

Enhancing Guest Experiences: Analyzing the Impact of Service Quality on Customer Satisfaction in Erbil's Hospitality Sector

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ABSTRACT

The hospitality sector in Erbil, Kurdistan Region, plays a pivotal role in the city's economic growth and cultural development. This study investigates the impact of service quality dimensions—Reliability, Responsiveness, Empathy, Assurance, and Tangibles—on customer satisfaction, with a focus on the moderating role of demographic factors such as age, nationality, and income level. Data were collected from 158 guests across four major hotels in Erbil: Dedeman, Rotana, Divan, and Erbil International. The findings reveal that Responsiveness and Assurance are the most significant predictors of customer satisfaction, highlighting the importance of timely and professional service delivery. While Empathy and Tangibles play a moderate role, Reliability remains critical for trust and consistency. Moderation analysis underscores the importance of tailoring services to demographic-specific preferences, emphasizing the need for culturally sensitive service strategies. Correlation and regression analyses confirm strong relationships between service quality dimensions and satisfaction. Practical implications include training staff to enhance responsiveness, leveraging technology for personalized services, and maintaining high standards of professionalism and facility upkeep. This research contributes to the body of knowledge by contextualizing service quality within an emerging market. Future studies are recommended to explore the impact of technological integration and economic conditions on service delivery and to conduct comparative analyses across similar regions.

Keywords: Hospitality Sector, Service Quality, Customer Satisfaction, Responsiveness, Assurance, Empathy

JEL Classifications: Z30, Z32

1. INTRODUCTION

The hospitality industry plays a significant role in shaping the economic and cultural identity of cities worldwide, and Erbil, the thriving capital of the Kurdistan Region of Iraq, is no exception. As a city rich in history and positioned at the crossroads of ancient and modern civilizations, Erbil has emerged as a key destination for business travelers, tourists, and expatriates. In recent years, the hospitality sector in Erbil has experienced significant growth, fueled by increased global interest in the region and efforts to attract investment. Amid this dynamic growth, understanding the role of service quality in driving customer satisfaction has become

increasingly critical for hotels, restaurants, and other service providers seeking to elevate guest experiences and maintain a competitive edge (Vuković et al., 2023).

Service quality, a multifaceted construct encompassing reliability, responsiveness, empathy, assurance, and tangibles, lies at the heart of the hospitality sector's ability to meet and exceed customer expectations. In a market as competitive as Erbil's, where new entrants are continuously raising the bar, maintaining high standards of service quality is not merely a goal but a necessity. Customers today are more informed and discerning than ever, relying on online reviews, social media, and word-of-mouth

recommendations to guide their choices. For service providers in Erbil, this heightened scrutiny underscores the importance of prioritizing quality at every touchpoint of the guest journey (Bhowmik et al., 2024).

The relationship between service quality and customer satisfaction is a well-established area of academic and practical inquiry, yet its application in specific cultural and geographic contexts often reveals unique insights. Erbil's hospitality sector, characterized by its blend of international standards and local traditions, offers a fascinating case study. The city's hotels, ranging from luxury establishments catering to global business travelers to boutique accommodations showcasing Kurdish heritage, must navigate the dual challenge of meeting the expectations of diverse clientele while maintaining cultural authenticity (Saeed et al., 2021). Similarly, restaurants and other service providers face the task of delivering memorable dining and leisure experiences that reflect both the region's rich culinary traditions and global hospitality trends (Mahmoud et al., 2024).

This study aims to analyze the impact of service quality on customer satisfaction within Erbil's hospitality sector, with a focus on identifying key drivers of satisfaction and areas for improvement (Noorkhizan et al., 2024). By examining guest perceptions and expectations, as well as evaluating the performance of service providers, this research seeks to provide actionable insights for industry stakeholders. Central to this inquiry is the understanding that service quality is not a static concept but a dynamic process, shaped by evolving customer preferences, technological advancements, and market conditions (Junaidi et al., 2024).

Furthermore, the findings of this research hold implications beyond individual businesses, contributing to broader efforts to position Erbil as a premier destination in the Middle East. Enhancing service quality across the hospitality sector can elevate the city's reputation, attract repeat visitors, and stimulate economic growth through increased tourism and business activities. As Erbil continues to invest in infrastructure, cultural initiatives, and global outreach, the role of exceptional service in shaping guest experiences cannot be overstated (David, 2024). In conclusion, exploring the relationship between service quality and customer satisfaction in Erbil's hospitality sector offers valuable insights into the factors that drive guest loyalty and satisfaction. This study not only seeks to enrich the understanding of service quality dynamics in a rapidly developing market but also aims to empower local businesses to deliver unforgettable guest experiences that set Erbil apart on the global stage.

