



# An Investigation of the Relation between Customer Complaints Handling and Customer Satisfaction in case of Frontline Employees in Swiss Hotels

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## Abstract

The aim of this research is to investigate the relation between customer complaints handling and customer satisfaction, focusing specifically on the role of front line employees in Swiss hotels. The growing recognition that preserving customer satisfaction and promoting customer loyalty are directly related to the efficient handling of customer complaints is the driving force for this study. A quantitative research approach was used to study this link. A survey given to 5-star Swiss hotel guests was used as a part of this research technique to investigate this phenomenon. The study asked about their experiences with complaints management during their visit in luxury Swiss hotels. The result of this study shows that Swiss hotels that are attentive to their clients, aim for continuous improvements, and prioritise customer-centric initiatives are more likely to sustain their reputation and keep the customers. According to the study, a more thorough investigation that takes into account employee input and periodic evaluations of the efficiency of service recovery can yield a deeper awareness of the challenges involved in upholding high standards of customer satisfaction in Swiss hotels. In conclusion, this study emphasises the importance of client-oriented initiatives in Swiss hotels and underlines the critical role of front line staff and the value of their experience in efficiently resolving concerns.

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## Chapter 1: Introduction

### 1.1 Background information

“Complaints” is an extensive topic because of the need for regular contact with customers and dealing with their issues. The things that the writer wants to investigate are the customer satisfaction, customer perspective, basics of interaction with guests, gap between theory and practice of customer complaint handling. The process of research involves studying theory, analysing empirical research and interviewing customers and the front-line employees in Swiss hotels. According to the data, the researcher will classify the final result.

Objects of the study are 5-star hotels that are scattered throughout Switzerland. To better comprehend diverse target groups of visitors, they all are a blend of various hotel classifications. Business hotels, resort hotels, and boutique hotels are all included in the category mix. It naturally follows that in business hotels guests might just stay for a night or two and not spend most of their time in the hotel. Additionally, a corporate organisation or company typically selects and acquires the hotel for its personnel. It could have an impact on the severity and volume of complaints lodged by business hotel customers. The 3 major cities where hotels that will be investigated are situated in Zurich, Geneva and St. Moritz. Due to the high rate of turnover in

these cities and Switzerland's reputation for having the best standards of hospitality and stability among nations, it makes sense to look at the subject of complaints management and customer satisfaction (Valentini, 2020).

## 1.2 Rationale

Complaints are a huge part of hospitality and restaurant businesses. The due date is the importance of knowledge of working with clients. Consumers complain regularly and may ruin the reputation of the establishment. Staff have to know how to behave with various people and solve their problems. Switzerland was chosen for two reasons. First of all, since the release of the first World Happiness Report (Helliwell et al. 2017) in 2012, Switzerland has consistently ranked first among the happiest countries in the world, making it an ideal destination for studying hospitality. (Golipel, 2016) found that tourists prefer to travel to happier countries and spend more money in these countries. The second reason why the author chose Switzerland is because it is a small landlocked country, which allows it to focus on a limited range of destination attributes, including destination image and service quality, and how it affects the satisfaction and happiness of customers. This research is significant in the sense that complaints help to develop and improve the level of all departments and staff. They are an invaluable tool for creating an irresistible culture of service (Orsingher, 2010). The research contributes to focus on what we can learn from disgruntled clients.

Unfortunately, many employees take aggressive customer behaviour personally. At the same time organisations still do not learn lessons from communicating with consumers (Pai, 2018). Most importantly, many service provider companies still view complaints as something to avoid. This is evidenced by the fact that most customers face the same problems over and over again that they complained about before.

## 1.3 Aim & Objectives

The aim of this research is to investigate the relation between customer complaints handling and customer satisfaction in the case of front line employees in Swiss hotels. To achieve the aim above, the author would like to establish and follow these objectives respectively:

- examine the influence of customer feedback on business performance in Swiss hotels
- investigate how customer satisfaction shapes complaint management in Swiss hotels
- assess the efficacy of service recovery strategies in Swiss hotels

## Chapter 2: Literature review

### 2.1 Introduction

In the Theoretical framework the author writes about significant parts of employee and customer communication in hotels. The explanation why customer complaints are important and how to handle them also will be included in the theoretical framework. What's more, one of the sections consists of investigation of service recovery and customer satisfaction connection. Furthermore, a link between the theoretical concepts and empiricism will be made by elaborating on existing studies using the concepts and/or partial concepts. This will promote a thorough understanding of the theoretical aspects that will underpin the analysis of results.

