

COMPARATIVE ANALYSIS OF THE SERVICE QUALITY IN HOMESTAY ACCOMMODATION

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<https://doi.org/10.20867/thi.26.7>

Abstract

Purpose – The paper focuses on guest satisfaction and service process improvement, considering the importance of quality elements as an important factor for differentiation in the market. The purpose of this article is to identify the differences in the attitudes of domestic and foreign guests who have stayed in homestay accommodation. As part of the research, an importance-performance analysis was conducted to compare the importance of and satisfaction with quality elements among domestic and foreign guests.

Design – Primary research was conducted in September 2020 in 10 counties of the Republic of Croatia. A total of 168 valid questionnaires were collected. The sample consists of guests from 17 countries who were accommodated in homestay accommodation.

Methodology – For this article, importance-performance analysis (IPA) was performed and the importance of, and satisfaction with, each quality element was presented in an IPA matrix. By analysing the position of the quality elements in the matrix, it is possible to identify future strategies and improvements that need to be implemented to meet the needs of guests.

Approach – The study analyses 20 quality elements in two IPA matrices, one for domestic guests, and one for foreign guests. Each matrix has four quadrants: “Concentrate here”, “Keep up the good work”, “Low priority” “; and “Possible overkill”.

Findings – The results show that there are differences between domestic and foreign guests in their perceptions of satisfaction with and importance of quality elements. The results of the conducted IPA provide guidelines for improving certain areas in the service delivery process in accordance with guest preferences. The research has several limitations, mainly the sample size and the fact that the study was conducted during the COVID-19 pandemic.

Originality of the research – The results show the peculiarities of guests staying in homestay accommodation and highlight the differences in perception depending on the origin of the guests. The findings provide clear guidance for practitioners by identifying elements of service quality that are important to domestic and international guests. This provides the basis for creating services tailored to guests’ needs and expectations.

Keywords service quality, homestay accommodation, IPA

INTRODUCTION

Considering the significance of and the fact that quality is an important factor for competitive advantage, the *Focus on Quality in Household Accommodation - Guest Perspective* project was developed. The market of homestay accommodation (Eurostat category 55.2 includes rooms, apartments, studio apartments, holiday homes) investigated in this study represents the majority of all accommodation capacity in Croatia, so improving the quality of service can have many positive effects. With such a high percentage and importance to Croatian tourism, homestay accommodation is becoming an increasingly important area of interest for research.

Previous research deals with guests staying in homestay accommodation, focusing on motivation, quality elements, satisfaction, and guest return. These are very important factors, but not enough emphasis is placed on understanding the socio-demographic characteristics that may influence user expectations and experiences. To address this gap, we analyse the quality elements in homestay accommodation and the differences in attitudes between domestic and foreign guests. Customer satisfaction is critical for service providers as it leads to positive post-purchase behaviours, such as repeat visits and positive word of mouth, which helps to retain customers and increase sales profit (Tussyadiah 2016). In this sense, identifying the elements of service quality that satisfy the guest and those that do not will help guide the necessary improvements in this segment of the offer. The primary research was conducted in 10 Croatian counties covering both Croatian coastal and mainland destinations. The results of the research are presented in this paper to determine if there are differences in the perceived importance and performance ratings of elements of service quality between two groups: domestic and foreign guests. Importance-performance analysis (IPA) was conducted to identify the key differences between the two groups. IPA has four quadrants, and the position of a quality element in the matrix indicates how important the element is for the guests and how satisfied they are with it. A review of previous literature also shows that this topic is under-researched, which provides additional motivation for future research. The research will focus on the following research objectives:

- Determine the characteristics of homestay accommodation
- Determine the importance of homestay accommodation in Croatia Define the aspects of service quality (material and functional aspects).
- Identify the differences in the demand for homestay accommodation according to the origin of the respondents
- Analyze the perception of domestic and foreign guests regarding the importance of quality elements in homestay accommodations
- Analyze domestic and foreign guests' satisfaction with the quality elements of homestay accommodations

1. SERVICE QUALITY IN HOMESTAY ACCOMMODATION

“The tradition of entertaining in one’s own home is almost as old as civilised society itself. However, it is only in recent times that hosting has taken the form of organised activities, which in international practise occur in numerous variations and under different names” (Vlahov, 2021; 207 in Petrić & Mimica, 2011; 7). Homestay accommodation refers to

services provided in households (owned by the host). Accommodation providers can earn revenue from their underutilised space, and consumers get better value for their money. It is argued that homestay accommodation offers a unique and authentic experience (Prayag, Ozanne, 2018; 2).

