing this research on four star hotels in Addis Ababa in addition to the existed studies is as far as the researcher access most of the researches that are done in the hospitality and hotel industries predominantly focus on one or two hotels having star. And also those customers are among our most targeted customers to produce revenue for the country and specifically stakeholders working in four star hotels. This is not only for customer is market target for hotels found in Addis Ababa it but also the guests & customers from this target complains about the quality of service and their satisfaction.

This study also helps the hotels' managers and employees to focus on how to provide service to satisfy customer. The researcher hopes that from the suggestions and recommendations the

Managers of the hotels' can make a better decision in order to become effective on handling their Customers. This thesis also helps other researchers to conduct further studies on service quality and its effect on customer satisfaction. In addition to this, this thesis helps readers to gain knowledge and better understanding in the area of service quality and customer satisfaction too. And also this thesis also tries to minimize or satisfy the customer service complains.

Therefore, this research measured the quality of service & customer satisfaction by using the modified form of SERVQUAL that is customized for the hotel industry

1.6 Scope of the Study

The research project confines only to four star hotels in Addis Ababa, Ethiopia. This limits the realm of the study by discriminating those other star hotels found in Addis Ababa, Ethiopia and also different hotels those are found from outside Addis Ababa. In terms of variables this study addresses only the service quality dimensions impact on customer satisfaction level. Because of this, the findings of this study may not be generalized to other hotels

1.7 Limitation of the Study

The research approach of this study is survey type; therefore the research has a limitation of survey research. Those are non-response bias, sampling bias, social desirability bias, recall bias, and common method bias (Anol, 2012). Besides, survey research has weak internal validity specifically temporal precedence which says cause must precede effect in time. Because of time constraint, other resource limitations and the nature of the study, the results of the study may be generalized for the study area only.

1.8 Organization of the Research Report

This research report comprises five chapters, which include; introduction part; this includes background of the study, statement of the problem, research questions, objective of the study, significance of the study, scope of the study, limitation of the study and organization of the report. The second chapter presents theories and previous studies related to the topic (literature review). The third chapter contains research methodology and design used in this study which describes the type and design of the research; the subject and participants of the study; data

source uses for the study as well as the data collection tools applied and methods of data analysis are explained. The fourth chapter contains research findings and discussion while chapter five has conclusions and recommendation.

1.9 Definition of Terms

Service quality; means a difference between customer expectation of service and customers' perceptions of the actual service (Parasuraman et al. 1988).

Customer Satisfaction; means the difference expression of pleasure or disappointment between the perceived performances with the expectation.

SERVQUAL; a self-administered questionnaire designed to measure service quality.

Tangibility: Appearance of physical facilities, equipment and appearance of personal and

Communication materials that include organization's physical facilities, their equipment and Appearance of their personnel and communication materials used to promote their products/services.

Reliability; Ability to perform the promised service dependably and accurately which means the service organization perform the service right the first time and respect all its commitments. Responsiveness; Willingness to help customers and provide prompt service this refers time lines and promptness in providing service.

Assurance; is the Knowledge, competence and courtesy of employees and their ability to inspire trust and confidence in customers towards to the service firms. Competence refers to the possession of required skills and knowledge performs the service. Courtesy involves the politeness, respect friendliness, honesty and trust worthiness of contact personnel.

Empathy; Caring and individualized attention that the firm provides to its customers. It includes approachability, ease of contact of service providers and making of efforts to understand the customer's needs.

Hotel service product - The hospitality service product consists of a wide variety of services such as room, restaurants, bars and entertainment and leisure facilities.

Price – is value that the customer gives to the given service. It's the difference between benefit and cost.

Customer Expectation and Perception – Before and after consumption of a service two feelings are prominent, namely expectations and perceptions. Expectations are usually formed prior to usage of a service but may also occur where a customer is actively involved in the delivery of a service. They reflect inclinations or beliefs as to what will or should happen. Perceptions can also develop during a service, but invariably materialize after usage. They represent the customer's evaluation of the service, particularly in relation to expectations. Where perceptions match or exceed expectations the customer is said to be satisfied in accordance with the first law of service (Peter and Angela, 2006).

Perception – Expectation = Satisfaction

Customer expectations are beliefs about service delivery that function as standards or reference point against which performance is judged.

Customers evaluate service quality by comparing their perception of performance with their expectation. So, knowledge about customer expectations is critical to marketers. Knowing what the customer expects is the first and possibly the most critical step in delivering quality service. According to Kenneth and David (2003), Customer expectations are used as the standard or reference against which service performance is judged. It consists of five levels.

- ✓ Idealist level – consumer wished for level of service.
- ✓ Desired service level – level of performance customers want or hope to receive from a service.
- ✓ Adequate service level - minimum level of service a consumer will tolerate and accept without being dissatisfied.
- ✓ Zone of tolerance – is an area between the adequate level of service and the desired level of service.
- ✓ Predicted service level – level of service consumers actually expect from the service firm

CHAPTER TWO

2. LITRATURE REVIEW

2.1 Introduction

This chapter consist review of related literature in the area of study which gives theoretical understanding of the concepts regarding to service quality and customer satisfaction. These contain concept and definition, theoretical frame work and finally conceptual frame work of the study.

2. 2 Concept and definitions

2.2.1 Service Quality

There are different definitions of Hospitality which consist hotel & tourism broadly speaking, Hospitality is the act of kindness in welcoming and looking after the basic needs of guests or customers, mainly in relation to food, drink, accommodation and different recreational facilities. Also Hospitality refers to the relationship process of a guest and a host.

A service is any activity or benefit that one party can offer to another which is essentially intangible and does not result in the ownership of anything. The advance economies of the world are now dominated by services and virtually all companies view services as critical to retaining their customers today and in the future. Even manufacturing companies that, in the past, have depend on their physical goods for their existence but now their come to see and recognize that service provides one of their few sustainable competitive advantages (Zeithaml&Bitner, 2003).

To understand the nature of services marketing, it is necessary to appreciate the particular characteristics of services. Service have four intrinsic characteristics that leads to different consumer perceptions and behavior makes it more difficult to evaluate quality and in turn making it more challenging and complicated to achieve customer satisfaction and establishing competitive advantage. Thus, services managers must deeply understand them to survive in the complex service environment. The four basic characteristics of service are: Intangibility, Inseparability, Perishability, and Heterogeneity (Dibb et. al., 2001).

Table 2.1: Understanding the nature of the service act

No.	Characteristics	Resulting implications
1.	Intangibility -	-Service cannot be inventories
		-Service cannot patented
		-Service cannot be readily
		-Displayed or recommended
		-Pricing is difficult
2.	Heterogeneous	- Service delivery and CS depend on Employee action
		- Service quality depends on many uncontrollable factors
		- There is no sure knowledge that the service Delivered matches what was planned and Promoted
3.	Inseparability	- Simultaneous production and consumption
		- Customers participate in and affect the Transaction
		- Customers affect each other
		- Employees affect the service outcome
		- Decentralization may be essential mass Production is difficult
4.	Perishable -	-It is difficult to synchronize supply and Demand with service
		- Service cannot be returned or resold

Source: Zeithaml and Berry,1985

Service quality has been defined in services marketing literature as an overall assessment of service by the customers. Perceived service quality is believed to be resulting from comparison between customers' prior expectations about the service and their perceptions after actual experience of service performance. Conceptualization of service quality should include both the service delivery process (Parasuraman et al., 1985) as well as the service outcomes.

As Gronroos, 2000 stated offered a service quality measurement instruments with dimensions of technical quality (what consumer gets), functional quality (how consumer gets the service) and corporate image (how consumers perceive the firm and its services).

Quality is a multi-dimensional concept. Lehtinen and Lehtinen (1982) defined three dimensions of service quality, namely, physical quality, interactive quality and corporate quality. Similarly, Grönroos (1984) argued that service quality comprises of technical quality, functional quality and corporate image.

 On the other hand, Parasuraman et al. (1985; 1988) developed the SERVQUAL scale, which became the most popular instrument for measuring service quality. They identified five key dimensions of service quality – reliability, tangibles, responsiveness, assurance and empathy.

The purpose of SERVIQUAL is to serve as a diagnostic methodology for uncovering wide areas of an organization's service quality weaknesses and strength. The SERVIQUAL instrument produces a systematic, multi-stage, and interactive process that evolves from the identified dimensions and items with in that correspond to the specific companies and industries (Zeithamlet et al, 1988).

The SERVIQUAL instrument is designed for use in any kind of service business and provides a basic skeleton though its expectation / perceptions format, encompassing statement for each of the five dimensions (Parasuraman et al, 1988).

2.2.2 Service quality dimensions

The classification of the service quality dimensions is important because each one brings different approaches, which help the managers of the companies providing services to understand the importance of each dimension and their impact on customer satisfaction (Filipa, Sofia and Carlos 2010). Researchers suggest that customers do not perceive quality in a unidirectional way, but rather judge quality based on multiple factors relevant to the context. Specific dimensions of service quality have been identified though the pioneering research of Parasuraman, Zelthaml and Berry (1985).

The five dimensions of service quality

Reliability: is ability to perform the promised service dependably and accurately. Reliability has been consistently shown to be the most important determinant of perceptions of service quality. In its broadest sense, reliability means that the company delivers on its promises. Promises about delivery service provision problem resolution and pricing. Customers want to do business with companies that keep their promises, particularly their promises about the service outcomes and core service attributes. All firms need to be aware of customer expectations of reliability (Jenet 2011).

Responsiveness: is willingness to help customers and provide prompt service. This dimension emphasizes attentiveness and promptness in dealing with customer requests, questions, complaints and problems. Responsiveness is communicated to customers by the length of time they have to wait for assistance answer to questions or attention to problems. Responsiveness also captures the notion of flexibility and ability to customize the service to customer needs.

To excel on the dimension of responsiveness, a company must be certain to view the process of service delivery and the handling of requests from the customer's point of view rather than from the company's point of view. Standards for speed and promptness that reflect the company's view of internal process requirements may be very different from the customer's requirements for speed and promptness. To distinguish company's themselves on responsiveness; companies need well- staffed customer's service departments as well as responsive front- line people in all contact positions (Jenet 2011).

Assurance: is defined as employee's knowledge, courtesy and ability of firm and its employees to inspire trust and confidence. The dimensions is likely to be particularly important for services that the customer perceives as involving high risk and/or about which they feel uncertain about their ability to evaluate outcomes. Assurance contains factors of credibility, security, competency and courtesy as the measurement scales (Jenet 2011).

Empathy: is treating customers as individuals. Empathy is defined as the caring individualized attention the firm provides its customers. The essence of empathy is conveying through personalized service that customers are unique and special. Customer need to feel understood by and important to firms that provide service to them. Personal at small service firms often know customer requirement and performance. When such a small firm competent with larger firms the ability to be empathetic may give the small firm a clear advantage (Jenet 2011).

