

**CUSTOMER RETENTION STRATEGIES AND HOTEL PERFORMANCE
IN CLASSIFIED HOTELS IN MOMBASA COUNTY, KENYA**

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DECLARATION

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

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DEDICATION

I dedicate this work to my beloved husband Kennedy, my sons; Tonny and Erick

You are my inspiration.

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I thank the almighty God for sufficient grace and mercy upon my life to accomplish this work. Secondly, special thanks to my supervisors Dr. Antony Pepela and Alex Kivuva for their superb guidance and encouragement to make certain this thesis comes to completion. Special gratitude to Dr. Ruth Kimaiga, your support has been invaluable and much appreciated.

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ABBREVIATIONS AND ACRONYMS

CH	- Classified Hotels
CR	-Customer Retention
GDP	- Gross Domestic Product
KAHC	-Kenya Association of Hotel keepers and Caterers
KNBS	- Kenya National Bureau of Statistics
MMR	-Moderated Multiple Regression
NACOSTI	- National Commission of Science, Technology, and Innovation
P	- Probability Significance
PERAK	- Pubs, Entertainment and Restaurants Association of Kenya
R	- Correlation Coefficient
R²	- Coefficient of Determination
RM	- Relationship Marketing
SD	- Standard Deviation
SE	- Standard Error
SPSS	- Statistical Packages for Social Sciences
TRA	- Tourism Regulatory Authority.
UNWTO	- United Nations World Tourism Organization
WTO	- World Tourism Organization

OPERATIONAL DEFINITIONS

- Classified hotels:** are all-star rated hotels that are approved and accredited by the Tourism Regulatory Authority (TRA).
- Communication:** is the relaying and receiving of useful information to promote customer satisfaction and loyalty.
- Customer retention strategies:** refers to the average check or the total activities that hotels undertake to elongate customers' stay in the hotel over a specified period.
- Customer service:** refers to the provision of quality services to ensure good customer reception on arrival, memorable experience, and customer satisfaction.
- Hotel performance:** is the capability of hotels to be viable in upholding customer commendation, bed nights per visit, visitation rates, and gaining a competitive advantage against competitors.
- Occupancy level:** refers to one of the determinants of exemplarily hotel performance in terms of beds occupied within a specific period.
- Relationship marketing:** involves encouraging good customer relationships with the hotel by understanding customer needs, hence satisfaction and loyalty.
- Service integrity:** entails upholding professionalism by ensuring consistency of value and quality of services and products during service delivery.

ABSTRACT

Customer retention has been found to accrue many benefits in the hospitality sector. However, it has become increasingly challenging for hotels to assume there is a constant customer base. Therefore, there was a need for assessing Customer retention strategies and hotel performance in classified hotels in Mombasa County. This study sought to establish the influence of customer service on hotel performance in classified hotels; determine the effect of service, integrity on hotel performance in classified hotels; assess the influence of communication on hotel performance in classified hotels, and determine the moderating effect of relationship marketing on hotel performance in Mombasa County. To gain a deeper insight, the study used Customer service theory and Customer satisfaction theory. The research was conducted in 4, 3, and 2-star ratings, hotels in Mombasa County, Kenya. A descriptive survey research design using a survey approach was used and a sample size of 384 respondents was targeted from 15 classified hotels. Sampling techniques included Stratified technique for the 15 classified hotels and Simple random for the customers in proportion to the number of hotels and Purposive for Food and Beverage Managers. Data was assembled using semi-structured questionnaires from 375 customers and interview schedules from 15 Food and Beverage Managers of the 4- star, 3- star, and 2-star hotels. Cronbach Alpha coefficient test of 70% alpha coefficient was used to gauge the internal reliability of the constructs. Quantitative and Qualitative data analyses were functional in the study. Qualitative data were analyzed to yield numeric data and presented using manual content analysis. Quantitative data were analysed using descriptive statistics such as mean, percentages, and standard deviation. Pie charts, bar graphs, and tables were used for data presentation. Linear and Multiple regression analyses were used to determine the relationship and test the null hypothesis. The results disclosed that Customer retention strategies and hotel performance were interrelated. Based on this outcome, the study concluded that Customer Service had a statistically significant effect on hotel performance ($R=0.729$; $P=0.00$); Service Integrity had a statistically significant effect on hotel performance ($R=0.420$; $P=0.007$) and Communication had a statistically significant effect on hotel performance ($R=0.795$; $P=0.00$) and, Relationship Marketing had a statistically significant moderating effect on hotel performance ($R=0.835$; $P=0.00$). Therefore, the study recommends that the various organizations under the Ministry of Tourism such as TRA, KAHCC, and PERAK to come up with policies and guidelines on how hotels' can accord good reception on arrival and promote value and worth for the services and products offered in their sectors. Further, classified hotel managers to explore approaches on how hotel staff should listen to customers' suggestions, promote staff and customer interactions through the internet, staff training, and enhance customers advertising the hotel through word-of-mouth, which will lead to standardizing customer service, loyalty, return customers, hence higher visitation rates, and increased bed nights per visit, customer commendation, and competitive edge.

CHAPTER ONE

INTRODUCTION

1.1 Introduction

The chapter highlights the study background, problem statement, study objectives, hypotheses, and significance of the study, conceptual framework, delimitations, and shortcomings.

1.2 Background of the Study

Customer retention (CR) is an integrated approach, which incorporates marketing, field support, sales, customer service, and other aspects that affect customers (Xu, 2002), intending to enhance the profitability for organizations that seek to advance (Hunt, 2014). The same applies to those that shield their organizations from fluctuating market shrinkage because of a dynamic economy (Gee, 2014). Sasser (2016) suggests that retaining an existing customer is cheaper in the long run than gaining a new customer whose acquisition costs are five times higher, as it has become challenging for firms to imagine that there exists a constant customer foundation.

According to Dominici and Guzzo (2010), success in the market can be achieved by implementing policies geared towards customer satisfaction and loyalty rather than attracting new customers. To foster customer satisfaction, loyalty, and profitability, the hotels should concentrate on exploring CR strategies that aim to find, collect and capture the right information, evaluate and pass it on to the organization (Goyal, 2014). While the business environment is continually becoming dynamic and information-driven, more and more enterprises seek out management strategists to evaluate their performances. Performance can be measured based on a precise objective that is realistic and achievable (Bell, 2015). As such, the objectives that assist them in choosing the best strategies are necessary. Globally, the hotel industry has grown

phenomenally in the last ten years, with an annual growth rate of 6% (WTO, 2016), thanks to an increase in the number of customer flows. This is besides significantly contributing to foreign exchange earnings, enhanced economic growth, and development of many countries (Ivanov & Webster, 2017).

In Kenya, the hotel industry is among the leading sectors with the highest growth, contributing to the Gross Domestic Product of 15.7% (KNBS, 2018). By the year 2014, the total contribution of travel and tourism to job creation promptly anchored by the industry was (543,500 jobs) which was 9.2% of total employment. This was presumed to hike by 1.5% in the year 2015 to 552,000 jobs and ascent to 732,000 jobs by the year 2025, which is a rise of 2.9% per annum, (KNBS, 2017).

The widespread ascent in the country's economy and secure customers' earnings of US\$286, 000 in the year 2002 to US\$855 million in the year 2017 have resulted in the extension and developments of hotels in Kenya. The expansion has been occasioned by insistent advertisement in the domestic and international markets, which saw the number of hotel bed-nights occupancy rise by 9.7 % from 2015 to 2017. This rebound was mainly occasioned by an increase of local conferences by 17.4% from 3,199 in 2015 to 3,755 in 2016, and an increase of international conferences by 4.1% from 218 in 2015 to 227 in 2017, (figure1.1).

Unlike the general national performance of the industry, the coastal region of Kenya, the country's main customer's hub has faced fluctuation in occupancy rates (KNBS, 2018). While in 2010, 3634 beds were available, the number decreased to 3,083 by 2015. While the occupancy levels were low at 43.4% in 2010, the rates increased tremendously to 50.1% by 2011. However, the region experienced a dip in 2012, occasioned by cases of insecurity in the region (figure 1.1).

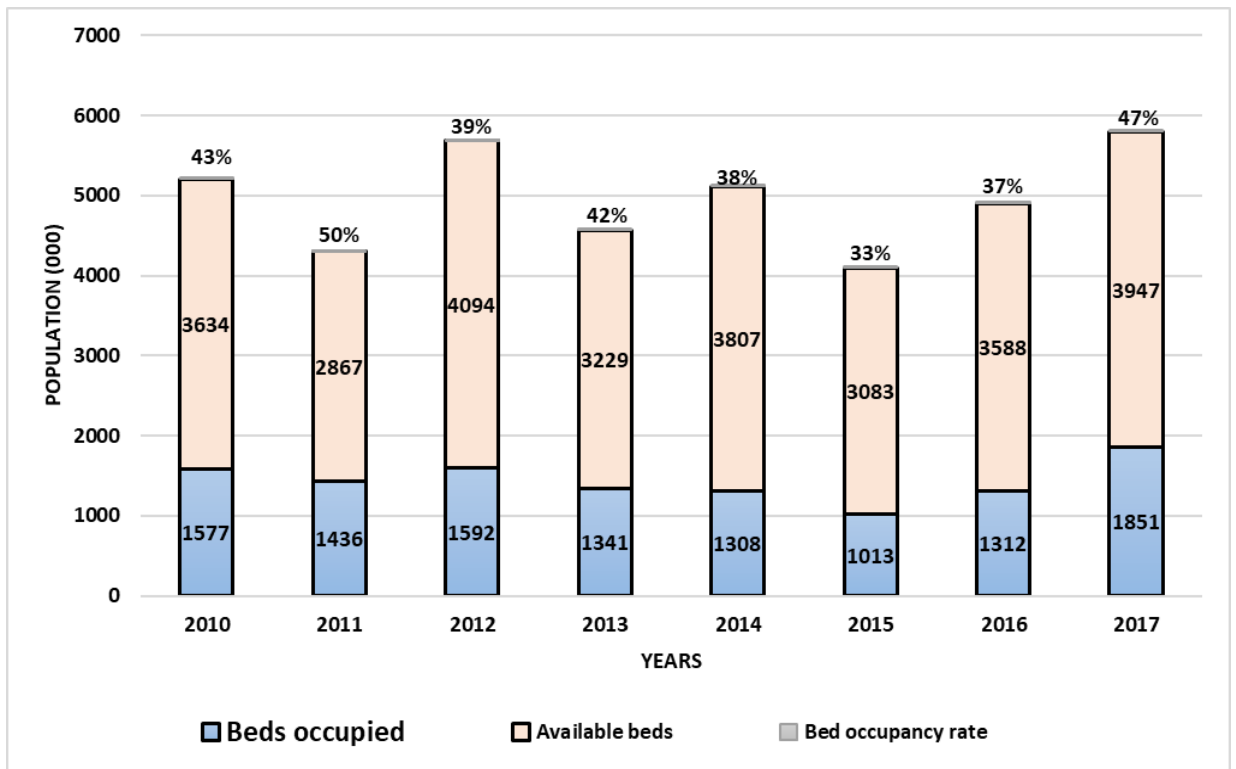


Figure 1.1: Hotel beds occupied and available at Mombasa county, 2010- 2017 (000)

Source: (KNBS 2018 report)

1.3 Problem Statement

Though much effort has been made to market Kenya as a destination of choice, the number of customers has been fluctuating especially for the coastal region (KNBS, 2018). These customers constitute of both new and return guests, majority of who are hosted in the hotels. Since return customers take the greatest proportion of arrivals to a destination, a factor that determines the hotels' performance, it was unclear whether customer retention strategies were in place in classified hotels and whether they could influence exemplary hotel performance. Globally, many studies regarding customer retention strategies have been made (Sim, 2006) (Jasinsken, 2016, 2016), (Syaqwalo, 2014), (Khan, 2013), (Deng, Yeh, & Sung, 2013), (Fazul, 2009), (Kishna & Yurt,

2012). While Sim (2006), Jasinsken (2016) & Syaqwalo (2014) concentrated on the consequences of CR in various hotels in Europe and Asia, Fazul (2009) found out that attitudes and motivations influenced customer retention in Dubai hotels. On the other hand, Deng, et. Al. (2013) found that customer retention could increase the present net value in a firm. Locally, Soita (2016) researched CR strategies used by internet service providers concerning hotel performance in Kenya while Kimutai (2015) carried out a study on the factors influencing customer retention among hotels utilizing mobile telephone services in Kenya.

The majority of these studies were executed in Asia, Europe, and the United States of America. The studies conducted in Kenya focussed on banking, mobile telecommunications, and very few in the hospitality sector in the form of case studies thereby making generalization difficult. This study sought to assess the influence of CR strategies on hotel performance in classified hotels in Mombasa County, Kenya.

1.4 Purpose of the Study

The purpose of the study was to assess the influence of CR strategies on hotel performance in classified hotels in Mombasa County, Kenya.

1.4.1 Objectives of the Study

1.4.2 General Objective

The study sought to examine the influence of CR strategies used in classified hotels in Mombasa County on hotel performance with a view of providing baseline information that would be instrumental in formulating market-driven initiatives in the hotels based on customer needs.

1.4.3 Specific Objectives

The study was guided by the following specific objectives.

1. To establish the influence of customer service on hotel performance in classified hotels in Mombasa County, Kenya.
2. To determine the effect of service integrity on hotel performance in classified hotels in Mombasa County, Kenya
3. To assess the influence of communication on hotel performance in classified hotels in Mombasa County, Kenya.
4. To determine the moderating effect of relationship marketing on hotel performance in classified hotels in Mombasa County, Kenya

1.5 Research Hypotheses

The study sought to test the following research hypotheses:

H₀₁ There is no significant relationship between Customer Service and Hotel performance in classified hotels in Mombasa County.

H₀₂ There is no significant relationship between Service Integrity and Hotel performance in classified hotels in Mombasa County.

H₀₃ There is no significant relationship between Communication and Hotel performance in classified hotels in Mombasa County.

H₀₄ There is no significant relationship of the moderating effect of Relationship marketing on Hotel performance in classified hotel performance.

1.6 Significance of the Study

This study's main objective was to provide the policymakers or the management within the Hospitality industry with relevant information to make logical and well-grounded facts to strategically position them in the competitive business environment. Entrepreneurs may equally review their CR strategies and gear them towards improved

visitation rates, bed nights per visit, customer commendation, and competitive advantage.

The research intended to assist the National government and county government to address challenges of performance in hotels. Hospitality institutions may embrace the study findings as a guideline to equip learners to become efficient future managers, supervisors, and workers in the hospitality industry, by ensuring that they are enlightened with the customer requirements. Furthermore, it offers avenues for future research for academicians.

1.7 Delimitations of the Study

The study specifically focused on 4, 3 and 2 stars classified hotels in Mombasa County and exempted non-classified hotels. It also exempted other hotels outside Mombasa County, hence not a true representation of all hotels in Kenya.

1.8 Limitation of the Study

The study encountered the following challenge; Managers in the hotels were not comfortable with customers filling in the questionnaires, this challenge was overcome by explaining to the managers the purpose and the benefits of the study findings to the classified hotels and the hospitality industry in general.

