SOCIAL SCIENCES & HUMANITIES

Leveraging Service Quality of Resorts and Hotels in Luang Prabang by Integrating SERVQUAL and Kano's Model

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ABSTRACT

The main objective of this study is to assess tourists' expectations and perceptions of service quality of resorts and hotels in Luang Prabang by integrating the SERVQUAL model and Kano's model. Four hundred and seven sets of responses were collected from tourists staying in resorts and hotels in Luang Prabang using a structured questionnaire. The results of the study showed that tourists' perception of resorts and hotels service quality is significantly higher than expectation in terms of service reliability and tangibles. According to Kano's model, the results show that among resorts and hotel quality improvement indicators, there are two one-dimensional quality elements (O). These include the non-unexpected service costs and friendliness indicator and courtesy of the service personnel indicator. After integrating SERVQUAL results with Kano's model results, both areas show high expectations from tourists. Moreover, the results from an expectation-service gap matrix indicate that the areas that require attention and improvement, due to high expectations and high negative service gap, are availability of service personnel when needed, provision of adequate information about the service delivered, ability to handle customer complaints efficiently and seeking the best to satisfy the interests of customers.

Keywords: SERVQUAL, service quality, Kano's model, Luang Prabang

INTRODUCTION

Tourism is becoming an increasingly significant factor in ensuring the economic well-being of many Asian countries and this is particularly true in the case of Lao PDR. The Lao PDR's Ministry of Information,

Culture and Tourism reported that the number of tourists in 2013 were 3,779,490, which was a 23.62% increase from the previous year. The increase in tourism popularity of the country had economically generated national incomes of more than 513 million US dollars (Asian Information Centre, 2014), underlining the importance of the tourism industry in Laos. The Lao National Tourism Administration (Lao National Tourism Administration, 2013) stated that the country owns 1,493 tourist attractions. Amongst potential tourists, Luang Prabang is one of the well-known tourist attractions. Luang Prabang was the former-capital of Lao PDR. The local culture and environment are still preserved. The city was classified as a World Heritage by UNESCO in 1995 for its outstanding cultural, historic and architectural values. The city is among the top three tourist attractions of the country. Currently, there are 1,477 rooms in 57 hotels and 2,464 rooms in 308 guesthouses available for tourists in Luang Prabang, not including two new hotels scheduled to commence operation in 2014. By the implementation of ASEAN Economic Community (AEC) in 2015, the region will become a single market and production base with a highly competitive economy. The service quality of the tourism industry, especially hotel service, should be one of the important current concerns as quality of service is a key factor in attracting new tourists and encouraging repetition.

Parasuraman, Zeithaml and Berry (1988) introduced the recognised service quality framework known as SERVQUAL.

SERVQUAL is an appropriate tool in assessing tourists' expectations and perception of hotel services. To further understand tourists' needs, the integration of Kano's model with SERVQUAL will of benefit in classifying service quality attributes. Hence, the objectives of this study were to assess tourists' expectations and perception of service quality of resorts and hotels in Luang Prabang by integrating the SERVQUAL model and Kano's model; to compare tourists' expectations and perception of service quality; and to classify service quality attributes according to tourists' requirements.

LITERATURE REVIEW

SERVQUAL

SERVQUAL is a 22-item instrument developed by Parasuraman et al. for assessing customer perception of service quality in service and retailing organisations. It consists of five sections, namely, tangibles, reliability, responsiveness, assurance and empathy. To assess service quality, the gap between expectations before receiving service and perception after receiving service are measured (Parasuraman, Zeithaml, & Berry, 1988; Asubonteng, McCleary, & Swan, 1996). Recent research in hotel service quality has been conducted using SERVQUAL (Karunaratne & Jayawardena, 2010; Mola & Jusoh, 2011).

To gain more insight into the relationship between service quality gap and service quality expectation, this research adapted the importance-performance (IPA) model (Martilla &

James, 1977). The model could provide better understanding of the importance level of service quality attributes. The model contained four quadrants, which can be interpreted into four qualities. For this research, the model is illustrated using service gap as a performance in the x-axis and service expectations as an important feature in the y-axis. The four quadrants were divided using the mean score of all values in each axis. Each quadrant interpretation is shown in Fig.1.

Fig.1: The expectation-service gap matrix.

