

Customer satisfaction in hotel industry.

Case. Cheap sleep hostel.

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<p>The rapid growth in tourism industry has contributed to an increase in demand for accommodation. Tourists are looking for a comfortable place to rest during their travel and thus there is increased competition in the accommodation sector. Customer satisfaction largely depends on the concept of service quality, customer experience and customer value in hotel industry</p> <p>This report looks in to the degree of customer satisfaction in cheapsleep Hostel and the factors contributing to satisfaction, customer expectations in relation to received services helps to understand whether the customers are satisfied or not.</p> <p>The theory part adreeses the determinants of customer satisfaction, the concept of service quality, customer value and experience ,as well as customer loyalty as an end result of customer satisfaction are all discussed.</p> <p>The research was carried out in the hostel, qualitative and quantative reserch methods were used to collect data. questionners were desigened and given to customers in the hostel, also more data was gathered from the booking.com website.</p> <p>The results showed that most customers were satisfied with the hostel services, and they would be willing to visit the hostel again as well as recommend it to their friends. Price was the number one reason why most people choose the hostel followed by location.</p>	
Keywords Customer satisfaction, Service quality, customer loyalty, customer experience, cheap sleep hostel.	

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1 Introduction

Due to globalization and increase in internet usage in the world, a competitive environment among the organisations has increased, and hence organisations are working towards offering quality services to the customers, since the customers are more alert due to exposure to information in the market, making them not only look for services but quality services with value for their money and which creates memorable experiences. Quality services gives a company an advantage to stand out and therefore leads to higher profitability.

Customer satisfaction has many advantages for the organisation since every satisfied customer is likely to come back and also refer his/her friends for the same, and on the same hand a customer whose expectation has not been met may end up tarnishing the reputation of a company by giving out negative reviews. Customer satisfaction hence is a metric used by organisations and businesses to manage and improve their products and services.

The 21st century consumer has the information all over thus they understand better what they want and they will spend their money on satisfying products, and therefore for organisations to be in a position of catering for this customer, building strong rapport is necessary and make sure the customers' expectations are met, every service provider should understand the needs and expectation of his/her customer as well as their buying behaviour since customers tastes and preferences differ(Harris 2014,6)

The hospitality industry, which is experiencing great competition, is growing at a high rate meaning more and more customers are looking for accommodation services as well as other services in the industry. Business and leisure travellers are always looking for places they can rest away from home during their travel periods. The industry which is experiencing rampant changes in technology leading to more demanding customers, is working on ensuring the offered services are exceptional to create a great customer loyalty and referrals.

There is great diversity in size and type of accommodation in relation to location and services provided. The services of accommodation facilities vary from each other based on their target customer groups. Availability of accommodation in the area represents the image of a tourism destination, as it is one of the basic requirements for tourists in their travel. Accommodation varies depending on different factors and are usually categorised according to their prices and location, where the most luxurious with variety of amenities

happens to cost much compared to the less equipped. Customers choose their preferred accommodation depending on their budget and the stay purpose, this however does not change the expectations of the customers since it's out of this expectation that the rate of satisfaction is determined.

To understand the need of the study, the author identified the problem statement, which is directed by the question why should this research be carried out? The competition in the accommodation business makes the organisation feel the need to understand the needs of their customers so they can deliver customer satisfaction and therefore retain them to increase profitability. To solve this problem the research asks the question, whether the customers in cheap sleep hostel are satisfied by the services they get and to what degree?

With this thesis, the researcher has several objectives. First, to determine the factors influencing customer satisfaction in Cheap sleep hostel and understand the weak areas as well as the hostel strengths to make concrete recommendations on what needs to be improved. Second, examine the overall customer satisfaction in the hostel, and lastly suggest possible strategies that can enhance customer service for more satisfaction.

The researcher faced several challenges during the whole process and more predominantly during the data collection process. The questioners were designed in English and the hostel has guests from different nationalities and with different languages, thus the issue of language barrier in some cases was experienced. The greatest challenge was the issue of the **covid 19** pandemic, since people were not travelling which led to inconvenience in data collection. The hostel opening hours were affected and since they could only open their doors to customers with reservations. The data collection process was not smooth since there were a lot of cautions needed to be observed while interacting with people, which made some guests decline from responding to the survey.

1.1 Presentation of the commissioner

The commissioner Cheap Sleep hostel Helsinki was opened in May 2012, as a budget hostel. Its located in vallila district at Struurenkatu street. There are two floors in 2nd and 4th in the hostel and only one hostel in Helsinki.

The hostel offers different types of accommodation for budget travellers and people with higher standard as well. There are private rooms as well as dormitories, the dorms are divided based on gender to make it comfortable for all the guests. The hostel is connected to a convenient transport options to the airport as well as other parts of the city, and a free WIFI is provided throughout the hostel (cheap sleep hostel Helsinki,2020).

Most of the guest are young backpackers who have visited the city of Helsinki from other places in Finland as well as internationals from other parts of the world. majority of the guest are from Europe and Asia; Finns are the largest group then Russians, others are mostly from Japan and China and others from other nationalities.

The hostels staff include reception, housekeeping, and the management thus the task and responsibilities differ.

The vision of the company being to be the leading hostel in the region in terms of customer service, then the need to understand their customers' expectations and work on them to create a great customer relationship. Online customer reviews has helped the management to identify the areas they need to improve on ,however this has not been enough since most customers do not give the reviews especially if there was nothing to complain about, therefore the need for the report, about customer satisfaction in the hostel to help the management measure the services they need to improve on so they can create a memorable customer experience.

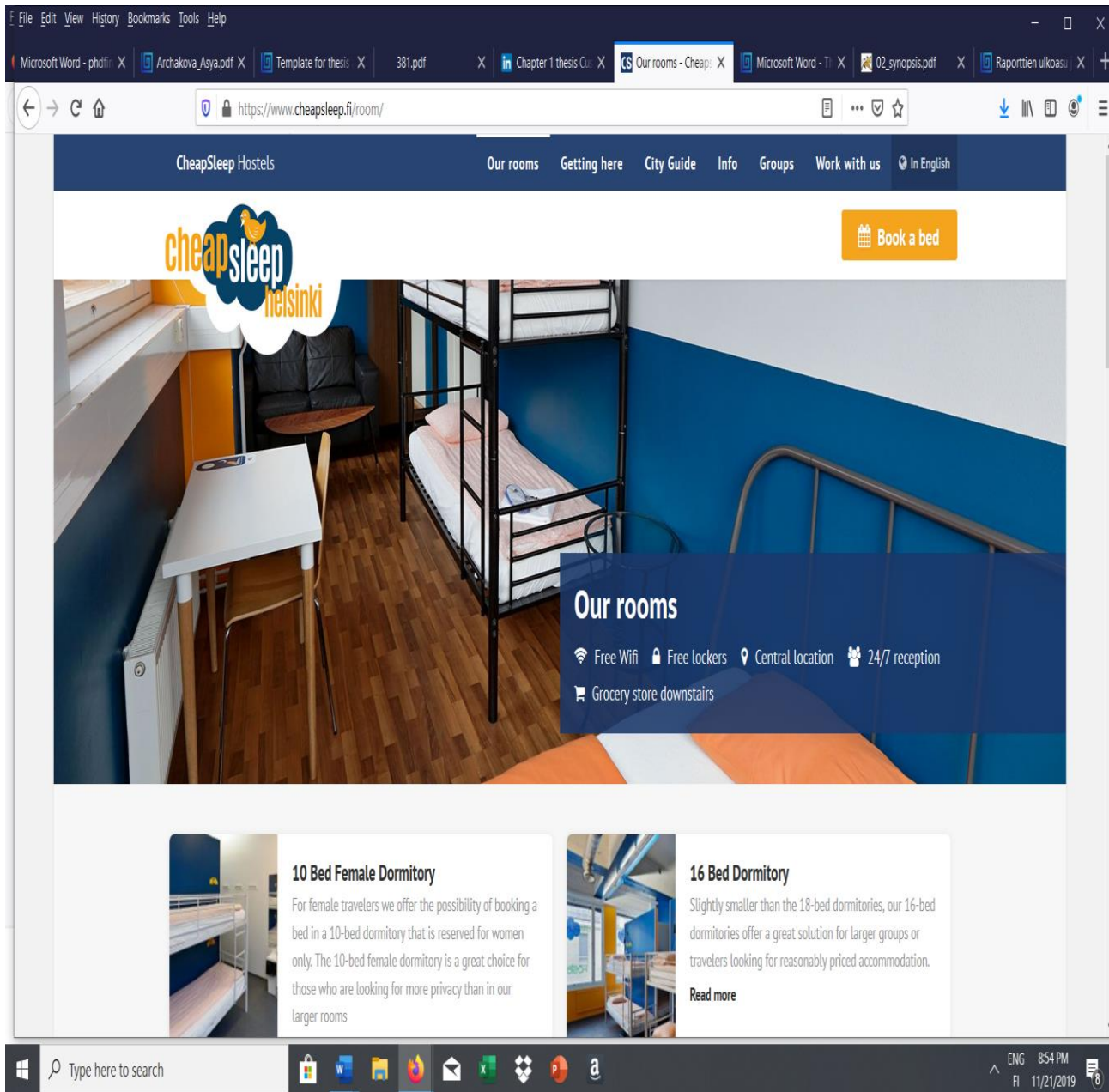


Figure 1 Cheap sleep hostel, (cheap sleep.fi,2020)

1.2 Report structure.

The report consists of five parts, introductions which covers the statement problem which seeks to answer the question what, aims and objectives are well outlined and the introduction of the commissioner.