Tangibles: is representing the service physically. Tangibles are defined as the appearance of physical facilities, equipment, personnel, and communication materials. All of those provide physical representations or images of service that customer particularly new customers will use to evaluate quality (Jenet 2011).

2.2.3 Customer's expectations

Consumers form judgments about the value of marketing offers and make their buying decisions based upon these judgments. Customer satisfaction with a purchase depends upon the product's performance relative to a buyer's expectations. Marketers must be careful to set the right level of expectations. If they set expectations too low, they may satisfy those who buy, but fail to at enough buyers. In contrast, if they raise expectations too high, buyers are likely to be disappointed.

As expectations are dynamic customer expectation may differ among people from different countries and cultural background where service treatment standards may differ a lot. service expectation also derive from many other sources such as personal needs, perceived service alternatives, customer self- perceived service role, service promises, word of mouth communication, past experience and situational factors beyond the control of the service provider (Parasurman, Zeithaml, & Berry 1985). Given the importance of understanding customer expectations in order to deliver service quality it is also clearly important to understand

how such expectations might be formed. Customer expectations will be formed or influenced as a result of many factors.

Factors that affect customer expectation

Personal needs

Any customer will have what they regard as a set of key personal needs which they expect the service to address. Clearly these will vary from service to service and importantly from customer to customer. An inadequate understanding by the service of these personal needs will make it difficult to design an appropriate service (Mik W, 1999).

Previous experience

Some customers many for some services will be 'repeat' Customers in the sense that they have used this service before. Their previous experience as a customer will in part influence their expectations of future service. One customer for example may have low expectations because of previous poor service. Another may have high expectations because the service quality last time was high. However customers may also use their previous experience of other organizations in this context (Mik W, 1999).

Word of mouth communications

Customers will have their expectations shaped in part by word-of-mouth communications about the service and the service provider. Effectively this relates to communication from sources other than the service provider itself. Friends, family, colleagues, experiencer etc. are obvious sources in this context. Equally, the media may be a source of such communication (Mik W, 1999).

Explicit service communications

Explicit service communications relate to statements about the service made by the service itself. Such statements may come from service staff or from the service in the form of leaflets, publicity and marketing material (Mik W, 1999).

Implicit service communication

Implicit service communication may lead the customer to make inferences about service quality. From a service management perspective, it is clearly important to understand what the key influences on your customers" expectations are. Equally, it is important to identify how the service might influence customer expectations of service through its formal and informal communications (Mik W, 1999).

2.2.4 Customer satisfaction

Satisfaction can be determined by subjective (e. g. customer needs, emotions) and objective factors (e. g. product and service features). Applying to the hospitality industry, there have been numerous studies that examine attributes that travelers may find important regarding customer satisfaction.

According to Atkinson (1988) as sited in Ivanka A., et al (2007) found out that cleanliness, security, value for money and courtesy of staff determine customer satisfaction. Knutson (1988) revealed that room cleanliness and comfort, convenience of location, prompt service, safety and security, and friendliness of employees are important.

Barsky and Labagh (1992) stated that employee attitude, location and rooms are likely to influence travelers' satisfaction.

A study conducted by Akan (1995) showed that the main determinants of hotel guest satisfaction are the behavior of employees, cleanliness and timeliness. Choi and Chu (2001) concluded that staff quality, room qualities and value are the top three hotel factors that determine travelers' satisfaction.

Customer satisfaction has key intermediary objectives in service operations due to the benefits it brings to organizations. The importance of customer satisfaction is derived from the generally accepted philosophy that for a business to be successful and profitable, it must satisfy customers (Bitner and Hubbert, 1994). Customer satisfaction also serves as an exit barrier, helping a firm to retain its customers. Several studies have concluded that it costs more to gain a new customer than it does to retain an existing one. In addition, customer satisfaction also leads to favorable word-of-mouth publicity that provides valuable indirect advertising for an organization (Fornell,

1992). Bitner and Hubbert (1994) concluded that, through satisfying customers, organizations could improve profitability by expanding their business and gaining a higher market share as well as repeat and referral business.

2.3 Theoretical Frame work

2.3.1 Gronroos Model

This model suggests that the quality of a service as it is perceived by customers has two dimensions namely, a technical or outcome dimension i.e. what the customers get and a functional or process related dimension i.e. how the process and service encounter are perceived. These two have been termed as 'technical quality' and 'functional quality'. Technical quality refers to what the service provider delivers during the service provision while functional quality is how the service employee provides the service. Gronroos postulated that as long as the outcome or the technical quality is acceptable the process dimension or functional quality, frequently may be more critical to consumer's overall quality perception. The quality perception process includes much more than just the two dimensions of service quality. Good perceived quality is obtained when the experienced quality meets or exceeds the expectations of the customer that is the expected quality. This means that even if the experienced quality is good, the total perceived quality may still be low, if the expectations of the customers are very high or unrealistic. Conversely, the total perceived quality may be high even if experienced quality is not very good, if the customer has very low expectation. (Suzana&Velida, 2012)
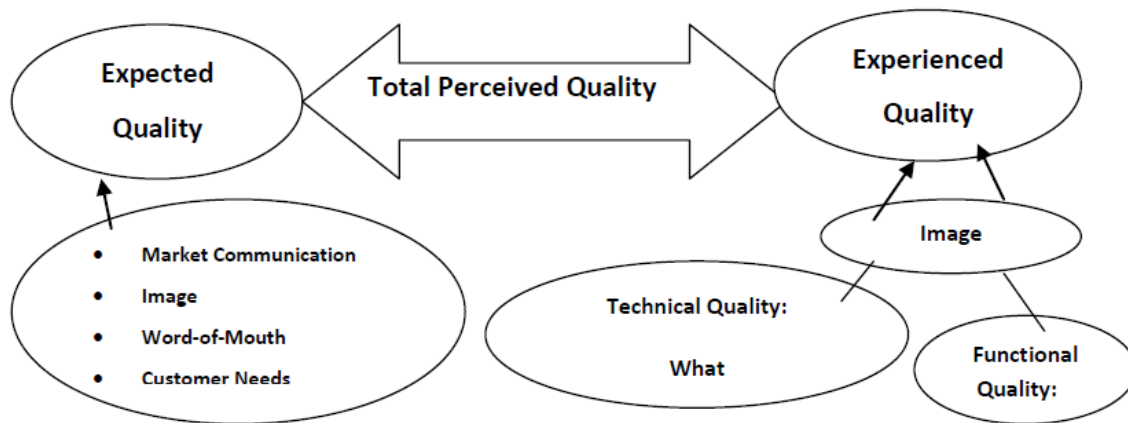
Figure 2.1 Gronroos model

Source: Gronroos, (1988:12)

In addition the image of the company does not only have an impact on the expected quality but also on perception of the quality experienced. The model suggests that the total perceived quality is not determined by the level of the technical and functional quality dimensions only, but rather by the gap between the expected and experienced quality. The expected quality depends on a number of factors like market communication, image, word of mouth communication, corporate image and customer needs, few of which are directly under firm's control and others only indirectly controlled.

2.3.2 Gaps Model of Service Quality

Parasuraman, Zeithaml and Berry (1985) have done extensive work in the area of service quality. According to them Perceived Service Quality can be defined as 'the extent of discrepancy between customers' expectations or desires and their perceptions.

GAP1 Consumer expectation-management perception gap – This gap is the difference between customer expectations of service and company understanding of these expectations. Many of the executive perceptions about what consumers expect in a quality service are congruent with the consumer expectations revealed. However the discrepancy between executive perceptions and consumer expectations exists. In essence, service firm's executives may not always understand what features connote high quality to consumers' needs and what levels of

performance on those features are needed to deliver high quality service. This lack of understanding may affect quality perceptions of consumers (Parasuraman, Zeithaml and Berry 1985).

GAP2 Management perception- service quality specification gap – A company might correctly perceive the customers' needs but may not set a specified performance standard. This may occur because management sometimes believes that customer expectations are unreasonable or because of resource and market constraints. Another reason for the gap between expectations and the actual set of specifications established for a service is the absence of total management commitment conditions, nt to service quality. In short a variety of factors resource constraints, market and/or management in-difference may result in a discrepancy between management perceptions of consumer expectations and the actual specifications established for a service. This discrepancy affects quality perceptions of consumers (Parasuraman, Zeithaml and Berry 1985).

GAP3 Service quality specifications –service delivery gap –This is the gap between service quality specifications and actual service delivery. Even when guidelines exist for performing services well and treating consumers correctly, high quality service performance may not be a certainty. Managers recognize that a service firm's employees exert a strong influence on the service quality perceived by consumers and that employee performance cannot always be standardized (Parasuraman, Zeithaml and Berry 1985).

GAP4 Service delivery- external communications gap–This is essentially a gap between what you deliver and your external communication. Media advertising and other Communications by a firm can affect consumer expectations. If expectations play a major role in consumer perceptions of service quality the firm must be certain not to promise more in communication than it can deliver in reality. Promising more than can be delivered will raise initial expectations but lower perceptions of quality when the promising is not fulfilled (Parasuraman, Zeithaml and Berry 1985).

GAP5 Expected services – perceived service gap- the quality that a consumer perceives a service is a function of the magnitude and direction of the gap between expected service and perceived service. The key to ensure good service quality is meeting or exceeding what consumers expects from the service. Judgment of high and low service quality depends on how

consumers perceive the actual service performance in the context of what they expected (Parasuraman, Zeithaml and Berry 1985)

Information on levels of customer expectations can help managers understand what customers actually expect of a particular service. Similarly, information on service quality gaps can help managers identify where performance improvement can best be targeted. Clearly, the concept of gaps scores is a useful one for a service manager since these provide information on customer expectations, perceptions of service received and any gaps between the two. The use of such service quality dimensions allows managers and other stakeholders to develop an understanding of the relative performance of the service across these dimensions (Mik, 1999).

In general information on service quality gaps can help managers to diagnose where performance improvement can best be targeted. Identifying the largest negative gaps, combined with assessment of where expectations are highest, facilitates prioritization of performance improvement.

