

E-PROCEEDING

# **NURTURING HOSPITALITY, TOURISM AND WELLNESS WORLD**

*WELLNESS CLUSTER*

**Editors:**

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## Customer Satisfaction towards Spa Service among Spa Goers in Kota Bharu, Kelantan

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### ABSTRACT

The purpose of the present study is to investigate the impact of service quality, perceived value and service encounter on customers' satisfaction in SPA centres in Kota Bharu, Kelantan. 384 respondents who have gone to Spa centres in Kota Bharu, Kelantan volunteered to participate in this study. The data were gathered through questionnaire that was designed on a 5-Point Likert scale and categorical question which is yes or no for customer satisfaction. The study shows that the service quality, perceived value and service encounter dimensions have meaningful relationship with customer satisfaction in Spa. In conclusion, the information provided by this research can be used when designing marketing strategies to improve customers' satisfaction in Spa market and industry in Kota Bharu, Kelantan.

**Keywords:** Service Quality, Perceived Value, Service Encounter, Customer Satisfaction.

### INTRODUCTION

Spa industry is one of the world's most famous industries and it is expanding rapidly. Wellness and spa industry is one of the rapidly growing industries in the world (Okech, 2014; Tabacchi, 2010). The value and benefit of the spa industry now can be seen in several stages. For the movement of health and wellness by using a type of curative and prevention activities, the spa tourism of the spa itself is generally known as a basic component in the wellness and health industry (Stanciulescu's, Diasconescu & Diaconescu 2015). Ellis, S. (2008) states that the spa industry was involved in socioeconomic and medical categories. In terms of Economics, Ellis, S. (2008) states that the spa industry is part of the general economic categories at both levels, namely macroeconomics and microeconomics.

Furthermore, the spa sector is also one of the best revenue earners at the global level. According to the Global Wellness Economy Monitor from January 2017, the sum of investments related to wellness tourism has grown to \$563 billion. Travellers reached 691 million wellness journeys in 2015, an expansion of 104.4 million trips from 2013. Wellness trips account for 6.5% of all tourism trips but serve 15.6% of total tourism expenses. This is because wellness tourists are high-yield travellers, contributing much extra per trip than non-wellness tourists (Global Wellness Institute, 2017).

Additionally, another statistic from Global Wellness Institute (2018) designates that the spa earnings covers spa facility revenue (currently \$ 93.6 billion a year), as well as learning, negotiating, corporations, media and events sectors that enable spa businesses (currently \$ 25.2 billion), have risen to \$ 118.8 billion market. Spa locations have risen from 121,595 by 2015 to over 149,000 in 2017, employing approximately 2.6 million workers. Annual revenue growth of 9.9% for spa is higher than the rate from 2013-2015 (2.3%). From 2015-2017, hotel or resort spa category expands the most comprehensive number of spas and income and has now exceeded day spa or salon as the industry's leading revenue (Global Wellness Institute, 2018). This statistic clearly shows that the spa sector is an industry that has grown from year to year. Besides, the spa sector also plays a role in the global economy and is one of the best revenue earners globally.

Apart from that, according to statistic, Asia-Pacific is regarded as the fastest-growing region for health tourism, with 151.9m health-related tourism in 2013. Most of the spas adhere to luxury hotels and resorts, and the country faces stiff competition from more established players like Thailand and Indonesia, as it tries to expand its market share. (Global Wellness Institute, 2018). Malaysia is also one of the growing countries in the spa industry economy. According to a survey by Intelligent Spas, the number of spas in Malaysia has grown more than 200% since 2002. There are more than 170 spas currently operating and earning an average RM1, 000 (\$312) per day in sales (Intelligent Spas, 2011). This numbers is expected to reach 275 outlets, which is about 49% growth, by 2012, according to statistics compiled by the Ministry of Tourism in Malaysia and Euro monitor International Country Sector Briefing.

In maintaining the economic improvement and position of the spa industry globally, quality services play an important role. This is because, the quality services are able to fulfil the customer satisfaction and at the same time it is able to further enhance the economy in the spa industry. Spa service can be defined as an important dimension in hospitality business. It is also recognized as the treatments that provides relaxation to wellness therapies and also beauty care (Tourism Authority of Thailand, 2010). Overall, quality services are very important in ensuring customer satisfaction. This is because the quality

service is capable in fulfilling the consumer's needs and at the same time, it is able to satisfy consumers in the service offered at the spa. The customers will revisit and get the service offered at the spa if the service is able to meet the needs of the customer and also customer satisfaction. Hence, quality services are very closely related to customer satisfaction.