1.1. Statement of the Problem

The hospitality sector in Erbil is experiencing rapid growth due to increased tourism, international business activities, and cultural exchange. However, customer satisfaction levels in this sector remain inconsistent, with many service providers struggling to meet the expectations of a diverse clientele. Despite significant investments in infrastructure and branding, gaps in service quality continue to hinder the full potential of the industry (Sulemana et al., 2023). The lack of localized research on the specific

dimensions of service quality affecting customer satisfaction in Erbil's unique socio-cultural and economic context exacerbates this issue. Addressing this gap is crucial for developing strategies that can elevate guest experiences and enhance the region's competitiveness in the global hospitality market.

1.2. Aim of the Study

The primary aim of this study is to analyze the impact of service quality on customer satisfaction in Erbil's hospitality sector and identify the key service quality dimensions that significantly influence guest experiences. The research seeks to offer practical recommendations for improving service delivery to enhance customer satisfaction and loyalty.

1.3. Research Contribution

This study contributes to the existing body of knowledge by exploring the intricate relationship between service quality and customer satisfaction in Erbil's hospitality sector. It provides actionable insights for hoteliers, restaurateurs, and other service providers to align their offerings with customer expectations. By focusing on Erbil's distinctive cultural and market characteristics, this research does not only inform local businesses but also offer a framework for understanding service quality dynamics in similar emerging markets. Additionally, the study enhances the academic discourse on hospitality management by presenting empirical evidence from an under-researched geographic region.

1.4. Research Hypotheses

Research H₁: There is a significant positive relationship between the reliability dimension of service quality and customer satisfaction in Erbil's hospitality sector.

Research H₂: Responsiveness in service quality has a significant positive impact on customer satisfaction.

Research H₃: Empathy demonstrated by service providers significantly influences customer satisfaction levels.

Research H₄: Assurance in service delivery positively affects customer satisfaction.

Research H₅: Tangible aspects of service quality, such as facilities and physical environments, have a significant impact on customer satisfaction.

Research H₆: (moderator hypothesis): Customer demographic factors (e.g., age, nationality, income level) moderate the relationship between service quality dimensions and customer satisfaction. Based on the research hypotheses, the research model was developed as shown in Figure 1.

2. LITERATURE REVIEW

2.1. Service Quality

Service quality is a fundamental concept in the hospitality sector, reflecting the degree to which a service meets or exceeds customer expectations. In a competitive industry driven by guest experiences, service quality serves as a critical determinant of customer satisfaction, loyalty, and overall business success. The SERVQUAL model by Parasuraman et al. (1988) identifies five key dimensions of service quality: Reliability, Responsiveness, Empathy, Assurance, and Tangibles. These dimensions collectively

shape customer perceptions and form the foundation for evaluating service effectiveness (Panday and Nursal, 2021).

Reliability emphasizes the consistent delivery of promised services, such as timely check-ins and accurate billing. Customers rely on dependable service to foster trust and reduce uncertainty during their stay. Responsiveness, on the other hand, reflects the willingness and ability of staff to address customer needs promptly, which is essential in creating a sense of attentiveness and care. Empathy focuses on providing personalized attention, recognizing the unique preferences of each guest, and accommodating their specific needs (Hakim, 2021).

Assurance, encompassing staff professionalism and knowledge, builds customer confidence in the service provider. This dimension is particularly vital in the hospitality sector, where guests may be unfamiliar with the local environment and require guidance or assistance. Lastly, Tangibles, such as physical facilities, decor, and cleanliness, significantly influence first impressions and enhance the overall service experience (Pasaribu et al., 2022).

In emerging markets, service quality holds unique importance due to the city's growing international tourism and business activities. To meet global standards, service providers must prioritize each dimension of quality while tailoring their approach to local cultural norms. Investments in staff training, technology, and guest feedback systems are crucial for maintaining high service quality (Prasilowati et al., 2021). By continuously improving these aspects, hospitality businesses can foster customer loyalty, positive word-of-mouth, and long-term growth.

2.2. Reliability in Service Quality

Reliability, the ability to deliver promised services accurately and dependably, is a fundamental dimension of service quality and a key driver of customer satisfaction. In the hospitality industry, reliability encompasses timely check-ins, accurate billing processes, and consistent adherence to service standards across all customer interactions. The SERVQUAL model, developed by Parasuraman et al. (1988), identifies reliability as a cornerstone of service quality, underscoring its importance in meeting and exceeding customer expectations. Guests value dependability because it fosters trust, particularly in contexts where the experience may involve significant financial or emotional investments (PJ et al., 2023).

In Middle Eastern hospitality markets, reliability carries added significance due to cultural values that prioritize trust and dependability in service relationships. Research by Maharsi et al. (2021) support this notion, revealing that reliability consistently emerges as one of the strongest predictors of customer satisfaction in the region. For Erbil, a city witnessing increased global tourism and business travel, reliability has become critical. International visitors, unfamiliar with the local environment, expect services to adhere to global standards, including punctuality, accuracy, and consistency (Yunita et al., 2022). The correlation between reliability and customer satisfaction in this study further validates its importance. Guests who perceive a high degree of reliability in hotel services are more likely to develop trust and loyalty,

contributing to positive reviews and repeat patronage. For example, a seamless booking process, error-free financial transactions, and prompt issue resolution enhance guest confidence, reinforcing satisfaction (Restuputri et al., 2021). As hospitality sector evolves, maintaining and enhancing reliability should be a strategic priority. Hotels must invest in staff training, robust operational systems, and feedback mechanisms to ensure consistent service delivery. By doing so, businesses can build trust, strengthen their market position, and contribute to the city's reputation as a premier destination in the Middle East.