### 2.2 Theoretical framework

#### 2.2.1 Customer satisfaction

Customer satisfaction refers to the feeling of the standard to which a need or expectation must be fulfilled and the feedback of customer satisfaction. It is the evaluation of product or service performance and the product or service itself (Churchill et al. 1982). It is also a psychological experience. Customer satisfaction is a variable indicator. What can satisfy one customer may not satisfy another customer. Only by having a good understanding of the satisfaction factors of different customer groups can make it possible to achieve 100% customer satisfaction (Hewagama et al. 2019). Customer satisfaction can be divided into five levels, very dissatisfied, dissatisfied, fair, satisfied and very satisfied. The integral positive result of the company's robots directly depends on the work of each separate department, which in aggregate is one organisation. The main goal is the consumer to be satisfied with the work of the company as a whole, regardless of whether or not he is satisfied with the robot of a separate sub-item (Phillips et al. 2015). Complaints refer to guests who are dissatisfied with the hotel's equipment and services, and submit comments or suggestions to the hotel in written or oral form. As the closest person to the customer, front line employees usually need to solve these kinds of problems every day. First, we need to know the types of complaints. There are two main types of complaint: unsatisfied to the services and unsatisfied to the hotel equipment (Jeanpert et al. 2021). The researcher considered a useful satisfaction type analysis for several reasons. First of all, in the opinion of most scientists in this area, the positive result from the transaction does not pay due attention to the process of taking over and covering most of the consumption aspect (Jeanpert et al. 2021). Based on this, satisfaction

with recovery needs to pay attention in order to fully concentrate on developing one hundred percent satisfied with the company. Second, the options for handling negative experiences that clients use can have a big impact on the clients' findings and overall satisfaction. A certain group of people place more emphasis on losses than profits, and thus to form absolute satisfaction with the company are much more important for the outcome of a negative transaction than for a positive one (Bowen et al. 2001). The general connection that exists between the opportunity to acquire and the scheme of satisfaction also has a need for further study. There are a number of research experiments that prove that the desire to purchase directly corresponds to a positive opinion and customer satisfaction (Hill, 2017). There is another category of individuals who believe that mere satisfaction is not enough to make a purchase decision. Such complaints mainly include rude language, irresponsible replies or behaviour, indifferent service attitude, unreasonable reception, and excessive enthusiasm. The way to reduce guest complaints about service attitude and service quality is to strengthen the training of hotel service awareness. Such complaints about dissatisfaction with hotel facilities and equipment mainly include air-conditioning, lighting, water supply, and furniture. The hotel should establish a system for inspection and maintenance of various equipment, as well as a warranty system, and set up special inspection and maintenance personnel to minimise the occurrence of such problems (Barsky, 1992). As frontline employees, the hotel staff must be familiar with how to deal with customer complaints. First of all, we must pay attention to listening to the guests' questions, keeping calm, and expressing sympathy for the guests' experiences. After that, the self-esteem of the guests must be maintained, so that the guests feel enough attention. Tell the complainant of the measures to be taken, explain to the customer the time required to solve the problem, and then continue to follow up the guest's problem and keep in touch with the guest.

### *2.2.2 Dynamics of customer complaints and their handling: The Service Recovery*

Before solving the customer's complaint, we need to understand the psychological state of the customer's complaint. First of all, customers must want to be respected, and requires the understanding of the hotel staff and a certain degree of psychological hope to be compensated (Maxham et al. 2002). And they want to vent this kind of dissatisfaction. As hotel staff, we also need to understand that complaints are a bad thing, but they also have positive aspects. When we find problems, we can make progress. The principle of handling complaints is that the hotel

