A STUDY ON IMPACT OF CUSTOMER SERVICE TRAINING ON EMPLOYEE SATISFACTION AND CUSTOMER LOYALTY IN THE HOSPITALITY INDUSTRY

Ezhilselvan A/L Ezhilarasu
[1]Genovasi University College, 46200 Petaling Jaya, Selangor

James CL Nga
[2]Genovasi University College, 46200 Petaling Jaya, Selangor

Abstract— A customer is one of the most important visitors in any business premise because they are the key person who consumes and buys an organization's products or services. In a nutshell, without customers any business entity will not survive as there will not be any profit to generate revenues. It is important to safeguard the internal and external customer, moreover in the hospitality industry where a customer falls in a very crucial and important segment. It proves that customer service is the most important department in an organization as it functions as a frontliner in dealing with customers. Being a human being, internal and external customer needs to be motivated and understand their needs to create a wonderful environment for both parties to be connected and preserved. Taken together, this study reinforced the importance and impact of customer service training with design thinking elements on employee's satisfaction which will directly create customer loyalty in the hotel industry. Customer service training will provide all the survival tools to an employee to survive in any environment while motivating them to stay focused and positive, which an employer can give as a great investment. A contented and satisfied employee will provide a great service to customer and upon receiving a warmest service, a customer will always be a loyal visitor in a hospitality industry which creates a symbiosis environment for both parties while bringing prosperity to hotels by achieving their vision and mission easily with a guaranteed return of investment.

Keywords—Internal, External, Customer Service, Employee Satisfaction, Customer Loyalty

INTRODUCTION

At the hotel perspective which serves as the primary tourist accommodation destination, guests and staff are required to work together to realize and uphold the service. The effectiveness of this cooperation is heavily reliant on the knowledge, expertise and skills of the staff members in delivering the services

(Bharwani, & Jauhari, 2017). Staff satisfaction has emerged as one of the most pressing problems faced by hotel and tourism industries since staff knowledge and skills are intangible assets of any service firm (Tuomi, Tussyadiah, & Stienmetz, 2021). Employees in the hospitality and tourism industries must be happy and satisfied with their jobs in order to provide high quality work and outstanding outcomes. According to Lai et al. (2018), satisfied employees are more likely to be productive, upbeat and innovative. The absence of qualified employees or staff is what distinguishes the hotel and tourism industries (Awang et al., 2015). Employee turnover is also high and work satisfaction is low among hotel staff (Khuong & Linh, 2020). Employee dissatisfaction leads to deviant behavior at work and plans to quit, which lowers customer satisfaction and has an impact on corporate performance (Rehman & Mubashar, 2017). Few studies have looked at the many aspects of hotel personnel satisfaction in the domestic professional and scientific literature. This has motivated the study to focus at important aspects of employee happiness and satisfactions. The hotel and tourism industries employ a variety of techniques to gain and keep a competitive edge, so it's crucial to look at employee happiness in order to develop an effective plan and invest more substantial resources to boost employee contentment and satisfaction.

The importance of staff happiness and satisfaction have emerged as one of the most important concerns in the sphere of the hotel and tourism industry. This is because employees' knowledge and abilities are intangible assets that are crucial to the success of any service-oriented business (Asimah, 2018). Due to the importance of employee happiness and well-being to the provision of high-quality services, it has become more important in the context of the hospitality and tourism industries. Bello & Bello (2021)'s research has highlighted the beneficial effects of employee satisfaction on numerous aspects of the workplace. Employees who are happy and satisfied in their jobs are frequently more motivated, creative, energetic and productive. Employees are more likely to have a positive impact in their workplace, promote an innovative and growing culture when they are happy in their positions which contributes in rewarding results. This supports the premise that employee attitudes and experiences can significantly affect corporate outcomes. The "war for talent" is widely used to describe the labour shortage facing the hospitality and tourist sectors, which poses a special problem (Sun et al., 2017). High employee turnover rates and low work satisfaction among hotel staff members make this problem even worse (González-Torres et al., 2021). Employees who experience such low levels of job satisfaction are more likely to engage in harmful behaviours such as inappropriate behaviour at work and a greater propensity to look for alternative employment, both of which can have a negative effect on customer satisfaction and overall corporate performance (Lin et al., 2018).

Although employee satisfaction has a considerable impact on the hospitality and tourism industries, there are still few thorough studies that focus on the many facets of hotel staff satisfaction in the local

professional and academic literature. This study gap highlights the urgent need for a detailed investigation of important aspects of employee happiness. Investigating employee happiness becomes even more important to develop successful strategies that secure a competitive edge in these industries, where competition is strong and success depends significantly on strategic distinctiveness (Djajasinga et al., 2021; Baharin & Hanafi, 2018; Ibrahim, Boerhannoeddin, & Bakare, 2017).