Several legal acts regulate the provision of accommodation services, of which the two most important are the following: the Law on Hospitality (85/15, NN121/16, NN 99/18, 25/19, 98/19) and the Regulation on the Classification and Categorization of Establishments Providing Accommodation Services in Households (Official Gazette 9/16, NN54/16, NN 61/16, NN 69/17, 120/19), prescribes the minimum conditions that must be met. These conditions relate to the safety of guests, horizontal and vertical communication, the height of the rooms and the serving of food, drinks and meals. The regulation defines the minimum conditions for each type and category that apply to rooms, apartments, studio suites and summer homes, as well as campsites.

According to Priporas et al. (2017), it is of the utmost importance to facilitate guests' access to information about the sale at all times by providing an online information package to avoid confusion about the facilities offered. According to Ikkala & Lampinen (2015), there are two kinds of hospitality, one in which the host does not physically share the home with the guest, so that their interaction is usually limited to exchanging messages and occasional brief encounters, and the other – on-site hospitality – in which the host is physically present and shares the apartment/house with the guest, e.g., by renting a guest room. The topic of homestay accommodation has attracted the interest of researchers. Some focus on the guest experience (Mohlman 2015; Tussyadiah, 2016; Varma 2016; Mahadevan, 2017; Milohnić et. al. 2022; Vrtodušić Hrgović et. al. 2021; Pawlicz 2022) and others on host behaviour (Karlsson & Dolincar, 2016; Vlahov 2021).

Sund & Boksberger (2007) focused their study on the differences between seniors and non-seniors. Their results suggest that there are significant differences. Pre-seniors (ages 50-59) are willing to pay more for accommodations than seniors (ages 60 and older) who prefer to travel domestically. Among non-seniors (age 49 and under), 61.1% of respondents opted for domestic travel, compared to 72.6% of respondents age 50 or older. In addition, the survey examined what characteristics the different age groups preferred when travelling. Agyeiwaah et. al (2013) addressed the motivations and socio-demographic characteristics of guests staying in homestay accommodation. The study focused specifically on international guests. This study showed that six important demographic factors have an influence on homestay motivations. Zhang and Fu (2020) examined the experiences of domestic and foreign Airbnb users, focusing on the cross-cultural perspective. The results show that there are differences between domestic and foreign Airbnb guests. Foreign guests were more likely to mention cosiness, location/convenience, and availability/transportation, while domestic guests showed greater interest in check-in procedures and style/decoration. Mahadevan (2017) also compared international and domestic guests based on the sociodemographic factors and travel behaviour of guests who prefer homestays over traditional tourist accommodations. International guests prefer homestay accommodation in cities (70.7%), while domestic guests use them in regional areas (64.4%). One reason for this is that most international visitors only visit the main sights in capital cities and do not have the time to travel to

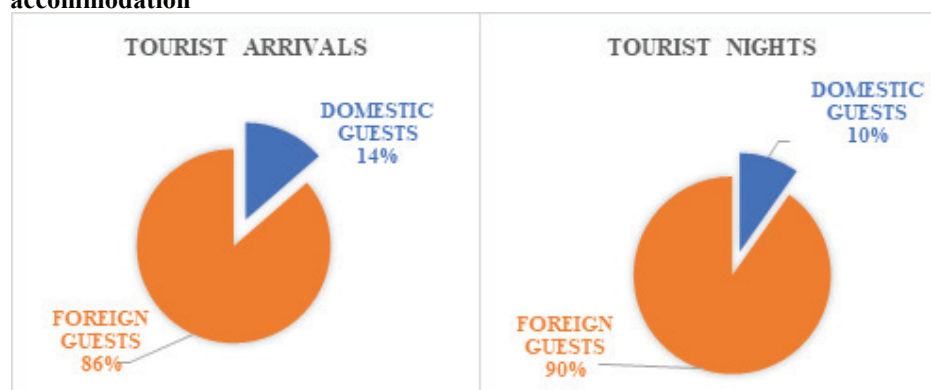
regional areas. Domestic guests, on the other hand, are expected to travel to regional areas rather than the main cities to get away (Mahadevan, 2017; 2). Guests who drove a vehicle and stayed longer chose homestays over traditional lodging types.

Of the many studies of homestays, however, very few have examined the differences between domestic and foreign visitors, focusing on expectations and satisfaction. Building on the research of Agyeiwaah et. al (2013), who focused on international visitors, and Mahadevan (2017) and Zhang & Fu (2020), who focused on domestic and foreign visitors, this study focuses on a comparative analysis of the service quality of homestay accommodation by analysing the perceptions of domestic and foreign visitors. As Vlahov (2021) notes, homestay accommodation has the potential to significantly improve the profile and competitiveness of tourism as a whole in the Republic of Croatia.