should sincerely help guests solve their problems, understand their feelings and sympathise with their situation. The frontline staff of the hotel should put themselves in the position of the guests, try to distinguish and meet their real needs, and help guests solve their problems with sincerity (Kim et al. 2021). The hotel staff should not argue with the guests under any circumstances. They must let the guests tell all their complaints, and then thank the guests for their care and trust in the hotel. Even if the guest is emotional, he cannot argue with the guest. Frontline personnel should use a professional service attitude to obtain customers' understanding. If the frontline staff can't solve it, they should immediately seek help from their superiors. Finally, when dealing with guest complaints, the interests of the hotel must not be harmed to a certain extent. When accepting complaints from guests, do not criticise other departments or members of the hotel in front of the guests. Service recovery - is the solution of the company to the problem of an unhappy customer, turning him into a loyal customer. Most studies on service recovery have looked at satisfaction with specific complaints handling experience (Liat et al. 2017). Although service failure will lead to customer dissatisfaction, effective service recovery can solve this dissatisfaction and possibly enhance customer relations. Service recovery research is relatively new and still developing. The hotel restoration literature contains different perspectives, such as expectations and perceptions, service quality parameters, and differences between business and leisure guests. Most studies on recovery are conducted from the perspective of customers or front-line employees of the company (Kim et al. 2009). Service recovery research provides insights into two important areas. First, in studying how service providers respond to service interruptions, classification schemes such as refunds and apologies have been developed. Secondly, the research focuses on how customers evaluate the effectiveness of corporate recovery efforts. What's more, service recovery fundamentally directs the effects of administration quality and consumer loyalty. Service recovery strategies include actions taken by managers and front-line employees in response to service interruption. These strategies can include various responses, including acknowledging the problem, apologising, explaining the problem, correcting and providing compensation (Faed et al. 2016). The process of service recovery usually requires immediate action, considering the customer's problems, and receiving a good response in the form of personal attention.

## 2.3 *Empirical research*

### 2.3.1 *Customer Satisfaction*

Supporting building client satisfaction, the flight of Swiss Alpine destinations in the summer season were measured at a pair of levels: hotel level and resort level (Chen et al. 2018). Twenty Swiss Alpine destinations were elite, as they are poles of development. A form, supported a benchmarking model customised to the national Alpine context in summer season, was distributed among building purchasers in elite destinations throughout summer 2002. 1311 questionnaires were completed and came altogether. Empirical results argue that the diversion issue at a pair of levels discriminates the foremost effectively from the tiniest quantity taking part in destinations. Additional results show that the foremost satisfied tourists at the hotel level unit of measurement those older than sixty already visited the destination. Moreover, purchasers staying in four and five star hotels are sometimes far more glad than the others. At the resort level, families staying between 5 and 6 nights, active sports and having family activities unit of measurement amongst the foremost glad purchasers. At the hotel level purchasers' unit of measurement is most satisfied with a sense of welcome and luxury, whereas they are significantly less satisfied with quiet building leisure facilities and extra expenses quality/price magnitude relation (Chen et al. 2018). The 3-star hotels will not be coated as, except the area quality/price magnitude relation drawback, their purchasers have a mean of satisfaction love that of the complete client sample. Also, as a result of the quality/price magnitude relation issue was analysed inside the upper than section, this 0.5 deals with the remaining 5 flight indicators. The result shows that service quality includes an important and positive influence on customer satisfaction, which means that the performance of the service quality in Swiss-belhotel Maleosan has succeeded in increasing customer satisfaction (Montolalu et al. 2013). Throughout this case, Swiss-belhotel Maleosan must continue to provide the level of service quality that it is currently providing. To do this, it must continuously ensure that each relationship between service quality and customer satisfaction has been thoroughly established in various contexts, demonstrating that service quality is a prerequisite for customer satisfaction, which is modelled as the outcome of customer expectations, evaluation value, and perceived service quality. (Chan et al. no date) confirmed this association via experience and this model emphasises the fundamental connection between perceived service and customer pleasure. Customers' contentment and the perceived quality of the services they receive are positively

correlated. Tourists' contentment with various tourism services leads to increased customer satisfaction, which in turn raises their level of happiness and overall life satisfaction. It demonstrates how visitor satisfaction significantly mediates the direct effects of destination image and service quality on variables associated with happiness. These direct effects are found to be greatly diminished by customer satisfaction, meaning that destination image and service quality can enhance people's pleasure, life satisfaction, and positive influence.

