

# **CUSTOMERS' SATISFACTION ON ONLINE RESERVATION AMONG SELECTED FIVE-STAR HOTELS**

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## **Abstract**

*The study delved on the level of customers' satisfaction on online hotel reservation among the selected five-star hotels using the demographic profile of the respondents and the survey-questionnaire that contains the levels of satisfaction. The descriptive method of research was utilized to describe systematically, factually, accurately and objectively a situation, problem or phenomenon. The respondents were 30 hotel guests and 5 five-star hotels. The results of the statistical treatment showed that tangibility, reliability, responsiveness, user-friendliness, guaranty and empathy got a highly satisfied rating. Thus, there is no significant relationship between the respondents' age, gender and socio-economic status and the levels of satisfaction on online hotel reservation.*

*Key words: level of satisfaction, demographic profile*

## **Introduction**

The hotel industry has been one of the most competitive industries especially in the 21st century. For this reason, enhancing customer satisfaction is one of the key aspects of enhancing competitiveness in the industry as well as ensuring business continuity. Five-star hotels are one of the major players in the hospitality industry around the world. These five-star hotels have the advantage of operating and enabling global marketing of the brand and developing universal strategies to improve their competitiveness globally. One of these strategies is the online reservation which is made available to

customers at all times. This is where customer satisfaction and customer loyalty come in (Stock, 2015).

Online reservation is an easy process of getting the demands of the clientele using electronic programs that transmit the transactions from the customers to the hotel personnel and vice versa (Freyn, 2010). The use of Internet has changed the hospitality industry with helping organize, promote and market tourism products and services, as well as helping communication, online transaction, and distribution systems for hoteliers and consumers (Brook, 2012).

The presence of information technology has transformed marketing practices, from passive marketing to the detection of what customers want and the ability to attract and track them. To this extent, the Internet forced the companies and organizations changing the way to operate and communicate. As the number of Internet users' increases, so do the numbers of visitors to hotel websites. Because of the increasing number of websites, it is more difficult for hotels to attract visitors and even to convert them to customers (Anon, 2011). By 2014, in the U.S., 57% of all travel reservations were made on the Internet while online travels bookings revenue has increased by more than 73% over the past five years (Lopez, 2015). In the same year, according to TravelBook's numbers, hotel brand websites only gained

6.1% growth on reservations compared with a 9.2% increase for online travel agencies (Sheave, 2014).

By looking at a single destination, a recent report of Las Vegas Visitor Profile Study, (2014) indicates that among 68% of visitors who used Internet to book their trip, 41% of travelers who visited Las Vegas in the year of 2014 used hotel websites directly to make accommodations, an increase from 27% in 2010, and 28% in 2013.

Nowadays, consumers could get deals and products of better value through the Internet. Website is not only an informational channel but also a trading platform. It provides news and data, creates a brand image, and works as sales tool. Hotel managers have to evaluate such facilities in order to improve, change, or adapt them on websites to 2 visitors' needs. Hotel managers would also like to respond to the increasing need to harmonize their websites to users' needs. They should be able to deliver successful products and increase productivity and competitiveness (Rodriguez, 2014).

With the growing influence of website usage, hoteliers realized that the investment on technology became more and more important. A study by Shannon (2013) addressed the importance of hotel websites as the heart of digital marketing and selling strategy for hotels; looking keenly at the quality of the information on these websites and its ability to influence buying behavior. According to the study, the most

commonly found information on many hotel websites includes the background information about the facility, reservation information, contact information, and information concerning offers and privileges. Despite the availability of such information on the websites, travelers also rely on different information sources available to support their decision, such as OTAs (Becker, 2012). Therefore, understanding users' needs and behavior is critically important to the success of web marketing strategies. Hoteliers have to successfully address their hotels' image, customer perception, and loyalty. A branded website becomes trusted and generates recognizable services and facilities. By establishing a website, hotel managers can increase volumes of sales, enhance the brand images, and increase the overall effect of their marketing plans.

A close look at the factors that contribute to online bookings though the content in websites is important. Satisfying customers may include providing sincere lists of services on the websites as well as giving the payment. For a customer who sees the prices of items on a hotel website, it not only becomes easier to decide whether to pay or not, it shows that there are no hidden agendas related to charges. Satisfaction of the customer is probably the main reason a hotel website is the actual set up and updated overtime. The customers include tourists, both domestic and international as well as other

brands in the industry that wish to connect and partner for business. The information displayed on a website is significant for reservation. The display of content including articles and images plays a big role in the level to which the hotel management satisfies or aims to satisfy its audience.