Figure 2.2 the Gap Model

Consumer

| Word-of-mouth communications | Personal needs | Past experience |

Expected service

Gap 5

Perceived service

Marketer

Service delivery (including pre- and post-contacts) — Gap 4 — External communications to consumers

Gap 3

Translation of perceptions into service quality specs

Gap 1

Gap 2

Management perceptions of consumer expectations
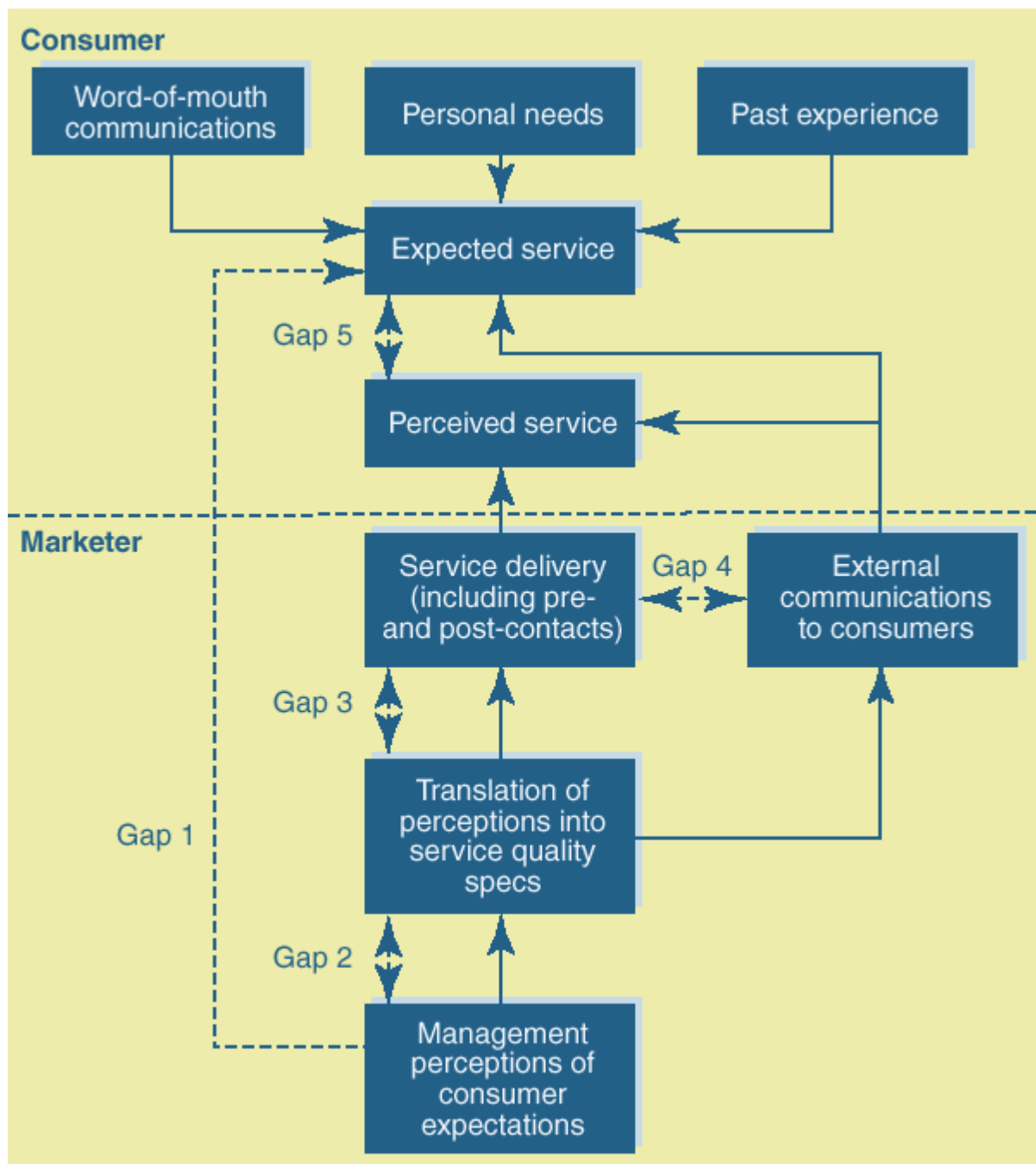
Source: Zeithaml and Bitner, 2003 as cited in (Belay 2012).

2.3.3 SERVPERF

Cronin and Taylor (1992) introduced the performance-based measure of service quality, SERVPERF. SERVPERF is composed of the 22 perception items defined in SERVQUAL scale, and excludes any consideration of expectations. 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.

Other empirical researchers (Pitt, Watson, and Kavan, 1997; Babakus and Boller, 1992) also provide evidence that the performance- based measure is superior. Moreover, Zeithaml, Berry, and Parasuraman (1993) also conceded that the performance-based measurement was more appropriate if the primary purpose of research was an attempt to explain the variance in a dependent construct. And Parasuraman, Zeithaml and Berry (1994) criticized the SERVPERF instrument that the marketing literature appears to offer considerable support for the superiority of simple performance-based measures of service quality was surprising and questionable and they also revealed that though the practice of measuring only perceptions was widespread, such a practice did not necessarily mean performance based measures were superior to discontinuation-based measures. In fact, service quality measurements that incorporate customer expectations provided richer information than those that focus on perceptions only.

2.4 Relationships between service quality and customer satisfaction

Service quality is an important tool to measure customer satisfaction and there is a close relationship between service quality and customer satisfaction (Kadir, Rahmani&Masinaei,

2011).

To achieve a high level of customer satisfaction, most researchers suggest that a high level of service quality should be delivered by the service provider as service quality is normally considered an antecedent of customer satisfaction (Cronin, Brady, and Hult, 2000; Anderson Fornell and Lehmann,1994; Cronin and Taylor, 1992). However, the exact relationship between satisfaction and service quality has been described as a complex issue, characterized by debate

regarding the distinction between the two constructs and the casual direction of their relationship (Brady, Cronin and Brand, 2002). Parasuraman, Zeithaml, and Berry (1994) concluded that the confusion surrounding the distinction between the two constructs was partly attributed to practitioners and the popular press using the terms interchangeable, which make theoretical distinctions difficult.

Cronin and Taylor (1992) found empirical support for the idea that perceived service quality led to satisfaction and argued that service quality was actually an antecedent of consumer satisfaction. Asserted that consumer satisfaction appeared to exert a stronger influence on

2.5 Empirical Review

Jana Lauková (2006) studied hospitality management. The objective of the theoretic part of the thesis was to familiarize a reader with the term "hospitality" and "hospitality industry"; emphasize the importance of service and attitude toward customers in the hotel business; present a 'service culture' and all its aspects; analyze customer and employee satisfaction as the factors contributing to better financial returns of a company. The practical part then presents the results from three researches A, B and C. Research A was focused on the introduction of the four selected accommodation facilities, the subject of Research B was customer satisfaction with the selected accommodation facilities and its impact on their financial returns and Research C dealt with the importance of criteria when a customer chooses an accommodation facility. Finally the researcher concludes higher customer satisfaction leads to better financial returns of a company. Therefore, customer satisfaction has a direct impact on a company's success. The personnel plays a very important role in overall customer satisfaction, provided that there is some level of satisfaction with the other criteria (especially criteria relating to the basic product) first. Customer satisfaction with the personnel is influenced by the employees' characteristics and attitudes (e.g. skills and knowledge including language skills, communication and collaboration with customers, friendliness, helpfulness, communicativeness, etc.). The manager (owner) and his attitude toward the customers may also have a very positive impact on customer satisfaction. Customer satisfaction is a prerequisite to customer loyalty – more satisfied customers are more willing to return and purchase the same product or service. Customers choosing an

accommodation facility consider all criteria (location, price, bedroom facilities, cleanliness, personnel, hotel appearance and food) to be important. The criterion "personnel" does not seem to be the most important factor for them. However, this fact does not diminish the importance of this criterion. The personnel at most of the accommodation facilities were rated more positively than negatively. However, there were some accommodation facilities where the personnel and its attitude were rated very negatively. Most of the managers (owners) of accommodation facilities in the Slovak and Czech Republic's seem to be uninterested in customer satisfaction and well-being.

In 2011 Afshan, Sadia and Khusro (2011) examined the aspects of service quality in hotels that influence the satisfaction of customers and their intention to revisit. In this research paper, both qualitative and quantitative studies were used. The data was collected through questionnaire which contained multiple choice questions. Results of different correlations, T-test and sequence graphs revealed a great deal of existing services with customer satisfaction. Mainly courtesy of attendants, comfort in guestroom, cleanliness and environment of hotel have played vital role in creating serenity and subsequent contentment among customers. The study confirms direct relation between organizational success and customer satisfaction. It seems judicious to believe that understanding of customer satisfaction role is extremely significant as it appears key factor in the success of modern organization.

KidaneAssefa (2012) - the researcher examined the nexus between concepts and practices of relationship marketing in hotel industry with special emphasis of Ghion Hotel (Addis Ababa Branch) in Ethiopia. The aim of the study was providing an overview of relationship marketing practices in the hotel industry that are applicable to a range of Ethiopian business environments. The research project describes the gaps between concepts and practices that influence the achievement of relationship marketing practices. The findings from the research conducted are based on the data collected from survey which examined the resident guests' position on the importance level of variables constructed and their perception of relationship marketing practices being witnessed in a case company. In addition, interview was conducted with the marketing department manager of Ghion Hotel to examine the awareness of relationship marketing concepts and systems employed for the actualization of relationship marketing on the ground. The results of the research provide a valuable insight in to relationship marketing in the Hotel

industry. It will also hopefully form the root for later improvements in relationship marketing practices for service provider under study. Furthermore, other service providers can infer issues on how relationship marketing developed and practiced.

Ekaterina Makeeva (2010) studied service quality and customer satisfaction the case of case: Restel hotels in Imatra and Lappeenranta. The research was carried out in order to understand Russian customers' perceptions and level of satisfaction. The study will help hotels management in improving service quality and fulfilling better customers' expectations. The study is considering all the services provided in the hotels, including restaurant services. The data was analyzed with the help of SPSS program and Excel. Altogether 146 questionnaire forms from three hotels, out of 300 forms (100 per each hotel handed out), were returned to the hotels' receptions. It indicates that almost 50 % of the forms were filled in. For better understanding of customers' motivations and desires face-to-face interviewing was held. As the objective of this research was to find out the level of satisfaction of Russian customers with the services, provided by Restel chain's hotels, which was met. The level of customer satisfaction was studied out and the results show that it is high. Out of this could be concluded that the level of service quality in Restel chain is good, but there are customers' comments needed to be taken into consideration. The research process went smoothly and the respondent rate is quite high. There could be an influence on the result accuracy, due to a small sample; only Russian customers were interviewed and asked to fill in questionnaire forms. The accuracy could also be affected because of the respondents" origin, 94 % of all the respondents were visitors from Saint-Petersburg. The period of delivering questionnaire forms should be longer to reach a necessary number of respondents. All the results are reliable and are provided to the partner of the study.

Generally, the empirical review tell us different researchers wanted to assess one industry from dissimilar view points and also the same idea or issue of something is measured and presented in different ways by different people.

2.6 Conceptual framework

Based on the above literature review the following conceptual framework is developed. The conceptual framework of service quality and customer satisfaction consist independent variable and dependent variable

Figure 3 Conceptual framework of the study

Independent   **Variable**   **Dependent**

Variable

Source; parasuraman,198

CHAPTER THREE

3 Research Design and Methodology

This chapter explains the methodological approach used when conduct the research.

