

UNIVERSITI TEKNOLOGI MARA

**A BUSINESS PERFORMANCE STUDY OF
BUDGET HOTEL IN TERENGGANU:
A CASE STUDY OF SHAFURA HOTEL,
KEMAMAN, TERENGGANU**

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Abstract

Most studies consider business performance to be a multidimensional construct. Two dimensions represent financial and non-financial which are Competitiveness and Quality of service were hypothesized to measure the business performance in the Shafura Hotel (SH) context. Using financial and historical data, this paper analyze the hotel business Sales growth and Profitability to verify the financial performance of SH. The paper then moved on to assess this SH occupancy rate during critical situations such as during economic downturns and higher competitor arising recently to measure the competitiveness of SH with other budget hotel. Microsoft EXCELL is used to analyze the occupancy rate and profitability data. Through customer survey, 82 responses from hotel guest were analyzed to test the validity of the quality of service for business performance study. The method employed to gather the research resources was adopted from SERVQUAL which is a popular method in measuring perceived service quality. From the findings, respondents are satisfied with SH service quality and empathy is the most influence factor ($r= 0.75$, $p=0.000$). Correlations between Competitiveness (Sales Growth and Occupancy Rate) and Service Quality with Business Performance were obtained using SPSS. SH Occupancy rate is significantly influence the SH business performance. The results of the study will suggest the SH management to emphasis their approach in order improve their overall business performance.

Keywords: *business performance, budget hotel*



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