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**COLLEGE OF BUSINESS AND ECONOMICS**

**DEPARTMENT OF MARKETING MANAGEMENT**

**ASSESSMENT OF COMPLIANCE HANDLING PRACTICE AND  
SERVICE DELIVERY (IN CASE OF YEJOKA HOTEL)**

**RESEARCH PAPER SUBMITTED FOR THE PARTIAL  
FULFILLMENT OF BA DEGREE IN MARKETING MANAGEMENT**

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## **ABSTRACT**

*The general objective of the study was to assess the complaint handling practice and service delivery in the Yejoka hotel with specific objectives like the type of service delivered by the hotel, to probe how quickly Yejoka hotel response to complaints in the service delivery and to assess the comfortably of the environment which encourage customers to express their complaints related to services delivery of the Yejoka hotel and to propose possible solution for the problem identified. For this study, the researcher was used both primary and secondary sources of data. The primary data would be collected through questionnaires from the respondents and semi structural interview from the Yejoka hotel manager and the secondary data would be collected from different documents of the hotel and different journals. The study used convenience sampling for customer respondents and simple random sampling for the employees' respondent of the Yejoka hotel. The data would be analyzed and interpreted using descriptive data analyzing method. Finally based on the major findings the researcher was concluded and recommend the paper.*

# **CHAPTER ONE**

## **INTRODUCTION**

### **1 BACKGROUND OF THE STUDY**

Most organizations emphasize that paying attention to customers' complaints contributes to gaining their loyalty to the organization and increasing their connection with them. Failure to search for the causes of these problems and complaints may lead them to go to other competing organizations or they may even distort the reputation of the organization through their words. Unfortunately, most complaints provided by customers are not handled effectively, making these customers unhappy with the organization services (Rashad, 2006). Consumer loyalty towards the organization may occur through the level of service provided, where the impact of this may differ from the customer who submits the complaints compared to the one who does not, in addition to the comparison between the complainants who were satisfied and those who were not after the complaint was submitted (Sandra, Dhruv, et al., 2008), where complacency affects repurchase once again, which is stemming from the fairness of distribution and treatment (Ing-Long & ChiYing Huang, 2013).

So, the need for an effective system to deal with customer complaints is obvious, particularly in the service sector as it is important for achieving their satisfaction and keeping them. The starting point for the effective functioning of this system may be through investigating the complaint, which is considered as one of the means to increase the customer's commitment and build his/her loyalty.

Unfortunately, most companies are not sufficiently familiar with how to deal successfully with the service and the impact of complaint processing strategies or otherwise they fail to do so (Tax, Brown and Chandrashekar, 1998). This is because most complainants were dissatisfied with their recent experiences with regard to the handling of complaints using the theory of justice.

Hotel activity depends on the human element no matter how much machinery and equipment used are developed, as the success of hotels activity depends on the ability and excellence of employees,

which makes the hotel management interested in authorizing front office staff to accept customer complaints and take appropriate action along with response to this complaint if they can. Otherwise, they should refer the matter to the specialists who are able to handle complaints effectively within the strategy of complaints management in order to achieve full customer satisfaction and creating his loyalty and recommending others to deal with the organization for the welcome and response to solve the problem and provide fair and urgent compensation (Ogbeide, et al., 2017).

As hotels provide services and not tangible goods, attention must be paid to the rules and scientific principles found by studies on hotel fields to acquire information that qualifies them to perform their tasks efficiently and effectively. In any case, the system may fail when the services provided to customers are not the services promised. This is because customer's satisfaction is linked with loyalty to the brand and its reputation and the repetition of the purchase process, while dissatisfaction may lead to changing the desired behaviour by requesting the return of the money paid, or changing the service or fixing or other requirements, which may lead to negative word of mouth (Harris, 2013).

## **1.2 Statement of the problem**

Complaints may arise as a result of an unsatisfactory product or any error committed by employees and service providers in different sectors, including hotels, and may be caused by the customer himself. It is not important who caused this, but the most important is to handle these complaints with an effective mechanism in order to maintain continuous relations with customers, which provides the high degree opportunity to deal with these hotels and create a good image of them. Whatever tries and efforts these hotels have made to please their customers, any lack of work must occur or appear that may make customers dissatisfied, as they desire to always get the best.

People who complain about services provided to them are usually dissatisfied with the administration's reactions to their complaints. The issue is not only that it is a work done, but the most important thing is to find effective ways to handle complaints. It is evident that there is a gap between the expectations of service providers and those of customers (Friele et al., 2015). The failure to provide the service might be due to several reasons, including errors in credibility and tangible material things, lack of information, high cost of service, the most important failure is to

handle complaints. Service organizations in all cases cannot avoid the failure of service resulting from human errors in submission. This is the opposite of industrial organizations where the fault ratio in them is zero (Lizar & Ferry, 2009). Failure is associated with providing services that offer less than customers' expectations. This might have a negative impact on the spoken word that could jeopardize the reputation of the organization and its brand name. There were studies conducted by this area but no researchers raised the question whether there are procedures, regulations and instructions in yejoka hotel. So the researcher filled the gap by answering the following question

### **1.3 Research Questions**

1. What are the procedures, regulations and instructions to handle complain in yejoka hotel?
2. What types of services provided by the hotel?
3. Does the hotel understand quickly the complaints of customers?
4. Is there comfortable environment that encourage, customers to express their complaints related to services failure of the Yejoka hotel?

### **1.4 Objective of the study**

#### **1.4.1. General objective**

The general objective of the study was the assessment of complaint handling practice and service delivery of Yejoka hotel.

#### **1.4.2 Specific objective**

In order to achieve the general objective of the study, the following specific objective would be addressed

- To investigate the procedures, regulations and instructions to handle complain in yejoka hotel?
- To determine the types of services provided by the hotel
- To probe how quickly Yejoka hotel response to complaints in the service failure
- To assess the comfortably of the environment which encourage, customers to express their complaints related to services failure of the Yejoka hotel.

## **1.5 Significance of the study**

This paper will be expected to give a brief enlighten to improve the complaint handling practice and service delivery and forward better suggestion with regard to the practice of the Yejoka hotel. Further, it will help the student researcher to apply theories and concepts which learned in the real world to practically. In addition, it will help to other researcher they conduct their research in similar topic as a secondary data source.

## **1.6 Scope of the study**

Geographically, the study was limited to yejoka hotel at wolkite town, conceptually, the study was limited to the assessment of complaint handling practice and service delivery in the case of Yejoka hotel (in Wolkite town). The study was focuses only in complaint handling and service delivery due to the time shortage, lack of data availability and other constraints. Methodologically, the study was used descriptive research design.

## **1.7 Organization of the paper**

The study was included five chapters. The first chapter was involves introduction including background of the study, statement of the problem, basic research question, objective of the study, significant of the study, scope of the study, and organization of the study. The second chapter was focus on literature review .The third chapter was deals with methodology of the study. The forth chapter was deals with the data presentation, analysis and interpretation of the research which would be gathered through questionnaire and interview.

## **1.8 Ethical consideration of the study**

This study was respecting the respondent's dignity and maintaining their privacy. And value objectivity and confidentiality for personal information. The participants of the study would be asked to give their consent voluntarily and unforced, carefully about sensitivity of respondents in seeking information. And also made sure that anything related such devaluing subjects of the research such as; bias, incorrect reporting and inappropriate use of information will be avoided utmost.

