Spa Service Quality: The Case of the Andaman Tourism Cluster (Phuket, Phang Nga and Krabi), Thailand

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ABSTRACT

The aim of this study was to assess the Service Quality of Spas in the Andaman Tourism Cluster, Thailand. Data were collected from 430 spa customers who had used spa services at Day Spas or Hotel & Resort Spas in the Andaman Tourism Cluster. The objectives were to identify the characteristics of spa customers in the Andaman Tourism Cluster and to investigate the performance areas of service quality at spas in the Cluster by using the IPA Grid. There were 33 service quality attributes identified by using an IPA grid that displayed the results; no-attributes were located in Quadrant 1 (high importance, low performance), 15 attributes were located in Quadrant 2 (both importance and performance are high), 12 attributes were located in Quadrant 3 (both importance and performance are low), and 6 attributes were located in Quadrant 4 (low importance, high performance).

In the Andaman Tourism Cluster, the high importance factors of the spa customer concerns were safety, security, cleanliness, and prompt service. Spa customers were highly satisfied with cleanliness, staff attentiveness, atmosphere, as well as staff courtesy. To maintain a competitive position in the Andaman Tourism Cluster and to maintain its status as the Spa Capital of Asia, some recommendations for further research have been suggested.

Keywords*: Spa, Service quality, Importance-Performance Analysis*

INTRODUCTION

Thailand is not only one of the world's most famous destinations, but it has also earned a reputation as the spa capital of Asia. The spa business in Thailand

has grown rapidly due to increased customer demand. By the year 2002, there were many hotels and resorts in Phuket that attached "& Spa" to their names. Much of the demand for spas during this time arose from Korean and Taiwanese tourists who frequently visited Phuket (Hanjanasaya, 2007). After the tsunami in 2004, many tourism businesses in the Andaman Tourism Cluster closed, including day spas. Later, during 2006-2007, tourists returned to the Andaman area, and many European tourists have come to appreciate the delight of Thai spa treatments (Hanjanasaya, 2007).

The growing interest in spas that is creating a boom for tourism in Thailand is leading to intense competition among local operators, both national and international. It is becoming increasingly necessary for spa operators to measure service success or quality. Generally, it is believed that perceived service quality is an important indicator of customer satisfaction and loyalty (Spreng & Mackoy, 1996).

The current marketplace has become more competitive, customers have become more demanding with global competition, and there has been a continuous increase in customers' expectations and demands for better service quality. The service industry, including the spa business, must maintain a good reputation in the market and may need some development processes to identify what could be better products and services. Not only growth in terms of marketing, but also proper, qualified, and high standards of services need to be developed as well.

LITERATURE REVIEW

Spa

The name "Spa" was taken originally from a town in Belgium where a natural hot spring was open to the public to take a bath as a way of self healing (Thaiways, 2007). According to the International Spa Association, there are seven categories of spas: Hotel & Resort Spa, Destination Spa, Medical Spa, Day Spa & City Spa, Mineral Spring Spa, Clubs Spa and Cruise Ship Spa. Most spas have saunas, steam rooms, bathtubs, and jacuzzis. Spa therapies focus on the healing process through the five human physical senses of: sight, smell, taste, touch, and hearing (Thaiways, 2007).

Servqual

During the 1980s and early 1990s, quality improvement became a major priority, unlike the 1970s when productivity was more of a focus. Improving quality involves creating better service processes and outcomes to improve customer satisfaction, and carefully integrating quality will improve the long-term profitability of a company (Lovelock C, & Wirtz J, 2004).

The SERVQUAL model is an instrument that was developed by Parasuraman, Zeithamal and Berry in 1983 (Grapentine, 1995). It is a survey instrument that is based on the premise that customers can evaluate a firm's service quality by comparing their perceptions with their own expectations: tangibles, reliabilities, responsiveness, assurance, and empathy.

There are many studies that have been undertaken and subsequently included in the tourism sector, such as Sahel & Ryan (1992) who applied SERVQUAL to hotels, and Mok and Armstrong (1996) and Tribe & Snaith (1998) who applied SERVQUAL to tourism studies

IPA

Importance-Performance Analysis (IPA) is a simple and effective technique that can assist practitioners in prioritizing customer attributes when enhancing service quality and customer satisfaction. Practitioners apply IPA to analyze two dimensions of customer attributes: performance level and importance to the customer. It is an analysis methodology that was formulated by Martilla (1977). It can assist practitioners in identifying improvement priorities for customer attributes and direct quality-based marketing strategies. The results of an IPA are plotted graphically on a two-dimensional grid. Importance is shown on the vertical axis, and performance is shown on the horizontal axis.

