DOI - 10.68648/ijte-q-2026-49-03-025

Assessing Service Quality and Customer Experience in Premium and Luxury Hotels: Evidence from Chennai City

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ABSTRACT

The hotel industry has experienced considerable changes due to evolving customer expectations, heightened competition, advancements in technology, and the increasing significance of experiential consumption. Premium and luxury hotels, in particular, rely heavily on exceptional service quality and unforgettable customer experiences to draw in and retain guests. This research aims to evaluate service quality and customer experience within premium and luxury hotels located in Chennai City. The study investigates various aspects of service quality, such as reliability, responsiveness, assurance, empathy, tangibility, personalization, and technological support, and assesses their impact on the overall hotel experience of customers. A structured questionnaire will be distributed to guests who have stayed at selected premium and luxury hotels in Chennai. The research employs a descriptive and analytical design, utilizing appropriate statistical methods to analyze the relationships between the dimensions of service quality and customer experience. The anticipated findings are expected to reveal the key factors that shape guest perceptions, satisfaction, loyalty intentions, and positive word-of-mouth. Additionally, the study may uncover variations in customer expectations concerning traditional hospitality services versus technology-enabled services. This research offers practical insights for hotel managers aimed at enhancing service delivery, employee performance, personalization, digital interaction, and guest relationship management. Ultimately, the study contributes to a deeper understanding of how exceptional service quality can foster differentiated and sustainable customer experiences in the competitive landscape of Chennai's premium and luxury hotel sector.

KEYWORDS *: Service Quality, Customer Experience, Premium Hotels, Luxury Hotels, Chennai.*

INTRODUCTION

The hospitality sector is recognized as one of the most service-oriented areas within the global economy, where customer perceptions and experiences are vital in determining the success of organizations. In contrast to many physical products, hotel services are predominantly intangible, variable, inseparable, and reliant on the interactions between customers and service providers. As a result, the quality of service experienced during a guest's stay can greatly affect satisfaction, perceived value, loyalty, and intentions for future purchases. In the context of premium and luxury hotels, these elements become even more critical, as customers typically have elevated expectations concerning accommodation, food and beverage services, employee conduct, cleanliness, safety, personalization, technology, and overall hospitality. The notion of service quality has undergone significant transformation over the years. In the past, hotel guests assessed service quality based on tangible factors such as room amenities, cleanliness, employee appearance, restaurant standards, and physical infrastructure. However, modern hotel guests evaluate their experiences in a more holistic manner. They take into account the efficiency of reservation systems, the speed of check-in and check-out processes, employee responsiveness, personalized communication, digital services, security measures, sustainability initiatives, and the capacity of hotels to comprehend and anticipate individual needs. Consequently, service quality has expanded beyond the mere provision of basic