1.1. Homestay accommodation market in Croatia

In recent years, homestay accommodation has seen a significant increase in accommodation capacity, making it the most important form of commercial accommodation in the Croatian accommodation sector. This accommodation segment accounts for the largest share of tourist arrivals and overnight stays. In 2020, 52.0% of the total number of arrivals and 59.3% of the total overnight stays were realized in homestay accommodation. The average annual rate of arrivals in this accommodation segment grew by 13.9% between 2014 and 2019, and an increase of 10.3% per year was also observed in the number of overnight stays. Homestay accommodation also accounts for the largest share in the total accommodation capacity of Croatia, with a total of 625,673 beds in 2021, which corresponds to 57.6% of the available capacity (Central Bureau of Statistics, 2022, <https://www.dzs.hr/>). If we look at the supply and demand for this type of accommodation in Croatia, the percentage in Croatia is higher than in other Mediterranean countries. The average values of European Mediterranean countries range from the highest value in Italy with 35% of beds in homestays to the lowest value in Portugal with 19% (Eurostat, 2022). Foreign guests predominate in the number of overnights as well as in the number of arrivals in homestay accommodation (Chart 1).

Chart 1: Domestic and Foreign Tourist Arrivals and Nights, 2021. in homestay accommodation



Source: Central Bureau of Statistics, <https://web.dzs.hr/default.htm> (4.7. 2022)

Foreign tourists staying in homestay accommodation account for 90% of all overnight stays and for 86% of all arrivals. It can be seen that the homestay accommodation market is more attractive for the international market than for the domestic market.

The 2019 TOMAS Summer Survey of Tourist Attitudes and Expenditures in Croatia was conducted among a sample of 13,582 domestic (17.5%) and foreign tourists (82.5%) (visitors staying at least one night) in commercial accommodation establishments (hotels, hostels, camps and rooms/apartments, i.e. family accommodation). Foreign guests who stayed overnight in Croatia during the observed period are loyal to the country, as every second guest has visited Croatia three or more times. (TOMAS, 2020; 34). The main motives for foreign guests visiting Croatia are holiday (93.0%), sea (66.5%), nature (13.4%), tours and sightseeing (7.2%). The main motives for domestic guests are holiday (66.4%), sea (49.2%), nature (37.6%), city visits (13.0), tours and sightseeing (8.4%), visiting relatives and friends (4.5%) (TOMAS, 2020; 76-77). Foreign guests book accommodation through a travel agent or tour operator, or through online (non-email) bookings such as Booking.com, Expedia, Holidaycheck.co.uk, etc. (45.9%), while domestic guests mostly (38.3%) book directly with the accommodation - in person, by phone or fax, by email. (TOMAS, 2020; 82).

1.2. Service Quality

Since it first appeared in the market and in businesses, the concept of service quality has evolved through different approaches and aspects that have emerged in an attempt to better understand the concept. The earlier meaning of the term “quality” differs in many ways from its modern meaning today, as the definitions of the term show. In the past, there were only a small number of certain products on the market, so quality was not given much importance. Service quality is defined and measured from the guest’s perspective. It is evaluated by comparing expectations of a particular service with the service actually received. Service quality is one of the most important competitive factors in tourism and hospitality. (Kotler et al., 2010; 50). Grönross (1983) defines two dimensions of service quality: technical and functional. Technical quality refers to the question “What?” and includes materials and quality aspects related to the equipment of the facility. Another aspect of functional quality, “How?”, refers to how the service is delivered through various intangibles.

According to Pawlicz (2022; 7), the service quality of a homestay refers mainly to the tangible elements of an accommodation product. Milohnić et al (2022) focus on analysing the importance of additional facilities in homestay accommodation. Sauna, satellite channels, facilities for people with reduced mobility, transportation to and from the airport, ironing/laundry service, swimming pool, and facilities for children were ranked as most important by guests. Hyunsuk, et al (2018) developed 27 attributes of service quality specifically for homestay accommodation. Ju et al (2019) defined service quality attributes and their influence on customer satisfaction using online reviews of Airbnb accommodations. The results suggest that service quality is related to website quality, host service quality, and facility service quality. One of the most important ways a service company can differentiate itself from its competitors is to consistently provide a higher level of quality than its competitors. This is particularly important for tourism

and hotel managers in the context of ensuring, measuring and evaluating the quality of services. The market, especially the accommodation sector, is now characterized by a large number of different types of accommodation, substitutes and brands, and consumers have a wide choice of products and options. In today's business and market conditions, quality has become one of the important competitive factors.

According to Cheng et al. (2019), research in tourism and hospitality shows there is a positive relationship between quality and satisfaction (Kang et al., 2004; Huang et al. 2010; Nunkoo et al., 2019; Ali et al., 2021). Guest satisfaction is one of the basic parameters for evaluating the quality of the service offered. Therefore, it is important for any organization operating in the market to understand how guests perceive the value of their products or services. According to ISO 9000: 2015, "customer satisfaction is the customer's perception of the extent to which their requirements are met". Zeithaml, Bitner (2003) define it as "the subjective evaluation of a product or service as to whether the product or service meets the customer's expectations and needs." Tussyadiah (2016) focused on the factors that influence guest satisfaction in homestay accommodation and the intention to use this type of accommodation in the future. It was found that guest satisfaction is influenced by the factors of enjoyment, value for money, and amenities of the accommodation. The intention to use homestay accommodation in the future was determined by the factors of enjoyment and value. For hosts, the results suggest that it is important to offer guests better value for money and better quality amenities.