2.3. Responsiveness in Service Quality

Responsiveness, defined as the willingness and ability of service providers to address customer needs promptly, is a critical dimension of service quality in the hospitality sector. It reflects the attentiveness and efficiency with which staff handle inquiries, complaints, or special requests, directly influencing customer satisfaction and perceptions of care. Guests often judge their overall experience based on how swiftly and effectively their concerns are addressed, making responsiveness a key differentiator in competitive markets (Al Idrus et al., 2021).

Research by Ginting et al. (2023) highlights the strong link between responsiveness and customer satisfaction. Prompt and attentive service reassures guests that their needs are valued, fostering a sense of trust and appreciation. In the hospitality industry, this can range from quickly resolving a room issue to ensuring seamless dining reservations or transportation arrangements. Responsiveness becomes even more critical in situations requiring urgent attention, such as addressing medical emergencies or unexpected changes in travel plans (Latif et al., 2021).

In emerging markets, where the hospitality sector is growing rapidly, responsiveness takes on additional significance. The city's diverse mix of local and international visitors brings varied expectations and cultural nuances. Service providers must be equipped to handle unique requests swiftly and with sensitivity to cultural differences. Research by Phi and Huong (2023) further emphasizes that responsive service fosters positive emotional connections, leading to loyalty and repeat patronage. For instance, guests who experience proactive and empathetic service are more likely to return and recommend the establishment to others. To enhance responsiveness, businesses should invest in staff training programs that emphasize quick decision-making and customer-centric approaches. Additionally, leveraging technology such as real-time communication tools or mobile apps can streamline responsiveness, ensuring faster and more accurate service (Andri et al., 2022). By prioritizing responsiveness, hospitality providers can elevate guest experiences and strengthen their position in the global market.

2.4. Empathy in Service Quality

Empathy, the ability of service providers to understand and address the emotional and personal needs of customers, is a cornerstone of exceptional service quality. This dimension focuses on offering personalized attention and making guests feel valued and understood. In the hospitality sector, where customer interactions are highly personalized, empathy plays a pivotal

role in shaping guest satisfaction and loyalty (Susanto et al., 2023). Empirical evidence underscores the impact of empathy on customer perceptions of service quality. Research by Agarwal and Dhingra (2023) highlights that empathetic interactions create meaningful guest experiences, particularly in culturally diverse contexts. By acknowledging and respecting the cultural norms, individual preferences, and unique expectations of guests, service providers can significantly enhance customer satisfaction. For instance, in hospitality sector, empathetic staff might cater to dietary restrictions, provide culturally sensitive recommendations, or anticipate specific needs without prompting. Such gestures not only satisfy immediate needs but also create lasting positive impressions (Sulaiman et al., 2021).

Empathy contributes to building long-term relationships between service providers and customers. Guests who feel understood and cared for are more likely to return and recommend establishment to others, strengthening the brand's reputation. This emotional connection fosters loyalty, which is a crucial competitive advantage in the hospitality industry (Jou et al., 2022). To demonstrate empathy effectively, hospitality businesses should prioritize staff training that emphasize active listening, cultural competence, and personalized service delivery. Additionally, soliciting and acting upon guest feedback can help tailor services to meet unique needs (Arhas et al., 2022). Empathy-driven interactions are not only integral to guest satisfaction but also serve as a foundation for a strong and enduring customer base, enabling businesses to thrive in a competitive and culturally rich environment. By prioritizing empathy, hospitality sector can distinguish itself as a leader in delivering personalized and emotionally resonant guest experiences (Ong et al., 2024).

2.5. Assurance in Service Quality

Assurance, defined as the knowledge, professionalism, and confidence demonstrated by service providers, plays a crucial role in shaping customer trust and satisfaction in the hospitality sector. It encompasses the ability of staff to instill confidence in guests, particularly in situations where they may face unfamiliar environments or uncertainties. This dimension of service quality not only reassures customers of the reliability and competence of the service provider but also creates a sense of security and ease (Dam and Dam, 2021).

Studies by Fared et al. (2021) emphasize that assurance is particularly vital in industries like hospitality, where the customer experience is inherently intangible. For guests, assurance takes on additional significance due to the city's growing status as a destination for international tourists and business travelers (Saeed et al., 2021). These guests may be unfamiliar with the region's culture, language, or safety protocols, making the professionalism and expertise of service providers a critical determinant of satisfaction. For instance, hotel staff who display fluency in multiple languages, demonstrate knowledge of local attractions, and handle sensitive situations with discretion contribute to fostering a welcoming and trustworthy environment (Yang et al., 2024).

