

THE ANALYSIS OF DOMINANT FACTORS OF  
SERVICE QUALITY DIMENSION  
IN THE RITZ- CARLTON HOTEL JAKARTA

By

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**THESIS ADVISER**  
**RECOMMENDATION LETTER**

This thesis entitled “The Analysis of Dominant Factors of Service Quality Dimension in the Ritz-Carlton Hotel Jakarta” prepared and submitted by Dewi Nuraini Rafiastuti in partial fulfillment of the requirement for the degree of Bachelor Degree of Management with a concentration in International Business in the Faculty of Economics has been reviewed and found to have satisfied the requirements for a thesis fit to be examined. I therefore recommend this thesis for oral degree.

Cikarang, Indonesia, 20<sup>th</sup> March 2012

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## **DECLARATION OF ORIGINALLY**

I declare that thesis entitled “The Analysis of Dominant Factors of Service Quality Dimension in The Ritz-Carlton Hotel Jakarta” is to be the best of my knowledge and belief, an original piece of work that has not been submitted, either in whole or in part, to another university to obtain a degree.

Cikarang, Indonesia, 20<sup>th</sup> March 2012

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## **ABSTRACT**

Service Quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining and measuring it with no overall consensus emerging on either. Customer satisfaction and service quality are often treated together as function of customer's perceptions and expectations and research has shown that high service quality contribute significantly to profitability. Service Quality is required to be first measured in order to improve the quality in a service organization. Practitioners and academics are eager on measuring service quality accurately in order to have better understanding of its indispensable antecedent and consequences, and eventually ascertain methods for improving and measuring service quality in search for competitive advantage. The aim of this study is to rank the dimensions of service quality that affect the customers' expectation in The Ritz-Carlton Hotel Jakarta. The measurements used were based on the widely accepted SERVQUAL model which is the most common method for measuring service quality. This study also examined the service quality gap by comparing customers' expectations and their actual perceptions. The results of the study indicated that all of the service quality factors are important. Empathy was rated as the most important dimension followed by Tangible, Assurance, Reliability, and Responsiveness.

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# TABLE OF CONTENTS

THESIS ADVISER RECOMMENDATION LETTER.....	ii
PANEL OF EXAMINERS.....	iii
DECLARATION OF ORIGINALITY.....	iv
ABSTRACT.....	vi
ACKNOWLEDGEMENT.....	vii
TABLE OF CONTENTS.....	viii
LIST OF TABLE.....	x
LIST OF FIGURES.....	xi

## 1. INTRODUCTION

1.1 Background of study.....	1
1.2 Company Profile.....	4
1.2.1 The Ritz-Carlton Vision and Mission.....	5
1.2.2 The Art and Design.....	5
1.2.3 The Logo.....	5
1.2.4 Gold Standard.....	5
1.3 Problem Identified.....	6
1.4 Research Objectives.....	6
1.5 Significance of Study.....	7
1.6 Theoretical Framework.....	7
1.7 Scope and Limitation of Study.....	8

<b>1.8 Definitions of Terms.....</b>	<b>8</b>
<b>2. LITERATURE REVIEW</b>	
2.1 Definitions of service quality and Customer Satisfaction.....	9
2.2 The Importance of Service Quality and Customer Satisfaction.....	20
<b>3. METHODOLOGY</b>	
3.1 Methods of Data Collection.....	22
3.2 Type of Data.....	24
3.1.1 Primary Research.....	24
3.1.2 Secondary Research.....	25
3.1.3 Definitions of Questionnaires.....	26
3.2 Data Analysis.....	27
3.3 Research Framework.....	27
3.4 Research Time and Place.....	29
3.5 Research Instruments.....	29
3.5.1 Data Collection.....	29
3.6 Sampling Design.....	30
3.6.1 Validity Testing.....	31
3.6.2 Reliability Testing.....	32
<b>4. ANALYSIS DATA AND INTERPRETATION RESULT</b>	
4.1 Data Collection.....	33
4.2 Validity and Reliability Test.....	35
4.3 Guest's Appraisal to Tangible Dimension.....	51
4.4 Guest's Appraisal to Reliability Dimension.....	52
4.5 Guest's Appraisal to Responsiveness Dimension.....	53
4.6 Guest's Appraisal to Assurance Dimension.....	54



<b>4.7 Guest's Appraisal to Empathy Dimension.....</b>	<b>55</b>
<b>4.8 The calculation and Comparison from 5 dimensions.....</b>	<b>5</b>
<b>5. CONCLUSION AND RECOMMENDATION</b>	
<b>5.1 Conclusion.....</b>	<b>58</b>
<b>5.2 Recommendation.....</b>	<b>59</b>

**REFERENCES**

**APPENDICES**

## **LIST OF TABLE**

<b>Table 2.1 the Five Gap Model of Service Quality.....</b>	<b>12</b>
<b>Table 2.1 the RATER Model.....</b>	<b>19</b>
<b>Table 3.2 Likert Skale Value.....</b>	<b>30</b>
<b>Table 4.1 Correlation Value.....</b>	<b>34</b>
<b>Table 4.2 SPSS Correlation.....</b>	<b>39</b>

## **LIST OF FIGURE**

<b>Figure 1.1 the Ritz-Carlton Logo.....</b>	<b>5</b>
<b>Figure 1.2 the Gold Standard.....</b>	<b>5</b>
<b>Figure 1.3 Theoretical Framework.....</b>	<b>7</b>
<b>Figure 4.1 Tangible Dimension.....</b>	<b>51</b>
<b>Figure 4.2 Reliability Dimension.....</b>	<b>52</b>
<b>Figure 4.3 Responsiveness Dimension.....</b>	<b>53</b>
<b>Figure 4.4 Assurance Dimension.....</b>	<b>54</b>
<b>Figure 4.5 Empathy Dimension.....</b>	<b>55</b>
<b>Figure 4,6 Average Mean of 5 Dimensions.....</b>	<b>57</b>

# CHAPTER 1

## INTRODUCTION

### 1.1 Background of the Study

Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it with no overall consensus emerging on either. Research has shown that high service quality contribute significantly to profitability. Service quality is about ensuring customers, both internal and external, get what they want. Customer satisfaction is the feeling or attitude of a customer towards a product or service after it has been used. Satisfaction and service quality are often treated together as functions of customer's perceptions and expectations. Customer satisfaction is determined by defining customer perceptions of quality, expectations, and preferences. Always there exists an important question: why should service quality be measured? Measurement allows for comparison before and after changes, for the location of quality related problems and for the establishment of clear standards for service delivery.

In search of competitive advantage, both practitioners and academics are keen on accurately measuring service quality in order to better Industries trade hotels and tourism in Indonesia grew by 3% from first quarter 2010 to second quarter of 2010. This number figures when converted in a value equal to 7 trillion rupiah. This figure is impressive considering the growth between the first quarter of 2009 to 4 in the first quarter of 2010 amounted 0% ([www.bps.go.id](http://www.bps.go.id)).

Tourism Industry in Indonesia has experienced tremendous growth since economic and political conditions stabilizing. Economic conditions and political stability is a fundamental requirement for this industry to grow. The growth of tourism industry needs the support from economic activities or other industrial. One of supporting industries is the hospitality industry.

Hospitality industry is essentially part of the tourism industry. But in its development, the industry grew and developed without directly related to the Tourism Industry. The growth of economics activities in Indonesia also stimulates the use of hotel. Furthermore, current marketing activities become very important for the hotel business, because hospitality is one

of the services business is quite complicated management and provides a range of facilities that can be used by guests for 24 hours. In addition, the hotel business can also support the activities of the businessmen who are traveling on business or tourists who travel to visit the tourist destination areas, need a place to stay, eat and drink and entertainment. Therefore, the hotel is one form of business in services that promote quality services for its customers.

The higher the level of competition, the level of market complexity and guests are increasingly critical market will lead marketing activities in the hospitality business world needs to be managed professionally. Due to the success of companies in the field of hotel services in particular, depends on its ability to meet the needs and further to satisfy consumers. In the beginning of each guest have needs, desires, and different goals. This fact encourages the emergence of the concept of market share.

It means we try to get a group of people in the target market to market products and / or hotel services in accordance with the expectations of guests so that consumers will feel satisfied, and will continue to consume services from the hotel.

In order to ensure and keep the quality expected by today's customer/tourist, we need to differentiate two aspects of quality in general with particular attention to tourism, namely: design quality and the quality of conformity with design. The design quality is a concept implying the presentation of products/services directed to the needs of the clients. The hotel company can satisfy the demands of the client (tourist) only if they are included in its design, i.e. in order to do that, his demands need to be included or "built into" the product/service of the hotel.

The hotels do market research in order to determine who their customers are and which of their demands require special attention. The quality of conformity with the design completes the first aspect because it represents the level to which the product/service meets the demands of the market. The quality represents the satisfaction of the client's needs and in order to achieve it and keep it in time, we not only need a continuous research into the demands of the clients but also of our own capabilities. Such an approach would ensure the pursuing of constant improvements according to the demands of the clients. The harsh competition on tourist market requires the development of a new approach to management known as TQM – Total Quality Management. When introducing the quality management system, hotel companies use various approaches adapted to their business conditions. The following part of

the paper describes the most common service quality measurement criteria, in particular the model of internal service quality and the SERVQUAL model.

Customer satisfaction is the degree of fit between the product and / or services desired by an accepted fact. The compliance level is the result of assessments conducted by the guest based on the knowledge and experience.

Customer satisfaction is determined by the quality of services desired so that the assurance of quality a top priority and be used as benchmarks of excellence the company's competitiveness.

To get an idea of consumer satisfaction, it is necessary to know the meaning of quality of service. Quality of service is something that the complex consists of five elements, namely: Reliability, Responsiveness, Assurance, Empathy, and Tangible. The poor quality of services rendered to the customer service providers have realized is the most losses suffered by the company. They are disappointed not only leave the company, but also will tell you that received bad service to others. In addition the company will spend more to get one new customer. Lack of quality service is the highest price in the economy that grows very rapidly, than the price of real products. When in the hotel business can create customer satisfaction, the customer satisfaction can provide benefits such as the relationship between the company and its customers to be harmonious, provide a good foundation for the creation of repeat purchases and customer loyalty, and form a recommendation by word of mouth (word of mouth) that profitable for the company.

This is due to consumers who come to The Ritz – Carlton Hotel Jakarta has a different driving motivation in utilizing the services offered products are renting rooms, utilize existing facilities such as meeting facilities, entertainment and other privileges offered by the hotel will become an indicator for customer satisfaction so that the company needs to improve the quality of its services.

## **1.2 Company Profile**

The Ritz – Carlton's history is begun with Swiss Hotelier, Cesar Ritz, who is very ambitious person and has great reputation at all hotels he has been working for. Ritz learned all things of hotel, like the importance of perfect cuisine food quality, the flawless service, and the importance of quality hotel management.

At 1898, Ritz established The Ritz Hotel in Paris that reflect luxury and exclusive of hotel industry. Because of the expert ability that Ritz has, King Edward VII named him as ***“The Hotelier of Kings and King of Hotelier”***.

At the same year, Ritz decided to cooperate with The Carlton Hotel and establish the new company which is The Ritz – Carlton Hotel. At 1910, The Ritz – Carlton was established in United States under Cesar Ritz. Unfortunately, because of the lack of quality of product and the employees, a lot of The Ritz – Carlton Hotels was collapsed. Among those hotels, only one of the Ritz – Carlton Hotel was survived which is The Ritz – Carlton, Boston under the genius man which is Edward W. Wyner. On 1983, William B. Johnson buys the Ritz – Carlton, Boston and the rights to The Ritz – Carlton’s name. The Ritz – Carlton Hotel Company is founded and its control operation was given to Horst H. Schulze. Horst H. Schulze is the creator of The Ritz – Carlton’s motto.

Late April 1995, a new management company was formed between the original Ritz – Carlton shareholders and Marriott International, Inc. 49% of this new company was owned by Marriott International, Inc and The Ritz – Carlton Hotel Company, L.L.C was formed. Marriott International acquired the remaining percentage of the company on March 1998 and it was become a very strong hotel company in the world. At 2001, Simon Cooper assumed the leadership role of The Ritz – Carlton L.L.C and serves as President and Chief Operating Officer. At 2003, The Ritz – Carlton moves their corporate headquarters to Chevy Chase, Maryland, Washington D.C. with the 38,000 Ladies and Gentlemen in the worldwide. In addition, the new changing from The Ritz – Carlton Hotel Company is at 2010, Herve Humler takes the leadership role as the President and Chief Operating Officer of The Ritz – Carlton.

The Ritz- Carlton Jakarta is a 5 star luxury hotel located in the business district area of Mega Kuningan, South Jakarta. It was built on 2005. The Ritz- Carlton Jakarta is run by The Ritz Carlton Hotel Company, L.L.C, The hotel company is a subsidiary of Marriot International. The Ritz – Carlton Hotel Company has four products overview, which are hotels; destination clubs; residences; golf, spa and retail.

### 2.1.1 The Ritz Carlton Vision and Mission

- **Vision**  
To be the premier worldwide luxury experience
- **Mission**  
Giving a service, product and profit leadership

### 2.1.2. The Art and Design

The Ritz – Carlton Hotel Company has established one of most ambitious art and design program in the industry, that emphasize to 18th and 19th century paintings, rugs, and art objects make up the collection. Those art and design programs will made perfect situation that reflect luxury hotel. Moreover, The hotel itself was designed according the principles of Fengshui, an ancient practice for creating balance and harmony.

