

TRADITIONAL CUISINES AND SERVICE QUALITY DIMENSIONS AND THEIR EFFECT ON CUSTOMER RETENTION IN COIMBATORE'S HOTEL AND CATERING INDUSTRY

S. HARIHARAN

RESEARCH SCHOLAR (PHD), DEPARTMENT OF BUSINESS ADMINISTRATION, SCHOOL OF MANAGEMENT STUDIES, VELS INSTITUTE OF SCIENCE, TECHNOLOGY AND ADVANCED STUDIES, PALLAVARAM, CHENNAI-600117.

V. VETRIVEL*

ASSISTANT PROFESSOR AND RESEARCH SUPERVISOR, DEPARTMENT OF BUSINESS ADMINISTRATION, SCHOOL OF MANAGEMENT STUDIES, VELS INSTITUTE OF SCIENCE, TECHNOLOGY AND ADVANCED STUDIES, PALLAVARAM, CHENNAI-600117. EMAIL.ID: vvetrivel.sms@velsuniv.ac.in

Abstract

The hotel and catering industry in Coimbatore has undergone rapid transformation, driven by increasing customer expectations, competitive market conditions, and the growing demand for superior service experiences. This study investigates the effect of key service quality dimensions on customer retention within the hospitality sector. The research adopts a descriptive design and evaluates nine major service quality variables: Reliability, Responsiveness, Assurance, Tangibles, Empathy, Food Quality, Menu Variety, Timeliness, and Staff Professionalism. Primary data was collected from 300 customers using a structured questionnaire based on a five-point Likert scale. Statistical methods including descriptive analysis, Pearson correlation, and multiple regression were used to analyze the data. The findings show that all service quality dimensions have significant positive correlations with customer retention, with Food Quality, Staff Professionalism, and Assurance being the strongest predictors. The regression model explains 89.6% of the variance in customer retention, indicating that service quality plays a major role in influencing repeat patronage. The study highlights the need for continuous improvement in service delivery, staff training, and customer engagement strategies to strengthen customer retention in Coimbatore's hospitality industry.

Keywords: Service Quality, Customer Retention, Hospitality Industry, Catering Services, Coimbatore.

INTRODUCTION

The hospitality industry, particularly hotels and catering services, plays a significant role in contributing to the socio-economic development of India. In fast-growing commercial centers like Coimbatore, the hotel and catering industry has shown remarkable expansion due to increasing industrial activity, academic influx, medical tourism, and cultural events. As competition intensifies, hospitality service providers must differentiate themselves not only through products but also through exceptional service quality. Customer retention has become a critical performance measure, as retaining existing customers is more cost-effective than acquiring new ones. High-quality service delivery directly influences customer perceptions, emotional responses, and continued patronage.

Service quality refers to the ability of a service provider to meet or exceed customer expectations. In the hotel and catering context, service quality is multidimensional and involves reliability, responsiveness, assurance, empathy, tangibles, timeliness, food quality, menu choices, and the professionalism of service staff. These dimensions determine how customers perceive their overall service experience. The work of Parasuraman, Zeithaml, and Berry (1988) through the SERVQUAL model provides a strong theoretical basis for evaluating service quality. Hospitality researchers have adapted this model to incorporate specific attributes such as food quality, ambience, hygiene, and staff behavior—factors that strongly influence customer satisfaction and retention.

Coimbatore, being an important commercial and educational hub, has witnessed a rapid rise in hospitality establishments ranging from small eateries to star-rated hotels and premium catering services. Customers in this region are increasingly quality conscious and expect prompt service, cleanliness, courteous staff, and consistent food quality. Customer retention in the hospitality sector depends heavily on creating memorable experiences. When customers perceive high service quality, they are more likely to return, recommend the service to others, and develop loyalty toward the brand.

The present study focuses on analyzing how service quality dimensions affect customer retention in the hotel and catering industry of Coimbatore. By examining the factors that influence repeat patronage, this research provides insights for service providers to enhance their competitive advantage. Understanding these relationships is crucial for designing strategies that improve service delivery, customer engagement, and long-term business success.

REVIEW OF LITERATURE

Service quality and customer retention have been widely explored in hospitality research due to their importance in sustaining business growth. Parasuraman et al. (1988) introduced the SERVQUAL model, which defines five key dimensions: reliability, responsiveness, assurance, empathy, and tangibles. These dimensions have been extensively studied to understand how service quality influences consumer behavior. Cronin and Taylor (1992) argued that service performance is a better predictor of satisfaction and retention than customer expectations alone.

Sureshchandar et al. (2002) emphasized that service quality in hospitality must include both human and non-human elements such as system performance and physical environment. Studies by Karthikeyan and Anandan (2015, 2017) showed that responsiveness and staff professionalism significantly affect customer retention in South Indian hotels. Prabakaran et al. (2016) highlighted that hygiene, ambience, and timely service are critical in catering services.

Food quality is particularly important in hospitality. Mohanraj et al. (2019) found that freshness, taste, and presentation greatly influence customer loyalty. In the context of Tier-II cities like Coimbatore, Sathish and Rajamohan (2020) observed that customers seek personalized attention and courteous service, which directly influence retention.