A variety of tactics are used to draw in and keep customers in the hotel and tourism industries from adopting cutting-edge technology providing individualized experiences. However, the role of the employee is at the heart of these initiatives. Employees represent the hotel's reputation, culture and level of customer service because they are considered the frontliners. Their happiness and satisfaction are essential for generating a positive work atmosphere that pervades the guest experience as well as for assuring consistent service quality (Djajasinga et al., 2021; Baharin & Hanafi, 2018; Ibrahim, Boerhannoeddin, & Bakare, 2017).

The symbiotic relationship between visitors and personnel, supported by the latter's knowledge, abilities and contentment are ultimately what determines the success of the hospitality and tourism businesses sector. The effects of employee satisfaction on productivity, behaviour and overall organizational performance have been clearly demonstrated by research. Even issues like staff turnover continues, researching this subject is still crucial for developing methods that give businesses a competitive edge while providing customers with great service.

LITERATURE REVIEW

A. Employee Satisfaction

Often viewed as a culmination of psychological or environmental elements that contribute to employees' job satisfaction (Djajasinga et al., 2021). Employee satisfaction is a pleasant or favourable emotional state brought on by the performance of a job or the overall experience of a job. According to studies, job satisfaction refers to how an individual feels about position and other job-related factors (Mahmoud, Al-Mkhadmeh, & Alananzeh, 2021; Ghani et al., 2022). According to (Ghani et al., 2022), the concept of employee satisfaction is a mix of an employee's positive and negative feelings towards their employment. These writers assert that an employee's behaviour at work and how closely their expectations match their actual rewards at work are directly related to how satisfied they are with their jobs. This notion is shared by (Aburayya et al., 2020; Gontur, Gadi, & Bagobiri, 2022), who agrees that employee satisfaction is reflected in how content employees are with the benefits they obtain for performing their jobs. According to (Khudhair et al., 2019), workers with higher levels of satisfaction have lower absence rates, more productive, more devoted to the company and its objectives, generally happier with their lives and

motivated to provide more than required. Gontur, Gadi, & Bagobiri (2022) voiced a similar viewpoint when he claimed that a happy employee is more productive and committed to accomplishing company goals.

B. Customer Satisfaction

Depending on the demands of the customer prior receiving the service, satisfaction can be defined in a variety of ways. It might include emotions such as relief, fulfilment, pleasure and happiness. According to (Anabila et al., 2022; Al-Ababneh et al., 2018), a customer evaluates a service based on the level of service they receive. Customer satisfaction occurs when the service provided meets the customers' expectations. The success of the firm depends on how pleased and well-served the customers are. Employees can help a company attain customer happiness. The staff members that interact with clients must be well trained. If staff receive proper training, their performance will improve and clients will undoubtedly be happy. One of the key sources of competitive advantage in a global market is improved capabilities, knowledge and skills of the talented workforce (Tuomi, Tussyadiah, & Stienmetz, 2021). Effective training programs that positively affect employee motivation and commitment are necessary to help employees develop the information, skills and abilities they need to perform well on the job (González-Torres et al., 2021).

C. Customer Loyalty

Loyalty among employees is essential for improving organizational effectiveness. It makes sense that devoted workers might perform better as they frequently consider the big picture. They work because they want to follow their hobbies and interests in their job path, not because of pay or responsibilities. As a result, a devoted employee is more likely to improve the performance of the organization over which they have control (Awan, Shamim, & Ahn, 2021). According to earlier studies' findings, employee loyalty has a special role in determining job performance (Djajasinga et al., 2021). For instance, Kurdi, Alshurideh, & Alnaser (2020) study aims to investigate the connection between employee loyalty and job effectiveness. This study was regarding the beneficial impact of loyal employees on job performance. Consequently, this research reveals that job performance was influenced by employee loyalty

RESEARCH METHODOLOGY

In order to conduct the quantitative method of the study, standardized questionnaires and surveys that are sent to both customers and employees in the hospitality industry will be used to gather numerical data. Standardized scales for gauging customer, staff and customer loyalty satisfaction will be included in the questionnaires. The degree and direction of correlations between these variables will be quantitatively evaluated using statistical techniques like correlation analysis and regression analysis.