# **CHAPTER TWO**

## **2 LITERATURE REVIEW**

### **2.1 INTRODUCTION**

The customer has become familiar with all available alternatives, which makes organizations seriously interested in bringing the customer satisfaction so as to ensure his or her loyalty and continuity with them. This is because many customers face multiple problems while products are delivered to them, and they may not be satisfied as they require, which makes them depart from the organization without a complaint or giving opinion. This may adversely affect it and its activity. However, some customers submit a complaint to get a solution to their problem that makes them satisfied.

For this reason, organizations became interested in obtaining information about complaints submitted by customers, so that they can identify weaknesses either in their structure or even their operations. The cost of winning a new customer is much higher than that of maintaining the current customer cost. A study conducted on Schindlerhof Hotel confirmed that the customer is maintained for life by giving value to him (Customer Value), (Voss and Gruber, 2005). The flow of information should be verified, both formally and informally, in order to enhance the effectiveness of this process. It was found that 80% of complaints take more time than that required to process them (Sitko- Chuancharoen, et al., 2010).

Sometimes the complaint is due to product mismatch with customers' expectations, and errors may occur due to poor planning of organization and quick delivery of the product. So the identification of the problem may be clear, but the lack of understanding and awareness of the problem by decision makers may lead to incorrect solutions, where complaints vary from one customer to another. For this reason, specific criteria and mechanisms must be set to deal with it, and these will be addressed in this study by identifying customer complaint handling mechanisms and the extent of their reflection on customer satisfaction in five star hotels.

## **2.2 Handling Customer Complaints**

Most of the definitions agree that all forms of organizations are unable to meet their customers' expectations, and customers were disappointed as their wishes were not satisfied as the customer continues to deal with the organization if satisfied with the place and service provided to him, which contributes to the dissemination of good reputation of the organization for others. This helps the organization to maintain its customers and win others as well (Ibraheem, 2014). It is an expression of dissatisfaction by one or more members of the public about the activities and services provided by the organization or lack of it.

Complaints are defined as a reflection of customer's self-assertion, which includes an emotional factor, and it is also a means of expressing satisfaction, which must be extemporaneously. Complaints handling brings about customer satisfaction. This requires a behavioural approach that takes into consideration customer emotions. In order to effectively implement customer complaint process, five approaches are adopted based on psychological and consulting methods. First, to start listening carefully to the type of problem the customer is experiencing and his emotions towards it. Then, focus on the response to complaint and on its importance for him. After that, focus on accepting the customer's opinions and assumptions without rejecting them and then look for a solution instead of looking for the reason of the complaint. Finally, interview customers and communicate face-to-face with them. The application of all these approaches may improve the quality of complaints process handling (Shibata, 2012).

The customer's protest against the service provided or being not satisfied with it makes the organization begin to investigate the subject of the complaint in order to find quick solutions, as dealing with these complaints efficiently and effectively and with more attention prevents the recurrence of the complaint and reduces dispute with customers (Saudi Investment Bank, 2014). Whatever the way of submitting the complaint, in general, there is fairness in terms of the procedures used in handling customers' complaints online and offline, where the customer who submitted the complaint online must feel the same degree of satisfaction with the solutions presented to him compared to the customer who submitted the same complaint in the traditional way (Offline). This creates a type of justice in resolving complaints successfully and effectively in both ways (Kendra. et al., 2013).

Thus, it is clear that the complaint is an expression of dissatisfaction with the products of the organization or how it deals with customers (Less and Reid, 2012).

Thus, the complaint can be expressed as the customer's expectations that were disappointed and that the organization has failed to satisfy them, and particularly the quality of service provided and the way of dealing with the customer (Rashad, 2006: 474).

Complaints may have to do with a number of reasons, such as failure to provide the service, inappropriate level of service, or even dissatisfaction with the organization's policy. The reason may be the manner the staff member handles the compliments, his attitude, or that the staff member does not accept or agree on the way the compliment is handled, especially if the procedures are not clear to him, and more importantly, the reason is the failure of the organization to find appropriate administrative solutions to the submitted complaint.

The complaint is usually related to a variety of different factors, the most important of which is the degree of customer dissatisfaction with the product and the importance of the product to him, as well as the size of the expected benefit. The personality and experience of the customer also plays an important role in submitting the complaint to the organization. The more important the complaint is, the greater the benefit gained from it in return for its cost and the specific circumstances limiting it, such as time and the ability to edit it. Although the compliment may give customers material or moral compensation, many of them do not access to that, either because they do not know how to submit a compliment and to which party the document should be directed or because they were not convinced of the complaint importance and its return.

This shows the importance of handling customers' complaints and their effective role in the success and sustainability of the organization and its practical reputation, but why we see that some organizations neglect many complaints submitted by customers. Is there really a clear mechanism to handle this? The main purpose of handling customers' complaints and following them up is to reach customers' satisfaction and then the continuity to deal with the organization. Customer complaints have become very important for many organizations as a feedback to develop and improve their services to create loyalty among their customers. (Shuangping, Yonghui, et al., 2015).

## **2.3 Customers' complaints handling process**

Most service sectors are still unable to develop a clear mechanism to handle any shortfall that may occur in their services to customers since this has negative effects on them (Rashad, 2006).

### **2.3.1 Recognizing the existence of a problem**

The statement of the complaint is an opportunity for the organization to review its services and fill the gap between the customers' expectations and what the organization provides them. Therefore, the verification and recognition of the complaint quickly ensures the customer that the concerned complaint is taken care of by the hotel management (Commonwealth Ombudsman, 2009: 20) the following hypothesis stems:

### **2.3.2 Evaluation of the problem and giving priorities**

Customers evaluate their complaints from three main angles. The first one is the final result they obtained after the complaint is submitted. The second is the complaint procedure used about the complaint. The third one is how employees dealt with them while handling the complaint (Rashad, 2006). The nature of the complaints varies greatly, and the subject of the complaint may appear either through the information provided by the customer or through a thorough investigation. Early evaluation of the problem is essential in order to effectively handle the complaint. It might be led by a person or a specialized team especially in organizations that receive a large number of complaints and need screening or other specialists if the problem is complex or difficult (Commonwealth Ombudsman, 2009: 21).

### **2.3.3 Develop a plan to investigate the complaint**

The positive experience of customers in dealing with the service organization can mitigate the negative effects of poor procedures used to handle their complaints. (Rashad, 2006). Handling complaints requires clear and written steps that must clarify what is required to be investigated. After that, prepare a list of steps related to the investigation, determine the time needed to solve the problem, determine the required treatment to be achieved and as the customer seeks, whether the expectations are real or need to be managed, and finally write and record any other considerations related to the complainant submitter and keep this information confidential.

This means that hotel management must have a set of written clear strait forward procedures, showing the complaints handling process that must be prepared in advance. (Commonwealth Ombudsman, 2009: 23) Hence, the following hypothesis was formulated:

### **2.3.4 Response to the complaint**

It is interesting to note that the complaints submitted by customers are merely an expression of dissatisfaction with the performance and products of the organization, as explained earlier. The failure to respond to compliment, may cause them to reach official authorities in the country through suing the organization in court and demanding substantial compensation. So, successful management is the one that is fully aware that its success will not happen and continue without customers' satisfaction and meeting their needs, desires and expectations as well. If this does not happen, the administration must listen to customers' complaints; respond quickly to them in order to maintain their reputation and prestige, and not to give the opportunity to competitors to get a part of its market share.

