

A Study on the Relationship between Customer Satisfaction and Employee Service Delivery at Sutera Sanctuary Lodges's Front Office Department at Kinabalu Park, Kundasang, Sabah, Malaysia

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Abstract. The purpose of this study is focused on the customer service delivery by staff of front office department of Sutera Sanctuary Lodges, at Kinabalu Park, Kundasang, and Sabah, Malaysia. It will look into the attitude, skills and knowledge of the staff on customer service delivery and its effect on customer satisfaction. There are gaps that were identified from the findings; the front line staff has English language issues. The low rating for knowledge and skills in their work area are a concern. As a three (3) Orchid rated lodges operation the standard and quality should not be compromised. There is a positive relationship of customer satisfaction and employee service delivery. Rating of poor service delivery has been noted in the survey in anticipating guests need with 1% below expectation, Speed and efficiency of check-in process with 1% rated below expectation, welcoming and greeting with 11% below expectation. This includes courtesies, helpfulness of staff and grooming all rated 4% in below expectation.

1 Introduction

The hotel industry today has been recognised as a global industry, with producers and consumers spread around the world. The use of hotel facilities such as rooms, restaurant, bar, nightclub is no longer considered to be a luxury. For many people this has become an integral component of lifestyle [1]. Today hospitality has grown more intense in competition providing increased choice, greater value for money and augmented level of service.

There are many factors that is significant in the customer service satisfaction in the global economy today. Some studies have focused on service climate and guests perceptions in China, employee clothing formality, employee service counter performance and effect and tangible quality [2]. For the hospitality industry to have the competitive edge is through service quality which is realized through employee-customer exchange, making service delivery by employee essential [2].

As service is mental intangible whereby it cannot be easily visualized and physically intangible where by it cannot be touched or experienced by other senses [3], it is essential for any organization to ensure service delivery is at its best. This will focus on the roles and responsibilities of the frontline employees.

Kota Kinabalu is one of the fast developing states in Malaysia catering both local and international visitors, with the steady positive consistency of international and domestic visitors to Sabah, it is an

opportunity for the retail, wholesale, hotel & restaurant (Food & Beverage) industry to optimize their attraction thus improve revenue productivity and contribute to Malaysia's GDP (Gross Domestic Product). Table 1.1 and Figure 1.1 shows the total domestic and International visitors for the year 2010, 2011 and 2012.

Table 1. Sabah Visitors Arrival for the year 2010, 2011 & 2012 (adapted from Sabah Tourism Board, HTML)

YEAR	MALAYSIAN	INTERNATIONAL	TOTAL
2010	1,708,716	795,953	2,504,669
2011	1,998,687	845,910	2,844,597
2012	1,933,996	941,765	2,875,761

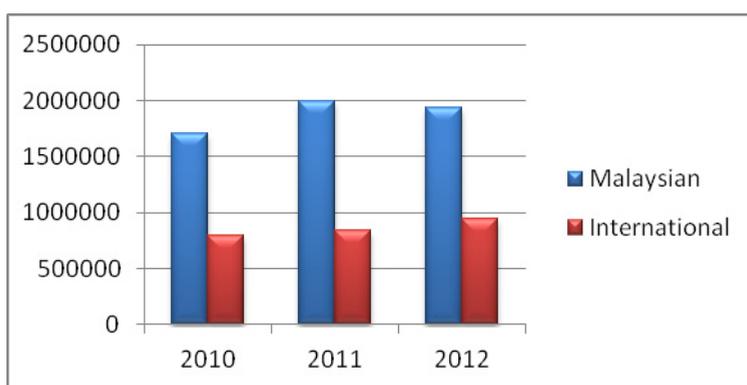


Figure 1. Sabah visitor arrival for the year 2010, 2011 & 2012 (adapted from Sabah Tourism html)

In spite the economic uncertainty experienced by the global community, international tourist arrival grew about 5 % between January and April 2008 [9]. Malaysia has become an eco-destination and agro-tourism for both the highlands and the lowlands [5], inheriting some of the world's acclaimed UNESCO (United Nations Educational, Scientific and Cultural Organization) world's heritage sites such as Kinabalu Park in Sabah since 2000, Gunung Mulu National Park in Sarawak and Melaka and George Town, historic cities of the straits of Melacca.