The second phase is about the literature review, the theory background of the report, this part is subdivided into subchapters, defining of customer satisfaction, customer service and customer experience as well as the customer loyalty. These forms the basis of the report and gives the report the required credibility.

Third phase describes the research approach, the methods used in collecting data in Cheap sleep hostel, the questionnaires, observations as well as interviews and the whole process of collecting data are all discussed in this section.

Data analysis and the findings are included in phase four. the final stage addresses the conclusion summary drawing the possible suggestions to the hostel from the findings. Below is an illustration of the structure.

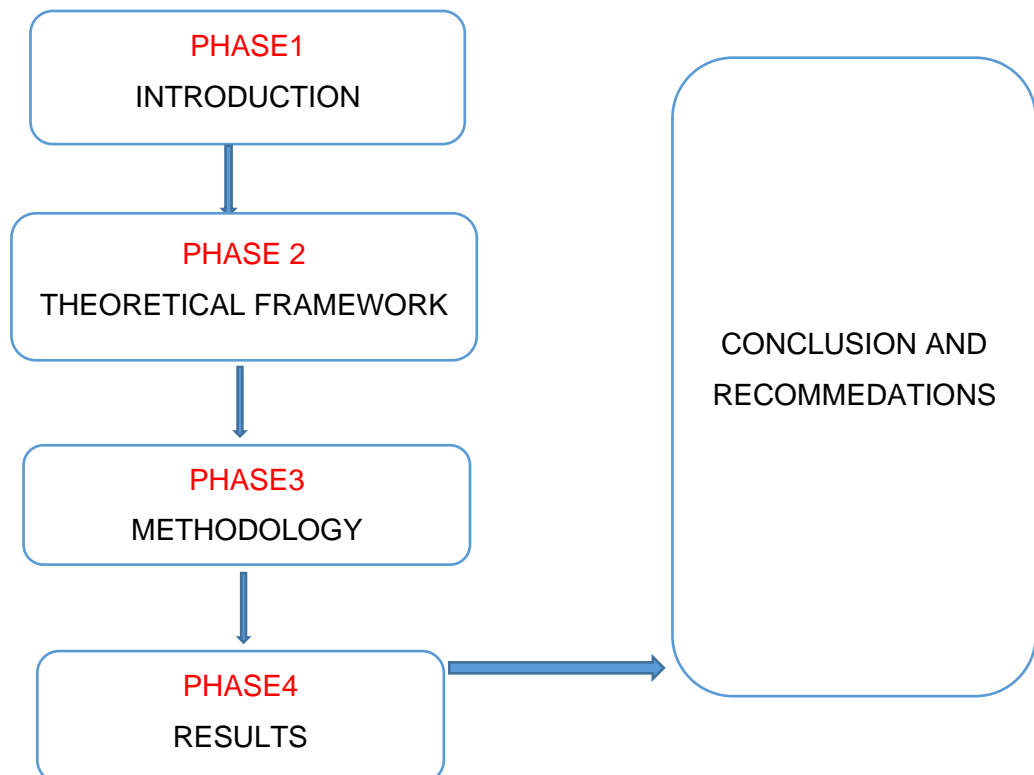


Figure 2 Report Structure

2 Customer satisfaction and hotel industry.

Today's business world has become so competitive, to gain success in service sector, it is essential for managers to understand their customer needs and level of customer satisfaction in process to gain competitive approach in the marketplace.

customer satisfaction is an important aspect in determining the performance and competition of an organisation, there are several factors that contribute to customer satisfaction. According to Cook customers buying behaviour is emotionally attached, and hence the more exceptional services are rendered, the more likely customers will become attached to the organisation (Cook 2015, 2).

2.1 Concept of customer satisfaction

Customer satisfaction is defined as an inclusive feeling of fulfilment, where customer expectation and perceptions are reviewed. Customer satisfaction is one of the most significant metrics in marketing, since firms view customer satisfaction as one of the key business goals for assessing the effectiveness of their business strategies .when a customer visits an organizations there are things he or she may expect and if the experience is not pleasant then the customer will end up feeling frustrated and might not visit the place again, same applies to when the experience is exceptional and the customer becomes emotionally attached creating that customer engagement, therefore customer satisfaction plays a fundamental role in achieving customer loyalty and profitability(Harris 2014,7).

The hotel industry customers are referred to as guests, after hoteliers are able to identify the needs and expectations of their guests, then they are able to offer the required services, Ford at all in his book, explains that hotel management attention should always be about the guest, since in this industry it's the guests who decide the value and quality of services, not the management making the industry experience a great challenge, mainly because what the management may think is quality the guest may consider it low depending on their status and expectation (Ford, Sturman, Heaton 2012 4-5).in the hospitality industry customers satisfaction is determined by three things, quality service, value and experience.an uniquely sense of feeling is what they want to experience and something that creates a memorable encounter, with monetary value. The services vary from checking in and out, to information giving and delivery. Apart from the tangible provisions the hotel guests receive, like the guest room and breakfast, there is the most important part, the process, how the staff's networks with the guests while serving them matters a lot, as all this creates the value (Baek, & all 2019).

2.2 Factors contributing to customer satisfaction.

Customers realize how satisfied they were after analysing several factors which are the sole determinants of customer satisfaction.

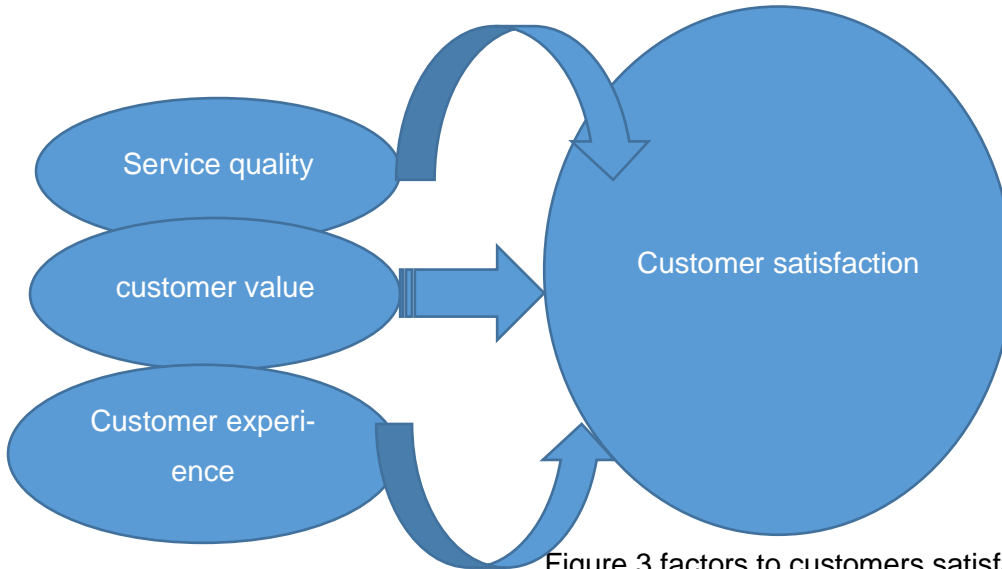


Figure 3 factors to customers satisfaction

2.2.1 service quality.

Service is explained in different ways, Ford et al (2012,7) says it is something rendered to somebody and it's not tangible, but tangible materials or equipment's are involved.

