CHAPTER 3

RESULTS

This chapter concentrates on the result obtained from the quantitative and qualitative studies. The quantitative analysis for fulfilling the objective of this study was done by first showing the results of the demographic profile and tourists' behaviour of the respondents by descriptive statistics. Secondly, the results of products and services satisfaction in comparison to the expectation and performance was shown by Paired-Samples T Test, Independent-Samples T Test, and One-Way ANOVA test.

The importance of marketing mix for the Non-Indian and Indian was shown by performing Independent-Sample T Test. Moreover, tables were presented where appropriate. The analysis of the qualitative data obtained from face to face interview will be presented by classified data and conclusion.

3.1 Demographic Characteristics of Respondents

From the Taro Yamane (1967) calculation, sample size was 400 respondents. However researcher decided to keep actual sample size Of 464 respondents in order to get more reliable result and also to compensate the missing data. Out of 464 respondents, 382 were non-Indians and 82 were Indians. The targeted number of Indians could not achieve because majority of them stay in sub-standard hotels as known from interviewing managers/owners of the hotels and also by researcher observation. As mentioned in the methodology section, respondents were Non-Indian and Indian tourists staying in grade A, grade B, and grade C class hotels in Bhutan during the month of 13th – 30th April, 2007.

Table 3.1 below shows demographic characteristics of respondents where male and female tourists were evenly distributed at 49.8% and 50.2% respectively. The majority of the ages were 46-55 years (23.7%) and 56-65 years (23.5%).

The nationality showing the highest number of visitors is USA (26 %), followed by India (17.7%), Australia (9.3 %), and others (19 .2 %). Most of the tourists were graduate degree holders with an annual household income of over 70,000 USD.

Those who came for the purpose of a holiday was 73.65%, and those staying in B grade hotels was 55. 82 %.

Table 3.1 Overall Demographic Characteristics of the Respondents

Sl.	Personal Characteristic	Frequency	Percentage
1.	Gender		
	a. Male	231	49.78%
	b. Female	233	50.22%
	Total	464	100.00%
2.	Age		
	a. 16–25 years	24	5.18%
	b. 26–35 years	74	15.98%
	c. 36–45 years	90	19.44%
	d. 46–55 years	110	23.76%
	e. 56–65 years	109	23.54%
	f. Over65 years	56	12.10%
	Total	463*	100.00%
3.	Nationality		
	a. USA	120	25.90%
	b. Indian	82	19.20%
	c. Australia	43	17.70%
	d. U.K	32	9.30%
	e. Germany	25	6.90%
	f. Canada	24	5.40%
	g. Japan	17	5.20%
	h. Switzerland	9	3.70%
	i. Austria	8	1.90%
	j. Netherland	6	1.70%
	k. Italy	4	1.30%
	l. France	3	.90%
	m. Spain	2	.60%
	n. Others	89	.40%
	Total	464	100.00%

Table 3.1 (Continued)

Sl.	Personality	Frequency	Percentage
4.	Education		
	a. Secondary education or lower	41	8.89%
	b. Bachelor	114	24.73%
	c. Graduate	272	59.00%
	d. Other	34	7.38%
	Total	461*	100.00%
5.	Annual household income		
	a. 10,000 USD or less than	39	9.38%
	b. 10,001–25,000 USD	54	12,98%
	c. 25,001–40,000 USD	57	13.70%
	d. 40,001–55,000 USD	44	10.58%
	e. 55,001–70,000 USD	38	9.13%
	f. over 70,000 USD	184	44.23%
	Total	416*	100.00%

Note: * Age total respondents 463 as one respondent did not answer this question

* Education total respondents 461 as three respondents did not answer this question

* Household income total respondents 416 as 48 respondents did not answer this question

Table 3.2 Demographic Profiles of Non-Indian and Indian Sample Respondents

Personal Characteristics	Non-Indian	Percentage	Indian	percentage
1. Gender				
a. Male	171	44.76%	60	73.17%
b. Female	211	55.24%	22	26.83%
Total	382	100.00%	82	100.00%
2. Age				
a. 16-25	14	3.66%	10	12.20%
b. 26-35	45	11.78%	30	36.59%
c. 36-45	73	19.11%	17	20.73%
d. 46-55	94	24.61%	16	19.51%
e. 56-65	106	27.75%	3	3.66%
f. Over 65	50	13.09%	6	7.32%
Total	382	100.00%	82	100.00%
3. Marital status				
a. Single	122	32.11%	14	17.07%
b. Married	215	56.58%	66	80.49%
c. Divorce/widow	43	11.32%	2	2.44%
Total	380	100.00%	82	100.00%
4. Education				
a. Secondary education/lower	35	9.23%	6	7.32%
b. Bachelor	103	27.18%	11	13.41%
c. Graduate	220	58.05%	53	64.63%
d. Others	21	5.54%	12	14.63%
Total	379	100.00%	82	100.00%

Table 3.2 (Continued)

Personal Characteristics	Non-Indian	Percentage	Indian	percentage
5. Occupation				
a. Professional	150	39.37%	36	43.90%
b. Self employee	44	11.55%	5	6.10%
c. Government employee	21	5.51%	3	3.66%
d. Business owner	31	8.14%	10	12.20%
e. Business employee	34	8.92%	11	13.41%
f. Unemployed/retired	60	15.75%	6	7.32%
g. Others	41	10.76%	11	13.41%
Total	381	100.00%	82	100.00%
6. Income				
a. 10,000USD or less	22	6.23%	17	26.98%
b. 10,001-25,000 USD	35	9.92%	19	30.16%
c. 25,001-40,000 USD	47	13.31%	10	15.87%
d. 40,001-55,000 USD	38	10.76%	6	9.52%
e. 55,001-70,000 USD	33	9.35%	5	7.94%
f. Over 70,000 USD	178	50.42%	6	9.52%
Total	353	100.00%	63	100.00%

Table 3.2 shows that the majority of the Non-Indian tourists were female (56 %), where as majority of the Indian tourists were male (73.2 %).

The marital status of Non-Indian sample respondents showed that 57% of them were married, 32.1% were single and only 11.3 % divorced / widowed. Indian respondents also showed that 80.5 % were married, 17.1 % single and 2.4 % divorce / widow.

For age groups about 65.4% of Non-Indian were of the age of 46 years old or more, as compared to Indian tourists of which 69.5% were under the age of 45 years old.

In terms of education level, the non-Indian sample respondents had an education level of the following: graduate degree (58%), bachelors degree (27.2%), lower than bachelor at (9.2 %), and others (5.5 %). The Indian tourists had an education level

of the following: graduate degree (64.6 %), others at (14.6 %), bachelors degree (13.4 %), and secondary education / lower (7.3 %).

For occupation, both Indian and non-Indians who were professionals accounted at 43.9% and 39.4% respectively. About 70.5% of non-Indians earned more than 40.000 USD/year, compared to Indians where 73.1% earned less than 40,000 USD/year.

3.2 Tourists' Behaviour

Table 3.3 Tourists Behaviour of Non-Indian and Indian Sample Groups

Tourists behaviour		Non-Indian		Indian	
1. Number	First (yes)	332	88.77%	61	75.31%
of visit	Second (No)	42	11.23%	20	24.69%
	Total	374	100.00%	81	100.00%
2. Hotel	A	101	26.72%	18	25.35%
grade	B	211	55.82%	43	60.56%
	C	66	17.46%	20	28.17%
	Total	378	100.00%	71	100.00%
3. Purpose	Holiday/pleasure	300	78.74%	41	50.00%
	Business	29	7.61%	16	19.51%
	Friend/relative's	10	2.62%	1	1.22%
	Official	21	5.51%	23	28.05%
	Meeting/seminar	9	2.36%	0	0.00%
	Other	12	3.15%	1	1.22%
	Total	381	100.00%	82	100.00%

Table 3.3 (Continued)

Tourists behaviour		Non−Indian		Indian
4.Travel accompany	Frequency	Percentage	Frequency	Percentage
Alone	44	11.58%	27	32.93%
Friend	71	18.68%	21	25.61%
Family/relative	97	25.53%	29	35.37%
Group/tour package	168	44.21%	5	6.10%
Total	380	100.00%	82	100.00%

Note: missing number are those respondents who did not answer particular question.