So, this clearly shows that service quality plays an important role in customer satisfaction. This is because, when customers are satisfied with the services offered, they will revisit the spa and at the same time, the spa industry stakeholder economy will be better. In this study, the researcher wanted to study whether the quality service and consumer satisfaction were related. Previously there was a study that looked into the dimension of quality service to consumer satisfaction, but most studies are conducted outside of Malaysia. In this study, the researcher will conduct a study on spa goer's satisfaction towards service quality in Kota Bharu of Kelantan.

There are three objectives of this research:

1. To identify the significant difference of spa service quality between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.
2. To identify the significant difference of spa perceived value between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.
3. To identify the significant difference of spa service encounter between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

### **Significance of the Study**

#### **Develop Spa Service Quality**

This study was designed purposely to develop spa service quality. Spa service quality is important in this study because it can help to provide new perspective on spa service quality in spa industry in Malaysia particularly in Kota Bharu. Through informative knowledge provided by spa industry it will be able to generate more satisfactions to the spa customers because from informative knowledge, customer will get more knowledge and increase in their satisfaction.

#### **Future Research**

This study can assist any researchers that want to do a study about spa. Information and data consist in the research can be used by any researchers in their studies related to this title. To understand the needs of the customer satisfaction on spa service quality, researcher will provide questionnaire to be distributed to spa goers to identify their satisfaction on spa service quality. Moreover this research will provide recommendations on how to evaluate the performance of a certain spa service quality with reference to spa customers on what to be improve in order to increase spa customer satisfaction.

#### **Spa Industry**

This study can be used by spa industry in order to get the information about spa economy. This research help to generate the economy through the entry of foreign investment due to service quality and generate employment opportunities to the communities. Customer satisfaction can be regarded as a stepping stone to develop more spas and increase the economy through the foreign investment.

#### **Owner Spa**

Moreover, this study will be more helpful to the spa owners and practitioners in training and informing them on how to gain knowledge and formulate strategies to expand and increase the spa service quality. It will also serve as a future reference for researchers on the subject of spa education. And importantly, the research will educate the practitioners of spa, students and also spa owners in deciding whether a spa industry is really fulfilling the markets and its responsibility to the community or it is just to gain profit and become popular.

## LITERATURE REVIEW

### Spa Sector

The definition of spa is derived from the Latin acronym *sanities per aqua* or health through water (Hashemi, Jusoh, Kiumarsi, & Mohammadi, 2015). According to the International Spa Association (ISPA), spas are places to provide professional services that help increase people's well-being through refreshing mind, body and spirit (Hyde-Smith, 2012). A survey of intelligent spas conducted in Malaysia indicated that the number of spas has been rising over 200% since 2002 (Yusmani M.Y., 2010). More specifically, more than 170 spas are currently operating and earning an average of RM 1, 000 per day. According to Euro Monitor International 2007 Country Sector Briefing, the wellness and spa industry in Malaysia is still growing dramatically.

### Spa Services in Spa Sector

The international Spas Association defines spas as a place to provide well-being through professional services that give relaxation to mind, body and spirit. The current and latest spa business model is the amenity spa wellness area which is an ancillary service, due to its offers of a comprehensive experience than the traditional destination spa (Mak, 2009; Keri, 2007). The spa service is very important and contribute a lot to hospitality business.

Panchal (2012) found out that the opportunity to provide empirical work on the trajectory of tourist behaviour in the Asian spa-going context was identified. According to Bulanahgui (2012), one of the benefits of the spa sector is to improve the quality and the service. Additionally, it can also boost the economy for the spa sector. With the improvement of the spa sector economy can guarantee the virtue of staff at the spa. Kim and Lee state that when customers simply evaluate service after purchase, it is described as satisfaction. Service can impact customer satisfaction in different forms (Kim & Lee, 2010).

### Spa Customer Satisfaction

Customer satisfaction consists of three components which are disconfirmation of expectation, fulfilling customer needs and service satisfaction. Disconfirmation is defined as consumer subjective judgments resulting from comparing their expectations and their perceptions of performance received (Chieochankitkan & Sukpatch, 2014). The positive disconfirmation of expectation have shown the encouraging repeated visits, the results reveal that more than half of the respondents (53.6%) had visited a spa two to five times when they found that the spa they visited is satisfactory and meet their expectations (Mak, Wong, & Chang, 2009).

Fulfilling the customer's needs is very important in creating a long-term relationship with spa customers. The statistic shows that 81% of spa customers have their needs fulfilled and satisfied from the service in spa and this 81% of spa customers will become the loyal customers for that spa. On-going satisfaction leads to loyalty. Once customers have placed trust in a company, they are assured that the company will continue to do business with them (Osterwalder, Pigneur, Bernarda, & Smith, 2014).

