

## **Managing Service Quality In Hospitality Industry**

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### **Abstract:**

Managing service quality in the hospitality industry comes down to how well hotels handle what they know about customers, employees, and overall hotel operations. If they get this right, they don't just make customers happy; hotels actually boost the whole organization's performance. Qualitative service is changing the game. Hotels and other service providers are using quality service to keep up customer level of satisfaction to do better than ever: attracting more guests, making loyalty programs smarter, and driving up profits. Service quality typically associated with a challenge of customer loyalty always matters that how hotels take customer data - every interaction, every feedback, everyday learning at every touchpoint and turn it into real knowledge for the employees. Service providers must use this information to improve their skills and the way they serve guests, that's when service quality progresses, transforming information into action. The study concludes that customer domain information can be gathered through interactions with them during the service within the hotel itself. The criterion for deciding whether service quality and customer satisfaction is successful or not, is to effectively transform customer experience into employee knowledge and their service quality improvement.

**Key words:** Service Quality, Customer Satisfaction, Employee Knowledge, Customer Experience and Customer Feedback.

### **Introduction**

The paper deals with fact that managing quality brings lasting benefits to Hospitality industry, as a whole, most of them gain profits through employee skill development and knowledge; customer experiences; and customer feedback. Service quality brings benefits to the Hotels that generate a lot of information about customers and converts it into employee knowledge. It is evident that such ambitious aims can only be achieved through implementing good service quality, which will result in establishing fruitful relationship between Hotel and their customers. The study also focuses on the process of identifying quality gaps, and mounting and honing these gaps while delivering services and recording the customer experiences in the hotel itself.

Service quality determines the hotel's ability to execute plans and enhance quality of services offered along with amenities and ambience at the hotel. Suffice it to say that hotel industry, like any business sector is highly competitive to be able to do well in the business environment, therefore, it is of utmost importance for hotels to encourage interactive patterns of continuous visit and to retain customersatisfaction.

The renowned SERVQUAL Model, developed by *Zeithaml, Parasuraman, and Berry* in the 1980s, remains a highly esteemed framework for evaluating service quality. This study also focuses on

Quality service that is identified in different means to different customers; depending on the Hotel's brand, ambience, location, amenities, employee services, overall environment etc.,. However, to enrich the literature about it, this study will define it as a strategic approach that enables Hospitality Industry to use various internal resources, such as employees, amenities, environment and process of rendering the services to manage the relationship with customers for the whole of their lives cycles, in order to create a competitive advantage and improve an Hotel's performance.

Qualitative services will be ideally suited to the hotel industry, especially when implementing it successfully and effectively, taking into account that hotels receive a lot of data about customers. Such data that can be transformed into useful knowledge to employees and hotel management to satisfy the customers and make customer trip to the Hotel a pleasant one.

It is a proven fact that the multi- dimensions concept of Service Quality can be considered relatively new, because of the few studies, which are made on the Service dimensions of some service sectors such as banking and contact centers, thus the range of information on this concept is quite limited.

The study identifies the practical implications of five crucial dimensions of SERVQUAL: *tangibles, reliability, responsiveness, assurance, and empathy*. In the first instance to confirm that the main purpose behind customer-oriented service is to increase customer long-lasting satisfaction and to create customer-loyalty that ensures a tremendously positive impact on its hotel's performance. Similarly, employee orientation is a crucial factor in the successful rendering of quality service.

Customer oriented service quality can be achieved through a positive relationship between customer and service provider. The study supports that customer orientation leads to increase in Customer loyalty. Furthermore employee orientation towards customer information is also one of the beneficial sources that helps Hotels to understand their customer, and hence helps in delivering an appropriate plans to satisfy customer needs.

### **Objectives of the Study**

1. To study the conceptual framework that integrates the five dimensions of SERVQUAL with dynamic feedback mechanisms to transform raw customer data into actionable employee training modules.
2. To analyse the methodology for mitigating response bias and utilizing unstructured interaction data to build a more accurate representation of the "customer domain," ensuring that employee knowledge is based on comprehensive reality rather than skewed statistics.

### **Literature Review:**

The realm of direct interaction, acoustic features and speech emotion recognition have proven valuable for evaluating satisfaction in real-world environments, such as call centers, which shares similarities with hotel reservation and concierge interactions (Parra-Gallego & Orozco-Arroyave, 2021).

The theoretical grounding for service quality often rests on the SERVQUAL model, but modern applications seek to integrate this with operational management systems. For instance, frameworks combining SERVQUAL with Lean Six Sigma have been proposed to measure satisfaction and identify root causes of dissatisfaction in service companies, emphasizing a structured problem-solving methodology (Abboodi, 2025).

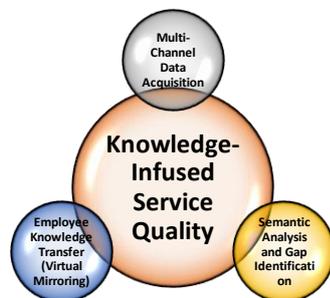
In the hospitality sector specifically, hybrid methodologies combining data mining and natural language processing (NLP) on review data have been used to identify key factors driving customer satisfaction in 5-star hotels (Yoo et al., 2022).