Therefore with the steady influx of tourist it is necessary to have support facilities such as renowned international reliable transportation system, financial and banking systems and other essential conveniences are mostly needed and provided by the private sector which was mentioned in YB Dato' Sri Azalina Dato' Othman Said, Minister of Tourism Malaysia speech in conjunction with the launch of The Malaysia Savings Sale 2008 (30th November 2008) at 1 Borneo, Kota Kinabalu Sabah. As such having the gems of Sabah Mount Kinabalu a World Heritage Site where the global community are its visitors, service delivery cannot be compromised.

1.1 Problem Statement

The management of Sutera Sanctuary Lodges has expressed its dissatisfaction in customer service delivery by the SSL Front Office Department at Kinabalu Park. This is evident in the 2013 consolidated report for the website comparison report where Sutera Sanctuary Lodges of Kinabalu Park staff service is marked 6.7 out of 10 and ranked number 14 among its competitors at Kundasang and Ranau district.

2.1 Tourism an Influencing Factor

Sabah has been experiencing a positive growth in the Tourism industry when in 2007 Sabah alone has welcomed 2.5 million visitors, up by 18.5% on 2006. Sabah has proudly racked in over RM 4.7 billion (USD 1.5 billion) in tourism receipts last year, accounting for 14.8% of the state's GDP (Market Bulletin, March 2008). The forecast for the year 2010 is 3.4 million tourist arrivals with receipts exceeding RM 6.5 billion (USD 2 billion).

In Malaysia beside Kuala Lumpur International Airport, Sabah's Kota Kinabalu International airport is ranked second busiest airport in Malaysia (Market Bulletin, March 2008). Therefore, KKIA LCCT2 is estimated 1.6 million to 1.8 million visitors would visit Sabah via terminal 2 in 2008 [7,8]. With the increase of international guests to Sabah and an impressive number opt to travel via LCC such as Air Asia, Fly Asian Express (FAX), Transmile and Malaysian Airlines (current reduction in price).

KKIA LCCT2 has been upgraded to provide a better improved air travel experience in Sabah and is evident with the flux of visitors domestically and internationally (Table 2.1, shows the figures of passenger movement and aircraft movement according to the respective year at KKIA, adapted from Malaysia Airport Holdings Berhad, annual report 2013). LCCT2 has 26 check-in counters for International & domestic flights, six air Craft parking bays capable of accommodating B737 and A320 aircrafts and catering 1200 passengers at any one time during the peak period [7, 8]. The passenger movement has increased 18.6% in comparison from the year 2012 to 2013 (refer to table 2.1). MAHB has reported that Kota Kinabalu International airport has received a total of 1,696,108 international passenger movements in the year 2013. Whereby 0.9% are from Southwest Pacific Region, 0.1% from the Middle East, 28.0% from South East Asia and a majority from North East Asia.

With the launch of Visit Malaysia 2014 the numbers of tourist are expected to increase and with the upcoming announcement of promotion on eco-tourism focusing on destination such as Kinabalu Park, Laban Rata, Meliau Basin, Danum Valley etc in Sabah it is crucial for tourism players to grab this opportunity and show case the gems of Sabah and at the same time the level of service rendered, this was mention in of Yang Berhormat Datuk Seri Panglima Masidi Manjun, Minister of Tourism Culture & Environment Sabah's speech during the soft opening of Sutera Sanctuary Lodges new administration office at KK Times Square on June 11, 2014.