D. *Population and Sample*

The Malaysian hospitality sector will serve as the study population in this investigation. Customers, staff and managers from various hospitality businesses including hotels, restaurants and resorts will be among the participants. In the specific context of Malaysia's hotel industry, the aim is to capture a thorough understanding of the relationships with customer satisfaction, employee satisfaction and customer loyalty. There will be a diverse mix of demographics among customer participants. Customers from diverse age groups, genders and ethnic backgrounds who have interacted with various hospitality facilities in Malaysia, both local and foreign will be included in the study. A rich dataset may be explored to better understand the complexity of customer loyalty and satisfaction in the local hospitality setting, thanks to the diversity of the client community.

E. *Instrumentation*

The primary quantitative instrument will be a close-ended questionnaire designed to capture data from employees and customers in the hospitality industry. The questionnaire will consist of Likert-scale items and multiple-choice questions. For the employee group, questions will assess their satisfaction with various aspects of their job, training and workplace environment. For the customer group, questions will explore their perceptions of service quality, satisfaction and loyalty. This standardized instrument enables efficient data collection and facilitates statistical analysis to uncover patterns and relationships among variables.

RESULTS

Researcher utilized the SPSS software to analyse the data.

F. *Correlation Analysis*

Table I shows the correlations analysis for this research.

TABLE I.   CORRELATIONS

Correlations		Customer loyalty	Employee Satisfaction	Customer Service Training
Customer loyalty	Pearson Correlation	1	0.267**	0.554**
	Sig. (2-tailed)		0.001	0.000
	N	140	140	140
Employee Satisfaction	Pearson Correlation	.267**	1	.549**
	Sig. (2-tailed)	0.001		0.000
	N	140	140	140
Customer Service Training	Pearson Correlation	0.554**	0.549**	1
	Sig. (2-tailed)	0.000	0.000	
	N	140	140	140
**. Correlation is significant at the 0.01 level (2-tailed).				

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The findings reveal that there are positive relationships between customer loyalty, employee satisfaction and customer service training and these relationships are statistically significant at the 0.01 level, suggesting their importance in understanding and improving customer loyalty.

G. Regression Analysis

The Table II shows the model summary which suggests that employee satisfaction has a moderate positive influence on customer service training. This is based on the achieved R value and the R Square. Durbin-Watson statistic hints at possible autocorrelation since the value is less than 2.

TABLE II. MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.549ᵃ	0.301	0.296	1.08522	1.923
a. Predictors: (Constant), Employee Satisfaction					
b. Dependent Variable: Customer Service Training					

The ANOVA findings show that of sum of squares is 70.039, the df value of 1 and a mean square value of 70.039. The F value is found to be 59.472 with a significant value of 0.000. Based on the significant value, it is predicted that employee satisfaction is a strong predictor for the customer service training which can been in Table III.

TABLE III. ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	70.039	1	70.039	59.472	0.000ᵇ
	Residual	162.522	138	1.178		
	Total	232.561	139			
a. Dependent Variable: Customer Service Training						
b. Predictors: (Constant), Employee Satisfaction						

The coefficient from Table IV shows that the employee satisfaction significantly influences the customer service training aspects. This is based on the achieved significance value which is 0.000.

TABLE IV. COEFFICIENTS

Coefficients^a					
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.977	0.311		6.349	0.000
	Employee Satisfaction	0.577	0.075	.549	7.712	0.000
a. Dependent Variable: Customer Service Training						

Table V shows the model summary, showing the R value of 0.554, R square value of 0.307 and an adjusted R square value of 0.302. Durbin-Watson statistic shows a possible autocorrelation since the value is less than 2.

TABLE V.   MODEL SUMMARY

Model Summary^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.554^a	0.307	0.302	1.08032	1.640
a. Predictors: (Constant), Customer loyalty					
b. Dependent Variable: Customer Service Training					

The ANOVA findings from Table VI show that of sum of squares is 71.501, the df value of 1 and a mean square value of 71.501. The F value is found to be 61.264 with a significance value of 0.000. Based on the significant value, it is predicted that customer loyalty is a strong predictor for customer service training.

TABLE VI.   ANOVA

ANOVA^a					
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	71.501	1	71.501	61.264	0.000^b
	Residual	161.060	138	1.167		
	Total	232.561	139			
a. Dependent Variable: Customer Service Training						
b. Predictors: (Constant), Customer loyalty						

The coefficient Table VII shows customer loyalty significantly influences the customer service training aspects. This is based on the achieved significance value, which is 0.000.

