

**DETERMINANTS OF SELECTION OF NON-CLASSIFIED HOTELS BY  
BUSINESS GUESTS IN MTWAPA TOWN, KILIFI COUNTY, KENYA**

**BY**

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**-DECEMBER, 2013-**

**Declaration**

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This thesis is my original work and has not been presented for a degree in any other University.

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## **Dedication**

This research work is dedicated to my loving parents, Mr. John Kivuva and Mrs. Joyce Kivuva, for bringing me up to whom I am today.

## **Acknowledgement**

I would like to pass my heartfelt gratitude to those who made this study successful. In particular I would like to thank my supervisors; Mrs. Alice Nzioka, Dr. Boniface Kihima and Dr. Alice Ondigi, without forgetting a former supervisor Ms. Josephine Opondo. You were the pillars of this study and you were more than willing to advice and assist anywhere and anytime. I would also like to thank in a special way my research assistant Mr. James Obuba for his incomparable assistance in fieldwork and guidance in data analysis.

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## **Operational Definitions of Terms**

**Accommodating-** This is the hosting of customers in hospitality facilities.

**Business guests-** These are hotel customers who consume accommodation products during a work-related travel. They were identified with the help of the hotel managers.

**Customer satisfaction-** Guests' fulfillment or contentment with the hotel product provided.

**Determinants-** These are the different attributes considered by guests before they select a particular accommodation facility

**Non-classified hotels-** These are hospitality facilities which provide accommodation and food and beverage but are not classified in the Kenya gazette.

**List of Abbreviations/Acronyms**

<b>ANOVA</b>	-	Analysis of Variance
<b>BHM</b>	-	Bachelor of Hospitality Management
<b>CSF</b>	-	Customer Satisfaction Factors
<b>KAHC</b>	-	Kenya Association of Hotelkeepers and Caterers
<b>PERAK</b>	-	Pubs, Entertainment and Restaurants Association of Kenya
<b>SERVQUAL</b>	-	Service Quality
<b>SPSS</b>	-	Statistical Package for Social Sciences
<b>UK</b>	-	United Kingdom
<b>USA</b>	-	United States of America

## Abstract

Non-classified hotels which comprise small hotels and guest houses are important accommodation providers as they offer limited services and products as compared to the classified hotels. Through guest satisfaction they can achieve repeat business and also get new business through word of mouth from previous guests. If they do not provide quality accommodation product and guest satisfaction, then they must be ready to suffer low occupancy levels. The challenge is for the hoteliers to know exactly the determinants of selection of hotels by business guests. This study aimed to establish the determinants of hotel selection by business guests, the level of guest satisfaction with the hotel products provided and their future expectations concerning the hotel products. The research is beneficial to hoteliers in gaining a greater understanding of the determinants which influence the selection of hotels by business guests. The study site was Mtwapa town in Kilifi County (Kenya). This location was chosen because of its popularity with both international and domestic travelers. The study focused on the non-classified hotels in this area which at the time of data collection numbered to twenty five. Out of this number, three were used for pretesting and out of the remaining twenty two, fifteen were examined. Random sampling was used to select the fifteen hotels which were included in the study. Out of the fifteen hotels selected, twenty guests from each hotel were selected systematically and included in the study. This added up to 300 respondents. The study adopted a cross-sectional descriptive survey design. Guest hotel selection and satisfaction was the dependent variable while the independent variables were location of the hotel, prices, core product provided, consistency of product, customer service, strategic control and hygiene and quality. Primary data collection was done by use of a structured questionnaire which the researcher administered to business guests. Data analysis was done by use of SPSS version 10. This was done quantitatively using t-test, Pearson correlation and multiple regression. Presentation of the analyzed data was done in form of graphs, histograms, pie charts among others. The findings indicated that business guests were dissatisfied with the hotel products provided by non-classified hotels in Mtwapa town. Such issues as cleanliness, staff professionalism, speed of guest service, recognition of returning guests among others had low satisfaction levels. For instance, 97.9% of the respondents were not satisfied with recognition on their return visits. About 95.7% of the respondents were also not satisfied with the speed of service offered to them in various service outlets. It was also found out that guests look at various attributes of the hotel product before they make their choices. They look at such issues as accessibility and location of the hotel, that is, whether it is easily reachable. About 86.2% of the respondents said this was a strongly important consideration. Guests also looked at cleanliness of the hotel, through past experience and/or through word-of-mouth from friends and relatives. About 71.6% of the respondents pointed out that this was a very important consideration. Other important elements considered by business guests included room security (74.1%), staff professionalism (37.6%), restaurant services, and conference services among others. The outstanding determinant was found to be guest room comfortability (94.6%) while the least important was availability of business services (10.2%). The study recommends that hoteliers should strive to provide quality accommodation product to meet guests' future expectations of improved cleanliness and hygiene, room facilities, staff performance, restaurant services among others.







## **CHAPTER ONE**

### **1. INTRODUCTION**

#### **1.1 Background to the Study**

The hotel industry has a great deal of diversity in the types of hotels available to guests. These vary from small owner-operated bed and breakfast establishments to exclusive highly rated hotels having a thousand or more rooms (Nayif, 2001). Such diversity adds interest and complexity to the process that potential guests go through in the selection of a hotel. However, it also adds complexity to management decisions on the use of the assets to attract and retain guests.

The determinants of selection of hotels by business guests are an important issue to the management (Nayif, 2001). If a hotel manager can better understand these determinants, it can have a significant impact on average occupancy. These determinants have attracted the attention of many researchers over the years with these researchers investigating a large number of these trigger points in trying to understand the impact they may have.

Dolnicar and Otter (2003) reviewed hotel attributes which matter to guests and analyzed 21 studies undertaken over the period 1984-2000 looking at factors influencing occupancy. There have also been a number of other research work undertaken, including that of Callan and Bowman (2000), who conducted a survey of 104 mature British travelers who rated 38 hotel attributes.

Poon and Low (2005) evaluated the different satisfaction levels between Asian and Western travelers during a stay in a hotel in Malaysia, with particular reference to the tangible and intangible items relating to the hotel stay. Weber (2000) examined the importance of the physical attributes of a hotel while Juwaheer (2004) examined the international tourist perceptions of hotels in Mauritius using a modified Service Quality (SERVQUAL) approach. Callan and Kyndt (2001) studied the business guests' perception of service quality in two European city centre hotels. Yesawich (2006) considered the importance of value to the selection process. Babakus, Yavas and Eroglu (2005) tested a model of hotel choice behaviour based on the economics of information theory which incorporates relational and core service experiences as well as search attributes.

Kwenga (2012) did an assessment of the buying criteria and perception of customers in church guest houses in Nairobi, Kenya. His study revealed that quiet and isolated locations, good physical and sufficient technical conference facilities, excellent service by qualified staff and fair prices influence the customers into conference business with these guest houses.

All these studies considered many different determinants and influences on hotel occupancy. In many of them, there were common trends as illustrated in a summary project undertaken by Callan (1996), who compared eight different research projects. In majority of these studies "standard of housekeeping or cleanliness" was the highest rated factor for business guests followed by other factors.

Business guests usually look at the product and how it meets their needs and wants. This includes such aspects as cleanliness, value for money, customer service, design and size of bedrooms, location among other factors (Lockyer, 2002). This study therefore sought to investigate the requirements of business guests, their satisfaction levels and how accommodation providers can tailor make their products in meeting guests' needs hence guest satisfaction. This is useful in bridging the gap between guests' expectations and what the hoteliers provide. It is also important to understand business guests' requirements, as this will help in attracting this important market. This will in turn assist in decreasing the gap between business guests and leisure guests' numbers. Currently there is a wide gap between the two types of hotel guests in Kenya. For instance, in the year 2007 there were 242,300 business guests as compared to 1,278,500 leisure guests. In the year 2008, there were 109,400 business guests against 936,100 leisure guests. A similar large gap was witnessed in the year 2009, with 180,600 business guests as compared to 1,061,200 leisure guests (Kenya National Bureau of Statistics Statistical Abstract, 2010).

## **1.2 Problem Statement and Justification**

Weaver and Oh (1993) suggest that there is a misunderstanding of the importance of business travelers because they are fewer in number, and in fact there are less business travelers than leisure travelers in the hotel market at any one time. Business travelers travel mainly for work-related reasons while leisure travelers travel mainly for the purpose of pleasure. However, even though they may be fewer in number, the intensity of use by the business traveler is much higher than for leisure travelers (Lockyer, 2002). As a result,

the business market has a significant impact on many hotels and being able to identify the characteristics of this market can assist hotel managers in tailoring their product to meet their needs, thereby increasing occupancy.

An important percentage of guests staying in hotels is made up of frequent business travelers (Knutson, 1988); because of this, it is essential that hotel managers understand the needs of these guests and what determines their selection of hotels, hence their satisfaction. Mutisya (2012) in her study of Kenyan Coastal hotels found out that customer satisfaction level averaged between satisfactory to fairly satisfactory. The facilities and services provided by these hotels were below guest expectations. Further, her research revealed that there was a discrepancy between the kind of hotel products customers expected and the kind of products the customers received.

According to Lockyer (2002), research has demonstrated that there are differences between the views of potential business guests and hotel management as to the factors that influence the selection of hotels by business guests. This formed the basis for this research work in the sense that it aimed at determining the determinants of selection of non-classified hotels in Mtwapa town by business guests and their satisfaction levels. This would help in bridging the gap between business guests' expectations and the facilities provided by non-classified hotels. The town of Mtwapa was chosen for the study because it is a popular destination for hotel guests, both local and international (Oketch, 2009), and hence there is need to provide quality hotel products which meet guest expectations. The research was based on non-classified hotels since a lot of studies have been done on the

classified hotels and very little on the non-classified hotels.

### **1.3 Purpose of Study**

The purpose of this study was to bring out the various determinants which business guests consider in their choice of a non-classified hotel when they are traveling. The study also brought out the level of satisfaction with the products provided by non-classified hotels in Mtwapa town. Business guests' future expectations on hotel products were also established and these will assist hoteliers in having an insight of guest expectations.

### **1.4 Objectives of the Study**

#### **1.4.1 General Objective**

The study sought to establish the determinants of selection of non-classified hotels by business guests in Mtwapa town. The study also sought to assess the level of satisfaction with the hotel products provided by non-classified hotels in Mtwapa town.

#### **1.4.2 Specific Objectives**

To achieve the purpose, the specific objectives of this study were to;

1. Establish the demographic characteristics of business guests in Mtwapa town hotels,
2. Establish the relationship between business guests' satisfaction and location and environment of non-classified hotels in Mtwapa town,
3. Determine the experience and satisfaction levels of business guests in relation to non-classified hotels in Mtwapa town,
4. Identify the determinants of selection of non-classified hotels by business guests in Mtwapa town,

5. Identify future expectations of repeat business guests to hotels in Mtwapa town.

### **1.5 Research hypothesis**

H<sub>0</sub> There is no significant relationship between guest satisfaction and selection of hotel and the hotel products provided by non-classified hotels in Mtwapa town.

### **1.6 Significance and Anticipated Output**

Understanding of the expectations of business guests is an important issue for hoteliers. This study is beneficial to non-classified hotels and the hotel sector in general in Mtwapa town and other areas. Through gaining understanding of the determinants of hotel choice by business guests, hoteliers are in a better position to align themselves strategically in a bid of attracting this important market which boosts room occupancy. This in turn leads to improved revenues and profitability. Various organizations such as Pubs, Entertainment and Restaurants Association of Kenya (PERAK) and Kenya Association of Hotelkeepers and Caterers (KAHC) are also beneficiaries of this research work in provision of information to their stakeholders.

### **1.7 Delimitations of the Study**

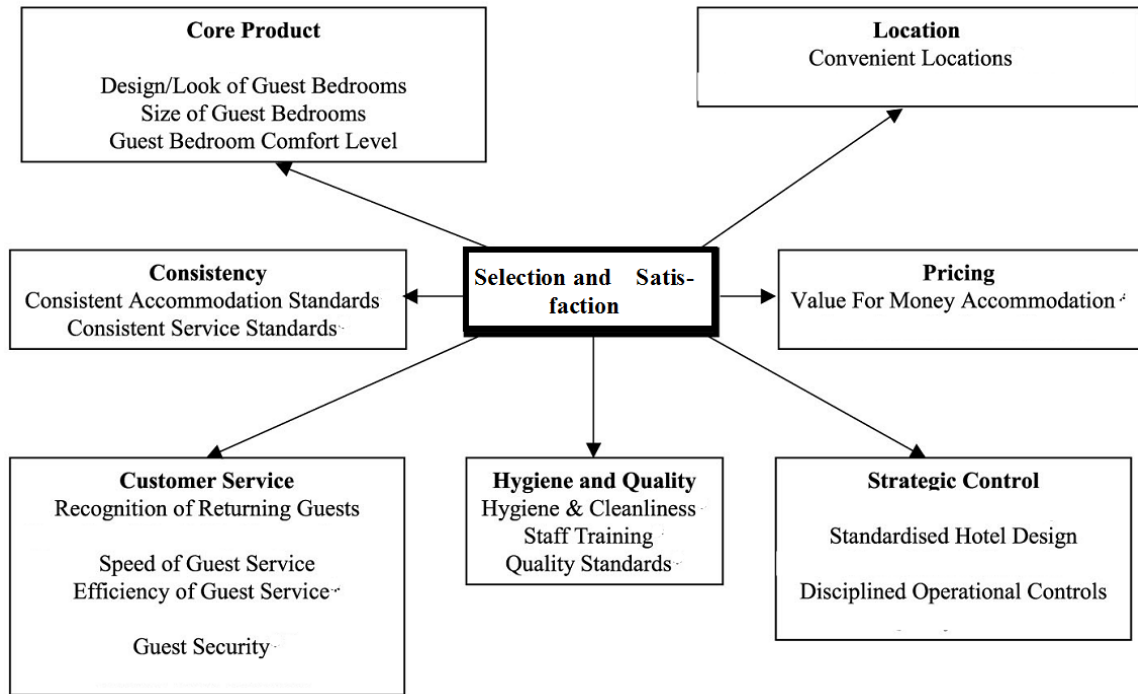
The study was limited to business guests visiting non-classified hotels in Mtwapa town during the months of March and April 2012.