The IPA model was used to examine business and leisure travelers' perceived importance and performance of six hotel selection factors in the Hong Kong hotel industry (Chu & Choi, 2000). It was also applied to the service quality of the Phuket Tourist Guide (Klamsaengsai, 2006).

IPA is applied to check whether the service quality of spas in a study area is primarily in which quadrant. The formula takes the mean of all importance and performance attributes, and then divides the IPA matrix into four quadrants. All attributes are plotted on the IPA matrix. The results in each quadrant will describe the different approaches to improve the service quality or products of a spa. The means of importance and performance commonly used in practice are taken and then the results are divided into four quadrants (see Figure 1).

Quadrant 1: Attributes are perceived to be very important to customers, but the performance levels are fairly low. This cell suggests that improvement efforts should be concentrated here.

Quadrant 2: Attributes are perceived to be very important to customers and at the same time, the firm seems to have high levels of performance in these activities. The message arising from this cell is to keep up the good performance.

Quadrant 3: Attributes here are rated as having low importance and low performance to customers. Although performance level maybe low in this cell, managers should not be overly concerned, since

the attributes in this cell are not perceived to be very important. Limited resources should be expended on this low priority cell because attributes are not perceived to be very important by the customers.

Quadrant 4: This cell contains attributes of low importance, although performance is relatively high. Customers are satisfied with the performance of the organization, but managers should consider existing efforts on the attributes of this cell as being superfluous-unnecessary, and mangers should consider allocating resources elsewhere.

Importance

High

Quadrant 1	Quadrant 2
Concentrate Here	**Keep up the good work**
High Importance	High Importance
Low Performance	High Performance
Quadrant 3	Quadrant 4
Low Priority	**Possible Overkill**
Low Importance	Low Importance
Low Performance	High Performance

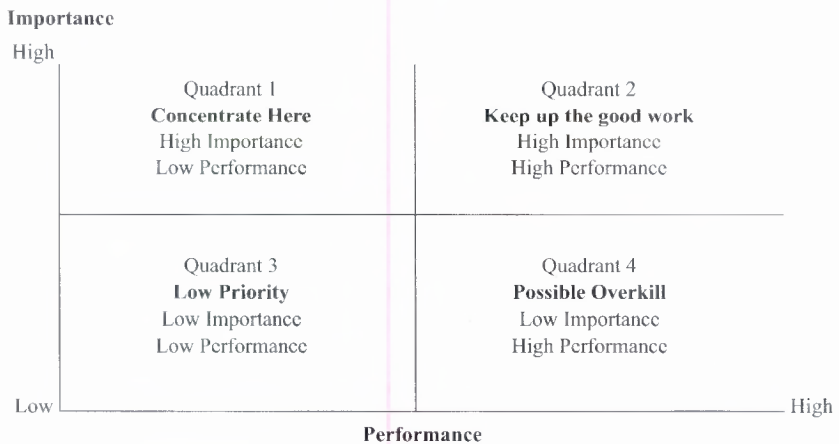Low — High

Performance

Figure 1: IPA grid

Organizations need to develop strategies to ensure that they deliver a consistent quality of service to the customer. Andreassen (2001) reported that if the customers' perceptions of the service, the experience and outcomes match their expectations, then they should be satisfied. If their perceptions of the service exceed their expectation then they will be more than satisfied. If their perceptions of the service do not meet their expectation, then they may be dissatisfied, or even disgusted. Highly satisfied or even delighted customers are more likely to become loyal to the firm and spread positive feedback by word-of-mouth. In contrast, dissatisfaction drives customers away and in turn can spread negative feedback by word-of-mouth for the company. The operational processes in business create productivity; customer satisfaction comes from the good service of staff, and customer satisfaction leads to loyalty. Customer loyalty is still a major focus for a marketing strategy in all service industries, including the spa business. Customer loyalty drives profitability, growth of business and internal quality drives employee satisfaction, and then employee

loyalty drives productivity again. These factors are related in every business and always have to be considered.