### 2.1.3. The Logo



The Ritz – Carlton’s logo is combined from crown and lion. Crown was the symbol of British royalty and Lion was the symbol of a financial baker.

This logo is made by Cesar Ritz in 1965.

Figure 2.1. The Ritz Carlton Logo

## 1.3 Problem Identified

Based on the description above background, then the problem can be formulated as follow:

1. Among these variables are included (Reliability, Responsiveness, Assurance, Empathy, and Tangible) where a dominant influence on customer satisfaction in The Ritz – Carlton Hotel Jakarta
2. To find out the correlation between customer satisfaction and service quality

## 1.5 Research Objectives

1. To analyze the Tangible factors in SERVQUAL dimension
2. To recognize which factor are most satisfied which or not satisfied in Tangible dimension.



## 1.6 Significance of Study

### 1. For Researcher

To determine the application of the theory obtained in the college with the reality that occurs in the field, about the problems that exist in marketing, especially on the service variables that influence customer satisfaction.

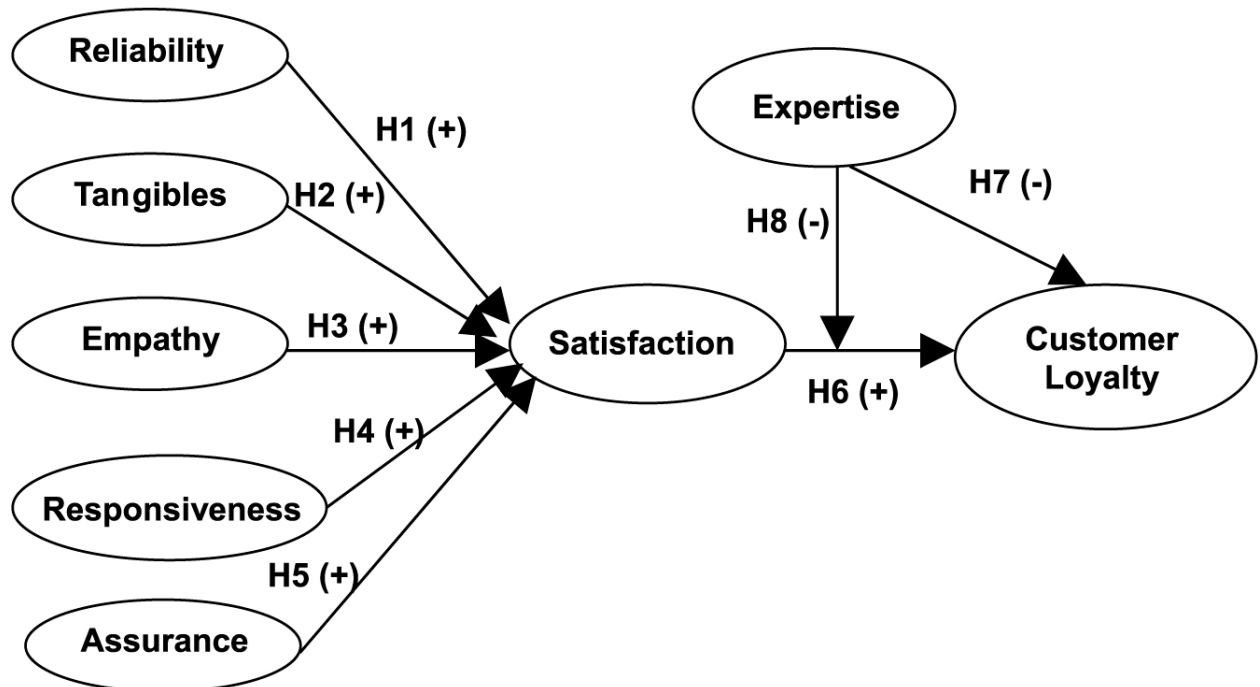
### 2. For the Ritz- Carlton Hotel

As consideration for the company in making the wisdom to solve service quality problems facing the company.

### 3. For academic community

The results of this study can be used as reference material or reference for subsequent research and follow up with new research.

## 1.7 Theoretical Framework



## **1.8 Scope and Limitation of Study**

This study only examined The Ritz- Carlton Hotel Jakarta as a research object. Another limitation is the factors that led guests to revisit based on the quality of hotel services in The Ritz- Carlton Hotel Jakarta. This is because that factor is included in one of can be managed factors by the hotel management while others are independent factors that influence by external factors of the hotel management.

The scope of the study is mentioned by several requirements below:

1. The study was conducted at The Ritz- Carlton Hotel Jakarta with respondents who visit The Ritz- Carlton Hotel Jakarta for various purposes in November 2011
2. The research only identify hotel services as the factors that impact on guest revisit
3. Respondents were randomly selected from guests who visit in November 2011

## **1.10 Definition of Terms**

- Customer Satisfaction: is the extent to which a product's perceived performance matches buyer's expectations.
- Service Quality: is a measure of how well the service level delivered matches customer expectations.
- Guest: people who come are stayed in hotel for doing the business meeting more than one day.
- Revisit guest: guests who come back to the hotel and had previously stayed.
- Business hotel: a service-oriented hotel to support its business activity.
- SERVQUAL: is a multi – item scale developed to assess customer's perception of service quality in service and retail businesses. It measures quality by comparing customer perceptions of the quality of a service experience to customer expectations for the experience.
- Perceived quality: the customer's perception of the overall quality or superiority of a product or service with respect to its intended purpose, relative to alternatives, it is perception by customers.
- Expected quality: the needs, wants and preconceived ideas of a customer about a product or service.

## CHAPTER II

### LITERATURE REVIEW

#### 2.1 Understanding Service Quality and Customer Satisfaction

“**Service Quality** is a measure of how well a delivered service matches the customers’ expectations. (Lewis and Booms, 1983). Parasuraman, Zeithaml and Berry (1988) identified five determinants of service quality that may relate to any service; Tangibles, Reliability, Responsiveness, Assurance & Empathy. Zeithaml & Bitner (2003: 85) states that: "Service quality is a focused evaluation that reflects the customer's perception of specific dimensions of service: reliability, responsiveness, assurance, Empathy, tangibles. Satisfaction, on other hand, is more inclusive: it is influenced by perceptions of service quality, product quality, and price as well as situational factors and personal factors. Service quality affects customer satisfaction by providing performance (real benefits). For example, if consumers believe they have entered the McDonald's restaurant, they will get food, service, high quality everywhere the same, no matter the location of the restaurant, put forward by Millend M Lele (1995: 126). "The creation of customer satisfaction can provide several benefits, including the relationship between companies and consumers are harmonious, providing a good basis for the purchase and re-creation of customer loyalty, and form a recommendation by word of mouth that can benefit the company" (Fandi Tjiptono, 1997: 24).

Service quality has been increasingly known as a critical factor in the success of any business (Gronroos, 1990). A successful service quality strategy has also been found essential to attract customers and create customers loyalty. This has been distinguished by customer segmentation, continuous customer feedback and inclusive measurement of company performance (Porter, 1980, 1985).

Consequently, providing superior service quality involves creating a distinct relationship between what the customer wants and that which the company provides, or a relationship between customer requirements and essential business element (Evelyn and DeCarlo, 1992; Schneider and Bowen, 1995).

The concept of service quality has been derived from the field of marketing that values the human interaction between a business and its customers. This is why the challenge of service quality lies mostly in managing perceptions and appearances (Havey, 1998). Gronroos (1984) proposes that customer perceptions of service quality can be divided into functional and technical quality. Functional quality concerns the evaluation of the service delivery process, which mirrors customers' experiences of service quality. While, technical quality concentrates on the quality evaluation of the core service that the buyer receives from the seller. Lehtinen and Lehtinen (1982) furthermore, provide a three elements view of service quality, which includes interaction, physical and corporate quality. Lehtinen and Lehtinen (1982) also assert that quality can consist of process and output quality.

A clear definition of service quality is provided by Parasuraman et al.. (1985) who see it as the degree and direction of inconsistency between a customer's expectations and perceptions. So, service quality has been described as how well a customer's needs are met, and how well the service delivered meets the expectations of the customer. Gronroos (1984) also points out that the perceived quality of service is dependent on a comparison between perceived and expected service. This makes the perceived quality as the outcome of a comparative evaluation process.

SERVQUAL is a well – known model for measuring quality, forwarded by Parasuraman et al.,(1985, 1988, 1991). SERVQUAL is an instrument that measures the gap between expected service and perceived service. Parasuraman (1985) propose five elements of service quality: (1) Responsiveness can be explained as the willingness to help customers and provide prompt service. (2) Reliability is noted as the ability to deliver the promised service consistently and accurately. (3) Assurance focuses on the ability to inspire trust and confidence. (4) Tangible, focuses on the dimensions that represent the service physically. (5) Empathy, stresses the treatment of customers as individuals. In addition, Parasuraman et al., (1988) and Zeithmal et al., (1990) argue that reliability is considered as the most important element concerning customer loyalty.

Tangible elements are believed to be the least critical dimension of service quality for customers. SERVQUAL is therefore a multidimensional concept ( Parasuraman et al., 1985).

Hence, an important advantage of the SERVQUAL instrument is that has been proven valid and reliable across a large range of service contexts. The model has been applied to varied contexts such as higher education (Anderson, 1995); hospitals (Youssefs et al., 1995);

the public sector (Orwig et al., 1997) and information systems (Hettinger and Lee, 1997).Service quality has become considerably important to accomplish a genuine and sustainable competitive advantage. Service based companies are required by nature to offer excellent service in order to flourish in increasingly competitive domestic and global markets (Sultan and Simpson, 2000). Many companies propose that the process of identifying and evaluating customer favorites is very difficult (Fornell, 1992). Nevertheless, providing better service quality needs to create a different relationship between what customers want and the supply of the company, or a relationship between business elements and customer requirements (Scneider and Bowen, 1995). Service quality is the most accurate measurement in the eyes of the customer, and it will not be improved, unless its quality is measured regularly (Sonneberg, 1991).

Furthermore, the underlying reason for undertaking service quality improvements is a belief that raising customer satisfaction can maximize customer loyalty, company reputation and market share (Barry et al., 1985; Barnes and Cumby, 1995). Several contributors (Edvardsson and Gustavsson, 1990; Berry and Parasuraman, 1991) state that service quality has two mechanisms, namely to contribute to business performance/ service reliability and the management of expectations. Additionally, Gilbert and Wong, (2003) assert there is a strong sign that improvement in service quality will lead to improved profits due to increasing the customer base through new and repeated purchases from loyal customers. Gale (1992) adds that companies, which offer better quality service, are able to charge 8 percent more.

Buzzell and Gale (1987) afterwards, observe that a company with superior service attains higher than normal market share growth. Johnson et al., (1999) also consider the long- term benefits of good service quality where customer satisfaction can help predict.

Service quality can effect upon service loyalty. Cronin and Taylor (1992) reveal that service quality did not appear to have a considerable (positive) effect on intentions to make repeat purchases.

However, Boulding et al., (1993) discovered a positive connection between service quality and repurchase intentions and willingness to recommend. An example of this can be seen from a customer who wants to pay a premium price and to remain loyal even when prices go up. Moreover, Day (1984) illustrates that, customers who respond to negative service experiences, simply remain inactive and do not undertake any action.

Singh, (1991) and Kelley et al., (1993) explain that in responses dissatisfaction are negatively connected to the level of perceived service quality. Therefore, a widely used model of service quality in meeting customer expectations is known as the five gap model, which is outline below.

**Table 2.1 the Five Gap Model of Service Quality**

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**Gap 1                      Consumer Expectations versus Management Perception**

The management does not understand what customers want to deliver high quality of service (e.g. a manager may develop a system to ensure that all guest wait no longer than 15 minutes to check in).

**Gap 2                      Management Perceptions versus Service Quality Specifications**

Managers know what their customers want but are unable or unwilling to establish systems that will deliver it (e.g lack of perceptions of feasibility and absence of goal setting).

**Gap 3                      Service Quality Specifications versus Service Delivery**

Management understands what needs to be delivered and appropriate specifications have been developed but employees are unable to deliver the service (e.g a person using a computerized check in station in hotel do not expect the machine to give her a cheerful greeting and direction to the coffee shop ).

**Gap 4                      Service Delivery versus External Communication**

Management promises more in external communication than it can deliver (e.g the advertising campaign by an excellent hotel inviting customers to enjoy the Jacuzzi inside the room, customers were disappointed when they discovered that the device were broken.

## **Gap 5                      Expected Service versus Perceived Service**

Represent the difference between expected quality and perceived quality. So when the customers receive less than they expect, they will dissatisfied.

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Source: Kotler et al (1999)

Service quality is different from customer satisfaction. Service quality is the customers' attitude or global judgment of a company's service over time, whereas customer satisfaction refers to a specific business transaction (Lam and Zhang, 1999).

Another explanation is offered by Zaithmal et al., (1993) who state that satisfaction is thought to result from the comparison between perceived service and predicted service, while service quality refers to the comparisons between perceived service and desired service. The proportions underlying quality are fairly specific while satisfaction judgments have a broader range of components that also include quality features.