It is for this reason that the researcher delved on customers' satisfaction in online reservation among five-star hotels. Specifically, the study sought to determine the profile of the respondents, the customers' level of satisfaction in online reservation, the difference between the customers' level of satisfaction on online hotel reservation when grouped according to age and socio-economic status, and the significant difference in the customers' level of satisfaction on online hotel reservation when the respondents are grouped according to gender.

## **Methods**

The descriptive research design was used in this study. Through this design, the researcher was able to describe systematically, factually, accurately and objectively a situation, problem, or phenomenon (Garcia, 2011). The study utilized this method in order to describe vividly the existing condition on the satisfaction of customers on the online reservation among selected five-star hotels.

For the sampling technique, included in the study were 30 participants who were guests of five star hotels.

A researcher-made instrument was utilized containing two parts: the demographic profile of the respondents and the survey-questionnaire that measured the tangibility, reliability, responsiveness, guarantee, empathy and user-friendliness of the online reservation system of five-star hotels. The research instrument underwent content validation by professional experts such as professors and practitioners in the hotel industry.

To measure the level of customers' satisfaction, the 5-point Likert Scale was used with the corresponding descriptions: 5-highly satisfied; 4-satisfied; 3-moderately satisfied; 2-dissatisfied; and 1-highly dissatisfied.

To obtain the necessary data needed, the researcher presented a letter from the Office of the Dean of the College of International Hospitality Management for the approval of the conduct of the study. Upon gaining approval, the researcher sought the assistance of the Human Resource managers of the selected five-star hotels to do the distribution of instruments to the respondents.

The data were treated using statistics to show the following: percentage for describing the profile of the respondents, weighted mean for describing the customers' level of satisfaction and the Pearson

r for identifying the relationship between the respondents' demographic profile and the level of customers' satisfaction on online reservation.

Ethics was highly observed throughout the conduct of the study. Anonymity of respondents was observed in this research as it indicates concern for privacy ensuring confidentiality. Likewise, citations were duly made for previous research referred to as proper acknowledgments were made in this paper.

## Results and Discussions

**Profile of the Respondents.** Table 1 exhibits the profile of the respondents in terms of age, gender and socio-economic status.

Table 1  
Profile of the Respondents

Profile	Frequency	Percentage
Age		
29-40 years old	15	50.0
41 years old and above	15	50.0
Gender		
Male	11	36.7
Female	19	63.3
Socio-economic Status		
P 41000-70000	14	46.7
P70000 and above	16	53.3
Total respondents = 30		

Based on the table above, there were 30 participants involved. In terms of age, there were 15 who belonged to the age bracket of 29 to 40 years old and 15 respondents whose ages ranged from 41 years old and above. For the gender, 11 respondents were male while 19 respondents were female.

In terms of socio-economic status, there were 14 respondents who have a monthly salary of Php 41,000-70,000 while 16 respondents have a monthly salary of Php 70,000 and above.



## Customers' Level of Satisfaction on Online Hotel Reservation

Table 2 shows the level of satisfaction on online hotel reservation in terms of tangibility.

**Table 2**  
**Customers' Level of Satisfaction on Online Hotel Reservation**  
**in terms of Tangibility**

Indicators	Weighted Mean	Interpretation	Rank
1. The interface and art design of the website is visually appealing.	4.87	Highly Satisfied	3
2. The website conveys the message in various ways with words and pictures displayed.	4.97	Highly Satisfied	1.5
3. The website has images that provides a visual image of the property's facilities and products	4.77	Highly Satisfied	4
4. A visual calendar is provided for the synchronized date of arrival and departure within the property for convenient scheduling of reservations and stay in the property.	4.97	Highly Satisfied	1.5
Average Weighted Mean	4.89	Highly Satisfied	

Based on the table above, indicators 2 and 4 got a weighted mean of 4.97 described as highly satisfied and ranked first. Meanwhile, indicator 1 got a weighted mean of 4.87 described as highly satisfied and ranked third. Indicator 3 had a weighted mean of 4.77 described as highly satisfied and ranked fourth. The average weighted mean for tangibility was 4.89 which was described as highly satisfied.