The attributes identified in quadrant I had high expectations but low service, which means that they presented the quality that customers expected but the service gaps were lower than average. The attributes identified in quadrant II had both high expectations and a higher-than-average service gap score. These attributes received high expectations from customers and the service providers could generally meet their expectations. The attributes identified in quadrant III had both low expectations and a lower-than-average service gap score, which indicate that customers did not expect the service and neither did the service provider expect that customers demand for the service. Lastly, the attributes identified in quadrant IV had low expectations but a higher-than-average service gap score. The customers did not expect the service but the service providers could provide satisfactory service.

Kano's Model

Kano's Model was created in 1984 by Professor Noriaki Kano while studying the contributing factors to customer satisfaction and customer loyalty (Verduyn, 2014). Kano's model classifies quality attributes using a structured questionnaire consisting of pairs of questions featuring a functional question and a dysfunctional question (Mikulić & Prebežac, 2011). A functional question inquired into customers' feelings when the service was fulfilled. On the other hand, a dysfunctional question queried customers' feelings when the services were not fulfilled. The results from pairing were classified into different attributes using Kano's evaluation table (Matzler & Hinterhuber, 1998) shown in Table 1.

TABLE 1
Kano Evaluation Table (Sauerwein, Bailom, Matzler & Hinehurber, 1996)

Customer Requirements		Dysfunctional (negative) question				
		Like	Must-be	Neutral	Live with	Dislike
Functional (positive) question	Like	Q	A	A	A	O
	Must-be	R	I	I	I	M
	Neutral	R	I	I	I	M
	Live with	R	I	I	I	M
	Dislike	R	R	R	R	Q

Based on the Kano evaluation table, the attributes were classified into five service quality attributes. An M or 'Must-be' attribute refers to service that was sufficient, therefore leading to satisfaction; when the service was not sufficient, it led to dissatisfaction. An "O" or "one-dimensional" attribute refers to service that was sufficient, therefore leading to satisfaction; when the service was not sufficient, it led to dissatisfaction. An "A" or "Attractive" attribute refers to service that was sufficient, therefore leading to satisfaction; when the service was not sufficient, it led to dissatisfaction. An "I" or "Indifferent" attribute refers to whether the service was sufficient or not, therefore leading to satisfaction nor dissatisfaction. An "R" or "Reversal" attribute refers to when service was sufficient, therefore leading to dissatisfaction; when the service was not sufficient, it led to satisfaction.

Integrating Kano's Model to SERVQUAL

Integrating Kano's model to SERVQUAL could help service providers identify core service quality attributes since SERVQUAL alone is not considered to have non-linear impact on quality attributes (Ho, Feng, & Yen, 2014). On the other hand, Kano's model makes the implicit assumption that each dimension can be identified by comparing the frequencies of the results from the Kano evaluation table. An attribute is identified based on the highest frequencies, which consecutively disregards the other attribute that had slightly lower frequencies. Therefore, the result from Kano's model combined with SERVQUAL provides profounder information and a different perspective of service quality assessment results.

RESEARCH METHODS

Subjects

The target population included 410 overseas tourists, who stayed at hotels or guesthouses located in Luang Prabang, using the convenience sampling technique. There were 203 (48.78%) male tourists and 207 (51.22%) female tourists. The majority age of the subjects ranged between 20 and 29 years old (46.83%), followed by between 30 and 39 years old (25.37%). The majority of the subjects' income ranged from below $10,000

(29.02%), from $20,001 to $30,000 (18.05%) and from $40,001 to $50,000 (12.44%). The subjects came from all continents, but most were from Eastern Europe (40.00%), Asia (22.93%) and North America (18.68%). A total of 86.34% of the subjects were visiting Luang Prabang for the first time, while only 6.10% had visited it three or more times. The reasons the subjects had decided to visit Luang Prabang were for its culture (51.27%) and its natural environment (48.73%).