According to Gunderson et al., (1996), customer satisfaction is a measurement of a guests post -consumption judgment of a product or service by considering the guest's evaluation of a performance on specific attributes, where providing services which customer prefer is obviously a starting point for providing customer satisfaction. Caruana et al., (2000) observe that the majority of satisfaction studies cover three constructs, namely expectations, performance, and disconfirmation.

Customer satisfaction is also is linked to customer loyalty. Haskett et al., (1994) explain that customer satisfaction and loyalty as behavior for increasing the growth and profit of a business.

In addition, Hallowell (1996) also discovered that customer satisfaction describes a high percentage of variance in customer's behavioral loyalty. Furthermore, Zeithmal et al., (1996) suggest a comprehensive, multidimensional framework of the relationship between service quality and customer loyalty. This framework includes includes word of mouth communications, purchase intention, price sensitivity and complaining behavior.

Furthermore, customer satisfaction has long been a matter for concern and attention. Keeping customers satisfied is critically important for service companies to make revenues. To achieve a high level of customer satisfaction, it is important to meet customer satisfactions. Customer feedback is one of the methods for identifying customer expectations. Moreover, customer feedback is also the most useful and meaningful source of information to improve customer satisfaction (Sanes, 1993).

Thus, customer satisfaction is the result of customer perception of the value received in a relationship where service quality equals values relative to customer and price acquisition costs (Blanchard and Galloway, 1994). Customer's expectations are not met when a service failure occurs. In other words, customer satisfaction is achieved when the customers' needs and wants are fulfilled (Lam and Zhang, 1999). Consequently, following a service failure, customers may simply engage in negative word of mouth that is negative to the organization or may directly complain to the organization about it (Blodgett et al., 1977). In addition, service failures test the commitment of an organization's customers. This test can happen in several ways, such as the unavailability of service, slow service and errors in delivery (Bitner et al., 1990).

In linking with profitability, satisfied customers tend to be loyal and would be willing to buy more of a company's products and/or services at higher prices (Reichheld and Sasser, 1990; Anderson et al., 1994). Furthermore, satisfied customers also provide as an advertising medium by positive word of mouth (Howard and Sheth, 1969). Most importantly, a high level of customer satisfaction also needs a good quality of products and services (Garvin, 1988).

Guo et al., (2004) believe that the effect of a company with high levels of customer satisfaction may receive an excellent reputation in the market and this reputation may attract new customers.

Nevertheless, if satisfied customers keep the products once purchased and dissatisfied customers are likely to return the products they purchase, then it is possible to see how higher levels of recent satisfaction can also lead to higher levels of sales.

In addition, Gilbert and Horsnell (1998) state that measuring customer satisfaction aims to assess the quality of the existing management practices and recognize directions for improvement such as a company's market share, profits and higher consumer retention rates.



Consequently, a company can make efforts to satisfy customers in various ways, such as adding features to product, improving performance of a product, offering better quality services (e.g. trained employees). However, a company will have to incur costs to implement and maintain customer satisfaction programs (Storbacks et al., 1994; Caru and Cugini, 1999).

Schneider and Bowen (1995) also believe that customer complaints regarding poor service should be welcomed, because this enables companies to receive feedback on areas requiring improvement and make efforts to improve the existing situation. That is why the effective service recovery leads to customer satisfaction and contributes to repeat purchase intentions (Hart et al., 1990; Sparks et al., 1997). The more critical a service to customers is, the better their desire for the service to be performed (Sundaram et al., 1997).

Understanding, communicating, delivering and creating customer value and satisfaction are at the very heart of modern marketing practices (Zeithmal and Bitner, 2000).

Furthermore, in responding to customers' needs, demographic characteristics which is one of the major determinants of service expectations and customer' buying behavior, plays a critical role (Aksoy et al., 2003). Moreover, Jobber (2001) highlights ten criteria for evaluating customer expectations in service encounters, these includes **access** ( is it a convenient location with little waiting?), **reliability** (is the service consistent and dependable?), **credibility** (can customers trust the staff and the company?), **security** (can the service be used without risk?), **understanding the customers** (can the service really understand what the customers want?), **responsiveness** (how quickly can the staff respond to customer complaints?), **communication** ( is the service accurate and fast), **tangibles** ( how is the staff appearance, décor and layout?), **courtesy** ( are staff in a good and polite?), and **competence** (do service staff have the knowledge and required skill?).

Brown et al., (1989) believed that the summation of service encounters is analyzed by the customer and not just separate interactions with the service provider. However, it has also been discovered that the largest percentage of dissatisfactory encounters was connected to employees' incapability or unwillingness to respond in service failure situations.

Many of them failed to deliver excellent service to customers because of insufficient or poorly designed service systems (Bitner et al., 1994).

Service quality is generally understood as the gap between consumers' expectations about a service and their subsequent perception of service performance. Most service organizations today realize that delivering excellent service is important to the success of their business, and hotel industry is no exception. Interest in service quality research has been ongoing for more than two decades (Webb, 2000), resulted in having a literature rich of various studies dealing with this crucial issue from different dimensions.

Indeed, the improvement of product and service quality has been widely discussed in the literature as an appropriate competitive strategy for achieving sustainable competitive advantage (Morgan & Piercy, 1996). This requires management to continuously examine current processes against the demands of customers in the marketplace and then update their operations in line with market requirements.

Improving service quality will intensify customers' satisfaction help to retain existing customers and attract new ones, lead to both market expansion and gains in market share, and improve profit The importance of service quality to the success of business is best concluded in this sound statement: "Excellent service is a profit strategy because it results in more new customers, more business with existing customers, fewer lost customers, more insulation from price competition, and fewer mistakes requiring reperformance of services" (Shepherd, 1999).

To achieve the fruits of improvements in quality it has to be investigated with an understanding of its competitive implications. The importance of service quality necessitates examining service quality in the context of strategic management of firms. This led many firms to pursue service quality as a way to differentiate themselves from their competitors, thus gaining competitive advantage.

However, the issue of how the implementation of quality strategies might lead to the attainment of one's firm competitive advantage is perhaps inadequately covered in the service marketing literature.

Service quality has become a focus for many hotel industry researchers. The combined effects of the worldwide economic recession, technological advancement, and globalization have increased the competitive pressures on hotel organizations (Harrington & Lakehurst, 2000).

All these pressures led the hotels to be more concerned about service quality ethic. On the other hand, how consumers perceive the quality of products and services and how those perceptions influence their buying decisions is a vital issue for marketing managers. This is because service quality is an influential factor in attracting repeat business for a hotel.

From a corporate strategy viewpoint, well-managed brands tend to gain increasing market share. Yet, previous research linking service quality with market share in the hospitality industry shows mixed results (Ekinici, 2002). There are two divergent views on the effect of brand growth on customers' quality perceptions (Hellofs & Jacobson, 1999). First, the market signaling theory suggests that consumers interpret a high market share as a signal of high quality, thus resulting in increased future demand (Caminal & Vives, 1996). Consequently, it is not surprising that market share leaders, including those in the lodging industry, tend to use their share as a focal point in their advertising messages (e.g., BestWestern's recent advertising campaign touting that they are the largest hotel chain in the world). The second stream of thought on brand management proposes that there is a negative relationship between market share and perceived quality.

Some large-scale satisfaction studies show that satisfaction decreases with an increase in market share (Anderson, Fornell, & Lehman, 1994; Fornell, 1992, 1995). As a hospitality industry example, McDonald's executives have acknowledged that the company's growth has come at a high cost in terms of quality (Hellofs & Jacobson, 1999).

Previous research has established the link between satisfaction and financial performance (e.g., Anderson et al., 1994; Rust, Moorman, & Dickson, 2002). Consequently, we believe that hotel brands with higher levels of guest satisfaction at Time 1 will experience higher occupancies and average daily rates at Time 2. In addition, because we are analyzing performance at the brand level, with brands representing a wide range of quality levels (i.e., ranging from luxury to budget), we also believe that if brand-level guest satisfaction truly influences rates hotel guests are willing to pay, then brands with greater levels of guest satisfaction improvement between Time 1 and Time 2 should experience relatively greater increases in average daily rates between Time 1 and Time 2 (i.e., ADRchange), as well.

The lodging industry as a whole is highly aware of the importance of customer focus. However, various hospitality organizations have different perspectives regarding who is their customer. Lodging companies focusing on franchise development typically indicate that their customer is not the guest staying in the hotel, but rather the franchisee (e.g., Choice's indication that "We really consider our franchisees our primary customers") (Linder, 2001, p. 80).

On the other hand, those companies focusing on corporate/management development are more likely to discuss the guest sleeping in the bed as being their customer (e.g., Ritz-Carlton's credo that "the genuine care and comfort of our guests is our highest mission") (Partlow, 1993, p. 18).

Thus, evidence exists that lodging strategists must not only answer the question regarding how much (or whether) to segment the supply of hotels, but also must answer the question about how much (or whether) to franchise. Previous research shows that franchising tends to have a detrimental impact on overall system quality (Michael, 2000).

## The RATER Model

Source: Delivery Quality Service Book

Author: Berry L. Leonard & Zeithmal, V. 2002.

Dimension	Refers to	Specific criteria that customers use
RELIABILITY Delivering on Promises	Ability to perform the promised service dependably and accurately	<ul style="list-style-type: none"> <li>• Timeliness</li> <li>• Consistency / Regularity</li> <li>• Accuracy</li> </ul>
ASSURANCE Inspiring trust and Confidence	The knowledge and courtesy of staff; their ability to inspire trust and confidence	<ul style="list-style-type: none"> <li>• Staff competence</li> <li>• Respect for stakeholders</li> <li>• Credibility</li> <li>• Probity and confidentiality</li> <li>• Safety and security</li> </ul>
Tangibles Representing the service Physically	Physical representations or images of service	<ul style="list-style-type: none"> <li>• Physical facilities</li> <li>• Equipment</li> <li>• Technology</li> <li>• Employees</li> <li>• Communication materials</li> </ul>
Empathy Treating customers as individuals	The caring individualized attention for stakeholders	<ul style="list-style-type: none"> <li>• Access ( to staff, services , information)</li> <li>• Communication (clear, appropriate, timely)</li> <li>• Understanding the stakeholder</li> <li>• Services appropriate for stakeholders' needs</li> <li>• Individualized attention</li> </ul>
RESPONSIVENESS Being willing to help	Your willingness to help customers and to provide prompt service	<ul style="list-style-type: none"> <li>• Willingness to help</li> <li>• Prompt attention to requests, questions</li> <li>• Problem resolution</li> <li>• Complaint handling</li> <li>• Flexibility</li> </ul>

## **2.2 The importance of Service Quality and Customer Satisfaction in Hotel Industry**

The relationship between service quality and customer satisfaction has received considerable academic attention in the past few years. But the nature of the exact relationship between service quality and customer satisfaction (especially in the way the two constructs have been operationalized) is still shrouded with uncertainty. Many researchers have operationalized customer satisfaction by using a single item scale and many others have used multiple item scales. The present study adopts a different approach and views customer satisfaction as a multi dimensional construct just as service quality, but argues that customer satisfaction should be operationalized along the same factors (and the corresponding items) on which service quality is operationalized. Based on this approach, the link between service quality and customer satisfaction has been investigated. The results have indicated that the two constructs are indeed independent but are closely related, implying that an increase in one is likely to lead to an increase in another ( Sureshchandar G.S.; Rajendran C.; Anantharaman R.N. journal of services marketing Volume 16, Number 4, 2002 , pp. 363-379(17)

Weinstein and Charles (1999, pp. 3-6) assert that enhancing customer value is a form of extending quality and customer service for the customers. Implicating customer satisfaction, the goal is to provide superior customer value which means to continually create business experiences that exceed customer expectations. Value then is the strategic driver that is utilized to differentiate themselves from rivals in the mind of the customers. Value therefore, because it directly relates with satisfaction, is defined by the customers.

Quality, Yang (2007, p. 95) noted, is a part of value, not all of value. Nevertheless, it is a subjective term that has a psychological component. Overall customer opinion of a quality of a particular product or service is called the perceived quality, regarded as a better indicator of customer value than any objective measures of quality especially that perceived quality is the

foundation of their satisfaction or dissatisfaction. For instance, the higher the quality the higher the levels of satisfaction hence poor quality equates to dissatisfaction.

Stahl (1999, p. 15) states that customer value hierarchy identifies three levels at which customers evaluate and experience products: attributes, consequences and desired end states. Satisfaction may be considered as a customer's evaluative reaction to how a particular product performed when compared to how he or she anticipated that it would perform. It is said that customers make use of comparison standard and when this standard was met, customers typically say that they are satisfied. As such, when the experience is below the standard it could result in varying degrees of dissatisfaction and when it exceeded the standard, increased satisfaction and delighted customers are the results.

## CHAPTER III

### RESEARCH METHODOLOGY

#### 3.1 METHODS OF DATA COLLECTION

*Quantitative methods* are research techniques that are used to gather quantitative data – information dealing with numbers and anything that is measurable. Statistics, tables and graphs, are often used to present the results of these methods. In the social sciences, quantitative research refers to present the systematical empirical investigation of quantitative properties and phenomena and their relationships. The objective of quantitative research is to develop and employ mathematical models, theories and/or hypotheses pertaining to phenomena. The process of measurement is central to quantitative research because it provides the fundamental connection between empirical observation and mathematical expression of quantitative relationships. (laura:2008).

