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## Measuring Hotels Service Quality in Nigeria: A Case Study of Minna Township

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### ABSTRACT

The hotel industry in Minna, Nigeria has experienced tremendous growth in numbers in recent times. Despite this growth, nothing seems to be known about the quality of services provided to customers by these hotels from the customers' viewpoint. Thus, this study investigates the relationships between service quality, perceived value, customer satisfaction and behavioral intention in the hotel industry in the town of Minna, Nigeria. A structural equation modeling (SEM) approach was applied to test the proposed conceptual framework using data collected from 263 customers in eight 4-star hotels. The descriptive statistics result indicates that fairly appreciable quality services are rendered by the hotels and the structural model suggests that perceived value has a significant impact on the relationship between customer satisfaction and behavioral intention. The findings of this study provide implications for the operators of hotels in Minna to continue to improve services rendered so as to enhance customers' satisfaction in order to gain their loyalty.

### KEYWORDS

Behavioral intention; customer satisfaction; perceived value; service quality

## Introduction

Prior to the commencement of the democratic dispensation in 1999, hotel development in Minna, Nigeria has been on a slow pace. The ones available then were predominantly low class categories offering range of services to tourists such as business travellers who visit Minna for some business engagement and Minna residents who find it comfortable to have time outside their homes. The stabilization of democracy in the town brought about sporadic spring up of 4-star hotels each providing services whose quality are unknown in the hospitality literature especially from the customers view point. Notable of these 4-star hotels are Doko hotel, Golden palace hotel, Brighter suite, Yanna hotel, Akana hotel, Dogonkoli hotel, Saftec Hotel and Alovera hotel among others. The development of the 4-star hotels are

more when compared with other high-class hotels such as the 5-star hotels. This kind of development calls for an empirical investigation on the quality of services they render to their customers.

There is consensus among scholars in the management, tourism and hospitality industry that the quality of service provided by hotels affects customer satisfaction and behavior. Thus, there is a need for hotels management to step up their services in order to compete favourably with numerous rivals in the industry. Nowadays, in a severe competitive environment, the most central factor for sustainable competitive advantage is to provide the best possible service quality which will result in improved customer satisfaction, customer retention and profitability (Sureshchander, Rajendran, & Anatharaman, 2002).

The growth of hospitality services plays an important role not only in the expansion of the tourism industry, but also in the prosperity of the country as a whole. Moreover, the competitive advantage of the service component within the hospitality offering has become increasingly evident as customers increasingly perceive little to differentiate among the myriad of comparable hospitality firms' product offerings. Therefore, almost all hospitality firms are striving to gain market leadership by providing a superior quality of service in order to gain customer satisfaction. Such services are today the basis for their competition and not hotel physical products (Grönroos, 2000).

The relevance of service quality is well recognized in the hospitality industry, since hotels cannot survive intense competition without satisfying their customers with quality service (Narangajavana & Hu, 2008). While managers believe it is important to provide a superior quality of service, the real goal of all hospitality firms is to gain the loyalty and positive word of mouth of its present customers in order to attract new customers. Essentially, it is argued that the success of hospitality firms that offer superior service will directly reflect on the image of the tourism industry (Hu, Kandampully, & Juwaheer, 2009). Previous studies have clearly indicated that customer satisfaction has both a direct and indirect influence on behavioral intention in the hotel industry (Kandampully & Hu, 2007); hence, customer satisfaction is imperative for gaining customer loyalty in the hotel industry. Furthermore, perceived value is an important concept, as it is believed to have an influence on customer satisfaction and behavioral intentions (Cronin, Brady, & Hult, 2000).

Although there exists a large body of literature including models and theories of hotel customer behavior, most of the previous studies were conducted in the developed countries. To date, even with the sprung up of 4-star hotels in Nigeria and specifically in Minna town, there is still paucity of studies on hotel services. Therefore, this research was conducted with two objectives, which are to measure service quality of hotels from customer's

perspective and to ascertain the impact of customer perceived value on the relationship between customer satisfaction and behavioral intention.