**Table 3**  
**Customers' Level of Satisfaction on Online Hotel Reservation**  
**in terms of Reliability**

Indicators	Weighted Mean	Interpretation	Rank
1. The website can offer in-time and accurate product information.	4.83	Highly Satisfied	1.5
2. The website's online transaction system is working smoothly.	4.73	Highly Satisfied	3
3. The website could offer relevant service promptly.	4.70	Highly Satisfied	4
4. Website provides Pay Pal and other reliable payment schemes.	4.83	Highly Satisfied	1.5
Average Weighted Mean	4.78	Highly Satisfied	

Table 3 exhibits the customers' level of satisfaction on online hotel reservation in terms of reliability. It is evident that indicators 5 and 8 got a weighted mean of 4.83 interpreted as highly satisfied and with a rank of 1.5 Indicator 6 had a weighted mean of 4.73 interpreted as highly satisfied and with a rank of 3 while indicator 7 got a weighted mean of 4.70 interpreted as highly satisfied and ranked fourth. The average weighted mean of the customers' level of satisfaction on online hotel reservation in terms of reliability was 4.87 with an interpretation of highly satisfied.

**Table 4**  
**Customers' Level of Satisfaction on Online Hotel Reservation**  
**in terms of Responsiveness**

Indicators	Weighted Mean	Interpretation	Rank
1. The staff is ready to offer service.	4.70	Highly Satisfied	3
2. The website can immediately solve problem online.	4.60	Highly Satisfied	4
3. The website can quickly confirm customer's online transaction request.	4.73	Highly Satisfied	2
4. Website integrates social media channels of communication, advertisements and promotions like use of Facebook, Twitter, Instagram, etc.	4.83	Highly Satisfied	1
Average Weighted Mean	4.72	Highly Satisfied	

Table 4 shows the customers' level of satisfaction on online hotel reservation in terms of responsiveness. It can be gleaned on the table that indicator 12 got the highest weighted mean of 4.83 interpreted as highly satisfied and a rank of 1. Indicator 11 had a weighted mean of 4.73 interpreted as highly satisfied and a rank of 2. Indicator 9 got a weighted mean of 4.70 interpreted as highly satisfied and a rank of 3 while indicator 10 got a weighted mean of 4.60 interpreted as highly satisfied and ranked fourth. The overall weighted mean of customers' satisfaction on online hotel reservation in terms of responsiveness was 4.72 interpreted as highly satisfied.

**Table 5**  
**Customers' Level of Satisfaction on Online Hotel Reservation**  
**in terms of Guarantee**

Indicators	Weighted Mean	Interpretation	Rank
1. The website can safeguard customer's personal information and privacy security.	4.73	Highly Satisfied	1
2. The website can safeguard online transaction security.	4.70	Highly Satisfied	2
3. The website guarantees professional after-sale service.	4.67	Highly Satisfied	3
4. The website offers favorable price of product.	4.50	Satisfied	4
Average Weighted Mean	4.65	Highly Satisfied	

It can be gleaned on Table 5 that indicator 13 got a weighted mean of 4.73 with an interpretation of highly satisfied and a rank of 1. Indicator 14 got the second rank with a weighted mean of 4.70 and an interpretation of highly satisfied. Indicator 15 had a weighted mean of 4.67 interpreted as highly satisfied and a rank of 3 while indicator 16 got a weighted mean of 4.50 interpreted as satisfied and ranked fourth. The average weighted mean of the customers' level of satisfaction on online hotel reservation was 4.65 with an interpretation of highly satisfied.