### **1.8 Limitations of the study**

The study faced constraints in terms of little or lack of previous research by other researchers concerning non-classified hotels: implying that the research depended greatly on studies done for classified hotels. The study also faced a challenge in differentiating between business and leisure guests. This is because most business guests turn to leisure

guests at some point, especially in the evening when they go out to the beaches and enjoy night life.

## 1.9 Conceptual Framework



*Source: Adapted from Brotherton (2004)*

**Figure 1.1: Diagrammatic Representation of Hotel Selection and Satisfaction Attributes**

The study's main variables are summarized and presented in Figure 1.1. The study was based on the Customer Satisfaction Factors (CSF) concept model which identifies the critical factors in guest selection and satisfaction. The model suggests that the selection of hotel accommodation by business guests depends on various factors. It depends on independent factors such as hotel location, prices, hygiene standards, customer service and the core product provided. When the hoteliers improve on these independent variables, then guests are more likely to select their facility. For example, when hotels

provide hygienic and quality environment, customer satisfaction will go up and hence the establishment places itself in a better position to be chosen by potential guests and even repeat guests. Another factor which matters to business guests is location of the hotel. Business guests look for hotels which are accessible and conveniently located. If the hotel for instance, is easily accessible to guests, then it stands a high chance of being selected. Another consideration by business guests is the core product provided by the hotel, for instance, the design and look of bedrooms, size of bedrooms, guest bedroom comfort levels and so on. If the quality of this is rated high by guests, then the possibility of that particular hotel being selected also goes up. Prices charged for the various hotel product is another important element considered by business guests. If the hotel provides value for the prices charged, then guests will more likely pick the facility.



## CHAPTER TWO

### 2. LITERATURE REVIEW

#### 2.1 Introduction

This chapter presents a review of literature in relation to the study. It covers; guest experiences with accommodation products, determinants of hotel selection and future expectations of business guests. It seeks to assist understand the relationship between guest selection and satisfaction and the accommodation products provided by hotels while opening up research gaps that were addressed.

#### 2.2 Guest Experience and Satisfaction with Hotel Products

A visit to a hotel is typical of many “service encounters”, and involves, *inter alia*, an interaction between the guest, service personnel and the service organization (Fitzsimmons and Fitzsimmons, 2000). However, it could be noted that the service sector, including the hospitality industry, is facing a dichotomy: it is at a crossroads in terms of the quality of service provided and the quality of service expected or actually received.

According to Williams and Visser (2002), consumer satisfaction with the level of service provided has declined steadily in the USA. For instance, the city of Boston is reported as being “awash with money, [and] in an age when people are searching for ways to spend it, nobody gives a damn about service and manners anymore” (McGrory, 2000).

In the UK, people refer to a hospitality facility known as the Rule Britannia as the “Rude Britannia” (Daley, 2000) because of the kind of services provided. Only 37 per cent of the population consider people in Britain to be “a great deal” or “somewhat more” polite

than those from abroad (King, 2002). On mainland Europe, considered by some as a place for polite service, negative attitudes are not hard to find. In Austria, particularly Vienna, “waiters elevate surliness to an art form, old women are unsurpassed in their grumpiness and civil servants are anything but” (Leidig, 2002). It has been suggested that the main reasons for this decline is that many hotels consider customer satisfaction to be relatively unimportant (Williams and Visser, 2002). Hotels are continuously seeking ways of reducing costs.

Further, chief executives spend more time with investment analysts than with key customers; line managers are more concerned with meeting financial targets, which trigger bonuses and lead to promotion; and investors no longer believe there is any competitive advantage in guest satisfaction. It is only middle managers and supervisors, brought up to believe that guest satisfaction is important for their performance bonus and promotion that it continues to exist (Williams and Visser, 2002).

While such researches have been carried out elsewhere in the world, there is limited information on the Kenyan situation, Mtwapa area specifically, concerning experience of business guests with the accommodation product. There is limited knowledge on guest experiences and customer satisfaction with non-classified hotel products. It is important to know whether hotels are meeting guests’ expectations in order to improve on the quality of the accommodation product, hence repeat guests and new guests through word of mouth.

Examining service quality across small, medium and large hotels in Scotland, Briggs, Sutherland and Drummond (2007) noted major inconsistencies in service quality performance across the sector. Their study further suggests that most customers are not in fact overly demanding and are satisfied with a personal service that represents value for money and provides accurate information. The main difference between excellent and poor service for them relates to the absence of the personal touch and how staff deal with guest complaints (Briggs *et al.*, 2007).

Similarly, investigating the service quality in China's hotel industry, Tsang and Qu (2000) found out that tourists' perceptions of service quality provided in the hotel industry in China were consistently lower than their expectations and those managers overestimated the service delivery, compared to the tourists' perceptions of service quality. Along these lines, it is noted that several studies of service quality in hotels have been undertaken in different parts of the globe. These include the research by McGrory (2000) concerning service quality in the USA hotel sector, Briggs *et al.* (2007) concerning service quality across hotels in Scotland among others.

Customer loyalty is often shaped by positive experience by the customer during his/her stay in a hotel (Mason, Tideswell and Roberts, 2006; Nasution and Mavondo, 2008). A number of factors contribute to the experience (Clow, Garretson and Kurtz, 1994; McCleary, Weaver and Hutchison 1993; Yavas and Babakus, 2005): customer service, cleanliness, facilities, price, food and location.

Customers use a variety of attributes to judge the quality of service that they receive during their stay in a hotel (Wilkins, Merrilees and Herington, 2007). Both physical and service qualities of a hotel have positive impact on customer satisfaction (Ekinici, Dawes and Massey, 2008). Some of these criteria or factors are related to the intangible service elements, some are related to the tangible physical elements, while some other factors such as “value for money” are more complex to define (Mohsin and Lockyer, 2010).

The intangible elements are essentially service related; customer service, understanding and caring on the part of hotel management, assurance, and the relative convenience of dealing with transactions while staying in a hotel. This also includes the service that the customer receives at the restaurant, if any, in the hotel. The tangible elements are essentially related to the physical facilities – the availability and quality of various facilities in the room (e.g. coffee facilities and bathrobe) and in the entire hotel (e.g. swimming pool and gym). The physical appearance of hotel personnel, the cleanliness of the room as well as the entire hotel will also be included in the physical elements.

If the hotel has its own restaurant for use by the guests, the cleanliness of the restaurant and quality of food are also some of the physical elements customers use to judge the quality of a hotel (Han, Back and Barrett, 2009; Wu and Liang, 2009). It has long been recognized that these factors in a hotel differ in terms of their ability to win compliments or result in complaints from guests. An understanding of which attributes will enhance compliments or will result in complaints is important for the management to improve overall customer satisfaction and ensure customer loyalty.

Using data from a restaurant and lodging survey, Cadotte and Turgeon (1988) classified service attributes into various categories; which include critical, satisfiers among others. Critical attributes usually have high potential for compliments for good performance and high potential for complaints for poor performance, and the authors found that the quietness of rooms in a hotel and the quality of food in restaurants are usually classified in this category. These critical attributes are important towards contributing to total satisfaction to guests. They determine whether guests will make return visits in the future or not. Critical attributes represent both a threat and an opportunity to management. Satisfiers are those attributes where unusually good performance elicits compliments from guests while average or low performance will generally not elicit dissatisfaction from guests. These aspects of the accommodation product enhance the hotel perception from guests but not necessarily contributing towards the total satisfaction. They are of minimal importance when it comes to hotel selection from guests. Examples include hotel lobbies or large portions of food in restaurants.

In their study of dimensions of guest house service in Mauritius, Laetitia and Yi Wang (2006) found out that only 21.6% of the respondents were satisfied. The aspects included in the study were aspects such as room attractiveness, staff outlook, reliability factors, cleanliness and hygiene, hotel surroundings and environment and food and beverage services. Mutisya (2012) in her study of customer satisfaction and loyalty in the application of the all-inclusive holiday concept at the Kenyan Coast found out that satisfaction levels were low. This implied that hotel services are unsatisfactory to guests. This study sought to determine the satisfaction levels of business guests with the hotel products provided by non-classified hotels in Mtwapa town.

### **2.3 Determinants of Selection of Hotels**

Past studies indicate that cleanliness and location are important attributes considered by business guests in making their hotel choice (Clow *et al.*, 1994; McCleary *et al.*, 1993; Yavas and Babakus, 2005). Yavas and Babakus (2005) found out that business guests seem to provide highest importance to the availability of general amenities. The next attributes were that business guests preferred convenience, core service, room amenities and ambiance in that order. Convenience concerns the location of the hotel or its accessibility. It also involves whether the outside world is reachable from the chosen hotel. Convenience in getting services such as internet facilities, transport to and from the hotel, secretarial services among others.

Business guests also give importance to the core service provided, that is, the bedroom itself. Comfortability of the bed and beddings is of utmost importance to guests. Room facilities provided are equally critical to guests. These include such items as the quality of furniture, availability of mini-bars, coffee making facilities among others. Hotel ambiance concerns the quality of the environment, both inside and outside the hotel. Clean environment is very important to hotel guests. Cleanliness in the rooms, restaurant, lobbies, lawns and so on. The hoteliers should ensure that cleanliness is of the highest possible standards, even outside the hotel buildings (Yavas and Babakus, 2005).

Kashyap and Bojanic (2000) in their study noted that perceived price and quality of public areas were significant in explaining ratings and intention to revisit for business guests. According to their study, quality of room was also significant in explaining ratings and intention to revisit for business guests. Further, Chu and Choi (2000) in their

research on Hong Kong hotels found out that business guests stressed service quality, value for money, room and front desk services, and security in making their hotel choices.

Locker (2002) in his study of hotels in New Zealand compared what hotel managers and business guests believed were the determinants of accommodation selection. He discovered that business guests rated bathroom and shower quality, standard of bedroom maintenance and comfort of mattress and pillow highly, while accommodation management rated courteous, polite, well mannered staff, enthusiasm and commitment of staff and efficiency of front desk highly. In contrast, both the business guests and accommodation managers indicated that the cleanliness of the hotel was the most significant factor influencing accommodation selection. The research also identified that there was a statistically significant difference in many items in the survey between what management and guests believed were important, which indicates a lack of understanding by management. The ramifications for management who do not provide those items important to guests are lower occupancy rates and guest dissatisfaction. Regarding the question of whether managers understood their guests, the research indicated that they did not.

According to Ramanathan (2010) in his study of UK hotels, value for money is classified as a critical attribute in business guest accommodation selection. This is a complex attribute that calls for efficient operational practices that minimizes the cost of operations, which will be ultimately passed on to guests who will perceive getting good service for

the best possible price. The importance of this attribute has been stressed in several studies on hotel performance (Chen and Schwartz, 2008; Gallarza and Saura, 2006; Mattila and O'Neill, 2003; Oh, 1999). Al-Sabbahy *et al.*, (2004) have also classified value for money as an influencing factor of customers' future choice behavior. Chen and Schwartz (2008) stressed the importance of value when guests book a room on the internet and showed that the patterns of changes in room rates observed by guests while searching for a deal affects their propensity to book.

Ramanathan (2010) further suggests that room quality, cleanliness and food are components of product quality. Room quality is consistently recognized as dissatisfiers. Any perception of reduced room quality is likely to be detrimental to guests' intention to stay again in the hotel. Cleanliness and food are generally neutral attributes. Cleanliness is considered as satisfier for chain hotels. This could indicate that cleanliness will add to the perception of the entire group of hotels in the chain and help in facilitating the return of guests. In fact, value for money is not a critical attribute to hotels that are part of a chain. Thus, any perception of low value for money is likely to dissuade guests from staying in the chain again. This finding is consistent with previous observations by Briggs, Sutherland and Drummond, (2007) that Chain hotels take a transformational approach by providing a consistently efficient service.

Silverman and Grover (1995) classified hotel service attributes as necessary, desirable and passive to explain the ability of the attributes in shaping the overall quality perceptions that leads to customers' loyalty. Necessary attributes have to be functioning



properly in order that the overall quality of a hotel is judged as high quality. Desirable attributes add to the baseline perceptions of quality if they are good; otherwise they may tend to reduce quality perception but not to a point where overall quality is judged as poor. Passive attributes are generally not solicited by guests. Chu and Choi, (2000) also identified the perceived importance of six hotel selection factors by business and leisure guests in Hong Kong. Recently, Mohsin and Lockyer (2010) have identified that customers of hotels associate high importance to value for money, physical quality (room furnishings) and prompt response on reservations.

Hartline *et al.*, (2003) combined the ideas of Cadotte and Turgeon (1988) and Silverman and Grover (1995) to classify performance of different groups in hotels as necessary, desirable or neutral. Based on a primary survey, Hartline and others found that the performance of front desk personnel is a necessary cue in order to ensure good perceptions of quality. They also found that the performance of housekeeping and parking are desirable cues, while the performance of room service and bell staff were neutral.