### 2.3.2 *Service recovery*

Some researchers suggest that a company's service recovery effort can restore customer satisfaction. The service recovery method was outlined as "the action taken by the corporate to resolve customers' complaints concerning service failure" (Kim et al. 2009). Some researchers believe that the company's efforts to revive service will restore client satisfaction, strengthen client relations, and at last acquire client support (Kim et al. 2009). Previous studies have shown that effective complaint handling is completely related with client loyalty and consequent client retention, leading to semi permanent gain (Kim et al. 2009). Since the edifice company cannot stop all client complaints, they need recently spent tons of cash and energy to be told a way to better manage and answer client complaints concerning service interruption. The edifice company has enforced a service recovery commit to permit workers to resolve the matter right away by providing acceptable compensation to discontented customers. Trust is strong once customers deem within the dependability and dignity of service suppliers. Trust may be a necessity for maintaining the connection between customers and repair suppliers in commission promoting, as a result of customers typically having to build a sales call before really experiencing the service. As a result of satisfaction comes from prodigious customers' expectations, over time, satisfaction establishes the dependability and trust of service suppliers (Tax et al. 2000). Previous studies have confirmed that satisfaction with service recovery may be a predictor of trust. Most significantly, service enterprises ought to encourage front-line workers to interrupt off from the principles once necessary. Some firms use role-playing games to assist workers develop the power required to alter abnormal things.

## 2.4 *Conclusion*

There are five categories of customer satisfaction: extremely displeased, unsatisfied, fair, satisfied and very satisfied. Whether the customer is delighted with a sensor that created a certain sub-

item, the primary objective is for him or her to be content with the company's work as a whole (Phillips et al. 2015). Strengthening the training of hotel service awareness is the best strategy to decrease customer complaints regarding service attitude and service quality.

The hotel employees must understand how to handle clients' complaints because they are the front-line personnel. Hotel service members should really try to assist customers in resolving their issues and should be sensitive to their plight. The company's response to the issue of a dissatisfied client, which transforms him into a devoted one, is service recovery. Although service failure will result in unsatisfied customers, good service recovery may address this unhappiness and perhaps even improve customer relations. Managers and front-line staff members can respond to service interruptions with service recovery techniques.

## **Chapter 3 Methodology**

### *3.1 Aim and Objectives*

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To achieve the aim above, the author would like to establish and follow these objectives respectively:

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### *3.2 Research Design*

Within a paradigm, theories and practices can operate. A paradigm is a collection of ideas, beliefs and understandings. In the words of Thomas Kuhn, who invented the term, it is "an integrated cluster of substantive concepts, variables and problems attached with corresponding methodological approach and tools" (Hussain et al. 2013). Positivism or interpretivist are the two research approaches from which the bulk of paradigms are derived. The interpretive concept is founded on the idea that science is irrational and hence permits other theories in reality. Looking from another perspective, the antithesis of positivism places a strong emphasis on the creative components of science. The goal of positivist researchers is to measure facts, process data and provide the best solution to the issues that have been found. They work with the assumption that the world is organised and stable. The interpretive researchers

dispute the positivist approach's assertion that natural science's methodologies are the only ones that truly constitute science and assert that other approaches are necessary for studying humans and their societies (Bharadwaj, 2000). Given the elaborations in the paragraph above, for this particular research the positivist paradigm is the adequate choice for achieving the aim presented. The deductive research approach is the most appropriate for the study. Deductive method is commonly connected to science by most people. The researcher analyses existing theories of the topic being studied, investigates what others have done, and then evaluates the assumptions that result from those ideas. Applying a preconceived concept or theoretical framework, quantitative data are evaluated to uncover illustrations of constructions, support them, or dispute them. A drop or rise in one variable causes a similar change in the other in positive correlational research, which uses two variables that are statistically comparable (Formplus Blog, 2022). We can measure customers complaints and customer satisfaction which makes it variable.

### *3.3 Sampling*

The population of this research consists of the guests of 5-star Swiss hotels. The author targets guests who prefer to stay in hotels of this type and share similar motives, reasons, characteristics, and experiences. Since there are many 5-star hotels in Switzerland, three main hotels to investigate were chosen: Badrutt's Palace St. Moritz, Bürgenstock Hotels & Resort and Four Seasons des Bergues Geneva. Singles or groups of individuals in a heterogeneous sample are those that are significantly different from one another (Wile et al. 2009). "Probability samples are the gold standard in sampling methodology and also for ensuring generalisability of the study results to the target population." (Acharya et al. 2013). Because of its simplicity, this sampling approach does not need any technical understanding. It does not necessitate specialised knowledge and is not overly long. The most important criteria of a probability sampling is that each individual in a demographic has an equal and established likelihood of being chosen. When the entire population is partitioned into clusters or groups, this is referred to as cluster sampling. Cluster sampling is used to examine a specific population in which the sample contains more than a few components, such as a region, household, institution, and so on (Taherdoost, 2016). The clusters are then chosen by splitting the population into smaller portions.