## Literature review and research model

### *Service quality*

Although it is not easy to define the term ‘service quality’, the marketing theory has accepted it recently as being personal and subjective, where the customer’s perception is an essential element (González & Brea, 2005). Parasuraman, Zeithaml, and Berry (1988) developed a 22-item scale, called SERVQUAL, which comprises five dimensions including tangibility, reliability, responsiveness, assurance and empathy for measuring service quality. SERVQUAL has received criticism from a number of researchers (Brown, Churchill, & Peter, 1993; Carman, 1990; Cronin & Taylor, 1994), but despite all that, it has been widely adopted across service industries. It is based on the expectancy disconfirmation model, which states that evaluation of service quality results from comparing the perceptions of service received with prior expectations of what the service should provide. Research confirmed that SERVQUAL provided validly and reliably measured quality of service provided by hotels (Chang, 2008).

The five quality attributes of SERVQUAL were originally developed from the analyses of four industries where the moment of truth in the human encounter was emphasized. As such, the relevant research on SERVQUAL has mostly focused on the process quality of the human encounter (Dabholkar & Overby, 2005; Kang, 2006). Studies have shown that hotel service quality has a direct effect on customer satisfaction and behavioral intention (Baloglu, Pekcan, Chen, & Santos, 2003; Min & Min, 2005; Olorunniwo, Hsu, & Udo, 2006).

### *Customer satisfaction*

Customer satisfaction in the service industry has been important for many years. The goal of any customer-driven organization is to maximize customer satisfaction through the products and service offered. Satisfaction may be defined as “an overall evaluation of performance based on all prior experiences with a firm” (Skogland & Siguaw, 2004). A customer who receives what she or he expected in a hotel stay is most likely to be satisfied. Organizations that focus on customer satisfaction are able to build loyal clients who then serve to promote the organization further through word-of-mouth advertising referrals (Zeithaml & Bitner, 2003). Word-of-mouth recommendations from satisfied customers lower the cost of attracting new customers and enhance the firm’s overall reputation, while criticism from dissatisfied customer naturally has the opposite effect (Anderson, 1998; Fornell, 1992). Customer satisfaction with the

hotels involves many elements, such as the ambience of the hotel and the hospitality of the service provided to the customer (Choi & Chu, 2001). High-quality service and enhancing customer satisfaction are widely recognized as important factors leading to the success of companies in the hotel, catering and tourism industries (Choi & Chu, 2001; Legoharel, 1998).

There has been considerable debate about whether satisfaction is an antecedent to, or a consequence of service quality, or indeed if they are distinct constructs (Buttle, 1996; Liljander & Strandvik, 1997). The bulk of the literature tends to support satisfaction as an outcome of service quality (Brady & Robertson, 2001). The view that appears dominant in the available literature is that evaluation of the quality of the service provided determines, along with other factors, the customer's level of satisfaction with the organization or service provider. Additionally, several recent studies support the dominant position that satisfaction is a consequence of service quality (Brady & Robertson, 2001).

### ***Behavioral intention***

Numerous researchers in various settings have examined the formation of behavioral intentions to better comprehend customers' purchasing behaviors (Han, Hsu, & Sheu, 2010; Han & Ryu, 2006). While the definitions of behavioral intentions vary across the previous literature, researchers generally agree that behavioral intentions are one's readiness/likelihood to conduct a specific behavior (Han & Ryu, 2006).

Several studies have modelled service quality as an antecedent of behavioral intention and found a significant link (Boulding, Kalra, Staelin, & Zeithaml, 1993; Zeithaml, Berry, & Parasuraman, 1996). Perceived service quality may have a direct effect on behavioral intention (Alexandris, Dimitriadis, & Markata, 2002; Baker & Crompton, 2000; González & Brea, 2005). Accordingly, an indirect relationship through intermediate variables is also evident in some studies (Bou, Camisón, & Escrig, 2001; Jeong, Oh, & Gregoire, 2003). Highly satisfied customers are more likely to purchase goods and services offered by the same organization. Customer satisfaction also plays a critical role in improving the reputation and image of the organization through word of mouth (WOM) of satisfied customers (Lee, Lee, & Kang, 2012). There is enough evidence to suggest that it is the satisfaction of the customer that ultimately determines their future intentions and behavior towards the service (De Ruyter, Bloemer, & Peeters, 1997; Taylor & Baker, 1994). Bitner, Booms, and Tetreault (1990) found that overall satisfaction had a direct influence on how likely customers were to reuse the services. Thus, given the evidence available in the literature and the established relationships in the foregoing discussion, the following hypotheses are proposed:

*H1: Service quality has a significant positive effect on customer satisfaction.*

*H2: Service quality has a significant positive effect on behavioral intention.*

*H3: Customer satisfaction has a significant positive effect on behavioral intention.*

### **Perceived value**

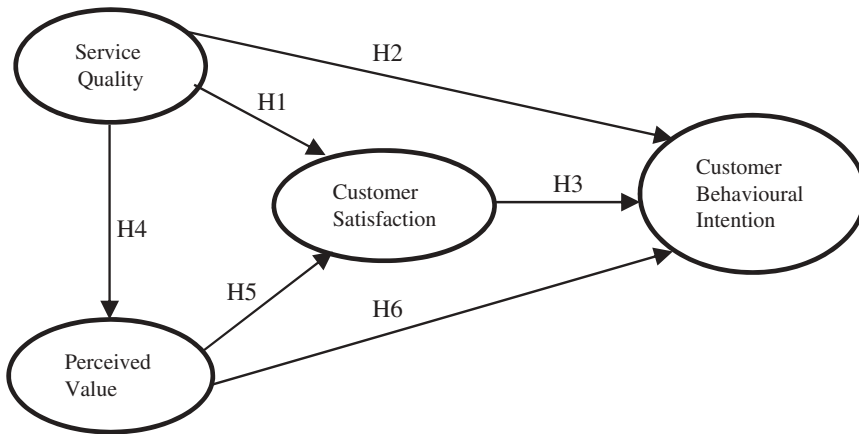
Customer perceived value has been discussed in marketing research for a long time. Indeed, understanding and delivering customer value is seen as a cornerstone of marketing, competitive strategy (Khalifa, 2004; Lindgreen & Wynstra, 2005), retention of customers and relationship management (Payne, Holt, & Frow, 2001; Roberts, 2000). Zeithaml (2000) defined perceived value as the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given. Perceived value is conceptualized as the consumer's evaluation of the utility of perceived benefits and perceived sacrifices (Zeithaml, 1988). In other words, consumers may cognitively integrate their perceptions of what they benefit from and what they have given up as a sacrifice in order to receive services (Choi, Cho, Lee, Lee, & Kim, 2004).

In the hotel industry, perceived value has been considered to be influential in determining travellers' overall satisfaction levels and their likelihood of returning to the same hotels (Choi & Chu, 2001). Also, the price of a hotel stay can play a considerable role in the satisfaction or retention of customers. Notably, hotel service providers who are perceived to offer a high-quality service also are considered to be good value (Chang, 2008). It is well established in the marketing literature that higher value perceptions lead to higher repurchase intentions. Customers who think that what they have received was worth what they have given up have been found to be more likely to purchase from the same provider (Wu, Liu, & Hsu, 2008). Therefore the relationship between hotel customersatisfaction and behavioral intention appears strongest when the customers feel that the hotels they had lodged provide higher overall value than that offered by their competitors. On the basis of these arguments, the following hypotheses are formulated:

*H4: Service quality has a significant positive effect on customer perceived value.*

*H5: Customer perceived value significantly and positively influences customer satisfaction.*

*H6: Customer perceived value has a significant positive effect on customer behavioral intention.*



**Figure 1.** Research model.

*H7: Customer perceived value has a significant impact on the relationship between customer satisfaction and behavioral intention.*

Figure 1 represents the conceptual research model.

## Research methods

### Survey instrument and data collection

A self-administered questionnaire was used to obtain information for this study. The items for the four constructs were adapted from previous studies related to the measurement of service quality in hotels such as studies by Yilmaz (2009), Ramzi and Mohammed (2010), González and Brea (2005) which used the SERVQUAL model for developing variables measuring the constructs used in their studies as the model is the most acceptable of all service quality measurement model and the items on the constructs used by them have high reliability and validity. Some little modifications were carried out on the adapted instrument in order to suit the context of the study and to ensure that respondents clearly understand what was required of them as it relates to the hotels where they were lodged during the questionnaire administration.