For organisations to be successful a compelling market orientation is required, where they will be able to fathom what the customers are looking for and what their competitors are offering, this will help the service providers to stand out and create customer experience that will lead to building solid bonds with customers (Bolton, 2016, 2).

In the hospitality industry, guest perceptions, anticipation, and experiences can change significantly and, hence, need of special services to satisfy the specific needs of customers. Doing extra ordinary for the guest, hospitality teams may be engaged in creative extra-role actions to meet the demands of various guests, with an aim of making them happy (Kang, & all 2019) therefore organizations should keep on examining their performance to ensure that their customers are getting efficient services and they are satisfied.. Staffs are now considered as assets in organisations as they are the ambassadors, hence they should have certain attributes for them to offer extraordinary services which will make the customers feel appreciated and make them have an urge of rebuying. Sufficient

knowledge of the products or services being sold is a key factor that makes an employee stand out, effective communication skills, which involves politeness and respect and a degree of professionalism with a cheerful attitude while serving the customers. to achieve this organisations should ensure that (Padlee & all 2019).

- Employees are trained regularly to ensure they have what it takes to create a solid relationship with guests. Training is necessary due to the technological advancements and the diverse market segments
- Employees are encouraged to be making decision for the benefit of the customers. This kind of empowerment makes the service provider feel competent in their work and they become creative in problem solving.
- Motivation is vital, the staffs require all the required impulse to deliver in their work. Appreciating work well done will raise the employee morale in delivering quality service as well as challenge the other staffs in working exceptionally.

If the service providers are well cared for they will be able to offer exceptional services ,however there are some challenges that are not within service providers control and may affect the provision of services ,they include, unreliable tools ,limiting company policies, customer difficulties in accessing services and out-dated procedures as well as government policies, (Harris,2014,21).

Services are divided into two, core services and peripheral. Core are the main services outlined to be provided by a company and this kind of services have value in them, since customers pay for them and they determine how satisfied the customers are, whether their expectations has been met. However, peripheral also described as additional, are the extra kind of services one gets without paying for, organisations use this kind of services to please their customers even though they don't add to revenue but in return may lead to customer loyalty.in hotels the extra kind of services provided includes ,free internet connection and candies although it depends with various destinations(Buswell , & all 2016, 53)

(Harris,2012,85) talks about the importance of effective communication to ensure quality service, he defines communication as a way of exchanging concepts and information as well as understanding among people. There are different ways of communicating and all service providers should be able to exercise them

- **Speaking.** Involves voice, where words are used to explain a certain thing to bring an understanding.it could be face to face or by answering call,

- **Listening.** A good service provider should be a good listener, to ensure they hear and understand their customers' needs. This shows that their concerns are well received and appreciated
- **Reading and writing,** some clients may have challenges in speaking and thus the only way to communicate with them is through written material, this needs patient since its time consuming. The author had an encounter with this, while working as front desk and persons with hearing problems needed information and the only way to communicate with them was through writing and reading.
- **Nonverbal communication.** Involves body language such as facial expression and the body posture, this depends on cultures and may be misunderstood for another thing, therefore service providers should be in apposition of understanding their customers in their body language.

According to Yarimoglu (2014, 80) services are hard to measure since they cannot be touched or counted. He further explains that to measure service quality perception is put into consideration, what the customers think about the services received and the kind of services they expected which is translated into customer gap.

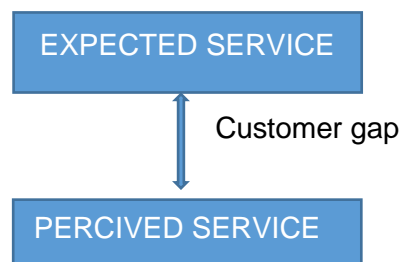


Figure 4 customer gap
(Zeithaml et al,2013,35)

For organisations to offer customer satisfaction the customer gap should be closed, this however is challenging since a clear understanding of the customer is vital. Zeithaml et al (2013,50) explains that most customers travelling to another country, have expectations based on what they get at their home thus the customer gaps vary from country to another.

Service quality is measured in five dimensions according to SERVQUAL model which compares the gaps between what the customer expected and what he got. When the customer expectations are low than the service perception then the customer is satisfied and had a service quality however when the vice happens the customer is dissatisfied and may not be loyal.

- **Tangibility.** Includes physical facilities, equipment, employees, and means of communication. Examples: available serving staffs, adequate parking, building are clean and maintained, the comfort of the lobby, and other amenities in the building.
- **Reliability.** Being able to stick to the promise, how dependable the services are.
- **Responsiveness.** Customers need to get assisted where need. Examples: quick handling of complains, and timely answers to their queries.
- **Assurance.** customers believe that the service providers have the information to their queries, and they may not misadvise them. Therefore, all the service providers need to have a great understanding of the product and services they offer.
- **Empathy.** Being attentive to customers' needs and be caring when serving them, choose words wisely especially when dealing with people from different cultures since words are differently interpreted in different cultures, (Kumar & Singh 2010,57)

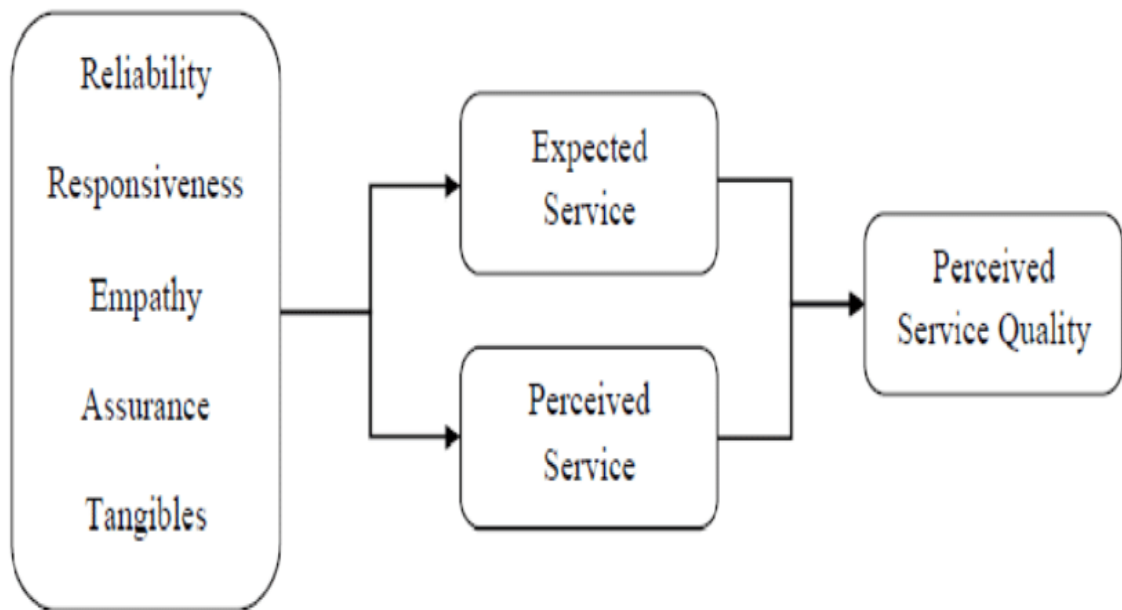


Figure 5 SERVQUAL MODEL.(Parasuraman et al

2.2.2. customer experience.

According to Bolton (2015,5) customer experience is a journey that the customer goes through from the beginning to the end of buying a product or service, this includes all the activities involved for the customer interaction with the organisation. Buswell et al (2017,9) defines it as an individual interpretation of the customer interaction and involvement with the organisation throughout the buying process and their impression at the end. Roy (2018) described customer experience as something that is established through customer cooperation with the service provider which leads to service quality perceptions.

Most organisations are now aiming at creating a formidable customer experience, where positions that take care of the customer experience has been created in some companies. This focus has been enhanced due to the numerous touch points, customers experience while interacting with companies, leading to a more complicated customer journey (Lemon &Verhoef,2016,69), companies need to have an understanding of the customer's journey - from the expectations they have before the experience occurs to the valuations they are liable to make when it's over. Using that knowledge, companies can devise an integrated series of "hints" that collectively meet or surpass people's emotional needs and expectations. The adopted meaning and value the hints take on can create a deep-seated preference for a certain experience and thus for one company's product or service over another's.