When the investigation of the complaint is completed, the complainant must be informed of the results obtained, even in case of some shortcomings of the complaint that remains under investigation, since the initial clarification of the point reached will be met with great satisfaction and welcome from the complainant. This report can be either verbal or written as preferred by the customer, and it gives the impression about the hotel's response to his complaint, (Commonwealth Ombudsman, 2009: 25).

### **2.3.5 Follow-up of complaint**

The attention of the organization to its customers after the purchase process and the follow-up of their complaints and handling is necessary especially for the customer who cares about the organization attention paid to him after the completion of this purchasing process, especially the maintenance and guarantee processes and other things. The existence of a guarantee of the product makes the customer comfortable about the organization. This affects the customer satisfaction and the extent of his continuity to deal with the organization. The hotel's follow-up to the customer's complaint and satisfaction with the procedures and solutions provided to him, is a good application through which to give the complainant an opportunity to learn about the procedures followed by the hotel, the handling of the complaint and finding solutions. The complainant has the right to

receive detailed information on the method and way of working on the complaint, to handle it, and find solutions to it.

### **2.3.6 Handling the administrative system:**

In all cases, handling customers' complaints helps organizations shed light on their weaknesses, both in terms of the product and performance, and determines the need for their personnel to train or monitor their work. This also contributes to motivate the organization to take new and positive measures for their products and performance at work, which contributes significantly to continuous communication with new customer orientations. The handling of complaints is the task of customer service staff who listen to the customer, apologize, or provide compensation. The complaints management focuses on following up procedures that seek to identify the causes of the problem and the resulting amendments to be made to prevent recurrence of errors later (Rashad, 2006: 474).

The grievance of the customer is not the last step in handling the complaint efficiently and effectively. The complaint may indicate the existence of a problem in the hotel management system, which indicates a defect that might be repeated in other cases. This should be taken into account by the hotel when the complaint is completely resolved. (Commonwealth Ombudsman, 2009: 26). Hence, the following hypothesis was formulated:

## **2.4 Customers' Expectations during Complaining**

*Zetthmal and Bitner (2004:321-346)* pinpointed that, when customers take time and effort to complain, they expect to be helped quickly, they expect to be compensated for their grief and for the hassle of being inconvenienced and they expect to be treated nicely in the process. Service recovery experts have documented three specific types of justice that customers are looking for following their complaints.

### **Out comes fairness**

Customers expect out comes, or compensations, that matches the level of their dissatisfaction. This compensation can take the form of actual monetary compensation, and apology, future free service,

reduced charges, repairs, and/or replacements. Customer want to feel that the company has “paid” for its misstates in a manner at lost equal to what they have suffered.

### **Procedural Fairness**

In addition to fail compensation, customer’s expert’s fairness in terms of policies, rule and timeliness of the complaint process. They want easy access to the complaint process and they want thing handled quickly, preferably by the first person they contact. So that, their recovery effort can match their individual circumstances.

### **Interactional fairness**

Above and beyond their expectations of fair compensation and hassle free, quick procedures, customers expect to be treated politely, with care and honestly. This from of fairness can dominate the others if customers feel the company and its employees have uncaring attitudes and have done little to try to resolve the problem.

## **2.5 Types of Customer Compliant Actions**

*Lovelock and Wirtz. (2004:265)* indicate that, if customer initiate actions following, the actions can be of various types. A dissatisfied customer can choose to complain on the spot to the service provider, giving a firm the opportunity to respond immediately. This is often the best case scenario for the company, because it has a second chance right at the moment to satisfy the customer. If they don’t complain immediately, customer may Choose to complain later to they provide by phone or in writing or even for write or call the corporate offices of the firm. Again has a chance to recover.

Some customer chose not to complain directly to the provider but rather spread negative world of mouth about the company to friends, relatives, and coworkers. This negative world of mouth can be extremely detrimental because it can reference the customer’s feelings of negativism and spread that negative impression to other as well. Finally, customer may choose to complain to third parties such as the better business bureau, to consumer affairs arms of the government, to a licensing authority, to professional associations, or potentially to a private attorney. No matter the action (or

inaction) ultimately the customer determines whether to patronize the service provider again or to switch to another provider.

## 2.6 Types of complainers

*Zeithmal and Bitner (2004:123-130)* pinpointed that people can be grouped into catalogues based on how they respond to failures. The four categories of responses types are:

- **Passive-** this group of customers is least likely to take any action. They are unlikely to say anything to the provider less likely than others to spread negative word of mouth and unlikely to complain to a third party. They often doubt the effectiveness of complaining, thinking the consequences will not merit the time and effort they will expend. Sometimes their personal values or norms assure against complaining.
- **Voice's-** these customers actively communicate with the service provider, but they are less likely to spread negative word of mouth or to switch patronage, or to go to a third party with their complaints.

These customers should be viewed as the service provider's best friend; they actively complain and thus give the company a second chance. As with the passives, these customers are less alienated from the marketplace than those in the other two groups. They tend to believe that complaining has social benefits and therefore don't hesitate to voice their complaints. They believe the consequence of complaining to the provider can be very positive and they believe less in other types of complaining such as spreading word of mouth or talking to a third party. Their personal norms are consistent with complaining.

- **Irratest-** these consumers are more likely to engage in negative word of mouth to friends and relatives and to switch providers than others. They are about average in their interest to complain to the provider. They are unlikely to complain to a third party. These consumers tend to feel somewhat alienated from the marketplace. As their names suggest, they are more angry with the provider, although they do believe that complaining to the provider can have social benefit. They are less likely to give the service provider a second chance and intend to switch to competitors, spreading the word to friends and relatives along the way.
- **Activists-** these consumers are characterized by a high propensity to complain to the provider, they will tell others, and they are more likely than any other group to complain

to third parties. Complaining fits with their personal norms. As with the iratest, these consumers are more alienated from the market places than the other groups. They have a very optimistic sense of the potential positive consequences of all types of complaining.

## **2.7 The relevance of the service concept**

Service may and should be defined as every interaction between the hotel guest and the service provider. The International Standard Organisation (ISO) defines service as part of the total production concept. Services are often “invisible” and for this reason it is difficult for a supplier to explain and for a guest to describe. Quality must, however, always be considered from the guests’ perspective, because this forms the perception of quality and ultimately determines whether or not a guest is satisfied beyond expectation. The perception of the outcome judges the service a guest experiences. Hastings (1999) tells us that “the customer will remember the comfort of facilities, but also remember the interaction they have with members of staff”. Service quality manifests as process quality and output quality and Zeithaml et al. (1996) developed the fivefold dimension of reliability, responsiveness, assurance, empathy and tangibles as the basis of a tool for measuring levels of service quality, and they termed this the SERVQUAL. To this day it remains the dominant model used to evaluate service quality (Woo and Ennew, 2005). Service is also very significant for Berenham (1989). He explains that the continuous growth of services is based on four fundamental factors which Cultural changes in aspects such as health. Today, many guests are concerned about whether or not hotels have fitness gyms and saunas and suchlike. New markets are thus created by hotels which influence the process of purchasing offer these facilities. Demographic changes also create different markets with different needs. For example, certain South Coast hotels in South Africa’s KwaZulu-Natal Province cater exclusively for “elderly people”. This demands the creation of new services such as special packages for retired people, and at times also requiring nursing care. Changes in lifestyle also represent a sort of revolution in the patterns of work and leisure in its widest sense. This leads to the creation of more services with more specific guest demands to be considered. People now expect more from their accommodation providers when they are on holiday. Many hotels offer different services for different guest needs and the question arises how smaller hotels and guest houses can maximise service

quality to determine a competitive marketing advantage for their enterprise. Smaller businesses are particularly vulnerable to larger competitors, unless they are able to exploit their inherent strengths, such as flexibility and speed of response to customer requirements. Authors such as Kuhn (1982) and Sandberg (1986) have shown that differentiation strategies for especially smaller businesses are the keys to their success. Promotion leads to increased demand, but the one way of achieving differentiation, which is also consistent with a small hospitality business's major strengths, is through enhanced quality service.