As indicated in Table 3.3, Non−Indians mostly travel with a group /tour package (44.2%) as opposed to Indians who preferred to travel with family /relatives (35.4%). Non−Indian respondents mainly came for holiday/pleasure purpose (79 %), business (8%), official business (6%), visiting relatives/ friends (3%), meeting / seminar (2.36%), and others (3.15%). Indian tourists, on the other hand, came for holiday purpose (50 %), official (28 %), business (19.5%), visiting relative/friend and others (1.2 %).

89% of non−Indians were first time visitors, while only 12 % were repeated visitors. 75.3 % of Indians were first−time visitors, while 24.7 % have visited Bhutan before.

Among the non−Indians most of them stayed in B grade hotel at 55.82 %, meanwhile 26.7 % stayed in A grade hotel followed up by 17.46 % staying in C grade hotels. As for Indians, 60.6 % stayed in B grade hotel, 28.2 % stayed in C grade hotel and 25.4 % stayed in A grade hotels.

3.3 The Importance of Marketing Mix Factors showing how much Products and Services provided by Hotels are Important for Non-Indians and Indians in order to make Decisions in Selecting Hotels in Bhutan.

The scale to measure the important of marketing mix (7Ps) were divided in 3 levels by (5-1)/3=1.33 as follows:

Score 1.00-2.33 points   Low Importance
Score 2.34-3.66 points   Moderate Importance
Score 3.67-5.00points   High Importance

(1.) Product

Table 3.4 indicates that Non-Indian respondents gave moderate importance level to product (mean=3.54). They ranked the highest level at support service (mean=3.86) and lowest at Indian breakfast (mean=2.52).

In contrast, Indian respondents also gave high importance level to product (mean=4.09). They ranked the highest level at support service (mean=4.46) and lowest at Bhutanese breakfast (mean=3.17).

Independent-Sample T Test was performed to determine whether there is difference between Indian and non – Indians. Interpretation of the results was done at 5% level of significance; where the value of p<0.05 was considered significant and p<0.01 was considered as being highly significant. The results showed that Indian tourists rated more than non-Indian tourists regarding different types, Indian breakfast, wake up call, internet access and support services at a statistically significant difference level at $p \leq 0.01$. Likewise, Indian tourists gave more importance to continental breakfasts then non-Indians at a statically significant level $p \leq .05$. (Table 3.5)

Table 3.4 Important Level of Products and Services Factors Among Non-Indian and
Indian Sample Respondents

Product and services	Non-Indian			Indian			
	Mean	S. D	Important factor level	Mean	S. D	Important Factor level	p- value
a. Room types	3.63	.89	Moderate	4.34	.73	High	.000**
b. Continental b/fast	3.47	1.03	Moderate	3.76	.95	High	.026*
c. Indian b/fast	2.52	1.16	Moderate	4.07	.94	High	.000**
d. Bhutanese b/fast	3.01	1.16	Moderate	3.17	1.11	Moderate	.334
e. Buffet b/fast	3.51	1.07	Moderate	3.77	1.08	High	.075
f. Wake up call	3.63	1.19	Moderate	4.11	1.05	High	.002**
g. Internet access	3.75	1.22	High	4.32	.86	High	.000**
h. Support services	3.86	.99	High	4.46	.71	High	.000**
TOTAL	3.54	.74	Moderate	4.09	.58	High	

* Indicate statistically significant differences at p ≤ 0.05
** Indicate statistically significant differences at p ≤ 0.01

Note: Independent-Samples T Test were performed to check for statistically significant differences between non - Indian and Indian respondents.

(2.) Price

Table 3.5 showed that Non Indian and Indian sample respondents gave high importance level to price (mean=4.57) and (mean=4.26) respectively.
Independent-Sample T Test was performed to determine whether there is a difference between Indian and non - Indians. Interpretation of the results was done at 5% level of significance; where the value of p<0.05 was considered significant and p<0.01 was considered as being highly significant. The result indicated that Indian tourists are more concerned about value for money than non-Indian tourists, showing a highly significant difference level at p≤0.01.

Table 3.5 Important Level of Price Factor Among Non-Indian and Indian Respondents

Price	Non-Indian			Indian			
	Mean	S. D	Important factor level	Mean	S. D	Important factor level	p-value
i. Value for money	4.26	.651	High	4.57	.646	High	.000**
Total	4.26	.651	High	4.57	.646	High	

** Indicate statistically significant differences at p ≤ 0.01

Note: Independent-Samples T Test was performed to check for statistically significant differences between non- Indian and Indian respondents.

(3.) Place

Table 3.6 indicates that non- Indian respondents gave high importance level to place (mean=3.74). They ranked the highest level at natural place (mean=4.09) and lowest at near airport (mean=2.89). Likewise, Indian tourists respondents gave high importance level to place (mean =4.01). They ranked the highest level at near town (mean=4.21) and lowest at historic place (mean=3.66).

Independent-Sample T Test was performed to determine the importance of place factor for non-Indian and Indian. Interpretation of the results was done at 5% level of significance; where the value of p<0.05 was considered significant and p<0.01 was considered as being highly significant. The results indicated that Indian tourists rated more then non – Indian tourists for near town and near airport at a highly significantly difference level at p≤.0.01.

Table 3.6 Important Level of Place Factor Among Non-Indian and Indian Respondents

Location	Non-Indian			Indian			
	Mean	S. D	Important factor level	Mean	S. D	Important factor level	p-value
j. Town	3.82	1.00	High	4.21	.856	High	.003**
k. Near airport	2.89	1.14	Moderate	3.73	1.11	High	.000**
l. Historic place	3.77	1.01	High	3.66	1.03	High	.455
m. Natural place	4.09	.86	High	3.92	.97	High	.153
Total	3.74	.74	High	4.01	.71	High	

** Indicate statistically significant differences at $p \leq 0.01$

Note: Independent-Samples T Test was performed to check for statistically significant differences between non- Indian and Indian respondents.

(4.) Promotion

Table 3.7 showed that Non-Indian sample respondents gave moderate importance level to promotion (mean =3.43). They ranked the highest level at website (mean=3.85) and lowest at television (mean=2.86).

The Indian respondents gave high importance level to promotion (mean=4.23). They ranked the highest level at website (mean=4.48) and lowest level at international publication (mean=3.91).

Independent-Samples T Test was performed to determine whether there is difference between Indians and non - Indians. Interpretation of the results was done at 5% level of significance; where the value of $p<0.05$ was considered significant and $p<0.01$ was considered as being highly significant. The result indicate that the Indians rated more than non-Indian tourist with website, brochures, international publication, and television at highly significantly difference level at $p \leq 0.01$.

Table 3.7 Important Level of Promotion Factor Among Non-Indian and Indian
Respondents

Promotion	Non-Indian			Indian			
	Mean	S. D	Important factor level	Mean	S. D	Important Factor level	p- value
n. Web site	3.85	1.071	High	4.48	.793	High	.000**
o. Brochures	3.33	1.069	Moderate	4.08	.924	High	.000**
p. Publication	3.33	1.110	Moderate	3.91	.940	High	.000**
q. Television	2.86	1.237	Moderate	4.02	1.109	High	.000**
Total	3.43	.922	Moderate	4.23	.726	High	

** Indicate statistically significant differences at $p \leq 0.01$

Note: Independent-Samples T Test was performed to check for statistically significant differences between non- Indian and Indian respondents.

(5.) People

From Table 3.8 Non-Indian sample respondents indicate the high importance level of people factors that influence tourists' decisions on selecting hotels were employee attitude at high level (mean=4.68) and employee courteousness also at high level (mean= 4.67). The Indian sample respondents results also showed that high important level of people factors that led tourists decisions in selecting hotels were employee attitude at a high level (mean=4.77) and employee courteousness at also a higher level (mean =4.69). Independent-Samples T Test was performed to determine whether there is difference between Indian and non – Indian. Interpretation of the results was done at 5% level of significance; where the value of $p<0.05$ was considered significant and $p<0.01$ was considered as being highly significant. The results did not indicate any significant level difference between Indian and non- Indians. Overall, the results between non – Indian and Indians showed people factor as a high important level.