1.9 Conceptual Framework

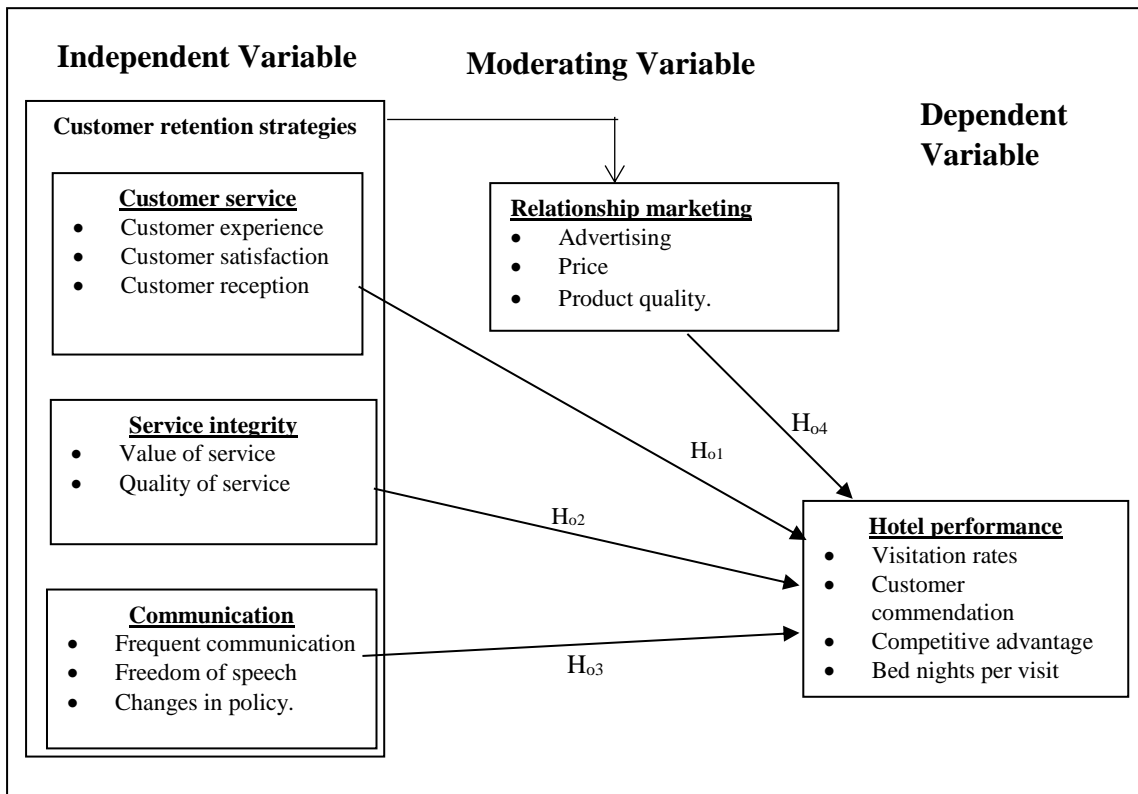


Figure 1.2 Conceptual Framework on the Interconnection between the study variables

Source: Author (2018)

The conceptual framework (figure 1.2) displays the interdependence between independent, moderating, and outcome variables. The independent variable in this study is the CR strategy determinants and is made up of sub-variables: customer service, service integrity, and communication. The interconnection between the independent variable and the dependent variable (hotel performance) might be moderated by advertisement, price, and product quality.

Whenever a classified hotel delivers its promises consistently, the customer gets pleasant experiences, becomes satisfied and they attain loyalty hence keeping customers resulting in successful hotel performance. Customer service, service

integrity, and proper communication by the establishment of the services available are likely to influence hotel performance.

Nevertheless, the level of influence is not guaranteed. Relationship marketing might help ensure this in the sense that understanding the customer service's basic principles such as their concerns and comforts, (product quality, price, and advertising) may enable them to become loyal and hence influence hotel performance. However, the types of connections between these variables were not disclosed and the study pursued to find out these.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides a comprehensive review of the literature related to customer retention strategies and hotel performance in establishments and hospitality industries both regionally and worldwide. Related literature has been analyzed to provide an understanding of the research problem. The principal sources of literature comprise internet articles, reviewed journals, and books. This section has been split up into seven parts; CR strategies and hotel performance, customer service and hotel performance, service, integrity and hotel performance, communication and hotel performance, relationship marketing and hotel performance, theoretical framework, and a summary of the literature review.

2.2 Customer Retention Strategies and Hotel Performance

Customer retention refers to the connection between a customer and an establishment, which continues for a very long time. Alternatively, it refers to channeling attention to current customers to pursue business with them (Mostert, Meyer & Rensbury, 2009). Berry and Parasuraman (1991) recommended a framework for customer retention approaches, which emphasized three levels; provision of financial incentives to customers, the provision of both financial and social incentives, and offering customized services. However, Zeithalm and Binter (2013) proposed that in certain scenarios, it is usually not the inability of the establishments to lose customers, but the agitation of the customer to switch to other establishments so as not to miss emerging trends. Accordingly, Terblanche and Hofmeyr (2005) argue that the most essential instrument to customer retention was the provision of standardized services and products as there was diversification to the instruments.

As stated by Buttle (2009), three gauges of establishing the effectiveness of approaches of enticing customers are worth, expenses, and the number of customers enticed to the organization. The amity of an establishment builds if they can entice and hold on to their customers (Singh, 2006). Weinstein (2012) opines that a model for the customer retention program is imperative to execute five main steps; Establishing the number of customers who have switched off to the competitors and reasons for relocating, hold on targets for the next period, improving on customer devotion, funding a strategy for holding more customers and assessing the holding up strategy. Customer retention is effortless as opposed to acquiring new customers; this is true for both private and public service providers (Mohanti & Das, 2018).

Most of the marketing research pursue practices and encounters of customers, in buying and expenditure, which are based on their own experiences or other customers encounters with the organization on their fulfillment and non-fulfillment of their challenges (Sekuliš, 2016). CR strategies have been depicted, as the foundation for relationship marketing, as much as the definition and evaluation of customer retention vary from organizations to organizations, there seems to be a universal agreement as regards the economic rewards of customer retention strategies (Ang, & Buttle, 2006). Schulz & Omweri (2012) argued that hospitality industries acknowledged that exemplary service quality had its worth and therefore could result in devotion and customer retention and hotels upholding it gained a competitive edge against its similar competitors. It was not clear whether, in the case of Mombasa County classified hotels, customer retention strategies were in place and whether this could influence their performance.

2.3 Customer Service and Hotel Performance

Customer service entails the provision of services or products while the customer is around by relaying relevant information, taking bookings and reservations, and finally accepting payments with the sole intention of attaining good customer satisfaction (Kandampully, 2014). According to Prentice & Loureiro (2017), customer service promotes the realization of competitive advantage hence ensuring an organization safeguards its sales and strengthens its effectiveness; a keystone of hotel performance.

William, Appiah & Botchway (2016) recommends the upholding of customer service approaches since dissatisfied customers would switch to other organizations and further spread negative information by word-of-mouth. Furthermore, the performance of any organization is gauged on how it fulfills enlightened customers. Similarly, Mubiri, Hukkanen, as cited by Kivu & Hotel (2016) asserts that satisfied customers in a specific hotel are more naturally devoted and can equally market the hotel through word-of-mouth; an indicator of hotel performance. Akan's (1995) study revealed that some of the essential aspects of customer satisfaction include; hotel staff conduct, hygiene, and timeliness while rendering services. These are important aspects of customer service.

Furthermore, Eshetie, Seyoum & Ali (2016) include "non-quality cost" and value for money as contributors to quality customer service. While quality customer service would promote the efficiency of the hotel, any service failure or flaws would result in a negative hotel image. Therefore, it is evident that customers are the evaluators of any service rendered and can determine the lifetime value and performance of the organization (Johnson, Clark, and Shulver, 2012). Consequently, Charity & Doris (2018) suggest that hotel owners repackage customer service to entice customers as this may result to repurchase and better commendations hence help improve hotel performance.

A study conducted on the influence of customer service on key indicators of business performance concluded that customer service is a combination of customer resources and organization resources. However, Kandampully (2014) cautions that not all customers would accept a combination of an organization's resources with their viewpoint. Goodman (2009) further indicates that poor service principles could be dangerous to an organization because service delivery can be presumed both subjectively and objectively, therefore proper strategies should be put in place, as there is a rift between customer viewpoint of service quality and the organization resources. Besides, customer satisfaction is an indicator of hotel performance.

A study by Samaan & Abdullah (2016) reported that to redefine customer loyalty and customer's satisfaction, marketers should uphold the hotel's recognition approach that depicts aspects of how the classified hotel can offer a solution to customer's requirements and presumption, the good apprehension of visiting the hotel, and the efficacy of the brand. As such, managers should strive to employ diverse strategies that will tend to cater to customers' viewpoints and presumptions (Al-Khattab & Aldehayyat, 2011).

Customer service is an inarguable aspect of retaining customers, denoting a mastery of customer requirements, tastes, and preferences coupled with the provision of standardized products and services. Lkhantseden & Altanchimeg (2017) believes that outstanding quality service is an indicator of effectiveness in business and customers are the evaluators of service experience hence, the most relevant option is for the service providers to comprehend customer viewpoints and presumptions. Adzoyi, Jan & Honyenuga (2018) argued that to safeguard outstanding hotel performance managers have been compelled to employ unique approaches to entice customers and contentment to products and services. However, customer satisfaction is finite as it is extremely

hectic to measure customer feedback, perceptions, and inner experiences, and only assess pattern encounters (Rather, 2017).

Assessing customer satisfaction has always been a matter of concern for managers worldwide as it dictates hotel performance. Susan's (2017) study findings on the differentiation strategy and impact on hotel performance in Mombasa County in Kenya revealed the significance of exemplary products and services, regular review of customers' requirements as ways of gaining a competitive edge against competitors.

The above studies reveal that it is tricky and complex to achieve perfect customer service consistently, and therefore exemplary hotel performance is not guaranteed. The present study sought to ascertain whether customer services would spontaneously lead to outstanding hotel performance.

2.4 Service Integrity and Hotel Performance

As stated by Gupta (2017), the modern world hotels are approximately on the same level as regards tangible features, however intangible features roused customers most. They comprise; intangible services (personalized service, stun and experience,) and tangible services (furnishing, building, premises, decoration). Service integrity, one of the key components of intangible services, is the creation of a competitive front in the hotel industry by upholding professionalism and sincerity during service delivery to foster customer satisfaction, which promotes loyalty and retention thereby ensuring a competitive edge against opponents (Grönoos, 2016).

Sohail, Roy, Saeed & Ahmed (2007) contend that proper strategies for upgrading customer experiences are a prerequisite to effective hotel performance resulting in profit maximization.

The desired attributes of service integrity consist of efficient internet availability, empathetic staff, frequent service reviews and evaluation, quality food and drink services, and good quality customer reception on arrival coupled with the outstanding customer–staff relationship (Tsietzi, 2017). A study on how the quality service dimension relates to the retention of customers using territorial units' hotels found out that the greatest effect on customers' retention with units of hotels was human resources who are the service providers (Weinstein and Scridon, 2012). In support, Kandampully (2000) contends that frontline employees in the hotel industry such as front desk, waiting staff, door and bellmen, stewards, and house cleaners, should be well trained as regards standardized customer service. This is so as there is a direct connection between staff, the customers, and motivated staff will always be willing to offer quality services to customers, which will normally lead to a fulfilled relationship. Hence, a satisfied customer will repurchase because of the guaranteed alignment to the hotel.

According to Reilly (2018), altering customers' needs involves attentiveness to customer encounters thereby requiring well-trained and efficient staff, particularly stronger in human relations. As maintained by Wong & Pang (2003) innovation and inventiveness are essential tools for effective customer service as this improves their ability to perform under a speedy atmosphere by taking charge of daily operations, inspiring staff, and pinpointing the market niche and business projections. By creating superior value for the consumers, a company builds a high-value brand and achieves a high market price. In this way, the company can differentiate itself from other competitors in the industry and significantly increase its market value.

According to Zeithaml & Bitner (2013), quality service integrity is an asset to customer retention as they encourage memorable customer encounters, reduces dissatisfaction, and promote effective profit returns thereby leading to gaining a competitive edge

against similar challenges. Similarly, customers in the hospitality sector are inclined to assess services and constantly commend and compare them with competitors. This is because, as posited by Rungting (2004), customers are always yearning for quality service however much they pay.

Scholars, Jasinkas, Streimikiene, Svagzdiene & Simanavicius (2016) assessed the effect of service quality on customer loyalty and found out that there is an emerging swing of customers challenging hotel services. Furthermore, Michael & Duncan (2017) noted that urgent concerns should be channelled on the quality of the service rendered to meet the customers' requirements. However, Mercy (2018) opines that hospitality industries should consent on the provision of improved quality services, which would translate to customers revisiting and exemplary hotel performance rather than basing their efforts on customer expectations.

However, since classified hotels along the Kenyan coastline are faced with both seasonality challenges and constant travel advisories, it is not clear whether service integrity may have any influence on hotel performance.

2.5 Communication and Hotel Performance

Communication strengthens associations through interactions by enhancing and restoring opinions, emotions, perceptions, and putting in place corrective measures in case of challenges (Berry, 2008). Frequent customer responses and feedbacks can create a positive basis for effective corrective action, thereby influencing visitation rates in hotels (Park and Allen, 2013). Similarly, service quality is a determinant of the customer's perceptions and their feedback (Mauri & Minazzi, 2013). According to Aluri, Slevitch & Larzelere (2016) findings, hospitality industries use communication as a form of marketing using websites to attract both frequent and prospective

customers. Such customers are well informed and can assess hotels and make choices based on what they see on-line.

Based on scholars Orié, Michelle & Natasha's (2016) findings, communication channels, and information standards have a direct link to customer loyalty. A view shared by Etemad & Sajadi (2016) revealed that on-line interactions instantaneously had a practical impact on customers' purpose to frequent a given organization and on-line certainty.

Stutts & Wortman (2006) depicts that the handling of customer complaints during service failure is important as this results in corrective actions in the hospitality industries. Surafel (2018) posited that assuring trust in transactions as well as marketing communication results in natural attachment and patronage to the hotel.

As such Melo, Hernández, Munoz & Gallego (2017) asserts that hotel managers should uphold digital marketing plans and use them effectively for digital information as regards metrics from review sites, incorporating third-party reviews, and utilizing on-line travel agent management reports. More-so, hotels should establish a digital marketing plan by promoting conversation management approaches with customers such as feedbacks from customer reviews and motivating customers to post remarks. For example, synchronous control influences dispersive justice, emotional control, influence proceeding justice, and decisive control, influence interconnection justice, which in turn influences customer satisfaction and loyalty (Bloemer, Hillebrand & Joosten, 2017).

Alternatively, the scholar's results revealed that on-line confidence conciliates the interconnection between viewing website interactivity and repurchase intentions among customers (Jeon, Jang, and Barrett, 2016). According to Torres & Kline (2014),

communication gives strategic steerage that permits agencies to improve marketing and customer service, to deliver better customer stories, to broaden their services and products, feedback from consumers could arguably result in superb results for commercial enterprise agencies. Kwok, Xie & Richards (2017) argue that there is vast interest in assessing the indicators of online reviews and their influence on organizational performance since past studies ventured into customer feedbacks and customer culpability. Similarly, Pengnate & Sarathy (2017) reported that both flexibilities on the organization's on-line programs and aesthetically pleasing were indicators of on-line confidence. It can, therefore, be argued that on-line trust is established mainly through customers' self-perceptions based on their direct experiences and interaction with online Hotels response to remarks and information on changes on policies through websites hence are motivational drivers to customers in hotels (Wei & Lu, 2013).

Blal and Sturman's (2014) results revealed the relevance of digital marketing through information technology strategies as a factor to better hotel performance since capacity and attitude affected online reviews adversely and to a lesser degree service recovery and receptiveness. Solomon (2015) avers that loyal customers have been retained through the use of social networks and the internet used by customers worldwide.

In the report of Sparks, So & Bradley (2016) purveying on-line feedbacks, the responsiveness of feedbacks and utilization of human voice rather than non-manual promotes loyalty and affectionate viewpoints. Ye, Law & GU (2009) evolved a mathematical version that explains the impact of person-generated remarks on hotel sales and profitability. According to the model, a 10% development in opinions brought about a 4.4% increase in income.

In their study, Phillips, Barnes, Zigen & Schegg (2017) established that hotels exhibited features that are dependent and therefore affect customer behaviour such as switching to other organizations and many others. They recommended studies on electronic word of mouth in different categories of hotels. Effective communication is interrelated to customer feedback and views, satisfaction, loyalty, and customer retention as customer needs are met through the transmission of relevant information (Mascareigne, 2013). Similarly, Torres & Kline (2014) argued that feedbacks and freedom of speech could arguably result in superb yields for hotels.

Wei & Lu (2013) highlight the significance of accurately responding to electronic feedback as several factors of a hotel's remarks is turning into great benefits of communication channels between hotels and customers. Viglia, Minazzi & Buhalis (2016) reported that reviews whether positive or negative have an impact on the hotel's popularity hence occupancy rates. Reviews inform customers of the availability requirements in terms of products and services and can entice and trigger normative behaviour to customers. Furthermore, there is a need for hotel owners to develop approaches to conflict handling and trustworthiness to satisfy and hold on to customers, as there was a direct connection to better hotel performance (Mahmoud, Robert & Maxwell, 2018).

A well-integrated communication strategy can help hoteliers to create a direct relationship with consumers and prospects before, during, and after the trip, stimulating a sharing activity of user-generated content (Mangold and Fauld, 2009; Noone, Guure, Rolifs & Kimes, 2011). Further, Banerjee and Chua (2016) found diversification in review patterns, especially in private and chain hotels, and stated that branded hotels attracted more customers due to the communication portrayed online; however, they did not conduct a study as regards hotel performance.