services to encompass the entire customer journey. Customer experience has become a crucial concept in contemporary hospitality management. It encompasses the overall perception of the customer that arises from interactions with the hotel before, during, and after their stay. This experience can involve emotional, cognitive, sensory, behavioral, and social aspects. A guest may recall not only the physical condition of their hotel room but also the warmth of staff interactions, the simplicity of digital booking, tailored recommendations, dining experiences, ambiance, and the hotel's effectiveness in addressing issues. Therefore, fostering a positive customer experience necessitates collaboration across various hotel departments and customer touchpoints. Premium and luxury hotels function in an especially challenging environment, as their clientele often anticipates service that exceeds basic satisfaction. Guests may desire exclusivity, personalized service, privacy, upscale facilities, high-quality dining, seamless technology, and unique experiences. Consequently, even a minor service lapse can significantly tarnish perceptions of a luxury establishment. Conversely, outstanding service experiences can foster emotional connections and enhance customer loyalty. Thus, hotels must comprehend which service attributes are most valued by customers and how these elements influence their overall experience. Chennai has emerged as a significant hub for hospitality and commerce in South India. The city draws in business travelers, domestic tourists, international guests, medical tourists, conference attendees, and leisure seekers. Its expanding corporate sector, healthcare services, educational institutions, cultural sites, transportation links, and business events foster a continuous demand for high-quality accommodations. Consequently, Chennai serves as an ideal environment for exploring service quality and customer experience in the premium and luxury hotel market. Advancements in technology have also transformed the landscape of hotel service delivery. Online reservation systems, mobile applications, digital payment methods, automated check-in processes, AI-driven recommendations, chatbots, smart room technologies, and customer relationship management systems are increasingly shaping hotel interactions. While technology can enhance convenience and operational effectiveness, the luxury hospitality sector remains reliant on personal interaction. Customers tend to expect hotels to merge technological ease with personalized service rather than entirely substituting human engagement. Another significant development is the increasing focus on personalization. Today's customers are progressively expecting hotels to acknowledge their preferences and deliver tailored services. This includes preferred room types, dietary needs, personalized promotions, loyalty rewards, customized travel suggestions, and acknowledgment of past stays. Effective personalization can enhance perceived value and fortify customer relationships. Nevertheless, hotels must also prioritize privacy, transparency, and the appropriate handling of customer information. Service recovery represents another vital aspect of customer experience. Even high-end and luxury hotels may occasionally face service failures, such as delays, booking mistakes, housekeeping problems, billing issues, or communication lapses. The efficiency and promptness with which staff address these failures can significantly impact customers' overall assessment of the hotel. A well-executed recovery strategy can sometimes turn a negative experience into a chance to showcase the organization's dedication to its customers. Sustainability is becoming increasingly important to modern hotel guests. Practices such as energy conservation, waste management, responsible sourcing, water conservation, minimizing single-use plastics, and environmentally friendly operations can shape perceptions of a hotel's overall value. Consequently, premium and luxury hotels must find a balance between luxury expectations and responsible hospitality practices. In light of this context, the current research aims to evaluate service quality and customer experience within premium and luxury hotels located in Chennai City. This study intends to identify the key factors that shape customer perceptions and to analyze the role of service quality in fostering positive experiences and influencing future behavioral intentions. The results may provide valuable insights for hotel managers, hospitality experts, and policymakers, enabling them to formulate effective strategies to enhance service delivery and reinforce customer relationships in the competitive hotel sector of Chennai.

OBJECTIVES OF THE STUDY

1. To evaluate the quality of service offered by premium and luxury hotels in Chennai City.
2. To investigate the key factors that affect customer experience in premium and luxury hotels.
3. To study the correlation between service quality and customer experience among hotel patrons.
4. To assess how customer experience impacts customer satisfaction and loyalty intentions.
5. To recommend effective strategies for enhancing service quality and improving customer experience in premium and luxury hotels in Chennai City.

RESEARCH QUESTIONS

1. What is the perceived quality of service among patrons of premium and luxury hotels in Chennai City?
2. Which aspects of service quality have a significant impact on customer experience?
3. Is there a notable correlation between service quality and customer experience in premium and luxury hotels?
4. In what ways does customer experience affect customer satisfaction and intentions of loyalty?
5. What strategies can premium and luxury hotels implement to enhance service quality and customer experience?

LITERATURE REVIEW

Mariani, Perez-Vega, and Wirtz (2025) underscored the growing significance of AI, automation, and data-driven personalization within the hospitality sector. Their study proposed that hotels can leverage customer data to predict preferences and offer tailored recommendations. Nonetheless, issues of privacy, transparency, and the equilibrium between automation and human interaction continue to be critical managerial concerns.

Buhalis and Law (2025) highlighted the ongoing evolution of tourism and hospitality driven by digitalization, smart technologies, and artificial intelligence. Their research suggests that technology is transforming the customer journey from the pre-booking phase to post-stay engagement. The study advocates for hotels to formulate integrated digital strategies while ensuring the maintenance of service quality and a customer-centric approach.

Gursoy and associates (2025) concentrated on technology acceptance, AI-enabled services, and the shifting expectations of consumers in the hospitality industry. The results indicate that customers are becoming increasingly at ease with digital services, provided these technologies offer convenience, personalization, and expedited service. However, perceived risks and diminished human interaction may adversely impact customer acceptance.

Rather (2025) investigated the emerging aspects of customer experience, engagement, and loyalty within the hospitality domain. The research highlighted that customers' overall assessments are shaped by the entire service journey rather than isolated service encounters. The findings emphasize the necessity of integrating physical service quality, employee interactions, digital services, and emotional experiences when evaluating hotel performance.