Table 2. Statistics of Passengers Movements & Aircraft Movements from 2010 to 2013 (adapted from MAHB Annual Report 2013).

Year	Passenger Movements	Aircraft Movements
2010	5,223,454	55,241
2011	5,808,639	59,638
2012	5,848,135	58,366
2013	6,935,797	67,601

The necessary support facilities such as renowned international hotels, reliable system, financial and banking systems and other essential conveniences are mostly needed and provided by the private sector. With 107 international direct flights weekly to the state compared to 101 flights last year, Sabah is expected to enjoy a booming tourism landscape in the years to [9]. Large number of tourist visits the main site in the state of Sabah, whereby Kinabalu Park has 215,082 being Malaysian visitors and 70,384 being international visitors giving a total of 285,466 visitors alone for Kinabalu Park in the year 2012 [10]. Table 2.2 shows the day trip, Overnight and climbers for Kinabalu Park in the year 2012.

Table 3. Day Trip, Over Night and Climbers, Malaysian and International Visitors in the Year 2012, adapted from Sabah Parks HTML, May 2014.

Year 2012	Malaysian	International	Total
Kinabalu Park	215,082	70,384	285,466
Mount Kinabalu			
Climbers	25,686	28,196	53,882
Poring Hot Spring	308,704	38,513	347,217
Mesilau	22,945	1,399	24,344
Sub Station			
Nalapak	98	0	98
Sub Station			
Serinsim	3,418	52	3,470
Sub Station	1,009	9	1018
Sayap			
Sub Station			
Monggis	386	46	432

2.2 World Heritage Site

Kinabalu Park is well known to be the hot spot for tourist destination as it is a world heritage site. Located in the State of Sabah, Malaysia, on the northern end of the island of Borneo, Kinabalu Park World Heritage property covers 75,370 ha. Dominated by Mount Kinabalu (4,095m), the highest mountain between the Himalayas and New Guinea, it holds a distinctive position for the biota of Southeast Asia. Geologically, Kinabalu Park is a granite intrusion formed 15 million years ago and thrust upward one million years ago by tectonic movements and shaped by forces that continue to define its landscape. Despite its geological youth it is exceptionally high in species with living relics of natural vegetation remaining, over 93% of the Park area [10].

The altitudinal range of the property, 152m – 4,095m, presents a wide array of habitats from rich tropical lowland and hill rainforest (35% of the park) to tropical montane forest (37%), and sub-alpine forest and scrub at the highest elevations. Ultramafic (serpentine) rocks cover about 16% of the park and have vegetation specific to this substrate. The property has been identified as a Centre of Plant Diversity for Southeast Asia; it contains representatives from at least half of all Borneo's plant species and is exceptionally rich in species with elements from the Himalayas, China, Australia, Malaysia, and pan tropical floras. With records of half of all Borneo's birds, mammals and amphibian species and two-thirds of all Bornean reptiles the property is both species-rich and an important centre for endemism [10].

2.3 Sutera Sanctuary Lodges

Sutera Sanctuary Lodges was awarded a contract to manage Sabah Parks' accommodation and food & beverage service effective December 7, 2002 and the destinations awarded to Sutera sanctuary Lodges includes Laban Rata, Mesilau Nature Resort, Kinabalu Park, Poring Hot Spring and Manukan Island Resort.

Sutera Sanctuary Lodges has since upgraded the accommodation and food & beverage service to reflect the three orchid standard of service. In the organization (please refer to appendix G for the organization chart of SSL) each property has their own management team to manage to destination. All of which are controlled by SSL Head Office currently at Block B, Lot 9, Ground Floor, Signature

Office KK Times Square, Off Coastal Highway, Kota Kinabalu, Sabah. Such division of organization is to ensure all service rendered, meets international standards for SSL's international guests.