Lemon& Verhoef (2016 76) explains further about the customer journey, argues that the journey involves three steps, the **pre-purchase** stage which involves, the process of searching for the product/service. **Purchase** the customer interacts with the service provider face to face and finally the **post-purchase**, a way of following the customer to show that they are cared for ,in hotels it's good to tell them about loyalty programs and offer support where needed ,like the issues of lost and found as well as provision of a luggage storage room especially in budget hotels.

Customers consider a positive experience as a unique with memorable events and that is balanced. Customer experience provides a sensory, emotional, and cognitive behaviours which results to a strong relationship with firms.

Walden(2017,18-20)describe the customer experience as a process, where the customer identifies his/her needs, proceed to buy and end up having an experience after interacting

with the product or the service providers, its after that memories are created and the customer decides whether to continue being a customer there.

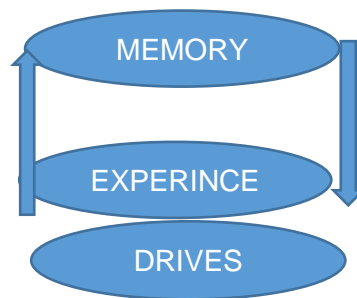


Figure 6 DEM
MODEL.(Wal-
den,2017,20)

The model by Walden indicates the needs of a customer leads to memory creation through experience and vice.

Customer experience might affect an organisation either positively or negatively. A positive customer experiences leads to customer satisfaction and therefore brand awareness is developed, since satisfied customer will market the organisations indirectly to their friends and relatives by word of mouth. This helps the organisations in spending less money in handling complains. Satisfied customers becomes loyal to a brand, thus leading to profitability(cook,2015 8-9).negative experience results to negative feedback ,this also makes the customer to look for better service experience from the competitor and at the same time give negative impression about the brand to other potential customer, which gives the organisations a bad reputation.

Cook (2015 7) explains ways in which a company can create an exceptional experience.

- **Personalised service.** Understanding that all customers are unique is important, since organisations can create and serve every customer based on their needs.
- **Extra services.** The focus of service providers should be to offer more than what the customer expected, giving the peripheral services. In some hotels a free ride to

the airport is provided, this kind of service is not expected by the customer therefore receiving it creates a sense of exceptional experience, that makes the customer journey easy and manageable.

- **Service recovery.** Taking customers feedback seriously helps the organisation in modifying the negative situations, this makes the customer feel honoured, by respecting his/her opinions. The customer is likely to come back for simple reasons that his views has been adhered to.

While customers experience may impact the firm negatively, organisations are not liable for the entire customer experience, since some situations that may lead to a negative experience are beyond the company's control. Some of the situations include a bad weather or the customers personal issues (Kim &Choi, 2013,323).

Neuhofer et all (2015) says apart from the price and the location of a hotel in determining the customer choice, experience is also playing a major role, therefore hotels need to personalise their service.by understanding the guests needs and preferences, service providers are able to create a good relationship through engaging them in creating the service.

Despite the growth of technology in the hospitality industry human interface remains to be a vital aspect in delivering a unique customer experience, the industry involves a solid customer relationship with the employee, most customers have difficulties in reading or using the technology, therefore the need for a person to explain things in a detailed manner. Customer experience, has been proven as difficult to measure since customers are unique, and hence their experiences might be different even though it's the same service Offered (Kandampully, et all 2018,16)

Customer experience is more of adding value to a customer rather than the organisations creating their own value, since experience is more of what customers think, feel, and believe, issues that inspire them to action. in return the customers give the company value through repurchase and free word of mouth advertisements (Walden,2017,34)

According to Walden(2017,173)for companies to create a memorable experience there should be a strong emotional touch ,which is more likely to be in form of human interaction, therefore even with the use of technology personalised services leaves the customers more satisfied.

2.2.3 value

Buswell et al (2017,11) explains value as the result of customers wellbeing after interacting with organisation. Value of something is determined by the customers based on the way services were provided and the expected outcome. According to Javed et al (2017,1-14) value is a total valuation of customers perceptions to what is received and what is provided. A viable business aims to create value to their customers and in return receive the value for their business creating a win- win scenario.

customers views and assessment of the value received in a relationship can have certain impact on whether to continue or leave the organisation (Chen 2015,107).in the recent years the internet usage and the growth of social media has led to significant changes in creating of value, initially organisations created the value but now customers have become co-creators, through their interaction with the brand and other customers on social media, customers share their experience about a brand or service and perceive the value they get from it (Buswell et al,2017,12-13).customers look at many aspects to perceive the value of the product or services rendered, the location of the business, financial resources and products knowledge are among the list, customers want a convenient location and assurance of the business financial muscle.(Javed et al ,2017,1-14).value co - creation is driven by the customer engagement and interaction with the company, where the company involves their customers in creating products and services that matches the needs of the customer, this alleviates the burden from the company ,since they don't develop unwanted products and leads to their customers being satisfied (Oyner.O&Korelina.A,2016)

Satisfied customers often find value for the services offered to them. Therefore, for customer to perceive the value of a product or service their expectations need to be met or even exceeded. value is directly related to satisfaction. When customers consider or think that their money didn't go into waste, they feel satisfied realizing the value for the service was attained, hence the greater the value to the customer the higher the price they would be willing to pay (Ishaq, et al 2014,90)

2.3 customer loyalty.

For businesses to succeed, customer loyalty plays a vital role, getting new customers, has been proven to be more costly than retaining the old customers, however customer retention is becoming a challenge to the organisations due to increased competition and customer exposure to information through internet. Organisations needs to be more careful on how they handle their clients to avoid losing them (Harris,2014,12)

According to Cambridge dictionary, loyalty is defined as “feeling of support or duty towards someone or something”.

(Khan 2013,169) “Loyalty is a positive belief in the value that a company provides, leading to increased purchases over time”. Loyalty is expressed through customers buying behaviour, where they get to interact with the brand more often.

According to Zena & Hadisumarto (2013,40), loyal customers exhibit some behavioural traits.

- Loyal customers refer others, to purchase product and services, they always market the product to their friends by word of mouth or through social medial.
- They do not mind spending more money in buying the brand.
- They attach much value to the company's products and services.

The increase market information to customers has led to, companies losing their clients to others, hence most organisations are working on getting loyal customers, who will stick to their brand regardless of changes made. Loyalty customers helps the companies in expenses reduction, lessor non-marketing will be done by the company since they already have customers by their side who also carry out the marketing roles (Khan,2013,172).

Loyalty is categorised into two, behavioural and attitude loyalty. The attitude loyalty is explained is customers sticking to the brand without intention of changing to another, while behavioural is not only having the customers purchase and repurchase but also going an extra mile and recommending others to the company. Loyal customers have some characteristics (Zena & Hadisumarto,2013,40)

- **Re-purchase**, the customers develops a preference for a certain brand after buying for the first time and therefore makes a comeback when in need of the same service or product or others in the same company.
- **Frequent buying**.no matter the adjustments made by organisations on prices, the customers keep coming back willing lily.
- **references**, the customers talk about the brand to their friends and colleagues and encourages them to use the same, citing its benefits.

- **Positivity**, loyal customers always talk positive things about the product or service, and they become the company's marketers through their positive reviews online and in person.

According to Harris (2014,156) loyal customers have significant value in a company. They understand the company policies better and working with them develops good returns. Organisations need to work on retaining faithful customers by rewarding them with excellent services and discounts, appreciating a customer breeds a solid relationship since all customers need apart from better prices, is courtesy. Create them an environment that makes them feel valued and respected and in return they become loyal and bring other customers leading to more profit.

Meyer-Waarden ,et all (2013) Most hotels use the customer relationship management tools, to improve on retaining old customers, and attaining new ones, to retain old customers use of incentives is used, some company's gives discount on repeat purchase and also the use of loyalty cards, most hotels have perfected the art of loyalty cards which makes customers to keep buying services with an aim of getting required points for a free night. However, if customer loyalty is based on price factor, then it's possible that, it won't last long since if a better price deal comes from the competitor the customer will go for it.

The use of CRM tools helps to create a long-term relationship between the organisation and a customer, which is founded on trust and dedication. CRM keeps the customers information, like contacts, and therefore to reach out to customers becomes easier. For customers to be retained, a lot of effort is required in developing a bold relationship between the two parties (Farheen &Sadia,2017).

3 Research methods.

When individuals or organisations need some information about certain things, a research is conducted to create credibility and validity. Therefore, research methods are a range of tools used to find out things that are not known, example what makes people buy a certain product over the other? (walliman,2011).

