

Customer Perception towards Digital Services in Hotels: A Study in Tirunelveli District

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Abstract

Digital transformation has significantly influenced the hospitality industry by introducing various digital services that enhance customer convenience and service efficiency. Hotels are increasingly adopting technologies such as online room booking, digital payment systems, QR code menus, digital key cards, and automated service requests to improve the overall customer experience. These technological advancements help hotels provide faster, safer, and more convenient services to their customers. The present study aims to assess the perception of customers towards digital services provided by hotels in Tirunelveli District. It also seeks to identify the problems faced by customers while using digital services and to analyze the factors influencing the use of such services in hotels. The study is based on primary data collected from hotel customers through a structured questionnaire. For the purpose of the study, 50 respondents were selected using a convenient sampling technique from various hotels in Tirunelveli District. The collected data were analyzed using appropriate statistical tools to understand the perception of customers and the factors influencing the use of digital services. The findings of the study indicate that digital services play an important role in improving service convenience, saving time, and enhancing the overall customer experience in hotels. However, certain issues such as technical difficulties, lack of digital awareness, and security concerns may affect the effective use of these services. The study suggests that hotel management should focus on improving digital infrastructure and customer awareness to ensure better utilization of digital services in the hospitality sector.

Keywords: Digital Transformation, Hotel Digital Services, Customer Perception, Hospitality Industry

Introduction

The global hospitality industry is currently navigating a period of profound structural change, driven by the overarching phenomenon of Digital Transformation. Often referred to as "**Hospitality 4.0**," this shift represents the integration of advanced digital technologies—such as Artificial Intelligence (AI), the Internet of Things (IoT), and contactless interfaces—into the core service delivery model. In an era where "convenience" is the primary currency of consumer satisfaction, the digital service ecosystem has evolved from a value-added luxury into a critical operational mandate. Tirunelveli district, a prominent hub for heritage, spiritual, and business tourism in South India, the adoption of these digital services is gaining significant momentum. As the region aligns itself with broader "Smart City" initiatives, local hotels are increasingly deploying digital touch points—ranging from automated booking engines and UPI-integrated payment systems to QR-code-based guest services.

However, the success of these technological investments is ultimately determined not by their sophistication, but by Customer Perception.

This paper aims to empirically analyze the attitudes and experiences of customers toward digital services within the hotel sector of Tirunelveli, providing a roadmap for sustainable digital growth in the local hospitality industry.

Statement of the problem

Despite the global acceleration of Digital Transformation in the hospitality industry, the transition within the Tirunelveli district presents a complex set of challenges. While many hotels have invested heavily in digital services—such as mobile booking engines, QR-code menus, and automated check-ins—there remains a critical disconnect between technological implementation and Customer Perception.

The core research problem lies in determining whether these digital investments actually enhance customer perceived value or merely serve as a barrier to authentic guest satisfaction "**Sophistication does not equal satisfaction**"- just because the hotel has expensive app doesn't mean the guest finds it easy to use

Objectives of the Study

- To Analyze Customer Perception of Ease and Usefulness
- To Evaluate the Impact on Guest Satisfaction
- To Identify the Prevalence of Digital Services

Review of Literature

SigalaMarianna(2018)

Sigala examined the impact of digital transformation in the hospitality industry and found that technologies such as mobile applications and AI enhance customer engagement and service experience. The study concluded that digital tools play a vital role in improving customer perception and satisfaction.

Buhalis Dimitrios & LeungRosanna (2018)

Their study focused on smart hospitality and highlighted how digital innovations such as IoT, mobile services, and automation improve operational efficiency and customer experience. They emphasized that customer perception is strongly influenced by technological convenience.

Neuhofer Barbaraetal.(2015)

Neuhofer and colleagues explored the role of technology in enhancing tourism experiences. They found that digital services contribute to co-creation of experiences, where customers actively participate, leading to higher satisfaction and positive perception.

Research Methodology

The research methodology for this study is grounded in a Descriptive and Analytical Research Design, aimed at providing a comprehensive evaluation of guest attitudes toward technological integration in the Tirunelveli hospitality sector. To ensure the study is academically rigorous, data is gathered from both primary and secondary sources; primary data is elicited directly from hotel guests through a structured questionnaire, while secondary data is sourced from reputable academic journals, industry reports, and the Ministry of Tourism's digital archives

Scope of the Study

The study is limited to the analysis of digital touch points within the hotel guest cycle. This includes pre-arrival services like online booking platforms, in-stay technologies such as QR-code menus, contactless check-ins, and IoT-enabled room controls, as well as post-stay digital feedback mechanisms. The research primarily evaluates these services through the lens of customer perception, specifically measuring variables like perceived ease of use, security, and the perceived value of technology versus traditional human interaction.

Barriers to customer preference towards digital services in hotels

1. The "Human-Touch" Predisposition

In a culturally rich destination like Tirunelveli, hospitality is traditionally synonymous with personalized, face-to-face interaction. Many guests perceive automated kiosks or QR-code menus as a "de-personalized" service, leading to a psychological barrier where technology is seen as a replacement for warmth rather than an enhancement.

2. Digital Literacy and Age Demographics

A significant portion of travelers in the district—particularly those on spiritual pilgrimages or senior citizens, may lack the technical proficiency required to navigate complex hotel apps or IoT-based room controls.

3. Infrastructure and Connectivity Constraints

The effectiveness of digital services is entirely dependent on stable internet connectivity and robust hardware. Frequent network latency, server downtimes during payment processing (UPI/Card), or glitches in mobile check-in systems create a negative perception

4. Security and Privacy

With the rise in cyber-crimes, customers are increasingly hesitant to share sensitive personal and financial data on hotel-specific platforms.

Sustainability Measures

1. Digital Transformation as Sustainability

Moving away from paper, hotels are adopting digital menus, e-concierges, and digital guest directories to significantly reduce paper waste, according to Digital Guest.

2. Smart Room Technology

Guests favor IoT-based systems that automate lighting, HVAC, and energy monitoring, which can reduce energy consumption by up to 20%, as discussed in this Taylor & Francis Online article.

3. Convenience-Driven Sustainability

Customers prefer technology-based service encounters (like mobile check-in) because they are perceived as more efficient and convenient

4. Communication via Digital Channels

Engaging customers through social media to communicate sustainability efforts builds trust and fosters loyalty, according to MDPI and Springer Nature Link.

Conclusion

A study on customer perception towards digital services in Tirunelveli district hotels concluded that while digital adoption is growing, many customers still perceive a gap in service quality and personalization. Digital tools are essential for booking and convenience, but traditional hospitality remains crucial for high satisfaction. Improvements in user-friendly technology and efficient service recovery are required to enhance customer satisfaction.

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