The research design, sampling techniques, tools of data collection, and procedure of data collection and methods of data analysis explain.

3.1 Research approach

In order to study the service quality and customer satisfaction on the hotel industry the researcher chooses quantitative research approach. Quantitative research involves studies that make use of statistical analyses to obtain their findings. Key features include formal and systematic measurement and the use of statistics (Geoffrey, David D. & David F., 2005).

3.2 Research Design

In order to answer the problem statement and meet the research objectives, the designs of the study used descriptive and explanatory type. Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group. The main characteristic of this method is that the researcher has no control over the variables; he/she can only report what has happened or what is happening (Kothari, 2004).

Accordingly, the researcher employed descriptive and explanatory research design with which to describe and explain the five service quality dimensions and the relationship between service quality and overall customer satisfaction. Moreover, the contributions of the five service quality dimensions towards the dependent variables clearly examined.

3.3 target population

The four star hotels in Addis Ababa, Ethiopia are sample unit of the study and those customers who used the hotel service were target population of this study.

3.4 Sample Size

Under sample size selection, the customers who used the hotels service included in the study. Since it is difficult to determine the size of the sample and in order to make the right decision,

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different factors like the nature of research, time and money must be considered. Technically, the size of the sample depends upon the precision the researcher desires in estimating the population parameter at a particular confidence level.

$n = Z^2 (pf)/ (e)^2 = (1.96)^2(0.5*0.5)/ (0.05)^2 = 384.16 = 384$ where

n = sample size, Z= normal probability z, p= probability- 0.5, f= frequency- 0.5 and e=error term

So the model used is multiple linear regressions and the formula is as follow:-

$$Y= (\beta_0 + \beta_1 X_1 + \beta_2 X_2 + \text{--------------} + \beta_n X_n) + E_i$$

Where: Y =the outcome variable/ overall customer satisfaction

β_0=the coefficient of the constant predictor (X_i)

β_1=the coefficient of the first predictor (X_1)

β_n =the coefficient of the nth predictor (X_n)

E_i = the difference between the predicted and observed value of y for the ith participant

3.5 Hypothesis

Reliability: is ability to perform the promised service dependably and accurately.

H1: reliability has a positive significant effect on customer satisfaction in four star hotels in A.A.

Responsiveness: is willingness to help customers and provide prompt service.

H2: responsiveness has a positive significant effect on customer satisfaction in four star hotels in Addis Ababa.

Assurance: is defined as employee's knowledge, courtesy and ability of firm and its employees to inspire trust and confidence.

H3: assurance has a positive significant effect on customer satisfaction in four star hotels in A.A.

Tangibility: is representing the service physically. Tangibles are defined as the appearance of physical facilities, equipment, personnel and communication materials.

H4: tangibility has a positive significant effect on customer satisfaction in four star hotels in A.A.

Empathy: is defined as the caring individualized attention the firm provides its customers.

H5: empathy has positive significant effect on customer satisfaction in four star hotels in A.A.

3.6 sampling techniques

The researcher used non-probability sampling especially convenience sampling. The reason for using this sampling technique was the effort, cost incurred and the time that will be spent for the accomplishment of the study. It was also difficult to access each population unit and difficult to get their address hence the study may not use probability sampling technique. In addition, convenience-sampling technique applied because in this case the respondents would supposed to be accessible to the researcher when doing this research. Because of the large number of the sample unit, time and cost constraint, the sample would be drawn from the targeted population by using convenience-sampling technique. Although, non-probability sampling has problems related to selection bias, in small inquiries and researches by individuals, the sampling technique can be adopted (Kothari, 2004).

3.7 sources of data

Primary sources of data used for this study. Primary data was collected using semi-structured questionnaires which contained a closed ended questions based on modified SERVQUAL dimensions.. Pilot survey was conducted on 10 respondents of target hotels customers' prior to the field survey. The pilot test assisted to check consistencies in the questions, confirm the suitability of the content of the questions.

3.8 Instruments of data collection

The research instrument was a questioner. The closed ended questions helped to get definite answers and use for simplicity. The scale of measurement for the study has interval scale. An interval scale of measurement was based on order interval that has equal length and the zero value was arbitrary. Five points Likert scale would administer which include weights and: 1= very dissatisfied 2= dissatisfied 3= Neutral 4= Satisfied 5= Very satisfied for perception.

3.9 Procedures of data collection

The actual data collection was made by using a self-administered survey. The hotel receptionist distributed at the time of check-in and collects questionnaires at the time of checked-out after the customers filling in out the questionnaire. By considering that most of the targeted hotels' customers were foreigners and also Ethiopians who can understand English language therefore the entire questionnaire was prepared in English language. Moreover, participants of the study were informed about the objective of the study and they were notified of about the confidentiality of their response. The researcher himself was coordinated and collected as well as performed all activities concerning on the questionnaire as this was raw data for the next processes of the study.

3.10 Methods of data analysis

The data collected through the questionnaires was analyze using the Statistical Package for Social Sciences (SPSS, 2020), Microsoft office Excel as well as descriptive and inferential analyses was conduct. From descriptive statistics mean used and from inferential statistics, multiple regression and correlation was employed.

CHAPTER FOUR

4. RESULTS AND DISCUSSION

This chapter contains the reliability & validity study, respondents' profile, correlation analysis, SERVQUAL dimension and customer satisfaction analysis, service quality dimension analysis, total service quality and overall customer satisfaction analysis, and summary of major findings. These all try to answer the research questions and research objectives.

A total of 400 questionnaires were administered and data were collected from 19 four star hotels' customers found in Addis Ababa, Ethiopia. From the 400 questionnaires distributed only 384 (96%) have been collected and analyzed using the descriptive and inferential statistics.

4.1. Reliability Study

A reliability test is used to assess consistency in measurement items (Cerri, 2012). Cronbach's alpha is used to measure the internal consistency of the measurement items. Higher Alpha coefficients indicate higher scale reliability. Specifically, Eze et al., 2008 suggests that scales with 0.60 Alpha coefficients and above are considered acceptable.

As shown in table 4.1 below, Scale Reliability Cronbach Alphas coefficients for service quality items range from 0.70 to 0.830. The scale of tangibility and hotel service product quality aspects developed in this study demonstrates high internal consistency, with Cronbach coefficients of 0.765 and 0.830 respectively. And the overall Cronbach alpha coefficient for expected-scale items is 0.752. Therefore, the expected scales used in this study demonstrate high reliability.

Table 4.1 Reliability study

Dimensions	Alpha coefficients for dimensions
Reliability	0.781
Responsiveness	0.761
Assurance	0.701
Empathy	0.700
Tangibility	0.765
Hotel service product	0.830
Price	0.728
Reliability of total scale	0.752

Source: - survey result

4.2. Validity study

Validity refers to the extent to which a measure adequately represents the underlying construct that it is supposed to measure (Anol, 2012). In relation to the study five validity measurements are used. Those are:-

➢ Content validity - is the extent to which a measuring instrument provides adequate coverage of the topic under study (Kothari, 2004). In this case the study uses modified SERVQUAL measurement instrument which is the most appropriate tool that is used to measure service quality.

➢ Statistical Conclusion validity - examines the extent to which conclusions derived using a statistical procedure is valid. The right statistical tools are going to be used in order to test the hypothesis and also to conclude the study.

➢ Construct (factor analysis) validity - examines how well a given measurement scale is measuring the theoretical construct that it is expected to measure. Construct validity is assessed in quantitative research based on correlation or factor analysis of pilot test data.

➢ Internal validity- is also called causality, examines whether the observed change in a dependent variable is indeed caused by a corresponding change in hypothesized independent variable, and not by variables extraneous to the research context.

External (generalizability) - External validity or generalizability refers to whether the observed associations can be generalized from the sample to the population (population validity), or to other people, organizations, contexts, or time. Survey research, where data is sourced from a wide variety of individuals, firms, or other units of analysis, tends to have broader generalizability (Anol 2012).

4.3. Respondent profile

The frequency and the percentage of respondents profile are summarized below table

Table 4.2 Respondent profile

Variables	frequency	percent
Gender of the respondents		
Male	266	69.3
Female	118	30.7
Age of the respondent		
21-30	76	19.8
31-45	124	32.3
46-60	106	27.6
Above 60	78	20.3
Educational background		
High school	69	17.97
Diploma	113	29.43
Degree	104	27.08
Masters	61	15.89
Above	37	9.63
Purpose of visit		
Business	66	17.2
Leisure	128	33.3
Transit	91	23.7
Personal	99	25.8

Source – questionnaires

On the gender of respondents under table 4.2 shows that the male customers who responded the questioners were 69.3% and the female respondents were 30.7%. The hotels should implement and understand different strategies to attract female customers.

On the age of respondent under table 4.2 shows that 19.8% , 32.3% , 27.6% , 20.3% of the respondents are included under 21-30 , 31- 45 , 46-60 and above 61 years old range respectively.

And it shows that the majority of the respondents were matured enough to respond and know why and what they filled the questionnaire about.

On the education background of the respondents in the above table 4.2, it shows that 17.97% , 29.43% , 27.08% , 15.89% and 9.63% have high school graduated , diploma , degree , masters and above master's degree respectively. Therefore the respondents were literate so that they could understand the questionnaire to give the response.

On the purpose of visiting under table 4.2 17.2% of respondents came for business, 33.3% of respondents used the hotel for leisure purpose, 23.7% of respondents were transit travelers while 25.8% of respondents used the hotel had personal reason. This implies that large number of respondents used the hotels' service for leisure purpose.