The researcher can choose the method of the research depending on the objective and choose either a primary data source or the secondary. Primary data are often based on current study and are precise, whereas secondary data are taken from the sources such as books and journals as a literature review. Often primary data are more reliable and can be taken as a source of getting feedback.

The researcher used questionnaires, to collect data from target population at the hostel and afterwards data was statistically analysed via Webropol tool version 3.0.

3.1 qualitative and quantitative methods

Qualitative method is more word oriented than numbers, it involves clear description and interpretations of ideas and opinions, thoughts, and perceptions. This kind of method seeks to explain behaviours behind a certain issue. This includes, observations, cases and interviews, this method is rich in content but has several challenges (Williman,2011). Quantitative on the other hand, focuses on numbers, it aims in ranking things, count them, and form statistical samples which explains what is studied. Large volume is data is involved and the emphasises on statistical information rather than individual perception. This includes, surveys and random sampling (McCusker& Gunaydin,2014)

3.2 data collection process.

The researcher carried out the data collection in the hostel premises, according to the plans the researcher, was to collect the data while working as a part time reception but due to the **Covid 19** pandemic the plan changed and therefore, data was collected in the mornings when guests were checking out as well as when they were relaxing in the common areas. The process went for four weeks, primary and secondary ways of collecting data were used, in the primary way, questionnaires were given to guests to fill before checking out and to the staying guests, during their free time. The researcher explained, to the guests the need to improve satisfaction to them and thus their views and opinions would be more helpful in directing the management on where to improve their services, this strategy was to encourage more participation.

In the secondary way, observations and data mining from the website, trip advisor, and booking .com on customers reviews were used.

The researcher prepared survey questionnaire with a total of fourteen questions and the supervisor approved the questions. The process was very challenging due to the Covid 19 outbreak, which resulted to limited travel and the hostel had a very low guest turn out.

3.4 validity and reliability

Validity and reliability show the quality and confidence of the research. Validity denotes the extent to which the data presented in the research truly exhibits the incidents which the researcher claims to reflect. the designed measurements correlates with the actual measurements. Reliability on the other hand is the consistency of the results when the research is repeated on the same occasion and same situation. The results remain the same if repeated. (Heale.R, &Twycross, A,2015).

The researcher formulated the questioner based on the objective of the report, the questionnaire reflected the theoretical framework, there was no deviation from the report topic, the questions were approved by the supervisors and therefore, the validity of the report is accurate.

The report, however, lacks reliability due to the challenging data collection process, the global pandemic covid 19 which led to mass accommodation close up worldwide contributed to the low target population which in turn led to insufficient data. The researcher feels that if the same research is conducted at the same place at a different time when guests are many and without any fear of the virus then the results could be different.

To fill in the gap of the low data response the researcher did a data mining from the booking .com and trip advisor websites but the reviews could only feature some questions and hence it didn't give detailed answers.

4 Results and analysis

This chapter covers the findings of the research, which was carried out in mid of march to mid of April in the hostel premises, through a survey questionnaire. The results will be in figures and a detailed description. The findings will provide a clear picture of the customer satisfaction at the Hostel and will help in showing the hostel on areas they are doing good and where to improve. The number of respondents were thirty-five (35) which was contributed to the fact that, travelling was restricted due to the global pandemic.

4.1. findings and interpretation

This section illustrates figures and description of the surveys carried out in the Hostel, to answer the objective of the report. Respondents' demographics comes first, and services satisfaction comes at the end.

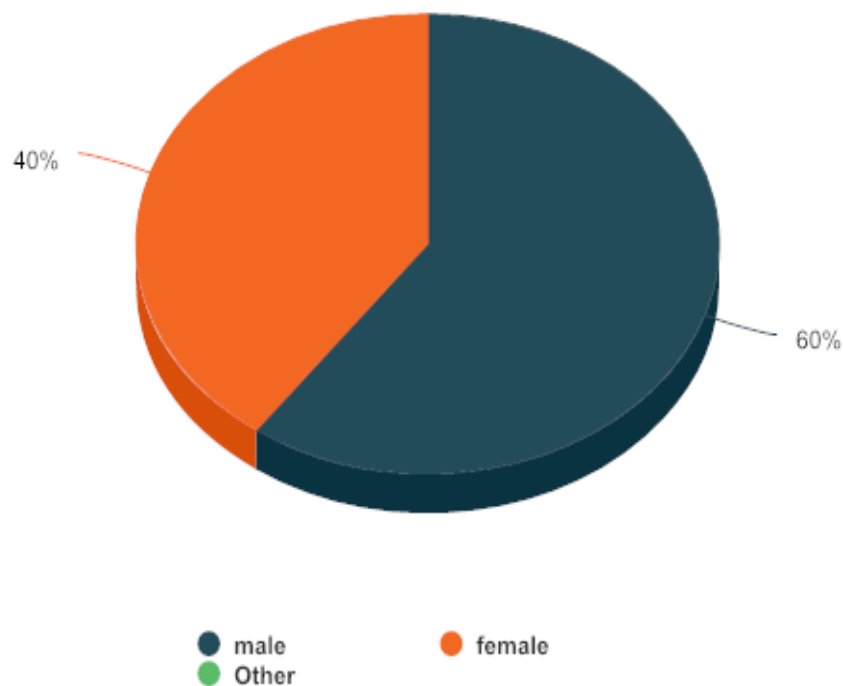


Figure 7 respondents gender.

Figure 7, indicates male as the largest customer in the hostel with 60% and female with 40%, the gap is not that wide

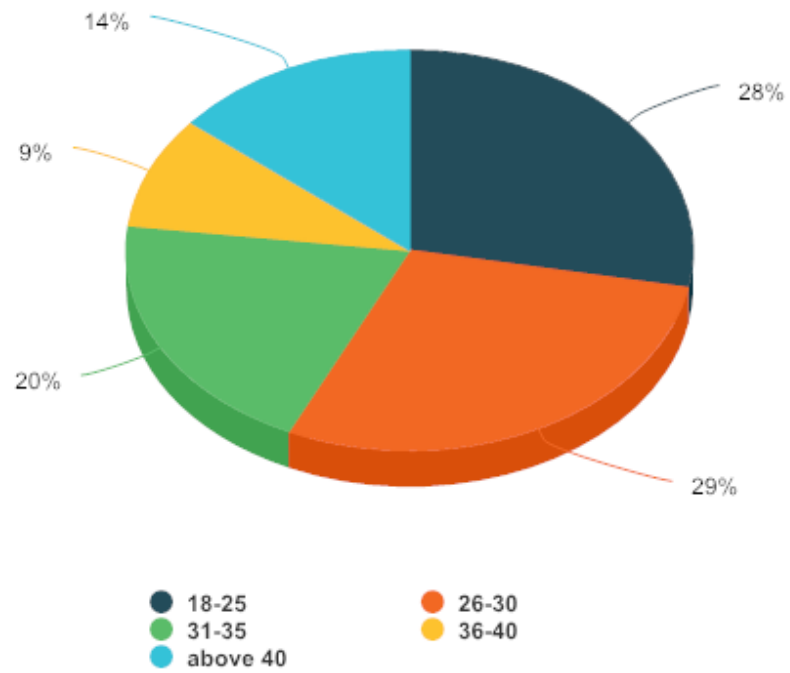


Figure 8,respondents age brackets,

As seen from figure 8, majority of the respondents were from the age group of between 18-25, and 26-30, with 28% and 29% respectively,20% were between 31-35,9% were age group between 36-40 and above 40 had 14 %.

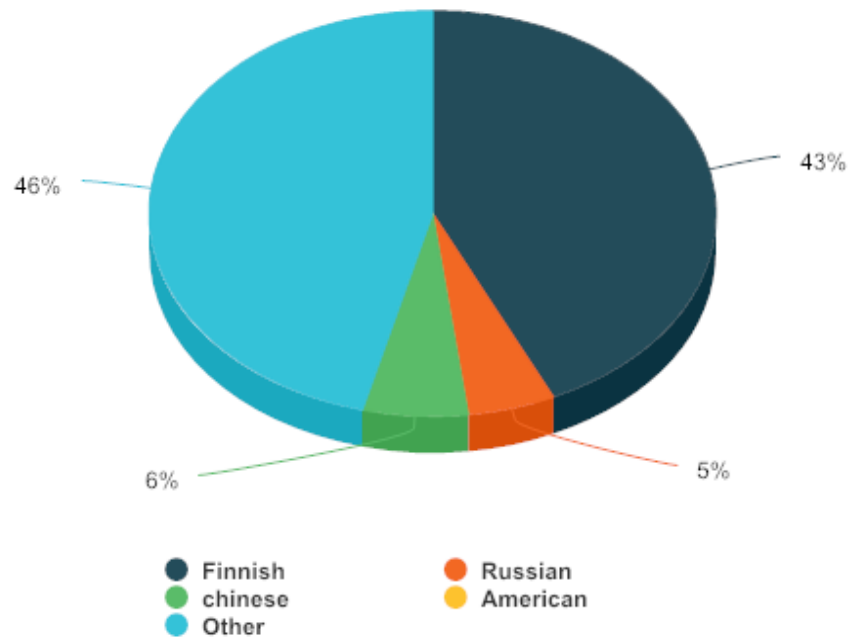


Figure 9 respondents nationality.

