

An Exploration Of Trust : Star Hotel Customer Perspective

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Abstract

This research aim is exploring star hotel trust from the customer's perspective. Appropriate measures are identified and a postal survey is undertaken among 250 were distributed randomly to hotel guests. The measurement of customer trust items based on Kim et al., (2006) consisted of six items. The data collected from the survey were analyzed statistically using Statistical (SPSS) 20.0. Descriptive statistics (i.e., frequency distributions, means and standard deviations) were obtained from data collected by questionnaire and the result show that of customer trust dimension, means for the dimensions were found as 3,86; 4,55 and 3,75. Ability, benevolence and integrity forms trust in customer perspective. Benevolence determining trust in the customer's perspective

Key words : Customer Trust, Customer Perspective, Star Hotels

Introduction

Customer convenience in using hotel services is the main requirement for hotel managers to create the best comfort to maintain occupancy services (Widyawati, 2008: 74). The hotel business is a business in the form of services under the umbrella of the service industry by providing various facilities for business transactions, meetings, and conferences, as well as recreation and entertainment. One way to be able to maintain its existence, hotel business people need to build customer trust. According to customers, companies that can build trust will make them willing to make the first purchase and then return to make the next purchase over and over again (Chan, 2003). Given the importance of the existence of customers, companies need to make various efforts to keep customers loyal and not move to other hotels. Hotels with a good image will generate trust, confidence, and support compare to companies with a bad image (Dowling, 2004). The province of Gorontalo, known as the porch of Medina, the expansion of the North Sulawesi region. As a new area with a wealth of natural resources, it has the potential to be developed as a tourist destination, so many star hotels have sprung up.

Building trust in long-term relationships with customers creating customer loyalty. This trust is unrecognized by other parties/ business partners but must be built from scratch and proven. Aaker (2008) explains customer trust in the company is a crucial attribute to develops a company. A company is trusted by providing benefits to customers with good behavior from its employees and competence in making and selling its products. Flavian *et al.* (2005) suggested that trust is an essential element that affects the quality of a relationship. Customer trust in service providers will increase the value of relationships with service providers. According to Prasaranphanich (2007), when customers trust a

company, customers are more likely to make repeat purchases and share valuable personal information with the company.

Customer trust plays a role to creates customer perceptions in relationships with service companies (Taylor, 2001). If there is no trust, there will be no commitment. A commitment creates loyal customers because they have trusted the performance or capabilities of products and services (Chiou and Droge, 2006; Ball *et al.*, 2003; Luarn and Lin, 2003; Seigyoung, 2005; Ranjbarian *et al.*, 2011). Thus, it is necessary to explore the trust of star hotels from the customer's perspective.

Literature Review

Trust needs to establish relationships between companies and customers. Trust is a fundamental ingredient for the success of a relationship. Effective marketing depends on developing and managing customer trust so that customers specifically purchase a service before experiencing it (Shamdasani and Balakrishnan, 2000). Conceptually, *trust* exists if one party has *confidence* in the integrity and reliability of the other party. According to Baloglu (2002), the truth dimension defines as the dimension of business relationships that determines the degree to which people feel they can depend on the integrity of promises offered by others.

Trust develops through customer experience and the assumption that the provider can consistently respond to customer needs (Delgado-Ballester & Munuera-Aleman, 2001), a trust is another construct in customer engagement studies. *Trust is defined as a subjective belief that a business or entity will fulfill transactional obligations as the consumer understands them* (Kim, Ferrin, & Rao, 2009). Ba and Pavlou (2002) state trust as an assessment of one's relationship with others who will carry out certain transactions following expectations in an environment full of uncertainty. Mowen (2002) states that a trust is all knowledge possessed by consumers and all conclusions creates by consumers about objects, attributes, and benefits. Shamdasani and Balakrishnan (2000) express one's trust to the hotel because the hotel can be trusted/reliable, trust for providing comfort for taking a rest, trust for the quality of the equipment owned by the hotel, and trust for the best service provided by the hotel/according to the promise. Ratnasingam (2012) revealed the types of consumer trust in hotels, including *competence trust*, *predictability trust*, and *goodwill or relationship trust*. Trust (Pavlou & Fygenson, 2006) *is a customer's belief that a firm is reliable, sincere, and will stand by its word. Trust places in multiple targets such as, in a channel (e.g., online, the salesperson in-store location), product information, the purchasing process, and company* (Plank, Reid, & Pullins, 1999).

Ahmad and Jawabreh (2012) use indicators to measure trust in hotels with skillful, confident, and trustable employees, following with hotel's valid information by fulfilling its promises to deliver the service as promised and expected. Chuang *et al.* (2012) used hotel trust indicators with responsible hotel staff, providing comfort for customers, prioritizing customer interests, paying attention to the food menu served, trustworthy service, providing honest and reliable service. According to Kim *et al.* (2007), *ability*, *benevolence*, and *integrity* are three factors that shape one's trust in others. The conceptual framework of the research is illustrated in figure 1.

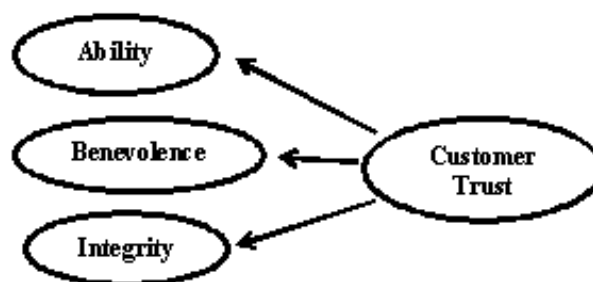


Figure 1. Conceptual Framework

Method

Sampling technique using simple random sampling with a large sample using the Slovin formula obtained 250 samples as respondents, namely hotel guests who are in the last 6-months stayed at least 2-times per stay with a period of 2-days 2-nights. The measurement of customer trust dimensions based on Kim *et al.*, (2006) describes in six items which consist of the ability dimension, benevolence, and integrity dimension. The data collected from the survey were analyzed statistically using Statistical (SPSS) 20.0. Descriptive statistics (i.e., frequency distributions, means, and standard deviations) using the data collected by questionnaire.