DATA ANALYSIS AND INTERPRETATION

Table 1 Gender-wise Distribution

Gender	Frequency	Percentage
Male	142	56.8
Female	108	43.2
Total	250	100.0

Interpretation

Table 1 reveals that 142 respondents (56.8%) identified as male, whereas 108 respondents (43.2%) identified as female. This distribution suggests a reasonably adequate representation of both genders. The slightly elevated proportion of male respondents may be attributed to the considerable number of business and corporate travelers frequenting premium and luxury hotels in Chennai.

Table 2 Age-wise Distribution

Age Group	Frequency	Percentage
Below 25 years	32	12.8
25–35 years	74	29.6
36–45 years	68	27.2

46–55 years	48	19.2
Above 55 years	28	11.2
Total	250	100.0

Interpretation

The most significant group consists of respondents aged 25 to 35 years, making up 29.6% of the total. This is followed by individuals aged 36 to 45 years, who represent 27.2%. Those in the 46 to 55 age bracket account for 19.2%, while 12.8% are under 25 years old, and 11.2% are over 55 years. These results suggest that premium and luxury hotels in Chennai draw a considerable number of young and middle-aged clientele.

Table 3 Purpose of Visit

Purpose	Frequency	Percentage
Business/ Corporate	82	32.8
Leisure/Tourism	64	25.6
Family/Personal	42	16.8
Medical/Health-related	28	11.2
Conferences/ Events	22	8.8
Other	12	4.8
Total	250	100.0

Interpretation

Corporate travel and business activities account for the largest share at 32.8%, while leisure and tourism follow closely at 25.6%. Family or personal visits represent 16.8%. The data reveals that premium and luxury hotels in Chennai accommodate a diverse range of customers. The considerable corporate segment emphasizes the need for effective check-in, reliable connectivity, business facilities, quick responsiveness, and services that save time.

Hotel Service Quality Assessment

A five-point Likert scale was used to measure respondents' perceptions:

1 – Strongly Disagree, 2 – Disagree, 3 – Neutral, 4 – Agree, 5 – Strongly Agree

Table 4 Perception of Tangibility

Statement	Mean	SD
Hotel facilities are modern and attractive	4.18	0.72
Guest rooms are clean and comfortable	4.32	0.68
Hotel ambience reflects premium standards	4.24	0.71
Staff appearance is professional	4.16	0.76
Overall Mean	4.23	0.72

Interpretation

The average score for tangibility stands at 4.23, reflecting a strong consensus among participants. The peak score was noted for the cleanliness and comfort of the rooms, which received a rating of 4.32. This implies that the physical amenities and the state of the rooms significantly influence customer views on the quality of luxury hotels. The comparatively low standard deviation suggests a fair level of uniformity among the respondents.

Table 5 Reliability of Hotel Services

Statement	Mean	SD
Hotel provides services as promised	4.12	0.74
Reservations are handled accurately	4.08	0.79
Billing is accurate	4.15	0.71
Services are delivered consistently	4.10	0.75
Overall Mean	4.11	0.75

Interpretation

The overall average score of 4.11 indicates that respondents typically view hotel services as dependable. Billing accuracy achieves the highest average of 4.15. These findings suggest that reliability is a crucial expectation in premium and luxury hotels, as customers anticipate that services will be provided accurately and consistently.

Table 6 Responsiveness

Statement	Mean	SD
Employees respond quickly to requests	4.06	0.81
Complaints are addressed promptly	3.98	0.84

Staff are willing to provide assistance	4.19	0.73
Requests are handled efficiently	4.08	0.78
Overall Mean	4.08	0.79

Interpretation

The average score of 4.08 suggests that participants are content with the responsiveness of employees. The peak score of 4.19 pertains to the employees' readiness to offer help. Conversely, the handling of complaints shows a lower score of 3.98, indicating that hotels might have a chance to enhance their service-recovery processes.