Service satisfaction is a service provider response towards customer attitude, or an emotional reaction to the difference between what customers anticipated and what they have received, regarding the fulfilment of some need, goal or desire (Angelova & Zekiri, 2011). From the service satisfaction statistic, 91% of unhappy customers from the spa service provide will never come again (Industry, 2016). The study on relationship between service and customer happiness aims to improve the lives of spa customers (Gong & Yi, 2018).

### Factors Influence Spa Goers Satisfaction

#### *Spa Service Quality*

Service quality is defined as the difference between the customer's expectations and experiences. The more the experiences overcome the expectations, the higher is the quality perceived (Loke, Z., Kovacs, E., & Bacsı, Z., 2018). According to the theory that is provided by Parasuraman, Zeithaml and Berry (1988), there are five dimensions which are reliability, tangibility, assurance, responsiveness and empathy.

Responsiveness captures the notion of flexibility and ability to customize the service to customer needs (Magyar, Marton. 2011). Spa management should also improve the staff's capabilities and performance through continuous education and

rewarding the uncertain staff for outstanding staff. The patient's perception on health services can affect the spa industry image and consumer loyalty (M. Shafiq, M. A. Naeem, Z. Munawar & I. Fatima, 2017). A study in Greece states that the value of responsiveness (willingness to help customers) is 4.86 which implies that the variance explained by the first factor was 22.15%. A previous survey in resort and hotel spa customers in China showed that responsiveness was the most important determinant factor in explaining positive emotions (Lo, Wu & Tsai, 2015).

Assurance are often used interchangeably to refer to ways to ensure the quality of the service or product. The assurance consists of administrative activities and procedures implemented in the quality system so that the needs and goals of the products, services or activities will be met. A survey in the Republic of Serbia showed that assurance was the first factor explained spa hotels customers' satisfaction (Blesic, 2014). According to one the studies in Greece, empathy is found as the fourth factor with two items namely honest treatment customers as well as employees' commitment to comfort their customers who contribute to spa customer satisfaction at a percentage of 10.53% (Al-alak, 2012; Lo, Wu, & Tsai, 2015).

#### *Spa Perceived Value*

Customer perceived value is the difference between prospective customer evaluation towards all the benefit and cost of offering and the alternative that perceived. Perceived value of service is present with five dimensions which are the quality of emotion response, financial price, attitude price and reputation (Setiowati, Andradea, 2012). Acquisition can be a powerful tool to achieve growth in a business, enter new markets and expand the capabilities of firm range for a better business result. But with the market that very competitive for takeover and price acquisition that in the same level, acquisition seems to be often failed to create value for the shareholders (Jackson 2007). Perceived service value has an important impact on customer satisfaction. Customers will get acquisition value from the very quality service offered by the spa. Overall customer satisfaction not just come from the service quality offered by the spa but also the perceived acquisition value of the service (Oh, H., & Kim, K., 2017).

Trade-off is a concept that seems increasingly central to operation strategy because it emerges and forms the foundation of how the company or a people conceptualize the improvement process. The importance and significance of this trade-off is likely to be control or related to this two factors which is the degree 'importance' of the trade off, in which in term of impact will have an overall operation competitiveness. Second is the 'sensitivity' of the trade-off. Sensitivity is a change that will caused to one element of trade-off when the changes are made to the other (Da Silveira, Slack, 2001).

Epistemic value is a value that the customers received from the spa employees whether or not the customer understands the information given by the employees. Statistic in Estonian spa in PHSR (Phajarve Spa and Holiday Resort) with 60 respondents shows that in customer satisfaction level with perceived service performance, the question that related to epistemic value is employee friendliness and knowledgeable employees. The first researcher, Cardozo in 1965 proposed that in his daily work, the higher the customer satisfaction the more likely the customer to make repurchase of the products and services (Chiu, Cheng, Yen & Hud 2011). This shows that epistemic value did give satisfaction to customer because customer could get knowledge and information about the spa.

Symbolic value itself actually has not been officially studied. The present project is actually to cover certain lights on the nature and significance of symbolic value. In certain cases this symbolic value is offered as the reason to give judgement and behave in certain method (Beverland, M. B., Lindgreen, A., & Vink, M. W., 2008). Symbolic value is actually supposed to be used to prepare these reason in the absence of other values. Statistic for customer satisfaction on symbolic value in Customers Satisfaction Perception of Service Quality for Spa Establishment in the Active Beach Tourism Cluster in Thailand shows that customers feel that they have becoming first class persons with a desirable lifestyle. With mean score of 4.97 it shows that the score is moderately high. This means that the symbolic value of the product or the design of the spa make customers feel better and high class. The symbolic value of spa product and design in spa influence the customer to feel high class person. Customer satisfaction is a key and a value to a successful business and good marketing practices as it creates satisfied customers (Greenland & Looney 2007; Weitzman, 2008).

