

**THE RELATIONSHIP BETWEEN SERVICE QUALITY AND CUSTOMER
SATISFACTION AT RENAISSANCE KOTA BHARU HOTEL**

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ABSTRACT

The relationship between service quality and customer satisfaction has received considerable academic attention in the past few years. This research investigates the relationship between service quality and customer satisfaction toward hospitality industry. Therefore the data will be collected among customers or guest who used the service provided by hotel in Kota Bharu. The instrument that will be used is a set of questionnaires and will be distributed to the respondents who used the service at the hotel. The result indicates that service quality significantly impact on customer satisfaction either customer satisfied or not with the service provided. Negatively, poor service quality will lead customers to spread negative word of mouth about dissatisfaction and if the problem successfully solved, customers will spread positive word of mouth to others and it reduced possibility of customers churn to other competitors. Hence, this study can be used by hospitality industry to develop successfully strategic service quality to enhance customer satisfaction for hotel industries.

Keywords: Service Quality, Customer Satisfaction, Tangibles, Reliability, Responsiveness, Assurance, Empathy, Renaissance Kota Bharu Hotel

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CHAPTER 1

INTRODUCTION

BACKGROUND OF THE STUDY

Nowadays, most of the businesses focus on the service quality in order to get the customer satisfaction and it is important in creating competitive advantages. In order to compete in such a globalized environment more effectively, organizations need to understand how their services are perceived and classified from a customer's point-of-view. In today's changing global environment, many businesses are facing increasing competition that forces them to seek competitive advantage, efficiency and profitable ways to differentiate themselves (Mei, Dean, and White 1999). In both domestic markets and internationally, the service concept is gaining importance in parallel with economic development and increasing standard of living. Numerous studies have shown that provision of high-quality services is directly related to increase in profits, market share and cost savings (Devlin and Dong, 1994). Moreover, in some businesses such as tourism, banking and catering, the delivery of high quality services to consumers is increasingly recognized as a key factor affecting the performance of firms.

Service quality is an important antecedent of consumer assessment of value. Value assessments in turn have been found to influence consumer satisfaction and motivate behavioral intentions (Zeithaml, 1988; Babakus and Boller, 1992). Customer satisfaction is affected from the delivery of the service quality. Evans and