The focus of the paper refers to the qualitative aspect of homestay accommodation offer and the overall process of service provision (material and functional aspect), as well as the quality of the offer of additional services/facilities as one of the important conditions for successful differentiation on the market in line with the needs and desires of modern guests.

2. METHODOLOGY

2.1. Data collection

In this study, the attitudes and perceptions of domestic and foreign guests were analysed using IPA. The aim of the analysis was to determine differences in the perception of satisfaction and importance of quality elements with regard to the origin of the guests. The research was conducted during the from July to September 2020., on a sample of 168 tourists who stayed in rooms, apartments, studio apartments, and holiday homes (Eurostat category 55.2). The survey was conducted with an offline questionnaire during the Covid pandemic. Private hosts distributed the survey to their guests. The survey was conducted in the Republic of Croatia on the territory of 10 counties.

2.2. Measurement instrument

The questionnaire used to conduct the research consisted of: 6 socio-demographic questions, 8 general questions about tourist stays and accommodation bookings, and 20 questions about quality elements. The questionnaire was based on previously developed

and tested measurement tools and scales of relevant scientific works that focus on defining the elements of service quality (Guttentag, et al. 2018; Hyunsuk et al. 2018; Ingram, 1996; Moreno-Gil, 2013; Priporas et al. 2017; Tussyadiah, 2016; Gunasekaran and Anandkumar, 2012) and professional research on tourists staying in homestay accommodation (TOMAS Summer 2017 - Tourist Attitudes and Expenditure in Croatia, Institute of Tourism, Zagreb, National Program for the Improvement of Tourist Accommodation in Households; 2013, Ministry of Tourism, Zagreb). The 20 quality attributes examined in the study were rated on a 5-point Likert scale for satisfaction (1 - very dissatisfied, 5 - very satisfied) and for importance (1 - not at all important, 5 - very important).

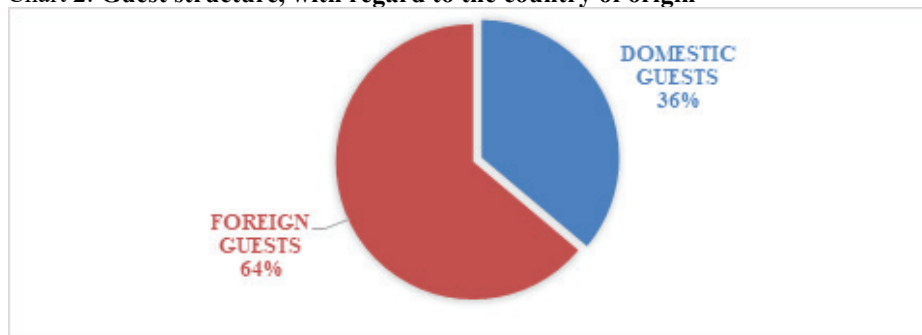
The survey was conducted using a questionnaire in four languages (Croatian, English, German and Italian), and the sample included guests from 17 countries, with 60 domestic and 106 foreign guests participating in the survey. The sample in this study is appropriate, as respondents were selected based on their availability and intention, as only respondents who stayed in homestay accommodation were included in the study. Statistical data processing was performed using SPSS 23 statistical software. Based on the research conducted, the following section presents the results of the research in relation to the elements of loyalty and guest satisfaction with the quality of homestay accommodation.

3. RESULTS

Regarding the socio-demographic profile of the respondents who participated in the research, the sample is dominated by women (54%). A look at the age groups shows that 65% of the respondents are younger than 39. Furthermore, 41% of the respondents have a university degree and 79% are employed. 59% of respondents stayed in apartments, 19% in rooms, 14% in holiday homes and 8% in studio-type suites. When considering the way they received information about the facility, 55% of respondents were informed through platforms for booking accommodation. For the way of booking accommodation, 30% of respondents used Booking.com, 20% used Airbnb, 32% of respondents booked accommodation directly with the landlord and 10% used tourism agencies. For 75% of respondents, this was their first visit to the facility.

The study focuses on a comparative analysis between foreign and domestic guests, so the emphasis in the following is on the origin of the guest. The sample in this survey includes tourists from 17 countries. Thirty-six percent of the respondents are domestic guests, followed by respondents from Germany (18%), Italy (13%) and Austria (7%), while a slightly smaller number of respondents are from Poland, Slovenia, Hungary, England, Czech Republic, Sweden, Bosnia and Herzegovina, Serbia, Estonia, France, Switzerland, Brazil, and Costa Rica. A total of 106 foreign guests, corresponding to 64% of the sample, participated in the survey.