2.6 Relationship Marketing and Hotel Performance

Mohamed (2010) viewed relationship marketing as a strategy that enables organizations to utilize resources such as process, people, and technology to connect with customers to gain an edge against competitors. According to Osman, Hemmington & Bowie (2009) predominantly, hotels and in specific trademarks have resorted to a mixture of relationship marketing and transactional approaches to capture customer requirements based on intended market segment to boost customer loyalty.

Similarly, Westcott (2015) defined product quality as a mechanism used by classified hotels to choose customers that a business can establish and maintain relationships with, in the interest of increasing their lifetime value to the business. Al-Rousan, Tuskej & Podnar (2018) pointed out the significance of brands offering outstanding products and services to foster devotion as customers were desirous to relate to brands that uplifted their self-esteem. Therefore, good relationships with customers promote goodwill in form of word of mouth to friends or relatives, improve repeat business and thus better hotel performance.

Rosemary& Jumah (2016) reported that hospitality industries should uphold customer connection management skills to enhance better indicators of future business, customer retention, and buying intentions resulting in an outstanding competitive edge. Mohammed and Rashid (2012) argued that relationship marketing is premised on the belief that establishing a long-lasting relationship with customers is the corner stone for obtaining loyal customers who are much more profitable than non-loyal ones. This can be achieved through the provision of quality products and services that are relative to the value. As maintained by Liat, Mansori, Chuan & Imrie (2017) good relationship promotes customer retention, embraced purchase desires, and better competitive

advantage projections hence satisfied hotel customers would naturally turn out to be loyal.

The reports are related to scholars Kumar & Kaushik's (2017) suggestion on hotel managers' adoption of relationship tools geared towards advertising, marketing strategies, and public relations, resulting in effective customer allegiance, better perception, and attachment to the hotel. Devoted customers are anchors of effectiveness in hospitality industries; the focal principle of relationship marketing is built on enticing existing customers with long-term effects of the hotel to attain sustainable competitive advantage.

Zeynab, Batool Farnaz & Nima (2018) argued that customer relationship management was directly affected by customer orientation, customer knowledge, and hotel capability, and information technology application. Therefore, loyal customers are the pillar of the profitability of the hotel (Mandariš, 2016). Customers tend to give preference to specific organizations based on their value and good relationship with them and therefore could easily lure other customers by word of mouth and impact on the organization either positively or negatively based on customer experiences hence specific organizations would benefit based on their relationship with the customers, (Luo and Homburg, 2007).

Kotler and Keller (2012) argue that most organizations experience customer switching off behaviour because of the poor customer relationship, as they are not able to interact with the customers to comprehend their tastes and preferences. Relationship marketing anchors effective approaches to enhancing customer base that results in customer loyalty and hence profitability (Dominici & Guzzo, 2010; Mohammed & Rashid,

2013). According to Wu and Lu (2012) view-points value, trust, and shifting costs are drivers to connection and commitment thereby upholding to customer loyalty.

Scholars Raouf & Jyoti (2017) agreed that to acquire a larger market share and exemplary hotel performance then classified hotel managers should explore and uphold efficient marketing approaches of customer loyalty and attachment to retain a long-lasting relationship with customers in Indian hotels. Rather (2017) contended that effective retaining and construction of customer loyalty has emerged as a vital approach to the hospitality industry. Leena & Jeetesh (2016) stated that relationship marketing was a significant marketing approach that applied to all products and services for better hotel performance, as it resulted in customer loyalty and commendation. To safeguard honest, devoted relationships and prosper, hospitality managers must consider focusing on efforts towards the visible and invisible aspects of trust, satisfaction, and devote hints while advertising (Sanches- Franco, Capeda-Carrion & Roldan, 2019). RM has captured prominence and is a highly tracked academic subject in the business world; scholarly studies portray the interrelationship between RM aspects and hotel performance. This study sought to establish whether the moderating effects of relationship marketing guarantee exemplary hotel performance.

2.7 Theoretical Framework

The understanding of Customer retention and hotel performance was better achieved by gaining in-depth knowledge of Customer service theory and Customer satisfaction theory.

2.7.1 Customer Service Theory (Anderson, 2000)

Customer service theory is practical, natural, and is solely about customer retention through loyalty and customer satisfaction. An organization's misconception of customer services as regards customer needs can influence negatively consumers (Anderson, 2000).

Quality service to customers results in trust, satisfaction, and loyalty. According to Anderson (2000), this is achieved through the "Equation of fantastic service". First impression matters, hence customer reception on arrival, assessing customer needs such as tastes and preferences, and finally provision of incentives to define memorable moments. All these comprise activities that would make a customer want to revisit an organization. The customer satisfaction process includes five fundamentals, one being the reliability of the organization in service provision for example on-time delivery and being quick to respond to the needs of its customers. Another vital feature is consistency, where entities are constant in needs meeting while taking grasp of the bargain side. The company's service providers must show empathy to its clients and value in the building of relationships and friendships with them for retention prospects.

Aspects that physically affect customers should not be omitted. Such include the aesthetics of the firm environment in terms of comfortability, brightness, and warmth (Anderson, 2000). Customers have expectations of services and products that should be affirmed. If confirmed the organization is a step ahead to customer loyalty. The more customers' expectations are fulfilled the more they want to come back and vice versa. Such expectations may include quality customer service, value, and quality of products and services, effective communication skills, and good relationship approaches. The key to expectation confirmation is for organizations is to be reliable, consistent, and

trustworthy. The fact is that customers are more attached to organizations that they fully trust to deliver on their promises. This is a virtue also applicable to the organization's employees, as they need some psychological safety to uphold their professionalism. Therefore, when trust is built, a long-term relationship is assured (Anderson, 2000).

2.7.2. Customer Satisfaction Theory

Expectancy-Disconfirmation (Oliver, 1977; 1980)

Customers may reflect outrageous standards of satisfaction in a survey within an organization, but this may not sum up to customer loyalty as this may be observed by their behaviour, gestures, maneuvers, or response towards the hotel. Hence, loyalty does not necessarily affect customer satisfaction. Chereton (2001) indicated that customer loyalty is not a consequence of oligopoly as in the case of new modest trends customers would normally abandon organizations and move to other avenues. Therefore, true loyalty is anchored and built through good customer relationships between the service provider, customer, and the trademark.

The most dominant theory of customer satisfaction is the expectancy-disconfirmation paradigm Oliver (1977; 1980) based on the paradigm; customer satisfaction is part of interpreted and deduced actions and deduced disconfirmation.

Deduced disconfirmation relies on interpreting the actions and levels of consideration. Levels of consideration may include thoughts, opponents, market pledges, and industry standards. Thus, if interpreted actions are being pathetic than the level of consideration, then the customer would encounter negative disconfirmation. In essence, it does not matter how the service provider presumed the performance. What is valid are the presumed actions, interpreted actions, and levels of consideration. Managers should

thus strive to identify negative disconfirmation as it poses a danger to personal selling, customer relationship, and customer retention, and hotel performance.

Mattila & Neill's (2003) discussion, suggests that the best popular satisfaction theories are the disconfirmation theory, which argues that satisfaction is related to the size and direction of the disconfirmation encounters that exist as a result of comparing service delivery against anticipated perceptions. Satisfaction is the result of direct experiences with products or services, and it occurs by comparing perceptions against standards.

Ekinici (2004) cites Oliver's updated definition of the disconfirmation theory, which informs, "Satisfaction is the customers' fulfillment feedback." It is a confirmation that a product or service feature offered or delivered is satisfying or dissatisfying to a pleasurable extent, what matters is the customers' perceptions towards expectations. That is to say, in reality, to safeguard satisfaction is to verifiably design disconfirmation by influencing expectations and performance (Awara & Anyadighibe, 2014).

2.8 Summary of the Reviewed Literature

In summary, CR strategies have had a vast influence locally and worldwide. Statistical assessment of CR strategies depicts the immense execution in many sectors such as telecommunications, banks, and hospitality industries. This has been reported on how various sectors explore CR strategies to meet customer needs and experiences. However, most scholars found out that CR strategy execution was not as per the customer's perception and expectations and did not measure up to standards that could advance customer retention and proposed strategies to be critically and inventively rolled out.

From the reviewed literature, it was noticeable that awareness and facts gaps regarding the existence of the various aspects of customer retention strategies in classified hotels

in Mombasa County existed. It was unclear about the influence of customer retention strategies on hotel performance. There was very scarce or no empirical research to determine customer retention strategies and hotel performance in classified hotels in Mombasa County, Kenya. Additionally, it was unclear whether a relationship existed between customer service, service integrity, communication, and hotel performance in classified hotels in the Kenyan hospitality industry. Further, relationship marketing's influence on hotel performance was unclear in Kenya. This study was, thus focused on addressing these gaps; so that classified hotel customers would be able to revisit and boost the occupancy levels. This would translate to enhanced customer satisfaction, loyalty, competitive edge, and improved hotel performance.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter outlines the methodology used to achieve the study objectives. It highlights the research design, study location, target population, sampling techniques, and sample size, methods of data collection, the instruments for data collection and procedures, validity, reliability, data analysis and presentation, logistics, and ethical considerations.

3.2 Research Design

This study adopted a descriptive research design using a survey approach. Mugenda and Mugenda (2003) and Kothari (2015) indicated that descriptive research design is concerned with describing and reporting the objects or items under study in a manner that is well understood. This study is designed to use both qualitative and quantitative research strategies. A quantitative design was to generate and test the hypothesis, dispersion, and conclude scientific projections. Qualitative research design looked at the whole encounters by initially pinpointing vital subjects, keenly sorting and categorizing into suitable confined components, since the process entailed verbal and non-verbal hints the assessing and perspective data were classified, coded, and condensed into collection sheets for assessment and exhibited in tables. Then inferential statistics carried on to a universal conclusion.

3.3 Study Area

The research was conducted in classified hotels in Mombasa County, one of the forty-seven counties in Kenya. Mombasa County with an estimated area of 229.7 km² (GoK, 2013) is situated in Kenya's coastal region consisting of six constituencies; Kisauni, Mwita, Nyali, Changanwe, Jomvu, and Likoni. It borders the Indian Ocean to the east, Kilifi County to the north, and Kwale County to the west and has tourist sites such as the Fort Jesus Museum, Mombasa Marine Park, Bamburi nature trail (Haller Park), Old town, and Mombasa tusks [https://information.cradle.com Mombasa.com](https://information.cradle.com/Mombasa.com) (23 May 2018).

The County was chosen as a study area because of the high proportion of the customers' catchment in Kenya (MoT, 2016). The majority of the customers prefer classified hotels, which are mainly situated along the beaches along the Kenyan coast. Furthermore, the first hotel recorded in Kenya was built in Mombasa named "The Grand Hotel", (Mwanzia, 2013). The classified hotels at the Coast offer a variety of accommodation, fronting the balmy Indian Ocean and the sun-drenched sandy beaches thereby attracting customers. These hotels are at different levels in terms of classification, thus offering services and accommodation to customers from different economic backgrounds (TRA, 2019). The locality of the classified hotels is designated in Appendix D.

3.4 Target Population

Mugenda and Mugenda (2003) recognized that a population consists of all the groups of objects that the researcher wants to study. The target population consisted of classified hotels' chance customers and customers who booked and stayed for at least a day and food and beverage managers of five- four-star hotels (n=5), six- three-star

hotels (n-6), and four-two star hotels (n-4) in the Mombasa County. There were no five- star hotels in Mombasa County during that period (TRA, 2018)

3.5. Sampling Techniques

3.5.1 Sampling Techniques of Classified Hotels and Customers

The study utilized the stratified sampling technique on the classified hotels. Cohen, Marion, and Morrison (2011) contended that stratified sampling enables levels of congruence of the sub-groups to be pulled together by enabling quantitative and qualitative pieces of research to be undertaken. Since the classified hotel units in the region are few, a stratified sampling technique was used to create three strata in the three categories of the 15 classified hotels (n-15) (4, 3, and 2-star hotels)

This enabled the study to gain detailed information about all the fifteen classified hotels in Mombasa County. Respondents (customers) were selected from each stratum then simple random sampling was applied to settle on the required number of customers in each of the hotels. This ensured equivocal representation (Mugenda and Mugenda, 2003). The pre-tested hotels were excluded, during pre-testing, there was no five-star hotel in Mombasa County during data collection. (TRA, 2018).

3.5.2 Sampling of Food and Beverage Managers

The purposive sampling technique was used to settle on the fifteen Food and beverage managers (n-15). Due to the smaller number of classified hotels, all were included in the sample frame with an exception of the pre-tested hotels. This provided relevant and reliable information.

3.5.3 Sample Size

Mugenda and Mugenda (2003) described the sample size as a section of the population where information was to be collected. The sample size for the study was calculated by

using Fisher Laing, Forert, Stoeckel, and Townsend's (2002) formula to establish the appropriate sample size for the customers in the classified hotel in Mombasa County. According to Fisher et al, (2002) if the total population is not known then 50% of the target population can be used.

$$n = \frac{z^2 pq}{e^2}$$

Where:

z^2 = Standard score at 95% confidence level (1.96)

n = the intended sample size (if the target population is more than 10,000)

p = For the presumed population of 50%.

q = Difference of 1 from the presumed population $1 - p$

e = 5% degree of accuracy (intended level of statistical significance at 95% confidence level)

$$n = \frac{1.96^2 \times (50\%)(100\% - 50\%)}{(5\%)^2} = 384 \text{ Participants}$$

Based on the formula above the intended sample size was 384 respondents, which were divided amongst the target population (15) to determine the actual number to be included in the star category of the study. Therefore, 25 participants were considered for each of the 15 classified hotels.

Table 3.1 Sampling Frame

Star category	Number of classified hotels	No of participants Based on Fisher et al 's (2002) -Customers	Food and beverage managers
Four star Hotels	5	25 x 5 = 125	5
Three star hotels	6	25 x 6 = 150	6
Two star hotels	4	25 x 4 = 100	4
Total	15	375	15

As indicated in table 3.1, the number of participants from classified hotels = 384/15 =25. Therefore, 25 questionnaires were administered to the three strata of the three categories of classified hotels. The pre-tested three hotels were excluded during data collection

3.6 Research Instruments

The study used semi-structured questionnaires and an interview schedule. Questionnaires were preferred because they allowed the respondents to give free and independent opinions that would not be influenced by the presence of the researcher (Mugenda and Mugenda, 2003). The questionnaires were divided into two sections. Section A sought to collect demographic information while section B dealt with the specific factors regarding customer retention strategies. Questionnaires were administered through the drop and pick method with the help of the General managers and receptionists, who reminded and persuaded the participants to fill in the questionnaires.

Interview schedules were used to collect information from the Food and beverage managers as they yield a higher response rate and enabled the collection of relevant data required to meet specific objectives. The interview schedule had only one section, which pursued to gather information, consisting of demographic, customer retention strategies, and hotel performance data. Prior appointments were arranged to manage the busy schedules of the Food and beverage managers and all planned interviews were conducted in the managers' offices.

3.7 Pre-testing of Research Instruments

The pre-testing inclusion and exclusion criteria entailed sampling customers of the three strata of classified hotels (4 -star, 3-star, and two-star hotels. To ensure a true

representation of the population the inclusion criteria for the hotels included luxury settings, standard quality services, and cuisines, speed of checking in and out, outstanding corporate image, and 24-hour service reception. Inclusion criteria for the customers involved middle-aged, the aged, and elite men and women. Pre-testing was undertaken to ensure transparency, the facile use of the instrument, and promptness of data collection. To guarantee the validity and reliability of the study, the researcher used semi-structured questionnaires and interview schedules. They were evolved from the literature review and systematized on the premise of the background information and research objectives to safeguard the significance of the problem

According to Ramenyi (2011), effective pre-testing can be achieved by using smaller samples of between 4 -8. The pre-tested questionnaires and interview schedule from the three categories of classified hotels were not included in the sample and were further excluded in the analysis of the data (Somekh and Lewin, 2003) Errors identified and time taken to fill the questionnaires and interview schedule was considered during pre-testing and adjustments were made. Research assistants were not involved in pre-testing as the researcher conducted the process.