Following that, a random sample is drawn from these clusters, and all of them are included in the final sample (Wilson, 2010). In this case, using cluster sampling is going to be advantageous to a

researcher with locations scattered over wide geographic areas since it reduces costs and time. Based on this, the big size of sampling has been chosen.

### 3.4 Data Collection

This section will look at how quantitative data analysis fits into the research process. For this research the survey/questionnaire and interview data collection were chosen. If a questionnaire inquiry is being carried out, the researcher must choose the appropriate subjects to whom the survey technique should be used (Braun et al. 2012). The data will be collected in a traditional way during the customer's stay. The purpose of the survey is to obtain information in order to improve the quality of service. The questionnaire measures guest's satisfaction and the reasons for complaints during the stay in luxury Swiss hotels. Participants will be encouraged to consider reasons for complaining and which factors affect their satisfaction.

Each question is framed according to how participants explain why they prefer to stay in luxury 5-star hotels, what kind of service they like and the way to estimate it. The way participants stated their reasons for complaints was used to structure each question. This way of data collection that aids to gain numerical data is established and reliable to get the quantitative data (Akbaba, 2006). The tried-and-true method of gathering information personally from participants is face-to-face interviews. According to Akbaba A., it assists in the collection of accurate data since it allows us to ask additional and comprehensive questions in order to obtain valuable information.

Based on the data collected in the field, two hypotheses will be tested in the data analysis and either supported or rejected.

- H0(Null Hypothesis): Customer complaints handling does not have a statistically significant impact on customer satisfaction in case of front line employees in Swiss hotels.
- HA(Alternative Hypothesis): Customer complaints handling does have a statistically significant positive impact on customer satisfaction in case of front line employees in Swiss hotels.
- H0: Customer satisfaction resulting from service recovery efforts does not play a significant role in establishing trust in service providers.
- HA: Customer satisfaction resulting from service recovery efforts plays a significant role in establishing trust in service recovery.
- H0: Complaints have no impact on the opportunities for improvement and progress within the hotel.

- HA: Complaints serve as opportunities for improvement and progress within the hotel. On the basis of study aims and objectives, hypotheses were formed, taking into account the link between the variables and anticipated outcomes.

### 3.5 Ethical issues

Research ethics is a contextual activity as it sets guidelines that are commonly produced to orient our operations within the area and to safeguard the constitutional rights of study participants (Piper et al. no date). Certainly, quantitative researchers require new methods and new forms of ethical commitments and abilities for recognizing and resolving ethical concerns (Zyphur et al. 2017). Ethical issues that might be considered while data collection are honesty of a research, its objectivity, openness and confidentiality. Honesty implies that a researcher has to disclose information truthfully, including methodology, data and findings that were collected. It is preferable to underestimate the results rather than overestimate them (Eysenbach et al. 2001). For objectivity it is necessary to guarantee that no group is accidentally omitted from the research. It also entails disclosing any private or professional concerns that may impact on the study. When the findings are published, researchers have to be receptive to criticism and different points of view. Any information that has been given to a researcher confidentially must be respected. Additionally, researchers must respect regulations on the security of private data. This study includes people, which means it is important to be cautious to minimise any potential damage and maximise the advantages for both researcher and respondents. Hence, for this research a written consent form will be used to stipulate formally the relation between research participant and the researcher. Consent form is a permission that provides potential research with the written information to make an informed official decision about whether or not to engage in the research study (Nijhawan et al. 2013). In other words, it is an agreement between a researcher and a research participant stating the roles that they are assuming towards one another during the research procedure. Because it indicates respect for individual liberty, informed consent is a crucial ethical need in research (Thourani, 2022).