Laetitia and Yi Wang (2006) in their research of dimensions of guest house service in South Africa found out that business guests identified professionalism of staff as the most important determinant when selecting accommodation. Other determinants of selection of a guest house by business guests identified by these researchers were availability of amenities like dining rooms, room amenities like comfortable pillow and mattress, core service, convenience and ambience.

Kwenga (2012) in his study of the buying criteria and perception of customers in church guest houses in Nairobi, Kenya, found out that quiet and isolated locations, good physical and sufficient technical conference facilities, excellent service by qualified staff and fair prices influence the customers in purchase of accommodation in these guest houses. Therefore this study sought to identify the determinants of non-classified hotels by business guests.

#### **2.4 Future Expectations of Business Hotel Guests**

The ability of an organization to attract and retain customers is vital to its success. Customer loyalty requires a strong desire by the customer for a product and availability of several product vendors to choose the product based on his/her preferences (Dick and Basu, 1994; Otim and Grover, 2006). These two factors are very much applicable in the hotel industry as more and more people visit different places and need places to stay (Nunes and Spelman, 2008), and huge number of hotels are available. Customer loyalty is often shaped by positive experience by the customer during his/her stay in a hotel (Mason et al., 2006; Nasution and Mavondo, 2008). A number of factors contribute to the experience (Clow, Garretson and Kurtz, 1994; McCleary, Weaver and Hutchinson, 1993; Yavas and Babakus, 2005): customer service, cleanliness, facilities, price, food, and location.

Customers use a variety of attributes to judge the quality of service that they receive during their stay in a hotel (Wilkins, Merrilees and Herington, 2007). According to Lockyer (2002), business guests rated 'cleanliness of hotel' as the most important factor.

Overall the business guest has high expectations on items that relate to facilities in the room or relating to the room. These include bathroom and shower quality, standard of bedroom maintenance, comfort of mattress and pillow; and for the accommodation in general, availability of parking and soundproofing between rooms. Accommodation managers rated cleanliness of the hotel as the most important. This was followed by items relating to staff, such as courteous, polite, well mannered staff; enthusiasm, and commitment of staff and efficiency of front desk. There were two items relating to the hotel overall: good reputation and location.

While the standard guests' expectation is a quality accommodation product, most non-classified hotels do not always provide it. Customer service, cleanliness, provision of quality bedrooms among other aspects have been neglected. In the international scene, studies have shown that establishments which failed to meet the standards expected by customers have been assessed as offering low service quality. It is clear that clean bedrooms, quality customer service, clean environment, accessibility, good and working facilities among other factors are the expectations of business guests in non-rated hotels. The condition of the non-classified hotels in Mtwapa town with regards to such attributes is not known due to limited research. It was for this reason that this study was undertaken to establish what business guests would expect in future visits, and in turn this would be of great importance for hoteliers in knowing what to improve in their products.

## **2.5 Summary**

The literature reviewed reveals that there is a gap between customer selection and satisfaction points and what is really offered by the hotel industry. The identified gap is

between the standards of the accommodation products provided and the guests' expectations. Business guests expect high quality accommodation product: clean bedrooms, accessible location, clean environment, quality service in the restaurants, and quality food among other aspects; which are not always offered by hotels. There is need for hoteliers to know exactly what their guests expect from their facilities. When an accommodation product which meets the needs and expectations of guests is provided, then customer satisfaction is attained. This guest satisfaction ensures patronage from the same guests and also first time visits from word-of-mouth advertisements.

## **CHAPTER THREE**

### **3. RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter highlights various facets concerning how the research was carried out. This includes, the research design utilized in the study, the study location and justification why it was chosen, the research instrument used for data collection and how the research instrument was developed. The chapter also explains the sampling frame, the sample size and how the hotels and business guests included in the study were selected. The chapter further elaborates on the various ways in which the data collected was analyzed and presented.

#### **3.2 Research design**

The study adopted a cross-sectional descriptive survey design as it is relatively easy and quick to obtain data that is amendable to statistical manipulation (Brotherton, 2008). This enabled the researcher identify and describe certain features of the study. This included such aspects as the important determinants of accommodation selection by business guests hence their satisfaction. This was also useful in assisting the researcher in obtaining and analyzing information.

#### **3.3 Study Area**

The location of the study was Mtwapa town at the Coast region of Kenya. This town was located about 16 kilometers north of Mombasa city, at the border of Mombasa and Kilifi counties along the Mombasa-Malindi highway. The highway divided the town into two; East and West. The East part had most of the developments in the town. Most of these

non-classified hotels were located on this side, near bars and day and night clubs. The East side stretched all the way to the beach. At the time of study, this side was mostly occupied by foreign investors and property owners, rich business people and prominent politicians. The West side of the highway was less developed and it was mostly occupied by the locals.

Mtwapa is a town which has grown from a *Swahili* fishermen village at the Mtwapa Creek to a bustling Coastal town. The communities which lived in Mtwapa town at the time of the study were people from all the 42 Kenyan tribes mixed with travelers from all over the world doing all sorts of businesses. Investments, trade in properties and real estate, boutiques, salons, shops, hotels, kiosks, nightclubs and bars, supermarkets, and cyber cafes operated 24 hours ([www.wikipedia.org/wiki/mtwapa](http://www.wikipedia.org/wiki/mtwapa)).

The study site was chosen because it was a popular destination for hotel guests, both local and international. The area located on the Coastal strip of Kenya, was visited by international tourists, while most of the local population also visited the area (Oketch, 2009). According to Kilifi County Council business registration reports, Mtwapa town had 25 non-classified hotels which provided accommodation for both business and leisure guests. This town had no classified hotel at the time of the study.

### **3.4 Target Population**

All the 25 non-classified hotels in Mtwapa town (Appendix III), as at the time of data collection, formed the study population. These hotels provided both accommodation and

food and beverage services to their guests. This information was obtained from preliminary research data from Kilifi County Council business registration documents as at December 2011. However, it was found that two newly developed non-classified hotels were not in the data obtained and were included as part of the 25 hotels (target population). These two hotels were East Gate Guesthouse and Zagota Hotel & Resort. The targeted respondents were all business guests in all the non-classified hotels in Mtwapa town where were identified with the help of the hotel managers.

### **3.5 Sampling Frame, Sample Size and Sampling Procedure**

Sampling involves selecting some elements of a population having similar features to the underlying population as a representative of the total population so as to make certain observation of the elements and make conclusions regarding the entire population (Mugenda and Mugenda, 1999). The sampling frame for this study was all the non-classified hotels in Mtwapa town, which were 25 in number (Appendix III). The sample size for the study was 60% of the non-classified hotels in Mtwapa town, which translated to 15 hotels. According to Kothari (2008) the size of a sample should neither be excessively large nor too small.

$$\frac{60}{100} \times 25 \text{ hotels} = 15 \text{ hotels}$$

The hotels making up the units of study were selected through random sampling. All the 25 hotels were assigned a number and 15 random numbers generated. A hotel whose listing corresponded to the random number generated made up a unit of the study.

Business guests were selected systematically from the hotels chosen for the study. A list of business guests was obtained from the particular hotels selected for the study. Every  $(N/n)^{\text{th}}$  business guest was chosen for the study. Twenty (20) guests were selected from each sampled hotel, hence a total of 300 respondents.  $N$  was the population of business guests for the specified time of the study while  $n$  was the desired sample size per hotel. All the sampled hotels had at least 20 business guests at the time of data collection.

### **3.6 Data Collection Instrument**

The research instrument utilized was a structured questionnaire (Appendix II). The questionnaire was administered by the researcher to the selected business guests. The first part of the questionnaire consisted of five (5) demographic and socioeconomic questions. The second and third parts consisted of likert-scale questions to establish past experience and importance of various determinants in hotel choice respectively. The fourth part of the questionnaire sought to establish future expectations of guests. The items in the questionnaire were a mixture of both open and close-ended questions. In the closed ended questions the respondents were provided with a list of possible alternatives from which to select the most suitable answers according to the best of their knowledge.

The closed-ended questions were used because they are easier to administer and analyze. Likert scale questions were utilized. The respondents were provided with a one to five Likert scale from which they ticked their most suitable response to each question. In the open-ended questions, the respondents were given complete freedom of response to use their own words. Through open-ended questions the respondents were able to express



their feelings and explain their responses. This allowed obtaining of in-depth information that was quantifiable (Orodho, 2004).

### **3.7 Data Collection Procedure**

Primary data was obtained through researcher-assisted structured questionnaires to business guests. It included both qualitative and quantitative approaches. Questionnaires were administered to guests on the days allocated by the managers of the different non-classified hotels included in the study. Primary data collection was important since it provided a solid information base from which information gaps, which can only be filled by fieldwork, were identified. This was the first hand information given by the respondents. Business guests in hotels had neither high nor low season; hence they were available at any time of the year.

Secondary data, which was information that had already been collected for some purpose other than the problem at hand and by other parties was also utilized. This involved use of books, journals and information from Kilifi County Council reports. Books and journals were utilized in reviewing past studies carried out while the documents from the county council were used in generating the sampling frame. This data was helpful in discussing the findings from this study.

#### **3.7.1 Pretest of Data Collection Tool**

The research instrument was pre-tested in three of the non-classified hotels in Mtwapa town chosen randomly, namely Hibiscus Lodge, Hotel Basilea and Hotel la Costa. The hotels used for pretesting the data collection tool were not used in the main study. The procedures used in the pre-testing of the instrument were used during the actual study.

This helped assess clarity, ease of use of instrument and timeliness of data collection (Mugenda and Mugenda, 1999). Items identified as sensitive, confusing or biased were modified and others omitted.

### **3.7.2 Validity and Reliability of Data Collection Tool**

The degree to which questions accurately measured the content employed in the questionnaire (Orodho, 2004) was validated by two experts: an expert in the hotel industry and an established statistician. They assisted in ensuring relevance of the instrument to the study. The questionnaire was tested and re-tested with a repeated measure of accuracy to determine its reliability (Orodho, 2004). This was done before administering the instrument to the respondents.

### **3.8 Data Analysis and Presentation**

The questionnaires were checked for completeness, accuracy, consistency and uniformity of data at the end of every field data collection day and before storage. The data was then coded and entered into the computer using the Statistical Package for Social Sciences (SPSS) version 10 for analysis.

Qualitative data was analyzed using qualitative analysis methods. Qualitative analysis has a strong emphasis on describing the world, as different observers perceive it (Dey, 1993). Guests responses on a list of statements that tended to influence their perception towards the products offered were ranked on a qualitative scale as follows; (5) very satisfied, (4) satisfied, (3) neutral, (2) dissatisfied and (1) very dissatisfied. Guests responses towards the importance of various attributes in selection of a hotel to stay were also ranked on a

qualitative scale as follows: (5) strongly unimportant, (4) important, (3) unsure, (2) not important and (1) strongly not important.

Descriptive statistics such as averages, frequencies, standard deviations and percentages were also used for data analysis. Tables, percentages, pie-charts, frequency tables and histograms were used for presentation. Inferential statistics such as paired *t*-test and two-way ANOVA were used to measure associations between and within dependent and independent variables. *T*-test was utilized in measuring whether there were significant differences between means. For example, it was used in comparing the means of different staff performance factors such as service responsiveness and speed of guest service. ANOVA was used in comparing the different attributes in the hotels. For example, it was utilized in comparison of the satisfaction levels among the attributes and also comparing the contribution of the different variables towards guest hotel selection. Karl Pearson Coefficient correlation (simple correlation) was used to determine the relationship between various variables. This permitted the analysis of inter-relationships among the variables in the study. For instance, Pearson correlation was used to determine the relationship between frequency of hotel visits and distance traveled, location and comfortability among others.

Multiple regression analysis was also used to determine the contribution of the independent variables to the dependent variable. This was adopted because the research had one dependent variable (hotel selection and satisfaction). Hotel selection and satisfaction was presumed to be a function of a number of independent variables (Kothari, 2008), that was, location of the hotel, prices charged, cleanliness among others.

Multiple regression was used to determine whether these group of variables together predicted the dependent variable. This explained the variation of the dependent variable, which was guest hotel selection and satisfaction with the accommodation product provided, and various independent variables such as location and accessibility of the hotel, the core product provided, hygiene and cleanliness, prices, customer service, consistency of standards etc. The model analyzed took the following form (Kothari, 2008);

$$Y = f(X_i)$$

Where Y was the dependent variable and X's were the explanatory variables and  $i = 1, 2, \dots, n$ . Specifically the model took the following form:

$$Y = \alpha_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \mu$$

Where  $\alpha_0$  and  $\beta_i$  are parameters to be estimated

$X_1$  is the location and accessibility of the hotel

$X_2$  is the core product provided

$X_3$  is the hygiene and cleanliness

$X_4$  is the price

$X_5$  is the customer service, and

$\mu$  is the error term

**Table 3.1: Data Analysis Matrix**

<b>Objective</b>	<b>Method of Analysis</b>	<b>Justification</b>
Establish the demographic and socioeconomic characteristics of business guests in Mtwapa town hotels	-Descriptive statistics: percentages, mean, graphs	-these enabled description of the respondents vividly
Establish the relationship between business guests' satisfaction and location and environment of non-classified hotels in Mtwapa town	-Descriptive statistics: mean, graphs -Inferential statistics: Pearson correlation	-these enabled description of scores and the real situation vividly -these helped determine the relationship between dependent and independent variables
Determine the satisfaction levels of business guests in relation to non-classified hotels in Mtwapa town,	-Descriptive statistics: percentages, mean, graphs -Inferential statistics: ANOVA	-these enabled description of scores and the real situation vividly -these helped determine the relationship between dependent and independent variables
Identify the determinants of selection of non-classified hotels by business guests in Mtwapa town	-Descriptive statistics percentages -Inferential statistics: ANOVA and multiple regression	-enabled description of importance of various factors  -this enabled determination of the relationship between dependent and independent variables
Identify future expectations of repeat business guests to hotels in Mtwapa town	-Descriptive statistics mean distribution thematic analysis	-enabled description of scores and also revealed the needed situation

Due to the various divergent views of the hotel guests, a thematic scale was created for Part IV of the questionnaire (objective 4) and coded as follows for the various requirements: Staff and customer requirement, hygiene and quality standards, bedroom facilities and guest security, business support and conference facilities, restaurant services and accessibility and the surrounding environment.