Table 3.2 Sample Size for Pre-testing Questionnaires and Interview schedules

Star category of classified hotel	No. of classified hotels	No. of hotel customers for pre-testing	No. of Food and beverage managers for pre-testing
4 Stars	1	4x 1=4	1
3 Stars	1	4x1= 4	1
2 Stars	1	4x1 =4	1
TOTAL	3	12	3

3.8 Validity of Instruments

The study validity was determined by an objective assessment of each content to establish whether the study was accordant with the scientific way of collecting and analysing data. Kothari (2015) indicated that counter-checking the questions and ensuring that they were not erroneous might establish validity. Two experts in the field of study included lecturers from Kenyatta University, Pwani University, and a statistician who considered content consistency through reviews and evaluation to ascertain that the objectives were measured.

3.9 Reliability of Instruments

Reliability stipulates that the research instruments can quantify what they are presumed for (Kombo and Tromp, 2013). According to Somekh and Lewin (2003) Cronbach test in which an alpha coefficient of 70% was used to quantify the reliability. Any values falling below 70% were discarded.

Table 3. 2 Reliability Analysis

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Number of Items
0.923	0.914	29

The questionnaire produced a reliability coefficient of 0.923. According to Madan & Kensinger (2017), coefficients yield above 0.7, are considered acceptable, and coefficients yield above 0.8, are considered very good. This means that the tool was highly reliable.

3.10 Data Collection Techniques

.The logistics involved obtaining an introductory letter from Kenyatta University Post-Graduate Board (Appendix A). This provided access to a research permit from National Commission for Science, Technology, and Innovation (NACOSTI).

.Data collection for the study was conducted by the use of semi-structured questionnaires that were distributed to the selected customers by the research assistants and assisted by Food and beverage managers and receptionists through the pick and drop method. Alternatively, in-depth personal interviews were used to collect data from Food and beverage managers. This was achieved by advanced appointments, telephone calls, emailing, and mainly after attaining their consent to manage their busy schedule. Before the start of data collection, all research assistants were enlightened on the criteria for the successful distribution of questionnaires.

The researcher constantly called in the hotels to ensure review. All interviews were overseen in the offices by the researcher, however, the research assistants did not engage in the pre-test.

3.11 Data Analysis and Presentation

Quantitative and qualitative data analysis techniques were applied in the study, as the data gathered was both exponential and descriptive.

3.11.1 Quantitative Data Analysis

The data were condensed to get rid of errors and guard uniformity. Thereafter, data constituted using Statistical Packages for Social Sciences (SPSS) software, means standard deviations, and percentages were used to describe and express data. Simple linear regression analysis was used to assess the relationship between the variables that were premised on the objectives. The independent variable was used to project a single

variable alternatively dependent variable was measured as an index calculated from the independent variable. Multiple regression analysis was used to establish the interconnections between the independent and the dependent variables. More so, the Linear Correlation analysis was used to measure the hypotheses and explore the regression type of connections between hidden feedbacks and speculations.

3.11.2 Qualitative Data Analysis

Qualitative data were presented by the manual content analysis and grouped into relevant characteristics for analysis. This was to assess whether the connection between the variables existed. The study first pinpointed the important subjects, attentively sorted and categorized into suitable confined components, since the process entailed spoken and non -spoken hints the monitoring and perspective data were classified, coded, and condensed into collection sheets for assessment and exhibited in tables. Then inferential statistics were carried on to a universal conclusion.

3.12 Logistical and Ethical Considerations

Nueman (1997) suggested that moral principles and confidentiality were ultimately upon the researcher as this determined the unlawful behaviour. The researcher observed the protection of sensitive or privileged information. According to Mouton (2001), integrity entails uprightness, sincerity, and not the alteration of findings. The logistics involved obtaining the research permit from Kenyatta University Post-Graduate Board and National Commission for Science, Technology, and Innovation (NACOSTI), pre-visiting, pre-testing, collecting filled questionnaires, cleaning, and coding of the data. This helped the researcher to ensure that due diligence was followed.

CHAPTER FOUR

FINDINGS

4.1 Introduction

This chapter reports on the analysis of data convened by using questionnaires and interview schedules. Primarily, this chapter presents response rate and demographic profiling results, which comprise gender, age, the purpose of the visit, and marital status for the customers. Secondly, this chapter shows the demographic profiling findings for the Food and beverage managers constituting gender, age, level of education, and work experience. The chapter additionally focuses on the description of the findings based on study objectives.

4.2 Response Rate

The primary data collection process was conducted within three months (October 2019 through December 2019). Initially, three hundred and seventy five (375) questionnaires were allocated for data collection. Two hundred and fifty-two (252) questionnaires were duly filled and returned, while seventy five (75) questionnaires were excluded from the pre-tested hotels. Conversely, forty eight (48) were not filled up by the classified hotel customers and therefore had missing data and were rejected. Additionally, interview schedules were administered to the Food and beverage managers, out of which all 12 were completed as shown in table 4.1 below. Thus, the response rate was 67.2 % for classified hotel customers and 80 % for the Food and beverage managers.

Table 4.1 Response Rate

Category	Expected	Actual response	Response rate
Customers (Questionnaires)	375	252	67.2%
Food and Beverage Managers (Interview schedule)	15	12	80 %

Source: Researcher

Table 4.1 above displays that the response rate was 67.2 % for classified hotel customers and 80 % for Food and beverage managers. According to Mugenda & Mugenda (2006), Brewer & Rojas (2012), and Babbie (2004), a response rate of 50% is reasonable for investigation and description analysis, 60% is good and 70% is very good. Since the study posted a rate of 67.2% and 80 % respectively, it would be acceptable to state that the response rate was good and statistically significantly authentic.

4.3 Demographic Profile and General Information of Respondents

This section explains the demographic profile and general information of classified hotel Customers and Food and beverage managers in Mombasa County.

4.3.1 Customers' Demographic Profile and General Information

The findings in figures (4.1, 4.2, 4.3, and 4.4) below explain the sample population of classified hotel customers looked over during the study by gender, age, the purpose of the visit, and marital status.

4.3.1.1 Gender of Customers

The respondents were asked to indicate their gender as it was a very important variable influencing economic and social circumstances. Tastes and preferences tend to vary from males to females and therefore customers in classified hotels were no exception.

The findings in figure 4.1 below showed that female respondents (n= 130, 51.6%) were slightly more than male respondents (n= 122, 48.4%) in classified hotels.). This implied that gender distribution was almost equal.

The results indicate that classified hotels attracted either gender, the probable exposition could be the marketing strategies drive geared towards the promotion of eco-tourism and domestic tourism thereby attracting both women and men to visit classified hotels.

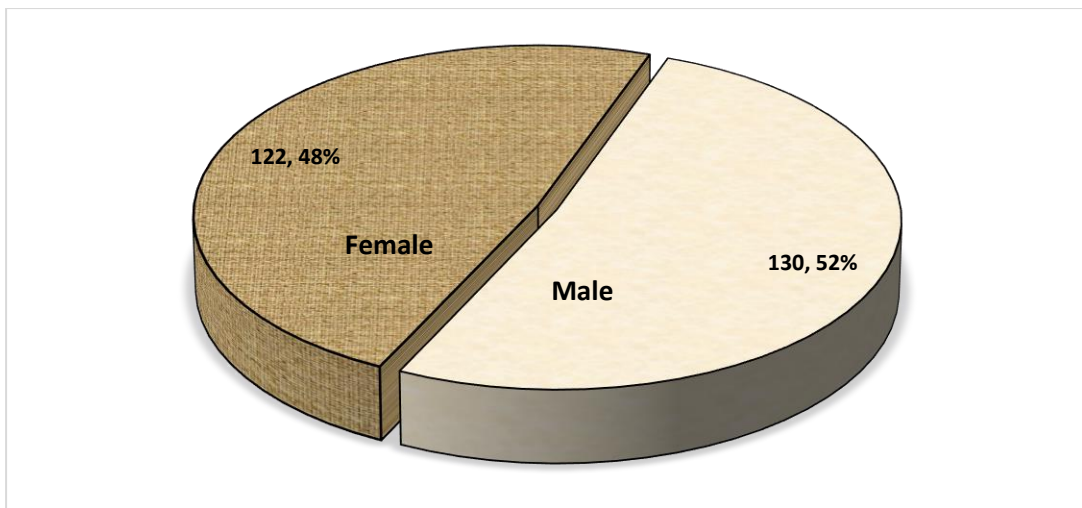


Figure 4.1 Gender of Classified Hotels Customers

4.3.1.2 Age of Customers

Figure 4.2 below presents the dissemination of classified hotel customers by age. It was considered vital to query respondents about their ages as it indicated the level of maturity, comprehension of patent issues as regards hotel performance such as CR strategies within the hotels. The findings suggested that the majority of respondents, (n= 89, 35.34%) had an age range of 40-49 years. They were followed closely by those with an age range of 30-39 years, then those with an age range of n= 65, (25.8%). The

findings implied that most of the classified hotel customers were in their early forties and late forties (Figure 4.2).

The probable reason for this outcome could have been that at this age bracket people tend to be dynamic, innovative, adventurous, and flexible to change and could go out of their ways to entertain themselves by exploring other avenues like visiting classified hotels. A further possibility for this finding could be that this age bracket may be having disposable income. This age bracket is a beneficial asset and may promote the expansion of classified hotels.

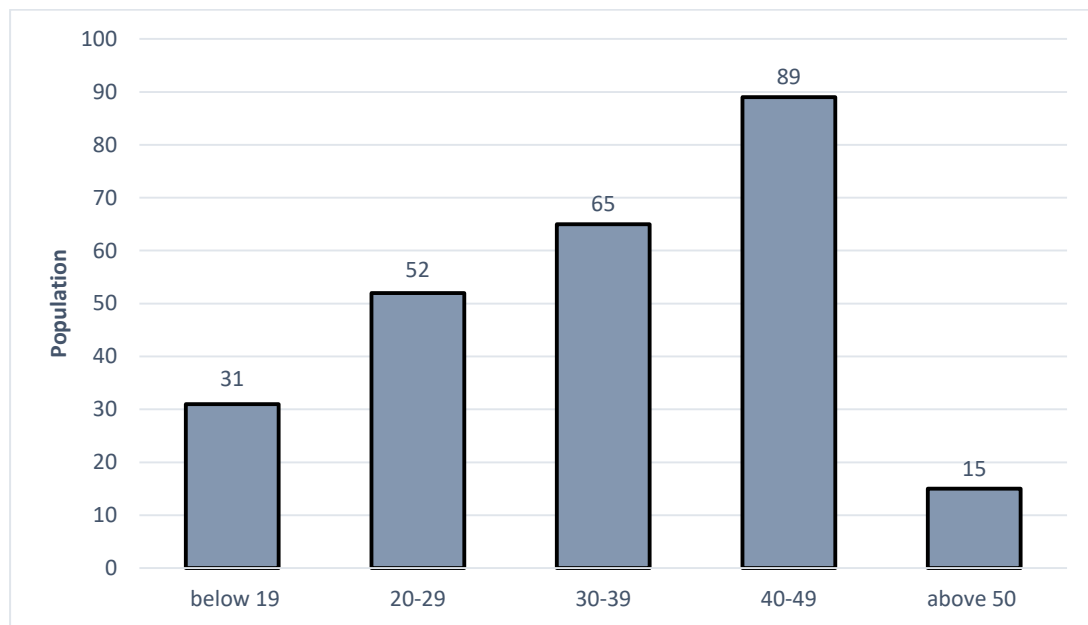


Figure 4.2 Age of Classified Hotels Customers

4.3.1.3 Purpose of Customers visiting Classified Hotels

Figure 4.3 below presents the distribution of classified hotel customers by the purpose of visiting classified hotels. It was important to ask respondents about their purpose of visiting classified hotels as it presented their views on how they would respond as regards hotel performance. Information regarding whether the hotel met their

expectations in terms of recommendation to friends and relatives, giving preference to the specific classified hotel, prolonging the length of stay, spending more on specific hotel products and services, and finally giving tips in form of appreciation, would be gathered. The greatest proportion of the respondents, (n= 130, 51.6 %) purposed to visit the region for leisure. This was followed by a desire for business, (n= 66, (26.2 %), vacation and relaxation (n=46, 18.3%) and (n= 10, (4%) visited for the desire for meeting friends.).

The likelihood for these findings could be that the high number of leisure respondents might have been swayed by the reality that the study was conducted during the tourism peak season (October 2019 to December 20 19).

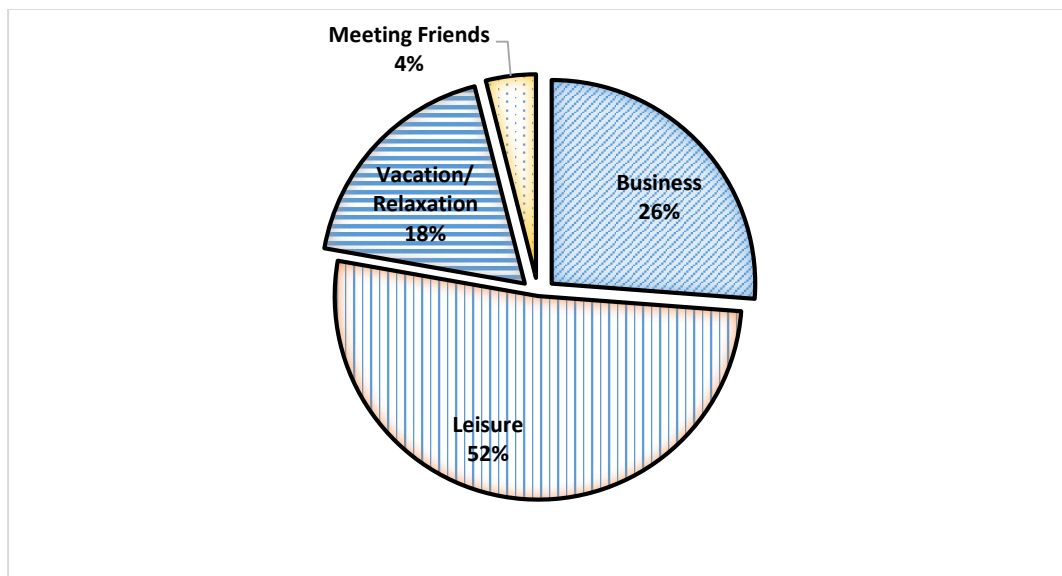


Figure 4.3 Purpose of visiting Classified Hotels

4.3.1.4 Marital status of Customers Visiting Classified Hotels

Figure 4.4 below further presents the distribution of classified hotel customers by marital status. It was considered relevant to ask respondents about their marital status as in reality it influence visitation or touring, and also pointed out the level of maturity

and understanding of the occurrences. The majority of the respondents were married respondents visiting classified hotels (n= 125, 49.6%). This was followed by those who had never married (n= 86, 34.1%). There was a possibility that the married respondents were accompanied by their partners, this is a common practice of customers' visiting attractive and serene sites.

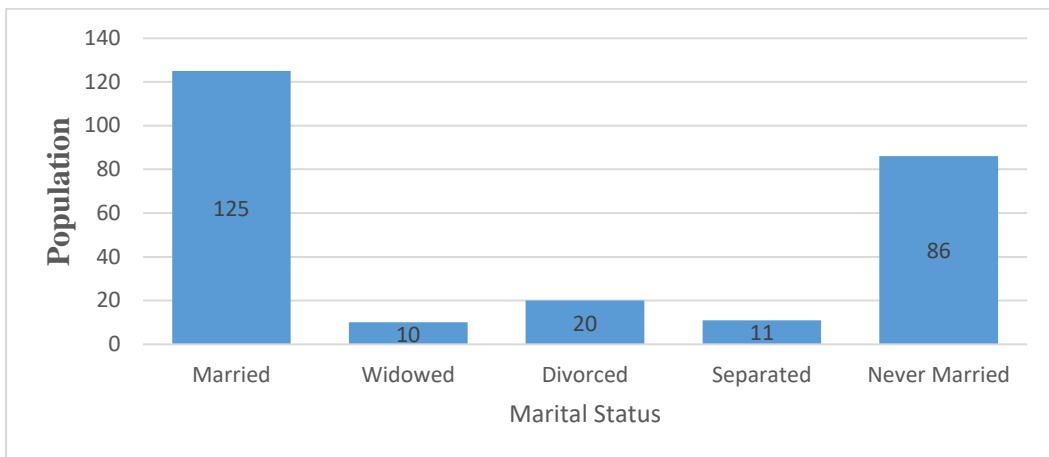


Figure 4.4 Marital status of Classified Hotel Customers

4.3.2 Food and Beverage Managers' Demographic Profile

A nine-question interview schedule that captured the Food and beverage managers' gender, age, the highest level of education, and length of stay at the current working position were administered to the Food and beverage managers in classified hotels. It also covered other information regarding customer service, service integrity, communication, and relationship-marketing strategies enhanced in classified hotels. Furthermore, the interview schedule covered queries on the indicators used to measure hotel performance in classified hotels.