Table 3.8 Important Level of People Factor Among Non-Indian and Indian Respondents

People	Non-Indian			Indian			
	Mean	S. D	Important factor level	Mean	S. D	Important factor level	p-value
r. Employee courteousness	4.67	.516	High	4.69	.521	High	.747
s. Employee attitude	4.68	.512	High	4.77	.509	High	.147
Total	4.68	.51	High	4.73	.49	High	

Note: Independent-Samples T Test was performed to check for statistically significant differences between non- Indian and Indian respondents.

(6.) Process

Table 3.9 indicates that Non-Indian respondents gave high importance level to process (mean=3.78). They ranked the highest level at food and beverage service (mean=4.33) and lowest at sports activities (mean=2.96). Likewise Indian respondents also gave high importance level to process (mean=4.19). They ranked the highest level at food and beverage service (mean=4.52) and lowest at sports activities (mean=3.65). Independent-Samples T Test was performed to determine whether there is difference between Indian and non – Indian. Interpretation of the results was done at 5% level of significance; where the value of p<0.05 was considered significant and p<0.01 was considered as being highly significant. The results indicate that Indian tourists ranked higher then non-Indian tourists with recreational activities and sports activities at a highly significant level p≤.0.01. Likewise, Indians also ranked higher with check in and out, food and beverage at a statically significant level p≤.05.

Table 3.9 Important Level of Process Factor Among Non-Indian and Indian Respondents

Process	Non-Indian			Indian			
	Mean	S. D	Important factor level	Mean	S. D	Important factor level	p- value
t. Check in and out	4.15	.79	High	4.37	.61	High	.024*
u. Food and beverage	4.33	.68	High	4.52	.63	High	.026*
v. Recreation activities	3.30	1.12	Moderate	4.21	.69	High	.000**
w. Sports activities	2.96	1.07	Moderate	3.65	1.01	Moderate	.000**
Total	3.78	.75	High	4.19	.53	High	

** Indicate statistically significant differences at $p \leq 0.01$

* Indicate statistically significant differences at $p \leq 0.05$

Note: Independent-Samples T Test was performed to check for statistically significant differences between non- Indian and Indian respondents.

(7.) Physical evidence

In Table 3.10 the Non-Indian sample respondents show physical evidence at high importance level (mean=4.74). They rated cleanliness or sanitation at highest level (mean=4.76) and lowest at safety and security (mean= 4.72), respectively. Likewise, Indian respondents gave high importance level to physical evidence (mean=4.78). They ranked the highest level at cleanliness or sanitation (mean=4.79) and lowest level at security and safety (mean=4.76). Independent-Sample T Test was performed to determine difference between Indian and Non Indians. Interpretation of the results was done at 5% level of significance; where the value of p<0.05 was considered significant and p<0.01 was considered as being highly significant. The results did not indicate any significance difference between non- Indians and Indians.

Table 3.10 Important Level of Physical Evidence Factor Among Non-Indian and Indian
Respondents

Physical evidence	Non-Indian			Indian			p-value
	Mean	S. D	Important factor level	Mean	S. D	Important Factor level	
x. Cleanliness/sanitation	4.76	.511	High	4.79	.469	High	.687
y. Safety and security	4.72	.544	High	4.76	.486	High	.533
Total	4.74	.49	High	4.78	.449	High	

Note: Independent-Samples T Test was performed to check for statistically significant
differences between non- Indian and Indian respondents.

Table 3.11 Summary of Overall Importance Level of Marketing Mix 7Ps

Attribute	Non-Indian importance	Indian importance
1. Product	Moderate	High
2. Price	High	High
3. Place	High	High
4. Promotion	Moderate	High
5. People	High	High
6. Process	High	High
7. Physical evidence	High	High

3.4 Result of Expectation, Performance and Gap

3.4.1 Difference between Customers Expectation and Performance Categorized by Nationality

The Expectation table (Table 3.12) below shows Indian respondents' expectation with room quality, sanitation, and internet access were higher than non – Indian at a significantly difference level $p \leq 0.05$. For the fitness club also Indian expectation were higher comparing to non-Indian at a highly significant difference level $p \leq 0.01$.

The Performance table (Table 3.13) shows Indian respondents rated the performance of souvenir shops, room service, wake up call, menu variety, buffet meal, employee responsiveness, employee attitude at a lower level comparing to non – Indian at a highly significant difference level $p \leq 0.01$. Only with Internet access performance did non-Indians rate at a lower level comparing to Indians at a statistically significance difference level $p \leq 0.05$.

In Table 3.14, a One-Way ANOVA test was performed to determine the gap between expectation and performance of the hotel. Interpretation of the result was done at the 5 % level of significance; where the value of $p < 0.05$ was considered as being significant, and $p < 0.01$ was considered as being highly significant. The result indicates that, with room service and room quality, Indians were not satisfied and non-Indian were satisfied at a significant difference level $p \leq 0.05$.

The overall gap indicates that non-Indians were satisfied with employee responsiveness, followed by stone bath, employee attitude, buffet, wake up call, room quality and room service, hotel environment, souvenir shop, and fitness club. However, they were dissatisfied with sanitation facilities, cleanliness, Internet access, and salon. The Indian results showed that they were dissatisfied with all the above mentioned products and services. Therefore, we can conclude that there is difference between nationality and level of satisfaction.

Table 3.12 Expectation with Products and Services Categorized by Nationality

Attribute	Non-Indian	Indian	p-value
	Mean (S.D)	Mean (S.D)	
1. Hotel environment	4.28(.683)	4.38(.688)	.208
2. Souvenir shop	3.53(.940)	3.54(.985)	.960
3. Salon	3.12(1.045)	3.29(.935)	.299
4. Fitness	2.69(1.213)	3.30(1.082)	.002**
5. Room quality	3.85(.849)	4.08(.744)	.030*
6. Room service	3.99(.775)	4.13(.801)	.143
7. Wake up call	3.98(.936)	4.16(.787)	.149
8. Sanitation	3.94((.803)	4.16(.812)	.030*
9. Cleanliness	4.10(.803)	4.23(.821)	.200
10. Stone bath	3.35(1.070)	3.56(1.031)	.893
11. Menu variety	3.89(.853)	3.99(.935)	.392
12. Buffet	3.73(.862)	3.86(.955)	.296
13. Employee responsiveness	4.17(.789)	4.08(.801)	.388
14. Employee attitude	4.27(.735)	4.24(.702)	.707
15. Internet access	3.39(1.154)	3.72(1.170)	.033*

** Indicate statistically significant differences at p≤ 0.01

*   Indicate statistically significant differences at p ≤0.05

Note: Independent-Samples T Test were performed to check for statistically significant differences between performance of hotels in Bhutan and nationality

Table 3.13 Performance with Products and Services Categorized by Nationality

Attribute	Non-Indian	Indian	p-value
	Mean (S.D)	Mean (S.D)	
1. Hotel environment	4.31(.779)	4.19(.758)	253
2. Souvenir shop	3.55(.940)	3.12(.943)	.006**
3. Salon	3.11(1.274)	2.91(.995)	.397
4. Fitness	2.70(1.346)	2.80(1.126)	.706
5. Room quality	3.91(.908)	3.79(.676)	.349
6. Room service	4.05(.864)	3.63(.917)	.001**
7. Wake up call	4.14(.901)	3.77(1.009)	.007**
8. Sanitation	3.80(.934)	3.80(.876)	.963
9. Cleanliness	4.02(.911)	3.97(.796)	.676
10. Stone bath	3.56(1.392)	3.17(1.227)	.165
11. Menu variety	3.83(.964)	3.37(1.080)	.001**
12. Buffet	3.90(1.018)	3.40(1.009)	.003**
13. Employee responsiveness	4.44(.698)	4.02(.967)	.000**
14. Employee attitude	4.46(.696)	4.14(.840)	.002**
15. Internet access	2.79(1.324)	3.02(1.288)	.033*

** Indicate statistically significant differences at $p \leq 0.01$

* Indicate statistically significant differences at $p \leq 0.05$

Note: Independent-Samples T Test were performed to check for statistically significant differences between performance of hotels in Bhutan and nationality