## **2.8 Customer Satisfaction**

As a quantitative index, customer satisfaction describes the difference between expectation and perceived quality, and measures the degree of satisfaction. If expectation is lower than perceived quality, satisfaction will be high and customers will recognize the product; contrarily, satisfaction will be low and customers will complain the products. In general, high customer satisfaction should indicate increased loyalty for current customers, reduced price elasticity, insulation of current customers from competitive efforts; lower costs of future transactions reduced failure costs, lower costs of attracting new customers and an enhanced reputation for the firm (Claes et al., 1994). Cardozo (1975) points out the customer satisfaction can boost repeat purchase and cross purchase.

Some other scholars such as Churchill & Surprenant (1982) and Engel et al.,(1984) all report the customer satisfaction is a kind of evaluation about purchase and using, and it is produced by the buyer anticipated result reward and the investment cost. Lerman (2006), in summarizing existing literatures, distinguish from specific transaction and cumulative transaction, two viewpoints explained the customer satisfaction. Specific transaction viewpoint suggested that customer satisfaction was the customer evaluated after buying behavior at some specific purchasing place or time, and it may provide diagnosis information to the specific commodity or service performance. Cumulative transaction viewpoint was that the customer satisfaction evaluated all purchase commodity or service experience, and it may provide the enterprise some important operational performance indicators in future (Bodey & Grace, 2006).

## **2.8.1 Customer Satisfaction Levels over Complaint Handling**

At present, many firms pay great attention to customer complaint, and some ones even take the number of customer complaints as an important measure way about satisfaction. They try to increase customer loyalty by reducing customer complaints, but this approach is not satisfactory. Some statistics indicate that encouraging dissatisfied customers to complain directly is a cost efficient way to improve satisfaction and loyalty (Bodey & Grace, 2006). One reason for the fact is that these firms confuse the types of complaint behaviors.

Customers, complaining directly with high expectations over a firm, are still in the hope of changing and unwilling to abandon the firm immediately. If their complaints could be dealt with well, some dissatisfied customers will be turned into satisfied ones and have a favorable view of the firms, then the overall customer satisfaction will increase. The complains contain a lot of important information such as product design, quality control and improvement of management, which are helpful to the firms for providing more satisfactory products and services (Lerman, 2006). Bodey & Grace (2006) also found that if the company can disseminate consumer direct complaint information in the organization and create remedies to preserve, customer satisfaction will be elevated. On the contrary, if consumers are not given organizational channels and opportunities to complain, they will voice concerns to others outside the company and their satisfaction degree will decreased. McCole (2004) thought that the indirect complaint behavior normally indicates a degree of consumer dissatisfaction, company unresponsiveness or related factors, which can severely threaten marketing relationships and effectiveness. According to the viewpoint of Bart & Dirk (2005), if customers who do not complain to the firm when dissatisfied, the company will lose the opportunity to rectify the problem (Fornell & Wernerfelt, 1988) and to restore the customer's satisfaction level (Lerman, 2006). In addition, some dissatisfied customers may even tell their unpleasant experiences to others forming bad word of mouth, so the performance of advertisements and promotion would be abated as well as overall customer satisfaction. However, it is far from enough for the firms to only concern the significance of customer complaints. In order to improve satisfaction and retain customers effectively, they must deal with the complaints in a right way.

The customers, complaining directly, will be disappointed if encounter blenching, delay, negligence or pretermission, furthermore abandon the firms. In more serious cases, they will seek

protection from a third party, which will do harm to the firms. If taking a positive attitude to handle the voice effectively, such as sincere apologies for the error, investigating the causes of events, and making generous compensations to customers, the firms can considerably increase their customer satisfaction, retain customers, win good public praises and unpredictable economic returns.

## **2.9 Customer Feedback after Complaint Handling**

Once customers have complained about a product or service and the complaining management has been satisfactory, their behaviour and attitude can change. Customers can decide to patronize the product or reuse the service provider. Besides, a positive complaining experience can generate positive word-of-mouth (Resnik, Gnauck & Aldrich, 1977; Gilly, 1987; Blodgett, Wakefield & Barnes, 1995, Blodgett et al., 1997).

Nevertheless, the so called recovery paradox, the fact that a successful service recovery can make dissatisfied customers even more satisfied than customers already contented with the product or the service (Seelos & Adamson, 1994) needs to be better documented: a successful service recovery is invaluable, but it will not restore customer satisfaction to pre-service failure levels. Trying to do it right the first time is still valid (Kau & Loh, 2006). On the contrary, customers dissatisfied also by the complaining procedure are more likely to exit and to choose negative word-of-mouth. This remark stresses the responsibility of companies: the combination of a failed service encounter and a failed recovery results in a heightened negative response (Voorhees et al., 2006). Hardly customers will complain also for a poor complaint handling and no study has been identified on this specific subject. The particular combination of satisfaction/dissatisfaction with a product or service and satisfaction/dissatisfaction with the service recovery process and complaint behavior, allow grouping customers in four distinct categories (Kau & Loh, 2006): Ordinary satisfied, customers, dissatisfied non-complainants, satisfied complainants and dissatisfied complainants.

## **CHAPTER THREE**

### **3 RESEARCH METHDOLOGY**

#### **3.1 Research design**

To accomplish the above objectives and to seek answer to the research questions, the student researcher was used descriptive type of research design. Descriptive research design helps to address the “WH” questions and to describe the complaint handling in service delivery. In addition, the researcher used quantitative and qualitative approaches to manage the collected data.

#### **3.2 source of Data**

The student researcher used both primary and secondary sources of data for this study. The primary data collected from the target respondents by questionnaires and interviews. The secondary data gathered from different internet sources (web sites), articles, and books written by different authors and journals that help to obtain information related to complaint handling and service recovery.

#### **3.3 Population and Sample**

##### **3.3.1 Target Population**

The student researcher found information for the study from the employees, customers and manager of the hotel. The customers were selected using non probability and the employees that have direct contact with their customers when they deliver the service.