METHODOLOGY

The target population was spa customers who have used spa services in the Andaman Tourism Cluster. The questionnaires were printed in English, German and Thai. Ratings of importance and performance attributes that were derived from previous literature were applied. Four hundred and thirty questionnaires were used to collect data from spa customers. There were three sections in each questionnaire. Section 1 contained personal questions (demographic data) of the respondents, consisting of eight questions. Section 2, included the questions that were about traveling information and the spa experiences of the respondents with nine questions. Section 3 included the respondent's opinions by using a 7-point Likert scale of the importance and the performance of spa service quality, with 33 attributes. Descriptive statistics and IPA were used to analyze data. IPA was applied to check whether the service quality of spas in the study areas were primarily in which quadrant.

The study was undertaken at the different Day Spas and Hotel & Resort Spas in three provinces of the Andaman Tourism Cluster that were selected using a stratified sampling method. The questionnaires were left with the spa operators. The spa customers completed the questionnaires and submitted them to the spa reception.

RESULTS

Respondent Profile

The results of this study, based on a total of 430 spa customers, showed that nearly 60% of the respondents were female (255) and about 40% were male (175). The highest percentage of the respondents was the middle-aged (30-49 years), which was over 50% of the respondents. The older generation, from 50 years of age upwards, was the minority. Almost 60% of the spa customers were European, followed by Asian, Australian and American. Most of the respondents were married 244 (56.7%), followed by 164 (38.1%) singles. Over half (244, 56.7%) of the respondents held Bachelor degrees, and only 7 (1.6%) held PhDs. A total of 169 (39.3%) of the respondents were employed, followed by 133 (30.9%) who had their own businesses. The majority of the respondents 123 (28.6%) had an income of more than 6,000 US$. There were only a small number of respondents 19 (4.4%) who had an income less than 500 US$, mainly students and housewives.

Respondents' Travel and Spa Experience Profiles

Most of the respondents were not local 396 (92.1%) and only 34 (7.9%) were local people. Nearly 50% of the respondents traveled with their family. The great majority of respondents 313 (72.8%) were visiting for leisure, followed by Health & Wellness tourism 34 (7.9%). Corporate business 7 (1.6%) was the lowest. Most of the spa customers 364 (84.7%) had already experienced a spa. A total of 60% of the respondents were first-time customers, and almost 40% were repeat customers. About one-third 145 (33.7%) of the respondents found the spa through brochures/guidebooks, followed by the internet 116 (27%). The most popular spa menu was body massage 338 (78.6%), followed by reflexology 149 (34.7%). Most respondents spent about 500-1,500 Bt. (34.7%) of their expenses.

Importance–Performance Analysis

The means of importance and performance attributes were calculate to analyze (see Table 1). Later these mean scores were used to plot on the IPA grid.

Table 1 shows that the respondents considered that the top mean scores of importance were attributes No. 22 (Staff make you feel safe & comfortable), No. 23 (It is safe and secure), No. 19 (Staff are well trained), No. 2 (It is clean), No. 15 (Staff give prompt & accurate service) and No. 33 (Staff understand the specific needs of customers), respectively. Meanwhile, the lowest importance mean scores were attributes No. 8 (The parking space is adequate), No. 1 (It has a good reputation) and No. 9 (All signs in the spa are clear) in ascending order. Mean scores of importance ranged from a low of 4.51 to a high of 6.31.

The best performance attribute was No. 2 (It is clean) followed by, No. 13 (The staff are courteous), No. 32 (Staff give customers individual attention) and No. 22 (Staff make you feel safe & comfortable). There were two performance mean scores that were lower than the importance mean scores; No. 21 (-0.12) "Staff ask customers for information about allergies, etc. before treatment" and No. 24 (-0.01) "Staff have good language skills". Mean scores of performance ranged from a low of 5.58 to a high of 6.45.

As shown in Figure 2, the vertical axis indicates spa customers' perception of the importance level of each attribute and the horizontal axis shows how well the spa operators perform. The grand mean of importance (5.85) and performance (6.10) were used as the crossing point, 33 spa service attributes were plotted on the grid. There were 15 attributes located in Quadrant 2: "Keep up the good work" (both importance and performance are high), which suggest opportunities for spa business in the Andaman Tourism Cluster to maintain a competitive advantage, and these attributes are major strengths. There were 12 attributes located in Q3: "Low priority", and these attributes are minor weaknesses; they were rated below average for both importance and performance. It can be said