4.4 Testing the basic assumptions

4.4.1 Normality test

Histogram
Dependent Variable: Overall satsifaction

Mean = 3.06E-16
Std. Dev. = 0.991
N = 384

(Y-axis: Frequency; X-axis: Regression Standardized Residual)
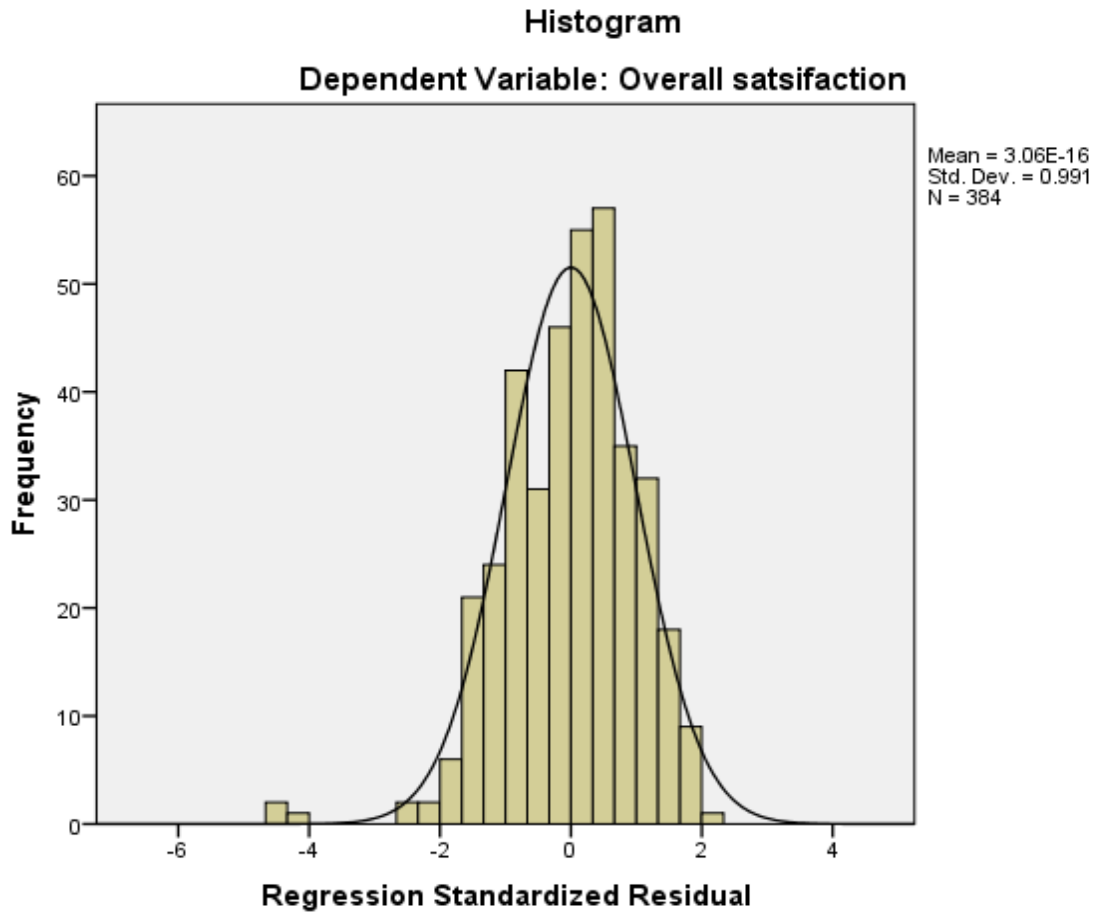
The above normality test shows that the data is smoothly matching with the normal curve. Therefore, this obviously reveals that the normality assumption is not violated. Implying that no sign of outliers.

4.4.2 Linearity test

Figure: - 4.4.2 linearity test

Normal P-P Plot of Regression Standardized Residual
Dependent Variable: Overall satsifaction
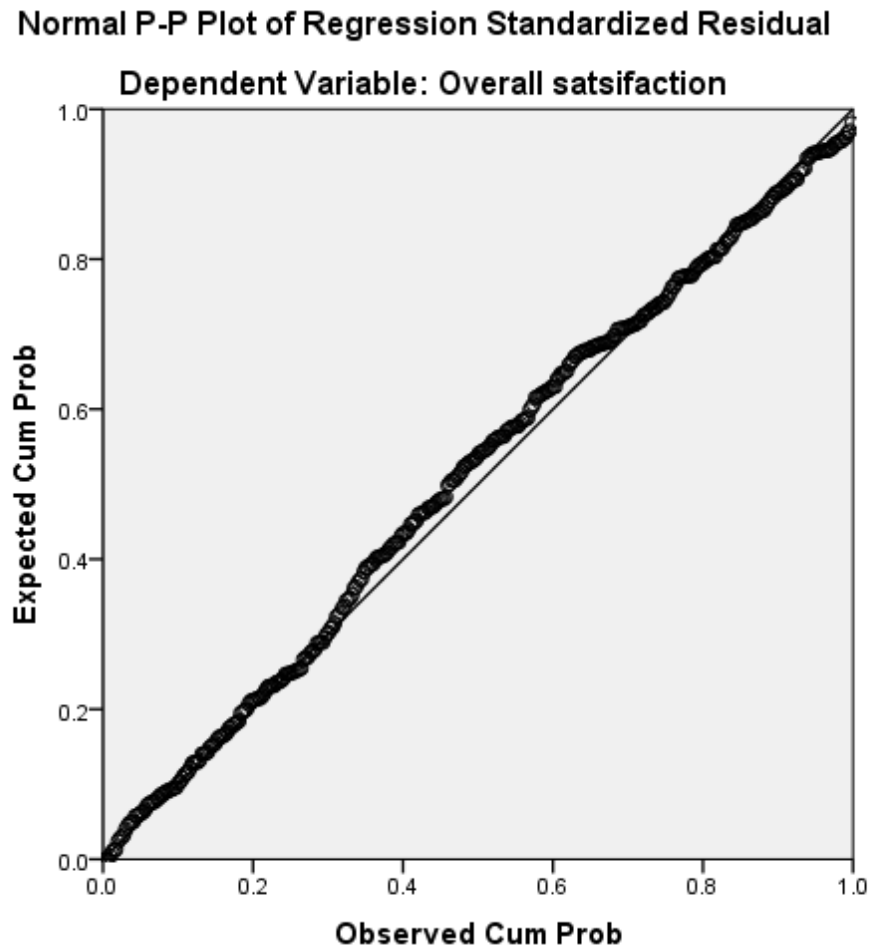
As shown above in table 4.8.2 the graph of the data collected on and around straight line that indicates the assumption of linearity is not violated.

4.4.3 Multicollinearity test

Table:- 4.4.3 Multicollinearity test			
Coefficients			
Model		**Collinearity Statistics**	
		Tolerance	VIF
1	reliability	.704	1.420
	responsiveness	.531	1.884
	assurance	.462	2.166
	empathy	.407	2.455
	tangibility	.352	2.841
	hotel service product	.294	3.396
	price	.386	2.591
a. Dependent Variable: Overall satisfaction			

As shown above in table 4.8.3 all independent variables' VIF (variance inflation factor) values are below 10.So, we can say that there is no problem of multicollinearity among the independent variables.

Therefore, the diagnostic tests which are normality, linearity and multicollinearityare kept or not violated we can say that the data is fit for the model.

4.5 correlation analysis

The correlation analysis result was performed to see the association between modified SERVQUAL dimensions and overall customer satisfaction. Therefore, the correlation analysis revealed the relationship between Reliability, Responsiveness, Assurance, Empathy, Tangibility, Hotel service product quality and Price of service/product with overall customer satisfaction. If the correlation result lies between -1 and 0, the two variables are negatively related. But if the correlation result of the two variables lies between 0 and 1, the two variables are positively related. Furthermore, according to Field (2005) general guidelines correlations of $0.1 - 0.29$ are considered small, correlations of $0.30 - 0.49$ are considered moderate and correlations above $=>$ 0.5 are considered large. The correlations of the variables are shown in Table 4.3, however, each variable correlates perfectly with itself, as evidenced by the coefficients of $+1.00$ at the intersection of a particular variables' row and column.

Correlation coefficients say nothing about which variable causes the other to change. Although it cannot make direct conclusion about causality, we can take the correlation coefficient a step further by squaring it (Field, 2005). The correlation coefficient squared (known as the coefficients of determination, R^2) is a measure of the amount of variability in one variable that is explained by the other.

Table 4.5 Correlation between service quality dimensions with satisfaction by overall service quality

	REL	RES	ASSU	EMP	TANG	HSP	PRI	CS
REL	1	0.340	0.430	0.444	0.486	0.475	0.477	0.500
RES		1	0.564	0.567	0.624	0.606	0.552	0.530
ASSU			1	0.641	0.630	0.651	0.612	0.545
EMP				1	0.674	0.705	0.629	0.698
TANG					1	0.739	0.666	0.641
HSP						1	0.746	0.682
PRI							1	0.661
CS								1

Correlation is significant at the 0.01 level (2 tailed)

Source: - questionnaire

The above Pearson correlation matrix shows empathy has positive and highest associations with overall customer satisfaction other than the other dimensions with a value of ($r=0.698$, $p<0.01$). The other six dimensions have positive and large association with overall customer satisfaction; whose reliability, responsiveness, assurance, tangibility, hotel service product quality and price with value of ($r=0.5$, $p<0.01$), ($r=0.530$, $p<0.01$), ($r=0.545$, $p<0.01$), ($r=0.641$, $p<0.01$), ($r=0.682$, $p<0.01$) and ($r=0.661$, $r<0.01$) respectively.

4.6. SERVQUAL dimension and overall customer satisfaction analysis

Table 4.6 Model summary

Model	R	R-square	Adjusted R square	Std. error of the estimates
1	0.751	0.565	0.556	0.786

a. Predictors: (Constant), P, REL, RESP, ASSU, TAN, EMP, TANG, HSP, PRI

Source: - questionnaire

The regression model presents how much of the variance in the measure of customer satisfaction level is explained by the underlying factors of customer satisfaction (the model). The model or the predictor variables have accounted for 56.5% (adjusted R square of 55.6% with estimated standard deviation 0.786) of the variance in the criterion variable (overall customer satisfaction). The remaining 43.5% are explained by other variables out of this model.

Table 4.7   ANOVAa

Model 1	Sum of squares	Df	Mean square	F	sig
Regression	301.579	7	43.083	69.650	0.000[b]
residual	232.578	376	0.619		
Total	534.156	383			

a.   Predictors: (Constant), P, REL, RESP, ASSU, TAN, EMP, TANG, HSP, PRI

b.   Dependent variable: overall customer satisfaction

Source: questionnaires

The ANOVA table shows the overall significance/acceptability of the model from a statistical perspective. As the significance value of F statistics shows a value (.000), which is less than $p<0.05$, the model is significant. This indicates that the variation explained by the model is not due to chance. The result of regression analysis based on seven independent variables (reliability, responsiveness, assurance, empathy, hotel service product quality and price) is presented in the table 4.5. The service quality dimensions of the factors (independent variables) in contributing to the variance of the overall customer satisfaction (dependent variable) were explained by the standardized Beta coefficient.

Price that includes hotels' pricing is reasonable, bars' pricing is also reasonable and overall price paid is reasonable against the value of the service, has the first highest standardized coefficient ($\beta=0.227$, $p<0.05$) and it has positive significant relationship with the customer satisfaction level. This means Hotel service pricing is the best predictor in this study context. The second highest standard coefficient is goes to empathy with the value of $\beta=0.226$, $p<0.05$ and reliability is the third highest predictor with value of $\beta=0.149$, $p<0.05$ of customer satisfaction. Responsiveness with the value of $\beta= 0.076$, $p<0.05$, assurance with the value of $\beta= 0.01$, $p<0.05$, empathy with

the value of β= 0.088 and tangibility with the value of β= 0.137 have positive significant effect on customer satisfaction.