Chart 2: Guest structure, with regard to the country of origin



Source: Author's research

Below is a table analysing the quality characteristics of homestay accommodation, considering the importance of the quality elements for domestic and foreign guests.

2.1. Importance and performance ratings

The basic comparison in this paper refers to the analysis of the satisfaction level and the importance of quality elements in homestay accommodation. The following are the results for domestic and foreign guests.

Table 1: Importance of quality elements for domestic and foreign guests

No.	IMPORTANCE - QUALITY ELEMENTS	Domestic guests			Foreign guests		
		Mean	N	Std. Dev.	Mean	N	Std. Dev.
QE1	The credibility of accommodation information on sales channels	4.68	60	.701	4.63	105	.609
QE2	Landscaped environment and decorated facade	4.22	60	.783	4.32	105	.803
QE3	Location (directly by the sea, close to amenities)	4.43	60	.745	4.42	105	.886
QE4	Parking is provided	4.72	58	.586	4.54	105	.760
QE5	Cleanliness	4.81	58	.476	4.70	105	.606
QE6	Comfort	4.69	59	.676	4.60	105	.659
QE7	Security	4.69	59	.650	4.70	105	.622
QE8	Wi-Fi quality	4.53	59	.878	4.69	105	.593
QE9	Large household appliances (dish-washer, washing machine, dryer)	3.73	59	1.031	4.26	104	.812
QE10	Small household appliances (coffee maker, toaster, mixer)	4.10	59	.885	4.40	105	.754

QE11	Well-maintained furniture and equipment	4.47	59	.728	4.35	105	.796
QE12	Appearance of the property in accordance with the environment/ climate	4.08	52	.837	4.19	105	.856
QE13	Linen / towels / kitchen towels	4.61	59	.720	4.51	104	.697
QE14	Private terrace / garden	4.47	59	.704	4.46	104	.835
QE15	Heating / air conditioning	4.68	59	.681	4.51	104	.697
QE16	The speed of the host's response	4.52	52	.828	4.48	104	.763
QE17	Warm welcome	4.56	52	.777	4.62	104	.728
QE18	Hospitality of the host	4.58	52	.723	4.63	103	.671
QE19	Communication with the host before arrival, during your stay and after departure	4.63	52	.627	4.58	104	.720
QE20	Professionalism of the host	4.25	52	1.153	4.62	105	.699

Source: Author's research

The results presented in Table 1 show that there is a difference in the perceived importance of quality elements with regard to the origin of the guests. It is important to emphasize that all importance ratings are high for both groups, with an average rating of 4.5. In 11 quality elements out of 20, higher scores were given by domestic guests than by foreign guests. Domestic guests gave the highest rating to "Cleanliness" (4.81), while foreign guests rated "Security" the highest (4.70). Facility amenities, as well as reception, hospitality and helpfulness of hosts, and foreign language skills are more important to foreign guests. For foreign guests who choose this type of accommodation, it is common that one of the motives for visiting is to learn about local customs by getting to know the hosts and the culture of the local population. On the other hand, secured parking, comfort, and heating/cooling in the facility are elements important to domestic guests.

Below is a table showing the results of satisfaction with quality elements with regard to the origin of the guest.

Table 2: Satisfaction of domestic and foreign guests with quality elements

No.	SATISFACTION - QUALITY ELEMENTS	Domestic guests			Foreign guests		
		Mean	N	Std. Dev.	Mean	N	Std. Dev.
QE1	The credibility of accommodation information on sales channels	4.58	59	.649	4.53	106	.759
QE2	Landscaped environment and decorated facade	4.20	59	.924	4.34	106	.882
QE3	Location (directly by the sea, close to amenities)	4.42	59	.724	4.34	106	.882
QE4	Parking is provided	4.41	59	1.019	4.43	106	.828

QE5	Cleanliness	4.63	59	.641	4.60	106	.686
QE6	Comfort	4.56	59	.595	4.55	105	.650
QE7	Security	4.54	59	.703	4.56	106	.663
QE8	Wi-Fi quality	4.17	59	1.020	4.34	106	.791
QE9	Large household appliances (dishwasher, washing machine, dryer)	3.75	59	1.044	4.17	106	.856
QE10	Small household appliances (coffee maker, toaster, mixer)	4.19	59	.937	4.34	106	.893
QE11	Well-maintained furniture and equipment	4.37	59	.740	4.40	105	.729
QE12	Appearance of the property in accordance with the environment/ climate	4.31	52	.729	4.39	104	.743
QE13	Linen / towels / kitchen towels	4.49	59	.796	4.62	104	.685
QE14	Private terrace / garden	4.20	59	1.156	4.49	105	.722
QE15	Heating / air conditioning	4.53	59	.817	4.44	105	.733
QE16	The speed of the host's response	4.38	52	.718	4.41	105	.793
QE17	Warm welcome	4.40	52	.934	4.54	105	.785
QE18	Hospitality of the host	4.48	52	.852	4.58	105	.757
QE19	Communication with the host before arrival, during your stay and after departure	4.46	52	.851	4.46	105	.760
QE20	Professionalism of the host	4.12	52	1.132	4.56	105	.746