When the most appropriate research method - or a mix of various methods - has been established, it is time to start what Gilbert (2001) calls detective work: “Social research involves detective work. You begin with a problem and then ask a number of questions about it, such as ‘what?’, ‘who?’, ‘where?’, ‘when?’, ‘how?’ and ‘why?’”.

Data Collection is an important aspect of any type of research study. Inaccurate data collection can impact the results of a study and ultimately lead to invalid results. Data collection methods for impact evaluation vary along a continuum. At the one end of this continuum are quantitative methods and at the other end of the continuum are qualitative methods for data collection. (<http://www.worldbank.com>).

Quantitative research means the numerical representation and manipulation of observations for the purpose of describing and explaining the phenomena that those observations reflect (Babbie, 2008).



The reasons why the researcher using a quantitative research methodology as part of the research because it has several strengths according to <http://http.southalabama.edu> compared to others such as :

1. Testing and validating already constructed theories about how and why phenomena occur
2. Testing hypotheses that are constructed before the data are collected
3. Could generalize research findings when the data are based on random samples of sufficient size
4. Could generalize a research finding when it has been replicated on many different populations and subpopulations
5. Useful for obtaining data that allow quantitative predictions to be made
6. The researcher may construct a situation that eliminates the confounding influence of many variables, allowing one to more credibly establish cause-and-effect relationships
7. Data collection using some quantitative methods is relatively quick (e.g., telephone, interviews)
8. Provides precise, quantitative, numerical data
9. Data analysis is relatively less time consuming (using statistical software)
10. The research results are relatively independent of the researcher (e.g., statistical significance)
11. It is useful for studying large numbers of people

On the other side there are some **weaknesses** of quantitative research methodology :

1. The researcher's categories that are used might not reflect local constituencies' understandings
2. The researcher's theories that are used might not reflect local constituencies' understandings
3. The researcher might miss out on phenomena occurring because of the focus on theory or hypothesis testing rather than on theory or hypothesis generation
4. Knowledge produced might be too abstract and general for direct application to specific local situations, contexts, and individuals

## 3.2 Type of Data

Data may be collected as either primary or secondary. This research used primary data since data gathered from respondents. The primary data is respondents' assessment of service quality The Ritz – Carlton Hotel Jakarta.

### 3.2.1 Primary Research

Primary sources provide the 'raw data' that you use first to test the working hypothesis and then as evidence to support your claim the period or person you are studying, objects, maps, even clothing; in literature or philosophy, your main primary source is usually the text you are studying, and your data are the words on the page (Wayne C. Booth et al. *The Craft of Research*. Univ. of Chicago Press, 2008).

The distinction also needs to be made between primary and original sources. It is by no means always necessary, and all too often it is not possible, to deal only with original sources. Printed copies of original sources, provided they have been undertaken with scrupulous care (such as the published letters of the Founding Fathers), are usually an acceptable substitute for their handwritten originals (E. J. Monaghan and D. K. Hartman, "Undertaking Historical Research in Literacy," in *Handbook of Reading Research*, ed. by P. D. Pearson et al. Erlbaum, 2000).

Veal (1997) points out that primary data is a new data collected by the researcher specifically for new research projects. Quantitative method is used during this research. Hadi (1986) asserts that quantitative research is a formal, objective, systematic process in which numerical data is developed to gain information about the world. Hence, in attaining, evaluating and interpreting quantitative data, the researcher can remain detached and objective.

Often this is not possible with qualitative research where the researcher may actually be involved in the situation of the research (Sugiyono, 2001). Consequently, quantitative research is questionnaires are distributed, and then results are created through data analysis, which can be interpreted by those who did not conduct the interview ( Masrun, 1988).

The primary data are the first hand information collected, compiled and published by organization for some purpose. They are most original data in character and have not undergone any sort of statistical treatment (www.emathzone.com).

### 3.1.2 Secondary Data

**Secondary resources** are research reports that use primary data to solve research problems, written for scholarly and professional audiences. Researchers read them to keep up with their field and use what they read to frame problems of their own by disputing other researchers' conclusions or questioning their methods. You can use their data to support your argument, but only if you cannot find those data in a primary source (Wayne C. Booth, Gregory G. Colomb, and Joseph M. Williams, *The Craft of Research*. University of Chicago Press, 2008).

In addition, **secondary data** is a report on the findings of the primary source. While not as authoritative as the primary source, the secondary source often provides a broad background and readily improves one's learning curve. Most textbooks are secondary sources; they report and summarize the primary sources (Don W. Stacks, *Primer of Public Relations Research*. Guilford Press, 2002).

Furthermore, **secondary data** is neither better nor worse than primary data; it is simply *different*. The source of the data is not as important as its quality and its relevance for your particular purpose. The major advantages of using secondary data are economic: using secondary data is less costly and time-consuming than collecting primary data. Its disadvantages relate not only to the availability of sufficient secondary data but also to the quality of the data that is available. Never use any data before you have evaluated its appropriateness for the intended purpose."(Scot Ober, *Fundamentals of Contemporary Business Communication*. Houghton Mifflin, 2008). According to M.M. Blair, "Secondary data are those already in existence for some other purpose than the answering of the question in hand".

### 3.1.3 Questionnaires

The structures questionnaires is one of the quantitative methods for data collection where a set of standardized questions based on checklists, attitude and rating scales is the norm. Open questions may also be used, although this approach is more closely associated with a qualitative questionnaire approach. Questionnaire construction requires some intellectual effort based on the research design and the concept of the research problem (Bell, 1999).

Questionnaire can be sent to a large number of people and save the researcher time and money. People are more truthful while responding to the questionnaires regarding to the controversial issues in particular due to the fact that their responses are anonymous. But they also have drawbacks. Majority of the people who receive questionnaires don't return them and those who do might not be representative of the originally selected sample ( Leedy and Ormrod,2001).

While Saunders et al., (2000) add that the questionnaire is one of the most widely used survey data collection questions, because each of the respondents has to answer the same set of questions. The advantage of this that comparisons across cases may be made.

Sugiyono (2001) furthermore, offers several other advantages of using questionnaires. The questionnaires can get a large sample of respondents, because the researcher can send it by post and/or through some institutions or organizations. Secondly, the cost of using questionnaires is not expensive, because the researcher does not need to send people out to collect the data. Lastly, the questionnaires does not disturb the respondents; because when they fill the questionnaire, a respondent can, does it in his/her free time, without any obstruction from others.

The reasons why the researcher using a questionnaire/ survey as part of the tools for starting the research was because it has several **advantages** according to <http://writing.cilistate.edu> compared to others such as :

1. Surveys are relatively inexpensive
2. Surveys are useful in describing the characteristics of a large population
3. They can be administered from remote locations using mail, email or telephone
4. Many questions can be asked about a given topic giving considerable flexibility to the analysis
5. There is flexibility at the creation phase in deciding how the questions will be administered: as face –to- face interviews, by telephone, as group administered written or oral survey, or by electronic means
6. Standardized questions make measurement more precise by enforcing uniform definitions upon the participants
7. Usually, high reliability is easy to obtain observer subjectivity is greatly eliminated

On the others side there are some **weaknesses** brought in using this questionnaire method, such :

1. A methodology relying on standardization forces the researcher to develop questions general enough to be minimally appropriate for all respondents, possibly missing what is most appropriate to many respondents
2. Surveys are inflexible in that they require the initial study design ( the tool and administration of the tool) to remain unchanged throughout the data collection
3. The researcher must ensure that a large number of the selected sample will reply
4. It may be hard for participants to recall information or to tell the truth about a controversial question

*Adapted and modify by writer from <http://Writing.colostate.edu>*

### **3.2 Data Analysis**

To analyze the data, the statistics are using weighted mean to analyze the dominant factors from five dimensions based on Parasuraman, Zeithaml and Berry (1988) that identified five determinants of service quality: Tangible, Realibility, Responsiveness, and Assurance & Empathy.

### **3.3 Sampling Design**

Sample is the portion of the populations selected for analysis (Mark L Berenson et al; 2006). Technically speaking, researchers can do census toward population but the problem are time limitation, cost, and other reason. The reasons is using sample are:

1. Lower cost
2. Greater Accuracy Result
3. Faster data collection

### **3.1 Research Framework**

In this section, the researcher will try to explain the step to do the research as seen in figure 3.1. Start from problem statement, the researcher finds the theory to strengthen their thought by looking for literature review about related topic.

By using the theory about topic, the researcher constructs a questionnaire and starts collecting sample for validity and reliability testing. The researcher will choose the only the valid questions and eliminate all the invalid questions. Questionnaire constructed from valid questions are spread to respondents. Data collected from are transformed into interval value and analyzed using SPSS with factor analysis method. In the end, results are concluded into new factor.

### **3.4 Research Time and Place**

This research was conducted at The Ritz- Carlton Hotel Jakarta start from November 2011 located in the business district area of Mega Kuningan, South Jakarta.

### **3.5 Research Instruments**

In this research data are collected through survey distributing the questionnaires to all respondent selected as a primary data.

#### **3.5.1 Data Collection**

For the data collection, the researcher uses 3 ways to gather data, which are as follows:

##### **a. Survey**

Gathering data we took the sample from population of the guest at the Ritz-Carlton Hotel Mega Kuningan, Jakarta. We used the purposive sampling method in selected the respondent from all guests.

##### **b. Literature Review**

Based on survey, the researcher concludes some suggestion. To strengthen this research and also deepens the knowledge, researcher use literature review as basis make a questionnaire based on the services quality and tendency to revisit hotel.

##### **c. Questionnaire**

The researcher used questionnaire to gather the data. The reason of researcher to choose questionnaire as the instrument is faster and cheaper to gather data. By questionnaire, researcher also able to complete the survey as targeted time as well as in the lowest cost.

The questionnaire will be divided into 4 categories to know the dominant variable influencing tendency to revisit Hotel. The first category in the questionnaire will ask on the topic of Front office service, the second category is about meeting room service, the third category is about restaurant service, and the fourth category is about room service. The questionnaire based on RATER theory.

The questionnaire will use Likert Scale as the rating scale. Likert scale is an ordinal scales and the output that the researcher needs is interval data.

The Sample of questionnaire is shown below:

Table 3.1 Likert Scale Value

Scale	Intepretation
1	Strongly disagree
2	Disagree
3	Neutral
4	Agree
5	Strongly Agree

#### **d. Pretesting**

Pretesting is needed to be done in order to test the validity and reliability of the questionnaire that will be distributed to the respondents. It is very important in order to identify and eliminate potential problem from the questionnaire, then based on the pretesting result, questionnaire can be edited and corrected the problem before distribute it to the respondents in the population target area

### **3.6 Sampling Design**

Before collecting data, it is very important to measure the population element of the target area. Cooper and Schindler (2006, p.434) defined a population element is the individual participant or object on which the measurement is taken. Dey (1993) describes sampling as the process of selecting an adequate number of the population by studying and understanding the qualities of the sample's subjects. Furthermore, non - probability sampling was chosen in this research because the researcher was interested in particular

informants' background experience. Jankowicz (2000) points out that non - probability sampling engages questioning and identifying the population and concerned in their individual positions and roles. In other words, the researcher is interested in variety. Additionally, the non - probability sampling that researcher selects in this research is judgment/purposive sampling. This is usually an extension of convenience sampling. When using this method, the researcher must be confident that the chosen sample is truly representative of the entire population. With purposive sample, the researcher is likely to get the opinions of his target population, but also likely to overweight subgroups in th In determining the sample of the population in factor analysis, in his book, Agus Riyanto (2009) recommends that the sample is range between 50-100 respondents, or it can be determined by using a ratio of 10:1, which means that each basic variable need 10 samples or respondents. This study use six C's (character, capacity, cash, condition, collateral, and control) so the researcher decided to use 60 respondents as the sample because it is in the range of recommended sample and also based on 10:1 ratio, from 6 basic variable the number of sample needed is 60.e researcher's population that are more readily accessible ( Kusmayadi and Sugiarto,2000).

### 3.6.1 Validity Testing

Reliability is the extent to which a test measurement what we actually to measure (Benson, 2008). Validity test in this research using correlation technique which is done by scoring the correlation between question and their total score. Person's correlation coefficient used in checking the construct validity. This formula also will be used in checking the items validity. The formula is based on the coefficient of X and Y value. The coefficient of correlation can be computed from a computational formula based on formula.

$$r_{xy} = \frac{\sum x_i y_i - n \bar{x} \bar{y}}{(n - 1) s_x s_y} = \frac{n \sum x_i y_i - \sum x_i \sum y_i}{\sqrt{n \sum x_i^2 - (\sum x_i)^2} \sqrt{n \sum y_i^2 - (\sum y_i)^2}}$$

Where:

N = Number of paired observation

$\sum X$  = the X variable summed

$\sum Y$  = the Y variable summed

$\sum X^2$  = the X variable squared and the squares summed

$(\sum X)^2$  = the X variable summed and the sum squared



$\sum Y^2$  = the Y variable squared and the squared summed

$(\sum Y)^2$  = the Y variable summed and the sum squared

$\sum XY$  = the sum of the products of X and Y

### 3.6.2 Reliability Testing

Reliability is the degree to which the observed variable measures the true value and is error free. (Hair, Black, Babin, & Anderson; 2006). For testing the reliability, the researcher use Cronbach Alpha formula. The range of the value will be from 0-1. If the value is near to 1, it means good. According to Sarwono Book about how to use SPSS, he stated that minimum Cronbach Alpha is 0.8 to be considered as reliable questionnaire (Sarwono, 006 pp. 219). The formula is shown below:

$$\alpha_{\text{standardized}} = \frac{K\bar{r}}{(1 + (K - 1)\bar{r})}$$

Where:

$\alpha$  = Instrument reliability's coefficient

$r$  = Mean correlation coefficient between variables

$K$  = Number of questions

# **CHAPTER IV**

## **ANALYSIS OF DATA AND INTERPRETATION**

### **OF RESULTS**

#### **4.1 Data Collection**

The Ritz- Carlton Hotel Jakarta focuses its service on business activity. Such orientation requires Ritz- Carlton to focus on service related to training, meeting, workshop, conference, and other similar activities. Those aspects are very important to take into account in order that Ritz- Carlton Hotel could improve service quality for meeting the need of customer satisfaction.