The below results show that one unit increase in hotel service product quality would lead to 0.226 unit (or 22.6%) increase in customer satisfaction provided that other variables being held constant. Similarly, one unit increase in reliability would lead to 14.9% increase in customer satisfaction provided that other variables remain constant. Lastly one unit increase in price would lead to 0.227 (22.7%) increase in customer satisfaction provided that other variables remain constant. Therefore, superior performance on the most significance dimensions i.e. hotel service product quality, reliability and price may be helpful in providing enhanced quality of service.

Table 4.8 Regression result of service quality dimensions and overall customer satisfaction

Model 1	Unstandardized coefficients		Standardized coefficients	t	Sig.
	β	Std. error	Beta		
(Constant)	-0.656	0.185		-3.545	0.000
Rel	0.190	0.052	0.149	3.675	0.000
Res	0.105	0.064	0.74	1.625	0.105
Assu	0.015	0.072	0.010	0.202	0.840
Emp	0.121	0.074	0.088	1.643	0.101
Tang	0.209	0.087	0.137	2.394	0.017
Hsp	0.332	0.092	0.226	3.599	0.000
Pri	0.315	0.076	0.227	4.144	0.000

a.   Dependent variable: overall customer satisfaction

Source: questionnaire

The researcher has discovered that the degree of customer satisfaction can be determined by those identified variables. The researcher, as indicated below, developed a regression model:

In multiple regressions we use an equation of:

Y= (β0 + β1X1+ β2X2+--------------+ βnXn) + Ei

Where: Y =the outcome variable/ overall customer satisfaction

β0=the coefficient of the constant predictor (Xi)

β1=the coefficient of the first predictor (X1)

βn =the coefficient of the nth predictor (Xn)

Ei = the difference between the predicted and observed value of y for the ith participant

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

CS = β0 + β1 (REL) + β2 (RES) + β3 (ASSU) + β4 (EMP) + β5 (TANG) + β6 (HSP) + β7 (P) +*e*

Where,

CS – Customers Overall Satisfaction

REL – Reliability

RES – Responsiveness

ASSU – Assurance

EMP – Empathy

TANG – Tangibility

HSP – Hotels Service Product Quality

P-   Price

Therefore, the equation comes as,

Overall CS=-0.656 + 0.149(REL) + 0.74(RES) + 0.010(ASSU) + 0.088(EMP) +0.137(TANG)

+0.226(HSP) + 0.227(PRI) + *e*

The result of the regression analysis shows that there was a positive significant relationship between Reliability, tangibility, hotel service product and price variables and the dependent. This indicates that the overall customer satisfaction level depended largely on these specific variables. In other words, when there was a higher performance level in these dimensions, the overall customer satisfaction level increases at 5% significance level.

4.8 Overall customer satisfaction

Figure: - 4.5 overall customer satisfaction

Histogram

Mean = 3.2
Std. Dev. = 1.181
N = 384
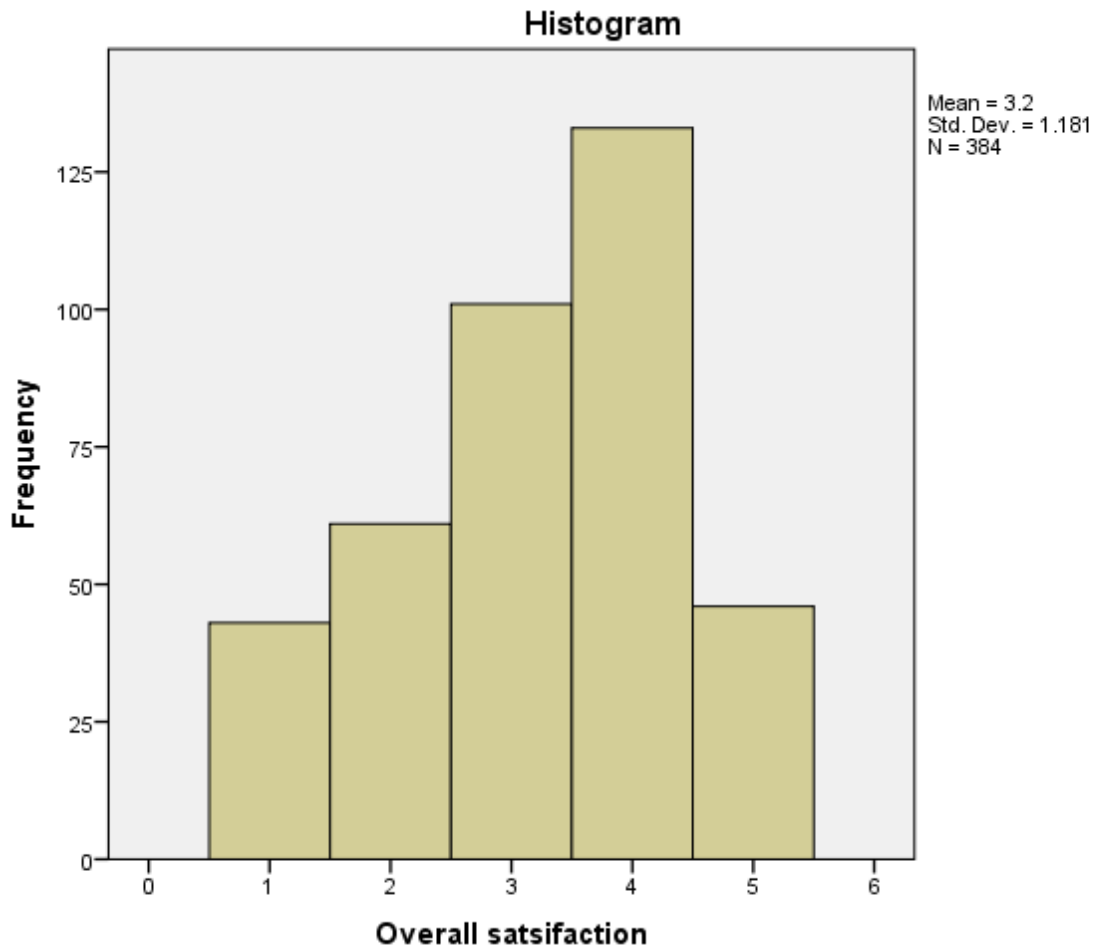
Source: - questionnaires

According to the above table customers overall satisfaction has mean score of 3.20 with standard deviation of 1.181.

CHAPTER FIVE

5. SUMMARY OF MAJOR FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Summary of Major Findings

Table 5.1 summary of major findings

	Statement	Result	Reason
H1	Reliability has effect on customer satisfaction	supported	Sig.=0.000, P<0.05
H2	Responsiveness has effect on customer satisfaction	Rejected	Sig.=0.105, P>0.05
H3	Assurance has effect on customer satisfaction	Rejected	Sig.=0.840, P>0.05
H4	Empathy has effect on customer satisfaction	Rejected	Sig,=0.101, P>0.05
H5	Tangibility has effect on customer satisfaction	Supported	sig.=0.017, P<0.05
H6	Hotel service product has effect on customer satisfaction	Supported	Sig.=0.000, P<0.05
H7	price has effect on customer satisfaction	supported	Sig.=0.000, P<0.05

Source: - questionnaire

As the summary table 4.9 shows that the findings are discussed below with respect to the research hypothesis as follow:

H1: Reliability has a positive significant effect on customer satisfaction in four star hotels in A.A.

H0: Not H1.

So, as the reliability finding is supported by p- value so that accepting H1.

H2: responsiveness has a positive significant effect on customer satisfaction in four star hotels in Addis Ababa.

H0: Not H2.

Responsiveness is rejected H2 as result of the above p-value.

H3: assurance has a positive significant effect on customer satisfaction in four star hotels in A.A.

H0: not H3.

Rejecting H3 as showed in table 4.9.

H4: empathy has a positive significant effect on customer satisfaction in four star hotels in A.A.

H0: not H4.

Rejecting H4 as its p value is greater than 5%.

H5: tangibility has positive significant effect on customer satisfaction in four star hotels in A.A.

H5: not H5.

So, the finding shows that H5 is supported to accept.

H6: hotel service product quality has positive significant effect on customer satisfaction in four star hotels in AA.

H0: Not H6.

The finding is supported to accept H6.

H7: price of the service product has a positive significant effect on customer satisfaction in four star hotels in AA.

H0: not H7.

The finding is supported to accept H7.

As far as the researcher accessed researches have done in the hotel industry in Ethiopia and also the rest of the world that emphasize different aspect of the industry. For instance Jana Lauková (2006) studies hospitality management, Afshan, Sadia and Khusro (2011) studies Improvement of Hotel Service Quality; an Empirical Research in Pakistan, KidaneAssefa (2012) studies Relationship Marketing in the Hotel Industry; The Nexus between Concepts and Practices (A case of Ghion Hotel, Addis Ababa Branch, Ethiopia), AlelignAschale (2013) studies a Critical research on the Major Challenges of the Hospitality industry in Addis Ababa

EndalkachewLelisa, TesfayeFentaw and JatenDuba (2018) studied assessment of service quality by using importance-performance analysis model (IPA): The case of BuleHora and Yabello town

hotels, Ethiopia. The study used cross sectional descriptive research design that employee quantitative method. The data were collected by using questionnaire. The respondents were identified by using convenient sampling method. The study revealed that, fourteen (14) service quality attributes were performed poorly by the hotels. However, these fourteen attributes were important by the customers/visitors. Twelve (12) service quality attributes were high importance to the customers and high performance by the hotels. Six were low importance and low performance. And two service quality attributes was highly performed and low importance.

SelamNigussie (2014) studies service quality and customer satisfaction: the case of 4 star hotels in Addis Ababa, Ethiopia using service quality dimensions adapted from Parasuraman et al. that are reliability, responsiveness, assurance, empathy and tangibles and the researcher added two additional dimensions those are hotel service/product quality and price. A total of 165 questionnaires were administered to 10 four star hotels customers and 123 questionnaires were returned and usable for a comprehensive empirical analysis. Both descriptive and inferential statistics have been used to find mean score and to test hypothesis and to investigate research problem, objectives and questions. From the correlation analysis it was found that out of seven service quality dimensions five of them (reliability, responsiveness, assurance, hotel service product quality and empathy) are correlated with overall customer satisfaction level. From the regression analysis result, it has been found that hotel service product quality, empathy and assurance of service quality dimensions have positive significant impact on satisfaction and tangibility dimensions have negative significant impact. The other reliability, responsiveness and price have insignificant effect on overall customer satisfaction level.

The overall customer satisfaction analysis indicated that the majority of the respondents were satisfied with the service quality level of the hotels.