In the context of hospitality sector, assurance is instrumental in addressing concerns about safety and security, particularly for

international guests. Service providers who exhibit confidence and professionalism create a sense of reliability, encouraging repeated visits and positive word-of-mouth recommendations. Furthermore, assurance is equally valuable for local guests who expect knowledgeable and competent service aligned with their cultural values (Ma'ruf, 2021).

To enhance assurance, businesses should invest in staff training programs that emphasize hospitality management, cultural sensitivity, and crisis management skills. By prioritizing assurance in service delivery, hospitality providers can build trust, enhance customer satisfaction, and solidify their reputation as reliable and professional establishments in a competitive and evolving market (Khan et al., 2021).

2.6. Tangible Aspects of Service Quality

Tangible aspects of service quality, encompassing physical facilities, cleanliness, decor, and ambiance, play a pivotal role in shaping customer perceptions and satisfaction in the hospitality sector. These elements are often the first point of interaction between guests and service providers, making them crucial for creating strong initial impressions (Marane et al., 2013). According to Kobero and Swallehe (2022), the visual and physical environment acts as a silent communicator of quality, influencing how customers evaluate the overall service experience. Studies by Uzir et al. (2021) emphasize that well-maintained and aesthetically pleasing facilities are positively correlated with customer satisfaction. In the hospitality industry, tangible aspects such as comfortable furnishings, modern infrastructure, and visually appealing spaces contribute to guests' sense of comfort and enjoyment. A clean and organized environment not only enhances satisfaction but also fosters trust and loyalty by reinforcing perceptions of professionalism and attention to detail (Indriastiningsih et al., 2023).

The tangible dimension takes on unique importance due to the city's cultural and architectural heritage (Ali et al., 2021). The blending of traditional Kurdish elements with modern amenities creates a distinctive ambiance that can enhance the guest experience. For instance, hotels that incorporate local art, traditional decor, and modern conveniences offer a compelling combination of authenticity and comfort, appealing to both local and international guests (Pramaswari et al., 2021).

To capitalize on the importance of tangible aspects, businesses should prioritize regular maintenance, cleanliness, and upgrades to their facilities. Creating a harmonious environment that combines cultural authenticity with modern luxury can help set businesses apart in a competitive market (Almasoodi and Rahman, 2023). Tangible excellence not only enhances customer satisfaction but also contributes to positive word-of-mouth and repeat patronage, making it a critical component of long-term success in the hospitality sector. By investing in high-quality physical environments, hospitality providers can significantly elevate the guest experience and solidify their market position (Malahela and Hardini, 2023).

2.7. The Moderating Role of Customer Demographics

on Service Quality and Satisfaction

Demographic factors such as age, nationality, and income level play a critical moderating role in the relationship between service quality dimensions and customer satisfaction. These factors influence customer expectations, perceptions, and priorities, thereby affecting how service quality is experienced and evaluated (Ahmed et al., 2021). Research by Aldaamy (2024) underscores the importance of demographics in shaping customer satisfaction, revealing that individuals from different demographic groups may prioritize distinct aspects of service quality. For instance, younger guests often value Responsiveness and Technological Integration, such as fast responses via mobile apps or automated services. In contrast, older guests may place greater emphasis on Reliability and Empathy, appreciating consistent service delivery and personal attention. Similarly, nationality can significantly impact preferences, as international guests might prioritize Assurance and Tangibles to feel secure and comfortable in an unfamiliar environment, while local guests might value culturally tailored experiences (Abdulrab and Hezam, 2024).

In hospitality sector, the growing diversity of visitors due to increased tourism and expatriate presence amplifies the need to consider demographic factors. Tailoring services to meet the unique needs of various demographic groups can significantly enhance customer satisfaction. For example, offering multilingual staff, culturally inclusive menus, or tiered service options based on income levels can help address diverse expectations effectively (Abdul-Aziz Ahmad and Jais, 2024).

Understanding these moderating effects allows businesses to develop more targeted and efficient service quality improvement strategies. By segmenting their customer base and aligning service offerings with demographic-specific needs, hospitality providers can foster stronger emotional connections, build loyalty, and improve their competitive positioning. Recognizing the role of demographics not only enriches the guest experience but also ensures that service delivery remains relevant and impactful in a rapidly evolving market (Almasoodi and Rahman, 2023). This nuanced approach is essential for sustaining long-term growth and customer satisfaction in hospitality industry.

3. RESEARCH METHODS

This study employs a quantitative research approach to analyze the impact of service quality dimensions on customer satisfaction in Erbil's hospitality sector. Quantitative methods are chosen to ensure objective measurement, statistical reliability, and generalizability of the findings. Data will be collected from guests of four major hotels in Erbil—Dedeman Hotel, Rotana Hotel, Divan Hotel, and Erbil International Hotel—using a structured survey instrument.