The larger group of the respondents which is 46% choose the category of other since their nationalities were not listed in the questionnaire, Finns were the second with 43%, this could be explained due to the covid 19 pandemic, where there were restriction of movements from other countries, creating a low number of customers from other countries. Chinese and Russians accounted for 6% and 5% respectively.

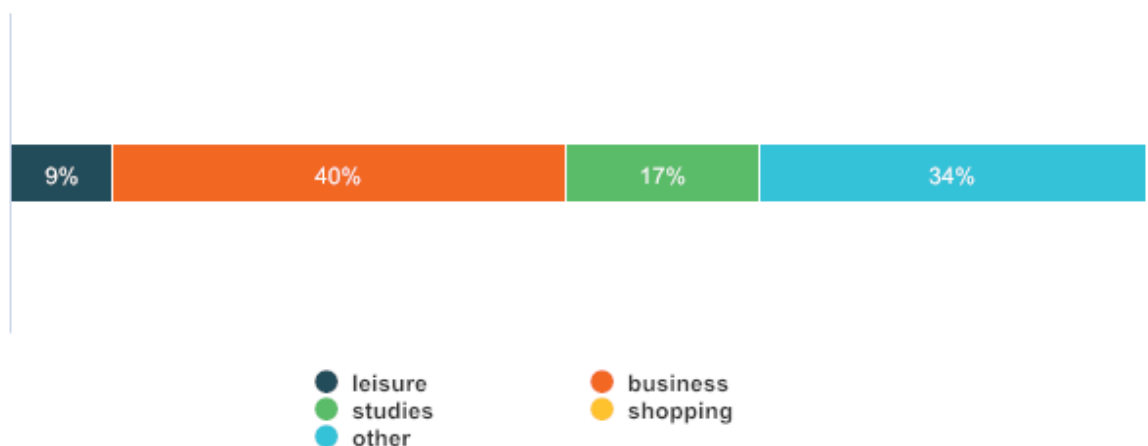


Figure 10, respondents travel reason

Figure 10 shows that majority of the respondents had travelled for business and work related issues, this group accounts for 40%,34% responded as to have travelled for other reason which were not disclosed, while 17% for study purposes and the least group had travelled for leisure which is 9%.

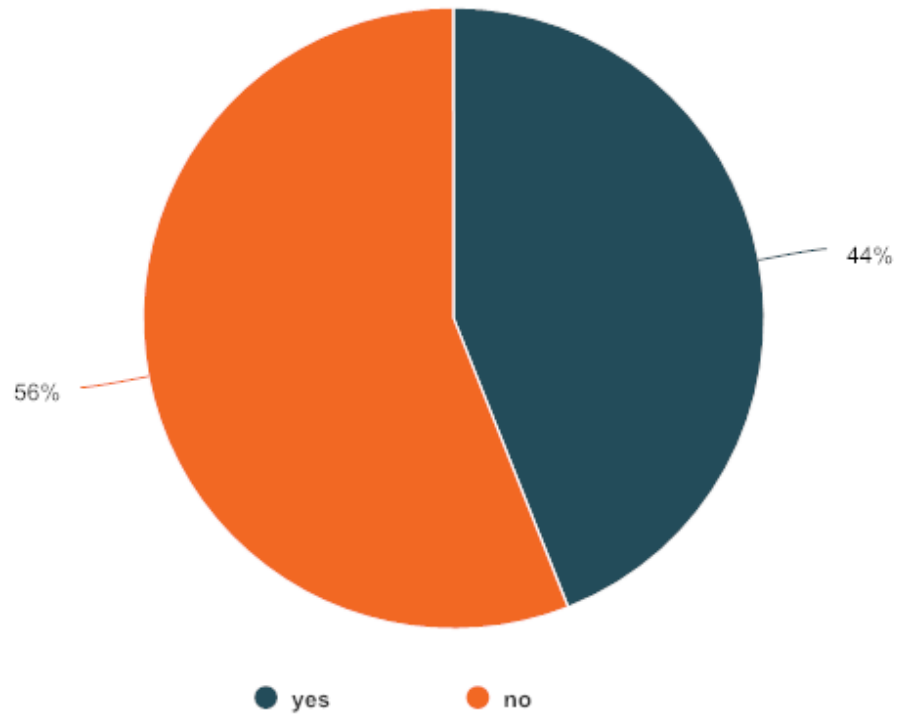


Figure 11 respondents previous visit to the hostel

As seen from fig 11, 56 % of the respondents have been to the hostel before while the first timers were 44%. therefore, majority of the respondents were loyal customers in the hostel.

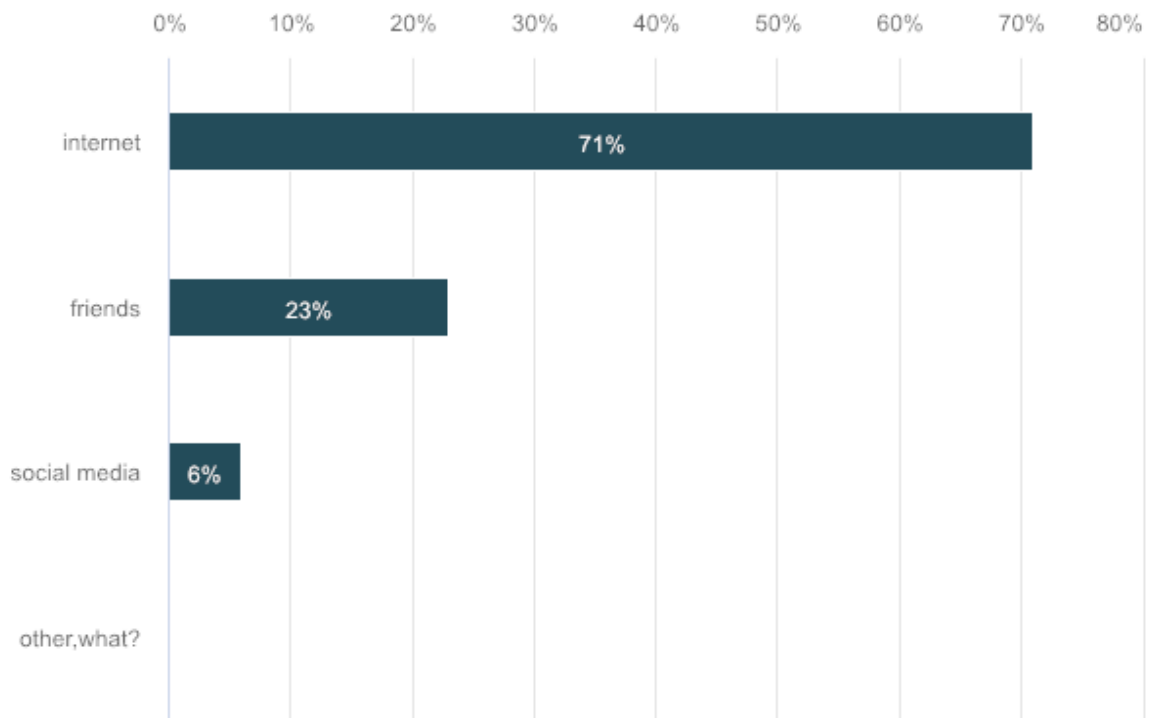


Figure 12,how customers learnt about the hostel

From the figure 13 above most of the customers got to know of the hostel through internet search,23% were referred to the hostel by their friends and only a small percentage of 6% used the social media in search of an accommodation.

