FACTORS AFFECTING ON TOURISTS' SATISAFCTION ON HOTELS IN KEGALLE



By

PERUMBADAGE ISHANI KAVINDYA HERATH

Reg No: EU/IS/2013/MS/63

Index No: MS 1593



A Project Report submitted to the Faculty of Commerce and Management,

Eastern University, Sri Lanka as a partial fulfilment of the requirements of the

Degree of Bachelor of Business Administration Honours [BBA Hons]

Department of Management

Faculty of Commerce and Management

Eastern University, Sri Lanka

ABSTRACT

During the early years of independence, successive governments placed greater emphasis on service sector development in Sri Lanka. The improvement in the hotel industry basically depends on tourists satisfaction and their complacence. However, the development of this sector mainly depends on the arrivals of the tourists. Hotel and restaurant sector directly compel to the overall economic growth in Sri Lanka. This study mainly focuses about the factors that affecting the tourists' satisfaction on selected hotels around Pinnawala Elephant Orphanage in Kegalle district. Study used primary data and 250 tourists were selected out of 3 hotels in the Pinnwala divisional secretariat area through convenience sampling method, using a structured questionnaire.

The data were analyzed by using descriptive, correlation analysis and multiple regression analysis. The results show that hospitality, attraction, accessibility, cost of staying, environment, infrastructure and tourists satisfaction are in higher level. The study reveals that there is a moderate relationship between hospitality and tourists satisfaction, attraction and tourists satisfaction and accessibility and tourists satisfaction and also there is a strong positive relationship between cost of staying and tourists satisfaction, environment and tourists satisfaction and infrastructure and tourists satisfaction. There is a significant and positive impact of selected factors on tourists satisfaction. Hence, it can be concluded that accessibility, cost of staying and infrastructure are some of the factors that enhance tourists satisfaction on hotels.

Personal and behavioural factors were not significantly associated with the tourists satisfaction on hotels. Therefore, significant factors were most important and critical to increase tourists satisfaction on hotels than other factors. It is better to suggest this study to it is more efficiency if buffet services would supply daily. So it is important to provide best services applicable for all customers and hotel premises should be established with in high quality and modernization.

Key words: Hotel industry, Tourists satisfaction, Hospitality, Attraction, Accessibility, Cost of staying, Environment, Infrastructure

TABLE OF CONTENTS

ACKNOWLEDGEMENT	I
ABSTRACT	II
TABLE OF CONTENTS	III
LIST OF TABLES	VIII
LIST OF FIGURES	X
ABBREVIATIONS	XI
Chapter – 1: INTRODUCTION	1
1.1 Background of the Study	1
1.2 Problem Statement	3
1.3 Research Questions	4
1.4 Research Objectives	5
1.5 Significance of the Study	
1.6 Scope of the Study	5
1.7 Chapter Organization	6
1.8 Chapter Summary	7
Chapter – 2: LITERATURE REVIEW	
2.1 Introduction	8
2.2 Review of Literature	8
2.2.1 Hospitality	8
2.2.2 Attraction	9
2.2.3 Accessibility	10
2.2.4 Cost of Staying (Price)	12
2.2.5 Environment	13
2.2.6 Infrastructure	15
2.2.7 Tourists Satisfaction	16
2.3 Hypothesis Testing	17

2.4 Chapter Summary	.18
Chapter – 3: CONCEPTUALIZATION AND OPERATIONALIZATION	.19
3.1 Introduction	.19
3.2 Conceptual Framework	.19
3.3 Conceptualization	.20
3.3.1 Conceptualization of Dependent Variable	.21
3.3.1.1 Tourists Satisfaction	.21
3.3.2 Conceptualization of Independent Variables	.22
3.3.2.1 Hospitality	.22
3.3.2.2 Attraction	.22
3.3.2.3 Accessibility	.23
3.3.2.4 Cost of Staying (Price)	.23
3.3.2.5 Environment	.24
3.3.2.6 Infrastructure	
3.4 Operationalization	.25
3.5 Chapter Summary	.28
Chapter – 4: RESEARCH METHODOLOGY	
4.1 Introduction	29
4.2 Research Approach	29
4.3 Research Design	29
4.4 Time Horizon	30
4.5 Unit of Analysis	30
4.6 Study Population, Sample Size and Sampling Method	30
4.6.1 Study Population	30
4.6.2 Sample Size	31
4.7 Method of Data Collection	
4.7.1 Questionnaire	31