3.1. Quantitative Methods

The quantitative methodology focuses on numerical data collection and statistical analysis to evaluate the relationships between service quality dimensions and customer satisfaction. This approach is well-suited for testing hypotheses and identifying patterns or correlations.

3.2. Population and Sample Size

The target population consists of guests staying at the four selected hotels in Erbil. The hotels represent a mix of luxury and business-oriented establishments, providing a diverse perspective on service quality. A sample size of 158 guests is selected using convenience sampling, ensuring participants are accessible and willing to provide responses. This sample size is sufficient to achieve statistical reliability and validity for the study.

3.3. Research Instruments

The primary instrument for data collection is a structured questionnaire designed based on the SERVQUAL model (Parasuraman et al., 1988). The questionnaire (see the Appendix) consists of the following sections:

1. Demographics: Collecting data on age, nationality, income level, and purpose of visit.
2. Service quality dimensions: Items measuring reliability, responsiveness, empathy, assurance, and tangibles, rated on a 5-point Likert scale (1 = Strongly disagree to 5 = Strongly agree).
3. Customer satisfaction: Items evaluating overall satisfaction with the services received.
4. Moderator variables: Questions exploring the influence of demographic factors on the perception of service quality.

3.4. Variables

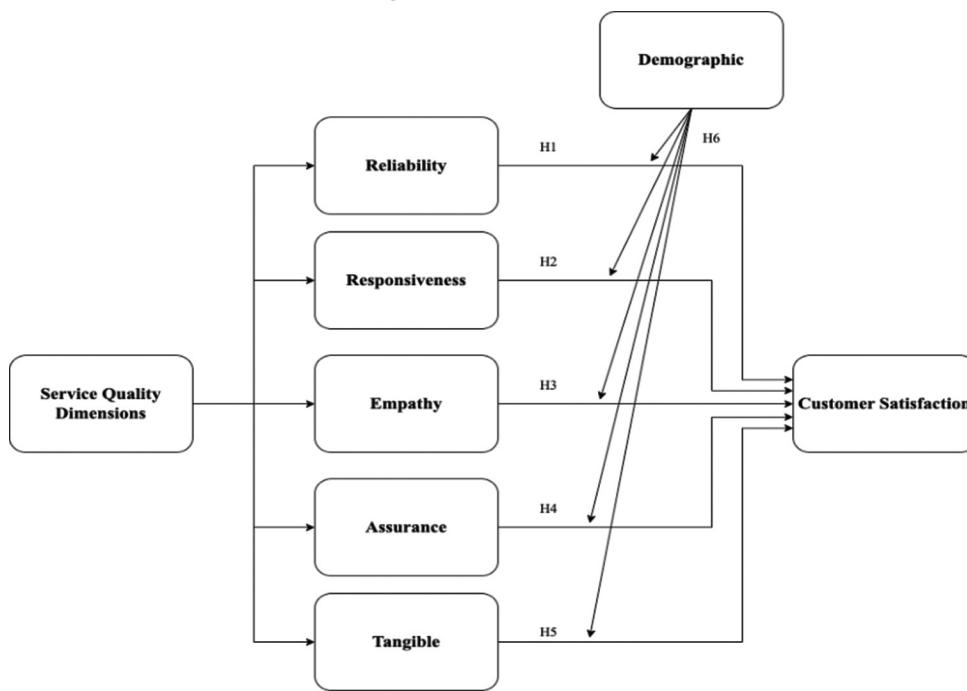
1. Independent variables:
 - Reliability
 - Responsiveness
 - Empathy
 - Assurance
 - Tangibles
2. Dependent variable:
 - Customer satisfaction
3. Moderator variable:
 - Customer demographics (age, nationality, income level).

3.5. Data Analysis

1. Descriptive statistics: Summarizing demographic data and survey responses to provide an overview of the sample characteristics.
2. Reliability analysis: Using Cronbach's Alpha to test the internal consistency of the survey items for each service quality dimension.
3. Correlation analysis: Identifying relationships between service quality dimensions and customer satisfaction.
4. Multiple regression analysis: Examining the impact of independent variables (service quality dimensions) on the dependent variable (customer satisfaction).
5. Moderation analysis: Using interaction terms to test the moderating effect of demographic factors on the relationship between service quality dimensions and customer satisfaction.
6. Statistical software: Data will be analyzed using SPSS or similar statistical software.

3.6. Data Collection Timeline

The data collection process is anticipated to span 4-6 weeks, contingent on participant availability and the operational

Figure 1: Research model

schedules of the selected hotels. During this period, surveys will be distributed to guests at four major hotels in Erbil: Dedeman, Rotana, Divan, and Erbil International. Efforts will be made to ensure a diverse and representative sample by targeting guests during various times of the day and week. Flexibility in data collection timing will accommodate the schedules of both the participants and hotel management, ensuring sufficient responses while maintaining the quality and reliability of the data collected.