#### *Spa Service Encounter*

Hsieh (2013) described service encounter expectations as the craving for service. Customer expectation presents the services or products which should be provided or craved by those customers (Chen, Chang & Liu, 2015). Spa service is another type of business which engaged in service quality and acknowledged as treatments for rest as well as beauty treatments to wellness therapies (Department of Trade Negotiation, 2011). Next, Chen (2013) further explained that during service encounters, the ability of an organization to maintain profitability is deeply related to customer service and satisfaction. According to Wang

(2009), multiple of previous researches have supported the arguments that customer services is a direct determinant of customer satisfaction. Next, customer services is said to affect customer satisfaction through perceived value (Wong & Dioko, 2013). Spa service encounter is also acknowledged as a front stage encounters by the staff, as a truth moment that has crucial effect on customers' service perception since first interaction can make lasting impression (Anan & Sukpatch, 2014). In accordance to Choi and Stafford (2013), wellness service including spas have a great reliance on services cape. Moreover, Choi (2019) found trust that customers put on the service providers, mood while receiving spa treatments have a positive relationship on their evaluation towards their experience.

On the other hand, previously the spa tourism in Taiwan has encountered seasonal problems thus, how to provide customers with diverse services to attract and satisfy them is a crucial topic (Hsieh, L., Lin, L. & Lin, Y., 2008). This could be solved by spa services meeting which is vital to determine the customer satisfaction towards the services offered by the spa. Service meetings have several types. One of these is telephone meetings, face-to-face meetings or meetings through info from other people which is one of the important encounters for spa business. Spa services are regarded as another important element for business in terms of hotel business. It is acknowledged for treatments that give relaxation to health and beauty treatments (Tourism Authority of Thailand, 2010). Result of the perceptual level quality of service, value views, service meetings, customers' satisfaction using spa treatments at Cluster Tourism Active Beach, Thailand are as follows. Discussions on basic information about respondents, find little more than half of respondents are women (51.67 percent), while male respondents reached almost 50 percent (48.33 percent). Some respondents from men and women consisting of half of the respondents due to accumulate interest and awareness of their health. Especially increased interest in using spa treatments. In spa industrial sector, empathy related to the availability of individual focus on spa customers.

In messenger communication, communication partners should be present and make a case for them to be heard and assisted (Knop, 2016). Obtaining information through face-to-face is one of the steps to improve the spa service as well as gaining customers' trust. Customers will feel more confident and assume the customer satisfaction with the services offered satisfies the scope of satisfaction. The sequential model of the connection allows the identification of the relationship between interest variables while controlling for auto-regressive effects (Newsom, 2015). The spa can find out more about the problems that need to be fixed within any lack areas. In addition to the string model of the string, we include a hidden nature factor that contributes to the variance shared in the willingness to expose ourselves to good friends in face-to-face communication and instant communication. Therefore, the general level of readiness to expose to good friends can be segregated, and latent variables of interest contribute only to certain variations in the willingness to reveal themselves which may be attributed to the specific setting in which communication has been taken.

### **Research Hypothesis**

In this study, there were three hypothesis which are:

H1: There is a statistically significant difference on spa service quality between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan?

H2: There is a statistically significant difference on spa perceived value between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan?

H3: There is a statistically significant difference on spa service encounter between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan?

### **Research Framework**

A research framework has been conducted to investigate the connection between spa goers satisfaction towards spa services which is spa service quality, spa perceived value and spa service encounter.