Whereas this study entitled on assessing customer satisfaction on customer satisfaction: the case of four star hotels in Addis Ababa, Ethiopia using by the seven service quality dimensions.

A total of 400 questionnaire were distributed to 19 four star hotels' customers and 384 (96%) questionnaire were returned back and administered for quantitative analysis. Both descriptive and inferential statistics have used to answer research question, hypothesis and objectives of the research. Even if the correlation analysis was supported that the seven service quality dimensions are correlated positively with overall customer satisfaction, the regression analysis confirm reliability, tangibility, hotel service product quality and product price have positive significant

impact on customer satisfaction. But responsiveness, assurance and empathy have insignificant effect on customer satisfaction.

5.2. Conclusion

This study was intended to examine service quality and overall customer satisfaction of four star hotels against SERVQUAL dimensions found in Addis Ababa, Ethiopia. In this study in addition to the original SERVQUAL dimensions (reliability, responsiveness, assurance, empathy and tangibles) the researcher added two additional dimensions that are hotel service product quality and price of service product has been assessed. Finally the research questions are answered and the conclusion is stated below:-

According to the correlation result reliability, responsiveness, empathy, assurance, tangibility, hotel service product quality and price of the service product have positive and large relationship with overall customer satisfaction.

The result of regression analysis indicates that hotel service product price has a highest influence on the overall customer satisfaction level that includes hotel's pricing at the bar & restaurant were reasonable, overall the piece paid was reasonable against the service being received from the hotel followed by hotel service product, reliability and tangibility of the service. On the contrary responsiveness which contains the hotel staff keeping customers informed about when services would be performed, hotel staff is willing to provide prompt assistance to guests' requests and problems, hotel staffs have willingness to help customers and the readiness to respond customer's request and hotel staffs is never too busy to respond to guest's request. And also assurance including feeling safe and secure in guest's stay, hotel staffs have knowledge to answer customer questions and so on together with empathy like hotel staffs gave customer individual attentions, hotel staff provided service in caring fashion being friendly, hotel staff provided service to meet guests' best interest and so on do have insignificant influence on the overall satisfaction level of customers which is contradicted with the correlation analysis.

Reliability, tangibility, hotel service product quality and price of the product that provided the hotels have significant effect on customer satisfaction with the corresponding beta value with confidence interval at 5% i.e.0.149, 0.137, 0.226, and 0.227 respectively.

On the other case responsiveness, assurance and empathy of the service dimensions have insignificant effect on customer satisfaction with the beta value of 0.074, 0.0101, and 0.088 respectively.

5.3. Recommendation

❖ For providing the recommendation, focusing on the improvement of insignificant association of the dimensions as responsiveness, assurance and empathy while keeping on those significant dimensions as reliability, tangibility, hotel service product quality and price of the product.

❖ To overcome the customers' dissatisfaction on the staffs skill and knowledge to perform the service and to answer customers' question which part of assurance dimension is. The hotels must hire professional from specific associations who educate specifically hotel management, front office management, food and beverage operation, food and beverage service, housekeeping & laundry, accounting & finance, human resource management, sales & marketing, safety & security, health & SPA and appropriate security staff to all position to serve the customers in professional manner and provide training identifying the gap in order to acquaint and develop themselves with time management, technology, standard service, effective resource management and utilization, health, hygiene and sanitation, safety and security, marketing abilities, professional ethics and morale.

❖ The most important wisdom for the hospitality is to check the three domains with all employees to have that are cognitive domain which consist knowledge, skill and attitude towards the profession, affective domain and psychomotor domains for customer satisfaction.

❖ Again the most vital in this industry for satisfying customers is allowing the hospitality industry for joining with the professionals and also avoiding corruption types in hiring professional employees like nepotism, bribery and adultery.

❖ The hotel investors or owners need to have capital for refurnish, purchasing raw materials, for expenses as well as training and promoting.

❖ The hotels must give high emphasis on recreational facilities that is a sub-dimension of hotel service product quality to build modern recreational facilities which help the customer to relax and refresh. Some of the hotels do not have a proper space for building different recreational facilities but by consulting professionals they can modify what they

have and build what they want. For example: building swimming pool on the roof or build in underground space and so on.

❖ The analysis shows that there is a contradiction result between correlation and regression result of responsiveness, assurance and empathy dimensions which say there is positive relationship between these dimensions with customer satisfaction however the regression result revels these dimensions have insignificant effect on dependent variable. These kinds of situation caused by respondent bias therefore, other researcher must give emphasis on this specific dimension in order to reveal the correct relationship and impact.

❖ Finally, the hotels must strive to delight their customers and get a better position in the mind of the customers for sustain in the industry market and maximizing profit along with customer satisfaction with these all SERVEQUAL dimensions.

5.3 Implications for Further Research

From what can be seen from this study it can be concluded that this paper gives lots of findings to the hotels included in the study and those interested in this topic of study to have more insight into the hotel industry.

With respect to future projects, this study focused only on four star hotels' customers found in Addis Ababa, Ethiopia. Therefore, a further study can be done.

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ANNEX

Saint Mary University

Marketing Management Post Graduate study

Dear respondent,

This questionnaire is developed by post graduate student of Saint Mary University, marketing management post graduate study in order to assess service quality and customer satisfaction on hotel industry in case of four star hotels in Addis Ababa, Ethiopia. The data will be used only for academic purpose and your response is not forwarded to other 3rd party and it is kept confidential, please answer each questionnaire with no fear of consequence. To keep these, no need of writing your name.

I thank you in advance for your active participation and your cooperation.

Please feel free to contact me @ any time for further clarification if any!

Yehualashet Nigus

Phone: - +251 910 672 393

Email: - yehuala015@gmail.com

Personal Information

Sir/Madam, would you mind to put a circle or a mark on the following personal information, please?

1. Gender   A. Male   B. Female

2. Age Group   A. 21-30   B. 31-45   C. 46-60   D. Above 60

3. Education   A. High school   B. Diploma   C. Degree

    D. Masters   E. above Masters

4. Purpose of visit   A. Business   B. Leisure   C. Transit

    D. Personal

5. Nationality: _____

Please indicate on a five point scale the extent to which you find the following statements important by ticking on the box in the first column which you are satisfied or dissatisfied in the second column with the following statements.

Perceptions: 1= very dissatisfied 2= dissatisfied 3= Neutral 4= Satisfied 5= Very satisfied

		PERCEPTION				
	Dimensions	5	4	3	2	1
1	The hotel provides quality service consistently.					
2	The hotel provides the service at the time they promise to do so.					
3	The hotel staff perform services 'right'/correctly at the firsttime					
4	The hotel guarantees reliable reservation services					
5	The hotel is dependable in handling Customer service problem.					
6	The billing and payment system are free from error					
7	The hotel staff keeping customers informed about when services will be performed					
8	The hotel staff are willing to provide prompt assistance to guests' requestsand problems					
9	The hotel staff is never too busy to respond to guests' requests					
10	The hotel staffs have willingness to help customers and the readiness to respond to					

	Customer's request.					
11	You feel safe and secure in your stay					
12	The hotel staffs have knowledge to answer customer questions.					
13	The hotel staffs have the skill to perform the service.					
14	You feel safe in the delivery of services					
15	The hotel staffs instill confidence to the guests					
16	The hotel employees are always courteous and polite					
17	The hotel staff gives customer individual attentions.					
18	The hotel staff provide service in a caring fashion being friendly					
19	The hotel staff provide service to meet guests' best interest					
20	The hotel staff provide undivided attention to the guest					
21	Furniture's and equipment's are modern looking					
22	The hotel staff have neat appearance					
23	The fixture and fitting arecomfortable and easy to use					
24	The staffs provide the service with smiling					
25	The hotel staffs dress properly					

26	The hotels menu item variety was excellent					
27	The food is served hot and fresh (have good quality)					
28	the hotels bar/s and restaurant/s have good ambience					
29	The bathrooms in the hotel are neatand clean					
30	The hotel rooms are clean and comfortable					
31	The hotel provides modern recreation Facilities e.g. spa, gym…)					
32	Pricing at the hotel's restaurant is reasonable					
33	Pricing at the hotel's bar is reasonable					
34	Overall, the price I paid is reasonable Compared to the value of services beingreceived from the hotel.					

Overall satisfaction

Please make a circle on your overall satisfaction with the hotel

Very satisfied	Satisfied	Neutral	Dissatisfied	Very dissatisfied
5	4	3	2	1

St. Mary's University   **School of Graduate Studies**

Name of Advisor _Mulugeta G/Medhin (phd)_ Name of Advisee _Yehualashet Misra_

Department/Program _Marketing_ Id. _SGS/0282/2011A_

No	Consultation Meeting		Points raised/discussed	Signature	
	Date	Time		Advisor	Advisee
1	15/12/2019	Afternoon	Calling for informing the title and agreed to change the title		
2.	18/12/2019	Afternoon	Informing the changed title & aproved by my Advisor (Dr. Muluseta G/medhin)		
3	25/12/2019	Afternoon	Orientation how to write after approval of the thesis title.		
4	18/01/2020	morning	Sending the first draft of the proposal through email for my advisor		
5	20/01/2020	morning	Sending acceptong comments starting from cover page to references writing in detail		
6	12/01/2020	Afternoon	dealing how to submit the report		

ADVISOR:- Dr. mulugeta G/medihn
Advisee:- Yehualashet Migus
Depart. marketing management

No	Date	Time	Description	Advisor	Advisee
7	15/05/20	Afternoon	Calling my advisor to ask how to analysis the data as well sent the data to show me how i proceed		
8	29/05/20	morning	Summiting the thesis for comment to my advisor who is Dr. mulugeta G/medihn		
9	17/05/20	morning	Called my advisor how can i work through my thesis and got idea to focus only on customer percep sion		
10	09/06/20	morning	Called for reporting my advisor that i did my correction & sending the approval declaration		
11					
12					
13					

0115580615 FAX: 251-011-58 05 59 PO. BOX: 1211/18490 Addis Ababa

LIST OF STAR-RATED HOTELS IN ADDIS ABABA 2007/2011 E.C

No	NAME OF HOTEL	STAR	No. of Rooms	No. of Beds	TEL NO	E-Mail
1	Sheraton Addis Hotel	5	294	323	011 5171717	reservationsaddisethiopia@luxurycollection.com
2	Capital hotel	5	114	114	011 6 67 2100 0930100714 0911639122 0116672100	sales@capitalhotelandspa.com www.capitalhotelandspa.com
3	Ellele international hotel	5	155	163	0115587777 0911202904 0922728318	info@elillyhotel.com/ info@elillyhotel.com
4	Marriott Executive Hotel	4	108	128	011 518 4600	reservation@marriothotel.com
5	Radison Blue hotel	4	114	128	0115157600 0115170400 0115544412/13	info.addisababa@radissonblu.com