Source: Author's research

Satisfaction with all 20 quality elements was rated highly by both groups, with an average score of 4.45. Foreign guests rated the following elements with higher scores: Security, Hospitality of the host, Professionalism of the host, and Linen/towels/ kitchen towels. Domestic guests were especially pleased with Cleanliness, Comfort, and Credibility of accommodation information on sales channels.

2.2. Importance-performance analysis

Guest satisfaction is one of the basic parameters for evaluating the quality of the service offered. Therefore, it is important for any organization operating in the market to understand how guests perceive the value of their products or services. The IPA matrix is a management tool that can be used in social research, it was first used by Martilla and James in 1977. The IPA matrix has four quadrants, and by analyzing the position of the quality elements on the matrix, it is possible to identify future strategies and potential improvements that need to be implemented to meet guests' needs (Martilla and James 1977). The simplicity of use and the use of four quadrants to represent data have

contributed to the application of IPA in scientific research (Chu & Choi, 2000; Lai & To, 2010). In hospitality research, average scores are most commonly used as a measure of gridlines (Janes & Wisnom, 2003; 39, Vrtodušić Hrgović, et. al. 2021; 136), so the gridline in this research is calculated from the average value of all elements.

Chart 3: IPA matrix

I M P O R T A N C E	QUADRANT II	QUADRANT I
	<i>Concentrate here</i>	<i>Keep up the good work</i>
	<i>High importance Low performance</i>	<i>High importance High performance</i>
	QUADRANT III	QUADRANT IV
	<i>Low priority</i>	<i>Possible overkill</i>
	<i>Low importance Low performance</i>	<i>Low importance High performance</i>
	P E F O R M A N C E	

Source: Griffin T. & Edwards D. (2012) Importance–performance analysis as a diagnostic tool for urban destination managers, *Anatolia: An International Journal of Tourism and Hospitality Research*, Vol. 23 No. 1, pp. 33

The four grid quadrants are identified and interpreted as follows (in Janes & Wisnom, 2003; 20 in Martilla & James, 1977):

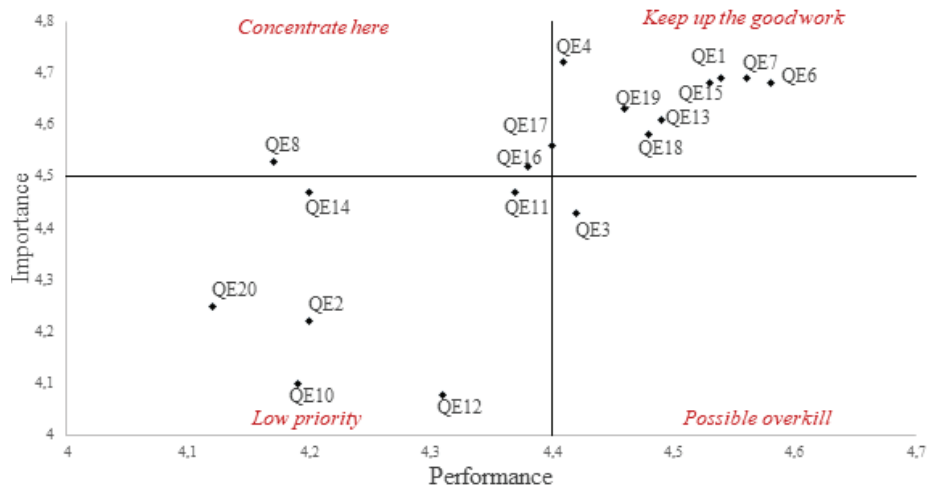
- *Concentrate here* - elements that are important to the guest, but are performing below average. These attributes require the most attention.
- *Keep up the good work* - elements that have a high-performance rating and that are important to guests. It is important to continue to invest in these elements.
- *Low priority* - elements that have a low score on both importance and performance. They do not need attention because the customer considers these areas to be less important.
- *Possible overkill* - Elements that received a low score for importance and a high score for performance. Attention to these elements could be shifted since it may be a waste of resources.

Improvements should be focused on elements for which the importance is rated higher than satisfaction levels, while elements rated with high satisfaction levels and low importance levels can be the focus of cost reduction (Abalo et al., 2007). IPA provides a simple method by presenting both data and strategic proposals in a simple graphical representation (Martilla & James, 1977; Oh, 2001).