1= 'maintain'

2= 'improve'

3= 'highly improve'

The 'prices' variable had the following coding for easier analysis

1= 'flexible'

2= 'fair'

3= 'improved'

### **3.8 Logistical and Ethical Issues**

A clearance letter from Kenyatta University through the Dean, Graduate School (Appendix V) was sought before data collection. The researcher used this letter to seek the assistance of Kenya Association of Hotelkeepers and Caterers (KAHC) Coast branch Chairman. The chairman personally introduced the researcher to the various hotel managers. The hotel managers were consulted before the research was carried out. Participants' consent was sought (Appendix I) and participation was purely voluntary.

## CHAPTER FOUR

### 4. FINDINGS AND DISCUSSION

#### 4.1 Introduction

This chapter presents the findings of the study and related discussions. It is sub-divided into four sections. The first part presents the findings concerning the demographics of the respondents (business guests). Such issues as gender, age, frequency of visits and area of origin are presented and discussed. Secondly, the chapter presents the findings on the experiences and satisfaction levels of business guests with the accommodation products provided by non-classified hotels in Mtwapa town. Under this various issues are presented and discussed, including the levels of cleanliness and hygiene, staff performance, restaurant services, housekeeping facilities, among others.

Thirdly, it presents findings and discussion on the importance of various attributes when business guests are making hotel choices. These attributes range from cleanliness and hygiene, staff professionalism, restaurant services, prices to housekeeping facilities and so on. Lastly, it covers the future expectations of business guests when they make return visits to these hotels.

#### 4.2 Overview of Study Findings

The study focused on the importance of various determinants of selection of non-classified hotels in Mtwapa town and the satisfaction levels of the provided products. It was revealed that the most prominent attribute considered by guests is bedroom comfortability. About 94.6% of the respondents indicated that this is a very important

determinant. This was followed by service in the restaurant; with 78.1% pointing out that it is very important when choosing a hotel. The least important attribute was found to be availability of business services. Only 12.1% of the respondents indicated this to be an important consideration. The study also found out that business guests satisfaction level was still low with the hotel products provided.

### **4.3 Response Rate**

A total of three hundred (300) questionnaires were dispersed to potential respondents who participated in filling of the questionnaires. Out of these, two hundred and eighty two (282) questionnaires (94.0%) were filled and returned. Eighteen (18) questionnaires were not returned, translating to 6%.

### **4.4 Demographic Information of Business Guests**

#### **4.4.1 Age and Gender of Respondents**

In relation to the age of the respondents, the study findings revealed that all the business guests were above the age of 20 years up to the age of 60 years. This is shown in Table 4.1. The youngest respondent was of age 21 years while the oldest was 60 years old. The mean age of the respondents was 35 years. This implies that most of business guests to non-classified hotels in Mtwapa town are young people. This could be closely associated with the liveliness of the town and its 24 hour economy ([www.wikipedia.org/wiki/mtwapa](http://www.wikipedia.org/wiki/mtwapa)). Most of the businesses in Mtwapa town operate throughout the day, seven days a week. It could also be associated with the nightlife of this town and infact most tourists who visit Mombasa will perceive their travel incomplete until they visit Mtwapa town. This implies that the hotels in Mtwapa area



should strive positioning their products towards meeting the needs of the diverse business travelers: from the youthful all through to the older business travelers.

**Table 4.1 Distribution of Respondents by Age and Gender in Non-classified Hotels**

<b>Age (years)</b>	<b>Male</b>	<b>Female</b>	<b>Total</b>
21-30	42	31	73
31-40	71	65	136
41-50	34	18	52
51-60	12	9	21
<b>Total</b>	<b>159(56%)</b>	<b>123(43%)</b>	<b>282(100%)</b>

Minimum age- 21years Maximum age- 60 years Mean- 34.96 years Modal age- 31-40years

Out of the respondents contacted in the 15 hotels, it was observed that there was a small gender disparity between the male and female respondents. Over 56% of the respondents were male while over 43% were female. The implication here is that the hotels should develop their products to meet the needs and wants of both men and women business guests. For instance, they can include facilities which are important for the women business executives.

#### **4.4.2 Distribution of Respondents by Origin**

The study established that upcountry region accounted for the highest number of the guests with 96 guests (34.1%) as shown in Table 4.2. Upcountry region consisted of all other parts of the country apart from coast region. The second region which contributed a high number of business guests to Mtwapa town's non-classified hotels was the coast region with 73 guests (25.8%). Coast region referred to places found in the coast (with the exception of Mtwapa for this study). Mtwapa area had a much lower percentage of 21.8% which translated to 61 guests. It was found out that Mtwapa town and its environs also contributed to business guests to non-classified hotels in the town. International business guests accounted for about 18.3% of the total respondents (52 guests). Some of them came from Uganda, Tanzania, Germany, Italy and Britain among others.

This meant that non-classified hotels in Mtwapa town received most of its business guests from within Kenya, with a contribution of 81.7%. This could be attributed to the fact that most of these hotels were not well known like the classified hotels and therefore they depended on return guests from within Kenya. However, it was found business guests originating from outside Kenya also visited these hotels, with a small percentage of 18.3%. This implied that non-classified hotels managers should ensure provision of products meeting the needs and expectations of local business guests.

Hoteliers should also not forget the foreign business guests though they were few in number. Meeting business guests' expectations assists in boosting guest satisfaction hence getting repeat business. Business guests have almost similar needs and hoteliers should aim meeting these needs. This would in addition to return guests also bring new

business through a positive word of mouth from the guests to their families, relatives and friends.

**Table 4.2 Distribution of Respondents by Origin**

<b>Point of Origin</b>	<b>Number of Guests</b>	<b>Percentage</b>
Foreign	52	18.3
Coast	73	25.8
Mtwapa	61	21.8
Other parts of The country	96	34.1
<b>Total</b>	<b>282</b>	<b>100.0</b>

#### **4.4.3 Frequency of Guest Visits to Hotels in Mtwapa Town**

The need to find out the frequency of visits to the hotels by business guests is equally important as it reveals how often business guests make return visits. Business guests are a critical market to hoteliers as they boost occupancy levels, especially during low seasons. This is illustrated by frequency dot diagram Table 4.3. The study findings showed that monthly visits accounted for the highest proportion with 27%. This implies that most business guests who visit non-classified hotels in Mtwapa town do so on a monthly basis. This was followed closely by first time visits at 24% of the respondents saying that it was their first stay in non-classified hotels in Mtwapa. These hotels should strive to meet the expectations of first time guests as this will determine whether they will return in the future and also contributes to a good word-of-mouth promotion. If these first-timers are satisfied, they will definitely make revisits in the future and tell their relatives and friends

about the experience they had. Weekly and annual visits accounted for 22% and 17% respectively of the visits. The least visits were semi-annual with only 10%.

This is important data to hoteliers as they will know how frequently business guests travel and therefore be able to tap on this market. This will assist in boosting room occupancy especially during low seasons, and hence ensuring stable revenues.

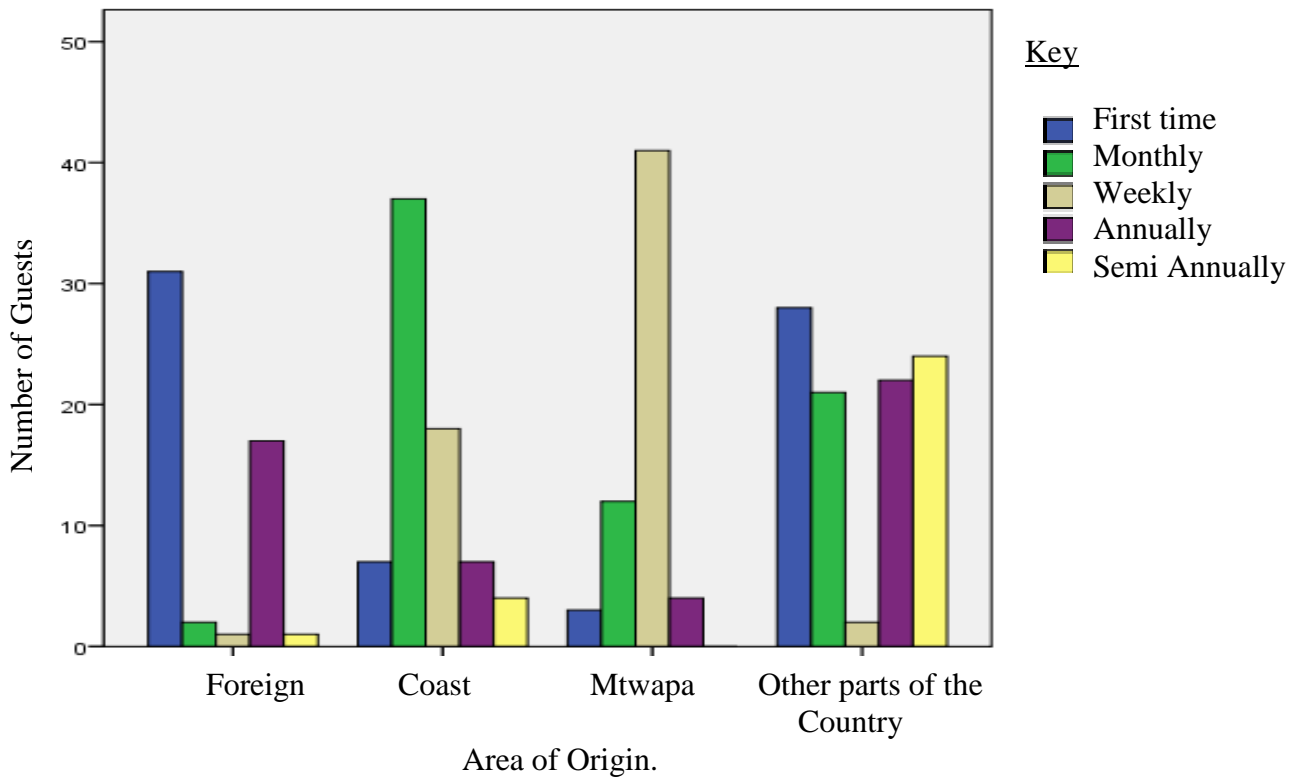
**Table 4.3 Frequency of Guest Visits to Hotels in Mtwapa**

<b>Frequency of Visits</b>	<b>Number of Guests</b>	<b>Percentage</b>
Weekly	62	22.0
Monthly	76	27.0
Semi-annually	28	10.0
Annually	48	17.0
First-time	68	24.0
<b>Total</b>	<b>282</b>	<b>100.0</b>

#### **4.4.4 Origin of Guests and Frequency of Visits**

The study revealed that the longer the distance guests travelled to the hotels, the lower the number of visits they made, while the shorter the distance the more the guests made visits. For instance, it can be observed from Figure 4.1, that a high number of business guests who came from Mtwapa and its environs made visits to non-classified hotels weekly (43 guests), followed by those who visited once monthly (12 guests). This can be

closely associated with the short distance to be covered between the origin of the guests and the non-classified hotels. Most of business guests living around Mtwapa area made hotel visits frequently. Therefore, non-classified hotels' managers should aim to provide quality products accompanied by competitive prices and accessibility to attract business guests from the region to boost sales.



**Figure 4.1 Frequency of Visits and Area of Origin**

On the other hand, foreign guests who traveled from overseas were mostly first time visitors (31 guests) and those who visited once every year (27 guests). This could be explained by the long distances covered from the place of origin to the hotels making frequent visits difficult. Very few foreign guests were able to make hotel visits in

Mtwapa town on a monthly and/or weekly basis. Nevertheless, hoteliers should provide quality hotel products which meet their needs to ensure that they visit in the future.