Table 4.2 Food and Beverage Managers’ Demographic Profiles and General Information.

Variables	Categories	Frequency (n)	Percentage (%)
Gender	Male	8	66.6
	Female	4	33.3
	Total	12	100.0
Age	19 and below	0	0
	20-29 years	0	0
	30-39 years	2	16.6
	40-49 years	6	50.0
	50 years and above	4	33.3
	Total	12	100.0
Highest level of education	High school	0	0
	Diploma	8	66.6
	Degree	3	25
	MSc	1	8.3
	Others	0	0
	Total	12	100.0
Length of stay at the current position	Below one year	0	0
	1-3 years	1	8.3
	4-6 years	3	25
	7 years and above	8	66.66
	Total	12	100.0

There were no multiple responses from the respondents

4.3.2.1 Gender of Food and Beverage Managers

The classified hotel Food and beverage managers were asked to indicate their gender in the study instruments since gender is a significant variable that influenced economic, social circumstances, and employment in the hospitality industries. Gender is a significant indicator of human customs and conducts, especially when associating with job performance. Table 4.2 above presents that the majority of the Food and beverage managers interviewed were males (n= 8, 66.6%), females Food and beverage managers were (n= 4, 33, 3%). The results revealed that males exceeded females by half.

The findings implied that employment opportunities appealed to men. Alternatively, the probability could be the affirmative initiative drives channelled towards women

to encourage them to compete towards equal levels with men, hence the (n= 4, 33%) females in classified hotels.

4.3.2.2 Age of Food and Beverage Managers

The Food and beverage managers were requested to indicate their age in the study instrument because age was an important indicator of their perception of challenges facing their jobs but also signified their extent of maturity. Results on age profiling suggested that generally, n= 6, (50%) had an age ranging from 40-49 years and followed closely by 50 years and above, n= 4, (33.3%), the age ranging 30-39 years, n= 2 (16.6%) and finally age bracket 20-29 years had none n= 0, (0%), as displayed in Table 4.2. These findings demonstrated that classified hotels employed mature people aged between the forties to fifties and above.

The likelihood of these results could be that the aged were experienced, had a sense of responsibility and flexibility while dealing with challenging circumstances. The aged are assumed as essential human resource for the expansion of Hospitality industries.

4.3.2.3 Highest level of Education of Food and Beverage Managers

Education influences one's way of better communication, critical thinking, and ability to counter situations more productively. The classified Food and beverage managers were asked to indicate their highest level of education. The results in Table 4.2 indicated that the majority of respondents were Diploma holders as n= 8, (66.6%), followed closely with degree holders at n= 3, (25%), masters n= 1, (8.3%), and finally high school holders and others n= 0, (0%). These results showed that the majority were Diploma holders followed by Degree holders.

The probable reason for the findings could be that most classified hotels preferred Diploma holders who were “hands-on” and would perform technical skills and

managerial duties with minimum supervision. More-so, it could be that most degree holders disliked and perceived certain employment opportunities to be offering lower salaries, lacked clearly defined graduate positions and career advancements, and therefore resorted to other fields.

This implied that most respondents on the account of the highest level of education were able to provide relevant responses regarding CR strategies and indicators of measuring hotel performance in the classified hotels.

4.3.2.4 Length of stay at the Current position of Food and Beverage Managers

The classified hotel Food and beverage managers were asked to show their length of stay at the current position held as it signified the general working conditions and benefits attained while in that position. It also denoted eloquence or expertise in the currently held position by being able to respond to relevant questions based on evidence relating to CR strategies and the indicators of hotel performance. Results in table 4.2 above revealed that Food and beverage managers n= 8, (66.6%) had worked for 7 years and above. n= 3, (25%) had worked for 4-6 years, n= 1, (8.3%) had worked in the classified hotel for 1-3 years and none worked for less than a year. The findings suggested that there could be low labour turnover in classified hotels.

The likelihood is that classified hotels offered fringe benefits, conducive environment, and career advancement platforms hence the retention of food and beverage managers. Alternatively, the probable reason could be the lack of employment opportunities in the various sectors, thereby making it harder to switch to other employment opportunities

4.4 Influence of Customer Service on Hotel Performance in Classified Hotels in Mombasa County

To establish the influence of Customer service on hotel performance in classified hotels in Mombasa County, customer service tenets were put on a Likert scale. The customers were then asked to rate their perception of the extent to which they agreed or disagreed with the factors on the services they received on a scale of 1-5. The Likert scale used ranged from 1 = strongly agreed to 5=strongly disagreed as shown in (Appendix B), hotel performance as a dependent variable hence was transformed to interval data.

Descriptive analysis was used to create standard deviation and mean for each tenet as shown in table 4.3 below. 'I am accorded good reception on arrival' (M=1.92, SD=1.043); 'I always send a booking confirmation' (M=2.17, SD=1.106); 'Check-in is quite simple'(M=2.06, SD=1.157);'The services are unique and convenient' (M=2.17.SD=1.035); Services are reliable and secured' (M=2.10, SD=1.094); 'There is the emphasis on customer satisfaction' (M=2.30, SD=1.216); 'I am satisfied with the products and services' (M=2.04, SD=1.052) and 'Staff readily listen to my suggestions' M=2.48.SD=1.062)

Table 4. 3 Descriptive analysis of Customer service items by Customers in CH.

	N	Mean		Std. Deviation
	Statistic	Statistic	Std. Error	Statistic
I am accorded good reception on arrival	252	1.92	.066	1.043
I always send a booking confirmation	252	2.17	.070	1.106
Check-in is quite simple	252	2.06	.073	1.157
The services are unique and convenient	252	2.17	.065	1.035
Services are reliable and secured	252	2.10	.069	1.094
There is an emphasis on customer satisfaction	252	2.30	.077	1.216
I am satisfied with the products and services	252	2.04	.066	1.052
Staff readily listens to my suggestions	252	2.48	.067	1.062
Valid N (listwise)	252			

The findings revealed that the variables yielded mean scores in the range closer to 2 and a high standard deviation. This implied a higher variation in the answers from respondents. The results in (Appendix G) frequencies of research questionnaires, showed that respondents strongly agreed with ‘I am accorded good reception on arrival’ (n=113, 44.8%). More-so, respondents were neutral with ‘There is the emphasis on customer satisfaction’ (n=73, 29%) and strongly disagreed with ‘There is the emphasis on customer satisfaction’ (n=26, 7.9%) and staff readily listen to my suggestions (n=11, 4.4%)

To establish whether a relationship existed between customer service and hotel performance, the study hypothesized that there was no significant relationship between customer service and hotel performance in Mombasa County.

Linear regression analysis technique was used to examine the relationship between the sub-hypotheses and hotel performance. Since the data was ordinal, it was first converted

to interval data by generating composite scores for the two variables. To establish the relationship between customer service and hotel performance in classified hotels. Linear regression analysis was used by applying the model in table 4.4 below.

$$Y = a + \beta X + e$$

Where;

Y=Hotel performance

a= Constant/ Intercept

β =Slope (beta coefficient for Customer service)

X= customer service

e=error term

The findings are shown in the following three tables ;(4.4), (4.5) and (4.6) below.

Table 4. 4 Model Summary for the influence of Customer Service on Hotel Performance

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.729 ^a	.531	.529	3.52477	.531	283.000	1	250	.000

a. Predictors: (Constant), customer service

b. Dependent Variable: Performance

The R-value, which denoted a simple correlation between the independent and dependent variables (see table 4.4) depicted that the relationship between customer service and hotel performance was 0.729 , implying that there was a high correlation

between customer service and hotel performance. The R square value indicated how much of the total variation in hotel performance could be explained by customer service, (53.1%).

To establish whether the regression model for customer service could predict the dependent variable(hotel performance), an ANOVA statistic was run (Table 4.5)

Table 4. 5 ANOVA^a for the influence of Customer Service on Hotel Performance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3515.993	1	3515.993	283.000	.000 ^b
	Residual	3106.007	250	12.424		
	Total	6622.000	251			

a.Variable: Hotel performance

b. Predictors: (Constant), customer service

The ANOVA analysis (Table 4.5), revealed a probability significance of .000^b ($P=0.000$). This implied that the regression model applied statistically and significantly predicted the outcome variable (Hotel performance).

Table 4. 6 Coefficients for the influence of Customer Service on Hotel Performance

	Unstandardized Coefficients		Model	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	.658		5.450	.000	2.290	4.880
	Customer service	.036	.729	16.823	.000	.534	.675

a. Dependent Variable: Hotel Performance

Further, a coefficient test was run to determine whether customer service statistically significantly contributed to the model applied (Table 4.6). The regression equation was expressed as $\text{Hotel performance} = 3.585 + 0.604 (\text{customer service})$.

This meant that for every additional element of customer service, hotel performance would be expected to increase by the value indicated in the unstandardized coefficients column. (0.604), the probability significance (commonly referred to as P-value) was 0.000 i.e. (P=0.000). This meant that the relationship between customer service and hotel performance was statistically significant and thus generalizable to the population from which the sample was drawn. The null hypothesis was therefore rejected and the alternative accepted, there is a significant relationship between customer service and hotel performance in classified hotels.

When the hotel Food and beverage managers were asked to expound on the strategies they used to enhance customer service in their establishments, (Appendix H) majority of the management respondents were aware of the significance of customer service as an approach to customer retention enhanced outstanding Hotel performance. (n =10, 83.3%). Particularly, they mentioned personalized service, customer feedback, training of staff, and use of checklists as strategies to enhance quality customer service in classified hotels. One manager responded;

“Customer service is all about quality services to customers, developing a good rapport, considering food quality and retaining quality with customers, quality customer services usually results in positive comments, and improved on-line ratings” (Food and beverage 4, Mombasa,2019)

These findings corresponded with those of the customers who strongly agreed with ‘I am accorded good reception on arrival’ (n=113, 44.8%) and neutrally agreed with

There is the emphasis on customer satisfaction (n=73, 29%). Hotel performance indicators included feedbacks, triple advisories, metrics, and feedback forums (n=8, 66.6%)

4.5 Effect of Service integrity on Hotel Performance in Classified Hotels in Mombasa County, Kenya

To determine the effect of service integrity on hotel performance in classified hotels in Mombasa County, service integrity tenets were put on a Likert scale. The customers were then requested to rate their views of the extent to which the services meet their expectations. A scale of 1-5 was applied and all the tenets were computed. The Likert scale used ranged from 1 = Do not meet to 5=Exceeds as shown in (Appendix B) Hotel performance as a dependent variable hence was transformed to interval data.

Descriptive analysis was used to create standard deviation and mean for each tenet as shown in table 4.7 below 'Quality and value of the price paid' (M=2.76, SD=0.860); 'Our hotel's safety and convenience' (M=3.00, SD=0.744); 'Our hotel's staff empathy with your needs' (M=2.87, SD=0.890); 'The consistency and reliability of service offered' (M=2.85, SD=0.852); 'Staffs emphasis on quality services and products' (M=2.86, SD=.0958) and 'Overall expectation of other services' (M=2.76, SD=0.814).

Table 4. 7 Descriptive analysis of Service integrity items by Customers in CH

	N	Mean		Std. Deviation
	Statistic	Statistic	Std. Error	Statistic
Quality and value of the price paid	252	2.76	.054	.860
Our hotel's safety and convenience	252	3.00	.047	.744
Our hotel staff's empathy with your needs	252	2.87	.056	.890
The consistency and reliability of service offered	252	2.85	.054	.852
Staff's emphasis on quality services and products	252	2.86	.060	.958
The overall expectation of other services	252	2.76	.051	.814
Valid N (listwise)	252			

The findings suggested that the variables yielded mean scores in the range closer to 3 and a low standard deviation. This implied low variation in the responses from respondents. The results (Appendix G) revealed that respondents, ‘when asked about how well do our services meet your expectation?’ (n=30, 11.9%) indicated do not meet ‘Staff emphasis on quality services and products’ more-so, respondents were neutral (meets) with (n=130, 51.6%) ‘Quality and value of the price paid’ (n=73, 29%) and strongly agreed (exceeds) with ‘Staff emphasis on quality services and products’ (n=70, 27.8%). However, respondents strongly agreed that the hotels did not meet ‘Our hotel's safety and convenience’ (n=18, 7.1%)

To establish whether a relationship existed between service integrity and hotel performance, a null hypothesis was set; ‘There is no significant relationship between service integrity and hotel performance in classified hotels. The study hypothesized that

there was no significant relationship between service integrity and hotel performance in Mombasa County.

Linear regression analysis technique was used to examine the relationship between service integrity and hotel performance. Since the data was ordinal, it was first converted to interval data by generating composite scores for the two variables. To evaluate the relationship of service integrity and hotel performance in classified hotels.

Linear regression analysis was used by applying the model in table 4.8 below.

The linear regression model was used as follows:

$$Y = a + \beta X + e$$

Where;

Y=Hotel performance

a= Constant/ Intercept

β =Slope (beta coefficient for service integrity)

X= service integrity

Table 4. 8 Model Summary for effects of Service integrity on Hotel Performance

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.420 ^a	.314	.311	5.10927	.314	3.671	1	250	.007

The R-value, which denoted a simple correlation between the independent and dependent variables, depicted that the relationship between service integrity and hotel performance was 0.420 that implied that there was a moderate correlation between service integrity and hotel performance. The R square value (0.314) indicated how

much of the total variation in hotel performance could be explained by service integrity (31.4%).

To establish whether the regression model for service integrity could predict the dependent variable. Hotel performance, ANOVA statistic was run (Table 4.9)

Table 4.9 ANOVA for the effect of Service integrity on Hotel Performance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	95.833	1	95.833	3.671	.007 ^b
	Residual	6526.167	250	26.105		
	Total	6622.000	251			

a. Dependent Variable: Hotel performance

b. Predictors: (Constant), integrity

The ANOVA analysis (Table 4.9), revealed a probability significance of .000^b ($P=0.000$). This implies that the regression model applied statistically and significantly predicted the outcome variable (hotel performance).

Table 4.10 Coefficient for effects of Service integrity on Hotel Performance

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	16.610	1.400		11.867	.000	13.853	19.367
	Integrity	.153	.080	.120	1.916	.007	-.309	.004

a. Dependent Variable: Hotel Performance

Table 4.10 above shows information to establish whether service integrity statistically significantly contributed to the model applied. From the table, the regression equation was expressed as follows: (Hotel performance=16.610 +0.153 (Service integrity) from the equation meant that for every additional element of service integrity, hotel performance would be expected to rise by the value indicated in the unstandardized coefficients column. (0.153). besides, the probability significance (commonly referred to as P-value) was 0.000 i.e. (P=0.007) meant that the relationship between service integrity and hotel performance was statistically significant and these findings are generalizable to the population from which the sample was drawn. The null hypothesis was therefore rejected and the alternative accepted.

These findings corresponded with those of the customers who strongly agreed with 'Staff's emphasis on quality services and products' (n=70, 27.8%) and neutrally agreed with 'Quality and value of price paid' (n=130, 51.6%). There was a possibility that the Food and beverage managers were aware of customers' rating of service integrity as a means of measuring performance and thus did all it took to uphold service integrity.

The results of the study revealed that customers had high expectations of service quality in the hotel, thus hotels should design service standards that promote reliability to customers, consistency in service delivery, and not promising more than they can deliver.

When the hotel Food and beverage managers were asked to elaborate on the practices they used to enhance service integrity and indicators used to measure hotel performance in their hotels, one- Food and beverage manager noted:

“Service integrity is quite challenging, tricky, and directly promotes exemplary hotel performance; it all depends on the attitudes of the service provider,

personality and the kind of service to be rendered. Service integrity is linked to outstanding on-line ratings, positive customer feedback that may lead to higher visitation levels. Well, it is all about working smarter to gain a competitive edge." (Food and beverage 1, Mombasa, 2019)

Respondents (Appendix H) agreed that service integrity was essential, tricky, and quite challenging in the classified hotel (n =8, 66.6 %). Practices embraced were personalized service, weekly training, use of checks and balances, and provision of rewards and certificates to deserving staff. On the other hand, the minority (n = 4,33.3%) of the respondents agreed that service integrity is all about staff centered and therefore all depended on the classified hotels and the individual staff. Hotel performance indicators included feedbacks, triple advisories, metrics, and feedback forums (n=8, 66.6%).