**Table 6**  
**Customers' Level of Satisfaction on Online Hotel Reservation**  
**in terms of Empathy**

Indicators	Weighted Mean	Interpretation	Rank
1. The website will concern about customer's unique demand.	4.90	Highly Satisfied	1.5
2. The website can offer customers personalized product and service.	4.80	Highly Satisfied	3
3. The website actively inquires your needs.	4.63	Highly Satisfied	5
4. The website is able to know the customers' needs.	4.73	Highly Satisfied	4
5. Website features provide "Book Now" button and provides link so that user can navigate easily; it provides the course of sequential courses of action to take.	4.90	Highly Satisfied	1.5
Average Weighted Mean	4.79	Highly Satisfied	

Table 6 shows the customers' level of satisfaction on online hotel reservation in terms of empathy. It is clear that indicators 17 and 21 got the weighted mean of 4.90 with an interpretation of highly satisfied and a rank of 1.5. Indicator 18 had a weighted mean of 4.80 interpreted as highly satisfied and a rank of 3. Indicator 20 got a weighted mean of 4.73 interpreted as highly satisfied and a rank of 4 while indicator 19 got a weighted mean of 4.63 interpreted as highly satisfied and a rank of 5. The average weighted mean of 4.79 clearly shows that the customers' level of satisfaction in terms of empathy is highly satisfied.

**Table 7**  
**Customers' Level of Satisfaction on Online Hotel Reservation**  
**in terms of User-Friendliness**

Indicators	Weighted Mean	Interpretation	Rank
1. The website can help customers find the product and service information easily.	4.80	Highly Satisfied	3
2. The website can supply friendly guidance and technical assistance to make sure convenient online purchase.	4.97	Highly Satisfied	1
3. Website offers phone lines for manual and online support.	4.90	Highly Satisfied	2
Average Weighted Mean	4.89	Highly Satisfied	

Table 7 exhibits the customers' level of satisfaction on online hotel reservation in terms of user-friendliness. Indicator 23 got the highest weighted which is 4.97 with an interpretation of highly satisfied and a rank of 1. Indicator 24 got a 4.90-weighted mean and ranked second while indicator 22 had 4.80 weighted mean and ranked third. The average weighted mean of 4.89 for user-friendliness was clearly noted.

**Table 8**  
**Summary Table of the Customers' Level of Satisfaction**  
**on Online Hotel Reservation**

Indicators	Weighted Mean	Interpretation	Rank
Tangibility	4.89	Highly Satisfied	1.5
Reliability	4.78	Highly Satisfied	4
Responsiveness	4.72	Highly Satisfied	5
Guarantee	4.65	Highly Satisfied	6
Empathy	4.79	Highly Satisfied	3
User-friendliness	4.89	Highly Satisfied	1.5
Overall Weighted Mean	4.79	Highly Satisfied	

Table 8 shows the summary of the levels of customers' satisfaction on online hotel reservation. It can be noted that Tangibility and User-Friendliness got a weighted mean of 4.89 with an interpretation of highly satisfied while the lowest weighted mean was bagged by Guarantee with a weighted mean of 4.65 and an interpretation of highly satisfied. It is evident that all criteria got a highly satisfied rating. The overall weighted mean of 4.79 is noted with an interpretation of highly satisfied.

**Difference in the Customers' Level of Satisfaction on Online Hotel Reservation When They Are Grouped According to Profile Variables**

**Table 9**  
**Difference in the Customers' Level of Satisfaction on Online Hotel Reservation When They Are Grouped According to Age**

Level of Satisfaction	Mean	Statistical Test ( t test)	p-value	Interpretation
Tangibility	X <sub>1</sub> (29-40) = 4.8667 X <sub>2</sub> (41 and above) = 4.9167	t = 0.684	0.512	Not Significant
Reliability	X <sub>1</sub> (29-40) = 4.8500 X <sub>2</sub> (41 and above) = 4.7000	t = 1.282	0.210	Not Significant
Responsive ness	X <sub>1</sub> (29-40) = 4.7667 X <sub>2</sub> (41 and above) = 4.6667	t = 0.759	0.454	Not Significant
Guarantee	X <sub>1</sub> (29-40) = 4.6667 X <sub>2</sub> (41 and above) = 4.6333	t = 0.243	0.810	Not Significant
Empathy	X <sub>1</sub> (29-40) = 4.7067 X <sub>2</sub> (41 and above) = 4.8800	t = 1.825	0.079	Not Significant
User-friendly	X <sub>1</sub> (29-40) = 4.8453 X <sub>2</sub> (41 and above) = 4.9333	t = 1.202	0.239	Not Significant

0.05 level of significance

Table 9 displays the difference in the customers' level of satisfaction on online hotel reservation when grouped according to age. It can be seen that all levels of satisfaction got a weighted mean that is



highly satisfied, it can be expressed that the difference between the level of satisfaction of customers on online hotel reservation and their age is not significant.