##### **3.3.2 Sample size**

In this study the researcher was selected respondents including 1 manager. That means, 70 employees would be selected using census method because the employees are small and customers will be selected using convenience sampling method

#### **3.4 Sampling technique**

The researcher will use census method, and convenience sampling to contact the respondents because the student researcher is not getting all the customers at the same time. In this situation using non probability sampling technique is appropriate for the unknown number of customers. In

other to contact the employee respondents, the student researcher was used census method because the numbers of employees in Yejoka hotel are known which are 70 employees

### **3.5 Data Collection Instruments**

The researcher used both primary and secondary data sources as mentioned in the above. Primary data sources would be collected from the customers and employees of the hotel by giving questionnaires. The questionnaires would be comprised of close ended questions. In addition to this, interview would be held with the manager of the hotel through the semi structured questions. On the other hand, secondary data would be used from the hotel's document to understand the characteristics of the employees and complaint handling procedures.

### **3.6 Method of data analysis**

After the data was collected through questionnaires and interviews, the student researcher was edit, code, and tabulates it. Next, the qualitative and quantitative approach would be used to analyze the data. The qualitative approach would be used to describe the raw data gathered from the manager interview. In addition, the researcher was also used the quantitative method of data analysis by using percentages with numerical formats to analyze and interpret the data gathered from questionnaires.

## **CHAPTER FOUR**

### **4 DATA ANALYSIS, PRESENTATION AND INTERPRETATION**

This chapter deals with analysis, presentation, and interpretation of the study based on the data gathered from the respondent's customers, employees, and manager of Yejoka hotel. The information obtained from customers, employees and manager were summarized using descriptive statistics where by the row data is computed in percentage, and interpreted through applying descriptive analysis method. Finally critical analysis is made to demonstrate implication of the major findings on the hotel.

#### **4.1 General information of respondents**

##### **4.1.1 General background of customer respondents**

The purpose of describing the general information of the respondents is to obtain a visualization of the customers of the hotel that responds to the questionnaire. A total of 70 questionnaires were distributed to the available customers during the time of collection data and at rate of return is 100%.

##### **Gender of customer respondents**

The male respondents constitute 40(57%) of the total customer respondents and the remaining 30(43%) of the total 70 customer respondents are females. The student researcher understands that majority of the customers respondents are constructed with a great number of male respondents. And this shows that the hotel is not working effectively to attract females like it does for male customers.

##### **Age of customer respondents**

The age of customer respondents contain 6.67% age group of below 20, 33.33% are age group of 20-25 and 33.33% are age group of 25-30. The remaining 26.67% are age group of above 30. Considering this data, the student researcher understands that out of the whole customer respondents, the largest portion of age group is covered by customers who are aged between 20-25 and 25-30 years old and these customers can be considered as the adult age group of the society.

With regard to level of education of respondents; table 4.1 shows customers respondents in the study have been ranging from high school completed to post graduate, and a single and married users. One can take a look from the following table.

**Table 4.1: Level of education of customer respondent**

<b>Item</b>	<b>Choice</b>	<b>No of respondent</b>	<b>Percentage%</b>
1. Level of education	High school complete	10	14%
	College diploma	13	19%
	First degree(BA,BSC,DVM)	30	43%
	Second degree(MA,MSC)	17	24%
	<b>Total</b>	<b>70</b>	<b>100%</b>
2. Marital status	Single	43	61%
	Married	27	39%
	<b>Total</b>	<b>70</b>	<b>100%</b>

*Source: own survey, 2020*

Accordingly, 10(14%) of the customer respondents are high school completed, 13(19%) of the customer respondents are college diploma, 30(43%) of the customers respondents are first degree, and the remaining 17(24%) of the customers' respondents are second degree educational level. From the above data, the student researcher understands that majority of the customers' sample respondents are educated.

In the same table item 2, 43(61%) of the customers' respondents are single and the remaining 25(39%) of the customer respondents are married. From this, the student researcher understands that majority of the customers sample respondents who use the service of the hotel are single.

#### **4.1.2 Background of Employees respondent**

The purpose of describing the general information of the employees' respondents is to obtain the demographic characteristics of employees of the hotel that responds to the questionnaire. The profile of employees includes gender, age, educational level, working experience and marital status of the employees. A total of 10 questionnaires were distributed to the available employees during the time of collection data and all the questionnaires were returned successfully.

The data indicate that 2(20%) of personal respondents are males and 8(80%) are females. As the student researcher understand from the table above majority of the employees of the hotel are females which fits with the interest of our country’s government.

### **Age of employee’s respondents**

According to the questionnaire, 7(70%) of person’s respondents lies within age of group 20-25, 3(30%) of personal respondents are within the age group of 25-30. The student researcher understands from the data that most of the employees of the hotel are between the ages of 20-25 age groups. This age group may benefit the hotel in contributing a lot because they are energetic age group.

With regard to level of education of respondents; table 4.2 shows employees respondents in the study have been ranging from college diploma to post graduate and the working experience of the employees range from one year to three years. One can take a look from the following table.

**Table 4.2 level of education and work experience of the employees**

No	Item	No of respondents	Percentage (%)
1	Educational level		
	Below high school	-	-
	High school completed	5	50%
	College diploma	5	50%
	First degree( BA,BSC,DVM)	-	-
	Second degree	-	-
	<b>Total</b>	<b>10</b>	<b>100%</b>

*Source: own survey,2020*

The table 4.2 Concerning of educational level of the personnel respondents 5(50%) are college diploma, 5(50%) persons respondents are High school completed. As the student researcher understands from the employees’ response half of the employees of the hotel have college diploma and the remaining half are High school completed. This implies that it is easy to understand what implication customer satisfaction has.

## Marital status of employees' respondents

Concerning of marital status of the personal respondents 6(60%) of the respondents are single and the remaining 4(40%) of the respondents are married. The student researcher understands from the data that majority of the respondents are single.

## 4.2 Specific information related to the service of the hotel

**Table 4.3: Services type of the hotel used by the customers**

No	Item	No of respondent	Percentage%
	Room	16	23%
	Club	-	-
	Restaurant	50	77%
	<b>Total</b>	<b>66</b>	<b>100%</b>

*Source: from questionnaire, 2018*

The above data indicates that 23% of respondent uses the room service of Yejoka hotel. The other 77% of the customer respondents are use the restaurant service of the hotel. This indicates that the greater numbers of customers are the users of restaurant service at Yejoka hotel. Hence, focusing to make discretionary effort on the highly demanding service may boost the profit of hotel.

**Tables 4.4: Customers dissatisfaction during service experience**

Item	No	%
<b>Did you feel dissatisfaction during your service experience?</b>		
a. Yes	30	43%
b. No	40	57%
<b>Total</b>	<b>70</b>	<b>100%</b>

*Source: from questionnaire, 2020*

Without customers, the service firm has no reason to exist. Every service business has to proactively define and measure customer satisfaction. But, business organization is not mistake

free in the provision of service that results customer dissatisfaction. Having this rationality, the student research has tried to inquiry the customers feeling of unhappiness if any due to the service failure.

According to table 4.4, 57% of the customers respond they don't feel dissatisfaction during their service experience, 43% of the customers respond that they feel dissatisfaction during their service experience. This indicates that the customers are satisfied by the service offered by the hotel and also the hotel is delivered the service that satisfies their customers' needs and wants effectively.

**Table 4.5: Means used by customers to complain**

The means used to complain	No of respondent	Percentage
a. Face to face	19	27.5%
b. Through telephone	19	27.5%
c. In written	32	45%
<b>Total</b>	<b>70</b>	<b>100%</b>

*Source: from questionnaire, 2020*

Table 4.5 Shows that, 27.5% of the customers tell their dissatisfaction of the hotel service to the hotel in person, and also 27.5% of the customer respondents are tell their dissatisfaction through telephone, the remaining 45% of the customer respondents are tell their dissatisfaction in written form. This indicates that most of the hotels customers tell their dissatisfaction in written form.