4.6 Influence of Communication on Hotel performance in CH in Mombasa County, Kenya

To assess the influence of communication on hotel performance in classified hotels in Mombasa County, communication tenets were put on a Likert scale. The customers were then asked to rate their perception of the extent to which they agreed or disagreed, with the factors on the services they received on a scale of 1-5. The Likert scale used ranged from 1 = strongly agreed to 5=strongly disagreed as shown in (Appendix B). Hotel performance was a dependant variable hence was transformed to interval data.

Descriptive analysis was used to create standard deviation and mean for each tenet as shown in table 4.11 below. ‘Staff clearly express themselves as they offer services.’ (M=2.18, SD=1.160) ; ‘I freely express my concerns to the hotel staff ’ (M=2.16, SD=1.123) ; ‘I get to know of all changes in hotel policies’ (M=2.54, SD=1.142) ; ‘I

get to know of all relevant information, in hotel' (M=2.31, SD=1.052) and Staff freely discuss with us through the internet (M=2.83, SD=1.111).

Table 4.11 Descriptive analysis of Communication items by Customers in CH

	N	Mean		Std. Deviation
	Statistic	Statistic	Std. Error	Statistic
The staff clearly express themselves as they offer services	252	2.18	.073	1.160
I freely express my concerns to the hotel staff	252	2.16	.071	1.123
I get to know of all changes in hotel policies	252	2.54	.066	1.042
I get to know of all relevant information, in the hotel	252	2.31	.066	1.052
Staff freely discusses solutions with us through the internet	252	2.83	.070	1.111
Valid N (listwise)	252			

The findings revealed that the variables yielded mean scores in the range closer to 2 and a high standard deviation. This implied a higher variation in the answers from respondents. The results in the frequencies table (Appendix G) shows that respondents strongly agreed with 'I freely express my concerns to the hotel staff' (n=97, 38.5 %) more-so, respondents strongly disagreed with 'I get to know of all changes in hotel policies' (n=10, 4.0 %) and 'Staff freely discusses solutions with us through the internet' (n=15, 6%)

The study sought to assess the influence of communication on classified hotels. All communication tenets were computed using 5 points Likert scale supported at 1 (strongly disagree) and 5 (strongly agree) .Table 4.11 displays that respondents were indecisive with the element of communication in classified hotels. All items had a mean ranging from (M =2.16 – 2.83) demonstrating that they were uncertain with the item in

the construct. In particular, the statement ' Staff freely discusses solutions with us through the internet.' (M =2.83, SD=1.111) followed by ' I get to know of all changes in hotel policies' (M =2.54, SD = 1.042) the statement that had the lowest mean in the construct was ' I freely express my concerns to the Hotel staff.' (M=2.16, SD = 1.123). The findings imply that freedom of speech was an essential influencer in classified hotels as respondents strongly agreed with 'I express my concerns to the hotel staff ' (n=97, 38.5%) However, classified hotel Food and beverage managers should put much emphasis on staff communication to customers as regards to changes in policies within the classified hotels, as (n=92, 36.6% were neutral with it, while (n=15, 6% strongly disagreed with 'staff freely discusses solutions with us through the internet'.

To assess whether a relationship existed between communication and hotel performance, a null hypothesis was set; 'There is no significant relationship between communication and hotel performance in classified hotels'. The study hypothesized that there was no significant relationship between communication and hotel performance in Mombasa County.

Linear regression analysis technique was used to examine the relationship between communication and hotel performance. Since the data was ordinal, it was first converted to interval data by generating composite scores for the two variables. To evaluate the relationship between communication and hotel performance in classified hotels: Linear regression analysis was used by applying the model in table 4.12 below.

The linear regression model used is as follows:

$$Y = a + \beta X + e$$

Where;

Y=Hotel performance

a = Constant/ Intercept

β =Slope (beta coefficient for communication)

X = communication.

Table 4.12 Model summary for the influence Communication on Hotel Performance

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.795 ^a	.633	.631	3.11952	.633	430.479	1	250	.000

a. Predictors: (Constant), communication

b. Dependent Variable: hotel performance

R-value=0.795 denoted a high correlation between the independent (communication) and dependent (hotel performance) variable. R square value was 0.633 (63.3%).

The R-value, which denoted a simple correlation between the independent and dependent variables, presented that communication and hotel performance was 0.795, which implied that there was a high correlation between communication and hotel performance. The R square value indicated how much of the total variation in hotel performance could be explained by communication, (63.3. %).

To establish whether the regression model for communication could predict the dependent variable (Hotel performance), an ANOVA statistic was run (Table 4.13)

Table 4.13 ANOVA for the influence of Communication on Hotel Performance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4189.156	1	4189.156	430.479	.000 ^b
	Residual	2432.844	250	9.731		
	Total	6622.000	251			

a. .Dependent Variable: Hotel performance.

b. Predictors: (Constant), communication

Table 4.13 reports the ANOVA analysis, the probability significance was .000^b ($P=0.000$). Revealing that the regression model applied statistically significantly predicted the outcome variable (hotel performance).

Table 4.14 shows information to determine whether communication statistically significantly contributed to the model applied. From the table, the regression equation was expressed as follows: (Hotel performance= 2. 629+0. 945 (communication)). From the equation, it meant that for every additional element of communication, hotel performance would be expected to rise by the value indicated in the unstandardized coefficients column (0.945). The probability significance (commonly referred to as P-value) was 0.000 i.e. ($P=0.000$) meant that the relationship between communication and hotel performance was statistically significant and these findings are generalizable to the population from which the sample was drawn. The null hypothesis was rejected and the alternative accepted.

Table 4.14 Coefficient for the influence of Communication on Hotel Performance

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	2.629	.582		4.515	.000	1.482	3.775
1 Communication	.945	.046	.795	20.748	.000	.856	1.035

a. Dependent variable: Hotel performance

When the hotel Food and beverage managers were asked to expound on the practices they used to enhance communication with customers and how they measured hotel performance in the classified hotels.

"One manager stated; we enforce this by assuring information flows, getting feedbacks, and comments every time from the front office department or customer relations. But again "Customers can access all relevant information on-line" "Our hotel mainly determines performance by consistently checking the metrics or triple advisories, this guides us on whether we are excelling or deteriorating" (Food and beverage manager 3, Mombasa, 2019)

When asked about the practices put in place in their hotels to ensure staff communicate effectively with the customers; one Food and beverage manager responded,

"Customers can access all relevant information on-line; there is no need for emphasis on communication" (Food and beverage manager 2, Mombasa, 2019)

As regards communication, the majority (n =10,83.3%) of respondents embraced communication through the use of on-line, websites notice boards, and individual letters and emails to frequently enlighten customers in classified hotels, (n = 2, 16.6 %) respondents stated that information was always available on-line and hence no need for further emphasis. Hotel performance indicators included feedbacks, triple advisories, metrics, and feedback forums (n=8, 66.6%).

There is a likelihood that the Food and beverage managers were aware of customer rating of communication as a factor in measuring performance and thus strived to effectively meet these needs.

4.7 Moderating effect of Relationship Marketing on Hotel Performance in Classified hotels

Tenets touching on the moderating effect of relationship marketing were put on a Likert scale. Customers in classified hotels were asked to indicate their level of agreement in the statement on a scale of 1-5. (Very important, important, neutral, not important, and not important at all). Interviews were conducted with the Food and beverage managers of classified hotels to determine the same.

Descriptive analysis results for the quantitative data and the verbatim analysis are presented in Table 4.15 and Appendix H respectively. All items had a mean ranging from (M=2.16 –M=2.51) demonstrating that the respondents indicated varied opinions with the item in the construct. In particular, the statement ‘ Tell others about the hotel by word of mouth’ (M =2.51, SD=1.206) ; with the highest mean score followed by ‘The hotel's advertisement through its products and services (M =2.45, SD = 1.205). The statement that had the lowest mean in the construct was, ‘ The price of the products and services relative to value.’ (M =2.16 SD = 1.221); ‘The quality of products and

services' (M=2.21, SD=1.169) and ' I am proud to tell others about the hotel about the internet' (M=2.42, SD=1.114).

Table 4.15: Descriptive statistics of RM effect on the relationship between CRS in CH

	N	Mean		Std. Deviation
	Statistic	Statistic	Std. Error	Statistic
The price of the products and services relative to the value	252	2.16	.077	1.221
Tell others about the hotel by word of mouth	252	2.51	.076	1.206
I am proud to tell others about the hotel via the internet	252	2.42	.070	1.114
The quality of products and services	252	2.21	.074	1.169
The hotel's advertisement through its products and services	252	2.45	.076	1.205
Valid N (listwise)	252			

The findings suggested that the variables yielded mean scores in the range closer to 2 and a high standard deviation, implying higher variation in the responses of the respondents. The results (Appendix G) revealed that, 'respondents ,when asked whether the prices of the products and services were relative to value ' (n=105, 41.7%) indicated very importantly, while respondents were neutral with 'Tell others about the hotel by word of mouth' (n=81, 32.1%) yet again strongly disagreed by indicating not important at all 'Tell others about the hotel by word of mouth' (n=20, 7.9%).

The study thus hypothesized that relationship marketing had no significant moderating effect on hotel performance. Moderated multiple regression (MMR) analysis was used to test this hypothesis. The variables were initially transformed to produce composite scores to measure up to the pre-conditions for regression analysis. Secondly, the variables were centered (customer service, service integrity, and communication) and

a related term created between them and then used to test the hypothesis by applying the model below;

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_{4i} X_{4i} + e$$

Where;

Y =Hotel performance

a (Alpha) =the Constant or intercept

β_1 =the Slope (Beta coefficient) customer service- centred

X_1 = customer service-centred

β_2 =the Slope (Beta coefficient) for service integrity-centred

X_2 = service integrity_centred

β_3 =the Slope (Beta coefficient) communication-centred

X_3 =communication-centred

β_{4i} =the Slope (Beta coefficient) Relationship marketing-customer service integrity communication-centred ($X_1 * X_2 * X_3$)

X_{4i} = Relationship marketing-customer service, service integrity communication-centred ($X_1 * X_2 * X_3$)

e = Error

Table 4.16:Model Summary for the moderating effect of Relationship Marketing on Hotel Performance

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.835 ^a	.697	.691	2.85748	.697	113.001	5	246	.000

- a. Predictors: (Constant), Z score (R marketing), Z score (integrity), relationship marketing moderator, Z score (communication), Z score (customer service)
- b. Dependent Variable: Hotel performance.

Table 4.16 above shows the model summary table R-value is 0.835, which was very high. This meant that relationship marketing accounted for a larger proportion of the relationship between customer retention strategies and hotel performance. The R square value was 69.7%, which meant that 69.7% of the relationship between customer retention strategies could be explained by the moderating effect of relationship marketing

Table 4.17: ANOVA for the Moderating effect of Relationship Marketing on Hotel Performance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4613.363	5	922.673	113.001	.000 ^b
	Residual	2008.637	246	8.165		
	Total	662.000	251			

- a. Dependent Variable hotel: Hotel Performance
- b. Predictors:(Constant), Z score (R marketing), Z score (integrity), R moderator, Z score (communication), Z score (customer service)

Table 4.17 presents the moderated regression model projecting the relationship significantly effective. This is ascertained by checking the “regression” row” sig” column. The P-value of 0.000 in the ANOVA table 4.17 is less than 0.05, implying

that the statistical significance of the moderated regression model applied statistically significantly predicted the relationship.

The next table to consider is the coefficient table that presents information on whether a relationship marketing has a significant moderating effect on hotel performance. Table 4.18 above depicts the coefficients table, it can be seen that in the “sig” column, the P-value = 0.000. The low P-value, which is below 0.05, deduces that relationship marketing had a statistically significant moderating effect on the relationship between CR strategies and hotel performance. Thus, the null hypothesis was thus rejected and alternative accepted.

Table 4.18: Coefficients for the moderating effect of Relationship Marketing on Hotel Performance

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
	B	Std. Error				Lower Bound	Upper Bound
(Constant)	14.013	.180		77.652	.000	13.658	14.369
Z score (Customer service)	.967	.325	.188	2.978	.003	.327	1.607
Z score (Integrity)	-.463	.181	-.090	-2.558	.011	-.820	-.107
Z score (Communication)	2.385	.312	.464	7.634	.000	1.770	3.000
R moderator	-.078	.075	-.044	-1.044	.297	-.226	.069
Z score (Rmarketing)	1.342	.334	.261	4.016	.000	.684	2.001

a. Dependent Variable: Hotel performance

When the hotel Food and beverage managers were asked to elaborate on the strategies they used to enhance relationship marketing and the indicators used to measure hotel performance in their hotels, one manager said:

"We have embraced "buddy management" which is the attachment of all department managers to the customers, by checking on their feedbacks and complaints or queries. We measure our hotel performance based on the feedback forums, or simply customers' comments, which eventually transforms into high visitation rates and building the hotel's image"

(Food and beverage manager 5, Mombasa, 2019)

Regarding relationship marketing, respondents (n = 8, 66.6 %) embraced the outstanding quality service as the pillar to repeat visits. The approaches used included workshops for staff and the promotion of interdependent relations between staff and customers. As regards, hotel performance (n=8, 66.6%) noted that metrics, trip advisories, feedback forums, customers' comments, and performance tools were ways of measuring hotel performance.

CHAPTER FIVE

DISCUSSIONS OF FINDINGS

5.1 Introduction

This chapter outlines the discussions of the findings of the research based on the four objectives and four hypotheses that anchored the foundation of the study.

5.2 Discussions of findings for the influence of Customer Service on Hotel

Performance

Descriptive analysis results of implications of customer service on hotel performance revealed that seven (7) out of eight (8) tenets under investigation yielded mean scores in the range of value 2 and high standard deviations, exhibiting a higher variation in the respondents' answers. The results in (Appendix G) frequencies of research questionnaires, showed that respondents strongly agreed with 'I am accorded good reception on arrival' (n=113, 44.8%) more-so, respondents were neutral with 'There is the emphasis on customer satisfaction' (n=73, 29%) and strongly disagreed with 'There is the emphasis on customer satisfaction' (n=20, 7.9%) and staff readily listen to my suggestions (n=11, 4.4%).

The findings implied that customer reception on arrival was an essential influencer in classified hotels. The Food and beverage managers confirmed the same. Among the strategies they used included; personalized service, customer feedback, training of staff, and use of checklists as strategies to enhance quality customer service. Conversely, they pointed out that customer dissatisfaction imparts negatively in classified hotels.

These findings correspond with those of the customers who strongly agreed with 'I am accorded good reception on arrival' (n=113, 44.8%) and neutrally agreed with 'There

is the emphasis on customer satisfaction (n=73, 29%). Hotel performance indicators included feedbacks, triple advisories, metrics, and feedback forums (n=8, 53.3%).

The findings are in collaboration with Adzoyi et al., (2018), who noted that customer satisfaction, loyalty, retention, objectiveness, and valid measurements of supporting quality are essential for customer retention. Furthermore, the findings are reconcilable with Kandampully (2014) who focused on the provision of quality products and services with the ultimate goal of delighting the customers and establishing relationships throughout the delivery process that leads to customer satisfaction. The unearthing is in tandem with Susan's (2017) findings on the differentiation strategy that particularly mentioned that differentiation strategy was beneficial in making hotel products exceptional against other products and services in the market, thereby creating a competitive edge and promoting customer satisfaction. Additionally, frequent review of customers' tastes and preferences was found to be of the essence as products and services are quite dynamic.

When linear regression analysis was run, the R-value depicted that the relationship between customer service and hotel performance was 0.729, which implied that there was a high correlation between customer service and hotel performance. In addition, the ANOVA analysis (Table 4.5), revealed a probability significance of .000^b ($P=0.000$). This implied that the regression model applied statistically and significantly predicted the outcome variable (Hotel performance).

The regression equation was expressed as $\text{Hotel performance} = 3.585 + 0.604 (\text{customer service})$ this meant that for every additional element of customer service, hotel performance would be expected to increase by 0.604. The probability significance (P-value) was 0.000 i.e. ($P=0.000$). This meant that the relationship between customer

service and hotel performance was statistically significant and thus generalizable to the population from which the sample was drawn. The null hypothesis was therefore rejected and the alternative accepted. This revealed that speedy and responsive customer service that is offered urgently is of the essence in creating customer satisfaction and hence retention and better hotel performance in the classified hotels.