Result

Respondent's Description

Table 1. Respondents Age

No	Age (year)	Σ	%
1	20-30	21	8,4
2	31-40	35	14,0
3	41-50	112	44,8
4	More 51	82	32,8
	Total	250	100

Characteristics of respondents based on age showed the majority of respondents aged 41-50 years (44.8%). It indicates that the respondent has been a guest of the hotel under study. Meanwhile, in terms of respondents' education, it shows that most respondents have undergraduate education (58%), as presented in the table.

Table 2. Respondents education

No	Education	Σ	%
1	High School	25	10
2	Bachelor	145	58
3	Postgraduate	80	32
	Total	250	100

Result validity and reliability test, as follows :

Table 3. Validity and reliability Test

Variable	Items	Corelation			Koefesien		
		r_{count}	$r_{product\ moment}$	status	Cronbach	Standart	status
Customer Trust	1.1	0.754	0,3	Valid	0.819	0,6	Reliable
	1.2	0.723	0,3	Valid			
	2.1	0.776	0,3	Valid			
	2.2	0.785	0,3	Valid			
	3.1	0.703	0,3	Valid			
	3.2	0.669	0,3	Valid			

All items shown $r_{count} > 0,3$, fullfil validity and Alpha Cronbach $\geq 0,6$, fullfil reliably.

Variable Description.

Table 3. Customer Trust Description

Item	Strongly disagree		Disagree		Neutral		Agree		Strongly Agree		Mean
	f	%	f	%	f	%	f	%	f	%	
Able to provide qualified services	-	-	14	5,6	97	38,8	67	26,8	72	28,8	3,79
Able to give a fast respond to the customer's inquiries	-	-	13	5,2	78	31,2	76	30,4	83	33,2	3,92
Ability											3,86
The guest confidentiality is protected	-	-	5	2,0	8	3,2	71	28,4	166	66,4	4,58
Providing the precisely information to the customer	-	-	-	-	12	4,8	95	38,0	143	57,2	4,52
Benevolence											4,55
Responsible for the comfort of the hotel guest	1	0,4	31	12,4	77	30,8	52	20,8	89	35,6	3,79
Prioritizing the customer's will/interest	1	0,4	28	11,2	88	35,2	58	23,2	75	30,0	3,71
Integrity											3,75
Customer trust											4,05

The average *ability* obtained is 3.86 shows that hotel guests tend to agree the hotel staff's capability to provide quality services in responding to customer requests quickly shapes the hotel's ability to build *customer trust*. The determinant of the capacity that respondents appreciate most is the hotel's ability to respond to customer requests quickly. The average *benevolence* is 4.55. It shows that respondents strongly agree that the confidentiality of hotel guests is protected and providing the information needed by customers accurately determines the *benevolence* informing *customer trust*. The most appreciated benevolence determinant by hotel guests is the protected confidentiality. The average *integrity* obtained is 3.75. the data shows that the hotel is responsible for the comfort of hotel guests and prioritizes customer interests as a determinant of *integrity* in establishing *customer trust*. Respondents most appreciated the hotel for being responsible in the reassurance of hotel guests.

The average customer trust is 4.05, meaning that respondents agree that ability, virtue, and integrity contribute to customer trust that mainly contributes by virtue, especially the secured confidentiality of hotel guests.

Conclusion

Ability, benevolence, and integrity are principal indicators of forming customer trust. This result corroborates a descriptive analysis that proves *ability, benevolence, and integrity* contributes to *customer trust* by having hotel's guests as the respondents of *benevolence*, especially the confidentiality of hotel guests. These results corroborate the opinion of Kim *et al.* (2007) about three factors that form the trust of one party to another, namely *Ability, Benevolence, and Integrity*.

Protected confidentiality of hotel guests is a hotel policy that needs by guests to build trust. In line with the need to stay at a hotel from a consumer's perspective to obtain *privacy, safety, serenity, and enjoyment*. Consumer as hotel guests in the study is market segments that have matured in thought, work, and career (41-50 years) with undergraduate as the majority of education levels. *In this market segment*, the price is not a factor that is taken into account when staying at five-star hotels, being able to rest *quietly, enjoyable, safety, and guaranteed privacy* is all it takes to support travel for *business or leisure, exhibition, and tour's purposes*.

The Efforts to improve service quality by the management of star hotels are lead to built *hotel's trust* that appreciated below the average, namely, the ability to respond to customers (responsiveness), being responsible for guest comfort (*tangible and reliable*), and prioritizing customer interests (*empathy and assurance*). This statement is in line with the conception of Service quality (Parasuraman et al., 1985) that states the measurement of *service quality* from TERRA (*Tangible, Empathy, Responsiveness, Reliability, and Assurance*). The results of this study require further development to become a complete conception to such an extent that future research is necessary to examine the relationship between *customer trust and service quality and the formation of brand loyalty*. This research conducts during the Covid-19 pandemic that can be generalized, so in addition to future research linking *customer trust with service quality and the formation of brand loyalty*, it is also necessary to *compare trust from a consumer perspective* during the covid-19 pandemic and afterward.

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