**Table 4.6: The level of agreement for customer complaint handling of the hotel**

The hotel handle the customers complaint effectively	No of respondents	%
a. Strongly agree	7	9%
b. Agree	13	19%
c. Neither nor agree	20	29%
d. Disagree	30	43%
e. Strongly disagree	-	-
<b>Total</b>	<b>70</b>	<b>100%</b>

*Source: from questionnaire, 2020*

The above table 4.6 indicates 9% of personnel respondents are strongly agree about the effectiveness of complaint handling of the hotel, 19% of the respondents are agree about the effectiveness of handling of customer complaints, 29% of the customer respondents are neither nor agree about the effectiveness of handling of customers complaint, the remaining 43% of the customer respondents are disagree with the effectiveness of complaint handling of the hotel. As the student researcher understands from the customers' response majority of the customers disagree with the effectiveness of complaint handling of the Yejoka hotel. This implies that work hard demands to plug this problem by building the employees knowledge and regular survey to understand the status of customer satisfaction.

**Table 4.7: The hotels willingness to resolve customers' complaint**

Does the hotel have willingness to resolve customers' complaint?	No of respondent	Percentage%
a. Yes	30	43%
b. No	40	57%
<b>Total</b>	<b>70</b>	<b>100%</b>

*Source: from questionnaire, 2020*

According to table 4.7, 43% of the customer respondents said the hotel is willing to resolve the customers' complaint, 57% of the customers' respondents said that the hotel is not willing to

resolve the customers' complaint. As the student researcher understands from the customers' response he realizes that the hotel has a gap in willingness to resolve the customers' complaint.

**Table 4.8 shows the hotels response against complaints**

<b>If your answer for the above question is “yes” how fast the response of hotel against complaints?</b>	<b>Frequency</b>	<b>Percentage</b>
a. Very fast	5	16.7%
b. Fast	7	23.3%
c. Medium	14	46.6%
d. Late	4	13.4%
<b>Total</b>	<b>30</b>	<b>100%</b>

*Source: from questionnaire, 2020*

As the table 4.8 showed that, 16.7% of the customers' respondents said that the hotels response against complaints is very fast, 23.3% of the customers respondents said the hotels response is fast, 46.6% of the customers respondents said the hotels response against complaint is medium, the remaining 13.4% of the customers' respondents said the hotels response against complaint is late. As the student researcher understands from the customers' response the hotels response against complaint is medium.

**Table 4.9 The hotels comfortability to accept compliant**

<b>Is the hotels environment comfortable to accept complaints?</b>	<b>No</b>	<b>%</b>
a. Yes	25	36%
b. No	45	64%
<b>Total</b>	<b>70</b>	<b>100%</b>

*Source: from questionnaire, 2020*

According table 4.9 shows, 36.7% of the customer respondents said the hotel is comfortable to accept complaints, 63.3% of the customer respondents said the hotel is not comfortable to accept complaints. Hence, we can understand from the customers' response the hotels' environment to accept complaints are not comfortable.

**Table 4. 10 the hotels guarantee for consumers for the service failure**

<b>Does the hotel give any guarantee for customers for the failure of service?</b>	Frequency	%
a. Yes	39	56%
b. No	31	44%
<b>Total</b>	<b>70</b>	<b>100%</b>

*Source: from questionnaire, 2020*

As table 4.10 shows, 44% of the customers' respondents said the hotel does not give guarantee for the customers at the time of service failure, 56% of the customer respondents said that the hotel gives guarantee for the customers at the time of service failure. As the student researcher understands from the customers' response Yejoka hotel does not give guarantee for the customers at the time of service failure.

**Table 4.11 employees training regarding customer complaint handling**

<b>Is there any training of employees regarding customer compliant handling?</b>	Frequency	%
a. Yes	7	70%
b. No	3	30%
<b>Total</b>	<b>10</b>	<b>100%</b>

*Source: from questionnaire, 2020*

As the table 4.11 indicates, 70% of the employees' respondents said that there is employee training regarding customer complaint handling, 30% of the employees respondents are said there is no employee training regarding customer complaint handling. This shows that there is a good employee training for customer handling in the Yejoka hotel.

**Table 4.12 frequency of complaint arises**

<b>How often complaint arises due to service failure of the hotel?</b>	Frequency	%
a. Many times	2	20%
b. Some time	5	50%
c. Few time	3	30%
d. Never	-	-
<b>Total</b>	<b>10</b>	<b>100%</b>

*Source: from questionnaire, 2020*

As table 4.12 shows, 20% of the employees' respondents replied that complaints are arise many times due to the service failure, 50% of the employees' respondents are said that complaints are arise sometimes due to the service failure, 30% of the employees' respondents are replied that complaints are arise few times due to service failure. As the above data indicates the large number of employees' respondents said complaints are arise sometimes due to service failure.

**Table 4.13 Measuring customers' satisfaction**

<b>Do you ask customers whether they are satisfied or not?</b>	Frequency	%
a. Yes	6	60%
b. No	4	40%
<b>Total</b>	<b>10</b>	<b>100%</b>

*Source: from questionnaire, 2020*

According to table 4.13, 60% of the employee respondents are asked to the customers whether they are satisfied or not by the service they deliver, 40% of the employee respondents are not asked to the customers whether they are satisfied or not. As the student researcher understands from the employees' response most of the employees are asked to their customers whether they are satisfied or not by the service they deliver.

**Table 4.14 the measures taken by the hotel when mistakes happen due to employees' failure**

<b>What measures are taken by the hotel if mistakes happen due to employees' failure?</b>	Frequency	%
a. Training employees	25	40%
b. Advice employees	15	30%
c. Warning employees	20	20%
d. Change employees	10	10%
<b>Total</b>	<b>70</b>	<b>100%</b>

*Source: from questionnaire, 2020*

As table 4.14 shows, 40% of employee respondents said the hotel gives training to the employee when mistake occurs due to employees failure, 30% of the employees respondent replied that the hotel advices the employees when mistake occurs due to employees failure, 20% of the employees respondent replied that the hotel gives warning to the employees when mistake occurs due to employees failure, the remaining 10% of the employees respondent replied that the hotel changes the employees when mistake occurs due to employees failure. As the employees response indicates that the hotel is more focused on employees training when mistakes occur due to employees' failure.

**Table 4.15 Reaction of employees for customers' complaint**

<b>The action of the hotel if complaints are usually coming toward employees</b>	Frequency	%
a. Allowed employees to resolve themselves	3	30%
b. Report to manager	6	60%
c. Do nothing	1	10%
d. Others please specify	-	-
<b>Total</b>	<b>10</b>	<b>100%</b>

*Source: from questionnaire, 2020*

As table 4.15 shows, 30% of the employees respondent said that the hotel allowed to the employees to resolve themselves when employees are coming toward employees, 60% of the employees

respondent said that the hotel obliges to the employees to report to the manager at the time when complaints are usually coming toward employees, the remaining 10% of the employees respondent are replied that the hotel do nothing when complaints are usually coming toward employees. As the researcher understands from the respondents' response, the hotel is allowed to the employees to report to the manager when the complaints are usually coming toward employees.