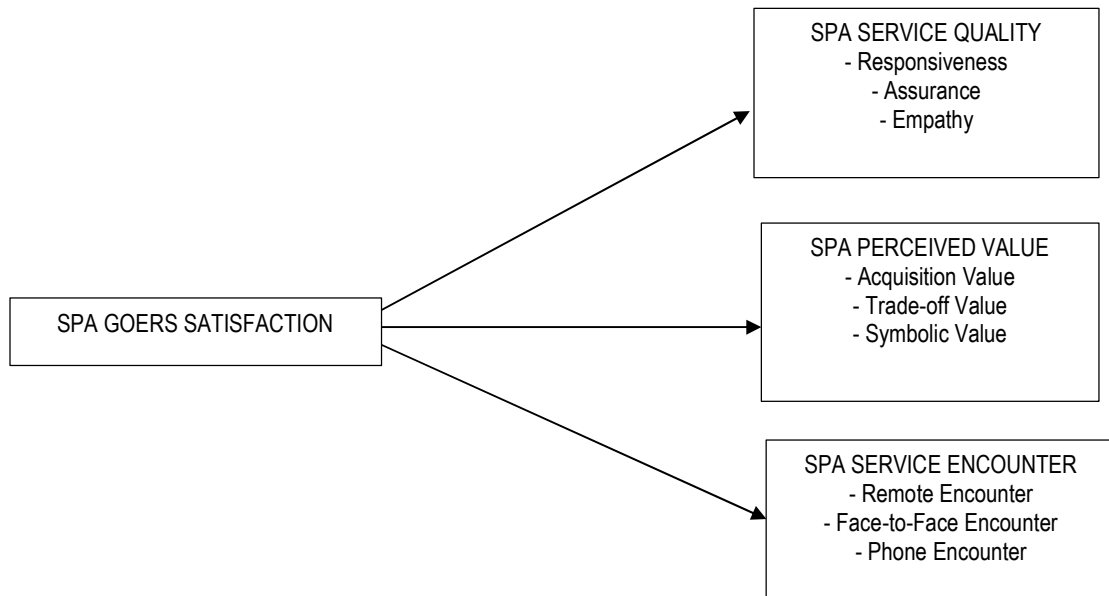


Figure 1 : Conceptual Framework of the study

The conceptual framework in Figure 1 represents the independent variable and dependent variable of this study. In this study, there are three dependent variables that could determine the perspective on spa goers satisfaction which are spa service quality, spa perceived value and spa service encounter.

## METHODOLOGY

### Research Design

In this study, the research design was the descriptive research whereby it consists of cross-sectional on quantitative approach.

### Data Collection

In this study, the researcher used a questionnaire for collecting and obtaining the data and researcher will distribute the questionnaire by asking whether the respondent has used spa or not. Then explanation will be given to the respondents after they agree to answer the question. The research area that researcher choose is respondents that have used spa at Kota Bharu. There will be no force to answer. The questionnaire will be collected back after the respondent has done filling up.

### Sampling

The sampling method that was used in this study was the purposive sampling and convenience sampling. The first sampling method that was used in this study was purposive sampling. The purposive sampling is a non-probability sample chosen based on the objectives of the study and the characteristics of the population. Sampling purposive sampling is also known as subjective, selecting, or evaluation. In order to collect the data and evaluate the relationship between spa services with customer satisfaction, the researcher will select the respondent which is spa goers randomly in Kota Bharu, Kelantan. The researcher decided to do the study in Kota Bharu because after doing the preliminary research, the researchers found that the best spa in Kelantan was in Kota Bharu.

The second sampling method that was used in this study was convenience sampling. A convenience sampling is a kind of non-probability sampling method where the sample is selected from a group of people who are easy to reach or to contact. By using the Krecjie and Morgan table (1970) for sample size, the survey is based on a research sample of 384 spa goers in Kota Bharu Kelantan.



In achieving reliable and valid sample of this study, the researchers used the equation from Krejcie & Morgan (1970) to determine the sample size. The formula will be shown as below:

$$S = \frac{x^2 N p (1 - p)}{e^2 (N - 1) + X^2 p (1 - p)}$$

n = sample size

N = population size

e = the degree of accuracy expressed as proportion (0.05)

$x^2$  = chi-square of degree of freedom 1 and confidence 95% (3.841)

p = proportion of population (if unknown, 0.5)

### **Data Analysis**

There were three types of data analysis used in this study, that were frequency analysis, descriptive analysis and reliability analysis. The data obtained was analysed by using Statistical Package for the Social Science (SPSS).

The data analysis will be performed by using computerized data analysis package which is known as Statistical Package for Social Science (SPSS) 24.0. The data analysis will be divided into two sections which are descriptive statistic and inferential statistic. Researcher used descriptive method to calculate the data result. What is including in descriptive method that the researcher used are mean, frequency and percentage.

In inferential statistic, researcher used independent sample t-test to analyse collected data. This t-test is designed to compare means of the same variables between two groups. In this study, the researcher compares the mean of customers satisfaction between the group of satisfied and the group of not satisfied. The interpretation for p-value is the same as in other types of t-tests.

## FINDINGS

### Descriptive Analysis

Table 1 revealed the socio-demographic characteristics of the respondents.