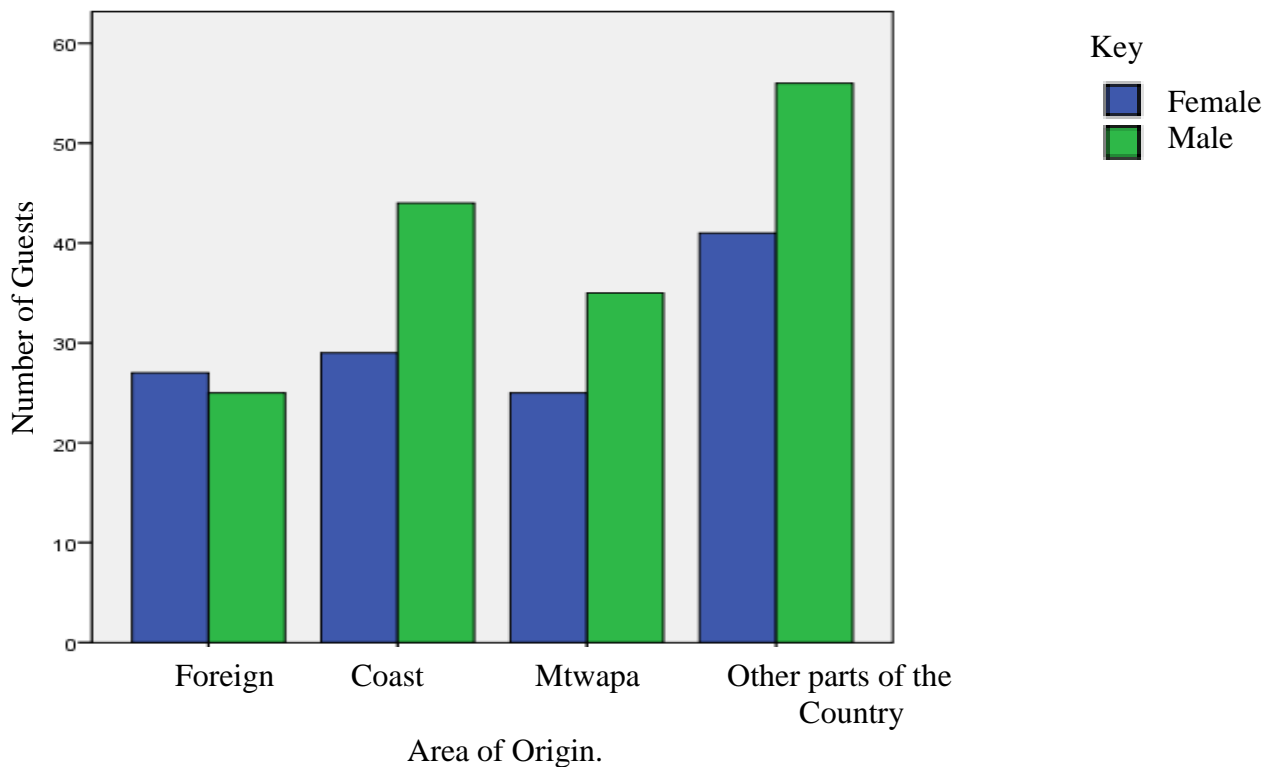
Business guests originating from other parts of the Coastal region apart from Mtwapa made hotel visits mostly on a monthly basis (47 guests), followed by weekly visits (27 guests). This could perhaps be explained well by the close proximity of the hotels in relation to the guests' areas of origin. Guests from other parts of the country except the coast region were mostly first timers (37 guests), those who visited monthly (22 guests), annually (23 guests) and semi annually (25 guests). Weekly visits from upcountry were very few (2 guests), which could also be explained by the distance to be covered to the hotels. Travelling from upcountry on a weekly basis for business purposes was very minimal.

#### **4.4.5 Respondents' Gender and Area of Origin**

The study showed that male guests accounted for a higher proportion as compared to female guests in relation to area of origin, as shown in Figure 4.2. Most of the respondents were actually male. This could not necessarily mean that male business guests travel more frequently than their female counterparts. This could probably be explained by the fact that most hotel guests travel as a family and the man handles most issues which comes their way. This includes answering any questions around the hotels, signing the bills, making enquiries and so on. It can also probably be associated with the study location, which is associated with nightlife. It is a town with a lot of bars, pubs and night clubs. It can also be explained by the fact that most of the interviews to the guests were done at around midday when the men were attending business related matters and

the rest of the family was out shopping or at the beaches. For instance, the findings revealed that 58 (58%) business guests from upcountry were male and 42 (42%) were female.

This could be associated with their age as earlier indicated that most of them were youth. The other factor which could be attributed to this is perhaps the vibrant nightlife of Mtwapa town. Clubs, pubs and bars were available in every street of this town as observed by the researcher. These results imply that hoteliers should strive to tailor-make their hotel products to meet the needs and wants of the diverse markets.



**Figure 4.2 Relationship between Gender and Area of Origin**

## **4.5 Relationship between Guests' Satisfaction and Hotel Location and Environment**

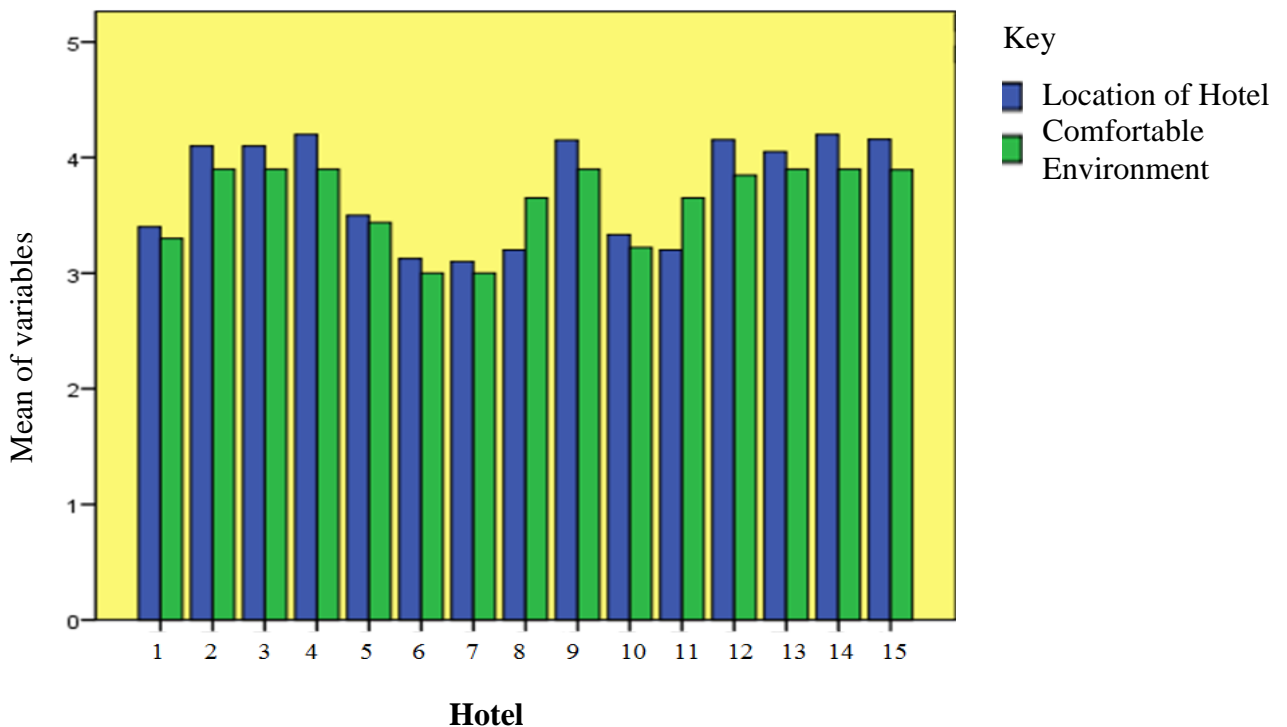
### **4.5.1 Relationship between Location and Comfort of Environment**

The research findings revealed that all the 15 hotels depicted a positive correlation between location of hotel and comfortability of environment ( $P= 0.415$ ) as shown in Figure 4.3. Some of the non-classified hotels in Mtwapa town were located in busy noisy streets, some others along the Mombasa-Malindi highway while others were in quiet suburban areas. The mean rating of satisfaction was slightly above 3 (neutral level) and less than 4 (satisfied level) for both location of hotel and comfortable environmental setting in a Likert scale of five points.

Location is one of the important factors which lead to guest satisfaction with the hotel product. The guests interviewed pointed out that many of these hotels in Mtwapa town were located in noisy streets and near clubs, bars and pubs which played loud music at night. Not all guests were night revelers and hence the hoteliers should also consider their needs or target those guests who will accept their locations. Guests will always come back if they enjoy their stay in a hotel (Mason, Tideswell and Roberts, 2006). According to Clow et al. (1994) and McCleary et al. (1993), a number of factors contribute to guest experience. These factors include location of the hotels and comfortable environment among others. The study findings supported the research done by Kwenga (2012) on the guests buying criteria in church guest houses in Nairobi, Kenya, who found out that guests prefer quiet and isolated locations.



The study also found that location of the non-classified hotels determined to a great extent whether business guests liked the environment. For example, the hotels which had a higher percentage of satisfaction concerning the location of the non-classified hotel had an accompanying higher percentage of satisfaction to comfortability with the environment, as shown in Figure 4.6. These hotels were located in more quiet areas away from the noisy night clubs. Those hotels which had the lowest percentage of satisfaction concerning location of the hotel were accompanied by a lower percentage of comfortable environment. Most of these were located adjacent to the loud music playing clubs and near the main highway. As Ekinici et al. (2008) found, physical qualities of a hotel have either positive or negative impact on customer satisfaction. The environment can be included among the physical qualities of a hotel of which it was revealed that the satisfaction level was way below the satisfied level (4).



**Figure 4.3 Relationships between Hotel Location and Comfort of Environment**

By examining the Pearson correlation Table 4.4, it can be observed that there was a positive relationship between the two variables. This implied that guests who were satisfied with the location of the hotel were also comfortable with the environment. On the other hand, guests who were less satisfied with the location of the hotel were less satisfied with the environmental setting. Therefore, location of the hotel reflected to a great extent the comfortable environmental setting. Comfortable environment was found to be positively related to the location of the hotel.

**Table 4.4 Pearson Correlation Coefficient of Hotel Location and Comfortable Environmental Setting**

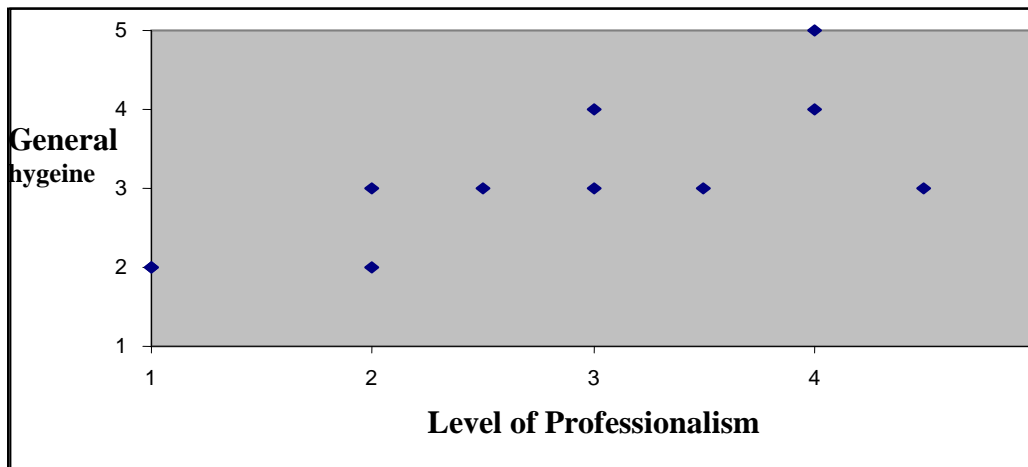
Variable	Location of Hotel	
Location of Hotel	Pearson Correlation	1
Comfortable Environment Setting	Pearson Correlation	.415**
	Sig. (2-tailed)	.000

\*\*Correlation is significant at 0.01 level (2-tailed)

#### **4.5.2 Relationship between Staff Professionalism and General Hotel Hygiene**

There was need to establish the level of professionalism and the general cleanliness of the hotel and how they are related. This is depicted by a scatter plot diagram Figure 4.4. The diagram has the dotted plots which are points of intersection between the two variables: general hotel hygiene and professionalism of staff. The scatter diagram depicts that there was a general upward trend in the points which were intersection of the two variables,

hence positive correlation between professionalism and the general hygiene of the hotel with a calculated Karl Pearson correlation co-efficient value of 0.539 as shown in Table 4.5. The numbers 1, 2, 3, 4 and 5 in Figure 4.4 represented the levels of the two attributes. Level 1 represented the lowest level while level 5 represented the highest level. The higher the business guests rated staff professionalism displayed by the hotel staff, the higher they rated the standard of hygiene and cleanliness.



**Figure 4.4 Scatter Plot of Relationship between Professionalism and Hygiene**

The positive correlation between professionalism and general hygiene implied that there was need for management to employ qualified professionals in order to achieve the required standards of hygiene and cleanliness.

**Table 4.5 Pearson Correlation of Professionalism and General Cleanliness**

<b>Variable</b>		<b>Professionalism of Staff</b>
Professionalism of Staff	Pearson Correlation	1
General Hygiene and Cleanliness	Pearson Correlation	.539
	Sig. (2-tailed)	.000

#### **4.6 Past Experience and Satisfaction Levels of Business Guests on Non-Classified Hotels**

##### **4.6.1 Satisfaction with the Hotels' Location**

The research found out that most of business guests were satisfied with the location of non-classified hotels in Mtwapa town. About 57.8% of the respondents were satisfied and 10.6% were very satisfied with location, as shown in Table 4.6.

**Table 4.6 Satisfaction with Location of Hotel**

<b>Satisfaction level</b>	<b>Number of Guests</b>	<b>Percentage</b>
Dissatisfied	16	5.7
Neutral	73	25.9
Satisfied	163	57.8
Very satisfied	30	10.6
<b>Total</b>	<b>282</b>	<b>100.0</b>

The high level of satisfaction with hotel location could be associated with the fact that most hotels in Mtwapa were not far from the Mombasa-Malindi highway. These hotels were also well served by taxis during any time of the day, hence their easy accessibility. The level of guest dissatisfaction with location was only 5.7%. This implies that hotel investors should provide accessible locations to ensure convenience for their guests. According to Yavas and Babakus (2005) location of a hotel goes a long way in determining satisfaction of hotel guests. An accessible location leads to a positive experience, while inaccessibility leads to dissatisfaction with the hotel product hence no return visits. This is supported by the findings revealed by Nasution and Mavondo (2008) that guest loyalty is shaped by a positive experience during guest stay. Positive experience comes from among other factors, the location of the hotel. Therefore, hoteliers should put this important factor into consideration to ensure increased business and revenues.