The IPA matrix is frequently used in tourism research. Janes and Wisnom (2003) analyzed how IPA has been used in hospitality research. In hospitality research studies, IPA has been used primarily for evaluation purposes to determine guest perceptions. Griffin and Edwards (2012) and Soldić Frleta (2018) used IPA in the context of tourism destination

research; Babić-Hodović et al. (2019), Blešić et al. (2014) used the IPA matrix in their research on guest satisfaction in the hospitality industry; and Vrtođušić Hrgović et al. (2021) used it in the context of homestay accommodation.

Chart 4: IPA matrix for domestic guests



Source: Author's research

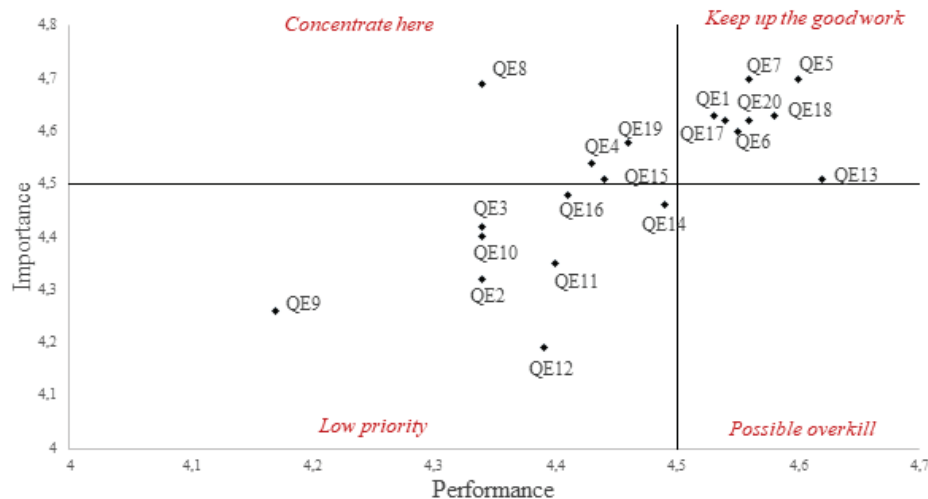
As shown in the IPA matrix for domestic guests (Chart 4), there are three elements of quality in the quadrant “Concentrate here”, namely Wi-Fi quality, Speed of the host’s response, and Warm welcome. These elements are considered being below average and represent a weakness, and should be improved.

In the quadrant “Keep up the good work”, the following elements are considered very important and their performance is also highly rated: The credibility of the accommodation information on the sales channels, Parking is provided, Comfort, Security, Linen / towels / kitchen towels, Heating / air conditioning, Hospitality of the host, and Communication with the host before arrival, during your stay and after departure.

In the “Low Priority” quadrant, both the importance and performance of the elements are ranked low, indicating that hosts should not be overly concerned with these elements (Landscaped environment and decorated façade, Small household appliances, Well-maintained furniture and equipment, Appearance of the property in accordance with the environment/climate, Private terrace / garden, and Professionalism of the host).

The “Possible overkill” quadrant includes one quality element (Location) that is less important to domestic guests but where the provider performs well.

Chart 5. IPA matrix for foreign guests



Source: Author's research

Foreign guests rated four elements in the “Concentrate here” quadrant with higher importance and lower performance. These are Wi-Fi quality, Parking is provided, Communication with the host before arrival, during your stay and after departure, and Heating/air conditioning. For hosts, these elements should be a high priority for investment.

The elements in the “Keep up the good work” category are considered to be performing well and need continued investment, as they are rated as very important. They are: The credibility of accommodation information on sales channels, Cleanliness, Security, Comfort, Linen /towels/kitchen towels, Warm welcome, and Hospitality of the host.

The “Low priority” quadrant, where items do not score well but are considered relatively unimportant by guests, is a minor weakness but not a major problem. Those elements are: Landscaped environment and decorated façade, Location, Large and Small household appliances, Well-maintained furniture and equipment, Appearance of the property in accordance with the environment/climate, Private terrace / garden, and Speed of the host's response. Finally, the “Possible overkill” quadrant contains no quality elements.

Both groups rate the following elements with high importance and performance scores: Credibility of accommodation information on sales channels, Comfort, Security, Linen/ towels/kitchen towels, and Hospitality of the host, suggesting that these elements represent major strengths and potential competitive advantages. Showing that these are the elements that are important and performing well. Service providers should continue to provide a high level of service for these elements.