There are several dimensions to consider in relation to service quality activity-related customer satisfaction. There are Tangible, Reliability, Responsiveness, Assurance, and Empathy. Those dimensions are directly perceived and felt by customers. Customer's experience and appraisal for those aspects will allow the emergence of contribution for the improvement of the Ritz- Carlton Hotel.

Based on the Research Methodology in chapter III, the questionnaire that has been distributed and collected:

Questionnaire distributed: 100

Questionnaire collected : 100

Questionnaire qualified : 100

Questionnaires that has been distributed to 100, has been successfully collected to all respondent. In this chapter will present the findings of the primary research and analyze them in order to fulfill the objectives proposed in this dissertation. The researchers proposed questionnaire analysis as a method to compare the service quality and customer satisfaction.

**Correlations**

		P1	P2	P3	P4	Tangible
P1	Pearson Correlation	1	.364**	.292**	.150	.621**
	Sig. (2-tailed)		.000	.003	.135	.000
	N	100	100	100	100	100
P2	Pearson Correlation	.364**	1	.561**	.364**	.849**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	100	100	100	100	100
P3	Pearson Correlation	.292**	.561**	1	.163	.758**
	Sig. (2-tailed)	.003	.000		.106	.000
	N	100	100	100	100	100
P4	Pearson Correlation	.150	.364**	.163	1	.554**
	Sig. (2-tailed)	.135	.000	.106		.000
	N	100	100	100	100	100
Tangible	Pearson Correlation	.621**	.849**	.758**	.554**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	100	100	100	100	100

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

**Correlations**

		P5	P6	P7	P8	P9	Reliability
P5	Pearson Correlation	1	.175	.132	.119	.196	.594**
	Sig. (2-tailed)		.082	.189	.239	.051	.000
	N	100	100	100	100	100	100
P6	Pearson Correlation	.175	1	.124	.258**	.210*	.583**
	Sig. (2-tailed)	.082		.218	.010	.036	.000
	N	100	100	100	100	100	100
P7	Pearson Correlation	.132	.124	1	.561**	.263**	.592**
	Sig. (2-tailed)	.189	.218		.000	.008	.000
	N	100	100	100	100	100	100
P8	Pearson Correlation	.119	.258**	.561**	1	.473**	.710**
	Sig. (2-tailed)	.239	.010	.000		.000	.000
	N	100	100	100	100	100	100

P9	Pearson Correlation	.196	.210*	.263**	.473**	1	.665**
	Sig. (2-tailed)	.051	.036	.008	.000		.000
	N	100	100	100	100	100	100
Reliability	Pearson Correlation	.594**	.583**	.592**	.710**	.665**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	100	100	100	100	100	100

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

\* . Correlation is significant at the 0.05 level (2-tailed).

### Correlations

		P10	P11	P12	P13	P23	Responsiveness
P10	Pearson Correlation	1	.180	.084	.213*	.219*	.512**
	Sig. (2-tailed)		.072	.408	.034	.029	.000
	N	100	100	100	100	100	100
P11	Pearson Correlation	.180	1	.022	.007	.001	.413**
	Sig. (2-tailed)	.072		.830	.942	.988	.000
	N	100	100	100	100	100	100
P12	Pearson Correlation	.084	.022	1	.474**	.394**	.650**
	Sig. (2-tailed)	.408	.830		.000	.000	.000
	N	100	100	100	100	100	100
P13	Pearson Correlation	.213*	.007	.474**	1	.659**	.768**
	Sig. (2-tailed)	.034	.942	.000		.000	.000
	N	100	100	100	100	100	100
P23	Pearson Correlation	.219*	.001	.394**	.659**	1	.736**
	Sig. (2-tailed)	.029	.988	.000	.000		.000
	N	100	100	100	100	100	100
Responsiveness	Pearson Correlation	.512**	.413**	.650**	.768**	.736**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	100	100	100	100	100	100

\* . Correlation is significant at the 0.05 level (2-tailed).

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

**Correlations**

		P14	P15	P16	P17	P20	P21	P24	Assurance
P14	Pearson Correlation	1	.664**	.589**	.392**	.095	.035	.384**	.775**
	Sig. (2-tailed)		.000	.000	.000	.351	.731	.000	.000
	N	100	100	100	100	99	100	100	100
P15	Pearson Correlation	.664**	1	.502**	.391**	.111	.113	.259**	.743**
	Sig. (2-tailed)	.000		.000	.000	.274	.261	.009	.000
	N	100	100	100	100	99	100	100	100
P16	Pearson Correlation	.589**	.502**	1	.388**	.044	-.004	.269**	.673**
	Sig. (2-tailed)	.000	.000		.000	.666	.966	.007	.000
	N	100	100	100	100	99	100	100	100
P17	Pearson Correlation	.392**	.391**	.388**	1	-.185	.134	.269**	.595**
	Sig. (2-tailed)	.000	.000	.000		.067	.185	.007	.000
	N	100	100	100	100	99	100	100	100
P20	Pearson Correlation	.095	.111	.044	-.185	1	.017	.055	.287**
	Sig. (2-tailed)	.351	.274	.666	.067		.867	.586	.004
	N	99	99	99	99	99	99	99	99
P21	Pearson Correlation	.035	.113	-.004	.134	.017	1	.208*	.367**
	Sig. (2-tailed)	.731	.261	.966	.185	.867		.038	.000
	N	100	100	100	100	99	100	100	100
P24	Pearson Correlation	.384**	.259**	.269**	.269**	.055	.208*	1	.590**
	Sig. (2-tailed)	.000	.009	.007	.007	.586	.038		.000
	N	100	100	100	100	99	100	100	100
Assurance	Pearson Correlation	.775**	.743**	.673**	.595**	.287**	.367**	.590**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.004	.000	.000	
	N	100	100	100	100	99	100	100	100

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

\* . Correlation is significant at the 0.05 level (2-tailed).

**Correlations**

		P18	P19	P22	P25	Empathy
P18	Pearson Correlation	1	.473**	.212*	.537**	.761**
	Sig. (2-tailed)		.000	.034	.000	.000
	N	100	100	100	100	100
P19	Pearson Correlation	.473**	1	.005	.821**	.789**
	Sig. (2-tailed)	.000		.962	.000	.000
	N	100	100	100	100	100
P22	Pearson Correlation	.212*	.005	1	.035	.488**
	Sig. (2-tailed)	.034	.962		.728	.000
	N	100	100	100	100	100
P25	Pearson Correlation	.537**	.821**	.035	1	.815**
	Sig. (2-tailed)	.000	.000	.728		.000
	N	100	100	100	100	100
Empathy	Pearson Correlation	.761**	.789**	.488**	.815**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	100	100	100	100	100

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

\* . Correlation is significant at the 0.05 level (2-tailed).

**Tangible**

**Reliability Statistics**

Cronbach's Alpha	N of Items
.661	4

**Reliability**

**Reliability Statistics**

Cronbach's Alpha	N of Items
.595	5

Responsiveness

**Reliability Statistics**

Cronbach's Alpha	N of Items
.588	5

Assurance

**Reliability Statistics**

Cronbach's Alpha	N of Items
.666	7

Empathy

**Reliability Statistics**

Cronbach's Alpha	N of Items
.653	4

**Descriptive**

**P1**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	5.0	5.0	5.0
	Neutral	31	31.0	31.0	36.0
	Agree	61	61.0	61.0	97.0
	Strongly Agree	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

**P2**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1.0	1.0	1.0
	Disagree	13	13.0	13.0	14.0
	Neutral	24	24.0	24.0	38.0
	Agree	57	57.0	57.0	95.0
	Strongly Agree	5	5.0	5.0	100.0
	Total	100	100.0	100.0	

**P3**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	16	16.0	16.0	16.0
	Neutral	36	36.0	36.0	52.0
	Agree	45	45.0	45.0	97.0
	Strongly Agree	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

**P4**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	1	1.0	1.0	1.0
	Neutral	34	34.0	34.0	35.0
	Agree	59	59.0	59.0	94.0
	Strongly Agree	6	6.0	6.0	100.0
	Total	100	100.0	100.0	



**P5**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	23	23.0	23.0	23.0
	Disagree	49	49.0	49.0	72.0
	Neutral	15	15.0	15.0	87.0
	Agree	12	12.0	12.0	99.0
	Strongly Agree	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

**P6**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1.0	1.0	1.0
	Disagree	12	12.0	12.0	13.0
	Neutral	33	33.0	33.0	46.0
	Agree	49	49.0	49.0	95.0
	Strongly Agree	5	5.0	5.0	100.0
	Total	100	100.0	100.0	

**P7**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	4.0	4.0	4.0
	Neutral	34	34.0	34.0	38.0
	Agree	60	60.0	60.0	98.0
	Strongly Agree	2	2.0	2.0	100.0
	Total	100	100.0	100.0	

**P8**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	4.0	4.0	4.0
	Neutral	25	25.0	25.0	29.0
	Agree	62	62.0	62.0	91.0
	Strongly Agree	9	9.0	9.0	100.0
	Total	100	100.0	100.0	

**P9**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	9	9.0	9.0	9.0
	Neutral	29	29.0	29.0	38.0
	Agree	56	56.0	56.0	94.0
	Strongly Agree	6	6.0	6.0	100.0
	Total	100	100.0	100.0	

**P10**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	5.0	5.0	5.0
	Neutral	34	34.0	34.0	39.0
	Agree	57	57.0	57.0	96.0
	Strongly Agree	4	4.0	4.0	100.0
	Total	100	100.0	100.0	

**P11**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	8	8.0	8.0	8.0
	Neutral	30	30.0	30.0	38.0
	Agree	47	47.0	47.0	85.0
	Strongly Agree	15	15.0	15.0	100.0
	Total	100	100.0	100.0	

**P12**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	3.0	3.0	3.0
	Disagree	22	22.0	22.0	25.0
	Neutral	49	49.0	49.0	74.0
	Agree	26	26.0	26.0	100.0
	Total	100	100.0	100.0	

**P13**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	16	16.0	16.0	16.0
	Neutral	34	34.0	34.0	50.0
	Agree	47	47.0	47.0	97.0
	Strongly Agree	3	3.0	3.0	100.0
	Total	100	100.0	100.0	

**P14**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1.0	1.0	1.0
	Disagree	8	8.0	8.0	9.0
	Neutral	20	20.0	20.0	29.0
	Agree	57	57.0	57.0	86.0
	Strongly Agree	14	14.0	14.0	100.0
	Total	100	100.0	100.0	

**P15**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	1	1.0	1.0	1.0
	Disagree	8	8.0	8.0	9.0
	Neutral	25	25.0	25.0	34.0
	Agree	58	58.0	58.0	92.0
	Strongly Agree	8	8.0	8.0	100.0
	Total	100	100.0	100.0	

**P16**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	5	5.0	5.0	5.0
	Neutral	15	15.0	15.0	20.0
	Agree	63	63.0	63.0	83.0
	Strongly Agree	17	17.0	17.0	100.0
	Total	100	100.0	100.0	

**P17**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	4	4.0	4.0	4.0
	Disagree	26	26.0	26.0	30.0
	Neutral	43	43.0	43.0	73.0
	Agree	26	26.0	26.0	99.0
	Strongly Agree	1	1.0	1.0	100.0
	Total	100	100.0	100.0	

**P18**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	4	4.0	4.0	4.0
	Neutral	25	25.0	25.0	29.0
	Agree	62	62.0	62.0	91.0
	Strongly Agree	9	9.0	9.0	100.0
	Total	100	100.0	100.0	

**P19**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	9	9.0	9.0	9.0
	Neutral	29	29.0	29.0	38.0
	Agree	56	56.0	56.0	94.0
	Strongly Agree	6	6.0	6.0	100.0
	Total	100	100.0	100.0	

**P20**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	8	8.0	8.0	8.0
	Neutral	29	29.0	29.0	37.0
	Agree	49	49.0	49.0	86.0
	Strongly Agree	14	14.0	14.0	100.0
	Total	100	100.0	100.0	

**P21**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly disagree	3	3.0	3.0	3.0
	Disagree	23	23.0	23.0	26.0
	Neutral	48	48.0	48.0	74.0
	Agree	26	26.0	26.0	100.0
	Total	100	100.0	100.0	

**P22**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	8	8.0	8.0	8.0
	Neutral	30	30.0	30.0	38.0
	Agree	47	47.0	47.0	85.0
	Strongly Agree	15	15.0	15.0	100.0
	Total	100	100.0	100.0	