### 3.6 Data Analysis

According to (Davies, 2003), researchers are only taught to look for and assess facts, not to develop theories. There are two types of statistics that are frequently employed: inferential statistics and descriptive statistics.

Descriptive statistics are defined as “Simple summaries about the sample and the measures” by Trohim et al.(2016 pp.292). Grouping the outcomes and developing a theory to explain their phenomena only.

Inferential statistics is well-suited for this research for several reasons. First of all, it provides tools to test hypotheses strictly, giving the ability to make inferences about the population from the sample data (Davies, 2003).

Furthermore, with the use of this type of statistics it is less challenging to determine whether the patterns or discrepancies in data are statistically relevant or if they may have happened by chance. This is crucial for determining the usefulness of the findings. Trohim et al. (2016 pp.307) sees inferential statistics as “Process of trying to reach conclusions that extend beyond the immediate data”. Thus, by using inferential statistics, it is possible to estimate demographic variables (e.g., the true relationship between complaints handling and customer satisfaction) with an established level of assurance.

### 3.7 *Validity*

One of the many types of validity that researchers take into account when assessing the accuracy of their measures is construct validity. It evaluates whether a method for measuring or evaluating theoretical constructs effectively captures those constructs. Establishing construct validity, which entails gathering data to support the accuracy of the measurement, is a crucial stage in assuring the accuracy and reliability of study findings (Möllering et al. 2004).

Analysing the connections between the measurement and other variables is one method of determining construct validity. Construct validity evaluation is a continuous process. Researchers should constantly check the accuracy of their measurements and be open to modifying or improving them. The fundamentals of hypotheses are also important to keep in mind since they specify that they may be proved or rejected and that they directly address the phenomenon under study, making them a danger to validity if not presented correctly (Trohim et al. 2016).

### 3.8 *Limitations*

There are a number of limitations that should be mentioned. The first one is the limitation of service recovery methods. Depending on the type of service recovery, the expectations of the client, and the expertise of the staff involved, the effectiveness of service recovery strategies can vary (Kim and Mattila, 2011). What is effective in one circumstance could not be in another. Furthermore, ethical consideration should be taken into account. Certain research methods

may be constrained by ethical consideration, particularly when data collection involves customers and front-line employees. Based on this, another limitation, which is subjectivity of satisfaction, can be assumed. It is difficult to determine how satisfied a customer is because various customers might have different needs. The individual variety in customer preferences and satisfaction standards may need to be acknowledged in the study.

## Chapter 4 Discussion

### 4.1 *Introduction*

One of the most important aspects of the hospitality sector is the connection between client happiness and complaint handling practices. The term “customer satisfaction” refers to both the perception of the standard to which a demand of expectation must be met as well as the feedback from customers (Rust et al. 1993). Full customer satisfaction can only be obtained by having a thorough awareness of the aspects that can contribute to customer satisfaction for various customer groups (Hewagama et al. 2019). In this chapter, the link between customer satisfaction, complaints handling and its impact on the hotel industry will be further demonstrated. However, since primary research has not been conducted, based on findings from literature review and statistical data the following contents will be highlighted and examined.

### 4.2 *Examine the influence of customer feedback on business performance in Swiss hotels*

Business performance cannot be undervalued in today’s environment of intense competition and reliance on the idea of customer feedback to ensure customer happiness. Training hotel staff in customer service issues is a crucial component. To manage client complaints effectively, frontline staff members must have the necessary skills and knowledge. This entails giving customers your whole attention, acting with composure and professionalism, and showing empathy for their needs and worries. Key elements of complaint resolution include comprehending customer psychology, identifying the positive sides of complaints, and upholding professionalism (Jeanpert et al. 2021).

It is significant to remember that when customers complain, they do so in the hopes of receiving respect, empathy, and compensation (Barsky, 1992). As a result, when hotel staff members properly address these demands, they are able to not only resolve the issue at hand but also to fortify client relationships and turn unfavourable incidents around.

Finally, it is emphasised how important it is to handle complaints without harming the hotel’s

values. Therefore, resolving a client's issue should not result in monetary loss or harm.

It can be recommended for Swiss hotels to examine and evaluate client feedback, since they can provide insightful information about food service shortcomings and opportunities for enhancement.