Table 3.14 Products and Services Gap between Customer Expectations and Performance
of Hotel Categorized by Nationality

Attribute	Non–Indian	Indian	p– value
1. Hotel environment	0.03	−0.19	.065
2. Souvenir shop	0.02	−0.42	.347
3. Salon	−0.01	−0.38	.557
4. Fitness	0.01	−0.5	.479
5. Room quality	0.06	−0.29	.036*
6. Room service	0.06	−0.5	.020*
7. Wake up call	0.16	−0.39	.188
8. Sanitation	−0.14	−0.36	.180
9. Cleanliness	−0.08	−0.26	.122
10. Stone bath	0.21	−0.39	.562
11. Menu variety	−0.06	−0.62	.081
12. Buffet	0.17	−0.46	.295
13. Employee responsiveness	0.27	−0.06	.986
14. Employee attitude	0.19	−0.1	.815
15. Internet access	−0.6	−0.7	.103

*   Indicate statistically significant differences at p ≤0.05

Note: Independent–Sample T test was performed to check for statistically significant
differences between performance of hotels in Bhutan and nationality

3.4.2 Overall Difference between Customers Expectation and Performance

Table 3.15 shows that overall performance value is below the expectation
values in 10 of the total 15 attributes. This means that there was a negative gap in the 10
attributes. Customers were unsatisfied with Internet access, fitness club, stone bath,
sanitation facilities, cleanliness, menu variety, room service, and souvenir shop. On the
other hand, they were satisfied with hotel environment, wake up call, buffet, employee
responsiveness, and employee attitude. Paired–Samples T Test was performed to determine

the difference in means between expectation and performance values. The gap results indicate that tourists were unsatisfied with sanitation at a highly significant level (p≤0.01). Also, results indicate that they were unsatisfied with menu variety and cleanliness at a statically significant level (p≤0.05).

Table 3.15: Overall Products and Services Gap between Customers' Expectation and Performance

Attributes	Expectation Mean (S.D)	Performance Mean (S.D)	Gap	p-Value	Satisfaction Level
1. Hotel environment	4.28(.71)	4.29(.78)	0.01	.860	Satisfied
2. Souvenir shop	3.52(.92)	3.48(1.04)	-0.04	.514	Unsatisfied
3. Salon	3.13(.94)	3.05(1.24)	-0.08	.405	Unsatisfied
4. Fitness club	2.95(1.15)	2.68(1.32)	-0.27	.032*	Unsatisfied
5. Room quality	3.89(.87)	3.86(.88)	-0.03	.673	Unsatisfied
6. Room service	4.02(.82)	3.94(.89)	-0.08	.231	Unsatisfied
7. Wake up call facilities	4.01(.89)	4.07(.93)	0.06	.367	Satisfied
8. Sanitation facilities	3.97(.84)	3.78(.92)	-0.19	.002**	Unsatisfied
9. Cleanliness	4.12(.84)	4.00(.89)	-0.12	.040*	Unsatisfied
10. Stone bath	3.64(.98)	3.39(1.39)	-0.25	.027*	Unsatisfied
11. Menu variety	3.88(.91)	3.75(.99)	-0.13	.037*	Unsatisfied
12. Buffet	3.71(.89)	3.81(1.04)	0.10	.227	Satisfied
13. Employee responsiveness	4.17(.81)	4.35(.78)	0.18	.001**	Satisfied
14. Employee attitude	4.28(.71)	4.40(.74)	0.12	.021*	Satisfied
15. Internet access	3.46(1.21)	2.85(1.31)	-0.61	.000**	Unsatisfied

** Indicate statistically significant differences at p≤ 0.01

* Indicate statistically significant differences at p ≤0.05

Note: Paired-Samples T Test was performed to check for statistically significant differences between Expectation and Performance

3.4.3 Difference between Customer Expectation and Performance of Hotels and Satisfaction Categorized by Gender.

Results in below Table 3.16 indicate that female expectation with souvenirs and internet access was higher than males at a statistically significant difference level ($p \leq 0.05$). In contrast, males rated lower than females in regards to souvenir shop performance at a significantly difference level ($p \leq 0.01$).

Independent – Sample T Test was performed to determine the difference in means between expectation and performance values. The gap results showed that males were unsatisfied with the room quality and room service comparing to female at a statistically significantly difference level $p \leq .05$. This shows that gender has a significant difference on the levels of customers' satisfaction with room quality and room service.

3.4.4 Difference between Customer Expectation, Performance of Hotels and Satisfaction Categorized by Age

Table 3.17 shows that expectations with salon and fitness club by the age group of 26–35 years were the highest while the age groups of 46–55 years old were the lowest at highly significant difference level ($p \leq 0.01$). For the wake up call, the expectation of the age group (16–25 years old) was the highest while the age group (46–55 years old) was the lowest at a statistically significant difference level at ($p \leq 0.05$).

Table 3.16 Products and Services Gap between Customer Expectations and Performance of Hotel Categorized by Gender

Attribute	Expectation			Performance			Gap		
	Male Mean(SD)	Female Mean(SD)	P-value	Male Mean(SD)	Female Mean(SD)	p-value	Male	Female	p-value
1. Hotel environment	4.26(.67)	4.34(.69)	.220	4.22(.78)	4.35(.77)	.106	-0.04	0.01	.065
2. Souvenir shop	3.43(.94)	3.64(.96)	.041*	3.28(1.10)	3.68(.96)	.001**	-0.15	0.04	.347
3. Salon	3.16(.99)	3.13(1.08)	.799	2.99(1.19)	3.19(1.29)	.293	-0.17	0.06	.557
4. Fitness	2.84(1.22)	2.79(1.22)	.782	2.75(1.29)	2.67(1.32)	.752	-0.09	-0.12	.479
5. Room quality	3.95(.76)	3.83(.91)	.147	3.86(.87)	3.91(.88)	.607	-0.09	0.08	.036*
6. Room service	4.02(.78)	4.00(.79)	.851	3.89(.93)	4.05(.85)	.109	-0.13	0.05	.020*
7. Wake up	4.01(.82)	4.01(1.01)	.956	4.05(.89)	4.09(.98)	.670	0.04	0.08	.188
8. Sanitation	3.90(.79)	4.05(.83)	.052	3.84(.92)	3.76(.94)	.424	-0.06	-0.29	.180
9. Cleanliness	4.05(.83)	4.19(.79)	.068	4.03(.88)	3.99(.92)	.637	-0.02	-0.2	.122
10. Stone bath	3.47(1.06)	3.62(1.07)	.295	3.39(1.39)	3.62(1.33)	.304	-0.08	.2	.562
11. Menu variety	3.89(.85)	3.92(.89)	.747	3.66(1.03)	3.85(.96)	.082	-0.23	-0.07	.081
12. Buffet	3.73(.94)	3.78(.82)	.546	3.71(1.08)	3.92(.96)	.086	-0.02	0.14	.295
13. Employee response	4.09(.79)	4.22(.79)	.112	4.30(.79)	4.43(.74)	.115	0.21	0.21	.986
14. Employee attitude	4.24(.72)	4.29(.75)	.471	4.36(.72)	4.44(.75)	.345	0.12	0.15	.815
15. Internet access	3.31(1.22)	3.60(1.09)	.020*	2.79(1.34)	2.88(1.31)	.577	-0.52	-0.72	.103

Note: Independent–Samples T Test were performed to check for statistically significant differences between Expectation and Performance of Bhutan hotels