Crucially, the link between data and employee action is explored through concepts like "virtual mirroring," where communication patterns are analyzed and mirrored back to employees to promote self-reflection. This feedback loop has been shown to increase customer satisfaction by encouraging employees to be more responsive and use simpler language, demonstrating that transforming interaction data into employee self-knowledge is a viable strategy for service improvement (Gloor et al., 2021).

## Conceptual Framework

### Knowledge-Infused Service Quality (KISQ)

To effectively transform customer experience into employee knowledge, we propose the Knowledge-Infused Service Quality (KISQ) framework. This approach moves beyond static reporting by creating a continuous loop of sensing, analyzing, and educating. The framework is designed to operationalize the five dimensions of SERVQUAL (tangibles, reliability, responsiveness, assurance, and empathy) by using data not just for assessment, but for immediate knowledge transfer to staff.



### Module 1: Multi-Channel Data Acquisition and Bias Mitigation

The first step involves gathering customer domain information through various interactions within the hotel. Rather than relying solely on post-stay surveys, which are prone to positivity bias (Park et al., 2018), this module aggregates data from three sources:

1. **Explicit Feedback:** Traditional surveys and online reviews.
2. **Implicit Digital Signals:** Interaction logs from booking systems and digital concierge apps.
3. **Unstructured Interaction Data:** Transcripts or speech features from reservation calls and front-desk interactions, processed to detect emotional states (Parra-Gallego & Orozco-Arroyave, 2021).

### Module 2: Semantic Analysis and Gap Identification

Once data is collected, it is processed to identify gaps between customer expectations and perceptions. We utilize a hybrid methodology combining data mining and natural language processing to extract granular insights from reviews and interaction logs (Yoo et al., 2022). This analysis categorizes feedback into the SERVQUAL dimensions. For example, complaints about room cleanliness are tagged as 'Tangibles,' while notes on staff attitude are tagged as 'Empathy' or 'Responsiveness.' This module also utilizes causal analysis techniques to determine which specific service improvements (e.g., digital boarding vs. personal greeting) will have the most significant impact on overall satisfaction (Mirthipati, 2024).

### Module 3: Employee Knowledge Transfer (Virtual Mirroring)

The core innovation of this approach is the transformation of analyzed data into employee knowledge. Inspired by the concept of "virtual mirroring," the system generates personalized feedback reports for service teams (Gloor et al., 2021).

- **Mechanism:** If the semantic analysis detects a trend of low 'Assurance' in front-desk interactions, the system flags this training gap.
- **Action:** Employees receive anonymized examples of successful vs. unsuccessful interactions (derived from the analysis in Module 2).
- **Outcome:** This enables employees to self-reflect on their communication patterns—such as responsiveness and language complexity—facilitating behavioral changes that directly correlate with higher customer satisfaction (Gloor et al., 2021).

To validate this framework, a pre-post intervention study is proposed for a hypothetical full-service Hospitality industry.

1. **Baseline Measurement:** Collect 3 months of customer feedback and employee performance data using standard aggregation methods. Calculate baseline Net Promoter Score (NPS) and employee procedural knowledge scores.
2. **Intervention:** Deploy the KISQ framework. Implement the bias-correction algorithms (Manderscheid & Lee, 2024) and the employee feedback loop mechanism (Gloor et al., 2021).
3. **Comparison:** After 3 months, compare the predictive accuracy of satisfaction models (using Gaussian processes to account for dynamics (Naumzik et al., 2025)) and measure the shift in NPS.
4. **Hypothetical Success Metric:** The approach will be deemed successful if the "silent" customer segment (non-respondents) shows a predicted satisfaction increase of 10%, indicating that employee knowledge improvements are positively affecting all guests, not just those who fill out surveys.

### Practical Implications

The implementation of the KISQ framework implies a significant shift in how hotel management regards data. Instead of data sitting in silos for management reporting, it becomes a real-time coaching tool for frontline staff. By analyzing communication patterns and mirroring those back to the individual, hotels can nurture a culture of continuous self-reflection and improvement (Gloor et al., 2021). Further, using advanced rating aggregation methods allows managers to see beyond the "average" score, helping them identify dynamic changes in service quality that a simple mean would miss (Naumzik et al., 2025). This is particularly relevant for 5-star hotels where maintaining a pristine reputation requires understanding the subtle factors of satisfaction hidden in review text (Yoo et al., 2022).

The transformation of customer experience into employee knowledge involves ethical risks regarding employee surveillance. The "virtual mirroring" technique, while effective, could be perceived as micromanagement or an invasion of workplace privacy if not handled transparently (Gloor et al., 2021). It is crucial that the data is used for *development* rather than *punitive* measures. Additionally, the inferred satisfaction ratings for non-respondents (Park et al., 2018) effectively attribute opinions to people who chose not to speak; organizations must be careful not to make aggressive marketing decisions based on these inferred, rather than explicit, consents.

### Conclusion

Managing service quality in the hospitality industry is a complex endeavour that requires more than just making customers happy; it demands a systemic transformation of customer data into organizational intelligence. This paper argued that the key to sustaining high service quality lies in how hotels handle the information they know about customers and turn it into real knowledge for

employees. By moving beyond simple average ratings and addressing the positivity bias inherent in surveys, hotels can gain a truer understanding of the customer domain. The proposed framework highlights that the criterion for success is the effective conversion of customer experiences—captured through robust, multi-channel analysis—into improved employee skills and service delivery. Ultimately, when service providers use this processed information to refine their interactions, service quality progresses from a static metric to a dynamic engine of organizational performance.

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