Table 1: Importance-performance Mmeans

	Attributes	Importance Mean	Performance Mean	Mean Dif.
1.	It has a good reputation	5.40	6.01	0.62
2.	It is clean	6.21	6.45	0.25
3.	It is easy to access	5.70	6.34	0.64
4.	The interior design is attractive	5.82	6.36	0.54
5.	The atmosphere is peaceful & restful	6.15	6.39	0.24
6.	The equipment & facilities are modern	5.80	6.09	0.29
7.	The lobby area is clean & comfortable	5.82	6.08	0.26
8.	The parking space is adequate	4.51	5.74	1.23
9.	All signs in the spa are clear	5.41	5.77	0.36
10.	It has a variety of programs	5.59	6.07	0.48
11.	Quality of spa products is good	5.97	6.20	0.23
12.	The prices are reasonable	5.84	6.07	0.23
13.	The staff are courteous	6.12	6.41	0.28
14.	Staff are neat & have good grooming	5.84	6.28	0.44
15.	Staff give prompt & accurate service	6.16	6.33	0.17
16.	Time to check in – check out at the spa is not too long	5.95	6.28	0.32
17.	Customer requests are handled promptly	6.13	6.27	0.14
18.	Staff have good knowledge of the spa	6.11	6.21	0.09
19.	Staff are well trained	6.21	6.26	0.05
20.	Staff provide adequate spa information	5.77	5.91	0.13
21.	Staff ask customers for information about allergies, etc. before treatment	5.83	5.71	- 0.12
22.	Staff make you feel safe & comfortable	6.31	6.41	0.10
23.	It is safe and secure	6.26	6.37	0.11
24.	Staff have good language skills	5.59	5.58	- 0.01
25.	Staff have good communication skills	5.75	5.87	0.12
26.	Service provided and all charges of treatment are clearly listed	5.88	6.20	0.32
27.	Staff provide correct receipts	6.00	6.36	0.36
28.	The reservation is convenient	5.66	6.20	0.54
29.	There is clear information of spa products provided	5.80	6.07	0.27
30.	The location is convenient	5.77	6.36	0.60
31.	The operating hours are convenient	5.73	6.33	0.60
32.	Staff give customers individual attention	6.13	6.41	0.28
33.	Staff understand the specific needs of customers	6.16	6.21	0.05

that spa customers considered that these attributes were less important compared to other attributes. There were 6 attributes located in Quadrant 4: "Possible Overkill", which are minor strengths (high performance and low importance),

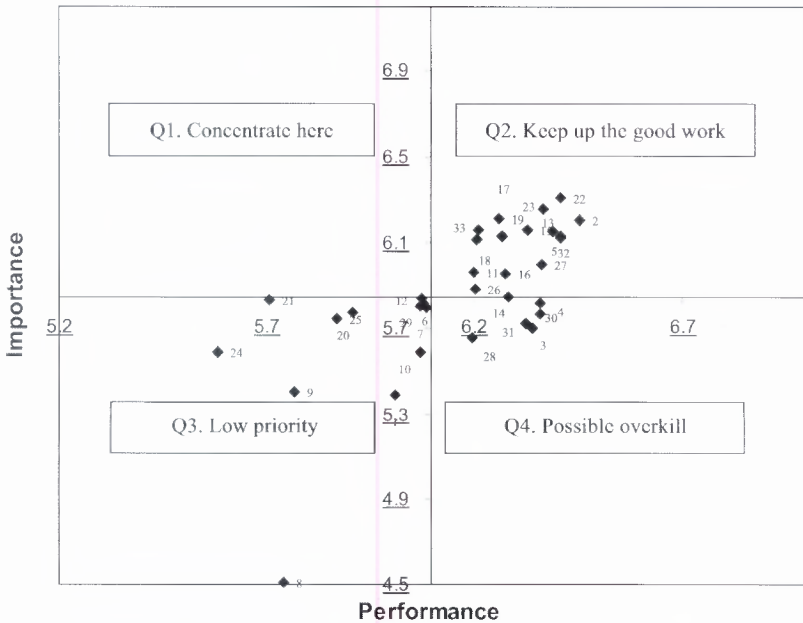### IPA   Andaman Tourism Cluster

Figure 2: IPA-Spa Service Quality in the Andaman Tourism Cluster

such as attribute No. 4 (The interior design is attractive), No. 28 (The reservation is convenient) and No. 14 (Staff are neat & have good grooming). Even though the performances were high, these attributes were rated as less important than the average importance.