Table 3.17 Expectation with Products and Services Categorized by Age

Attribute	16-25	26-35	36-45	46-55	56-65	Over65	P -value
	Mean(SD)	Mean(SD)	Mean(SD)	Mean(SD)	Mean(SD)	Mean(SD)	
1. Hotel environment	4.58(.52)	4.22(.75)	4.25(.61)	4.16(.73)	4.00(86)	4.75(.47)	.572
2. Souvenir shop	3.25(.97)	3.54(90)	3.44(91)	3.08(1.09)	3.43(.89)	3.25(1.18)	.263
3. Salon	2.92(.90)	3.32(.86)	3.22(1.13)	2.54(1.02)	3.09(.90)	3.25(.71)	.001**
4. Fitness club	2.75(1.06)	3.14(1.14)	2.67(1.22)	2.43(1.19)	2.70(.88)	2.75(1.59)	.011*
5. Room quality	3.58(1.09)	3.81(.89)	3.81(.96)	3.62(1.07)	3.78(.74)	4.25(.71)	.184
6. Room service	3.75(.76)	3.89(1.03)	3.89(.86)	3.89(.78)	3.91(.74)	4.50(.54)	.199
7. Wake up call	4.25(.76)	3.95(.88)	3.75(.91)	3.57(1.05)	3.70(.93)	4.13(.84)	.023*
8. Sanitation	4.00(.74)	3.95(.95)	4.06(.72)	3.81(.94)	3.57(79)	4.50(.76)	.774
9. Cleanliness	4.17(.84)	4.03(.93)	4.19(.67)	3.92(.99)	3.78(.79)	4.63(.75)	.643
10. stone bath	3.75(.63)	3.51(.99)	3.36(1.13)	3.05(1.11)	3.57(1.04)	3.88(.65)	.155
11. Menu variety	3.58(.79)	3.76(.96)	3.81(.92)	3.73(.81)	3.43(.89)	4.25(.71)	.511
12. Buffet	3.58(.79)	3.65(79)	3.44(1.16)	3.51(.94)	3.39(.79)	4.00(1.07)	.482
13. Employee response	4.00(.86)	4.00(.89)	4.11(.67)	4.08(.93)	3.87(.76)	4.50(.54)	.238
14. Employee attitude	4.17(72)	4.11(.88)	4.19(.63)	4.35(.68)	4.00(.61)	4.63(52)	.139
15. Internet access	3.42(1.32)	3.30(1.18)	3.36(1.25)	3.14(1.16)	2.74(1.29)	3.88(1.13)	.899

Note: One-Way ANOVA test were performed to check for statistically significant differences between expectation of tourist from hotels in

Bhutan compared with age

** Indicate statistically significant differences at p≤ 0.01

* Indicate statistically significant differences at p ≤0.05

The performance table 3.18 shows age groups of over 65 years old rated the highest with hotel environment and age group of 56-65 years rated the lowest at a statistically significant level ($p \leq .05$). For the room quality with amenity packages, the age group of 56-65 years old rated the highest and 36-45 years old rated the lowest at a highly significant level ($p \leq 0.01$). For the room service, the age group of over 65 years old rated the highest and 26-35 yeas old rated the lowest at highly significant level ($p \leq 0.01$). For the cleanliness, the age group of 16-25 rated the highest and 36-45 years old rated the lowest at a highly significant level ($p \leq 0.01$). In consideration with menu variety, the age group of 56-65 years old rated the highest and 36-45 years old rated the lowest at highly significant level ($p \leq 0.01$). For buffet, the age group of 56-65 years old rated the highest and 26-35 years old rated the lowest at a statistically level ($p \leq .05$). For Internet access age group of 16-25 years, old rated the highest and over 65 years rated lowest at a highly significant level ($p \leq 0.01$).

Table 3.19 One-Way ANOVA test was performed to determine the gap between expectation and performance of the hotel. Interpretation of the result was done at the 5 % level of significance; where the value of $p \leq .05$ was considered as being statistically significant and $p \leq 0.01$ was considered as being statistically highly significant. The results indicated that the age group of 36-45 years old was unsatisfied with room quality at the lowest level comparing to age group of 16-25 who were highly satisfied at a significantly difference level ($p \leq 0.01$). For the cleanliness and menu variety, age group of over 65 years were unsatisfied at the lowest level comparing to age group of 56-65 years who were highly satisfied at a significantly difference level $p \leq 0.01$. This shows that age has a significant difference on the levels of customer satisfaction with room quality, cleanliness, and menu variety.

Table 3.18 Performance of Products and Services Categorized by Age

Attribute	16-25 Mean(SD)	26-35 Mean(SD)	36-45 Mean(SD)	46-55 Mean(SD)	56-65 Mean(SD)	Over65 Mean(SD)	p-value
1.Hotel environment	4.33(.71)	4.11(.68)	4.05(.826)	4.06(.66)	4.36(.929)	4.00(.894)	.036*
2. Souvenir shop	3.67(.87)	3.06(.94)	2.80(1.11)	3.24(1.147)	3.43(1.016)	3.00(1.265)	.077
3. Salon	3.33(1.12)	2.67(1.03)	2.20(1.11)	2.76(1.147)	3.07(1.328)	2.83(1.329)	.020*
4. Fitness club	3.11(1.06)	2.44(1.05)	2.00(1.13)	2.41(1.372)	2.71(1.326)	2.83(1.722)	.641
5. Room quality	4.11(.79)	3.72(.76)	3.25(1.26)	3.76(1.033)	4.14(.770)	4.00(.632)	.000**
6. Room service	4.00(.87)	3.72(.83)	3.75(1.02)	3.82(1.015)	4.14(.949)	4.33(.816)	.008**
7. Wake up call	4.22(.84)	3.83(.71)	3.77(1.07)	3.76(1.033)	4.43(.938)	3.83(.753)	.050*
8. Sanitation facilities	4.22(.67)	3.89(.68)	3.45(1.15)	3.41(1.064)	4.14(.864)	4.17(.753)	.055
9. Cleanliness	4.33(.71)	3.89(.90)	3.60(1.28)	3.76(.970)	4.29(.726)	4.00(.894)	.002**
10. stone bath	4.11(1.17)	2.89(1.33)	2.15(35)	2.88(1.317)	3.57(1.284)	3.17(1.472)	.101
11. Menu variety	3.44(1.13)	3.61(1.04)	3.25(1.02)	3.47(.943)	4.07(.917)	3.67(1.033)	.001**
12. Buffet	3.67(1.23)	3.11(1.03)	3.30(1.13)	3.71(1.105)	3.86(1.167)	3.17(1.472)	.030*
13.Employee response	4.56(.73)	4.00(1.09)	4.10(.79)	4.06(1.029)	4.64(.497)	4.33(.816)	.307
14. Employee attitude	4.56(.73)	4.17(1.05)	4.10(.72)	4.18(.809)	4.71(.469)	4.33(.516)	.079
15. Internet access	3.33(1.42)	2.67(1.24)	2.60(1.32)	2.76(1.300)	3.29(1.383)	2.50(1.517)	.009**

Note: One-Way ANOVA test were performed to check for statistically significant differences between performance of hotels in Bhutan and age

Table 3.19 Products and Services Gap between Customers' Expectation and Performance Categorized by Age

Attribute	16–25	26–35	36–45	46–55	56–65	Over65	P– value
1.Hotel environment	-0.25	-0.11	-0.2	-0.1	0.36	-0.75	.272
2. Souvenir shop	0.42	-0.48	-0.64	0.16	0	-0.25	.495
3. Salon	0.41	-0.65	-1.02	0.22	-0.02	-0.42	.475
4. Fitness club	0.36	-0.7	-0.67	-0.02	0.01	0.08	.181
5. Room quality	0.53	-0.09	-0.56	0.14	0.36	-0.25	.000**
6. Room service	0.25	-0.17	-0.14	-0.07	0.23	-0.17	.083
7. Wake up call	-0.03	-0.12	0	0.19	0.73	-0.3	.000**
8.Sanitation facilities	0.22	-0.06	-0.61	-0.4	0.57	-0.33	.102
9. Cleanliness	0.16	-0.14	-0.59	-0.16	0.51	-0.63	.002**
10. stone bath	0.36	-0.62	-1.21	-0.17	0	-0.71	.023*
11. Menu variety	-0.14	-0.15	-0.56	-0.26	0.64	-0.58	.028*
12. Buffet	0.09	-0.54	-0.14	0.2	0.47	-0.83	.261
13.Employee response	0.56	0	-0.01	-0.02	0.77	-0.17	.525
14. Employee attitude	0.39	0.06	-0.09	-0.17	0.71	-0.3	.111
15. Internet access	-0.09	-0.63	-0.76	-0.38	0.55	-1.38	.364

** Indicate statistically significant at $p \leq 0.01$

* Indicate statistically significant at $p \leq 0.05$

Note: One–Way ANOVA test were performed to check for statistically significant differences between age and hotels in Bhutan

Table 3.4.5 Difference between Customers' Expectation, Performance of Hotels and Satisfaction Categorized by Purpose of Visit

Table 3.20 indicates that for those visiting friend /relative with internet access, their expectation was the highest level comparing to those who came for holiday /pleasure who expected at the lowest level at a statistically significant difference level a (p ≤0.05).