The design of the questionnaire was based on a five-point Likert scale ranging from strongly agree to strongly disagree as Babakus and Mangold (1992) and Karatepe and Avo (2002) pointed out that a five-point scale works better and increases response rate and response quality. The first section of the Likert scale questionnaire contained 26 items covering all the five dimensions of service quality measurement, while the second, third and fourth part of the survey instrument contained four (4) items each measuring customer perceived value, satisfaction and behavioral intention. The entire survey instrument contained 38 items.

The actual administration of the questionnaires was conducted in a period of 1 month and ten (10) days from May 7 to June 17, 2014 in the town of Minna, Nigeria. Eight (8) 4-star hotels were selected for the survey out of which three were built 2 years ago and the remaining were established between 5 to 10 years ago. A total of 500 questionnaires were produced for administration. Before the survey, the managers of each hotel was contacted and the purpose of the research was explained to them after which they gave a go ahead. So questionnaires were given to the receptionist of each hotel who assisted in giving it to their customers as they check in and also collected them as they check out. This is considered to be a non-probability sampling (convenient sampling) as the hotel customers were easily more accessible to the hotel managers than the researchers (Cresswell, 2012). On June 18, 2014 a total of 263 completed questionnaires were received from all the hotels yielding a response rate of 52.60%.

### **Data analysis**

A three-stage data analysis procedure was conducted in this study using SPSS 21 and AMOS 21. First an exploratory factor analysis (EFA) was performed after data screening, followed by the estimation of the measurement model using confirmatory factor analysis (CFA). To closely examine the measurement model and ensure quality assessment of the measurement model, the model fits, composite reliability, convergent validity and discriminant validity of service quality, perceived value, customer satisfaction and behavioral intention were assessed. The structural model was tested to determine the significance of the relationships and finally Fisher's Z-transformation analysis was used to test for the direct impact of customer perceived value on the relationship between customer satisfaction and behavioral intention.

## **Results**

### **Exploratory factor analysis (EFA)**

In order to identify the dimensions of the variables that provide a good measure of the constructs used in this study, the variables were factor analysed using SPSS 21. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy test produced a value of 0.93 which indicate that the sample was adequate for factor analysis. We performed a principal component analysis with Varimax rotation on the data to explore the dimensionality of the 38-item scale, simplify the factor structure and increase the interpretability of the identified factors and most of the items loaded well. However, two (2) items measuring tangibility (the interior and exterior decoration in this hotel is quite attractive and the hotel has operating hours convenient to



all its customers), two (2) items measuring reliability (the time it took to check in and out is not too long and the hotel provides error-free records) and one (1) item measuring empathy (employees of the hotel have the knowledge to answer your questions) didn't load well as their values were less than .50 and so they were deleted. The analysis produced six (6) factors that accounted for a satisfactory 59.10% of the variance explained. The result of the exploratory factor analysis showing the descriptive statistics of the dependent and independent variables and the Varimax-rotated component matrix are presented in Table 1 and Table 2

**Table 1.** Descriptive Statistics

Variables	M	SD
<b>Service Quality</b>		
<i>Tangibility</i>		
The hotel has modern-looking equipment	3.70	.87
The hotel employees are neat appearing	3.86	.77
The hotel is clean	4.07	.76
Materials associated with the service are visually appealing at the hotel	3.82	.78
<i>Reliability</i>		
When you have a problem, the hotel shows a sincere interest in solving it	3.90	.79
The hotel provides its services at the time it promises to do so	3.78	.72
The front desk employee of the hotel accurately verify reservation request	3.58	.97
The reservation system (e.g., telephone and internet) is easy to use	3.95	.75
<i>Responsiveness</i>		
The hotel employees are courteous	3.67	.72
The hotel employees gave us special attention	3.69	.74
The hotel employees adapted services to our needs	3.74	.78
The hotel staffs are willing to help guests	3.55	.68
<i>Assurance</i>		
The staffs in the hotel are polite	3.85	.82
The staff imparted confidence to the guests	3.86	.87
The staffs are friendly	3.72	.73
The staff had sufficient support from the hotel to do their jobs	3.70	.86
<i>Empathy</i>		
The hotel employees quickly apologized when service mistakes are made	4.04	.82
The hotel employees listened carefully when you complain	3.96	.87
The hotel has your best interest at heart	3.88	.80
Employees of the hotel understand your specific needs	3.69	.85
The hotel gives you individual and special attention	3.66	.84
<b>Perceived Value</b>		
Services and products of this hotel are valuable	3.96	.87
Services given to customers by this hotel are good	4.04	.82
Charges for services given by this hotel are reasonable	3.66	.84
I got the services I paid for	3.88	.80
<b>Customer Satisfaction</b>		
I am satisfied with the services provide by this hotel	3.92	.75
If I had to lodge again in this hotel, I would still feel satisfied	3.96	.74
Lodging in this hotel was a wise decision	3.93	.76
I am impressed with the management of this hotel	4.01	.72
<b>Behavioral Intention</b>		
I would continue to come even if the service charge was high	3.75	.84
I consider this hotel the first on my list in this environment	3.36	.73
I would recommend this hotel to my friends and colleagues	3.72	.93
If I can, I intend to comeback to lodge in this hotel	3.93	.86