4. ANALYSIS AND FINDINGS

The analysis and findings section provides a comprehensive overview of the relationships between service quality dimensions and customer satisfaction, using a combination of demographic analysis, reliability testing, correlation, regression, and moderation analysis. These insights are derived from data collected from guests in Erbil's hospitality sector, highlighting critical factors that influence satisfaction levels and identifying areas for strategic improvement.

The demographic analysis table highlights the distribution of the sample population across various categories (Table 1). The majority of respondents fall into the "55 and above" age group (24.05%), followed by those "Under 25" (22.15%) and "25-34" (20.25%). Gender representation is almost balanced, with 53.16% male and 46.84% female participants. The nationality breakdown shows a slightly higher percentage of domestic guests (52.53.47%) compared to international guests (47.47%). Income level data reveals a fairly even spread, with 27.22% earning \$3,000-\$4,999, followed closely by 26.58% earning below \$1,000. Regarding the purpose of visit, 37.97% cited "Other" reasons, 31.65% were leisure travelers, and 30.38% visited for business purposes.

Table 1: Demographic analysis

Category	Subcategory	Frequency	Percentage
Age	55 and above	38	24.05
	Under 25	35	22.15
	25-34	32	20.25
	45-54	27	17.09
	35-44	26	16.46
Gender	Male	84	53.16
	Female	74	46.84
Nationality	International	75	47.47
	Domestic	83	52.53
Income level	\$3,000-\$4,999	43	27.22
	Below \$1,000	42	26.58
	\$1,000-\$2,999	37	23.42
	\$5,000 and above	36	22.78
Purpose of visit	Other	60	37.97
	Leisure	50	31.65
	Business	48	30.38

Table 2: Reliability

Dimension	Cronbach's alpha	Number of items
Reliability	0.767	5
Responsiveness	0.835	8
Empathy	0.858	6
Assurance	0.764	4
Tangibles	0.735	4

The reliability analysis table evaluates the internal consistency of survey items for each service quality dimension using Cronbach's Alpha (Table 2). All dimensions demonstrate acceptable reliability levels, with scores ranging from 0.735 (Tangibles) to 0.858 (Empathy). The number of items per dimension varies, with Responsiveness being the highest at 8 items and Tangibles and Assurance having the lowest at 4 items. These results confirm that the survey instrument is consistent and dependable for measuring service quality.

Table 3: Correlation

	Reliability	Responsiveness	Empathy	Assurance	Tangibles	Customer satisfaction
Reliability	1.0					
Responsiveness	0.74	1.0				
Empathy	0.66	0.63	1.0			
Assurance	0.76	0.71	0.81	1.0		
Tangibles	0.68	0.84	0.59	0.67	1.0	
Customer satisfaction	0.83	0.61	0.81	0.73	0.64	1.0

The correlation matrix reveals strong positive relationships between the service quality dimensions and customer satisfaction (Table 3). The highest correlation is observed between reliability and customer satisfaction (0.83), followed closely by Empathy and customer satisfaction (0.81). Responsiveness exhibits the weakest correlation with customer satisfaction at 0.61. Interdimensional correlations are also notable, particularly between Responsiveness and Tangibles (0.84), indicating that improving one dimension may positively influence others.

The regression analysis provides insights into the impact of each service quality dimension on customer satisfaction (Table 4). Responsiveness (Coefficient = 0.77, $P < 0.001$) and Assurance (Coefficient = 0.44, $P < 0.000$) show the strongest influence, suggesting these dimensions are critical to drivers of satisfaction. Other dimensions, including Reliability (Coefficient = 0.38) and Tangibles (Coefficient = 0.29), also significantly contribute, albeit to a lesser extent. All P-values are below 0.05, confirming the statistical significance of the results.

The moderation analysis examines the interaction effects between service quality dimensions and demographic factors (Table 5). Responsiveness \times Demographics has the highest interaction coefficient (0.41, $P < 0.000$), indicating that responsiveness is strongly influenced by demographic factors. Empathy \times Demographics (0.34) and Tangibles \times Demographics (0.28) also exhibit notable moderation effects. These findings highlight the importance of tailoring services to demographic characteristics to maximize customer satisfaction.

The path-direction analysis assesses the hypothesized relationships between service quality dimensions and customer satisfaction (Table 6). Assurance shows the strongest path coefficient (0.77, $P < 0.000$), followed by Empathy (0.67) and Tangibles (0.65). The hypothesis H_6 , examining the moderating effect of demographics, also shows a significant path coefficient (0.58, $P < 0.000$), underscoring the importance of demographic factors in shaping the service quality-satisfaction relationship.