Questionnaire

The subjects responded to a set of questions in a questionnaire. The questionnaire was written in English based on SERVQUAL and translated into two languages, Thai and Chinese. The translation was done by professional native speakers. The questionnaire consisted of three parts. Part A was to assess the expectations and satisfaction regarding service quality. Part B was to classify Kano's service quality attributes. Part C collected background information. Part A and Part B consisted of the same five dimensions and items, namely, service tangibles, service reliabilities, service responsibilities, service assurance and empathy toward customers. In Part A, each dimension consisted of five items measured twice by a 5-point Likert scale (1 = very low to 5 = very high), once for expectation levels and once for perception levels. In Part B, the subjects were instructed to respond to each item with positive and negative assumptions, referring to Kano's model. The positive statement asked subjects to respond to "If the hotel performs this service, how do you feel?" for each item. The negative statement was "If the hotel does not perform this service, how do you feel?" The choices were "I like it this way," "It must be that way," "I am neutral," "I can live with that way," and "I dislike that way." The content validity of the questionnaire was assessed by five experts in both the business field and research. The overall reliability of the questionnaire in terms of expectations and perceptions were 0.971 and 0.957, respectively. The Cronbach's alpha of all five dimensions were higher than 0.800 as shown in Table 2.

TABLE 2
Reliabilities of Each Dimension of Service Quality Expectations and Perceptions of Hotels and Guesthouses

Dimensions	Number of Items	Expectations Cronbach's alpha (n = 410)	Perceptions Cronbach's alpha (n = 410)
Service Tangibles	5	0.857	0.841
Service Reliability	5	0.921	0.874
Service Responsibility	5	0.911	0.842
Service Assurance	5	0.929	0.865
Empathy Towards Customers	5	0.929	0.882
Overall	25	0.971	0.957

The data analysis techniques used in assessing the level of tourists' expectations and perceptions of service quality were descriptive statistics. The data analysis techniques used in comparing the tourists' expectations and perceptions of service quality was the dependent-samples t-test. The gap score of each response was calculated by the difference between perception and expectations of service quality. The gap scores were used to build a service quality matrix.

Kano's model was applied in classifying service quality attributes. Each response to a positive statement was paired with the response to a negative statement. Then, the results from pairing were classified into different attributes according to Kano's model shown in Table 1.

Finally, the classified results from Kano evaluation table were mapped together with the results from the service quality expectations and gap score onto the expectation-service gap matrix.

FINDINGS

The results of the level of tourists' expectations and perception of service quality were assessed using descriptive statistics. Fig.2 displays the summary of means of each item's expectations and perception score. Most of the items had perception scores that were higher than the expectations score except for items Q9, Q10, Q13 and Q17, which were 'Availability of the service personnel when needed', 'Provision of adequate information about the service delivered', 'Ability to handle customer complaints efficiently' and 'Seek the best for the interests of customer'.
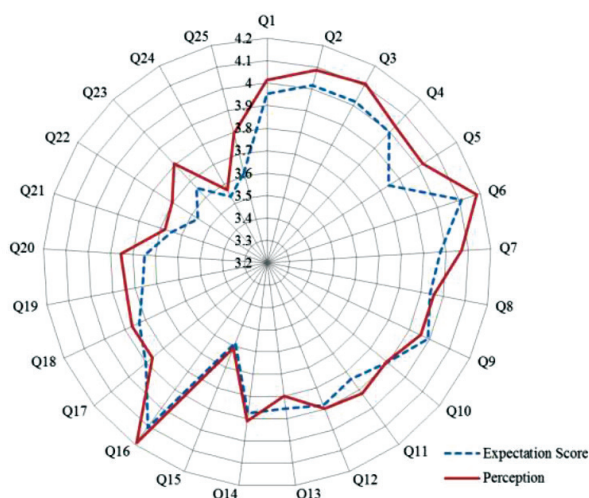

Fig.2: Summary of tourists' service quality expectations and perception.

The means of each item are displayed in Table 3 to Table 7. The tourists visiting Luang Prabang had the highest expectations of hotels and guesthouses services in terms of willingness to help customers ($\bar{x}$ = 4.11), friendliness and courtesy of the service personnel ($\bar{x}$ = 4.11), providing service as promised ($\bar{x}$ = 4.02) and completion of promised tasks ($\bar{x}$ = 4.02). In overall perspective, the service quality dimension that tourists expected the most was responsiveness ($\bar{x}$ = 3.98). On the other hand, the tourists' lowest expectations were for ease in getting information about the services ($\bar{x}$ = 3.54) and the modern-looking and well maintained service equipment and facilities ($\bar{x}$ = 3.57). In overall perspective, the service quality dimension for which tourists had the lowest expectations was service tangibles ($\bar{x}$ = 3.62).