**Table 2.** Varimax-rotated Component Matrix

Variable	1	2	3	4	5	6
The hotel employees are neat appearing	.934					
The hotel has modern-looking equipment	.918					
The hotel is clean	.776					
Materials associated with the service are visually appealing at the hotel	.683					
The hotel provides its services at the time it promises to do so		.815				
When you have a problem, the hotel shows a sincere interest in solving it		.806				
The reservation system (e.g., telephone and internet) is easy to use		.723				
The front desk employee of the hotel accurately verify reservation request		.952				
The employees adapted services to our needs			.714			
The staffs in the hotel are polite			.676			
The employees gave us special attention			.840			
The employees are courteous			.930			
The staff had sufficient support from the hotel to do their jobs			.747			
The staffs are willing to help guests			.873			
The staffs are friendly			.704			
The staff imparted confidence to the guests			.559			
The hotel has your best interest at heart				.849		
The hotel employees quickly apologized when service mistakes are made				.878		
The hotel gives you individual and special attention				.613		
Employees of the hotel understand your specific needs				.762		
The hotel employees listened carefully when you complain				.657		
Charges for services given by this hotel are reasonable					.673	
Services given to customers by this hotel are good					.859	
Services and products of this hotel are valuable					.681	
I got the services I paid for					.527	
I am impressed with the management of this hotel					.811	
If I had to lodge again in this hotel, I would still feel satisfied					.666	
I am satisfied with the services provide by this hotel					.684	
Lodging in this hotel was a wise decision					.725	
I would recommend this hotel to my friends and colleagues						.778
I would continue to come even if the service charge was high						.613
If I can, I intend to comeback to lodge in this hotel						.697
I consider this hotel the first on my list in this environment						.862

Note. KMO = .93;  $p = .000$ ; total variance explained = 59.51%.

**Estimating measurement model**

A confirmatory factor analysis was conducted using a structural equation modeling (SEM) tool in AMOS 21 to evaluate how well the theoretical model fitted the data. SEM, which is a widely used statistical technique in the social sciences, combines CFA with path analysis (Nusair & Hua, 2010; Reisinger & Turner, 1999), and it incorporates latent variables into the analysis while accounting for measurement errors in the estimation process (Hair, Anderson, Tatham, & Black, 1998). The initial estimation of the model gave a chi-square/degree of freedom of 2.89, but some items had factor loadings less than .50 and were deleted. These items are a variable measuring tangibility, a variable measuring responsiveness, one (1) variable measuring

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assurance, two (2) variables measuring empathy and one (1) variable measuring behavioral intention. Overall, out of the 38 variables used for this study, only 27 of them provided a good fit for the model yielding the following model fit indices ( $\chi^2 = 321.57$ ,  $df = 128$ ; CMNI/DF = 2.51; GFI = .92; CFI = .96; RMSEA = .064). Based on the indices obtained, we conclude that the measurement model fitted the data fairly well (Hair, Black, Babin, Anderson, & Tatham, 2006).