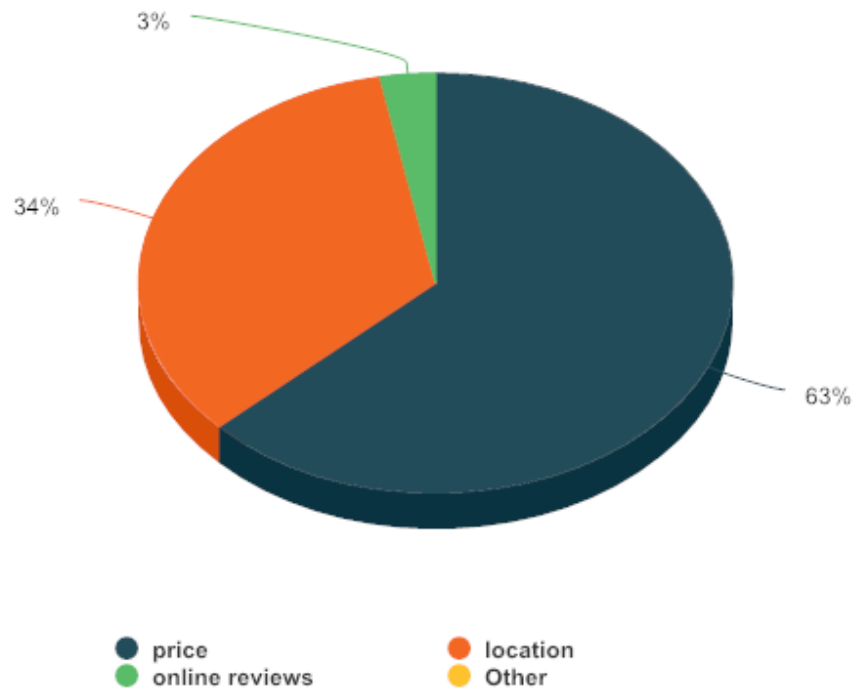


Figure 13 reason for choosing the Hostel

Figure 13 shows price is the highest factor why many customers chose Cheap sleep with 63%,location also was a great factor that many customers considered with 34%,and only 3% of the respondents looked at the online reviews and got motivated to book the hostel.

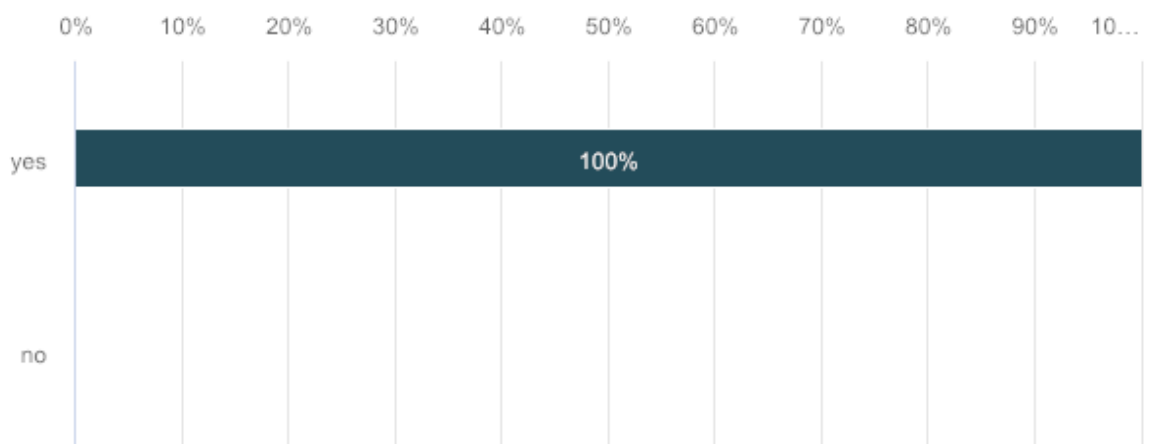


Figure 14 customer expectation being met.

Figure 14 states clearly that all the respondents were satisfied since their expectations towards the hostel were met.

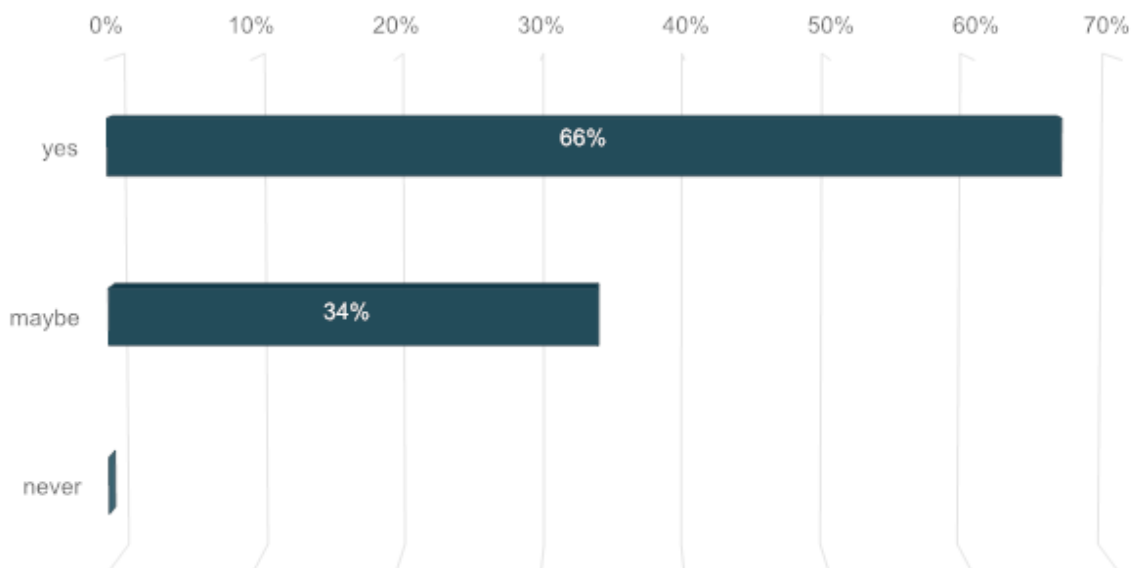


Figure 15 respondents willingness to revisit the hostel

As seen in figure 15, 66% of the respondents said they would come back to the hostel if need be while 34% were not sure whether they would but not a single customer gave no for an answer.

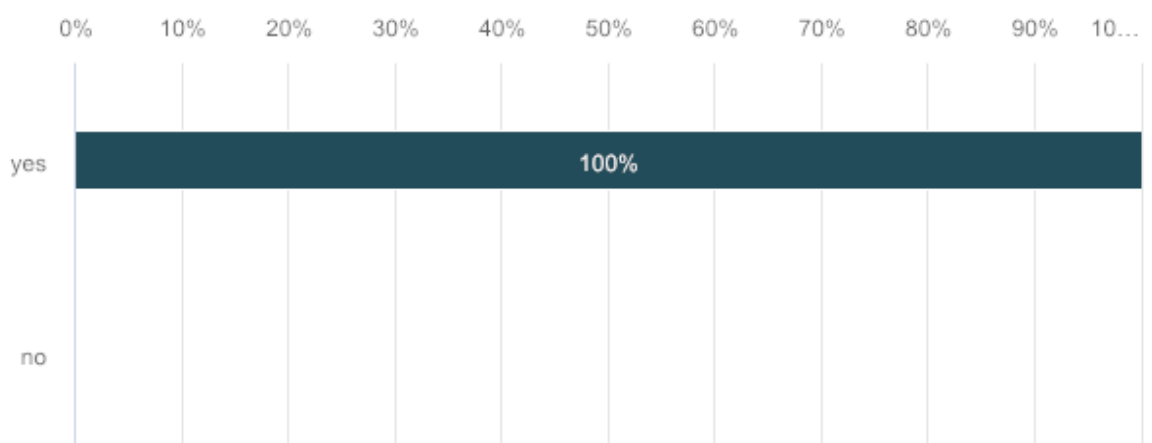


Figure 16 respondents willingness to recommend friends

All the respondents would recommend their friends to the hostel.100% response. From the thirty-five responses collected, there were no objection when asked if they could recommend their friends to the hostel.



Figure 17 customers feelings towards the hostel, services and facilities

The figure above illustrates the services offered at the hostel and how the customers think about them. The author made statement about different services and the respondent was

to tick if they, strongly agreed, agreed, neutral, disagreed or strongly disagreed. This was to draw a clear understanding of how the customers viewed the hostel and the offered services.