**P23**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	14	14.0	14.0	14.0
	Neutral	35	35.0	35.0	49.0
	Agree	49	49.0	49.0	98.0
	Strongly Agree	2	2.0	2.0	100.0
	Total	100	100.0	100.0	

**P24**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	17	17.0	17.0	17.0
	Neutral	42	42.0	42.0	59.0
	Agree	41	41.0	41.0	100.0
	Total	100	100.0	100.0	

**P25**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Disagree	6	6.0	6.0	6.0
	Neutral	31	31.0	31.0	37.0
	Agree	59	59.0	59.0	96.0
	Strongly Agree	4	4.0	4.0	100.0
	Total	100	100.0	100.0	

## Spearman correlations

**Correlations**

			Service	Customer Satisfaction
Spearman's rho	Service	Correlation Coefficient	1.000	.688**
		Sig. (2-tailed)	.	.000
		N	100	100
	Customer Satisfaction	Correlation Coefficient	.688**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

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

Variables	Mean
1. The physical facilities are attractive	3.62
2. Employees are using well -dressed	3.52
3. Written materials ( eg., brochures or statements) easy to understand	3.35
4. Technology in hotel are using modern- looking equipment	3.7
5. When hotel promise to do something in a certain time, they will do so	2.19
6. Service perform right at the first time	3.45
7. Statements or reports free of error	3.6
8. Exact specifications of customers followed	3.76
9. Level of service same at all times of day for all members of staff	3.59
10. When there is a problem, hotel respond to it quickly	3.6
11. Employees willing to answer customer questions	3.69
12. Public situations treated with care and seriousness	2.98
13. Specific times for service accomplishments given to customers	3.37
14. The behavior of employees instill confidence in customers	3.75
15. Customers feel safe in the transactions	3.64
16. Employees consistently courteous with customers	3.92
17. Employees have knowledge to answer the questions	2.94
18. Employees understand specific needs of customers	3.76
19. Employees always greet you by name	3.59
20. Employees give customers personal attention	3.69
21. Excellent hotel will have operating hours convenient to all customers	2.97
22. Employees have a pleasant demeanor	3.69
23. Telephone operators consistently polite when answering call	3.39
24. Transaction processed without fumbling around	3.24
25. Someone in the hotel recognize me as a regular customers	3.61



- Tangible

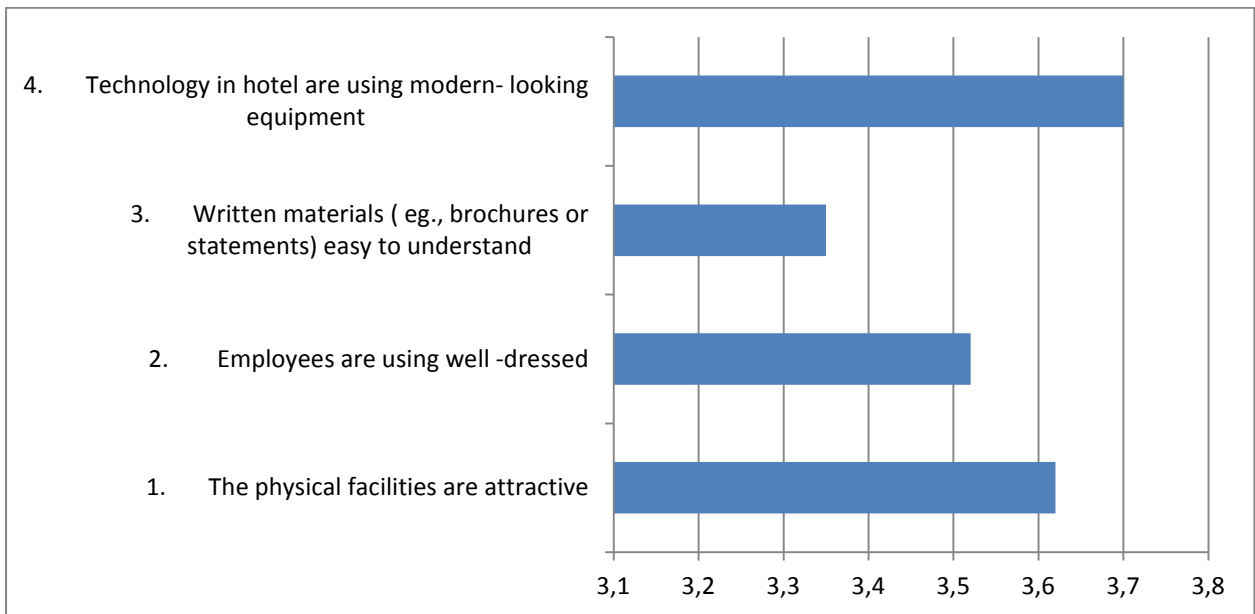


Figure 4.1 Tangible Dimension

The first dimension is Tangible, it describes about the attractive physical facilities in the hotel. In addition, respondents are asked to provide score 1-5. Score 1 is the lowest while 5 is the highest. Detail on this table is described in this following appraisal :

1. Technology in hotel are using modern-looking equipment with average mean of 3.7
2. Written materials ( eg., brochures or statement ) easy to understand with average mean of 3.35
3. Employees are using well-dressed with average mean 3.52
4. The physical facilities are attractive with average mean of 3.62

Based on the table above, it can be concluded that a statement no.4 (Technology in hotels are using a modern-looking equipment) was ranked at the highest with a mean average of 3.7, while the lowest ranked was chosen by the respondents is a statement no.3 (written materials eg., brochures or statements easy to understand) with average mean of 3.35.

- Reliability

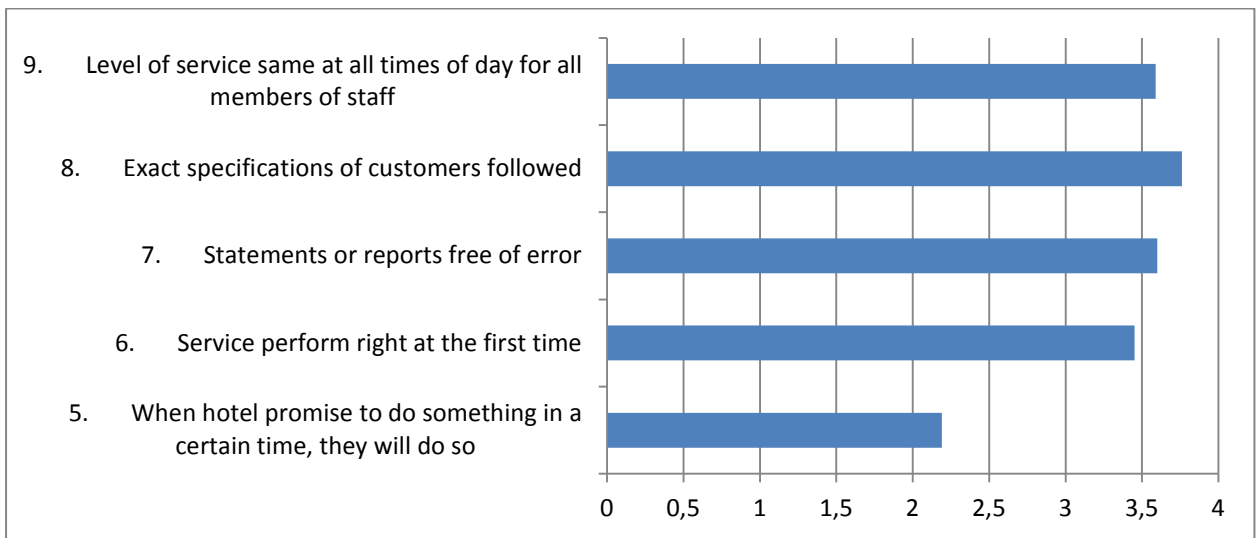


Figure 4.2 Reliability Dimension

Another dimension is Reliability dimension is about the ability to perform the promised service dependably and accurately, the explanation from the table above will define in this following appraisal :

1. Level of service same at all times of day for all members staff with average mean of 3.59
2. Exact specifications of customers followed with average mean of 3.76
3. Statements or reports free of error with average mean of 3.6
4. Service perform right at the first time with an average mean of 3.45
5. When hotel promise to do something in a certain time, they will do so with average mean of 2.19

Furthermore, it can be concluded that in reliability dimension respondents choose a statement no.8 (exact specifications of customers followed) with an average mean of 3.76 and the lowest rank is a statement no.5 (when hotel promise to do something in a certain time, they will do so) with an average mean of 2.19

- Responsiveness

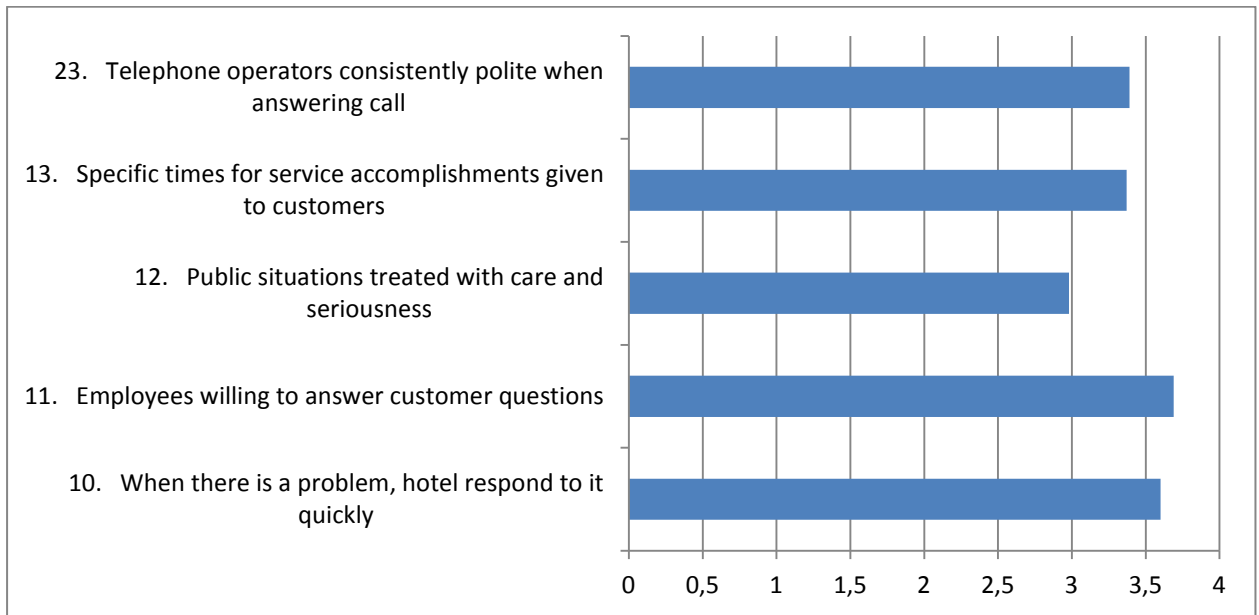


Figure 4.3 Responsiveness Dimension

Responsiveness dimension is a specific ability of an operational unit to complete assigned duty within a given time or willingness to help customers and provide prompt service and the following will clarify the questions that exists on table above :

1. Telephone operators consistently polite when answering call with average mean of 3.39
2. Specific times for service accomplishments given to customers with average mean of 3.37
3. Public situations treated with care and seriousness with average mean of 2.98
4. Employees willing to answer customer questions with average mean of 3.69
5. When there is a problem, hotel respond to it quickly with average mean of 3.6

From the explanation above it shows that in responsiveness dimension, respondents agree with a statement no.11 (employees willing to answer customer questions) of respondents selected as the highest ranking with average mean of 3.69. while the lowest rank in statement no.12 (public situations treated with care and seriousness) with a mean average of 2.98

- Assurance

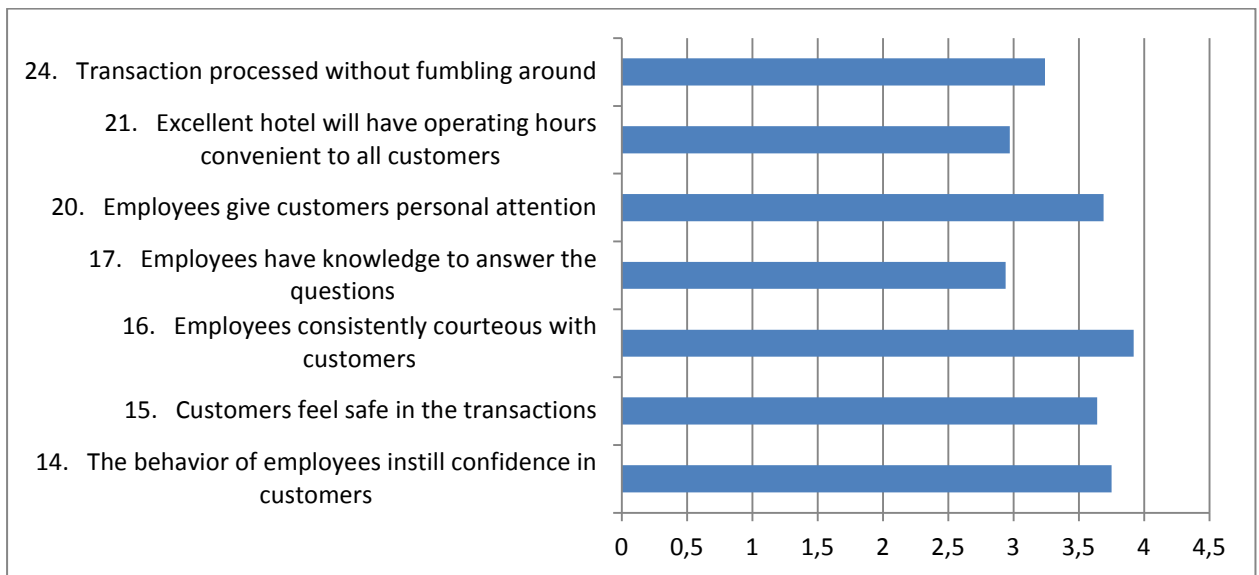


Figure 4.4 Assurance Dimension

Assurance is about a promise or pledge to support from how the way a service given to its customers, and the following appraisal will describe more about the table above:

1. Transaction processed without fumbling around with average mean of 3.24
2. Excellent hotel will have operating hours convenient to all customers with average mean of 2.97
3. Employees give customers personal attention with average mean of 3.69
4. Employees have knowledge to answer the question with average mean of 2.94
5. Customers feel safe in the transactions with average mean of 3.64
6. The behavior of employees instill confidence in customers with average mean of 3.75

From the appraisal, it can be concluded that respondents agree with a statement no.16 (employees consistently courteous with customers) with an average mean is 3.92, while the lowest rank with a statement no.17 (employees have the knowledge to answer the question) with an average mean of 2.94

- Empathy

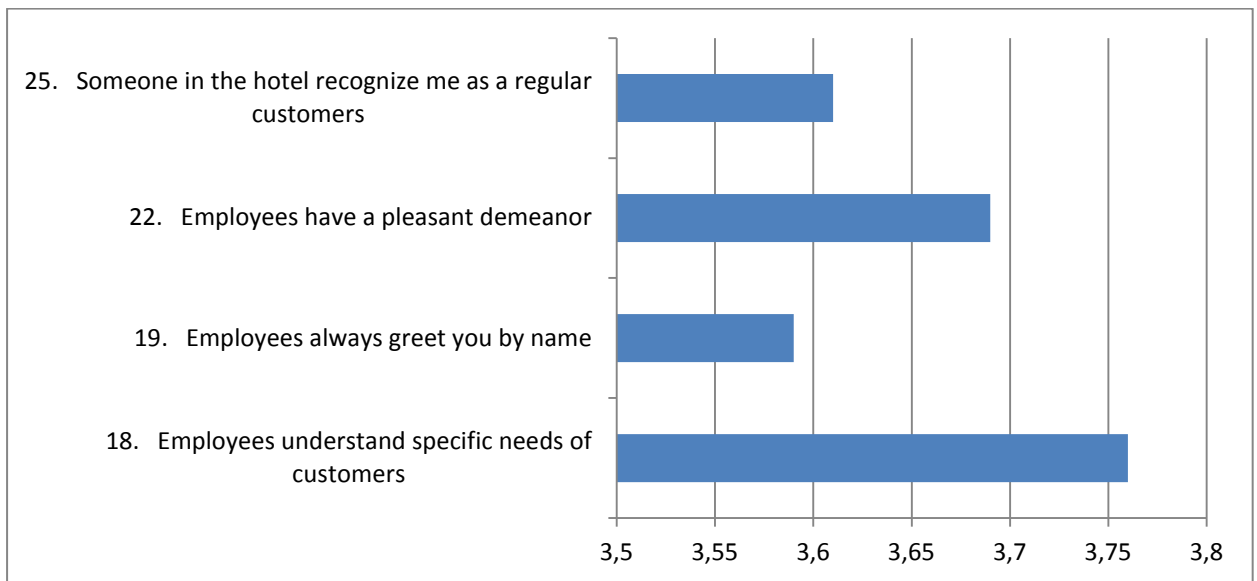


Figure 4.5 Empathy Dimension

Empathy is the last dimension it describes about politeness, respect, consideration, and frienliness of contact personnel. The following appraisal will describe more specified about the table above :

1. Someone in the hotel recognize me as a regular customers with average mean of 3.61
2. Employees have a pleasant demeanor with average mean of 3.69
3. Employees always greet you by name with average mean of 3.59
4. Employees understand specific needs of customers with average mean of 3.76

It can be concluded that the highest ranked was chosen by respondents with an average mean of 3.76 is the statement no.18 (employees understand specific needs of customers) and inquiries with the lowest ranked is statement no.19 (employees always greet you by name) with an average mean of 3.57

To clarify the comparison chart from five dimensions above and recognize which dimension with the highest ranked and which dimension with the lowest ranked of the factor analysis in the tables, the following is the calculation of analysis factors above:

1. Average mean in tangible dimension :  $\frac{3.62+3.52+3.35+3.7}{4} = 3.547$
2. Average mean in reliability dimension :  $\frac{2.19+3.45+3.6+3.76+3.59}{5} = 3.318$
3. Average mean in responsiveness dimension :  $\frac{3.6+3.69+2.98+3.37+3.39}{5} = 3.406$
4. Average mean assurance dimension :  $\frac{3.75+3.64+3.92+2.94+3.69+2.97+3.24}{7} = 3.45$
5. Average mean in empathy dimension :  $\frac{3.76+3.59+3.69+3.61}{4} = 3.662$

As the result, it can be concluded that dimension with an average value of a maximum result from all dimension is Empathy dimension with an a total mean of 3.662, while the lowest dimension is the Reliability dimension with a total mean of 3.318.

# APPENDICES

		P1	P2	P3	P4	Tangible
P1	Pearson Correlation	1	.249	.282	.599**	.721**
	Sig. (2-tailed)		.185	.130	.000	.000
	N	30	30	30	30	30
P2	Pearson Correlation	.249	1	.316	.375*	.707**
	Sig. (2-tailed)	.185		.089	.041	.000
	N	30	30	30	30	30
P3	Pearson Correlation	.282	.316	1	.106	.659**
	Sig. (2-tailed)	.130	.089		.576	.000
	N	30	30	30	30	30
P4	Pearson Correlation	.599**	.375*	.106	1	.707**
	Sig. (2-tailed)	.000	.041	.576		.000
	N	30	30	30	30	30
Tangible	Pearson Correlation	.721**	.707**	.659**	.707**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	30	30	30	30	30

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

#### Correlations

		P5	P6	P7	P8	P9	Reliability
P5	Pearson Correlation	1	.053	.048	.242	.160	.599**
	Sig. (2-tailed)		.779	.802	.198	.397	.000
	N	30	30	30	30	30	30
P6	Pearson Correlation	.053	1	.467**	.182	.195	.588**
	Sig. (2-tailed)	.779		.009	.335	.302	.001
	N	30	30	30	30	30	30
P7	Pearson Correlation	.048	.467**	1	.257	.429*	.621**
	Sig. (2-tailed)	.802	.009		.170	.018	.000
	N	30	30	30	30	30	30
P8	Pearson Correlation	.242	.182	.257	1	.547**	.661**
	Sig. (2-tailed)	.198	.335	.170		.002	.000
	N	30	30	30	30	30	30
P9	Pearson Correlation	.160	.195	.429*	.547**	1	.677**
	Sig. (2-tailed)	.397	.302	.018	.002		.000
	N	30	30	30	30	30	30



Reliability	Pearson Correlation	.599**	.588**	.621**	.661**	.677**	1
	Sig. (2-tailed)	.000	.001	.000	.000	.000	
	N	30	30	30	30	30	30

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

\* . Correlation is significant at the 0.05 level (2-tailed).

#### Correlations

		P10	P11	P12	P13	P23	Responsiveness
P10	Pearson Correlation	1	.197	.031	.264	.113	.492**
	Sig. (2-tailed)		.297	.871	.159	.552	.006
	N	30	30	30	30	30	30
P11	Pearson Correlation	.197	1	.237	.034	-.053	.531**
	Sig. (2-tailed)	.297		.206	.859	.782	.003
	N	30	30	30	30	30	30
P12	Pearson Correlation	.031	.237	1	.368*	.330	.651**
	Sig. (2-tailed)	.871	.206		.045	.075	.000
	N	30	30	30	30	30	30
P13	Pearson Correlation	.264	.034	.368*	1	.623**	.722**
	Sig. (2-tailed)	.159	.859	.045		.000	.000
	N	30	30	30	30	30	30
P23	Pearson Correlation	.113	-.053	.330	.623**	1	.641**
	Sig. (2-tailed)	.552	.782	.075	.000		.000
	N	30	30	30	30	30	30
Responsiveness	Pearson Correlation	.492**	.531**	.651**	.722**	.641**	1
	Sig. (2-tailed)	.006	.003	.000	.000	.000	
	N	30	30	30	30	30	30

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

\* . Correlation is significant at the 0.05 level (2-tailed).

**Correlations**

		P14	P15	P16	P17	P20	P21	P24	Assurance
P14	Pearson Correlation	1	.802**	.685**	.268	.250	.084	.369*	.805**
	Sig. (2-tailed)		.000	.000	.153	.183	.658	.045	.000
	N	30	30	30	30	30	30	30	30
P15	Pearson Correlation	.802**	1	.743**	.443*	.212	.106	.301	.845**
	Sig. (2-tailed)	.000		.000	.014	.261	.577	.106	.000
	N	30	30	30	30	30	30	30	30
P16	Pearson Correlation	.685**	.743**	1	.414*	.237	-.014	.215	.762**
	Sig. (2-tailed)	.000	.000		.023	.206	.943	.254	.000
	N	30	30	30	30	30	30	30	30
P17	Pearson Correlation	.268	.443*	.414*	1	-.160	.226	.399*	.573**
	Sig. (2-tailed)	.153	.014	.023		.398	.231	.029	.001
	N	30	30	30	30	30	30	30	30
P20	Pearson Correlation	.250	.212	.237	-.160	1	.237	.086	.457*
	Sig. (2-tailed)	.183	.261	.206	.398		.206	.652	.011
	N	30	30	30	30	30	30	30	30
P21	Pearson Correlation	.084	.106	-.014	.226	.237	1	.061	.379*
	Sig. (2-tailed)	.658	.577	.943	.231	.206		.747	.039
	N	30	30	30	30	30	30	30	30
P24	Pearson Correlation	.369*	.301	.215	.399*	.086	.061	1	.522**
	Sig. (2-tailed)	.045	.106	.254	.029	.652	.747		.003
	N	30	30	30	30	30	30	30	30
Assurance	Pearson Correlation	.805**	.845**	.762**	.573**	.457*	.379*	.522**	1
	Sig. (2-tailed)	.000	.000	.000	.001	.011	.039	.003	
	N	30	30	30	30	30	30	30	30

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

\* . Correlation is significant at the 0.05 level (2-tailed).

### Correlations

		P18	P19	P22	P25	Empathy
P18	Pearson Correlation	1	.467**	.182	.195	.693**
	Sig. (2-tailed)		.009	.335	.302	.000
	N	30	30	30	30	30
P19	Pearson Correlation	.467**	1	.257	.429*	.737**
	Sig. (2-tailed)	.009		.170	.018	.000
	N	30	30	30	30	30
P22	Pearson Correlation	.182	.257	1	.547**	.676**
	Sig. (2-tailed)	.335	.170		.002	.000
	N	30	30	30	30	30
P25	Pearson Correlation	.195	.429*	.547**	1	.742**
	Sig. (2-tailed)	.302	.018	.002		.000
	N	30	30	30	30	30
Empathy	Pearson Correlation	.693**	.737**	.676**	.742**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	30	30	30	30	30

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

\* . Correlation is significant at the 0.05 level (2-tailed).