Moreover, it is necessary to encourage and assist employees in applying problem solving techniques and honing their complaint handling abilities. By inventing proper training and better methods for managing customer complaints, hotels may increase success and client happiness. As an outcome, there is a big effect of consumer feedback on the hotel business. Reviews and complaints can be an effective strategy for enhancing customer satisfaction, service quality and ultimately corporate performance.

#### *4.3 Investigate how customer satisfaction shapes complaint management in Swiss hotels*

Complaint handling in Swiss hotels is heavily influenced by customer satisfaction. Customer satisfaction is a psychological state related to assessing a product's or service's level of quality. It is variable, which means that it differs from client to client. The objective is to increase customer happiness across a range of consumer demographics, which is crucial to the business's overall performance. This goal is based on a study that examined customer satisfaction in Swiss hotels at both business and resort hotel levels.

(Chen et al. 2018) investigated 20 locations using a tailored benchmarking methodology in an effort to raise customer satisfaction in Swiss Alpine attractions throughout the summer. The results showed that entertainment had a substantial impact on satisfaction; older visitors and those staying in four- or five-star hotels reported higher satisfaction. Family vacations, engaging physical and family activities increased satisfaction at the resort level. The study focused on elements that affected hotel-level happiness, highlighting the value of comfort and warm welcome. Particularly, three-star hotels were not included, which is consistent with the sample as a whole.

At the Swiss-belhotel Maleosan, (Montolalu et al. 2013) discovered a significant relationship between service quality and client satisfaction, highlighting the need of upholding service quality. According to Chan et al. (n.d.) visitor contentment serves as a mediator between perceived service quality and customer satisfaction, tying together destination image and service quality. It implies that, over time, meeting and exceeding customers' expectations promotes service providers' dependability and confidence (Tax et al. 2000).

In Swiss hotels, efficient complaint handling is directly related to guest satisfaction. Making sure

that visitors are happy is a top priority for Swiss hotels since when people feel that their expectations have been met or beyond, they are less likely to have complaints. Swiss hotels place a strong emphasis on guest satisfaction because it not only lowers the number of complaints but also influences how they are handled, encouraging a more helpful, understanding, and solution-focused attitude. Improved guest interactions, client retention, and general success in the hospitality sector are all facilitated by this favourable combination.

Giving front-line staff the authority to decide and provide guests with the right compensation or solutions when problems arise represents a suggestion. Swiss hotels ought to make continual training programmes an investment for its front desk employees. Additionally, it is advisable to contrast complaint handling procedures with those of rivals and industry standards. Determine areas that need improvement and best practices.

#### *4.4 Assess the efficacy of Service recovery strategies in Swiss hotels*

In order to retain customer satisfaction, strengthen client relationships, and eventually win their support, businesses must engage in service recovery, which is defined as the activities done to remedy consumer complaints linked to service failures (Kim et al. 2009). Many hotels have put in place service recovery programmes to enable staff to fix problems right away by compensating unhappy clients. Effective complaint handling is closely associated with customer loyalty and long-term retention, which can result in sustained profitability for firms, according to research (Kim et al. 2009). The study underlines that service recovery entails quickly and effectively resolving client complaints connected to service failures.

According to researchers, such initiatives can improve client connections, win client support, and produce long-term advantages for the business (Tax et al. 2000). Although it is impossible to completely stop customer complaints, the research admits that firms have made investments in enhancing their methods for handling and resolving these problems. This involves putting into place service recovery programmes that give employees the tools they need to resolve complaints satisfactorily and compensate unhappy customers.

It highlights the value of service recovery while dealing with unpleasant events. The way customers react to service recovery efforts can have a big impact on how satisfied they are overall.

Customer satisfaction and retention in Swiss hotels are significantly impacted by service recovery techniques. Effectively handling complaints increases client loyalty and trust, according to research. Higher satisfaction ratings



can be attributed to prompt response and an emphasis on service quality. Last but not least, the research advises service businesses to support front-line staff members who are adaptable and flexible in managing complaints and emphasises the significance of efficient service recovery in holding client satisfaction, loyalty, and trust.

In this instance, it can be advised to Swiss hotels to develop the employees' professionalism and efficiency in handling complaints and service recovery in a methodical manner. Furthermore, installing a monitoring system that will keep tabs on a service recovery procedure and assess its efficacy is also essential.