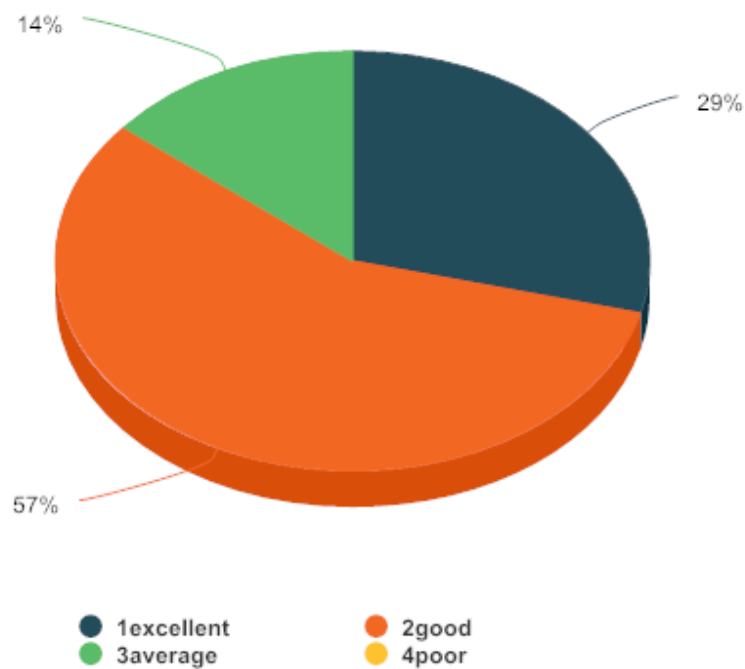


Figure 18 hostel rating

57% of the respondents rated the hostel in general as good ,29% excellent and only 14% said the hostel is on average.

The last question open one5 , where the customers were asked to give their opinions on areas they would wish improved to make their stay more memorable, most of the respondents didn't respond to the question, however some expressed their dissatisfaction on breakfast not being good and suggested that more varieties should be included and also should be provided all the time regardless of the situation citing the lack of breakfast provision during the corona pandemic. Another suggestion was that the hostel should improve on men's washroom cleaning citing they are so smelly.

Two respondents said they would appreciate if the hostel provided meals, since not every customer can make their own food.

4.2 Results from online reviews

The hostel rates 8.2 and described as very good, the total number of reviews 8,031. from the total reviews, 3742 customers rated the hostel as good, 2921 gave it an excellent, 1130 said its eligible, however there were a few who were not pleased and they rated the hostel bad about 196 and 42 reviews indicated that the hostel is really bad.

Free Wi-Fi and staffs have been rated the highest with 8.8 and 8.7 respectively. From the reviews the highest number of guests are solo travelers, followed by couples, and business travelers. travelers with children and those in groups of friends came in last.

Listed below are some of the latest reviews (Booking.com, cheap sleep Helsinki 2020).

1. "good" (7.0)

" Quiet location, good accessibility. Well-equipped shared kitchen.

Frugal breakfast. Noisy neighbors at night. Sometimes dirty kitchen after some guests."

2. "Average" (5.0)

"The security for the room and building was great but for the hostel

The room was fairly dirty with dust on the bed and floor."

3. "Very good" (9.0)

"Clean room and common areas. Good location, grocery shop on the first floor. Common kitchen and bathrooms are very nice and clean. Perfect for short stay. Thank you!"

4. "The best large hostel I've stayed in (and I've stayed in a few)" (10)

"I was in a 16-bed dorm. You might expect it to be a bit cramped, but it was wonderfully spacious, beds being grouped into fours and given privacy in alcoves. The hostel was sparkling clean. I saw employees cleaning at least twice a day. I also enjoyed the blueberry porridge served. Staff was very helpful and polite"

5. "good" (7.0)

The staff is really lovely

The music is a bit too loud all the time in the common spaces (4th floor)

5 conclusions and recommendations

The primary objective of the research was to determine the level of customer satisfaction in cheap sleep hostel. The researcher carried out a questionnaire survey in the hostel premises and got a total of thirty five responses which is relatively low to make an accurate conclusion, in addition comments from booking.com were analyzed to give a broader understanding of what the customers in the hostel think.

5.1 Conclusion on the level of customer satisfaction

Based on the responses received most customers were satisfied with the services offered, however there were some negative comments raised and may need improvement from the hostel.

Most customers mentioned the price as the determining factor for choosing the hostel, several respondents said the price corresponds to the services offered and one customer said “the price is way too cheap for the offered service, the hostel is doing much than they charge “

The responses indicated that most of the customers would not hesitate to come back to the hostel and recommend it to their friends and colleagues as well, however a few were not sure whether they would choose it again if need be. The staffs received a positive feedback on their work, more than five respondents said they were very happy with how the staffs handled their issues and complains, citing that they act very professionally.

The areas that raised concern were mostly, washrooms, noise and breakfast, the customers said that the washrooms were not well cleaned as they were smelly therefore more attention need to be put there. Several respondents complained about the noise in the hostel at night. The issue of breakfast was mostly due to the measures the hostel laid down due to the covid 19 pandemic. one customer said that the hostel should always provide breakfast no matter the situation ,that even with corona people still need to eat.

Above all the hostel in general was rated as very good and the services available were ok for such kind of a budget hostel. Therefore the researcher concludes that the typical customer in Cheap sleep hostel is satisfied with the services rendered, and also most of them are a repeat customer, since when asked whether they have been in the hostel before majority gave yes for an answer ,therefore the level of satisfaction has contributed to the loyalty of the customers.

5.2 Recommendations.

According to the study results the hostel should utilize the suggestions made by the customers in the report section. Some of the recommendations by the customers were, the hostel should provide variety of options in the breakfast, although some of the respondents were okay with the breakfast provided, most were dissatisfied and therefore the hostel should adhere to this complain, and improve on the issue of breakfast.

The management should also consider enlarging the breakfast area, this could be done by serving breakfast also in second floor to avoid congestion in fourth floor.

Provision of meals could also be a good idea, like have dinner in the hostel, this is mainly because not all customers can make their own meals and some could be tired to go looking for restaurants, this could be another income generating activity for the hostel as well as a way of reducing complaints about untidy kitchen, since few people will be using the shared kitchen.

Gents washrooms received complain, that they are smell. The author recommends thorough cleaning and frequent checking of the washrooms to ensure they are clean all the time.

Most customers got to know the hostel from the internet or friends, which clearly shows that the hostel social media pages has not impacted enough, therefore the hostel should work on the social media marketing ,to reach more customers.

To be able to improve the overall standard of the hostel more surveys need to be carried out regularly in the hostel, therefore the management should come up with a plan on how to collect the required data. While collecting the data it's good to consider a benchmarking with competitors so that the company has better understanding of the market and its own customer service level in comparison to other service providers of the same or of higher standard.

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APPENDIX

Customer satisfaction survey

1. Please select your gender

male female Other

2. Select your age blacket

- 18-25
 26-30
 31-35
 36-40
 above 40

3. What is your nationality

- Finnish
 Russian
 chinese
 American
 Other

4. What is your current city of residence

5. What is the reason for your travel

- leisure business studies
 shopping other

6. Have you been in Cheapsleep hostel before?

- yes
 no

7. How did you know about Cheapsleep

- internet
 friends
 social media
 other,what?

8. What made you choose Cheapsleep

- price
 location
 online reviews
 Other

9. Did the hostel meet your expectations?if not why

- yes
 no

10. To fully meet your expectation,what would you wish changed or developed in Cheapslee hostel?

11. On a scale of 1 to 5 give your opinion on the following statements about the Hostel and its services.

where 1=completely agree and 5 is completely disagree.

	1	2	3	4	5
	strongly agree	agree	neutral	disagree	strongly disagree
.....					
The price corresponds the level of services and quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hostel in a good location	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
reception team are friendly and professional.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Check-in and check-out was timely and efficient	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i always get satisfying answers to my queries	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The interior is well decorated	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The rooms are clean and comfortable	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The common areas are clean and nice.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kitchen is well stocked and clean	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air conditioning is well functioning.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The hostel is safe and secure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation to and from the hostel is efficient and convenient.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Nice Breakfast	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Music is sweet and comfortable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
..	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. would you visit Cheapsleep again?

- maybe
- yes
- never

13. Would you recommend Cheapsleep to your friends?if no why

- yes
- no

14. over all how would you rate your experience at the hostel.

	1 Excellent	2 good	3 average	4 poor
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>