## Reliability

Tangible

### Reliability Statistics

Cronbach's Alpha	N of Items
.636	4

Reliability

### Reliability Statistics

Cronbach's Alpha	N of Items
.573	5

Responsiveness

**Reliability Statistics**

Cronbach's Alpha	N of Items
.558	5

Assurance

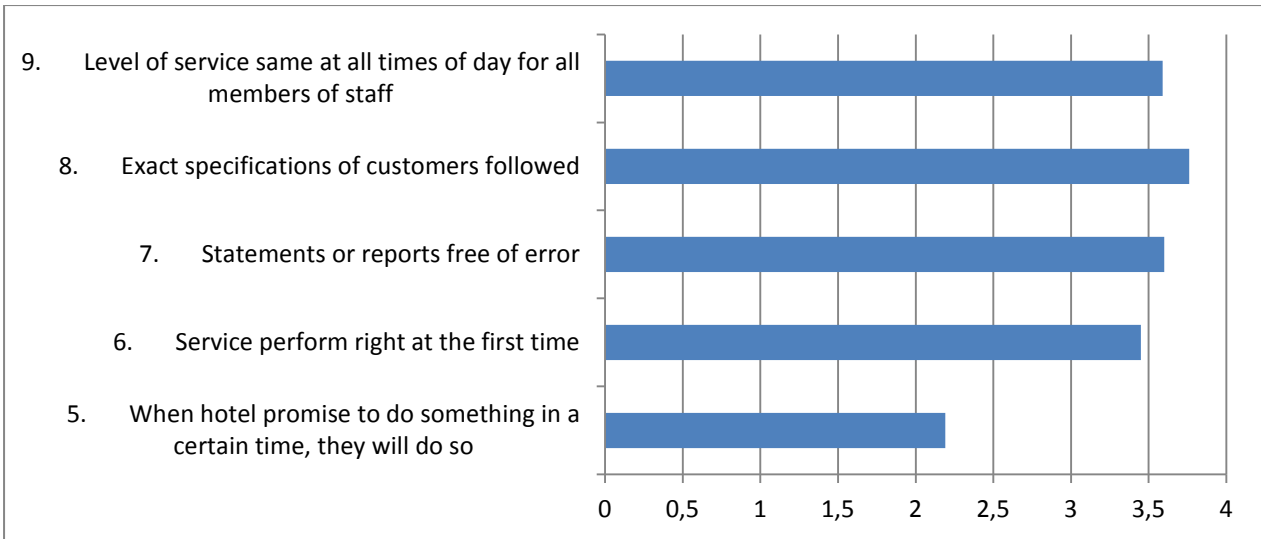
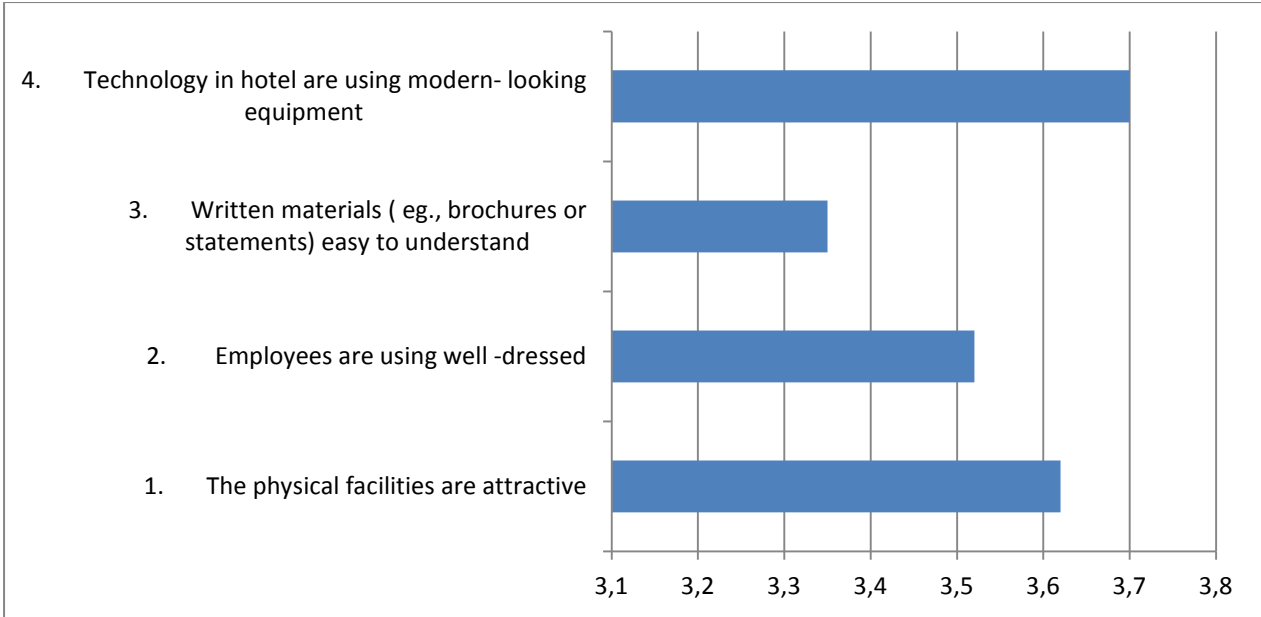
**Reliability Statistics**

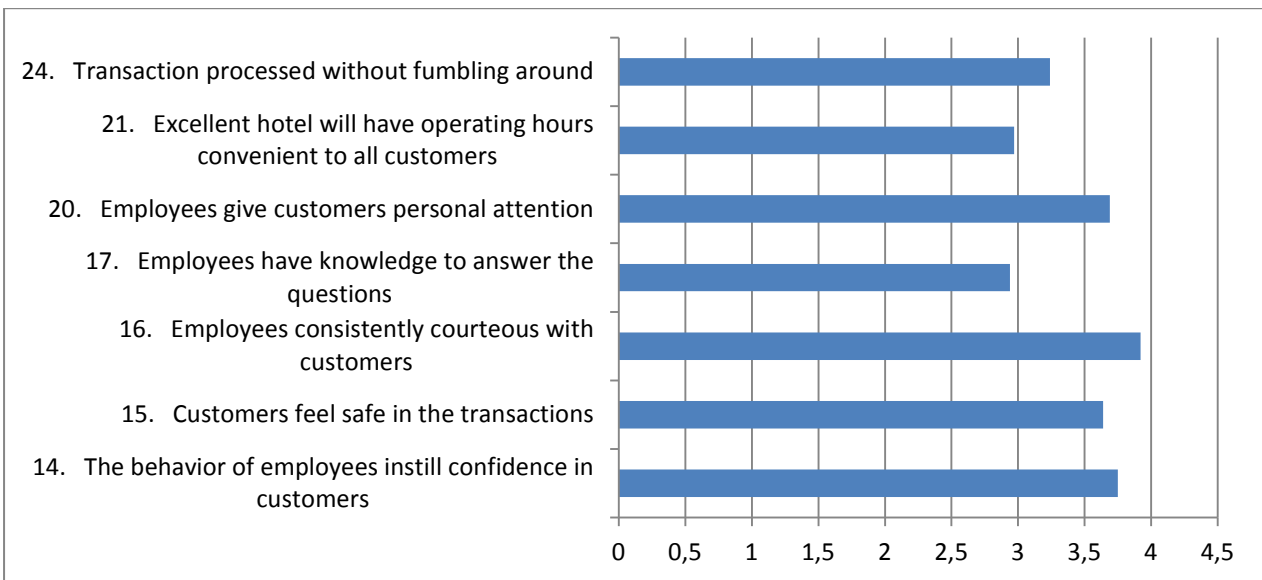
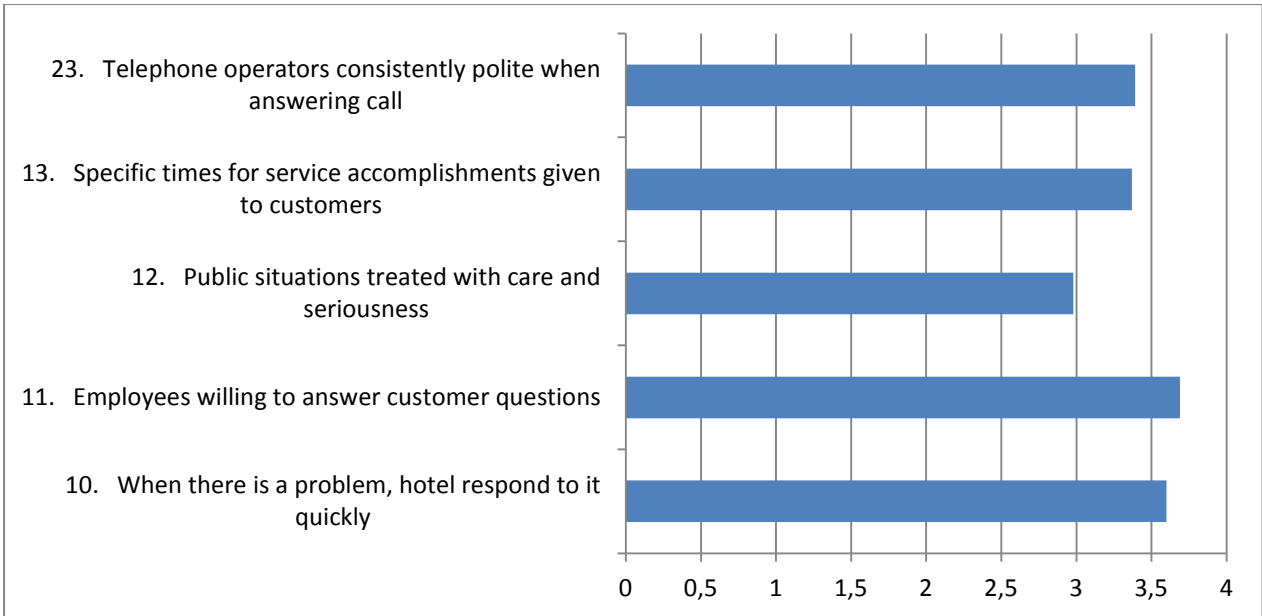
Cronbach's Alpha	N of Items
.737	7

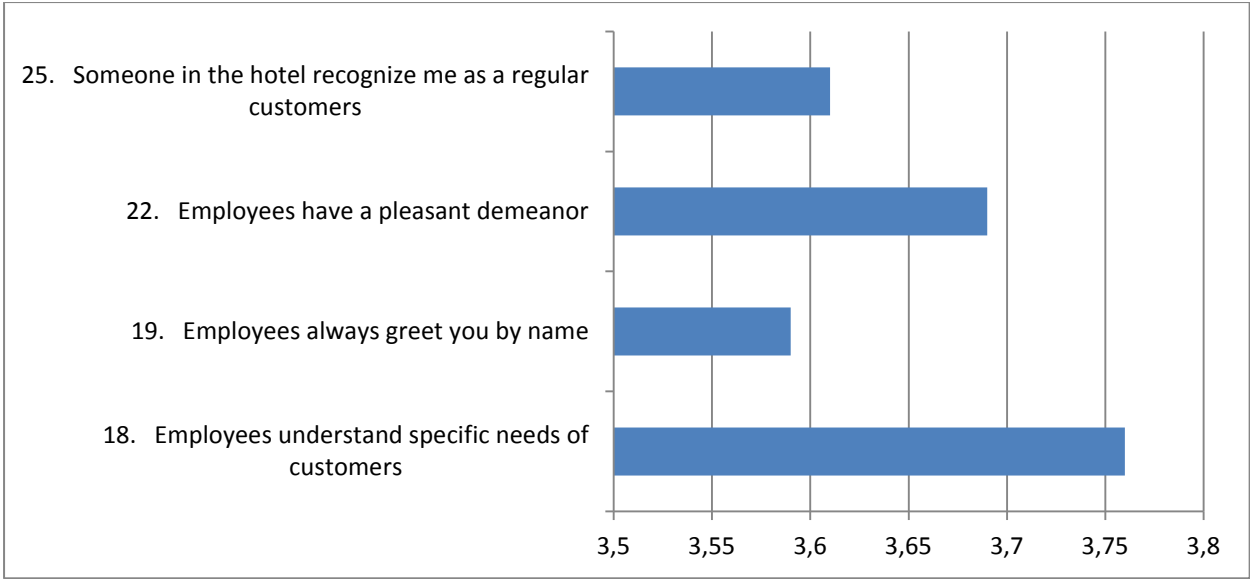
Empathy

**Reliability Statistics**

Cronbach's Alpha	N of Items
.664	4











## CHAPTER V

### CONCLUSION AND RECOMMENDATION

#### 5.1 Conclusions

1. After scrutinized all data in chapter iv, researcher finally find several conclusion. In Tangible dimension: statement no.4 (Technology in hotels are using a modern-looking equipment) was ranked at the highest with a mean average of 3.7, while the lowest ranked was chosen by the respondents is a statement no.3 (written materials eg., brochures or statements easy to understand) with average mean of 3.35.
2. Reliability dimension respondents choose a statement no.8 (exact specifications of customers followed) with an average mean of 3.76 and the lowest rank is a statement no.5 (when hotel promise to do something in a certain time, they will do so) with an average mean of 2.19
3. In Responsiveness dimension, respondents agree with a statement no.11 (employees willing to answer customer questions) of respondents selected as the highest ranking with average mean of 3.69. While the lowest rank in statement no.12 (public situations treated with care and seriousness) with a mean average of 2.98.
4. In Assurance dimension (employees consistently courteous with customers) with an average mean is 3.92, while the lowest rank with a statement no.17 (employees have the knowledge to answer the question) with an average mean of 2.94
5. In Empathy dimension, average mean of 3.76 is the statement no.18 (employees understand specific needs of customers) and inquiries with the lowest ranked is statement no.19 (employees always greet you by name) with an average mean of 3.57

## **5.2 Recommendation**

From the five analyses above, each of dimensions must improve their weaknesses. In tangible dimension, The Ritz-Carlton must increase its service especially in written materials eg., brochures or statements to be easily understood by either guest or customers.

In reliability dimension, the lowest ranked is hotel promise to do something in a certain time, they will do so, main aspect when hotel promise to do something in a certain time, apparently they do not handle guest problem properly and capability as they promised to do so.

In responsiveness dimension, the lowest ranked is public situation treated with care and seriousness. Respondents feel public situations were not treated with care and seriousness. Therefore, hotel management must pay attention to all customers' needs and wants.

In assurance dimension, the lowest ranked sited of employees have the knowledge to answer the question from customers. It indicates that hotel employees are not sufficiently competent enough in its service.

In empathy dimension, the lowest ranked is employees are always greet you by name, means that a warm welcome from the employees in the hotel are still not satisfied felt by customers.

The researcher recommend that The Ritz-Carlton hotel Jakarta need to improve their reliability to increase the service quality and customer satisfaction especially to handle gust's problem.

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