**Table 4.16 The hotel's action to recover the customers' complaint**

<b>What action the hotel makes to recover when customers present complaints?</b>	<b>Frequency</b>	<b>%</b>
a. Compensation	2	20%
b. Apologize	6	60%
c. Service recovers	2	20%
d. Nothing	-	-
<b>Total</b>	<b>10</b>	<b>100%</b>

*Source: from questionnaire, 2020*

As table 4.16 shows, 20% of the employees respondent said the hotel gives compensation when customers present their complaints, 60% of the employees respondent said the hotel gives apologize to customers when they present their complaints, 20% of the employees respondent said the hotel recovers its service when customers present their complaints. As the student researcher understands from the respondents the hotel mainly asks apologize to its customers at the time of service failure.

### **4.3 Interview result conducted with the general manager of Yejoka hotel**

#### **The procedures, regulations and instructions to handle complain in yejoka hotel**

Based on the information obtained from the manager of Yejoka hotel mostly follows two strategies to respond the complaints of the customers. The first strategy of the Yejoka hotel is asking apologize to the customers at the time of service failure. Because the customers are mentally satisfied due to the apology of the employees to the service failure of the hotel. The second basic strategy of the Yejoka hotel is service recovery to the service failed. The hotel management tells to the employees in order to the service that is failed before and complained by the customers. Because customers will be satisfied by the recovered service and they will become loyal customers of the hotel, and also they will tell to other people to use the service of the Yejoka hotel and also

they post different information about the good service of the Yejoka hotel through internet and different social Medias.

**What types of services provided by the hotel?**

As information given by the manager of the hotel the types of services given by hotel are room, club and restaurant. But the manager said, majority of the customers are restaurant user related to other services.

**Does the hotel understand quickly the complaints of customers?**

As the manager explained how they handle the complaint acts of customers most of the complains that comes from customers tried to be handed immediately by the front line employees. Moreover, on the case that needs the involvement of hotel administration necessarily; customers have every right to present their complaints directly to the officials who are assigned specifically to these kinds of cases with in the hotel's structure where they can probably get solutions as to the maximum capacity of the hotel as possible.

**Is there comfortable environment that encourage, customers to express their complaints related to services failure of the Yejoka hotel?**

Based on the information obtained from the manager, the hotel is on the growing stage of complaint handling. Since the hotel has been trying to fulfill the dynamic demands of the customers through time, it is possible to say that Yejoka hotel is improving its complaint handling continuously through applying different mechanisms an improving the standard and quality of the hotel services and also the service giving capacity of its employees at different section of the hotel as well.

## **CHAPTER FIVE**

### **5 DATA SUMMARY, CONCLUSION AND RECOMMENDATION**

#### **5.1 SUMMARY OF THE MAJOR FINDINGS**

- Majority of the customers respondents are constructed with a great number of male respondents.
- Out of the whole customer respondents, the largest portion of age group is covered by customers who are aged between 20-25 and 25-30 years old and these customers can be considered as the adult age group of the society.
- Majority of the customers' sample respondents are educated.
- Most of the customer sample respondents were using the hotels service for two year which is good in terms of reusing the service
- Majority of the employees of the hotel are females which fit with the interest of our country's government.
- Most of the employees of the hotel have college diploma.
- On the finding shows that the services that they have been receiving from Yejoka hotel, majority of the respondents among that total customer sample respondents have been using "restaurant".
- As the finding shows that about the customers feeling of dissatisfaction during the service experience responds, slightly higher customer sample respondents says "yes" than "no".
- Majority of the customers respondents use means to complain in written.
- Based on the finding shows about the level of agreement for customer complaint handling of the hotel, majority of the respondents out of the total customer respondents have said "agree".
- Based on the finding shows about the hotel willingness to resolve customers' complaint, majority of the respondents out of the total customer respondents have said "yes".

- Based on the finding about the hotels response against complaints, majority of them have rated the hotel's response as medium.
- Based on the finding regarding the comfortability from customers, majority of them said "No".
- According to the finding from the question does the hotel gives guarantee for consumers for the service failure, majority of the respondents have said "no".
- According to the finding to the questions asked on whether there are employees training regarding complaint handling, majority of the respondents the employees sample respondents have said "yes".
- According to the finding regarding the frequency of complaint rising, majority of the respondents the employees sample respondents have rated as "sometimes".
- According to the finding to the question do you ask customers whether they are satisfied or not, majority of the respondents the employees sample respondents have said "yes".
- According to the finding regarding the measures taken by the hotel when mistakes happen due to employee's failure, majority of the respondents the employees sample respondents have said "training employees".
- According to the finding regarding to the action of the hotel if complaints are usually coming toward employees, majority of the respondents the employees sample respondents have said "report to the manager".
- According to the finding regarding to the hotels action when customers present complaints, the hotel gives apologize to the customers in response to their complaint.
- Based on the information obtained from the interview results conducted with the general manager of Yejoka hotel, he responded for the question that is concerned about the problems faced by the hotel in complaint handling through stating main problems like managing time to give instructions and orientations to employees become of the work nature of most employees who are shift works and facing difficulties to attend the hotel's ongoing orientations and instructions properly. And additionally, due to the increasing demand on the customer's side, the hotel is facing increasing expenses on recovering its services as per the interest of its customers.

- Regarding their acts of handling complaints from customers, the manager explained that the hotel gives responsibility for the manager to receive complains from customer and give immediate solutions to the problems which can't be solved by the front line employees with in different service sections of the hotel.
- Based on the information obtained from the manager, the hotel is on the growing stage of complaint handling. Since the hotel has been trying to fulfill the dynamic demands of the customers through time, it is possible to say that Yejoka hotel is improving its complaint handling continuously through applying different mechanisms an improving the standard and quality of the hotel services and also the service giving capacity of its employees at different section of the hotel as well.

## **5.2 CONCLUSION**

- Considering the fact that restaurant services of Yejoka hotel have been used by the majority of the hotel's customers who visits the hotel very often, the study has concluded that among all services of the hotel its restaurant Service is the most preferred kind of service to its customers. It is demand that most of the hotel customers have been going to Yejoka hotel very often because they are satisfied by some of specific services of the hotel that they have been receiving.
- Based on the finding about the hotels response against complaints, Yejoka hotel's speed for responding complaints is medium.
- According to the summarized data regarding the customers feeling of dissatisfaction during their service experience, the study has reached to the conclusion that Yejoka hotel is rending moderately qualified types of services which should be improve to make the hotel competitive enough within the hotel business in the city and the courtesy of most of the hotel's employees can be considered as on acceptable level of conduct that might probably benefits both the hotel and its customers as a result and this quality of the employees must be kept in a daily business activities of the hotel in order to retain its existed consumers and even fact new customers into the hotel.
- According to the finding the Yejoka hotel asks for the customers in order to measure their satisfaction with the hotel's service.
- Based on the data that showed about the Yejoka hotel's complaint receiving department, the student have concluded that even though there are largest number of customers who

have complains on the different services of the hotel that they have been receiving from but due to the hotel's failures to build on organized complains receiving department which can be known by its entire customers to readily present their complains and get appropriate solution accordingly these customers have been force to leave their complaint by only presenting to front line employees. Whose authority probably might not be sufficient enough to come up with drastically solutions towards customers' complains. Therefore, this can be considered that planet hotel has certain problems on its handling complaints from its customers due to the absence of organized complaint receiving department that require on immediate receiving complaints and appropriate solutions consequently.