Overall, literature suggests that improving service quality across multiple dimensions is essential for enhancing customer retention in the hospitality sector.

RESEARCH METHODOLOGY

The objective of the study is to examine the impact of service quality dimensions on customer retention in Coimbatore's hotel and catering industry. A descriptive research design was adopted to analyze customer perceptions, service-related experiences, and the influence of various service quality factors. This design is appropriate for studies involving customer opinions and behavior patterns.

The study was supported by an extensive review of literature from journals, reports, and hospitality studies. Based on theoretical insights and preliminary discussions with customers and industry professionals, nine service quality variables were selected: Reliability, Responsiveness, Assurance, Tangibles, Empathy, Food Quality, Menu Variety, Timeliness, and Staff Professionalism. Customer retention was taken as the dependent variable.

A structured questionnaire was developed using a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). The questionnaire included demographic details and statements measuring each service quality dimension and customer retention. Data was collected using a simple random sampling method. Respondents included customers who had recently availed hospitality services in hotels, restaurants, and catering establishments within Coimbatore. A total of 350 customers were approached, and 320 responses were received. After screening incomplete responses, 300 valid responses were used for the study.

Statistical analysis was performed using descriptive statistics, correlation analysis, and multiple regression. Descriptive statistics summarized demographic details and average perceptions. Pearson correlation examined relationships between service quality dimensions and customer retention. Regression analysis determined the extent of influence of each dimension on retention and identified the dominant predictors. This methodology provides a systematic approach to understanding how service quality impacts customer retention.

Data Analysis

Table – 1 Customers' Retention Level toward Catering and Hotel Services

Statements	Mean	Std. D
I intend to continue using this hotel/catering service in the future.	4.28	1.08
I prefer this hotel/catering service over other alternatives.	4.21	1.12
I am likely to recommend this service to my friends and family.	4.26	1.10
My positive experiences motivate me to return frequently.	4.19	1.14
I feel loyal to this hotel/catering service.	4.24	1.09
I would choose this service again even if competitors offer similar options.	4.16	1.18
I trust this hotel/catering provider, which influences my return decisions.	4.23	1.11
I rarely consider switching to another hotel/catering service.	4.12	1.22
My overall service experience encourages long-term loyalty.	4.27	1.07

Source: Primary data computed

Interpretation

Table – 1 presents the customers' retention level toward catering and hotel services in the Coimbatore region. Customer retention was measured using nine statements on a five-point Likert scale, where 5 denotes strongly agree and 1 denotes strongly disagree. The mean scores and standard deviations were calculated based on primary data collected from customers who had recently used hospitality services.

The mean values range between 4.27 and 4.12, indicating a generally high level of customer retention. Among the statements, "My overall service experience encourages long-term loyalty" recorded the highest mean score (4.27), followed closely by "I intend to continue using this hotel/catering service in the future" (4.28) and "I recommend this service to my friends and family" (4.26). These results show that customers are highly inclined toward repeat patronage.

The least mean score was observed for "I rarely consider switching to another hotel/catering service" (4.12), although the score still reflects a positive retention tendency. Overall, the findings suggest that customers are satisfied with their service experiences and are willing to remain loyal to Coimbatore's hotel and catering providers. High service consistency, trust, and positive experiences appear to enhance customer retention significantly.

Table – 2 Relationships between Service Quality Dimensions and Customer Retention

Service Quality Dimension	r-value	p-value
Reliability	0.812	0.001*
Responsiveness	0.834	0.001*
Assurance	0.879	0.001*
Tangibles	0.796	0.001*
Empathy	0.841	0.001*
Food Quality	0.903	0.001*
Menu Variety	0.752	0.001*
Timeliness	0.867	0.001*
Staff Professionalism	0.918	0.001*

*Source: Primary data computed; significant at 1% level

Interpretation

H₀: Service quality dimensions are not having a relationship with customer retention in Coimbatore's hotel and catering industry.

Table – 2 explains the relationship between service quality dimensions and customer retention. To examine the above-stated hypothesis, Pearson correlation analysis was executed. From the correlation values, it is noted that all nine service quality variables—Reliability, Responsiveness, Assurance, Tangibles, Empathy, Food Quality, Menu Variety, Timeliness, and Staff Professionalism—are positively correlated with customer retention. Therefore, the stated hypothesis is rejected.

From the correlation results, it is observed that Staff Professionalism (0.918) shows the highest positive relationship with customer retention, followed by Food Quality (0.903), Assurance (0.879), Timeliness (0.867), Empathy (0.841), Responsiveness (0.834), and Reliability (0.812). Tangibles (0.796) and Menu Variety (0.752) also demonstrate positive correlations, though to a comparatively lesser extent. All correlation values are significant at the 1 percent level, confirming strong linear associations.

These findings indicate that customers are more likely to remain loyal when they perceive high levels of staff professionalism, good food quality, and trustworthy, assured service. Timeliness and empathy also play a crucial role in retaining customers, showing that emotional connection and prompt service delivery strongly influence repeat patronage. Although Menu Variety has the lowest correlation among the variables, it still shows a meaningful positive relationship with retention.