#### **4.6.2 Guests Perspective on Performance of Hotel Staff**

The performance of the hotel personnel can be defined by use of the variables such as service response, speed of guest service and recognition of returning guests. The findings from the research study show that business guests were not satisfied with the performance of hotel staff of non-classified hotels in Mtwapa town. The descriptive statistics were that the mean rating ranged between 3(neutral) and 4(satisfied), as shown in Table 4.7. Other levels included 1(very dissatisfied), 2(dissatisfied) and 5(very satisfied). The mean rating for service responsiveness was found to be 3.60, for speed of guest service was 3.63 and for recognition of returning guests was 3.40. By examining

the three standard deviation values it can be seen that they are equally similar depicting a similar pattern like the mean performance. Therefore, the performance of hotel staff of non-classified hotels in Mtwapa town was not yet satisfactory to guests since it's less than 4 (satisfied level). How hotel staff handle business guests and deliver the service is an important aspect of the accommodation product as it determines future business through return visits.

**Table 4.7 One-Sample Statistics for Hotel Personnel Performance as Perceived by Guests**

<b>Attribute</b>	<b>Mean</b>	<b>Std. Deviation</b>
Service responsiveness	3.60	.613
Speed of guest service	3.63	.577
Recognition of returning guests	3.40	.625

Most of business guests of non-classified hotels in Mtwapa town were dissatisfied with recognition during their return visits. About 51.1% were dissatisfied while 5.3% were very dissatisfied with recognition as shown in Table 4.8.

**Table 4.8 Satisfaction Level with Recognition on Return Visits**

<b>Satisfaction level</b>	<b>Frequency</b>	<b>Percentage</b>
Very satisfied	15	5.3
Dissatisfied	144	51.1
Neutral	117	41.5
Satisfied	6	2.1
<b>Total</b>	<b>282</b>	<b>100.0</b>

Returning guests need recognition and staff should be able to remember them sometimes by their names and their likes and dislikes. This eventually enhances hotel staff performance and guest satisfaction. According to Williams and Visser (2002), guest satisfaction with the level of service provided has declined steadily in recent years. Daley (2000) also found out that guests in the UK perceive the services offered by hotels to be of low quality.

It was found out that business guests in non-classified hotels in Mtwapa town were less than satisfied with speed of guest service as shown in Table 4.9. This had less than level 4 (satisfied). It was also found out that only a small percentage (4.3%) of business guests of non-classified hotels in Mtwapa town were satisfied with speed of guest service. As shown in the table, about 40.4% were dissatisfied with speed of services offered. Speed of guest service meant the amount of time taken by the hotel staff to respond to guest needs.

**Table 4.9 Satisfaction Level with Speed of Guest Service as perceived by Guests**

<b>Satisfaction level</b>	<b>Frequency</b>	<b>Percentage</b>
Very satisfied	2	.7
Dissatisfied	112	39.7
Neutral	156	55.3
Satisfied	12	4.3
<b>Total</b>	<b>282</b>	<b>100.0</b>

About 55.3% were neutral or unsure about their satisfaction, while only 4.3% were satisfied. Speed of service included areas such as in the front office, housekeeping, restaurant and other areas of the hotel. Speedy service enhances the quality of service as perceived by the guests and hence boosts their experience. If there is ineffective and slow guest service, guests have a negative hotel experience. If guests are satisfied with the speed of guest service then their experience will be enhanced. This is not only confined to hotels in Mtwapa. In their study in Scotland, Briggs *et al.*, (2007) also found major inconsistencies in service quality performance across the hotel sector. They revealed that most customers are not in fact overly demanding and are satisfied with a personal service that represents value for money. According to their research, the main difference between excellent and poor service to customers related to the absence of the personal touch and how staff dealt with their complaints. Hoteliers also need to look critically at the way service delivery is done in major areas such as the reception, restaurant, guestrooms and other areas.



By comparing the means in relation to performance and evaluation of the t-test values of 98.732 and 91.405 in Table 4.10, the study deduced that the mean of these factors (service responsiveness and recognition of returning guests) are the same. This implied that the performance rating of the hotel personnel were almost similar in scale.

**Table 4.10 One-Sample Test of Performance Factors**

Performance factors	Test Value = 0		
Variable	T	df	Mean Difference
	Service responsiveness	98.732	281
Recognition of returning guests	91.405	281	3.404

#### **4.6.3 Analysis of Variances (ANOVA) of Satisfaction from the Respondents**

This section presents results on testing of the hypothesis which stated as follows:

$H_0$  There is no significant relationship between guest selection and satisfaction and the hotel products provided by non-classified hotels in Mtwapa town.

The examination of the hypothesis was presented in Table 4.11. Since the calculated F-Statistics indicated were less than the tabulated value of 23.412 (Appendix VI), the study rejected the null hypothesis that there is no relationship between guest satisfaction and the hotel products provided at a 0.01 level of significance (two-tailed). For instance, the

calculated statistics for staff professionalism, cleanliness, comfortable mattress and pillow were found to be 7.423, 1.841 and 7.002 respectively. Since the calculated statistics were lower than the tabulated statistic, this implied dissatisfaction with various aspects of the accommodation product provided. For instance, from the calculated F-statistic for staff professionalism which was 7.423, it is observed that the satisfaction level was very low as compared to the tabulated value of 23.412. This included such issues as how staff handle and treat guests in the hotels.

**Table 4.11 Two-way Analysis of Variance (ANOVA) of Satisfaction**

<b>Variable</b>	<b>F-statistic</b>	<b>Significance (P- value)</b>
Staff professionalism	7.423	.000
General hygiene	1.841	.140
Accommodation services	19.861	.000
Restaurant meals	12.789	.000
Comfortable mattress	7.002	.000
Service responsiveness	4.373	.005
Speed of guest service	2.347	.073
Environment	15.917	.000
Business support services	10.610	.000
Conference facilities	4.791	.003

The study found out that business guests were very much dissatisfied with most aspects of the accommodation product. General hygiene and cleanliness was one of the aspects that business guests were dissatisfied with. Cleanliness is a very critical feature of accommodation. This ranges from cleanliness in the guestrooms, restaurants, washrooms and other areas. Hotels will get return business if guests perceive that their facility is clean and hygienic. This supports the findings by Clow et al. (1994) in their study which revealed that guests will revisit if they perceive that a clean facility was provided. The research findings also support the study by Wilkins, Merrilees and Herington (2007) who revealed that customers will use this attribute of a clean facility to judge the quality of service that they receive in a hotel and eventually affecting their total satisfaction.

The study also found out that guests were also dissatisfied with the restaurant services. Its calculated F-statistic of 12.789 fall way too below the tabulated 23.412. Restaurant services included such aspects as the timeliness and presentation of meals and variety of meals provided. The service the business guests are accorded in the restaurant should not be ignored by the management as it is part of the accommodation product. Guests are happy when they are able to get an all-round excellent service; in all areas of the non-classified hotel. As Mohsin and Lockyer (2010) established in their study, the services that a guest receive at the restaurant have a contribution to total satisfaction. Han et al. (2009) also found out that if the hotel has its own restaurant for use by guests, the cleanliness of the restaurant and quality of food are some of the elements customers use

to judge the quality of the accommodation product. Wu and Liang (2009) in their research also had the same findings.

This study also revealed that business guests were not satisfied with facilities in the guestrooms, for instance the mattresses, pillows and bathrooms, with a calculated statistic of 19.861. They pointed out that most of facilities in the guestrooms were worn out or dysfunctional. The guestroom is the most important area for hotel guests and hence should meet their expectations for satisfaction. The findings supported the research by Han et al., (2009) who found out that the availability and quality of various facilities in the guestrooms has a critical contribution towards guest experience. Hartline, Wooldridge and Jones (2003) also found out that performance of housekeeping services was important. These included such aspects as comfortability of mattress and pillow, beddings, furniture provided in guestroom and bathroom facilities. Therefore, hotel managers should look in to this attribute and ensure they provide quality guestroom facilities to boost guest experience in the hotel and eventually their satisfaction.

The study revealed also that business guests were dissatisfied with conference and business support services provided with a calculated F-statistic of 10.610. This was below the tabulated statistic of 23.412. The guests pointed out that very few non-classified hotels in the study provided business support facilities. Minimal equipment, such as projectors, photocopiers and boards, were provided. If these non-classified hotels want to attract business guests, they should aim to provide desirable conference and business support services.

In general, the study findings reveal guest dissatisfaction with most of the aspects of the accommodation product. This is also the case in other research studies carried out elsewhere in the world by various researchers. For instance, according to the findings of McGrory (2000), Europe which is considered by some as a place for polite service, guests rated the service as low. It also supports a study done by Mutisya (2012) in Kenyan Coastal hotels where she found out that customer satisfaction levels with the facilities and services provided were still low.

It has been suggested that the main reasons for the decline in satisfaction is that many hotels consider customer satisfaction to be relatively unimportant (Williams and Visser, 2002). Generally, guest satisfaction with the various variables across all the non-classified hotels in Mtwapa town is low as the research findings reveal. Respondents pointed out that rubbish was seen everywhere from right outside most of the hotels. This sometimes brought a stench even inside the hotels. Even inside some of these hotels, respondents said papers were seen lying on the various parts of some of the premises. Some guests also complained about bad attitude from hotel staff and delayed services, for instance, in the restaurants. Another issue which was brought out was concerning the noisy streets and clubs which disturbed guests in the nearby hotels. All the clubs played very loud music and especially at night and this was a major challenge to hoteliers in this town.

As noted by Briggs et al. (2007), guests' dissatisfaction has been as a result of inconsistent service quality. They suggest that most customers are not over-demanding

and are actually satisfied with a personal service that represents value for their money and provides accurate information. Similarly investigating the service quality in China's hotel industry, Tsang and Qu (2000) found out that tourists' perceptions of service quality provided in the hotel industry in China were consistently lower than their expectations and those managers overestimated the service delivery, compared to the tourists' perceptions of service quality.

#### **4.7 Determinants of Choice of Hotel by Business Guests**

##### **4.7.1 Importance of Hotel Location as Perceived by Guests**

The study findings revealed that when business guests were selecting a hotel to stay, the location of the non-classified hotel was an important consideration. As shown in Table 4.12, 86.2% of the total respondents had location as a very important consideration. Accessible and tranquil hotels were favoured by guests as opposed to hotels in busy and noisy streets. The study findings support the research which was done by Laetitia and Yi Wang (2006) on various attributes of guest house service in South Africa. In their study, they revealed that location and convenience was a very important determinant of purchase of accommodation product.

**Table 4.12 Importance of Hotel Location as Perceived by Guests**

<b>Importance level</b>	<b>Frequency</b>	<b>Percentage</b>
Important	39	13.8
Strongly important	243	86.2
<b>Total</b>	<b>282</b>	<b>100.0</b>

#### 4.7.2 Importance of Hygiene and Cleanliness as Perceived by Guests

The study found out that hygiene and cleanliness of the non-classified hotels was important in business guests' decision making. This included such issues as a clean environment, clean bedrooms, cleanliness in the restaurant, smart staff uniform and generally a clean premise. This is critical consideration especially done for repeat visits and through word of mouth for first time business guests. It was revealed that 71.6% of the total respondents considered hygiene and cleanliness to be a very important factor while 28.4% said it was important as shown in Table 4.13. In general, all respondents referred this determinant as important.

**Table 4.13 Hygiene and Cleanliness Importance as Rated by Guests**

<b>Importance level</b>	<b>Frequency</b>	<b>Percentage</b>
Important	80	28.4
Strongly important	202	71.6
<b>Total</b>	<b>282</b>	<b>100.0</b>

Business guests just like all other guests are very concerned about cleanliness of the hotel in general and the facilities provided. This supported the study done by McCleary et al., (1993) who found out that this is an important attribute considered by business guests when selecting a hotel for their stay. A clean facility will attract business from current and potential guests. Also Lockyer (2002) in his research revealed that business guests

rated cleanliness as an important attribute in hotel choice. This view was also shared by Ramanathan (2010) who said that this attribute added up to the perception of any hotel and helped in facilitating the return of guests. The implication is that hoteliers should strive to provide clean and hygienic facilities if they are to get repeat visits and also first time guests. Clean guestrooms, restaurants, lobbies, staff among other aspects are important to guests.

#### **4.7.3 Importance of Room Comfortability**

The research found out that room comfort which includes comfort of mattress and pillow and other room facilities is another critical aspect of the accommodation product considered by the business guests when making choices of where to stay. This is derived from past experience with the non-classified hotels and also from word of mouth for the first time business guests. 94.6% of the respondents said that room comfortability is a very important determinant of the hotel selected, as shown in Table 4.14.

**Table 4.14 Guests Perspective on Room Comfort Importance**

<b>Importance level</b>	<b>Frequency</b>	<b>Percentage</b>
Unsure	5	1.8
Important	10	3.5
Strongly important	267	94.6
<b>Total</b>	<b>282</b>	<b>100.0</b>



Guests revealed that they would purchase accommodation from non-classified hotels with comfortable mattresses and pillows and other room facilities. The study supported the findings by Lockyer (2002) who discovered that business guests rated bathroom and shower quality, standard of bedroom maintenance and comfort of mattress and pillow as important aspects in choice of hotel. Ramanathan (2010) in his study of UK hotels also found out that room standard is an important consideration by business guests. He further suggested that any perception of reduced room standard is likely to be detrimental to guests' intention to stay again in the hotel. The findings of this study also supported the research findings by Laetitia and Yi Wang (2006) on guest house service in South Africa, who identified that room amenities like comfortable mattress and pillow as important considerations in hotel purchase. The implication was that hoteliers should ensure room facilities are as per guest expectations and replace the ones which have worn out in a bid to attract return visits. They should ensure that all guestroom facilities are per guests' expectations.