5. DISCUSSION

The findings of this study reinforce and expand the understanding of how service quality dimensions influence customer satisfaction, offering both alignment with and divergence from prior research in different cultural contexts. The results underscore Responsiveness and Assurance as the most critical drivers of customer satisfaction, with regression coefficients of 0.77 and 0.44, respectively. These results align with the SERVQUAL model by Parasuraman et al. (1988), which identified reliability and responsiveness as central to

Table 4: Regression analysis

Dimension	Coefficient (B)	P-value
Reliability	0.38	0.000
Responsiveness	0.77	0.001
Empathy	0.19	0.001
Assurance	0.44	0.000
Tangibles	0.29	0.002

Table 5: Moderation analysis

Moderator effect	Interaction coefficient	P-value
Reliability \rightarrow demographics	0.18	0.002
Responsiveness \rightarrow demographics	0.41	0.000
Empathy \rightarrow demographics	0.34	0.000
Assurance \rightarrow demographics	0.27	0.002
Tangibles \rightarrow demographics	0.28	0.001

Table 6: Path-direction analysis results

Hypothesis	Path coefficient	P-value	Significant
H_1 : Reliability \rightarrow customer satisfaction	0.17	0.000	5
H_2 : Responsiveness \rightarrow customer satisfaction	0.32	0.001	6
H_3 : Empathy \rightarrow customer satisfaction	0.67	0.001	6
H_4 : Assurance \rightarrow customer satisfaction	0.77	0.000	8
H_5 : Tangibles \rightarrow customer satisfaction	0.65	0.002	9
H_6 : Demographics moderates \rightarrow service quality \rightarrow customer satisfaction	0.58	0.000	2

perceived service quality. Similarly, Yunita et al. (2022) highlighted the importance of responsiveness in creating a sense of care and attentiveness, which directly contributes to satisfaction. This study adds depth by demonstrating these effects in the hospitality sector of Erbil, where cultural expectations of personalized service and trust are particularly pronounced.

The significant role of Empathy (coefficient = 0.19) also corroborates prior research by Shahin and Dabestani (2010), who argued that personalized attention and understanding of guest needs are key to fostering loyalty. However, compared to Western studies, the emphasis on empathy in this study might reflect the region's cultural norms, where interpersonal relationships and attention to individual needs carry substantial weight in service evaluations (Ali et al., 2020). The moderation analysis provides a nuanced understanding of how demographic factors shape the service quality-customer satisfaction relationship (Singh and Kumar, 2020). For instance, the high interaction coefficient for Responsiveness \times Demographics (0.41) suggests that guests from diverse age groups and nationalities perceive responsiveness differently. This finding is consistent with Yang et al.'s (2024)

research, which demonstrated that customer expectations and perceptions vary significantly based on demographic characteristics. In Erbil, this insight is critical, given the city's blend of domestic and international clientele, necessitating tailored service strategies to cater to varying preferences. Interestingly, the study finds a slightly weaker relationship between Tangibles and customer satisfaction (correlation = 0.64). While physical attributes such as cleanliness and decor are crucial, the findings suggest that interpersonal service dimensions (e.g., empathy, assurance) are more valued by guests in Erbil's hospitality sector (Anwar, 2017). This is in contrast to findings in Western markets, where tangible elements often hold higher importance, as noted by Vuković et al. (2023). Finally, this research contributes a regional perspective to the body of hospitality literature, illustrating how Erbil's unique socio-cultural and economic dynamics influence service quality perceptions. Unlike studies conducted in developed markets, where standardized service expectations dominate, this research highlights the interplay of global standards and domestic traditions in shaping guest experiences (Aldamy, 2024). This divergence underscores the necessity of culturally sensitive service quality models, enabling service providers in Erbil to align their strategies with the diverse expectations of both domestic and international guests (Ali et al., 2021). These findings are vital for the hospitality sector in Erbil, offering actionable insights for improving service delivery and competitiveness in a market that is both traditional and evolving rapidly. Future studies could further explore these dynamics across other emerging markets, deepening the global understanding of service quality and customer satisfaction.

6. CONCLUSION

This study has examined the impact of service quality dimensions on customer satisfaction in Erbil's hospitality sector, offering valuable insights into both theoretical understanding and practical applications. The findings highlight that Responsiveness and Assurance are the most significant drivers of customer satisfaction, emphasizing the importance of timely assistance, professionalism, and the ability to build guest trust. These results align with established research, such as the SERVQUAL model, while providing a unique perspective tailored to the socio-cultural context of Erbil. The role of Empathy, although moderately influential, underscores the importance of personalized and culturally sensitive service delivery. This is particularly relevant in Erbil, where local traditions and the expectations of a growing international clientele converge, requiring service providers to balance global standards with localized approaches. The relatively lower influence of Tangibles on customer satisfaction compared to interpersonal dimensions reflects the region's cultural emphasis on human interactions over physical infrastructure, distinguishing it from Western markets.