The reliability, convergent and discriminant validity of the constructs were estimated by composite reliability and average variance extracted (see Table 3). The composite reliability for all constructs was above the recommended .70 level (Hair et al., 1998). Convergent validity and discriminant validity can be assessed by the average extracted variances (AVE) and all were above the recommended .50 level (Fornell & Larcker, 1981), which meant that more than half of the variances observed in the items were accounted for by their hypothesized constructs. Therefore, all constructs in the model had adequate reliability, convergent and discriminant validity because they all exceeded their threshold.

### Testing the structural model

Structural equation modeling (SEM) was conducted to test the validity of the proposed model and the hypotheses. A good structural model fit exists when there is reasonably high explanatory power (measured by  $R^2$ ), indicating the ability of the proposed model to explain variation in the endogenous

**Table 3.** Factor Loadings, Average Variance Extracted and Composite Reliability

Construct/Variable	Factor loadings	AVE	CR
Service Quality		.51	.80
Tangibility	.78		
Reliability	.83		
Responsiveness	.71		
Assurance	.82		
Empathy	.76		
Perceived Value		.77	.84
Services and products of this hotel are valuable	.93		
Services given to customers by this hotel are good	.86		
Charges for services given by this hotel are reasonable	.66		
I got the services I paid for	.82		
Customer Satisfaction		.74	.83
I am satisfied with the services provide by this hotel	.79		
If I had to lodge again in this hotel, I would still feel satisfied	.68		
Lodging in this hotel was a wise decision	.86		
I am impressed with the management of this hotel	.91		
Behavioral Intention			
I would continue to come even if the service charge was high	.57	.66	.73
I consider this hotel the first on mylist in this environment	.73		
I would recommend this hotel to my friends and colleagues	.79		

Note. Model fit indices result:  $\chi^2/df = 321.57/128 = 2.51$ , GFI = .92, CFI = .96, RMSEA = .064.

variables (Wu et al., 2008). In the present study, the  $R^2$  values for perceived value, customer satisfaction and behavioral intention are .47, .61, and .79. The proposed model achieves a fairly good fit. The modified structural equation model is illustrated in Figure 2 and standardized path estimates are shown in Table 4. All hypotheses were accepted except one. For instance, hypothesis 1 (H1) which assumed a significant and positive relationship between service quality and customer satisfaction was supported ( $\beta = .43$ ,  $p < .001$ ) while H2 had  $\beta = .25$ ,  $p > .05$  and was not supported Hypothesis 3 and 4 (H3 and H4) which proposed that a significant positive relationship exist between customer satisfaction and behavioral intention and between service quality and perceived value ( $\beta = .66$ ,  $p < .001$  and  $\beta = .54$ ,  $p < .01$ ) are