#### **4.7.4 Importance of Staff Professionalism in Handling Guests**

Staff professionalism was also found to be another important consideration by business guests of non-classified hotels in Mtwapa town. However, not many rated this factor as a very important consideration. As shown in Table 4.15, only 37.6% of the respondents rated staff professionalism as a very important determinant, 62.1% said it is just important while 0.4% were unsure.

<b>Importance level</b>	<b>Frequency</b>	<b>Percentage</b>
Unsure	1	.4
Important	175	62.1
Very important	106	37.6
<b>Total</b>	<b>282</b>	<b>100.0</b>

Staff professionalism ranges from how staff handle guests, how they talk to them, how they do the service delivery and so on. Business guests will always go to non-classified hotels which have a reputation of good staff performance. As outlined by Hartlane et al. (2003) in their research findings, performance of hotel personnel is a necessary cue in order to ensure good perception of quality. They also found out that performance of housekeeping, parking staff, room service and bell staff as important. Mohsin and Lockyer (2010) identified that prompt response on reservations is an attribute that customers associate with high importance. The importance of staff professionalism was also pointed out by Laetitia and Yi Wang (2006) in their study of dimensions of guest house service in South Africa. They found out that business guests identified staff professionalism as an important determinant of selection of a hotel to stay. This implies that non-classified hotel managers should aim getting the right kind of staff with the required training to ensure professional delivery of service to guests.

#### 4.7.5 Importance of Room Security as Defined by Guests

Research findings also revealed that business guests in Mtwapa consider room security as an important issue in their hotel choice. As shown in Table 4.16, 74.1% of the total guests who were sampled considered room security as an important determinant of the hotel to be selected.

**Table 4.16 Guests Perception of Room Security Importance**

<b>Importance level</b>	<b>Frequency</b>	<b>Percentage</b>
Unsure	1	.4
Important	72	25.5
Very important	209	74.1
<b>Total</b>	<b>282</b>	<b>100.0</b>

No guests would like to visit a hotel where there is no security. It is generally important in assuring guests safety and security of their property as well as their own selves. This supports the research findings by Chu and Choi (2000) who found that business guests stressed their security as well as that of their property in making their hotel choices. The implication to hotel managers is to put up the necessary measures to ensure high security to guests and their property. This may be provided perhaps through ensuring working locks for doors and windows and also providing security patrols throughout the hotel. A security check at the entrance is also an important measure which could be put in place towards achieving a secure environment in the hotel.

#### 4.7.6 Analysis of Variance of Selection Factors

The study found out that all the factors listed in Table 4.17 were important to business guests when they are making a choice of non-classified hotel. Hotel guests needed quality hotel products ranging from room facilities, restaurant services, staff and customer services among other aspects. Quality accommodation product determines patronage by guests and hence customer loyalty. If these non-classified hotels provide quality products and services, this enhances guest satisfaction. Total quality is important and should always be stressed. This includes the cleanliness of the whole hotel and rooms, professionalism displayed by the staff, meals at the restaurant, security, room facilities among others.

**Table 4.17 Two-way ANOVA of Hotel Selection Determinants**

<b>Determinant</b>	<b>F-statistic</b>	<b>Significance (P- value)</b>
Hotel location	8.139	.000
General hygiene	8.896	.000
Staff professionalism	12.175	.000
Security	4.077	.007
Recognition of return guests	14.693	.000
Speed of guest service	5.674	.001
Room comfort	18.927	.000
Smoking areas	7.479	.000
Meals served	15.603	.000
Business services	2.460	.063

The study identified comfort of guest rooms which includes room facilities such as the mattress, pillow, bathroom and so on, as the most outstanding selection factor. This determinant had a calculated F-statistic of 18.927 as compared to the tabulated statistic of 23.412. This can be explained by the fact that the guest room is the most private place for the guests in a hotel and they expect the highest comfortability possible, just as they do at their homes.

The other important selection factor for business guests was meal service in the restaurant, with an F-statistic of 15.603 as compared to the tabulated statistic of 23.412. Guests expected good quality food items, variety and also speedy service in the restaurants. They were traveling for work related purposes which means their stay was scheduled and therefore had no time to waste. The least important selection factor identified by the study was availability of business support facilities and services with an F-statistic of 2.460 as compared to the tabulated statistic of 23.412. Such aspects such as availability of secretarial services and internet were not of great importance to them. This can be associated with the advancement of technology where business guests carry with themselves laptops and internet modems. The second least important selection factor was security with a calculated F-statistic of 4.077. This included the destination security and security of guests and their property. This was of less concern to business guests and could be linked to that guests assume security is available by the fact that the premises are operating.

#### **4.7.7 Generalized Multiple Regression Line of Dependent and Independent Variables**

The study had a single dependent variable and multiple independent variables; hence, multiple regression was adopted. The dependent variable (hotel selection and satisfaction) was presumed to be a function of many independent variables (Kothari, 2008), that is, location of the hotel, prices charged, cleanliness among others. Multiple regression attempted to determine whether these group of variables together predicted the dependent variable. This explained the variation of the dependent variable, which is guest hotel selection and satisfaction with the accommodation product provided, and various independent variables such as location and accessibility of the hotel, the core product provided, hygiene and cleanliness, prices, customer service, consistency of standards etc. The required regression line was of the form:

$$Y = \alpha_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \mu$$

This was fitted by use of the independent factors which were: location & accessibility ( $X_1$ ), core product provided ( $X_2$ ), hygiene and cleanliness ( $X_3$ ), prices ( $X_4$ ), customer service and consistency of standards ( $X_5$ ) with their respective co-efficient. Table 4.18 shows the extracted standardized coefficients of beta for fitting the regression line with ‘Y’ being the dependent variable of satisfaction and selection factors.

**Table 4.18 Regression Coefficients<sup>a</sup> of Variables**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.(P-value)
		B	Std. Error	Beta		
1	(Constant)	2.016	.585		3.446	.001
	Location of hotel	-.075	.109	-.045	-.688	.492
	Core product	.131	.064	.131	2.066	.040
	Hygiene & cleanliness	.127	.088	.101	1.453	.147
	Prices	-.072	.053	-.092	-1.358	.176
	Customer service	-.092	.071	-.081	-1.302	.194

Therefore the regression line took the form of:

$$Y = 2.016 - 0.045X_1 + 0.131X_2 + 0.101X_3 - 0.092X_4 - 0.081X_5 + \mu$$

The implication of the substituted equation from Table 4.17 was that all these factors contributed towards selection and satisfaction of business guests by the hotel products provided. The first in contribution was the core product provided, hygiene and cleanliness, value for money, customer service and location in that order. This line had the implication that for a factor to satisfy and be selected by the hotel client it must have met the threshold value of 2.016, with 2 being the dissatisfied value ranking.

## 4.8 Future Expectations on Accommodation Products by Business Guests

### 4.8.1 Guests' Future Expectations on Hygiene and Cleanliness

The study revealed that business guests were not satisfied with the level of hygiene and cleanliness in non-classified hotels in Mtwapa town. As shown in Table 4.19 below, 71% of the guests who were sampled suggested that hoteliers in Mtwapa town should 'highly improve' on hygiene.

**Table 4.19 Hygiene & Cleanliness Expectations by Guests**

<b>Expectation</b>	<b>Frequency</b>	<b>Percentage</b>
Maintain	10	3.5
Improve	72	25.5
Highly improve	200	71.0
<b>Total</b>	<b>282</b>	<b>100.0</b>

The implication is that the management of non-classified hotels in Mtwapa need to improve on cleanliness and general hygiene. Hoteliers in Mtwapa should look into this important issue in order to achieve guest satisfaction. With high standards of cleanliness and general hygiene, business guests will be willing to come back again and also recommend the facility to friends and relatives. Cleanliness and hygiene is of great importance and concern to hotel guests. Hence, this is a very important aspect of the accommodation product which the management of these hotels should give a clear emphasis.



#### 4.8.2 Guests Future Expectations on Restaurant Service

The research also found out that business guests of non-classified hotels in Mtwapa needed the hoteliers to ‘improve’ restaurant services. The level of satisfaction with restaurant services was low and only 12.4% of the respondents considered them satisfactory, therefore suggested to be ‘maintained’. About 61% of the respondents considered that restaurant services needed to be ‘improved’ and another 26.6% indicated these services needed to be ‘highly improved’. This is presented in Table 4.20.

**Table 4.20 Restaurant Service Expectations by Guests**

<b>Expectation</b>	<b>Frequency</b>	<b>Percentage</b>
Maintain	35	12.4
Improve	172	61.0
Highly improve	75	26.6
<b>Total</b>	<b>282</b>	<b>100.0</b>

The level of restaurant service in non-classified hotels in Mtwapa town was below the required standard. The quality of food served, the varieties available and the speed of service were some of the concerns from the guests. The future expectation of business guests is to receive quality restaurant service. This ranges from the food prepared, the equipment used in service to the actual serving.

Food service is an important aspect of the accommodation product and hoteliers should strive to achieve guest satisfaction with this. As outlined by Claver *et al.*, (2006), an understanding of the attributes which will enhance compliments or will result into complains is important for the management to improve overall business guests' satisfaction and ensure loyalty. Restaurant service is one of the elements of the hotel product which high quality enhances compliments and poor quality elicits a lot of complains. Business guests expect non-classified hotels in Mtwapa town to improve on this aspect.

#### **4.8.3 Future Expectations on Staff and Customer Service by Guests**

Another important finding revealed by this research is about staff and customer service. Business guests of non-classified hotels in Mtwapa town were not satisfied with the hotel staff and the level of customer service rendered. As shown in Table 4.21, 64.2% of the respondents suggested that the hoteliers in Mtwapa town should 'improve' on the level of customer service. About 29.4% of the respondents were of the view that customer services needed to be 'highly improved'.

**Table 4.21 Staff and Customer Service Expectations by Guests**

<b>Expectation</b>	<b>Frequency</b>	<b>Percentage</b>
Maintain	18	6.4
Improve	181	64.2
Highly improve	83	29.4
<b>Total</b>	<b>282</b>	<b>100.0</b>

Staff issues range from staff uniforms, staff cleanliness, courtesy, skills, among others. Guests were not satisfied with these aspects at all. The research also observed that some hotels' staff were not uniformed and were unkempt. Therefore, there is need for non-rated hotels to improve on staff and service delivery in the future if they are to meet guest expectations. As Han, Back and Barret (2009) found out, the physical appearance of hotel personnel is an element which guests use to judge the quality of a hotel product. Wu and Liang(2009) also had the same finding. According to Lockyer (2002), items relating to staff, such as courtesy, politeness, good manners, enthusiasm, commitment of staff and efficiency are important elements.

#### **4.8.4 Future Guests Expectations on Accessibility**

The study found out that a large percentage of the respondents were satisfied with accessibility of the hotels in Mtwapa town. As depicted in Table 4.22 below, 75.2% of the respondents said that the hotels were accessible in relation to their location.

**Table 4.22 Accessibility Expectations by Guests**

<b>Expectation</b>	<b>Frequency</b>	<b>Percentage</b>
Maintain	212	75.2
Improve	58	20.6
Highly improve	12	4.3
<b>Total</b>	<b>282</b>	<b>100.0</b>

The research revealed that this attribute met expectations of most of the respondents. Accessibility of the non-classified hotels in Mtwapa was found to be satisfactory to business guests, owing to the factor that almost all of them were within Mtwapa town. Most of them were located near the main Mombasa-Malindi highway. This was a very important factor to business guests as they got very little time and hence convenience is critical. As Lockyer (2002) found out, convenient and accessible location is important to business guests. Business guests also may need other services that are not provided by these non-classified hotels. For example, internet services, hence location of the facility in relation to these services is of definite importance.

#### **4.8.5 Guests Future Expectations on Prices**

It was revealed by this research that a large percentage of the respondents considered the prices of various non-classified hotel products in Mtwapa town to be fair. As Table 4.23 shows, about 57.4% rated the prices to be comensurating with the products. Only 13.2% of the respondents indicated that the prices should be reviewed in the future.

**Table 4.23 Price Expectations**

<b>Expectation</b>	<b>Frequency</b>	<b>Percentage</b>
Flexible	83	29.4
Fair	162	57.4
Improve	37	13.2
<b>Total</b>	<b>282</b>	<b>100.0</b>

Business guests need to see in the future prices which are comensurating with their expected quality. If the prices charged by these non-classified hotels conform to guest expectation in relation to the accommodation product provided, then their level of satisfaction will definitely improve. As per the findings of Clow, Garretson and Kurtz (1994), McCleary, Weaver and Hutchinson (1993) and Yavas and Babakus (2005), price is one of the important factors which contribute to guest experience, hence their future intention to return.

To validate the future requirements of the hotel clients', mean value was used as a measure of central tendency, as shown in Table 4.24. The research findings revealed that hygiene and service quality standards, with a scale of 3, required the highest level of improvement.

**Table 4.24 Descriptive Statistics of Future Requirement of Accommodation Products**

	Accessibility & surrounding requirement	Restaurant service requirement	Business Support facilities requirement	Bedroom Facilities requirement	Hygeine & quality standards requirement	Prices requirement	Staff & customer Service requirement
N Valid	282	282	282	282	282	282	282
Mean	2.00	2.00	2.00	2.00	3.00	2.00	2.00
Skewness	-.030	.016	.287	-.372	-.777	-.005	.081
Std. Error of Skewness	.145	.145	.145	.145	.145	.145	.145
Kurtosis	-1.312	-.129	.549	-.828	-.414	.122	.885
Std. Error of Kurtosis	.289	.289	.289	.289	.289	.289	.289

The study revealed that hygiene and cleanliness needed to be ‘highly improved’ with a mean rating of 3. Most of the respondents felt that hoteliers in Mtwapa town were not doing enough concerning hygiene and cleanliness, hence their expectations in future is improvement.