Overall, the results reveal that improved service quality across all dimensions leads to higher customer retention in the hotel and catering industry. Hotels and catering services that focus on enhancing staff behavior, food quality, assurance, and timely service are more successful in fostering strong customer loyalty and long-term patronage.

Table – 3 Effects of Service Quality Dimensions and Customer Retention

R	R Square	Adjusted R Square	F-value	p-value
0.947	0.896	0.892	478.224	0.001*

Regression Coefficients

Predictor	B	Beta	t-value	p-value
(Constant)	0.412	—	4.602	0.001*
Reliability	0.118	0.112	2.945	0.003*
Responsiveness	0.142	0.138	3.431	0.001*
Assurance	0.207	0.198	3.998	0.001*
Tangibles	0.085	0.079	2.016	0.045**

Empathy	0.156	0.144	3.133	0.002*
Food Quality	0.362	0.349	6.304	0.001*
Menu Variety	-0.029	-0.026	-0.774	0.439 (NS)
Timeliness	0.168	0.163	4.028	0.001*
Staff Professionalism	0.403	0.387	5.792	0.001*

Interpretation

H₀: Service quality dimensions have not influenced customer retention in Coimbatore's hotel and catering industry.

Table – 3 indicates the influence of service quality dimensions on customer retention. In this analysis, the service quality variables—Reliability, Responsiveness, Assurance, Tangibles, Empathy, Food Quality, Menu Variety, Timeliness, and Staff Professionalism—are treated as independent variables, while customer retention is considered the dependent variable.

To examine the above-stated hypothesis, multiple regression analysis was applied. From the adjusted R-square value (0.892), it is inferred that the independent variables explain 89.2% of the variation in customer retention. This clearly shows that service quality plays a significant role in determining how effectively hotels and catering services retain their customers. Therefore, the stated hypothesis is rejected.

The unstandardized coefficient (B values) indicates the strength and direction of the relationship between each independent variable and customer retention. Based on the regression beta values, the equation for predicting customer retention is expressed as:

Customer Retention = 0.412 + 0.403(Staff Professionalism) + 0.362(Food Quality) + 0.207(Assurance) + 0.168(Timeliness) + 0.156(Empathy) + 0.142(Responsiveness) + 0.118(Reliability) + 0.085(Tangibles) – 0.029(Menu Variety)

From the regression results, it is observed that Staff Professionalism ($\beta = 0.387$) is the most influential factor, followed by Food Quality ($\beta = 0.349$). This indicates that customer retention increases significantly when staff demonstrate professional behavior and when the food quality consistently meets or exceeds customer expectations.

Other variables such as Assurance, Timeliness, Empathy, Responsiveness, and Reliability also show significant positive influence on retention, highlighting the importance of trustworthy, prompt, and customer-focused service delivery. Tangibles show a smaller yet meaningful impact. However, Menu Variety shows a negative and non-significant influence ($p > 0.05$), indicating that customers value consistent service quality more than extensive menu choices.

Overall, the regression analysis reveals that enhancing core service quality elements—especially staff professionalism, food quality, assurance, and timeliness—greatly improves customer retention in the hotel and catering industry of Coimbatore.

Findings

1. All service quality dimensions have strong positive correlations with customer retention.
2. Staff professionalism, food quality, and assurance significantly influence customer loyalty.
3. Menu variety shows minimal influence, suggesting customers prioritize service responsiveness and quality over variety.
4. The regression model indicates that service quality accounts for nearly 90% of customer retention.
5. Timeliness and empathy are critical for enhancing repeat patronage.

Recommendations

1. Strengthen staff professionalism through continuous training programs.
2. Improve food quality by focusing on freshness, consistency, and hygiene.
3. Enhance assurance by ensuring staff are knowledgeable and customer-friendly.
4. Upgrade service timeliness using digital ordering and workflow optimization.
5. Focus on empathy and personalized services to build emotional bonds with customers.

CONCLUSION

The study concludes that service quality dimensions play a crucial and measurable role in influencing customer retention in Coimbatore's hotel and catering industry. The results of the correlation and regression analyses clearly demonstrate that all nine service quality variables have positive associations with customer retention, with staff professionalism, food quality, assurance, timeliness, and empathy emerging as the strongest predictors. These findings highlight that customers remain loyal to hospitality establishments when they consistently receive reliable, responsive, and personalized service supported by high standards of food quality and courteous staff behavior.

The regression model further confirms that service quality explains a substantial portion of the variation in customer retention, indicating that improvements in service delivery directly translate into higher repeat patronage. Although menu variety shows a minimal and non-significant influence, it suggests that customers prioritize consistency, trust, and service experience over extensive menu choices.

Overall, the study emphasizes the need for hotels and catering businesses to adopt a customer-centric approach by strengthening staff training, ensuring high food standards, improving service assurance, and maintaining timely service delivery. By focusing on these dimensions, hospitality providers in Coimbatore can enhance customer satisfaction, build long-term loyalty, and maintain a competitive edge in the rapidly growing regional market.

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