Kinabalu Park, in the State of Sabah on the northern end of the island of Borneo, is dominated by Mount Kinabalu (4,095 m), the highest mountain between the Himalayas and New Guinea. It has a very wide range of habitats, from rich tropical lowland and hill rainforest to tropical mountain forest, sub-alpine forest and scrub on the higher elevations. It has been designated as a Centre of Plant Diversity for Southeast Asia and is exceptionally rich in species with examples of flora from the Himalayas, China, Australia, Malaysia, as well as pan-tropical flora [10].

2.4 Hospitality and the Experience Economy

With the liberalization, privatization and globalization of economies the world over, the hospitality industry has undergone transformation through which it has emerged as an industry with a global orientation [4]. In the emerging experience economy, hospitality and leisure businesses are focusing providing individually customized hospitality and travel experiences to their guests orientation [4] to cater to the unique personal tastes and requirements by developing distinct value added components on their product and service offerings which are already consistent and high functional quality [4]. In the hospitality and tourism context, consumer experience are "multidimensional take away impressions or outcomes which result from engaging encounters that involve consumers on a sensory level, emotionally, cognitively, behaviourally and rationally rather than merely on a functional level, thereby creating memorable experiences [4].

Hammington (2007) Quote Lashley (2008), who state that "hospitality is essentially a relationship based on hosts and guests" and emphasize that it is the host- guest relationship which is the main distinctive characteristic of hospitality from which several other dimension emerge. In order to gain competitive advantage, frontline employees can be used as operant resources to co-create customer experiences [4].

Research has shown that with regard to the hospitality and tourism industry, the experience value of the products and services offered is increasingly playing a dominant role in influencing the customers' motivation to purchase the service [4].

From the review of literature have shown several researchers have sought to put forward a range of elements that influence consumers' experience. The product, employee behaviour and attitude, environment, interpersonal relationship and technical qualities are some of the important elements of experimental design that have a direct impact on consumers' experiences and consequently on their levels of satisfaction [4].

2.5 Attitude

Table 2.4 shows the different studies conducted on various facets which influence consumer experience. The table highlights, several of the studies have focused on the behaviour and attitude dimension and also environment. Attitudes are influenced by number of factors. Behaviour is an outcome of certain competencies and is influence by attitude, knowledge and skills [4].

Table 4. Dimensions influencing customer experience (Bharwani & Jauhari [4])

Authors	Material Products	Employee Behavior & Attitude	Environment	Interpersonal Relations	Technical Quality
Reuland <i>et al.</i> 1985	√	√	√	-	-
Bitner 1992	-	√	√	-	-
Carbone & Haeckel (1994)	√	√	√	√	-
Berry <i>et al.</i> (2002)	√	√	√	√	√
Pullman and Gross (2004)	√	-	-	√	-
Brunner-Sperdin and Peters (2009)	√	√	-	√	√
Hemmington (2007)	-	√	√	√	-
Walls <i>et al.</i> (2011b)	√	√	√	√	√

Bharwani and Jauhari [4] have discussed that gaps still exist in the current literature review in terms of elaborating in greater detail about the behaviour and attitude of front line staff, what are the specific competencies that are required to make them more effective in their job roles which involve guest interface. Bharwani and Jauhari [4] has mentioned that customer experience in luxury hotels and the role of physical environment and human interaction dimensions contributing to customer experience. However, competencies dimensions of frontline staff, which could affect the effectiveness of interaction between the customer and the employee was not elaborated. Bharwani and Jauhari [4] discussed that the competencies dimension impacting the customer experience in the context of the hospitality industry has not been explored.

2.6 Knowledge

Knowledge is classified as personal or shared and public, practical or theoretical, hard or soft. Internal or external, and foreground or background; however, the classification of knowledge is as tacit or explicit which is the most widely accepted categorization [11].

“Explicit” or codified knowledge is transmittable in form of systematic language. “Tacit” knowledge, is a personal quality which makes it difficult to formalize and communicate. Importantly, tacit knowledge is deeply rooted in an individual action, commitment and involvement in specific circumstances [11].