The study also sheds light on the moderating effects of demographic factors, such as age and nationality, on the relationship between service quality and satisfaction. The strong interaction effects observed in the moderation analysis suggest that tailoring services to demographic characteristics can significantly enhance guest experiences, particularly in a diverse market like Erbil. Overall, this research provides actionable recommendations for the hospitality

sector in Erbil. Businesses should prioritize responsiveness, assurance, and empathy while addressing demographic-specific needs to build loyalty and enhance competitiveness. Moreover, the findings contribute to the broader body of knowledge on service quality by contextualizing it within an emerging market. Future research could extend this work by exploring additional moderating factors, such as technological integration or economic conditions, and by comparing results across similar regions to deepen the understanding of service quality dynamics in global hospitality markets.

6.1. Recommendations

To enhance customer satisfaction in Erbil's hospitality sector, service providers should prioritize Responsiveness, Assurance, and Empathy in their service delivery. Practical steps include investing in staff training to improve responsiveness, ensuring consistent communication and professionalism, and tailoring services to meet the personal and cultural needs of guests. Additionally, while Tangibles are less influential, maintaining clean, modern, and aesthetically pleasing facilities is essential for creating positive first impressions. Hotels should also leverage technology, such as automated booking systems and guest feedback platforms, to enhance responsiveness and personalization.

6.2. Practical Implications

The findings of this study provide actionable insights for hospitality businesses in Erbil. By focusing on interpersonal service dimensions and understanding the moderating role of demographics, businesses can develop strategies to cater to a diverse clientele. For example, younger guests might value faster and more tech-driven services, while older guests may appreciate more empathetic and reliable interactions. These insights can inform hiring, training, and service delivery practices, helping businesses align with customer expectations. Furthermore, local and international hotel chains can use these findings to tailor their marketing strategies, emphasizing their strengths in responsiveness and assurance to attract and retain customers.

6.3. Future Study

Future research should explore additional moderating factors, such as the role of technology adoption, guest loyalty programs, and economic conditions, in shaping the relationship between service quality and customer satisfaction. Comparative studies across other emerging markets or between urban and rural hospitality sectors in the Kurdistan Region could provide broader insights. Longitudinal studies could also examine how evolving customer expectations and market trends impact service quality dynamics over time.

6.4. Limitations

This study has several limitations. First, the sample size of 158 guests may limit the generalizability of the findings across the entire hospitality sector in Erbil. Second, the study focused on only four major hotels, potentially overlooking variations in service quality across smaller or boutique establishments. Third, data collection relied on self-reported surveys, which may introduce bias in responses. Finally, the study's cross-sectional design prevents analysis of how service quality perceptions change over time, which could be addressed in future longitudinal studies.

Despite these limitations, the findings provide valuable insights into improving customer satisfaction in a rapidly evolving hospitality market.

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APPENDIX

Questionnaire: Service quality and customer satisfaction in Erbil's hospitality sector

This questionnaire is designed to gather your feedback on the service quality and your satisfaction during your stay in one of Erbil's hotels. Your responses will remain confidential and will only be used for research purposes.

Section A: Demographics

1. Age:

- Under 25
- 25-34
- 35-44
- 45-54
- 55 and above

2. Gender:

- Male
- Female

3. Nationality:

- Domestic
- International

4. Income level:
 - Below \$1,000
 - \$1,000–\$2,999
 - \$3,000–\$4,999
 - \$5,000 and above
5. Purpose of visit:
 - Business
 - Leisure
 - Other (Please specify): _____

Section B: Service Quality Dimensions

Using a 5-point Likert scale, please rate your level of agreement with the following statements.

1. = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree

Reliability

1. The hotel delivered the services it promised accurately and consistently.
2. My booking and check-in processes were handled smoothly.
3. The staff fulfilled my requests without errors or delays.

Responsiveness

4. The staff responded promptly to my inquiries and requests.
5. Any issues or complaints were addressed in a timely manner.
6. The hotel staff were willing to go above and beyond to assist me.

Empathy

7. The staff provided me with personalized attention.
8. The staff were understanding and considerate of my needs.
9. The hotel accommodated my cultural or personal preferences.

Assurance

10. The staff were knowledgeable and competent in their roles.
11. I felt safe and secure during my stay.
12. The staff were polite, respectful, and professional.

Tangibles

13. The hotel facilities were clean and well-maintained.
14. The hotel's appearance and decor were appealing.
15. The staff were well-groomed and professionally dressed.

Section C: Customer Satisfaction

Using a 5-point Likert scale, please rate your level of agreement with the following statements.

1. = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree
16. I am satisfied with the overall quality of service provided by the hotel.
17. The hotel met or exceeded my expectations during my stay.
18. I would recommend this hotel to others.
19. I would return to this hotel for future stays.

Section D: Moderator Variables

Using a 5-point Likert scale, please rate your level of agreement with the following statements.

1. = Strongly Disagree | 2 = Disagree | 3 = Neutral | 4 = Agree | 5 = Strongly Agree
20. My age influences my perception of service quality.
21. My nationality affects my expectations of the hotel's service.
22. My income level impacts my satisfaction with the service quality.