For tourists' perception of the service quality of hotels and guesthouses in Luang Prabang, the tourists had the highest perception for friendliness and courtesy of the service personnel ($\bar{x}$ = 4.19) and willingness to help customers ($\bar{x}$ = 4.18); this trend matched that for tourists' expectation. Even though the expectations for these two items were high, perception of them were higher, which suggested that hotels and guesthouses in Luang Prabang performed better than expected in these areas. The tourists' lowest perception was for ease in getting information about services ($\bar{x}$ = 3.57), which matched the score for their lowest expectation. Despite receiving the lowest mean, perception of ease in getting information about services still exceeded tourists' expectations.

The results of comparing hotels and guesthouses' service quality perceptions and expectations and the Kano attributes are shown in Table 3 to Table 7. The results of this study for the dimension of reliability as shown in Table 3 indicated that all items in this dimension had perception scores exceeding the expectations scores, thus making all the gap scores positive. However, only the differences between the two means of overall, completion of promised tasks (Q3) and no unexpected service costs (Q5) showed statistical significance. When comparing with other dimensions, reliability received higher expectations and perception. Even though the results showed an overall positive gap and the 'no unexpected service costs item' gained a significant positive perception, Kano's model emphasised that this service should be carefully maintained or it could cause dissatisfaction.

TABLE 3
Summary of Means, Gap Scores, t-test and Kano Attributes in the Reliability Dimension

Reliability	Expectations $\bar{x}$	Perception $\bar{x}$	Gap Score	t-test	p-value	Kano
Q1. On time service delivery	3.95	4.02	0.07	-1.51	.132	I
Q2. Provide service as promised	4.02	4.09	0.07	-1.81	.071	I
Q3. Completion of promised tasks	4.02	4.11	0.09	-2.38	.018*	I
Q4. Keep accurate records	4.00	4.04	0.04	-1.07	.283	I
Q5. No unexpected service costs	3.84	4.02	0.18	-3.34	.001**	O
Overall	3.96	4.05	0.09	-2.44	.015*	

*$p < .05$, **$p < .01$*

TABLE 4
Summary of Means, Gap Scores, t-test and Kano attributes in the Responsiveness Dimension

Responsiveness	Expectations $\bar{x}$	Perception $\bar{x}$	Gap Score	t-test	p-value	Kano
Q6.Willing to help customer	4.11	4.18	0.07	-1.66	0.098	I
Q7.Prompt response to customer request	3.97	4.07	0.1	-1.89	0.06	I
Q8.Sincere interest in problem solving	3.94	3.96	0.02	-0.65	0.517	I
Q9.Availability of service personnel when needed	3.99	3.96	-0.03	0.56	0.58	I
Q10.Provision of adequate information about the service delivered	3.90	3.89	-0.01	0.00	1	I
Overall	3.98	4.01	0.03	-0.84	0.401	

Table 4 and Table 5 show that there was no statistical difference between perceptions and expectations in both the responsiveness and assurance dimensions. However, there were some negative gaps in the availability of the service personnel when needed (Q9) and the provision of adequate information about the service delivered (Q10); though they were not statistically significant, these services should receive special attention to improve future service quality. In the meantime, Kano results of all indifferent attributes suggested that these services were not on the crucial list because tourists felt indifferent towards them whether or not these services were provided.

TABLE 5
Summary of Means, Gap Scores, t-test and Kano Attributes in the Assurance Dimension

Assurance	Expectations $\bar{x}$	Perception $\bar{x}$	Gap Score	t-test	p-value	Kano
Q11.Instilling confidence in customers	3.84	3.92	0.08	-1.87	0.062	I
Q12.Service personnel's product knowledge and competency	3.88	3.90	0.02	-0.38	0.705	I
Q13.Ability to handle customer complaints efficiently	3.85	3.80	-0.05	1.20	0.232	I
Q14.Service personnel's professional appearance and behaviour	3.88	3.91	0.03	-0.85	0.398	I
Q15.Fluent and understandable Communication with customers	3.58	3.61	0.03	-0.63	0.53	I
Overall	3.82	3.83	0.01	-0.24	0.81	

TABLE 6
Summary of Means, Gap Scores, t-test and Kano Attributes in the Empathy Dimension