**Table 10**  
**Difference in the Customers' Level of Satisfaction on Online Hotel Reservation**  
**When They Are Grouped According to Gender**

Level of Satisfaction	Mean	Statistical Test ( Mann-Whitney U test)	p-value	Interpretation
Tangibility	X <sub>1</sub> (Male) = 4.8636 X <sub>2</sub> (Female) = 4.9079	U = 100.500 Z = 0.222	0.825	Not Significant
Reliability	X <sub>1</sub> (Male) = 4.6591 X <sub>2</sub> (Female) = 4.8421	U = 72.000 Z = 1.532	0.126	Not Significant
Responsive ness	X <sub>1</sub> (Male) = 4.6818 X <sub>2</sub> (Female) = 4.7368	U = 77.000 Z = 1.261	0.207	Not Significant
Guarantee	X <sub>1</sub> (Male) = 4.6818 X <sub>2</sub> (Female) = 4.6316	U = 90.500 Z = 0.628	0.530	Not Significant
Empathy	X <sub>1</sub> (Male) = 4.6364 X <sub>2</sub> (Female) = 4.8842	U = 62.500 Z = 1.946	0.052	Not Significant
User-friendly	X <sub>1</sub> (Male) = 4.8791 X <sub>2</sub> (Female) = 4.8953	U = 102.500 Z = 0.111	0.911	Not Significant

0.05 level of significance

Table 10 shows the difference in the customers' level of satisfaction on online hotel reservation when grouped according to gender. It is evident that the weighted means of the levels of satisfaction got highly satisfied interpretation and there is no significant difference between the respondents' gender and the level of satisfaction on online hotel reservation.

**Table 11**  
**Difference in the Customers' Level of Satisfaction on Online**  
**Hotel Reservation**  
**When They Are Grouped According to Socio-economic Status**

Level of Satisfaction	Mean	Statistical Test ( t test)	p-value	Interpretation
Tangibility	X <sub>1</sub> (P 41000-70000) = 4.9464 X <sub>2</sub> (P70001 and above) = 4.8438	t = 1.396	0.174	Not Significant
Reliability	X <sub>1</sub> (P 41000-70000) = 4.7321 X <sub>2</sub> (P70001 and above) = 4.8125	t = 0.671	0.508	Not Significant
Responsiveness	X <sub>1</sub> (P 41000-70000) = 4.5714 X <sub>2</sub> (P70001 and above) = 4.8438	t = 2.214	0.035	Significant
Guarantee	X <sub>1</sub> (P 41000-70000) = 4.5179 X <sub>2</sub> (P70001 and above) = 4.7656	t = 1.917	0.065	Not Significant
Empathy	X <sub>1</sub> (P 41000-70000) = 4.8143 X <sub>2</sub> (P70001 and above) = 4.7750	t = 0.391	0.699	Not Significant
User-friendly	X <sub>1</sub> (P 41000-70000) = 4.8821 X <sub>2</sub> (P70001 and above) = 4.8956	t = 0.683	0.859	Not Significant

0.05 level of significance

Table 11 showcases the difference in the customers' level of satisfaction on online hotel reservation when grouped according to socio-economic status. Since the weighted means of the levels of

satisfaction belong to highly satisfied, it can expressed that there is no significant difference between the socio-economic status of the customers and their level of satisfaction on online hotel services.

## **Conclusions**

Based on the findings of the study, the following conclusions are hereby offered:

The customers of five-star hotels are clientele whose ages belong to the late adulthood stage are considered financially stable and independent and are mostly female

The respondents' evaluation on the level of satisfaction on online hotel reservation is highly satisfied which confirms the idea that online hotel reservation is much better than the conventional reservation.

The use of technology in hotel reservation creates a positive effect on the hotels' credibility and image. Technology can make a five-star hotel earn the best reputation.

**Directions for Future Use.** The indicators of levels of satisfaction and the profile of the respondents presented in this study show the necessity to sustain the use of technology such as the online hotel reservation to establish a very impressive effect on the credibility of the five-star hotels. Likewise, a similar study is recommended to be undertaken using larger samples in order to determine and further

establish the extent of the effectiveness of online reservation among the selected five-star restaurants for future use.

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