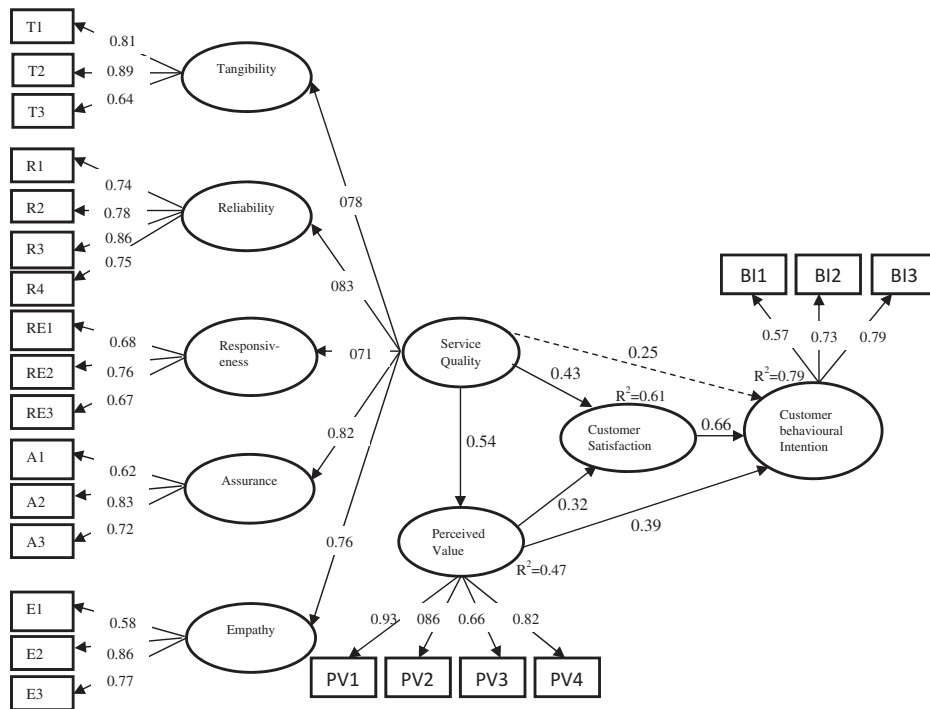


Figure 2. Results of AMOS parameter estimates.

Table 4. Structural Model: Standardized Coefficient Estimates and p Values

Path	Standardized coefficient estimates	p Value	Result
SQ CS	.43	***	H1 is Supported
SQBI	.25	—	H2 not Supported
CSBI	.66	***	H3 is Supported
SQPV	.54	**	H4 is Supported
PVCS	.32	***	H5 is Supported
PVBI	.39	**	H6 is Supported

Note. SQ = Service Quality; PV = Perceived Value; CS = Customer Satisfaction; BI = Behavioral Intention \*  $p \leq .05$ , \*\*  $p \leq .01$ , \*\*\*  $p \leq .001$ .

also supported. Moreover, hypothesis 5 and 6 (H5 and H6) are also supported with significant  $\beta = .32$  value,  $p < .001$  and  $\beta = .39$  value,  $p < .01$ , respectively.

### ***Impact of customer perceived value on customer satisfaction and behavioral intention Fisher transformation analysis***

The objective of this part of the paper is to ascertain if customers perceived value of hotels services has any significant direct impact on the relationship between customer satisfaction and behavioral intention. To achieve this, cluster analysis was used to divide the respondents into two groups based on their perceived value of hotels services since the latent construct of customer perceived value is measured by a 5-point Likert scale. The result of cluster analysis indicates that the centre at 4.52 points forms the high customer perceived value group with 136 respondents assigned to it while the low customer perceived value group were formed at centre 3.12 and 127 respondents were assigned.

To test for the direct impact of customer perceived value, simple regression was used to test the correlation coefficient between customer satisfaction and behavioral intention of the high customer perceived value and the low customer perceived value. Thus, the correlation coefficient (R) for high customer perceived value and for low customer perceived value as shown in Table 5 is .534 and .317 respectively. The R result obtained and sampling N were used to perform the Fisher's Z-transformation analysis which gave the Z-transformation coefficient of high customer perceived value as 0.715 and that of the low customer perceived value as 0.473. The Fisher's Z value is 2.114 > 1.96 and the one tailed test signifies that the correlation coefficients are not significantly different at 95% significant level. The result connotes that the data used in this paper provide strong evidence that customer perceived value has a significant impact on the correlation between customer satisfaction and behavioral intention which support hypothesis 7 (H7).

**Table 5.** Fisher's Z Transformation Analysis

	High customer perceived value	Low customer perceived value	Significance test ( $< 1.96$ )
Satisfaction Behavioral Intention			
Correlation Coefficient R (N)	(.534) (136) ***	(.371) (127)***	—
Z transformation Coefficient	(.715)	(.473)	2.114

Note. \*\*\* indicates a coefficient significant at 0.001 and the critical value for Z is 1.96 for  $p < .05$ .

## Discussion

This study is an attempt to understand how the service rendered by hotels in the town of Minna, Nigeria is viewed by the customers who patronize them as no study has been conducted in this context. It is also to determine the direct impact of customer perceived value on the relationship between customer satisfaction and behavioral intention. As our result indicated, the path coefficient signifies that there is a positive significant relationship between the service quality provided by the sampled hotels and customer satisfaction. By this result, H1 is accepted and this clearly signifies that the hoteliers in Minna have improved their services perhaps because of the increase in the number of hotels in the last 5 years and the intense competition that has set in. It also appears that there is some level of satisfaction on the part of the majority of the customers with the services given to them by the hotels. Thus, our finding is in agreement with the majority of the findings on this path. For instance, previous findings have established a positive relationship between service quality and customer satisfaction across the whole industry (Baloglu et al., 2003; Hu et al., 2009; Kuo, Chang, Chen, & Hsu, 2012; Min & Min, 2005; Olorunniwo et al., 2006; Seto-Pamies, 2012).