Empathy	Expectations x̄	Perception x̄	Gap Score	t-test	p-value	Kano
Q16.Friendliness and courtesy of service personnel	4.11	4.19	0.08	-2.13	.034*	O
Q17.Seek the best for the interests of the customer	3.90	3.86	-0.04	0.31	0.758	I
Q18.Attention to individual customer's needs	3.83	3.86	0.03	-1.34	0.18	I
Q19.Convenience of service availability	3.77	3.84	0.07	-1.89	0.06	I
Q20.Flexibility in services according to customer demands	3.75	3.85	0.10	-2.25	.025*	I
Overall	3.87	3.92	0.05	-1.73	0.085	

For the empathy dimension shown in Table 6, all items' service gap scores were positive except for 'Seek the best for the interests of the customer' (Q17, gap score = -.04); however, the difference was not statistical. The 'Friendliness and courtesy of service personnel' and 'Flexibility in services according to customer demands' (Q16) perception item significantly exceeded their expectations, with a 0.08 and 0.10 gap score respectively. The "Friendliness and courtesy of service personnel" item not only received the highest perception and exceeded expectations, it was also classified into a one-dimensional service quality attribute, according to Kano's evaluation table.

Table 7 displayed the detailed results of the last dimension, tangibility. Despite the tangible dimension having the lowest expectations and perception, every item had a higher perception than expectations. The difference between perception and expectations in the overall outlook, the 'modern-looking and well maintained service equipment and facilities' (Q22) feature, the 'sufficient service equipment and facilities' (Q23) feature and the 'decoration and design to elicit the customer's trust' (Q25) feature were statistically significant. The results of Kano's model showed that tourists in Luang Prabang felt indifferent towards the tangibles offered by the hotels and guesthouses. This means that whether hotels and guesthouses offered these service quality items or not, neither satisfaction nor dissatisfaction was felt by the tourists. This results matched the tourists' main reasons for visiting Luang Prabang i.e. for its culture and natural environment.

TABLE 7
Summary of Means, Gap Scores, t-test and Kano Attributes in the Tangibles Dimension

Tangibles	Expectations $\bar{x}$	Perception $\bar{x}$	Gap Score	t-test	p-value	Kano
21. Advanced reservation technology	3.65	3.68	0.03	-0.88	0.379	I
22. Modern-looking and well maintained service equipment and facilities	3.57	3.70	0.13	-2.97	.003*	I
23. Sufficient service equipment and facilities	3.66	3.80	0.14	-3.27	.001**	I
24. Easy to get information about the services	3.54	3.57	0.03	-0.87	0.386	I
25. Decoration and design to elicit the customer's trust	3.61	3.79	0.18	-3.58	.000**	I
Overall	3.62	3.71	0.09	-2.57	.010*	

To establish understanding of the level of acceptance of the specific quality characteristics, the relationship between the expectations score and the service gap score were plotted based on the IPA model. The following steps were followed to obtain the graph depicted the relationship between the expectations and service gap score:

• Determine the service gap score from the difference between expectations and perceptions scores.

• Calculate the overall mean expectations and service gap scores.

• Plot the expectations and gap scores of each attribute.

• Plot the means of expectations and gap scores to divide the graph into four quadrants.

There were six items located in quadrant I, demonstrating the strength attributes of the service of hotels and guesthouses in Luang Prabang. The reliability dimension was the strongest attribute amongst them as four of its five items were located in the quadrant, with the remaining one item having a slightly below-average expectation than the lowest service gap.

On the other hand, in quadrant I, the high expectations with high service gap quadrant demonstrated the critical service quality attribute that needed attention from hotels and guesthouse providers. There were eight items located in this area, four of which received negative service gap scores. These four service quality attributes, which needed immediate attention, included availability of service personnel (Q9), the provision of adequate information about service delivered (Q10), the ability to handle customer complaints (Q13) and seeking the best for the interests of customers (Q17).

Four attributes were located in quadrant III, depicting low expectations but a high service gap. This meant that these attributes should receive due consideration, though with lower priority than the rest in quadrant I. Last of all, the 11 attributes in quadrant IV should have their current quality maintained even though customer expectations were not high.