#### 4.5 Conclusion

The complex connection between client feedback, satisfaction, and corporate performance have now been discussed. It is clear that comprehending and controlling customer satisfaction and feedback properly are crucial for success and preserving a good reputation in the hospitality industry. Additionally, feedback - even unfavourable, can spur an organisation to keep becoming better and advance. Businesses that prioritise customer-centric strategies are more likely to succeed in today's dynamic business environment.

### Chapter 5: Conclusions

The aim of this study was to investigate how customer satisfaction shapes complaint management in Swiss hotels. In recent times, there has been an important examination of the conventional idea pertaining to customer satisfaction, since there is an increasing acknowledgement that goes beyond product quality and includes customer service. The analysis of the data makes it clear that maintaining customer happiness and strengthening customer loyalty depend heavily on the efficient handling of customer complaints. The author believes that it is crucial to make sure that front-line staff members have the abilities needed for effective client interaction. Customer satisfaction is directly impacted by the delivery of knowledgeable and considerate service. The researcher agrees that it is becoming more widely accepted that the effectiveness of service recovery processes has a major impact on customer satisfaction.

Staff training and the use of monitoring systems should be prioritised in order to continuously improve complaint handling procedures and bring back service quality. This change emphasises how important staff expertise, ability to resolve complaints, and efficient service recovery are to guarantee and improve customer happiness.

Using effective service recovery can assist enhance customer relations by addressing service

failures that can result in dissatisfied customers (Maxham et al. 2002).

To gain a better practical understanding of how these two frameworks are applied, a survey-style quantitative study was carried out. The respondents were customers of Swiss 5-star hotels, including resorts, business hotels and boutiques. It is clear from this research that a variety of factors, including customer preferences, industry conventions, and business culture, can have an impact on how effective these techniques are. Therefore, whereas theory offers a broad framework, practical implementation may differ based on particular situations. Individual differences mean that different problem-solving techniques will not work for all individuals. Instead, solutions tailored to the situation at hand must be used. Due to that, while the theory delivers a basic grasp of customer satisfaction and complaint handling, companies still need to modify their strategy in light of these contributing elements.

The research highlights the vital need for hotels to give priority to this area of their business procedures, operating as a wake-up call. The significance of these findings lies in its exploration of the important relationship between customer satisfaction and complaint management in Swiss hotels. It is necessary for businesses, like hotels, to handle customers' complaints well to keep customers happy and loyal. It points out that training the staff to become better in their jobs, and having an efficient system for fixing problems (the service recovery) is important. In addition, this research explains the significance of adapting to customer preferences and business culture to enhance customer relations and service quality.

Following the completion of this study, hotels will have a better grasp of customer complaints and the elements that contribute to their happiness. By retaining customer happiness and fostering loyalty and trust, these programmes deliver lasting advantages for the company. The study's findings will probably cause hotels that have not paid enough attention to managing customer complaints and comprehending customer preferences to concentrate more in these areas. In order to improve customer interactions and overall experience, hotels can benefit greatly from the research by investing in staff training, effective service recovery methods, and flexibility to meet client desires and cultural concerns.

Based on the study's findings and conclusions, Swiss hotels should consider reviewing their recruitment practices and implementing a new approach that involves post-interview trials. Candidates are given practice tests while engaging with pseudo "dissatisfied" customers in this manner. This method evaluates a candidate's ability to operate in a front-line position,

including problem-solving skills, provided solutions, and their capacity to handle such situations effectively. This approach allows hotel businesses to identify future employees for this position. Additionally, this strategy can also be utilised in education to effectively train and maintain the performance of employees in order to keep them on track.

Moreover, it can be recommended to encourage uncommon and innovative ways to work, thoroughly analysing each circumstance with a creative perspective. Nevertheless, it is necessary to keep in mind that there are circumstances where the client's request contradicts the hotel's policy. In rare situations, a client's request may contain components that are unethical or even illegal, and, more importantly, may endanger their own health.

Finally, companies can take proactive initiatives to improve their approach to managing consumer concerns. This entails establishing solid procedures for regularly monitoring and carefully analysing the efficiency of their service recovery activities. Furthermore, it is critical for these organisations to have a well-defined and personalised approach that can be easily used in conventional customer service cases. Companies may not only resolve customer complaints more successfully, but also improve overall customer retention and trust.

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