For service providers focused on delivering a quality product, the “Concentrate here” quadrant should be the most important because it identifies areas for improvement and

investment. For example, both groups rated Wi-Fi quality in this quadrant with higher importance/lower performance, while the group of foreign guests also cited heating/air conditioning, and communication with the host, as elements in need of improvement. With regard to the group of domestic guests, the elements that did not score well were the speed of the host's response and being greeted by a warm welcome. These elements should be considered as major weaknesses and represent useful information for hosts regarding improvements.

In the quadrant, "Low priority," both the importance and performance of the elements are perceived as low. Both foreign and local guests similarly rated the following elements in this quadrant: landscaped environment and decorated facade, small household appliances (coffee maker, toaster, blender), well-maintained furniture and equipment, appearance of the property in accordance with the surroundings/climate, and private terrace/garden. Domestic guests rated location as the only element in the "Possible overkill" quadrant, while foreign guests did not rate any element, indicating that guests consider all elements they are satisfied with to be very important. It is important to note that all quality elements had high levels of satisfaction with a mean score above 4.5.

CONCLUSION

Given the rapid development of the homestay market, service quality and customer satisfaction are of interest to many researchers. Previous research on the homestay market has focused on guests' experiences, motivations, and service quality (Agyeiwaah, 2013; Mahadevan, 2017; Milohnić et. al. 2022; Priporas et.al. 2017; Vlahov 2021; Vrtođušić Hrgović et. al 2021; Hyunsuk et.al. 2018; Guttentag et.al. 2018; Ikkala & Lampinen, 2015; Gunasekaran & Anandkumar, 2012) and satisfaction (Ju, et.al. 2019; Pawlicz et.al. 2022; Zang & Fu, 2020), but few studies address the differences between domestic and foreign guests who choose homestay accommodation. To address these research gaps, this study identifies elements of service quality that domestic and foreign guests consider important and also examines the level of satisfaction with homestay accommodations. Users of homestay accommodations are not a homogeneous group. Understanding these differences is an important marketing tool. Using Importance-Performance Analysis, the study shows that domestic and international guests perceive elements of homestay quality differently. The results are consistent with previous research confirming the differences between domestic and foreign guests by Agyeiwaah et. al (2013), Mahadevan (2017), Zhang & Fu (2020). As can be seen in charts 4 and 5, there are significant differences between the ratings of performance and importance by domestic and foreign guests.

The main differences arise from perceptions of the importance of certain elements that should be considered by hosts renting exclusively to foreign guests, especially when it comes to elements of service quality that can be improved, such as the quality of WI-FI, the quality of communication with the host before arrival, during the stay, and after departure, and heating and cooling systems. Hosts renting to domestic guests should focus on improving the quality of communication - the speed of response, the quality of WI-FI, and the reception of guests in their home to provide a warm welcome to domestic guests. If there is a difference in the level of service, i.e. the quality of service provided by the host to domestic and foreign guests, it can significantly affect customer satisfaction.

IPA is a useful tool for hosts because of its simplicity and clarity. This analysis revealed that the importance and performance of quality elements are perceived differently depending on the country of origin. This suggests that hosts should tailor services to the type of guest and focus on the elements that are important to them, especially when it comes to intangible elements. According to Janes & Wisnom (2003; 40), it is important for all managers in the hospitality industry to find tools and techniques that address quality of service. IPA has proven to be a useful tool because it provides the opportunity to exceed customer expectations and is also simple to use and easy to understand.

In addition, it may be considered a contribution that an on-site survey was conducted in the first year of the pandemic, showing results during the pandemic from COVID 19. The practical contribution comes from the discrepancies in the IPA analysis, which indicate an area for improvement. Quality products are an important factor in long-term sales and profitability, as they allow higher prices to be achieved and maintained, but they are also critical to building and increasing customer loyalty. The service quality of homestay accommodations is the result of host professionalism, ongoing education and development, technological development, innovation, focus on authentic and unique experiences, and facility quality. The results provide a basis for future comparisons with pre- and post-pandemic studies and also shed light on differences between foreign and domestic guests.

The limitations of this study relate to the size of the sample and to the fact that research was conducted during the COVID-19 pandemic. A suggestion for future research would be to build on these results and further analyse which elements guests consider important but are not satisfied with. In addition, it is recommended that future research examine homestay accommodation from the perspective of the hosts, specifically the motivation to participate as well as the behaviours of the hosts and the obstacles they face. It is also recommended that this type of study should be carried out as longitudinal research to better identify the expectations and desires of guests staying in homestay accommodation in order to improve quality in this segment of the offering.

ACKNOWLEDGEMENTS

“This paper was funded under the project line ZIP UNIRI of the University of Rijeka, for the project ZIP-UNIRI-116-3-19”

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- Ministarstvo turizma Republike Hrvatske, Pravilnik o razvrstavanju i kategorizaciji objekata u kojima se pružaju ugostiteljske usluge u domaćinstvu (NN 9/16, NN54/16, NN 61/16, NN 69/17, NN 120/19)
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