By incorporating the Kano results in the expectations service gap matrix as seen in Fig.3, the priorities and importance of service quality attributes were determined. 'Friendliness and courtesy of service

personnel' (Q16) and 'No unexpected service costs' (Q5) were classified as one-dimensional service attributes. 'Friendliness and courtesy of service personnel' was located in the high expectations-low service gap quadrant, which represented that customers expected high service quality; in this case it was ranked second, which is a relatively high expectation. Although the hotels and guesthouses performed well enough, being

a one-dimensional attribute this meant that their failure to perform this service quality could lead to customer dissatisfaction. Therefore, amongst other items in the high expectations-low service gap quadrant, 'Friendliness and courtesy of service personnel' should be carefully attended to. The 'no unexpected service costs' item received an average expectations score from customers and the highest perception exceeding the expectations score.
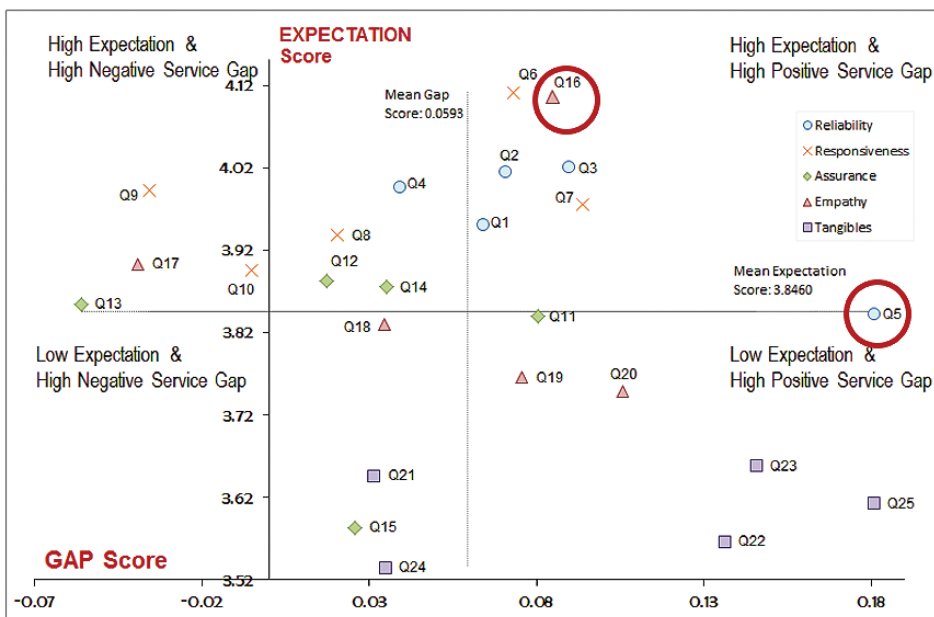

Fig.3: The expectations-service gap matrix.

DISCUSSION AND CONCLUSION

Enhancing service perception to meet customers' expectations is an imperative task of every hotel and resort in Luang Prabang. Understanding the strength and weakness of their service quality attributes can provide insight for service operation and planning. According to this study's findings, the reliability dimension of Luang Prabang hotels and resorts was the strongest dimension amongst all the others. Perception significantly exceeded expectations for this dimension. According to recent research by Jussem, Chan, Chung, and Kibat (2014), reliability is also one of the most important factors

in determining overall satisfaction of eco-tourists in Greater Satang Island, Malaysia. The service quality attribute that should be concentrated on was shown to be 'No unexpected costs'. Although the performance of hotels and resorts was highly satisfactory to customers, Kano's model results indicated that it was a one-dimensional attribute. Therefore, the hotels and resorts should maintain their quality level as failing to do so could lead to customer dissatisfaction. Another service item that should not be ignored is 'Provide service as promised'. This service item received the highest expectations score. When examining the results from Kano's model in detail, it could be seen that the indifference attribute obtained the highest response (35% of total responses). However, the one-dimensional attribute was close behind at 31%. Although Kano's model suggested that only the highest responses should be considered, the second ranking should not be ignored as the responses were close and the expectations were high. Therefore, 'Provide service as promised' should also be carefully maintained for there is a possibility, based on the results of this study, that without it, customers will be dissatisfied.