The findings concurred with Mubiri et al., (2016) report on how satisfied customers in a specific hotel are more naturally devoted and can equally market the hotel through word-of-mouth and hence better hotel performance. More so, the results are in line with Charity & Doris (2018) who suggested to hotel owners to repackage customer service to attract customers as this may result to repurchase and better commendations hence the provision of an upper hand to the hospitality industries.

These findings correspond with those of the customers who strongly agreed with 'I am accorded good reception on arrival' (n=113, 44.8%) and neutrally agreed with 'There is the emphasis on customer satisfaction (n=73, 29%)'. Hotel performance indicators included feedbacks, triple advisories, metrics, and feedback forums (n=8, 53.3%). However, according to Rather's (2017) report, customer satisfaction is finite and it is extremely difficult to measure customer feedback, inner experiences, and perceptions. It is only possible to assess the encounters.

The significant relationship could be accredited to classified hotel staff striving to accord good reception on arrival; however, emphasis should be placed on staff listening to customers' suggestions and customer satisfaction. Classified hotels provision of better customer services implied more customer commendation, increased visitation rate, and hence a hike in bed nights per visit. Classified hotel customers will continue to re-purchase, as they would be assured of quality customer service.

5.3 Discussions of findings for the effect of service integrity on Hotel

Performance

Descriptive analysis of implications of service integrity on hotel performance presented six tenets under investigation and yielded mean scores in the range closer to 3 and a low standard deviation. When the respondents were asked how well the services they received meet their expectations, the majority ranked quality and value of the price paid highest. However, respondents disagreed with the hotel's safety and convenience, which did not meet their needs. This implied that the quality and value of the price paid were significant determinants of average check-in classified hotels. Conversely, staff empathy with customers' needs and hotels' safety and convenience needed much attention in classified hotels.

The findings concur with Dominici and Guzzo's (2010) report that the main factor, which limits many classified hotels' ability to achieve higher customer satisfaction levels, is the standardization of products and services that reduces the possibility to customize the products and services offered to meet specific customer needs. Furthermore, the results are compactable with Grönoo's (2016) service quality construct, which is linked to the creation of competitive advantage and value of products and services amid a growing number of competitors, to capture and retain more customers in classified hotels.

The findings are consistent with Tsietsi (2017) who acknowledged that the desired attributes of service integrity comprised of efficient internet availability, empathetic staff, frequent service reviews and evaluation, quality food and drink services, and good quality customer reception on arrival coupled with an outstanding customer-staff relationship. More so, Khajehzadeh & Nyadzayo (2016) described service integrity as

a joint evaluation of the extent of a service provider's performance. Quality of service is attained when a hotel establishes customer expectations consistently and delivers the service to an extent that will at least meet those required expectations.

Responses from the interviews with the Food and beverage managers revealed collaborative findings that service integrity strategies embraced were; personalized service, weekly training, provision of rewards or certificates, and use of checks and balances.

The Linear regression analysis used to examine whether or not service integrity had a relationship with hotel performance, revealed that there was a significant moderate relationship at ($R= 0.420$, $P= 0.007$) between service integrity and hotel performance.

The ANOVA analysis (Table 4.9), revealed a probability significance of $.000^b$ ($P=0.000$). This implies that the regression model applied statistically and significantly predicted the outcome variable (hotel performance).

From the coefficient table 4.10, the regression equation was expressed as (Hotel performance = $16.610 + 0.153$ (service integrity)). This equation meant that for every additional element of service integrity, hotel performance would be expected to rise by the value indicated in the unstandardized coefficients column. (0.153). The probability significance. ($P=0.007$) meant that the relationship between service integrity and hotel performance was statistically significant and these findings are generalizable to the population from which the sample was drawn. The null hypothesis was rejected and the alternative accepted.

These findings correspond with those of the customers who strongly agreed with 'Staff's emphasis on quality services and products' ($n=70$, 27.8%) and neutrally agreed with 'Quality and value of price paid' ($n=130$, 51.6%). However, respondents strongly

disagreed with 'Our hotel's safety and convenience' (18, 7.1%) This revealed that customers had high expectations of the hotel's safety and proximity, thus hotels should design service standards that ensure hotels safety and convenience, consistency in service delivery, and not promising more than they cannot deliver.

Further, the findings are in collaboration with Reilly (2018) who argued that altering customer needs involved concentration on customer encounters thereby requiring well-trained and efficient staff, specifically stronger in human relations. Hotels are therefore employing flexible approaches as regards retention, workmanship building, capability building, and effective leadership selection and growth.

Michael & Duncan (2017) pointed out those urgent concerns to be channelled on the quality of the services rendered to meet the customers' requirements. Motivated staff will always be willing to offer quality services to customers, which will normally lead to a fulfilled relationship. Since the quality of service encompasses service integrity, a key enhancer to customer satisfaction, a satisfied customer is more likely to repurchase. This is major because of the guaranteed alignment to the hotel thereby leading to better hotel performance. Service integrity also serves to differentiate establishments' competitiveness as stated by Gupta (2017), who posited that the modern world hotels are approximately on the same level as regards tangible features however, intangible features roused customers most.

According to, Zeithaml & Bitner (2013) quality service integrity is an asset to customer retention as they encourage memorable customer encounters, reduces dissatisfaction, and promote effective profit returns thereby leading to gaining a competitive edge against similar challenges.

Wong & Pang (2003) contends that by creating superior value for the consumers, a company builds a high-value brand and achieves a high market price. In this way, the

company can differentiate itself from other competitors in the industry and significantly increase its market value. Kandampully (2000) contends that frontline employees in the hotel industry such as front desk, waiting staff, door and bellmen, stewards, and house cleaners, should be well trained as regards standardized customer service.

5.4 Discussions of findings for the influence of communication on Hotel

Performance

Descriptive analysis of communication on hotel performance presented five (5) tenets under investigation and yielded mean scores in the range of value 2 and high standard deviations. Thereby implying a higher variation in the respondents' responses. i.e. 'Staff clearly express themselves as they offer services' (M=2.18, SD=1.160), 'I freely express my concerns to the hotel staff ' (M=2.16, SD=1.1 23), ' I get to know of all changes in hotel policies ' (M=2.54, SD=1.042), 'I get to know of all relevant information, in the hotel' (M=2.31, SD=1.052), 'Staff freely discusses solutions with us through the internet ' (M=2.83, SD=1.111) .

The findings showed that the variables yielded mean scores in the range closer to 2 and a higher standard deviation. This implied a higher variation in the answers from respondents. The results in the frequencies table (Appendix G) shows that respondents strongly agreed with 'I freely express my concerns to the hotel staff ' (n=97, 38.5%) more-so, respondents were neutral with 'I get to know of all changes in hotel policies' (n=92, 36.5%) However, strongly disagreed with 'Staff clearly express themselves as they offer services' (n=15, 6%); and 'Staff freely discusses solutions with us through the internet (n=15, 6%).

Responses from Food and beverage managers revealed that communication practices used by the staff included, use of on-line feedbacks, websites, noticeboards, and

individual letters or emails (83.3%) however, (16.6 %) Food and beverage managers noted that every information was available on-line thus no need of much emphasis.

"Customers can access all relevant information on-line"

(Food and beverage manager 6, Mombasa)

This implied that information as regards changes in policies and the use of the internet to discuss solutions imparted positively in classified hotels. It is, therefore, necessary for the classified hotel Food and beverage managers to employ strategies geared towards effective staff communication on changes in hotel policies and offering solutions by the use of the internet. The results could probably imply that the respondents were unable to express their concern to the hotel staff in classified hotels. More-so, the probability is that respondents had a low opinion on communication channels within classified hotels. This informs that their expectations were not met and hotel Food and beverage managers should reflect on the distinctive approaches to counteract the trends to allow customers to express themselves freely, made aware of changes in policies, be informed of relevant changes in policies, and express their concerns to hotel staff.

The findings are in line with Mahmoud et al., (2018) revelations on the significance of developing approaches to conflict handling and trustworthiness to satisfy and retain customers, as there was a direct link of effective communication to better hotel performance.

Additionally, the findings are consistent with Wei et al., (2013) highlights that classified hotels' response to remarks and information on changes on policies through websites are motivational drivers to customers in classified hotels.

Linear regression analyses were used to determine whether communication influenced hotel performance. The results confirmed there was a significant positive relationship between communication and hotel performance at ($R= 0.795$, $P=0.000$) Hotel performance. The R-value, which denoted a simple correlation between the independent and dependent variables, presented that, Communication and hotel performance was 0.795, which implied that there was a high correlation between communication and hotel performance. The R square value indicated how much of the total variation in hotel performance could be explained by communication, (63.3%).

An ANOVA analysis (Table 4.13) results revealed that the probability significance was .000^b ($P=0.000$). Revealing that the regression model applied statistically significantly predicted the outcome variable (hotel performance).

The coefficient table presented, that the regression equation was expressed as follows: (Hotel performance= $2.629+0.945$ (communication)) from the equation, it meant that for every additional element of communication, hotel performance would be expected to rise by the value indicated in the unstandardized coefficients column. (0.945). The probability significance was ($P=0.000$), which meant that the relationship between communication and hotel performance was statistically significant and these findings are generalizable to the population from which the sample was drawn. The null hypothesis was therefore rejected and the alternative accepted.

These findings concur with Mauri & Minazzi (2013) that communication is a determinant of the customer's perceptions on service quality and their feedback. Therefore, communication is a key driver of classified hotel customer loyalty. The findings are in collaboration with scholars, (Mangold and Fauld, 2009; Noone et al., & Kimes, 2011) s' report on a well-integrated communication strategy that can help hoteliers to create a direct relationship with consumers and prospects before, during,

and after the trip, stimulating a sharing activity of user-generated content. Further, Surafel (2018) posited that the benefits of assuring trust in transactions, as well as marketing communication, might result in natural attachment and patronage to the hotel. Consequently, the results concur with Park and Allen (2013) who found out that frequent customer responses and feedbacks can create a positive basis for effective corrective action thereby influencing visitation rates in classified hotels.

Additionally, the findings are consistent with Torres et al., (2014) who argued that feedbacks and freedom of speech could arguably result in superb yields for classified hotels. Moro et al., (2017) concluded that on-line feedbacks opinions on hotels steered more customers to revisit. Communication is, therefore, an important tool for enhancing hotel performance.

5.5 Discussions of findings for the Moderating effect of Relationship Marketing on Hotel Performance

Descriptive analysis for relationship marketing yielded mean scores in the value of 2 and high standard deviations for all the tenets under investigation i.e. ‘The price of the products and services relative to value’ (M=2.16, SD=1.221), ‘Tell other about the hotel by word of mouth’ (M=2.51, SD=1.206), ‘I am proud to tell others about the hotel by internet’ (M=2.42, SD=1.114), ‘The quality of products and services’ (M=2.21, SD=1.169) and ‘The hotel's advertisement through its products and services’ (M=2.45, SD=1.205).

The findings suggested that the variables yielded mean scores in the range closer to 2 and a high standard deviation, implying higher variation in the responses of the

respondents. The results (Appendix G) revealed that respondents, 'when asked about how important the price of the products and services are relative to value, ' (n=105, 41.7%) indicated very importantly, while respondents were neutral with 'Tell others about the hotel by word of mouth' (n=81, 32.1%) yet again strongly disagreed by indicating not important at all 'Tell others about the hotel by word of mouth' (n=20, 7.9%)

The results could probably suggest that the respondents would be able to market classified hotels positively by word of mouth if the price of the products and services were relative to value. Alternatively, respondents could equally negatively use the power of word of mouth if the price of the products and services were not relative to value. This informs that their expectations were met or not met and classified hotel managers should reflect on unique strategies geared towards the provision of high-quality products and services, which are correlated in terms of price and value.

The findings concur with Rosemary & Jumah (2016) who highlighted that Hospitality industries should uphold customer relationship management strategies to enhance better indicators of future business, customer retention, and buying intentions resulting in re-purchase. Additionally, Mohammed and Rashid (2012) argued that relationship marketing is premised on the belief of establishing a long-lasting relationship with customers, which is the cornerstone for obtaining loyal customers who are much more profitable than non-loyal ones.

These results are consonant with Kotler and Keller's (2012) affirmation that it is not enough to attract new customers; rather, a classified hotel must also strive to retain them and increase their business transactional relationship with them. Moreover, scholars Raouf & Jyoti (2017) agreed that to acquire a larger market share and exemplary hotel

performance then classified hotel managers should explore and uphold efficient marketing approaches of customer loyalty and attachment to retain a long-lasting relationship with customers in Indian hotels.

Furthermore, results are in tandem with Moro et al., (2017) who found out that it is presently unquestionable that on-line feedback, opinions on classified hotels have the energy to market classified hotels, thereby attracting or distracting forthcoming customers.

Alternatively, Leena & Jeetesh (2016) posited that relationship marketing is a significant marketing approach that could be applied to all products and services for better hotel performance, as it results in customer loyalty and commendation. Additionally, findings are compatible with Westcott's (2015) definition of product quality as a mechanism used by classified hotels to choose customers that a business can establish and maintain relationships. Good relationship promotes customer retention, embraced purchase desires, and better hotel performance projections. Consequently, this study finding concurs with Liat et al., (2017) reports on satisfied hotel customers, who naturally turn out to be loyal. Findings agree with scholars Kumar & Kaushik's (2017) suggestion on hotel managers' adoption of relationship tools geared towards advertising, marketing strategies, and public relations, resulting in effective customer allegiance, better perception, and attachment to the hotel.

Moderated Multiple Regression (MMR) analysis was used to test this hypothesis. There is no significant relationship of the moderating effect of relationship marketing on hotel performance. The variables were initially transformed to produce composite scores to measure up to the pre-conditions for regression analysis. Secondly, the variables were centered (Customer service, Service Integrity, and Communication) the Customer

retention strategies and a related term created between them and then used to test the hypothesis by applying the model.

The findings presented in Table 4.16 show the model summary table R-value is 0.835 which is very high, this shows that relationship marketing accounted for a large proportion of the relationship between customer retention strategies and hotel performance. The R square value was 69.7%, which meant that 69.7% of the relationship between customer retention strategies could be explained by the moderating effect of relationship marketing.

The ANOVA analysis (table 4.17); revealed that the P-value of 0.000 in the ANOVA table 4.17 is less than 0.05, implying that the statistical significance of moderated regression model applied statistically and significantly predicted the relationship.

The coefficients (table 4.18), disclosed that the P-value = 0.000. The low P-value, which is below 0.05, deduced that relationship marketing had a statistically significant moderating effect on the relationship between customer retention strategies and hotel performance. Consequently, generalizable to the population from which the sample was inferred. Hence, the null hypothesis was thus rejected and alternative accepted.

The findings are in collaboration with Scholars, Rosemary & Jumah (2016) conclusion that the hospitality industry being a customer steered organization, should plow money into customer relationship management practices to heighten hotel performance.

The majority of the Food and beverage managers agreed that relationship marketing (66.6%) embraced exemplary quality service as the pillar to repeat visits. The approaches used in classified hotels included workshops for staff, and championing of interdependent relations between staff and customers. Furthermore, (66.6%) of the Food and beverage managers endorsed customer feedbacks, performance tools, trip

advisories, metrics, and on-line ratings of classified hotels as indicators of hotel performance. Data from the semi-structured interviews produced concurring revelations and recommended more advanced and inventive strategies in improving customer retention strategies.

Based on the study findings, which focused on assessing customer retention strategies and hotel performance in classified hotels in Mombasa County, Kenya. It is true to agree that majority of the studies concentrated on the influence of CR strategies regarding telecommunications and banking on hotel performance. Other studies in other disciplines looked at the influence of attitudes and motivation on customer retention strategies in Dubai hotels. This study has contributed to the body of knowledge by assessing the CR strategies (customer service, service integrity, communication and relationship marketing) influence on Hotel performance. However, results reveal that exemplary hotel performance is not guaranteed advanced innovations should be adopted.

Lastly, the theoretical underpinning of Customer service theory and Customer satisfaction theory roots the study. Customer service theory, Anderson (2000) is based on the concept of “equation of fantastic service” which entailed reliability, responsiveness, and consistency, empathy, and building relationships during service delivery. Therefore, fantastic customer service, service integrity, communication, and relationship marketing approaches conform to customer loyalty. Alternatively, the customer satisfaction theory (Expectancy-disconfirmation), Oliver (1977; 1980) is based on “satisfaction is the customer’s fulfillment feedbacks”, which entailed influencing customers’ expectations and performance. This could be achieved through effective communication, quality customer service, upholding of service integrity and relationship marketing approaches. Conforming to the theoretical framework would

promote customer satisfaction leading to loyalty and hence minimized customer churn resulting in better hotel performance.