The research also found that business guests of non-classified hotels in Mtwapa needed the hotels to ‘improve’ restaurant services, which had a mean rating of 2. This implies that the mean requirement exceeded the ranking of ‘improve’. It had a positive value of greater than one. Another important finding is about staff and customer service. Business

guests of non-classified hotels in Mtwapa town were not satisfied with the hotel staff and the level of customer service rendered, with a mean rating of 2. Hence, hoteliers should look at this in order to enhance guest experience.

However, it was found that some determinants had negatively skewed values of less than one. These were hotel accessibility & surrounding requirement and the prices charged. This means that the mean rank was less than scale 2, that is, improve. Most business guests were satisfied with the location of these non-classified hotels. The prices charged by non-classified hotels in Mtwapa town had also a negatively skewed value which meant that majority of the clients rated the prices to be fair in the context of cheapness and affordability.

## CHAPTER FIVE

### 5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter provides a summary of the study. It also gives recommendations on the various issues handled in the study.

#### 5.2 Summary of Research Findings

The study found that most business guests who visit non-classified hotels in Mtwapa town were youth with a mean age of 35 years. This could be associated with the liveliness of the research location. The findings also revealed that most business guests to these hotels came from within Kenya, with a small percentage from other countries. This perhaps could be linked with the size of the hotels and the fact that they are not well known since they are not classified. These are small hotels and guesthouses which provide accommodation at affordable rates as compared to the classified hotels. The research findings also showed that there was a close link between the distance between origin of guests and the frequency of visits. Guests who were at close proximity to the hotels visited more frequently than those who came from far areas.

The study further found out that business guests were generally dissatisfied with the accommodation products provided by non-classified hotels in Mtwapa town. Almost all the elements of guest satisfaction were rated poorly. Areas such as staff performance, hygiene and cleanliness, security, restaurant services, housekeeping services and facilities among others were of below guest expectations. Business guests revealed that when they were selecting hotel accommodation, all these factors were very important to them. Either



they considered these factors based on past experience or word-of-mouth from their friends and relatives.

The most outstanding determinant to selection of non-classified hotels in Mtwapa town by business guests was found to be guestroom comfortability, which included such aspects as the quality of mattress, pillow and other guestroom facilities. The second important was found to be restaurant services, which included aspects such as meals served in the restaurant and the quality of the service offered in these restaurants. The least important determinant was revealed to be the availability of business support services such as secretarial services.

The research also revealed that business guests expected improvement on the quality of accommodation products provided by non-classified hotels in Mtwapa town. Such aspects as hygiene and cleanliness, staff performance and customer service needed improvement. However, business guests were satisfied with location and accessibility of these hotels and the prices charged, hence these needed less effort to improve on them.

### **5.3 Conclusions**

Non-classified hotels' accommodation products in Mtwapa town were found to be unsatisfactory to guests' expectations. The levels of cleanliness, comfort of the guest bedroom and restaurant services were some of the attributes which did not meet guest needs. Although the prices charged for the various products was found to be fair from the guests' perspective. These hotels should strive to meet the expectations of the business guests they accommodate for increased patronage from them and their friends. Provision

of clean and hygienic facilities, well trained staff, quality services and products in the restaurant, quality housekeeping facilities among others is the backbone of guest satisfaction. These are the future expectations of business guests of these Mtwapa town's hotels. This will assist them in making a good name for themselves, especially in the Kenyan market where they drew a big percentage of their clients.

#### **5.4 Recommendations from the Study**

The recommendation of the study was that non-classified hotels in Mtwapa town should aim to provide quality hotel products which meet guest expectations in order to achieve customer satisfaction. Guests pointed out that in future they expect to see better services and accommodation product. Non-classified hotel managers should strive to improve various aspects of their hotel product which were perceived by guests not to meet their expectations. These included such aspects as restaurant services. The kind and variety of food items available, the way guests are handled in the restaurant among other issues needs to be improved. Another aspect which needed improvement is the level of customer service rendered. Aspects such as handling customer inquiries and problems are included here. This can also be achieved through staff training and motivation.

Guests were fairly happy with the prices charged by these hotels and hence said the prices should match the quality of product and facilities provided. Hotel managers also need to ensure that they provide a clean and hygienic environment for their guests. This includes cleanliness in all the areas of the hotel, hygienic food handlers and clean equipments. If all these recommendations are implemented by the management of these non-classified hotels, occupancy will definitely go up. This will be due to increased

patronage by guests and first time visits through word of mouth, eventually leading to increased revenues.

#### **5.4 Recommendations for Further Research**

This study recommends further research in this area to establish:

- i) The level of training of staff in non-classified hotels and how it affects guest satisfaction.
- ii) Whether there is a difference in expectations among guests of non-classified and classified hotels.
- iii) The satisfaction levels of business guests in classified hotels.

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## **7.0 APPENDICES**

### **7.1 Appendix I: Respondents' Informed Consent**

Dear Respondent,

The researcher is a Kenyatta University post graduate student. This research will be beneficial for his academic work as well as you as a business hotel guest in obtaining quality products from hotels and hence your satisfaction.

This questionnaire is divided into four parts. Part I requires you to give your personal details while the other three parts requires you to give your opinion on various issues. The questions in part II and III are in a likert scale where you will tick the most appropriate. In Part IV you are required to give your future expectations. Kindly ensure that you answer all the questions. The information gathered will be used solely for academic purpose and will be treated with strict confidentiality

Thank you in advance for your co-operation.

Alex Kivuva.



**PART B- PAST EXPERIENCE AND SATISFACTION WITH NON-CLASSIFIED HOTELS (FOR REPEAT GUESTS)**

Kindly rate the following aspects as per your previous experience with accommodation products.

**Key:** 1. Very dissatisfied 2. Dissatisfied 3. Neutral 4. Satisfied 5. Very satisfied

STATEMENT	RATING				
	1	2	3	4	5
1. Location of the hotel/convenience					
2. Value for money					
3. Hotel design/layout, design and look of guest bedrooms					
4. General hygiene and cleanliness					
5. Professionalism of staff(training, friendliness, courtesy, appearance)					
6. Accommodation and service standards					
7. Provision of smoking and non-smoking areas					
8. Security in rooms, guest security and safety					
9. Recognition of returning guests					
10. Service responsiveness					
11. Speed of guest service					
12. Meals served at the restaurant					
13. Comfortable mattress and pillow					

14. Comfortable and attractive environment and setting					
15. Adequate furniture provided in the room					
16. Size and interior of guest bedrooms (floor, windows, furniture, ceiling, shower, bathroom)					
18. Business support services (internet services, telephone, fax machine etc)					
19. Conference facilities provided (conference rooms, projectors, microphones etc)					

### **PART III- DETERMINANTS OF CHOICE OF HOTEL**

Kindly rate the importance of the following aspects of hotel accommodation when you are selecting a hotel.

**Key:** 1. Strongly unimportant 2. Unimportant 3. Unsure 4. Important 5. Strongly important

STATEMENT	RATINGS				
	1	2	3	4	5
1. Location of the hotel/convenience					
2. Value for money					
3. Hotel design/layout, design and look of guest bedrooms					
4. General hygiene and cleanliness					

5. Professionalism of staff(training, friendliness, courtesy, appearance)					
6. Security in rooms, guest security and safety					
7. Size and interior of guest bedrooms(floor, windows, furniture, ceiling, shower, bathroom)					
8. Comfortable and attractive environment and setting					
9. Recognition of returning guests					
10.Flexibility of products provided/service responsiveness					
11.Speed of guest service					
12. Comfortability of mattress and pillow					
13.Accommodation and service standards					
14.Provision of smoking and non-smoking areas					
15. Adequate furniture in the rooms					
16. Meals served at the restaurant					
18. Availability of business support services(internet, telephones, secretariat, faxes, etc)					
19. Availability of conference facilities(conference rooms, projectors, microphones etc)					

**PART IV- FUTURE EXPECTATIONS ON THE HOTEL PRODUCT**

Kindly indicate your future expectations as a business guest in a non-rated hotel in relation to the following aspects.

1. Staff and Customer service \_\_\_\_\_

2. Prices \_\_\_\_\_

3. Hygiene and quality standards \_\_\_\_\_

4. Bedroom facilities and Guest security \_\_\_\_\_

5. Business support and Conference facilities \_\_\_\_\_

6. Restaurant services \_\_\_\_\_

7. Accessibility and the Surrounding environment \_\_\_\_\_

**7.2 Appendix III: A list of Non-Classified Hotels in Mtwapa Town as at April 2012**

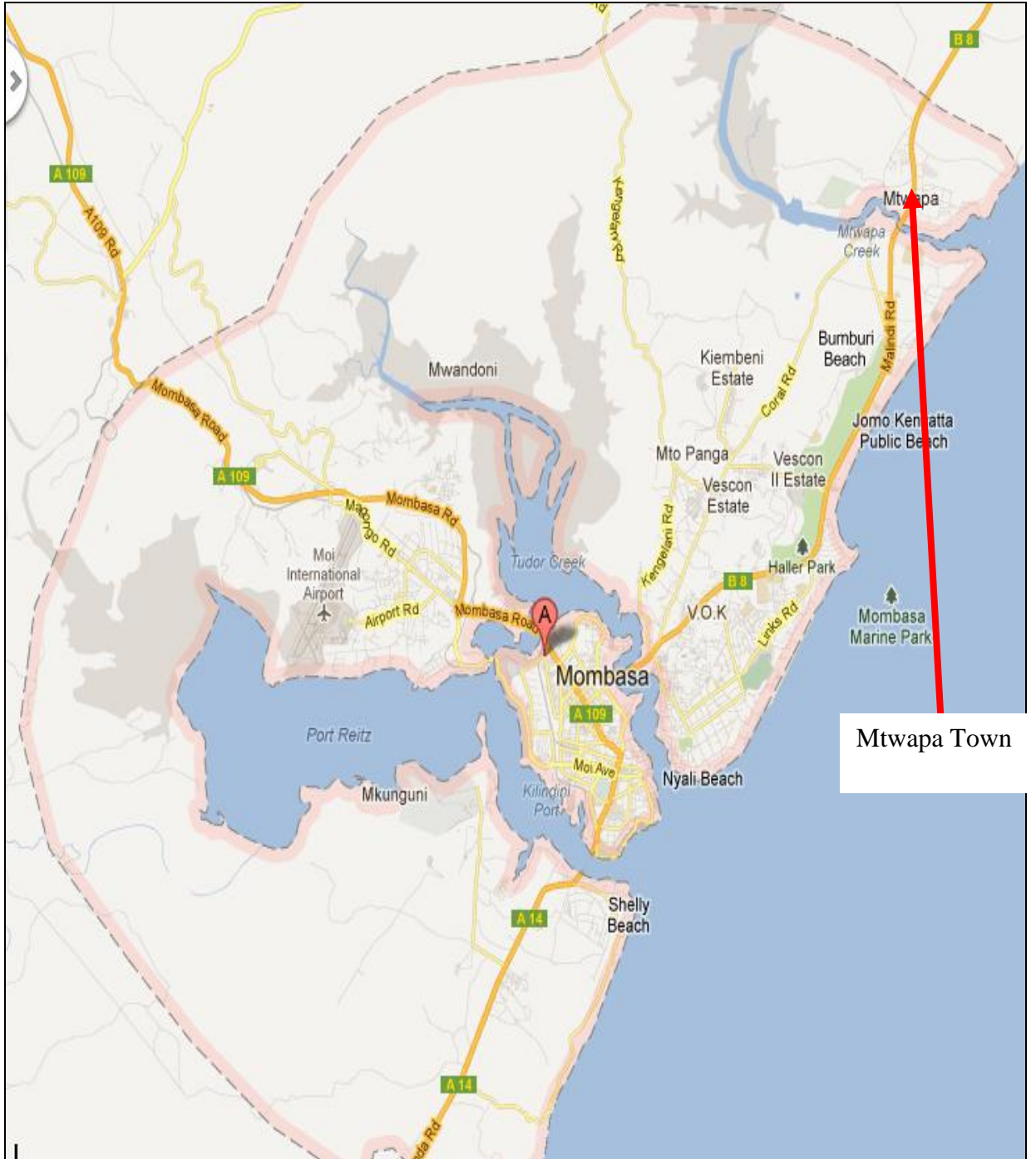
1. Danpark Hotel & Apartments
2. Zagota Hotel & Resort (ZHR)
3. Hibiscus Lodge
4. Beaumont Holiday Resort
5. Kamanyira Arcade Guesthouse
6. Hotel Basilea
7. Haven Hotel & Apartments
8. Elite Connect Hotel
9. Hotel Kumbe
10. Ogalis K. Coast Hotel
11. Lambada Holiday Resort
12. Kendas Village Hotel
13. Kendas Arcade Hotel
14. Bridge View Safari Lodge
15. Kerstins Hotel & Apartments
16. Animo Bush Resort
17. Nyati Viewpoint Hotel
18. Greenwood Hotel
19. Hotel Georgias
20. Comfort Inn
21. Hotel la Costa
22. Hotel Titana & Club

23. Thika Hotel, Bar & Restaurant
24. Prestige Holiday Resort & Apartments
25. East Gate Guesthouse

*(Source: Kilifi County Council Reports as at December 2011)*



### 7.3 Appendix IV: Map Showing Mtwapa Town



**Appendix V: Letter of Approval**

**Appendix VI: Table of Statistics**