Explicit knowledge represents knowledge that can be (a) articulate ; (b) codified in a tangible form ; (c) documented and transmitted, stored in the printed and the electronic media; (d) stored in the external data bases (outside human mind); I available in organizational repositories (e.g. organizational databases, documents, computers, organizational manuals, databases of corporate

procedures and best practices) [11]; (g) is transferred from the “giver” to the “receiver” indirectly through information technology (i.e., direct face-to-face contact is required); and , (h) is not owned by individual [11].

Guchait et al. [11] suggest that tacit knowledge is the unarticulated knowledge that exists in human beings acquired by individual processes like experience, reflection, internalization, or individual talents. The presence of personal elements makes tacit knowledge valuable, rare, inimitable and non-substitutable [11].

Thus in order for frontline staff to function well and execute their duties is to have the knowledge of the process flow through the standard operating procedures set by Sutera Sanctuary Lodges, Front Office department at Kinabalu Park. This is in the form of both “explicit” and “tacit” knowledge.

Latest knowledge and skills are imperative for the people in the organization to increase productivity, lower costs and enhance customer satisfaction [12]. Knowledge and skills enhancement of the people is a basic necessity enabling the organization to incorporate the advent of new technology as well as new practices [12].

2.7 Skills

Skill is defined as an ability to do something well or an expertise in a subject matter (Oxforddictionaries.com HTML, June 2014). In the hospitality industry it is the skills set that are important to execute a task. Skill is part of the three main components that individual requires to do their jobs effectively. Skill can be developed or improved only through practice [12].

In the context of experience economy, the increasing competition levels and growing complexity in the global hospitality sector has changed the strategic and operational landscape in the industry [1] and skills set needed by the hospitality employees-especially the frontline employees, to work competently reflect these changes [4].

In the front office department of Sutera Snactuary Lodges at Kinabalu Park the Front Office Manager, Karen Richard has mention in the interview conducted June 4, 2014, that all standard procedures are documented and filed so that skills can be trained and transfer to the new and existing employees of Sutera Sanctuary Lodges in the Front Office Department.

The three main components that an individual must have in order to do their job effectively are knowledge, skills and attitude [12]. As jobs in hotels and catering are labour intensive, humans should be considered as the major asset of the hospitality industry [12]. Professional training is an essential requirement, especially in the current dynamic and highly competitive environment. The work of hospitality employees will continue to change as new technology develops [12].

Successful service organizations such as America Express, L.L. Bean, Disney, Marriott, Nordstrom, and J. C. Penney all make a clear commitment to training the employees who interact with the public, whether to provide service by telephone or in person. Their training program include formal classroom instruction that focuses on job skills and attitudes and the expectations of management, as well as on-the-job training that allows staff to learn about the organization and the work from interaction with co-workers.

3 Research Methodology

To undertake this project there are two types of data will be gathered. Primary Data is the type of data will be the main data or information used in evaluating the relationship between customer satisfaction and employee service delivery. The rest of the section is organized into four main sections, the research design, the target population and the sample size, methods of data collection, data analysis and interpretation. Secondary Data is the type of data will be used extensively in literature review to provide the framework for the study. Journals, Textbooks, newspaper bulletins, customer feedback, internet scores i.e tripadvisor.com, booking.com etc. and annual reports will be the source for this research.

3.1 Questionnaire

The questionnaire is designed to ask respondents on their feedback about the staff on their attitude, skills and knowledge on customer service and how they experience it. The measures used in the questionnaire are rate from 1 to 5 (refer to the table below).

Rating	1	2	3	4	5
Description	Disappointing	Below Expectation	Meet Expectation	Exceed Expectation	Outstanding

All questionnaires will be conducted at Front Office Department at Kinabalu Park, Kundasang, Sabah. With the assistance of the service staff and naturalist at front office, the questionnaire is distributed and monitored by myself and the front line staff. Once necessary the questionnaire is done and completed data is then compiled, analysed and complete the report.