Table 3.21 for the hotel environment performance, the business purpose rated at the lowest and meeting/seminar and others rated the highest level at a significantly difference level p≤0.05.

Performance of room service and meeting/seminar purpose rated at the highest-level and the business purpose rated at the lowest level at a significantly difference level at p≤0.01.

The performance of menu variety was rated by the visiting friend/relative at the highest level comparing to business purpose who rated at the lowest level at a significantly difference level at p≤0.05.

The performance of employee responsiveness was rated at the highest level by meeting/seminar purpose comparing to the business purpose who rated at the lowest level at a highly significantly difference level p≤0.01.

In Table 3.22, a One-Way ANOVA test was performed to check whether there is a statistically significant difference between expectation and performance of the hotel. Interpretation of the results was done at 5% level of significance; where the value p<0.05 was considered as being significant, and p<0.01 was considered as being highly significant. The gap results showed that those who came for business purposes were unsatisfied with hotel environment at the lowest level and meeting/seminar were satisfied at the highest level at a significant difference level (p≤ 0.01).

For souvenir shops, those who come for visiting friend/relative were satisfied at the highest level and others purpose visit were unsatisfied at the lowest level at a highly significance difference level (p≤0.01). T

The others purpose were satisfied with room quality at the highest level and with hotel environment official were unsatisfied at the lowest level at a significantly difference level p≤0.01.

For the room service and meeting/ seminar, tourists were satisfied at the highest level and business purpose were unsatisfied at the lowest level at a significance difference level ($p \leq 0.01$).

For menu variety, those who came for visiting friends/relatives were satisfied at the highest level comparing to those who come for business purposes who were unsatisfied at the lowest level at a significantly difference level $p \leq 0.01$.

For employee responsiveness, those who come for visiting friend /relative were satisfied at the highest level comparing to those who come for other purpose who were unsatisfied at the lowest level at a significantly difference level ($p \leq 0.05$).

Therefore, we can conclude that there is difference between purpose of visit and level of satisfaction. From the overall results, we can say that those who came for holiday purpose were satisfied with the majority of products except souvenir shops, menu variety, sanitation, cleanliness, and internet access.

Table 3.20 Expectation with Products and Services Categorized by Purpose of Visit

Attribute	Expectation						p-value
	Holiday /pleasure	Business	Visiting friend/relative	Official	Meeting /seminar	Others	
	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	
1.Hotel environment	4.32(.72)	4.27(.55)	4.4(.52)	4.13(61)	4.25(.47)	4.36(.68)	.662
2. Souvenir shop	3.57(.95)	3.38(.96)	3.13(1.13)	3.54(.98)	3.63(.59)	3.38(1.1)	.707
3. Salon	3.16(1.01)	3.11(.94)	3.38(1.07)	3.2(1.19)	2.25(.50)	3(1.74)	.603
4. Fitness club	2.78(1.21)	2.69(1.13)	2.67(.82)	3.45(1.32)	2(1.00)	3(1.74)	.189
5. Room quality	3.89(.86)	3.88(.74)	3.88(.84)	3.97(.75)	3.89(.79)	3.73(1.11)	.677
6. Room service	4.06(.77)	3.93(.85)	3.8(.64)	3.9(.89)	4(.71)	3.85(.69)	.607
7. Wake up call	4.02(.95)	3.92(.83)	3.88(.84)	4(.88)	4.29(.76)	4.14(.69)	.931
8. Sanitation facilities	3.94(.84)	4.16(.69)	3.67(.71)	3.92(.78)	4.56(.53)	4.17(.72)	.088
9. Cleanliness	4.12(.82)	4.23(.68)	3.9(1.11)	4(.85)	4.56(.53)	4.31(.76)	.336
10. stone bath	3.62(1.03)	3.4(1.16)	3.57(.79)	3.26(1.22)	2.25(1.26)	4(.00)	.092
11. Menu variety	3.9(.89)	4(.77)	4.1(.74)	3.77(.85)	3.78(1.21)	4.23(.73)	.552
12. Buffet	3.78(.85)	3.59(.96)	3.78(.84)	3.7(1.03)	3.67(1.23)	4(.71)	.806
13. Employee response	4.21(.79)	4(.78)	3.5(1.19)	4.02(.76)	4.44(.53)	4.15(.81)	.059
14. Employee attitude	4.29(.73)	4.23(.74)	3.78(.98)	4.15(.67)	4.56(.53)	4.25(.87)	.219
15. Internet access	3.33(1.18)	3.83(1.06)	4.11(.93)	3.57(1.22)	3.38(1.07)	3.91(.71)	.031

Note: One–Way ANOVA test were performed to check for statistically significant differences between purpose of visit with products and services offered

Table 3.21 Performance of Products and Services Categorized by Purpose of Visit

Attribute	Performance						p –value
	Holiday /pleasure	Business	Visiting friend/relative	Official	Meeting/seminar	Others	
	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	
1.Hotel environment	4.32(.78)	3.98(.88)	4.29(.756)	4.17(.67)	4.63(.52)	4.67(.50)	.039*
2. Souvenir shop	3.54(1.01)	3.08(1.23)	3.67(1.04)	3.15(1.23)	3.86(.69)	2.67(1.53)	.089
3. Salon	3.17(1.25)	2.61(1.09)	2.83(1.17)	3.15(1.23)	1(.00)		.050*
4. Fitness club	2.79(1.37)	2.44(1.15)	2.17(.99)	3.08(.96)	1(.00)		.151
5. Room quality	3.91(.88)	3.58(.83)	3.86(.90)	3.86(.88)	4.25(.71)	4.14(.69)	.264
6. Room service	4.06(.82)	3.54(1.01)	4(1.16)	3.67(.96)	4.38(.52)	3.6(1.68)	.006**
7. Wake up call	4.11(.90)	3.94(.89)	4.17(.99)	3.7(1.19)	4.43(.79)	4(1.42)	.314
8. Sanitation facilities	3.83(.91)	3.59(1.04)	3.43(1.28)	3.87(.81)	3.63(1.07)	4.17(.76)	.460
9. Cleanliness	4.06(.89)	3.74(.91)	3.57(.98)	3.97(.83)	4.13(.84)	4.25(.71)	.246
10. Stone bath	3.61(1.34)	3.23(1.49)	2.8(1.49)	3.38(1.13)	1(.00)	5	.014*
11. Menu variety	3.83(.99)	3.32(.92)	4.14(.69)	3.48(1.06)	3.63(1.19)	4(.76)	.040*
12. Buffet	3.86(1.01)	3.52(1.03)	3.86(.90)	3.7(1.15)	3.71(1.61)	3.75(.96)	.785
13. Employee response	4.43(.71)	4.03(.89)	4.29(1.49)	4.09(.86)	4.75(.47)	4.14(.90)	.009**
14. Employee attitude	4.43(.73)	4.3(.77)	4.33(1.22)	4.21(.65)	4.75(.47)	4.38(.75)	.420
15. Internet access	2.8(1.31)	2.89(1.39)	2.63(1.31)	3.32(1.31)	2.5(1.23)	1.25(.50)	.065

Note: One–Way ANOVA test were performed to check for statistically significant differences between purpose of visit with products and services offered.