Table 1: Characteristics of the respondent. (n=384)

Socio-demographic Profile	Mean (SD)	Frequency ( n=384 )	Percentage ( % )
<b>Age</b>	31.36 ( 7.289)		
<b>Gender</b>			
Male		145	37.8
Female		239	62.2
<b>Races</b>			
Malay		309	80.5
Chinese		47	12.2
Indian		28	7.3
<b>Educational Level</b>			
SPM		22	5.7
Diploma		53	13.8
Degree		293	76.3
Master		16	4.2
<b>Occupation</b>			
Working		291	75.8
Non-working		93	24.2
<b>Monthly Income</b>			
< RM 1000		94	24.5
RM 1001 – RM 3000		132	34.4
RM 3001 – RM 5000		126	32.8
> RM 5001		32	8.3

Table 1 shows the demographic characteristic of the 384 respondents which consists of age, gender, races, educational level, occupation and monthly income. From the questionnaire that has been collected, the average respondents who answered the questionnaire has the mean of 31.36 (7.289%). This shows that respondents with the age of 31.36 are most likely going to spa in Kota Bharu. The study from Vryoni, Bakirtzoglou, and Ioannou (2017) showed mean age of customers was 31.78. The study showed that customer around 30 years old and above have income and financial stability.

From the total of 384 respondents who answered the questionnaire, 145 of the respondents were male which consist of (37.8%) of the respondents. Female respondents who answered the questionnaire are 239 (62.2%). This can be interpreted that female are most likely going to treat themselves in spa. From previous study located in Greece for respondents who went to spa are most likely women with 141 women and 66 are men. (Vryoni, S., Bakirtzoglou, P., & Ioannou, P., 2017)

There are four ethnic groups in this questionnaire which are Malay, Chinese Indians and others. Malays recorded the highest in answering this questionnaire by 80.5% contributing about 309 respondents followed by Chinese 47 (12.2%) and Indians 28 (7.3%). The majority of the respondents are Malays as most of the questionnaires were collected. From the (Department of Statistics Malaysia) have shown that majority ethnic group in Kota Bharu, Kelantan were Malay ethnic group (95.7%).

In the monthly income, the majority of the respondents have an income between RM 1001-RM 3000 in which 132 (34.4%) respondents were in that range income. Followed by the income group of RM 30001-RM 5000 with 126 respondents (32.8%). Third in the rank is the group of RM1000 and below with 94 respondents (24.5%). The lowest in the rank is group income of RM5000 and above with 32 respondents and contributes about (8.3%) of the respondents. In this study, majority respondents who have income between RM 1001-RM 3000 has preferred to get the spa service.

In educational level the highest educational level of respondents who went to spa are degrees level in which contributes about 293 respondents (76.3%). This is followed by the diploma respondents with 53 respondents (13.8%) in this study. Then third in the rank is the SPM respondents. This group of respondents contributes in 22 respondents (5.7%) and followed by master respondents in fourth rank by 16 respondents that contributes about (4.2%) in this study. It shows that majority respondents which are spa goers in Kota Bharu have the degree level in educational level.

From 384 respondents, working respondents went to the spa the most with 291 respondents (75.8%). Meanwhile non-working respondents were 93 (26.2%). This shows that the spa goers are mostly working because of the income they have in order to obtain the spa services.

### Inferential Analysis

In the following hypothesis testing, the probability value (P-value) is used to determine whether a null hypothesis will be accepted or rejected. In order to reject a particular null hypothesis, P-value must be less than or equal to the specific significant level. All hypotheses were tested at P-value = 0.05. Therefore, if the P-value is smaller or equal to 0.05, the test is significant and the null hypothesis will be rejected.

**Objective i:** To determine the significant difference in spa service quality between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

**Hypothesis i:** There was statistically significant difference in spa service quality between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

Table 2: The significant difference in spa service quality between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

Spa Service	Satisfied Mean ( SD )	Non Satisfied Mean ( SD )	t	df	P-value
Service quality	4.6254 ( .39228 )	3.5417 ( .83824 )	-8.971	382	0.000*

\* Significant at P-value less than 0.05

From the table 2, it shows the significant difference in spa service quality between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan. The mean for satisfied spa goers (Mean = 4.625, SD = 0.392) and non-satisfied spa goers (Mean = 3.541, SD = 0.838). A high quality service means competitive advantage for a company; if as a result, it can attract and retain customers.

Since P-value is less than 0.005 (.000). The researcher can reject the null hypothesis and conclude that the mean of service quality for satisfied and non-satisfied spa goers is significantly different. Based on the result, the researcher can state that there was a statistically significant difference in mean service quality between satisfied and non-satisfied spa goers in Kota Bharu, Kelantan (t = -8.971382, P < 0.005). The average spa service quality for satisfied was 1.0837 higher than the spa service quality for non-satisfied spa goers.

The study by Trihas and Konstantarou (2016) showed that there was a significant difference in service quality between satisfied spa goers and non-satisfied spa goers with quality of service (P = 0.001). Based on this study, service quality appears to be a very important or extremely important factor when selecting a spa to satisfied spa goers. Thus, this proved that excellent service quality in spa can make spa goers satisfied.