	4.8 Data Presentation	32
	4.8.1 Method of Reliability Analysis	32
	4.9 Method of Data Analysis	32
	4.9.1 Univariate Analysis (Descriptive statistic)	32
	4.9.2 Bivariate Analysis	33
	4.10 Correlation Analysis	
	4.11 Chapter Summary	34
C	Chapter – 5: DATA PRESENTATION AND ANALYSIS	35
	5.1 Introduction	35
	5.2 Analysis of Validity for the Instruments	35
	5.3 Analysis of Reliability for the Instruments	35
	5.3.1 Reliability Test	35
	5.4 Data Presentation – Personal and Behavioral Information	36
	5.4.1 Personal Information	37
	5.4.1.1 Sample Distribution Based on Gender	37
	5.4.1.2 Sample Distribution Based on Age	38
	5.4.1.3 Sample Distribution Based on Occupation	39
	5.4.1.4 Sample Distribution Based on Marital Status	
	5.4.1.5 Sample Distribution Based on Country Group	40
	5.4.1.6 Sample Distribution Based on Monthly Income Level (US \$)	41
	5.4.2 Behavioural Information	42
	5.4.2.1 Sample Distribution Based on Main Reason for Visit	43
	5.4.2.2 Sample Distribution Based on Travelling Partner/ Partners	44
	5.4.2.3 Sample Distribution Based on Mode of Information	44
	5.4.2.4 Sample Distribution Based on Number of Days Planning to Stay	46
	5.5 Data Presentation for Research Variables	47
	5.6 Analysis for Research Objectives	47

5.6.1 Univariate Analysis	47
5.6.2 Mean and Standard Deviation of Independent Variables	47
5.6.2.1 Level of Hospitality	48
5.6.2.2 Level of Attraction	49
5.6.2.3 Level of Accessibility	50
5.6.2.4 Level of Cost of Staying	
5.6.2.5 Level of Environment	51
5.6.2.6 Level of Infrastructure	52
5.6.3 Mean and Standard Deviation of, Dependent Variables	53
5.6.4 Bivariate Analysis	54
5.6.5 Correlation Analysis	54
5.6.6 Impact of Factors on Tourists Satisfaction	
5.6.7 Hypothesis Testing	59
5.6.7.1 Hypothesis 1 (H ₁)	59
5.6.7.2 Hypothesis 2 (H ₂)	60
5.6.7.3 Hypothesis 3'(H ₃)	
5.6.7.4 Hypothesis 4 (H ₄)	60
5.6.7.5 Hypothesis 5 (H ₅)	
5.6.7.6 Hypothesis 6 (H ₆)	61
5.7 Chapter Summary	61
Chapter – 6: DISCUSSION AND FINDINGS	63
6.1 Introduction	63
6.2 Discussion of Personal Information	63
6.3 Discussion of Research Information	64
6.3.1 Discussion – Objective One	64
6.3.1.1 Hospitality	65
6.3.1.2 Attraction	65

6.3.1.3 Accessibility	6
6.3.1.4 Cost of Staying6	6
6.3.1.5 Environment	56
6.3.1.6 Infrastructure6	57
6.3.2 Discussion – Objective Two6	57
6.3.3 Discussion – Objective Three	8
6.4 Chapter Summary	59
Chapter – 7: CONCLUSION AND RECOMMENDATION	70
7.1 Introduction	70
7.2 Objectives of the Study	70
7.2.1 Objective One	70
7.2.2 Objective Two	
7.2.3 Objective Three	1
7.3 Conclusion of the Study	1
7.4 Contribution of the Study	
7.5 Recommendations of the Study	72
7.6 Limitation of the Study	73
7.7 Directions for Future Research	73
List of References	75
Appendix – 1	33
Appendix - 28	38