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Table 3.22 Products and Services Gap between Customers' Expectation and Performance Categorized by Purpose of Visit

Attribute	GAP						
	Holiday /pleasure	Business	Visiting friend/relative	Official	Meeting/seminar	Others	p-value
1.Hotel environment	0	-0.29	-0.11	0.04	0.38	0.31	.001**
2.Souvenir shop	-0.03	-0.3	0.54	-0.39	0.23	-0.71	.001**
3.Salon	0.01	-0.5	-0.55	-0.05	-1.25	-3	.014*
4.Fitness	0.01	-0.25	-0.5	-0.37	-1	-3	.003**
5.Roome quality	0.02	-0.3	-0.02	-0.11	0.36	0.41	.010*
6.Room service	0	-0.39	0.2	-0.23	0.38	-0.25	.001**
7.Wake up call	0.09	0.02	0.29	-0.3	0.14	-0.14	.001**
8.sanitation	-0.11	-0.57	-0.24	-0.05	-0.93	0	.533
9.Cleaniness	-0.06	-0.49	-0.33	-0.03	-0.43	-0.06	.224
10.stone bath	-0.01	-0.17	-0.77	0.12	-1.25	1	.157
11.Menu variety	-0.07	-0.68	0.04	-0.29	-0.15	-0.23	.001**
12.Buffet	0.08	-0.07	0.08	0	0.04	-0.25	.001**
13.Employee responsiveness	0.22	0.03	0.79	0.07	0.31	-0.01	.005**
14.Employee attitude	0.14	0.07	0.55	0.06	0.19	0.13	.019*
15.Internet access	-0.53	-0.94	-1.48	-0.25	-0.88	-2.66	.258

Note: One-Way ANOVA test were performed to check for statistically significant differences between purpose of visit with products and services offered

Table 3.4.6 Difference Customers' Expectation, Performance of Hotels and Satisfaction Categorized by Income

Table 3.23 shows that with cleanness, the income group of 40,001–70,000 USD expected the highest level comparing to the income group 10,000 USD or less whose expectation were the lowest level at statistically significant difference ($p \leq 0.05$).

For buffet, the expectations of the income group of 55,001–70,000 USD were at the highest level and the income group of 10,000 USD were at the lowest level at a significantly difference ($p \leq 0.05$).

For the income group 40,001–55,000USD, employee responsiveness expectation were at the highest level and income group (10,000 USD or less) expected at the lowest level at a statistical difference level ($p \leq 0.05$).

Table 3.24 indicates that income group 55,001–70,000USD rated room service performance at the highest level and income group 10,000 USD or less rated at the lowest level at a significant difference level ($p \leq 0.01$).

The income group of over 70,000 USD rated the wake up call performance at the highest level and income group 10,000 USD or less rated at the lowest level at a significant difference level ($p \leq 0.01$).

The income group of 55,001–70,000 USD rated the employee responsiveness performance at the highest level and income group 10,000 USD or less rated at the lowest level at a significant difference level ($p \leq 0.01$).

In Table 3.25, a One–Way ANOVA test was performed to determine whether there is a gap between expectation and performance values. Interpretation of the results was done at 5% level of significance; where the value of $p \leq .05$ was considered as being significant, and $p < 0.01$ was considered as being highly significant. The results did not show any significant differences between income and level of satisfaction.

However, from the whole picture we can say that the income group of over 70,000 USD were satisfied with most of the products and services except souvenir shop, cleanliness/sanitation, menu variety, and internet access. The income group of 10,000 USD – 55,000USD, on the other hand, were unsatisfied with majority of products and service offered, only being satisfied with employee responsiveness and employee attitude.

Table 3.23 Expectation with Products and Services Categorized by Income

Attribute	Expectation						p -value
	10,000USD or less	10,001-25,000USD	25,001-40,000USD	40,001-55,000USD	55,001-70,000USD	Over 70,000 USD	
	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	
1.Hotel environment	4.38(.604)	4.31(.678)	4.14(.729)	4.24(.538)	4.28(.659)	4.33(.700)	.566
2.Souvenir shop	3.28(1.054)	3.69(.821)	3.41(.921)	3.58(1.025)	3.26(.984)	3.59(.941)	.241
3.Salon	2.92(.891)	3.45(.870)	2.90(1.012)	3.31(1.250)	3.29(.985)	3.06(1.024)	.228
4.Fitness	2.61(1.158)	3.12(1.177)	2.77(.992)	3.06(1.435)	2.47(1.020)	2.69(1.221)	.387
5.Roome quality	3.75(.806)	4.08(.702)	3.75(.905)	3.95(.928)	3.79(.927)	3.88(.817)	.350
6.Room service	3.94(.860)	4.04(.842)	3.90(.707)	4.26(.595)	4.09(.781)	3.97(.800)	.308
7.Wake up call	3.90(.944)	4.02(.913)	3.82(.947)	4.32(.748)	4.04(.838)	4.00(.936)	.303
8.sanitation	3.94(.919)	4.02(.820)	3.84(.817)	4.17(.704)	4.00(.707)	3.93(.808)	.469
9.Cleaniness	3.89(1.036)	4.12(.791)	3.94(.777)	4.34(.693)	4.34(.684)	4.11(.793)	.044*
10.stone bath	3.50(1.063)	3.68(1.124)	3.13(1.035)	3.60(1.046)	3.29(.772)	3.57(1.112)	.426
11.Menu variety	3.71(.906)	3.92(1.017)	3.77(.824)	4.10(.831)	4.12(.781)	3.90(.847)	.215
12.Buffet	3.55(.870)	4.02(1.012)	3.60(.903)	3.84(.973)	4.06(.765)	3.67(.829)	.029*
13.Employeeresponsiveness	3.84(.884)	4.06(.843)	3.92(.935)	4.33(.616)	4.21(.729)	4.22(.731)	.021*
14.Employee attitude	4.06(.801)	4.12(.773)	4.12(.799)	4.45(.597)	4.26(.741)	4.30(.697)	.103
15.Internet access	3.45((1.148)	3.31(1.217)	3.23(1.146)	3.64(1.220)	3.38 (1.129)	3.47(1.157)	.699

Note: One-Way ANOVA test were performed to check for statistically significant differences between income with products and services

Table 3.24 Performance of Products and Services Categorized by Income

Attribute	Performance						p-value
	10,000USD or less Mean (SD)	10,001-25,000USD Mean (SD)	25,001-40,000 USD Mean (SD)	40,001-55,000USD Mean (SD)	55,001-70,000USD Mean (SD)	Over 70,000 USD Mean (SD)	
1.Hotel environment	4.18(.68)	4.25(.89)	4.07(.72)	4.08(.85)	4.43(.68)	4.38(.75)	. 057
2.Souvenir shop	3.38(1.03)	3.57(1.01)	3.39(1.06)	3.52(1.09)	3.53(.97)	3.46(1.12)	.978
3.Salon	2.63((1.02)	3.15(1.31)	2.59(1.28)	3.27(1.01)	3.00(1.42)	3.24(1.23)	.231
4.Fitness	2.13(.96)	2.80(1.27)	2.39(1.15)	3.00(1.49)	2.22(1.21)	2.92(1.39)	.184
5.Roome quality	3.79(.68)	4.00(.89)	3.86(.83)	3.97(.81)	3.83(.64)	3.88(.98)	.932
6.Room service	3.68(.91)	3.70(.92)	3.73(.85)	4.19(.74)	4.30(.58)	4.08(.96)	.008**
7.Wake up call	3.48(1.19)	3.92(1.01)	4.03(.84)	4.36(.73)	4.00(.69)	4.24(.92)	.004**
8.sanitation	3.58(.81)	4.00(.93)	3.59(.91)	3.59(.99)	3.96(.61)	3.87(.94)	.107
9.Cleaniness	3.77(.86)	4.20(.68)	3.90(.81)	4.00(.91)	4.24(.59)	4.03(.97)	.266
10.stone bath	2.81(1.11)	3.56(1.39)	3.00(1.59)	3.30(1.64)	3.20(1.27)	3.86(1.35)	.053
11.Menu variety	3.66(.89)	3.38(.91)	3.67(1.04)	3.90(.89)	3.88(.95)	3.83(1.03)	.165
12.Buffet	3.53(1.08)	3.81(.91)	3.48(1.23)	4.04(.94)	4.05(.83)	3.85(1.06)	.212
13.Employee responsiveness	4.07(.97)	4.08(.83)	4.53(.61)	4.33(.74)	4.62(.58)	4.41(.74)	.008**
14.Employee attitude	4.38(.728)	4.21(.74)	4.50(.65)	4.39(.73)	4.63(.57)	4.43(.74)	.258
15.Internet access	2.69((1.13)	2.74(1.17)	2.36(1.17)	2.82(1.29)	2.55(1.19)	2.93(1.43)	.322