With regard to other hypothesis, the path between service quality and behavioral intention was insignificant, thus H2 was rejected. This finding is similar to what was obtained in the study of Hu et al., (2009) in hotels in Mauritius. The path between customer satisfaction and behavioral intention was significant which provide support for H3. This finding implies that service quality has an indirect relationship with behavioral intention through customer satisfaction in the context of hotels in Minna. The result of H3 is in consistent with the position of Vlachos & Vrechopoulos (2008) who argued that customer satisfaction should be recognized as a contributing factor in customer behavioral intention.

Furthermore, our finding indicates that there is a positive significant relationship between service quality and perceived value and between perceived value and customer satisfaction thereby confirming H4 and H5. It also reveals a positive significant effect of perceived value on customer satisfaction which gave support for H6. This implies that value derived from services enjoined from hotels in Minna determines the level of satisfaction of hotel customers. This finding further suggests that customers who received superior value from the services of the hotels are more likely to return to it in a future date or recommend it to others. The results also indicated that perceived value has a direct and an indirect effect on behavioral intentions via customer satisfaction. This result is in consistent with the results of studies in the service industry (Hu et al., 2009; Chang & Wang, 2011; Chang, Wang, & Yang, 2009; Hu et al., 2009).

Moreover, the test of the direct impact of perceived value indicates that it has a significant effect on the relationship between customer satisfaction and behavioral intention. This result agrees with similar studies in the service industry (Chang & Wang, 2011). This explains the cardinal importance that value for resources given out to obtain hotel services has in the determination of customer satisfaction and their positive attitude towards a hotel. As such, higher value on hotel services will lead to higher customer satisfaction which will in turn influence behavioral intention in a positive direction.

### **Managerial implications and conclusion**

From a managerial stance, this study has shown the significance of good quality service offerings by hotels, which is often necessary to provide increased perceived value and some level of satisfaction of hotel customers in order to gain their loyalty. Although the research finding reveals some degree of satisfaction with hotels services in Minna, this shouldn't make their managers go to sleep. This is because when any aspect of the service quality is deficient and customers become dissatisfied with service offerings they get from a hotel, it affects their ability to return to the same hotel another time even if the cost of getting services is low. Therefore, in today's world of intense competition, hotel managers should focus on improving customer satisfaction through continuous monitoring of the process by which services are offered to customers to guarantee that customers have access to appreciable services at all times.

For the purpose of survival, hotel managers have to maintain a delicate balance between catering to the most basic needs of their guests, and at the same time pampering them with all the comforts available, thus making their hotel stay an enjoyable and unforgettable experience. Thus, it is important for hotel operators to keep abreast of the current and future needs of the ever-evolving industry, and respond to the demands of increasingly sophisticated hotel guests. Innovation and creativity are crucial in maintaining a competitive edge in the hotel industry. Hotel operators need to create unique, distinctive service elements to exceed the hotel guests' expectations, translating their experiences into a favourable corporate image and behavioral intention such as customer loyalty.

Hotel managers must set quality standards that guarantee the quality of services as doing this will enhance perceived value. Perceived value should be recognized as a contributing factor to satisfaction and loyalty. Customers are mindful of the costs of obtaining the service, and costs matter in relation to satisfaction. In competitive hotel environments, managers should not only focus on service quality; quality is just one side of the satisfaction equation, but also carefully evaluate price competition, as it will be reflected in

customers' assessment of perceived value. They should be aware that there might be trade-offs required between increasing quality and raising prices.

### **Limitation and future study**

Every research endeavour has one limitation or the other and this study is not an exception. One of the limitation of this study is that it was conducted in Minna town in Nigeria using eight 4-star hotels that offer different services in terms of quality as such the results obtained may not really be sufficient enough to provide a generalization on hotel service quality for the entire country as hotel service quality in other part of Nigeria may differ. Therefore, future research on hotel service quality in Nigeria should consider selecting hotels of the same rating from the entire six geo-political zones. Using this approach will provide generalizable information about the nature of the services rendered by hotels in Nigeria.

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