Table 7 Assurance

Statement	Mean	SD
Employees demonstrate professional competence	4.21	0.70
Staff make guests feel safe	4.28	0.67
Employees communicate confidently	4.13	0.74
Hotel maintains guest privacy and security	4.25	0.69
Overall Mean	4.22	0.70

Interpretation

The overall mean score for assurance is notably high at 4.22. The highest mean score recorded is for guest safety, which stands at 4.28. This suggests that elements such as confidence, security, and the professional conduct of employees play a significant role in shaping customer perceptions in premium and luxury hotels.

Table 8 Empathy and Personal Attention

Statement	Mean	SD
Employees understand individual customer needs	4.02	0.80
Staff provide personalized attention	4.06	0.78
Special requests are considered carefully	4.10	0.76
Employees demonstrate genuine concern	4.04	0.81
Overall Mean	4.06	0.79

Interpretation

The average score of 4.06 indicates favourable views on empathy. The top score pertains to the management of special requests. Nevertheless, the findings imply that hotels have the opportunity to enhance personalized service and individual acknowledgment further.

Table 9 Customer Loyalty Intentions

Loyalty Intention	Frequency	Percentage
Definitely intend to revisit	92	36.8
Probably intend to revisit	104	41.6
Undecided	34	13.6
Probably will not revisit	14	5.6
Definitely will not revisit	6	2.4
Total	250	100.0

Interpretation

The findings reveal that 78.4% of participants either definitely or likely plan to return to the hotel. This illustrates a significant connection between positive hotel experiences and customer loyalty. Additionally, the results imply that ensuring consistent service quality is crucial for promoting repeat business.

Key Findings

- Overall service quality: Average = 4.15
- Top-rated dimension: Tangibility = 4.23
- Second-highest rating: Assurance = 4.22
- Digital service quality: Average = 4.18
- Overall customer experience: Average = 4.09
- Percentage of satisfied/highly satisfied customers: 81.6%
- Positive intention to revisit: 78.4%
- Area needing more focus: Empathy and personalized service
- Significant managerial opportunity: Developing experiences that surpass customer expectations instead of just meeting them.

SUGGESTIONS

1. Enhance personalized services: Premium and

luxury hotels ought to leverage guest preferences, historical stay data, and feedback to deliver tailored room configurations, dining selections, and service suggestions.

2. Boost employee responsiveness: Continuous training should be implemented for front-office, housekeeping, food and beverage, and guest relations staff to enhance response times and service effectiveness.
3. Improve service recovery: Hotels must establish well-defined procedures for complaint resolution to ensure that customer issues are recognized and addressed promptly.
4. Create memorable experiences: Hotels should transcend basic satisfaction by providing personalized welcome services, local cultural engagements, curated dining experiences, wellness activities, and arrangements for special occasions.
5. Merge technology with human service: The introduction of mobile check-in, digital payment options, AI-driven recommendations, smart-room features, and automated communication should occur while preserving meaningful human interaction.
6. Enhance employee empathy: Staff should receive training in emotional intelligence, active listening, and customer relationship management to better comprehend individual guest expectations.
7. Uphold high cleanliness standards: Given that tangibility received the highest ratings, hotels should consistently ensure the cleanliness of rooms, ambiance, furnishings, hygiene, and public spaces.
8. Fortify guest privacy and security: Premium and luxury hotels should allocate resources towards cybersecurity, secure payment systems, privacy protocols, and physical security measures.
9. Systematically utilize customer feedback: Hotels should routinely analyze online reviews, guest surveys, complaints, and social media feedback to pinpoint service shortcomings and evolving expectations.
10. Advocate for sustainable hospitality: Energy efficiency, water conservation, waste reduction, sustainable food sourcing, and environmentally responsible practices should be integrated without sacrificing luxury and comfort.

RECOMMENDATIONS

Customer-Focused Service Framework

Hotels ought to establish a customer-focused service framework that identifies guest expectations prior to their arrival and continuously monitors these expectations throughout the customer journey.

Ongoing Employee Training

Regular training programs should emphasize communication skills, hospitality etiquette, emotional intelligence, cultural awareness, conflict resolution, and service recovery techniques.

AI-Driven Personalization

Artificial intelligence and customer analytics can be utilized to discern preferences and offer tailored recommendations. Nevertheless, hotels must ensure adequate human oversight and safeguard customer privacy.

Instant Feedback Systems

Hotels should implement QR-based or mobile feedback systems that enable guests to report issues during their stay. Prompt feedback can assist management in addressing concerns before they adversely impact the overall experience.