Note: One-Way ANOVA test were performed to check for statistically significant differences between income and products and services Offered

Table 3.25 Products and Services Gap between Customers' Expectation and Performance Categorized by Income

Attribute	Gap						p- value
	10,000USD or less	10,001-25,000USD	25,001-40,000USD	40,001-55,000USD	55,001-70,000USD	Over 70,000 USD	
1.Hotel environment	-0.2	-0.06	-0.07	-0.16	0.15	0.05	.782
2.Souvenir shop	0.1	-0.12	-0.02	-0.06	0.27	-0.13	.838
3.Salon	-0.29	-0.3	-0.31	-0.04	-0.29	0.18	.739
4.Fitness	-0.48	-0.32	-0.38	-0.06	-0.25	0.23	.571
5.Roome quality	0.04	-0.08	0.11	0.02	0.04	0	.483
6.Room service	-0.26	-0.34	-0.17	-0.07	0.21	0.11	.720
7.Wake up call	-0.42	-0.1	0.21	0.04	-0.04	0.24	.213
8.sanitation	-0.36	-0.02	-0.25	-0.58	-0.04	-0.06	.680
9.Cleaniness	-0.12	0.08	-0.04	-0.34	-0.1	-0.08	.533
10.stone bath	-0.69	-0.12	-0.13	-0.3	-0.09	0.29	.097
11.Menu variety	-0.05	-0.54	-0.1	-0.2	-0.24	-0.07	.919
12.Buffet	-0.02	-0.21	-0.12	0.2	-0.01	0.18	.760
13.Employee responsiveness	0.23	0.02	0.61	0	0.41	0.19	.677
14.Employee attitude	0.32	0.09	0.38	-0.06	0.37	0.13	.449
15.Internet access	-1.28	-1.52	-1.42	-1.52	-1.72	-1.21	.465

Note: One-Way ANOVA test was performed to check for statistically significant differences between gap of income with products and services.

3.5 Customers Comments and Suggestions given by Tourists

The comments of visitors who stayed in A, B and C grade hotels demonstrates that visitors are satisfied with the performance of hotels because they did not expect much from their stay in Bhutan hotels, while some are not up to the satisfaction level.

Therefore, they commented and gave suggestions about the performance of the hotels in Bhutan as follows:

Hotel environment	Frequency
■ Attractive lobby with a proper place needed	30
■ Music for mood up lifts in places like lobby, restaurant, would be appreciated	20

Souvenir shop	Frequency
■ There should be native products	40
■ Products should be reasonable price	25

Room quality	Frequency
■ Difficult to sleep due to extreme firmness of the mattress	45
■ Basic amenities such as bath mat, and hand towel are necessary	26
■ Provide 24 hours hot water facilities	25
■ Insulation between bedrooms and double glass window necessary	25
■ Easy to open doors with proper keys and locks needed	15
■ Proper light and lamp facilities should be available	15
■ Room heaters is necessary	15
■ All the electrical switches should be away from showerheads	14
■ and other water out lets for safety	

Room   **Frequency**

- Better instruction on how to get warm   20
- Room service should be available till 11 pm   15
- Faster room service   14

Sanitation facilities   **Frequency**

- Bathroom needs to be up graded not necessarily luxurious   35

  but clean, newer appliances and attractive decor
- Most mattresses smell like urine   25
- Check beds for bed bugs and other insects regularly   24
- Carpets needs to be changed in rooms   24
- Mold in shower water   15

Cleanliness   **Frequency**

- Furnishing of the room need to be improved   25
- Hotel rooms should be cleaned properly   20

Menu   **Frequency**

- Multi-cuisine fare should be provided   35
- Quality of food should be high and fresh   33
- More Bhutanese food on menu   20
- Fresh coffee instead of instant coffee   15
- Would like to have specific Indian food   15
- Better variety of vegetarian food   14
- Should provide good quality and tasty food along with a dessert   20

  with varieties
- Same buffet food in the entire hotel needs varieties as   17

  we stay for a longer period

Employee responsiveness and responsiveness   **Frequency**

- Personnel managing the hotel should be well-trained   13

  and well paid

- Generally staffs are friendly and courteous   13
- Professional training for mid-range hotel service staff needed   10
- Hotel employee should be more professional and friendlier   12
- Friendliness and hospitality of all hotel staff is excellent and it   9
  should be maintained

Internet access	Frequency
Unstable internet connection	40
Out of order for many days	12

Others	Frequency
Hold onto traditional architecture and style	70
Eliminate barking dogs, it wake guest during night	40
Over all cleanliness and sanitation need improvements	40
Traditional interior design, do not become likes western which can be found anywhere	36
Accept credit cards, master card, and visa	20
Attach veranda or a courtyard to relax	20
Reception should have "money exchanger' available-small notes etc	10

3.6 Results of Interviews from Managers or Owners of the Hotels

This qualitative method was main method of data collection. Interviews were conducted with managers or owners of the three grades A, B, C class hotels .The interview were conducted for a fifteen minutes on the basis of their ability to fulfill the research objectives. The results of the face-to-face interviews with manager/owner of the hotel were concluded as follow:

- Target market
- Product
- Promotion
- New product
- Staff

Who are your target markets?

The main target markets were tourists coming through local travel agents; government guests and guests seeking culture and trekking from USA, Canada, Japan, and European countries; guests from Germany, Thailand, India and Australia.

What value-added products and services do you offer?

Those hotels (A, B, and C grade) provide local fresh fruits and vegetables where they buy directly from the local people. Moreover, some hotels offer stone baths with Bhutanese herbs, enthralling guests with close intimacy with nature and providing unique charm of Bhutanese hospitality. In addition, they provide a complimentary Bhutanese meal with a buffet order. A grade hotels, especially, provide a winter retreat program such as seminars on Thanka painting, textiles, and arts and crafts. In addition, they want to give more importance for providing clean accommodation and sight seeing with a good driver and a guide.

Which product is the most demanded by tourists?

Most products demanded are clean rooms and bathrooms with suitable heating, something traditional and eco-friendly.

What factors do you consider for fixing the price of the rooms?

The answers from C grade hotels: We compare with other hotels and fixed the price. And sometimes based on the demand we fixed the price.

The answers from B grade hotels: we take into consideration of construction cost, quality of the amenities and services offered.

The answers from A grade hotels: we take into account of location, type of property, the services and amenities offered, and current economic conditions.

How do you promote your hotel?

The popular method is by word of mouth and by making sales calls to important travel agencies or government departments and ministries in Thimphu, where special discount are provided for those travel agents. The main media are advertisement on national newspaper (Kuensel), the Bhutan airline magazines, brochures and websites.

Have you any plan to add new products and services?

They are planning to have Internet facility, massage, stone bath, gym, coffee shop, bon fire and Bar-B- Q, open bar, trekking, horse riding, local farm, and sleep in a monastery. They are also planning to construct more cottages and upgrade the existing rooms to attract long-term guests by providing newly renovated and refurbished apartment rooms.

What are the current situations of marketing strategies of hotels in Bhutan?

All the hotels in Bhutan that are owned by local operators follow the same strategy that is word of mouth, call in the government offices and local travel agent. As for those hotels, which are from FDI, they follow cross-selling and existing database, word of mouth, attend trade fairs and local travel agents. In addition, they promote by attending travel fairs and local travel agents.

What are the strengths and weaknesses of marketing strategies?

The marketing strategies of Bhutan hotels strengths are word of mouth where advertisement investment is saved, as they do not advertise in a big banner media world wide. They make a sales call to local travel agents and government offices.

It is very easy to reach to the target market, however, the weakness is if the customers who stayed in that particular hotel were not satisfied, they would not mention about the hotel to any one, which is a draw back of word of mouth. All hotels have this homogeneous strategy and it is ineffective.

Do you send your staff for training or not?

Answer of A grade hotel: Yes I send my staff for training .Most of the staff who are employed in A grade hotels for the managerial level are hotel graduates and they are sent for training while the rest of the high school graduate staff are given in-house training. Whereas in some hotels they hire a consultant and give training as and when they feel like, those who are employed in B and C grade hotels are mostly 8 or 12 standards and are given in-house training. Most are trained as chefs, bar attendants, and kitchen training.