- Based on the summarized data shown regarding the practices of Yejoka hotel on getting feedbacks and maintaining customer satisfaction, the study conclude that Yejoka hotel have certain weakness on keeping the satisfaction of its customers and by which the hotel might lose significant number of valuable customer. Also the hotel is not sufficiently accepting the feedbacks from its customers in order to use them as an input for its various decisions within the business.
- Based on the manager's response regarding the strategies to redress complaints, the student researcher concludes the Yejoka hotel uses apology and service recovery to redress or improve the complaints arise from its customers.

### **5.3 RECOMMENDATION**

- Since, Yejoka hotel has been managing to offer quality restaurant services which maintain their satisfactions to most of its customers, it should also put its maximum efforts on attempting to apply this experience upon its other services and namely bar, room, club and the like in order to retain their existed customers and attract new customers as well. The hotel should improve the types and quality of these services through making investments on each every hotel's services maintenance to the extent that can be sufficient to the entire customers of the hotel.
- Since, the Yejoka hotel gives training for the employees, most of the hotel's employees have certain weaknesses on acquiring sufficient knowledge and promptness as per the level that can satisfy their customers on their acts of service rendering, the hotel should take some corrective and improving measures on this specific regard immediately through

facilitating an effective training and development programs to its employees of different levels by arranging the schedule. Also the employees themselves should strive on attempting to upgrade their knowledge and promptness in different ways considering the dynamic nature of customers' demands on getting qualified standards of all services from the hotel through times continually.

- Considering the fact that maintains the satisfaction of customers is a crucial factor for the success of every business, Yejoka hotel should strive to improve the quality and standard of its entire service through upgrading its ways of rendering services and hiring qualified and knowledgeable work forces. Also as its customers are the legitimate parties on witnessing the performance of the hotel and should be addressed by the hotel so as to get their feedback on various business activities of the hotel, the management should consider the value business activities of the hotel, the management should consider the value of customers feedbacks before making any decisions that may probably affect the effectiveness of their activities at certain level and also determined the hotels relationship with the most of its customers consequently.
- As the data have showed the incapability of Yejoka hotel to receive and handle complaints from many its customers on the different services if has been rendering, the hotel's management should try to install qualified mechanisms of rendering service in a way that will enable them minimize every means of rendering poor levels of services which creates dissatisfactions of customers and make than complain against the hotel consequently. And even though the hotel puts its maximum efforts on attempting to avoid every malfunctioned ways on rendering its services in order to minimize the prevalence of complains from its customers but because of the in vitality of complains from customer of certain levels, the management of the hotel should have to build in organized complain receiving and handling department to the extent that can enable them satisfy their customers sufficiently on this specific regard.
- Yejoka hotel gives apology majority for the failed service. Considering the fact delay of providing service apologize on behalf of the credit and take responsibility for the error. Listening help the customer feel like are being understood and resolve the problem. Providing a refund, gift or other compensation, depending on the severity of the problem

also call the customer and ask “Is everything fix” and “Is there anything we can do for you”. If the hotel do this they become effective.

- As the data have showed the Yejoka hotel’s speed of response to the service failures is medium. When failed services are not improved fastly the customers are created a negative image about the hotel and the customers can tell to their friends, family, coworkers and others. In addition to this the customers may also post different information about the failed service of the hotel through different social Medias like Facebook, internet and others and this will reach too many customers at a short time. So, the Yejoka hotel must have to respond for the service failure very fastly before customers change their image of the hotel.
- Based on the information obtained from the manager of Yejoka hotel follows two strategies to redress the complaints of the customers. These are asking apology to the customer and recovering the failed service. These two mechanisms are very important but the hotel must also have given refund, gift or other compensation depending on the severity of the problem. If the hotel considers the additional strategies it will be long term profitable and preferable by the customers.

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**APPENDIX I**  
**WOLKITE UNIVERSITY**  
**COLLEGE OF BUSINESS AND ECONOMICS**  
**DEPARTMENT OF MARKETING MANAGEMENT**

**Questionnaire for Employees**

Dear Respondent;

The purpose of this questionnaire is to collect primary data for conducting a study on the topic “complaint handling and service delivery” for the partial fulfillment of the requirement of B.A degree in marketing management program at Wolkite University College of Business and Economics. Thus, the researcher will kindly request you to provide me reliable information. Your response will be kept confidential. Thank you in advance for your cooperation

**General Instruction:**

- Please put (√) inside the box for the alternatives
- No need to write your name

**PART 1: General information of respondents**

1. Gender      A. Male     B. Female
2. Age          A. below 20     B. 20-25         C. 25-30  
                  D. above 30
3. Marital status
- A. Single     B. Married
3. Educational level
- A. Below high school
- B. High school complete
- C. College Diploma

D. First Degree (BA)

E. Second Degree (MA)

5. Working experience in Yejoka Hotel? A. 1 year  B. 2 years   
3 years and above

### Part Two: Specific Information

1. Is there any training of employee regarding customer complaint handling?

A. Yes  B. No

2. How often complaint arises due to service failure of the hotel?

A. Many times  B. Ssometime

C. few time  D. Never

3. Do you ask customer whether they are satisfied or not?

A. Yes  B. No

4. What measures are taken by the hotel if mistakes happen due to employees' failure?

A. Training employees'  B. Advice employees

C. Warning employees  D. Change employees

5. What is the action of Yejoka hotel if the complaints are always coming toward employee?

A. Allowed employees to resolve themselves

B. Report to manager

C. Do nothing

D. others please specify\_\_\_\_\_

6. What action the hotel makes when customers present complaints?

A. Ccompensation  B. Apologize

C. Service recovers  D. Noting

7. What are the services provided by the hotel? (You can tick more than one alternative):

A. Room  B. Restaurant

D. Other  Please specify\_\_\_\_\_

8. If you have any suggestion please feel free to forward?

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**Part Two: Specific Information**

1. What kind of service do you use at the Yejoka hotel? (You can tick more than one alternative):

A. Room  B. Restaurant

D. Other  Please specify \_\_\_\_\_

2. Have you ever feel dissatisfaction during your service experience?

A. Yes  B. No

3. How do you complain if you tell your dissatisfaction to the hotel?

A. Face to face  B. through telephone

C. in written

4. What is your level of agreement in handling customer complaints effectively?

A. Strongly agree  B. Agree  C. Neither nor agree

D. Disagree  E. strongly disagree

5. Does the hotel have willingness to resolve customers' complaint?

A. Yes  B. No

6. If you answer for question 6 "yes" how fast the response of hotel against complaints?

A. Very fast  B. Fast

C. Medium  D. late

7. Is the hotels environment comfortable to accept complaints?

A. Yes  B. No

8. Does the hotel give any guarantee for customers' for the failure of service?

A. Yes  B. No

9. If your answer question number 12 is yes what are service guarantees?

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**Interview with the manager**

3. What are the procedures, regulations and instructions to handle complain in yejoka hotel?
4. What types of services provided by the hotel?
3. Does the hotel understand quickly the complaints of customers?
4. Is there comfortable environment that encourage, customers to express their complaints related to services failure of the Yejoka hotel?