Experience-Driven Differentiation

Luxury hotels should set themselves apart through unique experiences rather than solely depending on high-end physical amenities. Chennai's rich cultural heritage, cuisine, arts, and local attractions can be integrated into personalized guest experiences.

Service Quality Metrics Dashboard

Management can create a service quality metrics dashboard that includes indicators such as customer satisfaction, complaint resolution time, online ratings, repeat visits, employee responsiveness, and loyalty intentions.

Harmonizing Technology with Human Hospitality

Technology should be regarded as a means to enhance convenience rather than a replacement for hospitality staff. The optimal luxury experience should merge digital efficiency with genuine human warmth.

FUTURE DIRECTION OF RESEARCH

Future research can build upon the current study by exploring larger and more geographically varied samples that encompass hotels throughout Chennai and other significant metropolitan areas in India. Comparative analyses between premium, luxury, and five-star hotels may reveal distinctions in customer expectations and perceptions of service quality. Additionally, future researchers might examine the effects of artificial intelligence, robotics, smart-room technologies, mobile applications, and generative AI on the customer experience within the luxury hospitality sector. Longitudinal studies could investigate how customer expectations and perceptions evolve over time. Further inquiries may delve into the impact of sustainability, wellness tourism, experiential luxury, cultural authenticity, and personalization on customer loyalty. Future studies could also assess variations between domestic and international tourists, business and leisure travelers, as well as different age demographics. Structural Equation Modelling (SEM), PLS-SEM, and machine-learning methodologies could be utilized to analyze intricate relationships among service quality, customer experience, satisfaction, perceived value, trust, and loyalty. Moreover, researchers may explore employee-related factors such as emotional intelligence, employee engagement, and service climate as influences on customer experience. Lastly, future research could aim to create a Chennai-specific luxury hotel customer-experience model that integrates traditional service quality, digital transformation, personalization, sustainability, and experiential hospitality.

CONCLUDING OBSERVATIONS

The current research, titled "Assessing Service Quality and Customer Experience in Premium and Luxury Hotels: Evidence from Chennai City," underscores the increasing significance of service quality and customer experience in shaping the competitiveness and enduring success of premium and luxury hotels. The results reveal that customers generally hold a favorable view of the service quality in Chennai's premium and luxury hotels, with the overall mean for service quality reflecting a high level of customer perception. Among the various dimensions analyzed, tangibility was identified as the highest-rated aspect, highlighting the value customers place on cleanliness, room comfort, modern amenities, ambiance, and the overall aesthetic of the hotel. Assurance also received a commendable rating, signifying that professionalism, safety, employee competence, and customer trust are vital components of luxury hospitality. The relatively strong evaluation of digital services further illustrates that technology has become a fundamental element of the modern hotel experience. Additionally, the study confirms that customer experience transcends the mere provision of basic hotel services. Guests are increasingly seeking personalized attention, responsive staff, seamless digital interactions, convenience, emotional connection, and memorable experiences. While respondents generally conveyed positive perceptions, the comparatively lower ratings for empathy, complaint resolution, and the hotels' ability to surpass expectations highlight areas where enhancements can be made. The significant number of satisfied customers and those indicating a desire to return emphasizes the necessity of sustaining consistent service quality to foster customer loyalty. A positive hotel experience can lead to repeat visits, favorable recommendations, and positive electronic word-of-mouth, thereby bolstering the hotel's competitive standing. The research indicates that premium and luxury hotels in Chennai ought to transition from a conventional service-delivery model to a more integrated customer-experience framework. Technology, artificial intelligence, and digital services should enhance rather than supplant human hospitality. Concurrently, greater managerial focus should be placed on personalization, employee training, service recovery, sustainability, and experiential offerings. In summary, the future competitiveness of premium and luxury hotels will hinge not only on the provision of advanced facilities but also on their capacity to foresee customer expectations, tailor interactions, effectively resolve issues, and craft unique, memorable, and emotionally resonant experiences. By consistently monitoring customer feedback and merging technological

advancements with human-centered hospitality, hotels in Chennai can bolster customer satisfaction, loyalty, and long-term business success.

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