The responsiveness dimension received mixed results. Two of its five items received positive service gap scores higher than average and were located in the excellent service quality area in Quadrant II of the expectations-service gap matrix. On the other hand, the other three items were located in the concentrate-here quadrant. Out of these three items, two received negative service gap scores. Upon close examination, it could be seen that responsiveness as a service quality should be improved; this was related to the inadequacy of both service personnel and service information. Therefore, while the hotels and resorts in Luang Prabang need to maintain their positive outlook and enthusiasm in responding to customers, they should increase the number of their staff and improve the availability and quality of their service information. The emphasis on importance of responsiveness in hotel service quality is consistent with findings of other research, and this suggests that decent responsiveness in hospitality is a high expectation of customers and contributes to tourists' satisfaction (Tsitsiloni, Grigoroudis, & Zopounidis, 2013; Jussem, Chan, Chung, & Kibat, 2014).

According to the findings, service personnel should not only improve in terms of adequacy, but also in their knowledge and skills. The t-test and Kano's model of the assurance dimension results did not explicitly show that this dimension required critical attention. However, the results of the expectations-service gap matrix indicated that three of its five items were located in Quadrant I, which meant special attention was needed. The hotels and resorts should improve their service personnel's professional appearance, behaviour, knowledge, skill and ability to handle customers. Another interesting finding was that the lowest expectations of tourists in Luang Prabang was for 'fluent and understandable communication with

customers' from hotel and guesthouse staff (Q15). Perception of this service item was not high either although better than expected. Although the Kano's model result showed that the first-ranking attribute of this item was indifference (39% of the respondents), the second-ranking attribute showed that 29% of the respondents found it attractive. Therefore, improving this service quality attribute could generate higher satisfaction amongst customers of hotels and guesthouses.

The strength of the empathy dimension lay in the friendliness of the service personnel, which gained a significant and the highest positive score and was located in the excellent area, Quadrant II, of the expectations-service gap matrix. Nevertheless, it was classified as a one-dimensional attribute by Kano's model. This depicted that if hotels and guesthouses in Luang Prabang failed to deliver such service, it could cause customer dissatisfaction. Therefore, they should consider 'Friendliness and courtesy of service personnel' as a critical service quality. On the other hand, the weakness of the empathy dimension was in seeking the best for customers. The result corresponded with the assurance and responsiveness dimension results, including negative service scores for ability to handle customer complaints, availability of service personnel and adequate information about service. It is possible that the cause of the problems could be similar. A further process would be needed to identify the cause and solve the problems. As suggested by Stefano, Casarotto Filho, Barichello and

Sohn (2015), service providers need to understand that service quality values can be identified by observing the management process, following a technological system and prioritising human relationship in the organisation. Well-defined service processes and well-trained service personnel, thus, could improve customer satisfaction.

Luang Prabang is a tourist attraction known by its World Heritage values of outstanding culture, historic significance and architecture. It is a small local city that maintains indigenous lifestyle. The majority of the questionnaire respondents gave culture and natural environment as reasons for visiting Luang Prabang. Hence, the one of the lowest expectations of hotel and resort service quality was for modern, well-maintained washroom facilities, in the dimension of tangibles. Research into hotel service quality in other developing countries such as Sri Lanka and Bangladesh has also shown that tangibles received low service quality expectations from customers (Karunaratne & Jayawardena, 2010; Mazumder & Hasan, 2014). Moreover, the service quality perception of tangibles significantly exceeded customer satisfaction, which indicated that customers did not expect the service but the service providers could provide satisfactory service. The result from Kano's model indicates that the customer felt indifferent towards this service quality attribute. Therefore, tangibles as a service quality attribute of Laung Prabang hotels and resorts should be maintained for future customers without awarding them high priority.

In summary, the strengths of hotels and resorts in Luang Prabang lie in their process of service reliability and the willingness and friendliness of their service personnel. The important service quality that needs first priority in improvement is personnel service skills and communication skills. Although the quality of service tangibles are not important in customer perception, Luang Prabang's status as possessing World Heritage architecture should be continuously maintained as it is the main attraction for tourists.

By incorporating the SERVQUAL, the IPA matrix and Kano's model, this study gained insight into the service quality of Luang Prabang's hotels and resorts from different assumptions and perspectives. Further studies based on the qualitative method is highly recommended to gain an understanding of cultural contexts of service providers and to compare them with customer perspective.

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