More than 50% of the respondents would be most likely to come back again, followed by likely (34%), somewhat likely (5.6%), and less than 1% would be most unlikely to return again. Over half (56.5%) of the respondents would most likely recommend the spa to others, followed by likely (30.9%), somewhat likely 6.3%, and fewer than 1% would be unlikely to recommend the spa to others. Overall, most of the respondents were very satisfied 49.5%, satisfied 40.2%, somewhat satisfied 4.7%, and neutral 3.3%. The satisfaction levels on somewhat dissatisfied, dissatisfied and very dissatisfied were each lower than 1%. Many customers were impressed by the spa because of the peaceful atmosphere, attractive design, and friendliness of the staff. Meanwhile, some comments and suggestions came from the spa customers, such as the staffs need to improve communication skills and language. A variety of spa menus and packages should be provided. Some customers were frustrated by noise from other customers.

RECOMMENDATIONS AND CONCLUSION

This study applied an Importance Performance Analysis to determine critical attributes of spa service quality in the Andaman Tourism Cluster by looking at two dimensions of respondent answers as to how important each attribute is and how well the spa operators perform in delivering each attribute. There were 31 out of 33 attributes where the performance means were higher than the importance means; it suggested that spa customers were satisfied with the service quality of spas in the Andaman Tourism Cluster. Since for attribute No. 21 (-0.12) "Staff ask customers for information about allergies, etc before treatment" and attribute No. 24 (-0.01) "Staff have good language skills", both the performance means were lower than the importance means; it suggests that the spa operators should pay more attention, in order to meet the customer needs. Some spas have asked customers to fill in a form by asking them about allergies or sicknesses, which is very good and important, but some spas do not have this type of service yet. The Ministry of Public Health may have a role to oversee and set regulations on this issue. Spas should provide courses to develop therapist skills and also improve language skills. To provide only English courses may not be enough, so other languages may be needed, such as German, Chinese, Russian or other important languages. Spa associations may cooperate with local language-training vocational schools or universities.

In addition, it is a good sign for spas in the Andaman Tourism Cluster that there was no attribute in Quadrant 1 "Concentrate here" in the IPA Grid, which means there is no major weakness at this present time. More than 50% of the respondents would most likely come back again, followed by likely (34%); somewhat likely (5.6%), and less than 1% would be mostly unlikely to come back again. Andreassen (2001) stated that highly satisfied or even delighted customers are more likely to become loyal to the firm and spread positive feedback by word-of-mouth. Over half (56.5%) of the respondents would most likely recommend the spa to others, followed by would likely (30.9%), somewhat likely 6.3% and fewer than 1% would be unlikely to recommend the spa to others. Spa operators should realize that, when customers return, the spa operators have to satisfy them at the same level as they have had before. It would be great to delight them, give them an experience that is beyond their expectations to impress and encourage them to come back again. Moreover, word-of-mouth recommendations that are based on their satisfaction will increase the number of spa customers, loyalty customers and tourists in Thailand.

Improving customer satisfaction is a critical issue for business managers in the present competitive market. The results of this study IPA could assist business managers to resolve service quality and to create a competitive advantage. It also provides an opportunity to identify attribute rankings that are considered important by spa customers in the Andaman Tourism Cluster. It will assist spa operators to map out their marketing strategies in order to achieve and maintain

a competitive position in the spa business. High standards of services need to be recommended to spa operators. To be successful in a highly competitive market, spa operators need to differentiate their services and products to gain a competitive advantage. To maintain the standard of service quality, the Andaman Tourism Cluster needs the cooperation of spa operators (direct provider), support services or suppliers to spa businesses, and support organizations as well.

Finally, spa operators need to understand the trends and interests of their future market. Important strategies for a successful spa include the quality and variety of the services and products being offered, the price range, the friendliness and competence of the staff, design, atmosphere, ambience, and cleanliness of the facilities. They should have different packages to offer to different types of customers, such as honeymoon packages, family packages, and senior packages. Spa operators can use the customers' loyalty, such as creating profiles of customer preferences (e.g. type of massage oil or aroma oil) in order to meet customer needs and exceed expectations. In addition, spa operators can use such information developed by a loyalty card to develop customer promotional offers.

It is suggested that this knowledge could be beneficial as a guideline to improve service quality and to assist spa businesses, particularly those in the Andaman Tourism Cluster of Thailand. Moreover, this study would be helpful for the future researcher in the Hospitality and Tourism Industry.

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