In the previous study by NCY Yap (2010) revealed that there was a significant, strong and positive correlation between service quality and customer value and customer satisfaction (r = 0.00, r = 0.00, respectively, p < .01). Based on this study, it can be proven that the spa service qualities are very important in ensuring the spa goers satisfaction.

The previous study determined that service quality factors significantly influenced spa goers' satisfaction. The five dimensions of service quality collectively described a total of 58 per cent variance on customer satisfaction ( $R^2 = .58$ ). Furthermore, regression coefficients showed that Empathy factor ( $\beta = .380$ ,  $p = .00$ ) and Tangibles ( $\beta = .310$ ,  $p = .00$ ) had the most significant impacts on overall customer satisfaction, followed by Reliability ( $\beta = .22$ ,  $p = .00$ ) and Responsiveness ( $\beta = .10$ ,  $p = .00$ ) (Awad, Basheer Abbas Al-alak Ghaleb EL-refae, 2012).

**Objective ii:** To determine the significant difference in spa perceived value between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

**Hypothesis ii:** There is a statistically significant difference in spa perceived value between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

Table 3: The significant difference in spa perceived value between satisfied spa goers and non-satisfied spa goers in Kota Bharu Kelantan.

Spa Service	Satisfied Mean ( SD )	Non Satisfied Mean ( SD )	T	df	P-value
Perceived value	4.5260 ( .51301 )	3.4167 ( .80246 )	-7.224	382	.000

\* Significant at P-value less than 0.05

From the table 3 given shows the significant difference in spa perceived value between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan. The mean for satisfied spa goers (Mean = 4.526, SD = 0.513) and non-satisfied spa goers (Mean = 3.417, SD = 0.802).

Since P-value is less than 0.005 (.000), the researcher can reject the null hypothesis and conclude that the mean of spa perceived value for satisfied and non-satisfied spa goers is significantly different. Based on the result, the researcher can state that there was a statistically significant difference in mean spa perceived value between satisfied and non-satisfied spa goers in Kota Bharu, Kelantan (tdf = -7.224382,  $P < 0.005$ ). The average spa service quality for satisfied spa goers was 1.1093 higher than the spa perceived value for non-satisfied spa goers.

Based on the study by Setiowati, Rini and Putri (2012), it showed that there was a significantly different in spa perceived value between satisfied and non-satisfied spa goers. The perceived value that affects customer satisfaction was significance with P-value lower than 0.005, which is ( $P = 0.003$ ) It makes perceived value as a factor influencing customer satisfaction and accepts the hypothesis proposed. Based on the formula from the study, if one unit perceived value increase, it will increase satisfaction by 0.255 or 25.5%.

Based on the study Anuwichanont, J, and Mechinda, P. (2009) the hypothesis testing was accomplished by examining the completely standardized parameter estimates and their associated t-values. The relationships were significant ( $P < 0.001$ ) in the expected direction, with the exception of the relationship between perceived value and satisfaction. The results demonstrated that quality, emotional response, monetary price and reputation had significant, positive impacts on satisfaction and trust as hypothesized.

In previous study on perceived value in Greece by Vryoni, S., Bakirtzoglou, P., and Ioannou, P. (2017), items that related to this research were physical facilities, prices and service implementation. Mean for physical facilities is (0.59) meanwhile mean for prices is (0.57) and mean for service implementation is (0.83). This study proved that, there was a significantly different in perceived value between satisfied spa goers and non-satisfied spa goers.

**Objective iii:** To determine the significant difference in spa service encounter between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

**Hypothesis iii:** There is a statistically significant difference in spa service encounter between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

Table 4: The significant difference in spa service encounter between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

Spa Service	Satisfied Mean ( SD )	Non Satisfied Mean ( SD )	t	df	P-value
Service Encounter	4.5484 ( .50696 )	3.4583 ( .55106 )	-7.312	382	0.000

\* Significant at P-value less than 0.05

From the table 4 given, it shows the significant difference in spa service encounter between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan. The mean for satisfied spa goers (Mean = 4.548, SD = 0.507) and non-satisfied spa goers (Mean = 3.458, SD = 0.551).

Since P-value is less than 0.005 (.000), the researcher can reject the null hypothesis and conclude that the mean of spa service encounter for satisfied and non-satisfied spa goers is significantly different. Based on the result, the researcher can state that there was a statistically significant difference in mean spa service encounter between satisfied and non-satisfied spa goers in Kota Bharu, Kelantan (tdf = -7.312382, P<0.005). The average spa service quality for satisfied spa goers was 1.0901 higher than the spa service encounter for non-satisfied spa goers.

The study by Nguyen, DeWitt, and Russell-Bennett (2012), showed the tests were significantly different in service encounter and customer satisfaction. The results support our argument that the effects of service quality and customer satisfaction, indeed are significantly different (P<0.0001). In this case, it was obvious that most of the customers were with service encounter in spa.