4 Discussion and Recommendations

A questionnaire was conducted at Front Office of Kinabalu Park, Kundasang. The questionnaire was distributed to the in-house guests, walk-in guests and all other guests that come in contact with Sutera Sanctuary Lodges Front Office staff that experience Sutera Sanctuary Lodges' customer service. The sample size for this study is taken as 100. The questionnaire was distribute at Sutera Sanctuary Lodges Front Office Department at Kinabalu Park, Kundasang, Sabah, Malaysia. A sample size of 100 was taken. From the questionnaire, 70% of the respondents were international and 30% were from Malaysia. This indicate that there are quite a number of tourist that visit Kinabalu Park and the highest percentage during the survey are visitors from Hong Kong consisting of 18% followed by Australia 8 % and Denmark 6%.

4.1 Discussion

Throughout the process of the questionnaire there are challenges in obtaining the data and factors that may affect the data output. The first challenge is the location and the time factor. As UiTM's semester is only months there is not enough time to go in depth and spend more time at Kinabalu Park as I am working. The next issues is the limitation in funding as this project paper is solely funded by the students there are limitation to the method of study based on financial capability.

During the questionnaire session there are Chinese guests from China, Korea and other nationalities. Due to language barriers and understanding they were not able to answer the questionnaire. Interpreters were not available during that period of time and venue.

There were also questionnaires answers that were rejected as it was not filled up correctly. Some respondent did not fill in the questionnaire with sincere intentions and some were biased answers.

4.2 Conclusion

Based on the findings, customer satisfaction is based on the service delivery of the employees. Front office staff did not manage to achieve a 50% rating for outstanding for welcoming and greeting, courtesy during check-in process, helpful ness of staff and grooming were at an average 38.5% which is below a 50% mark rating. From the findings even for the knowledge rating the staff were rated at an average of 42.4% for product knowledge, efficiency and speed of check-in, check-out process, answering enquiries and English language. This too reflect a below 50% average.

There are gaps that were identified from the findings, the front line staff has English language issues. The low rating for knowledge and skills in their work area are a concern. As a three (3) Orchid rated lodges operation the standard and quality should not be compromised.

There is a positive relationship of customer satisfaction and employee service delivery. Rating of poor service delivery has been noted in the survey in anticipating guests need with 1% below expectation, Speed and efficiency of check-in process with 1% rated below expectation, welcoming and greeting with 11% below expectation. This includes courtesy, helpfulness of staff and grooming all rated 4% in below expectation.

4.3 Recommendations

Sutera Sanctuary Lodges has been awarded contract to enhance the accommodation, food and beverage services, food and beverage culinary, housekeeping services, front office services, security services and maintenance services; for Kinabalu Park and four other destination under Sabah Parks. Taking in consideration that Kinabalu Park has been awarded as a world heritage site by UNESCO. Definitely the world is our guests. As such service delivery has to be world class standard that is of quality, timely delivery and convenient for our guests. Sutera Sanctuary Lodges is a three (3) Orchid rated Lodges category and front line staff be well equip with the necessary attitude, skills and knowledge to function well.

The Sutera Sanctuary Lodges should look into the training and development of the staff periodically to ensure training is maintained. This is essential to transfer knowledge and skills to staff so service delivery is maintain at a standard throughout the year.

Departmental training should be conducted in a regular basis, so that process work like system competencies and standard operating procedure related matters are addressed and practiced so that it is uniform across the department.

External training should also be incorporated so that any updates regarding the industry can be readily updated to the staff.

Cooperation must come from team work and also the support from the Sutera Sanctuary Lodges top management, head of property, and head of departments to the front line itself. For without the support, training development is useless without implementation, monitoring and control. As a service industry constant training and development should be a must tool to ensure standards are maintain and constant.

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