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6	Golden Tulip Hotel	4	90	115	0116183333 0116612828	gm@goldentulipaddisababa.com www.goldentulipaddisababa.com
7	Gatefam Hotel	4	115	130	0116673175 0935402055	info@getfamhotel.com reservation@getfamhotel.com
8	Debredamo hotel	4	102	102	0115509828 0116612630	reservation@debredamohotel.com
9	Dreamliner Hotel	4	96	110	011 467 4000-7	marketingmanager@dreamlinerhotel.com
10	Friendship hotel	4	104	104	0116670201 0116670202	marketing@friendshiphotel.com.et
11	Harmony Hotel	4	150	176	0116183100 0116612389	info@harmonyhotelethiopia.com
12	Intercontinental Hotel	4	151	190	011 550 5066 0115180444 0115540090	reservation@intercontinentaladdis.com
13	Jupiter int. Hotel (kazanchis)	4	102	112	0115527333	info@jupiterinternationalhotel.com
14	Jupiter Int. Hotel (Bole)	4	40	52	0116616969	info@jupiterinternationalhotel.com
15	Momona Hotel	4	60	80	0116672201/07	reservation@momonahotel.com
16	Nazra hotel	4	24	27	0114674465 0114666676	lf0@nazra hotel. com
17	Nexus hotel	4	66	66	0111112345 01116670067	Info@nexusaddis.com Info@nexus hotel.com
18	Saromaria hotel	4	87	87	01116672167/75	info@saromariahotel.com/reservation@saromariahotel.com stay@saromari hotel.com
19	Sarem International Hotel	4	43	62	011262087/0911518807	reservation@saremhotel.com
20	Washington hotel	4	70	85	0911855738 0116392183 0116392239	info@washingtonaddis.com/reservations@washingtonaddis.com

21	Tegen Guest Accommodation Hotel	4	32	64	011 618 2870 0116182871	info@tegenhotel.com info(at)tegen hotel.com
22	Abyssinia Renaissance Hotel	3	39	59	0116292485	info@abyssiniarenaissance.com
23	Addis Regency Hotel	3	33	41	0913141583 0111550000 0911615600	info@addisregency.com
24	Addis View Hotel	3	18	23	0111249766	addisview@ethionet.et
25	Addissinia Hotel	3	60	60	0911511569 0116623634	info@addissiniahotel.com reservation@addissiniahotel.com
26	Ambassador Hotel	3	52	60	0116188284 0118296364	reservation@ambassadorhotelethiopia.com / info@ambassadorhotelethiopia.com
27	Aphrodite hotel	3	52	52	0912502256 0115522228	marketing@aphroditeaddis.com/info@aphroditeaddis.com
28	Ararat Hotel	3	94	116	011 6461166	info@ararathotelethiopia.com
29	Beer Garden Inn	3	32	36	0116182595 0116182591	info@beergardeninn.com
30	Beshale Hotel	3	64	80	0116478181/88	Info@beshalehotel.com
31	Caravan hotel	3	37	37	0911522744 0116612297	caravanhotel@caravanaddis.com wwwcarvan addis.com
32	Crown Hotel	3	71	110	011 4391444 0114391430/31/44/45/46	Info@crownhoteladdis.com/ booking@crownhoteladdis.com
33	Cyan city hotel	3	40	45	0911207900 0911517901 0116622121	info@cyancityhoteladdis.com
34	Embilta Hotel	3	39	49	0112758787/56/57	info@embilta-hotel.com / embiltahotel@yahoo.com

					0922444612 0911219421	
35	Global Hotel	3	50	70	011 4663906 011 4664766	globalhotel@ethionet.et global hoteladdisababa@gmail.com
36	Hilton Addis Ababa	3	360	400	011 5170000 011 5518400	reservation.addisababa@hilton.com
37	Kaleb Hotel	3	64	84	011 6622 200	reservation@kalebhotel.com
38	King's Hotel	3	34	54	011 3711300 0911699499	kingshotelethiopia.com
39	Monarch hotel	3	80	80	0116672480/22 0116672472 0118637107	Info@monarchaddis.com
40	Panorama Hotel	3	65	85	0116616070 0911836692	panoramahotel@ethionet.et
41	Reliance hotel	3	31	38	0116672024 0116672002 0116672069	info@reliancehotelapartment.com
42	Sidra hotel	3	26	31	011661 7777 0116618888	info@sidrahotel.com
43	Seyonat hotel	3	40	50	0911237070 0116626372 0116629746/44	reservation@hotelsiyonat.com
44	Solo Te hotel	3	35	45	0116670021	info@solotehotel.com
45	Southern Addis Hotel	3	38	38	011 661 0505 011 661 0515	reservation@southernaddishotel.com
46	The residence hotel	3	18	21	0115571025 0911503125	info@theresidenceaddis.com
47	Tizez Haile Hotel	3	44	44	0116392000-2	
48	Top Ten hotel	3	48	56	0116464449 0116460266	gmanager@toptenethiopia.com

49	Umma Hotel	3	33	45	0113719445 0911214399 0113728440	request@ummahotels.com
50	Wassamar Hotel	3	66	71	011 6610055/59 0118950489	info@wassamarhotel.com
51	Zola internatio nal hotel	3	24	32	011 673 33 33 0911243966	Hotelzola@yahoo.com Zola hotel.net
52	Adotina Hotel	2	32	32	0114674101 0114673939 0913146431	reservation@adottinahotel.com www.adottinahotel.com
53	Astara Hotel	2	45	51	011 6461166 0114160153 0911056912	Astarabusiness.plc@yahoo.com astaraaplc@yahhoo.com www.haimihotel.com
54	Axum Hotel	2	60	72	011 6613916 0915736296	axum.d@ethionet.et / axum.n@ethionet.et
5 5	Churchill Hotel	2	53	53	011156 8648 011 111 1212	contactus@churchillhoteladdis.com
5 6	Damu Hotel	2	20	20	0115509828	damuhotel@ethionet.et
5 7	Desalegne Hotel No.2	2	28	25	011 6624524 0116183030	rooms@desalegnhotel.com/ confrence@desalegnhotel.com
5 8	Dessie Hotel	2	32	42	0115576609	
5 9	Destiny Addis Hotel	2	33	40	0115521795 0911202904	info@destinyaddis.com
6 0	Edna Addis Hotel	2	33	37	0910646962 0115507003 0115507727	reservation@ednaaddis.com
6 1	Empire Addis inter. hotel	2	39	39	0116614523 0116614525/25 0116614524	info@empireaddis.com wwwempireaddis.com
6 2	Ghion Hotel	2	190	29 8	011 5513222 0115510240	info@ghionhotel.com
6 3	Haimi Apartment	2	28	28	0116161888 0116181834	info@haimihotel.com wwwhaimihotel.com

	hotel				0116181837	
6 4	Homage hotel	2	20	25	0115516341/093 0033910	info@homagehotel.com /reservation@homagehotel.com
6 5	KZ Hotel	2	32	42	011 661 1206 011 662 1607	kzhotel08@yahoo.com
6 6	Kenenisa Hotel	2	51	51	0911888468	stay@kenenisahotel.com
6 7	Lobelia Hotel	2	31	35	01116673850-5 0911692054 0116673854	info@hotell0beliaaddis.com
6 8	Louvera Hotel	2	12	16	011 618 7755	info@louvregrandhotel.com
6 9	Pacific Hotel	2	45	55	011 645 6371	reservation@pacifichotelet.com
7 0	Queen of Sheba	2	32	56	011 6615400 011 6180000	Queensheba hotel@ethionet.et
7 1	RasAmba Hotel	2	25	25	011 1228080	
7 2	Soramba Hotel	2	87	87	011 1565 633	Sorambahotel@ethionet.et www.sorambahotel.com
7 3	Trinity Hotel	2	21	27	0911620224	info@trinityaddis.com
7 4	Adam's Hotel	1	30	36	0911161316	
7 5	AG palace hotel	1	19	19	0911405885	agpalacehotel@gmail.com Booking@agpalacehotel.com
7 6	Alexandria hotel apartment	1	16	20	09103857	
7 7	Atlas internatio nal Hotel	1	55	58	0116187432	atlashotel@ethionet.et
7 8	Awraris Hotel	1	23	26	0116614933-35 0116614952	awrarishotel@ethionet.et
7	Bask Hotel	1	12	12	0116296000	

9					
8 0	Bell vue	1	35	40	0116676700	
8 1	Blue bird Hotel	1	44	44	0115528989 0114670050	
8 2	Bole internatio nal Hotel	1	51	54	0116633000 0116633840-44	boleinternationalhotel@ethionet.et
8 3	Ceasar's court Hotel	1	16	16	0116189600	Ceasars@ethionet.et
8 4	Concord Hotel	1	25	28	0114654959	hotelconcord@ethionet.et
8 5	Corta internatio nal Hotel	1	27	32	0115538604	rock40@yahoo.com
8 6	Dimetri Hotel	1	17	26	0116453307 0116453282	info@dimetrihotel.com
8 7	Elison Hotel	1	26	32	0911412423	
8 8	Emmad Apartment Hotel	1	33	33 3	0116294129	Emmad.fnished@ethionet.et
8 9	Ethiopia Hotel	1	110	15 1	011 5517400 011 5510134	ethhotel@ethionet.et wwwethiopia hotel.et.com
9 0	Filwuha hotel enterprise	1	57	57	0115519100 0913923535	
9 1	Haiken Hotel	1	104	11 9	0111567621 0911134882	haikenhotelreservation@gmail.com
9 2	Harambe Hotel	1	48	80	0115514000	
9 3	Hotel de france	1	14	14	0115547389	hoteldefrance@ethionet.et
9 4	Jovani Hotel	1	18	20	0116187480	
9 5	Lalibela Hotel	1	36	46	0116614917	
9 6	Lion den Hotel	1	20	20	0115547735	addis@theliondenhotel.com
9 7	MR Hotel	1	12	12	-	
9 8	Nardan Hotel	1	25	29	0116635831/16 0912926355	

				0116610057	
9 9	Paramoun t Hotel	1	27	27	0911686970 0114390417 0118401404	etparahotel@ethionet.et
1 0 0	Semien Hotel	1	60	65	011 1550067 0911368219 0111551410	info@semienhotel.com wwwsemienhotel.com
1 0 1	Sri Sai Hotel	1	20	20	0115572747	
1 0 2	Stay Easy Hotel	1	41	41	0116181919	
1 0 3	Three days hotel	1	30	34	011 6612583/82 0911205213	info@3daysINT hotel.com www3days international hotel.com
1 0 4	Wabishebl e Hotel	1	94	13 3	0115517187	
1 0 5	Yilma Hotel	1	18	18	0113201269	
1 0 6	Yoly Hotel	1	19	28	0116632828	contact@yolyhotel.com

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