TABLE VII.   COEFFICIENTS

Coefficients^a					
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.016	0.426		2.387	0.018
	Customer loyalty	0.775	0.099	0.554	7.827	0.000
a. Dependent Variable: Customer Service Training						

The findings of the research show that employee satisfaction and customer loyalty hold a crucial role in influencing the customer service training with design thinking in the company. The results demonstrate that positive experience as well as service quality are the primary factors that impact the customer

behavior. Also, the findings of the respondents further highlight the need to ensure continued efforts for better service quality and employee satisfaction. Combination of the design thinking elements with customer service training will definitely bring out the best and outstanding result which will give a positive impact on employee's satisfaction and customer loyalty in the hospitality industry.

CONCLUSION

After conducting this comprehensive investigation on the effects of structured customer service training on employee satisfaction levels and customer loyalty in the hospitality sector reveals significant and meaningful findings. Upon further examination of the research data, a number of significant elements and parameters become apparent, revealing the complex interplay between the variables such as employee satisfaction, customer loyalty and customer service training. This research aims were to elucidate the various elements linked to customer service training and the study effectively explored this domain. By conducting a thorough analysis of the data collected from the Malaysian hospitality industry, it became clear that customer service training had a crucial impact on developing staff mind sets, attitudes and behaviors. The hotel industry noted that after providing extensive practical training the industry improved their service quality, which attracted more customers.

The study utilized close ended questionnaires designed through 5 points Likert scale questionnaire as efficient instruments to assess the perceptions of both customers and staff. The standardized measures provide a quantitative assessment of customer and staff satisfaction, providing a detailed comprehension of the effects of training activities. One of the main goals was to investigate if customer service training has an effect on customer loyalty. The results, obtained through statistical methods like correlation analysis and regression analysis, clearly demonstrate a substantial connection between customer service training and customer loyalty. This is consistent with the Social Exchange Theory (SET), which suggests that positive activities such as improved training, result in reciprocal positive reactions.

The dataset was enriched by the varied demographic composition of client participants in the hospitality sector. The presence of several hospitality amenities enabled a thorough examination of the various dimensions of client loyalty. The strong association between customer happiness, employee satisfaction and customer loyalty highlight the interdependence of these factors. The study further aimed to examine the effect of customer service training on employee satisfaction and the findings unequivocally confirm this correlation. This study analyzed that the variables have strong and positive correlation with each other. The data, thoroughly examined using SPSS, demonstrates a positive connection between the variables. Employees who participate in organized training programs not only view it as an investment in their career growth but also respond with higher levels of job satisfaction.

The distribution of age groups among participants, particularly young adults, indicates that training initiatives have a significant impact on this demographic. The favorable response from mostly male participants further emphasizes the importance of employee satisfaction in the overall efficacy of customer service training programs. The study also sought to determine whether employees are willing to partake in customer service training. The results, derived from the responses to the closed-ended questionnaire, indicate a favorable tendency. The inclination to participate in training can be ascribed to the perceived advantages of the program, as evidenced by the increased levels of satisfaction stated by participants who have completed these programs. The study's reliability and validity of data are enhanced by the rigorous analysis performed which includes demographics analysis, reliability analysis, correlation analysis and regression analysis. The data's reliability and validity have been confirmed, guaranteeing that the conclusions are not only statistically significant but also indicative of the sentiments within the hospitality business.

This study provides a thorough comprehension of the mutually beneficial connection between customer service training, staff contentment and client allegiance in the hospitality sector. The utilization of the social exchange theory offered a much better conceptual structure that clarifies the interactions involved, highlighting the principles of mutual give and take, expenses, benefits, fairness and equal transactions. The findings have significant ramifications for both academia and the practical field of hospitality operations. Hospitality organizations are now focusing on strategically promote staff satisfaction and indirectly boost client loyalty by recognizing the value of balanced exchanges and respecting employee contributions via good training particularly giving them on the field training sessions for their better learning and experience. The mutually beneficial relationship between contented staff and consumers cultivates a virtuous cycle, ultimately enhancing the prosperity of the organization.

The study highlights the strategic significance of investing in employee happiness through organized training programs, as the hospitality industry faces challenges in attracting and retaining skilled workers and experiences high rates of staff turnover. The request for a comprehensive examination of employee well-being has been fulfilled and the findings offer a strategic plan for companies to gain a competitive advantage in an industry where success depends greatly on unique strategies. This research acts as a guiding light for hospitality organizations particularly in Malaysia, helping them negotiate the obstacles of providing excellent services in the always changing landscape of service-oriented industries. By comprehending the complex interconnections of customer service training, staff contentment and client allegiance, organizations do not only fulfil but surpass the desires, requirements and anticipations of their consumers, guaranteeing long-lasting prosperity in a competitive market.

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