The study by Chieochankitkan and Sukpatch (2014) showed that, there was a statistically significant difference at a level of 0.01 (p = 0.00). This study stated that service encounter is one of a crucial service, as it is at the level where customers assess the services satisfaction provided to them.

The study from Praneetham.C (2019) showed the level toward the service encounter factor of customers satisfaction (mean = 4.20, SD = 0.89). Based on this study, it showed the significant difference in spa service encounter between satisfied spa goers and non-satisfied spa goers. Based on the study, service encounter were like a services meeting with customer and staff in spa It was very important to determine the satisfaction of customers towards the services provided by the spa.

## DISCUSSION & RECOMMENDATION

### Discussion

This study reveals that there is a statistically significant difference on spa service quality between satisfied spa goers and non-satisfied spa goers with the value of (t = -8.971, P-value = .000). It can be proven that the spa service quality is very important in ensuring the spa goers satisfaction. So, this study and the previous study clearly show that spa service quality plays an important role in spa goer's satisfaction. In the previous study reveals that there is a significant, strong and positive correlation between Service Quality and Customer Value and Customer Loyalty (r =0.00, r =0.00, respectively, p < .01), (NCY Yap, 2010).

This study has found that there is a statistically significant difference on spa perceived value between satisfied spa goers and non-satisfied spa goers with the value of (t = -7.224, P-value = .000). It can be proven that the spa perceived value is very important in ensuring the spa goers satisfaction. So, this study and the previous study clearly show that spa service quality plays an important role in spa goer's satisfaction. In previous study on perceived value in Greece, items that related to this research are physical facilities, prices and service implementation. Mean for physical facilities is (0.59) meanwhile mean for prices is (0.57) and mean for service implementation is (0.83) (Acta Kinesiologica, 2017).

This study has found that there is a statistically significant difference on spa service encounter between satisfied spa goers and non-satisfied spa goers with the value of (t = -7.312, P-value = .000). It can be proven that the spa perceived value is very important in ensuring the spa goers satisfaction. So, this study and the previous study clearly show that spa service quality plays an important role in spa goer's satisfaction. In the previous study on spa service encounter in Malaysia, satisfaction refers to the buyer's state of being adequately rewarded in a buying situation for the sacrifice he or she has made (Al-alak, 2009). Item that relates to the research is about the spa service encounter with spa customer satisfaction.

### **Recommendation**

There are several recommendations for future research to improve the result of the study. Since, the survey for this study was conducted only in Kota Bharu, Kelantan, in the future this study could be conducted in other states to see if the results differ from those observed in this study. So, the researcher knows the other factors than can make spa goers satisfied or not satisfied.

Besides that, the researcher found that, the satisfaction of spa goers could be increased by the service quality, perceived value and service encounter of that spa. This is because service in spa have a big impact whether the spa goers satisfied or not satisfied with the spa that they have visited. The study recommends that the spa sector urgently needs to develop personnel and service standards in the spa and also their staff.

Moreover, future study should include a comparison between first time customer and regular customer in spa. The researcher can make an accurate result from this comparison of spa goers. This is because the result from regular spa goers and first time spa goers can be different because of their experience.

Spas should develop new, exciting and effective treatments for visitors and focus on providing more tailored treatments for different conditions and demographics. This is because, there are many teenagers that visit to spa to get a treatment such as pedicure, manicure and skin treatment. So, as a spa manager they need to know customers' needs and wants.

This study should be demonstrated and deepened using qualitative methods to get better information from the spa goers. These qualitative methods can give opportunity for researcher to ask questions directly to respondents who are not satisfied with the service in the spa. In addition, qualitative methods can be conducted in future study to obtain high level of reliability of the results.

### **CONCLUSION**

In conclusion, there is a rapid growing of the spa and wellness market at the starting of the 21st due to the growing health awareness of people. Spa service plays an important role in the health business and health tourism, particularly in spa and wellness tourism. The main aim of this study is to investigate the significant difference of spa service between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan. The findings of this study show satisfaction factors of spa goers in Kota Bharu, Kelantan. This study reveals that there is a statistically significant difference of spa service quality, spa perceived value and spa service encounter between satisfied spa goers and non-satisfied spa goers. It can be proven that the spa service quality, spa perceived value and spa service encounter is very important in ensuring the spa goers satisfaction. After obtaining the research findings, all three objectives of this study were achieved where the first objective was to determine the significant difference of spa service quality between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan. The second objective is to determine the significant difference of spa perceived value between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan and the third objective is to determine the significant difference of spa service encounter between satisfied spa goers and non-satisfied spa goers in Kota Bharu, Kelantan.

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