However, this conclusion cannot be discerned, since the study was conducted in only the classified hotels in Mombasa County listed by (TRA, 2018). The focus should be placed on other hospitality establishments both welfare and profit-oriented to establish where the drawback is.

CHAPTER SIX

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

6.1 Summary

The study sought to assess Customer retention strategies and hotel performance in classified hotels in Mombasa County, Kenya. The purpose and inspiration to conduct the study were anchored by (KNBS, 2018) statistical report as evident from the slow growth of returns posted each financial year. It was therefore unclear and difficult to adduce whether there were return customers or not in most classified hotels in specific Mombasa County.

Additionally, to gain a deeper insight this study was supported by customer service theory (Anderson, 2000) and expectancy-disconfirmation theory (Oliver, 1977; 1980). This section outlines the conclusion and recommendations from the four objectives and the discussion of the four hypotheses that provided the structure for the study, four major conclusions can be drawn as indicated below.

6.2 Conclusion of the Research findings

The purpose of this study was to assess customer retention strategies and hotel performance in classified hotels in Mombasa County, Kenya. This was done by employing Customer service theory and Customer satisfaction theory. Customer retention strategies that were analyzed included Customer service, Service integrity, Communication, and Relationship marketing. Four hypotheses were cited to test whether or not each of the strategies had a relationship with hotel performance. CR strategies were analyzed to ascertain if the approaches influenced hotel performance. The study was taken within the Kenyan context and used, mixed methods, a descriptive survey design using survey approach by the use of semi-structured questionnaires

whereby data was collected from 252 classified hotel customers and interviews from 15 Food and beverage managers in classified hotels. Stratified sampling technique was used on the classified hotels, Simple random sampling on classified hotels customers, and Purposive sampling technique used on classified hotels Food and beverage managers. Primary data collection was carried out for a period of three months from October 2019 through December 2019.

The questionnaire had two sections: generally, that included the customer demographics, measured on categories; CR strategies that were put on a Likert scale of five points with five (5) highest, and one (1) lowest. The results were analyzed using descriptive statistics like mean, percentages, and standard deviation. The hypotheses were tested using linear regression and multiple regression analysis. Initially, the demographic findings found female customers to dominate the classified hotels at 51.6% more than males' at 48.4%. The ages that frequented the classified hotels were above 40-49 years at 35.3%, followed by 30-39 years at 25.8%. The purpose of visit for customers in classified hotels was found to be mainly for leisure at 51.6 % and business purpose at 26.2%. The majority of married Customers visited classified hotels at 49.6%, while never-married customers at 34.1%. Secondly, data from interviews were analyzed using content and verbatim analysis.

Demographic findings from the interviews revealed male Food and beverage managers at 66.6% and females at 33.3% in classified hotels. Alternatively, the majority of Food and beverage managers were aged 40-49 years, followed closely by 30-39 years at 16.6%. The highest level of education for the Food and beverage managers was found at 66.6 % Diploma holders and Degree at 25%. Length of stay at current job position was found to be 7 years and above at (66, 6%), 4 to 6 years (25%), and 1to3 years (8.3%)

Besides, the hypotheses that were to test the selected determinants were all rejected at a confidence level of 95%, thus each of the selected determinants of CR strategies predicted hotel performance positively and significantly. Therefore, any increase of a unit of each selected determinant would increase the log odds of hotel performance by the same unit holding all other factors constant.

The study sought to establish the influence of customer service on hotel performance. The study findings posited that R square value indicated how much of the total variation in hotel performance could be explained by customer service, at $R^2= 53.1\%$, $P= 0.000$ meaning that the R-value displayed that the relationship between customer service and hotel performance was 0.729, which implied that the regression model statistically and significantly predicted the outcome variable (Hotel performance). Descriptive analysis results of implications of customer service on hotel performance revealed (Appendix G) that respondents strongly agreed with 'I am accorded good reception on arrival' (n=113, 44.8%) more-so, respondents were neutral with 'There is the emphasis on customer satisfaction' (n=73, 29%) and strongly disagreed with 'There is the emphasis on customer satisfaction' (n=20, 7.9%) and staff readily listen to my suggestions (n=11, 4.4%)

Personalized service, customer feedback, training of staff, and use of checklists rated (83.3%) and were some of the approaches used by classified hotels to enhance customer service. The findings had the implication that the more classified hotels embraced customer service strategies such as enhancing good customer reception on arrival, emphasis on customer satisfaction, and staff listening to customer suggestions, the more customers visiting the Classified hotels' customers' felt satisfied, stayed loyal, and hence improved hotel performance due to reduced customer churn.

The variable of customer service was the third benefactor towards Hotel performance. Secondly, the study sought to determine the effect of service integrity on hotel performance. The R square value indicated how much of the total variation in hotel performance could be explained by service integrity, ($R^2= 31.4 \%$, $P= 0.007$). This depicted that the R-value exhibited that the relationship between service integrity and hotel performance was 0.420. This implied that the regression model statistically and significantly predicted the outcome variable (Hotel performance).

Therefore, these findings are generalizable to the population from which the sample was drawn.

The findings depicted that service integrity, ($R^2= 31.4\%$, $P= 0.007$) had a moderate positive correlation and was the lowest contributor towards hotel performance. The descriptive results (Appendix G) revealed that respondents strongly agreed with, 'Staff emphasis on quality services and products ' (n=70, 27.8%). However, respondents strongly agreed that the hotels did not meet 'Our hotel's safety and convenience' (n=18, 7.1%).

Service integrity approaches enforced in classified hotels included personalized service, weekly training of staff, provision of rewards or certificates, and use of checks and balances to ascertain improved hotel performance (66.6%) however, (33%) noted that service integrity was staff centred and all depended with the hotel.

This implied that additional adoption of service integrity approaches such as quality and value of service and emphasis on hotels safety and convenience the more classified hotels proprietors'' increased customer retention hence exemplary hotel performance.

Thirdly, the study sought to assess the influence of communication on hotel performance. Linear regression was used to assess whether communication influenced

hotel performance. The findings displayed that there was a positive relationship at ($R=0.795$, $P=0.000$). The R square value indicated how much of the total variation in hotel performance could be explained by communication, at ($R^2= 63.3\%$, $P= 0.000$) meaning that the relationship between communication and hotel performance was 0.795 which implied that the regression model statistically and significantly predicted hotel performance.

The results in the frequencies table (Appendix G) showed that respondents strongly agreed with 'I freely express my concerns to the hotel staff ' (n=97, 38.5 %) more-so, respondents strongly disagreed with 'I get to know of all changes in hotel policies' (n=10, 4.0 %) and 'Staff freely discusses solutions with us through the internet (n=15, 6%)

As regards findings from the food and beverage managers, communication (83.3%): stated the use of on-line feedbacks, websites, noticeboards, and individual letters or emails were approaches used to enhance communication, while (16.6%) noted that all relevant information was available on-line, therefore, there was no need of emphasis on communication.

This implied that the more classified hotels upheld communication strategy by staff clearly expressing themselves as they offer services and allowing staff to freely discuss solutions through the internet, the more they retained their customers and improved hotel performance. This is important because when classified hotel customers feel that there is frequent communication as regards the hotels they are visiting, freedom of speech and timely relaying of relevant information as about changes of practice, the more they can channel their concerns, comments, and compliments, hence loyalty and retention thereby resulting to better hotel performance. This variable was found to be the highest contributor towards overall strategies and outstanding hotel performance.

Finally, the study sought to determine the moderating effect of RM on hotel performance. R square value indicated how much of the total variation in hotel performance could be explained by moderating effect of relationship marketing, ($R^2= 69.7\%$, $P= 0.000$) meaning that the R-value displayed that the relationship between relationship marketing and the moderating effect of CR strategies and hotel performance was 0.729 which implied that the regression model statistically and significantly predicted the outcome variable (hotel performance).

Relationship marketing accounted for a larger proportion of the relationship between CR strategies and hotel performance and was the second-highest influencer of hotel performance, which means that 69.7% of the relationship between CR strategies could be explained by the moderating effect of relationship marketing.

The results (Appendix G) revealed that respondents, 'when asked about how important the price of the products and services are relative to value?' (n=105, 41.7%) indicated very importantly, while respondents were neutral with 'Tell others about the hotel by word of mouth' (n=81, 32.1%) yet again strongly disagreed by indicating not important at all 'Tell others about the hotel by word of mouth' (n=20, 7.9%)

Findings showed the relationship marketing approaches used in classified hotels, (66.6%) posited that they used workshops to train staff, promote interdependent relationships between staff and customers. Regarding hotel performance indicators, the majority (66.6%) of the Food and beverage managers considered customer feedbacks, performance tools, trip advisories, metrics, on-line ratings, and performance tools of classified hotels as determinants of hotel performance.

The results revealed that the more classified hotel adopted RM approaches such as checking that the price of products and service were relative to value and ensuring that customers told others about the hotel, the more they retained their customers through enhancement of advertising, pricing of products, and product quality hence hotel performance.

This study was anchored by customer service theory (Anderson, 2000) which emphasized on “equation of fantastic service” customers expect services and products that have to be affirmed. The more customers’ expectations are affirmed the more they want to re-visit and vice versa. Such expectations include reliability, responsiveness, constituency, empathy toward service delivery, and building relationships. To establish the influence of customer service, service integrity, and communication and moderating effect of RM on hotel performance, findings revealed that every increase in customer retention strategies resulted in higher hotel performance. Descriptive revelations rated good reception on arrival, Overall expectations of services, staff expression during service delivery, and quality of products and services being relative to the value. This implies that the theory informed the study.

Alternatively, customer satisfaction theory, Expectancy–disconfirmation theory (Oliver, 1977; 1980) rooted it’s base on “satisfaction is customers fulfilment feedback” it is a confirmation that a product or service delivered or offered is satisfying or dissatisfying to a pleasurable extend. In essence, to safeguard satisfaction is to verifiably design dis-confirmation by influencing expectations and performance. However, what matters is the customers’ perceptions of expectations. Findings revealed that overall expectations for the customers and satisfaction with products and services as being highly rated. This conformed to this theory.

6.3 Recommendation for Policy/ Practice

Based on the study findings and following discussion of the study objectives and hypotheses that provided the basis for the study, the following recommendations were posited both at the practical and policy levels.

Practice;

1. The study recommends that classified hotel managers adopt approaches on how hotel staff should be accorded good reception on arrival, listen to customers' suggestions such as complaints and compliments and come up with corrective ways in line with the feedbacks so as foster satisfaction and loyalty and to retain their customers.
2. The study recommends that hotel managers should work towards value and price paid and the overall expectations of the customers. This will promote satisfaction to customers and increase more return customers.
3. The study recommends that classified hotel managers embrace communication practices such as promotion of freedom of staff and customers interactions through the internet to allow effective problem solving and hence customer retention, which promotes improved hotel performance.
4. Further recommendations entail, innovating ways of advertising the hotel by enhancing quality products and services so that the customers can recommend by via the internet.

Policy;

1. The study findings distinctly portray the crucial role of communication in hotel performance. The study thus recommends that hotel managers work on coming up with inventive guidelines towards communication strategies that would safeguard customer retention in hotels.
2. The study recommends that the various organizations under the Ministry of Tourism such as TRA, KAHCC, and PERAK should come up with policies and guidelines on how hotels can accord good reception on arrival and ensure value and worth for the services and products offered in their sectors. They should organize and hold workshops and seminars for hotel managers and sensitize their memberships on the crucial role played by customer retention strategies on hotel performance.
3. Finally, hotel managers should explore new approaches to relationship marketing, by training staff on advertising, product quality, and pricing to enhance customer loyalty through word –of mouth.

6.4 Recommendation for Future Research

This study provided a general picture of how customer retention strategies influenced hotel performance in classified hotels in Mombasa County, there is still plenty of room for further research.

The following recommendations are therefore put forward:

1. This study employed questionnaires and interview schedules as the methods of data collection (October 2019 –December 2019) before the Covid-19 pandemic. Questionnaires have major challenges as regards misconception, comprehension, and dishonest responses of what is required. In addition, this method of collecting data is prone to respondents ignoring some questions, which might be crucial to the study. Interview schedules, as a method of data collection, are equally prone to biasness as respondents may skip certain questions or give dishonest responses. Thus, this study recommends future research using other data collection methods such as on-line questionnaires, observation, and focus groups. This might be beneficial in acquiring insight detailed facts to customer personal perceptions and organization feelings, school of thought, discernment especially during Covid -19 pandemic. This might pave way for a more solid deduction on this study.
2. A future study could be carried out to assess staff retention strategies and hotel performance. This study examined customer retention strategies and hotel performance in classified hotels in Mombasa County; future research may assess some features of these results in the hospitality sector.
3. The current research was executed during the high season in the hospitality industry; therefore, future research can be done in the low season to collate the results.
4. The equivalent study should be carried out in other parts of the country to establish notwithstanding if the same findings would be attained.

5. Another study should be carried out to assess post-Covid- 19 pandemic influence on customer retention strategies in sectors other than Hospitality and tourism.

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APPENDICES:

APPENDIX A: LETTER OF INTRODUCTION



Dear sir/madam,

RE: Request to collect data on a research topic: Customer retention strategies and hotel performance in classified hotels in Mombasa County, Kenya.

I am a Master's student at Kenyatta University. As part of the requirement for the award of the degree, I am expected to research in research in my area of study. You have been selected as one of the participants of the study. Please assist me by answering the attached questions as accurately as possible. Kindly note that all information provided shall be handled with the greatest seclusion and the results of the study are strictly used for academic purposes. Participation in the study is voluntary and any clarification can be referred to me.

I look forward to your positive response.

Yours faithfully

SILYVIA ASKINE ACHIENG

APPENDIX B: QUESTIONNAIRE FOR CLASSIFIED HOTEL CUSTOMERS.

This questionnaire is designed to obtain information about Customer retention strategies and hotel performance. The accuracy of the responses you provide will be essential for the success of this study. Your responses are intended for academic purposes only and will be treated with the utmost confidentiality.

✓ *Tick in the appropriate*

SECTION A: General Questions

1. Gender
 Male Female Others? Specify.....
2. Age?
 19 and below 20-29 30-39 40-49 50years and above
3. Your purpose of visit
 Business Leisure Vacation & Relaxing Meeting friends
 Others? Specify.....
4. Your marital status?
 Married Widowed Divorced Separated Never Married

SECTION B: Hotel Performance

5. To what extent do you agree or disagree with the following statement concerning the hotel? (**Where 1=strongly agree, 2=Agree, 3=Neutral, 4=Disagree, and 5=strongly disagree**). **Tick ones in the appropriate box**

If the hotel’s services meet my expectations, I am likely to;	1	2	3	4	5
Recommend it to friends and relatives visiting the region					
Choose to stay in when visiting the region					
Give it a priority to others when planning a visit to the region					
The increase may length of stay in it per visit when in the region					
Spend more on their products and services					
Give bigger tips to staff as a sign of appreciation					

SECTION C: Customer Retention Strategies

6. To what extent do you agree or disagree with the following statement concerning the hotel? (Where 1=strongly agree, 2= Agree, 3=Neutral, 4=Disagree, and 5=strongly disagree). Tick ones in the appropriate box

Customer service	1	2	3	4	5
I am accorded good reception on arrival,					
I always send a booking confirmation					
Check-in is quite simple					
The services are unique and convenient					
Services are reliable and secured					
There is an emphasis on customer satisfaction,					
I am satisfied with the products and services					
staff ready to listen to my suggestions					

7. How well do our services meet your expectation? (Where 1= Do not meet, 2= bellow, 3=Meets, and 4=Exceeds Tick ones in the appropriate box

Service Integrity	1	2	3	4
Quality and value of the price paid				
Our hotel's safety and convenience				
Our hotel staffs' empathy with your needs				
The consistency and reliability of service offered				
Staffs' emphasis on quality services and products				
The overall expectation of other services				

- 8 . To what measure are the following statements accurate or inaccurate as concerns the hotel? (Where 1=strongly agree, 2= Agree, 3=Neutral, 4=Disagree, and 5=strongly disagree). Tick ones in the appropriate box

Communication	1	2	3	4	5
The staff clearly express themselves as they offer services					
I freely express my concerns to the hotel staff					
I get to know of all changes in hotel policies					
I get to know of all relevant information, in hotel					
Staff freely discusses solutions with us through the internet					

9. How important are the following factors to you when visiting a hotel? (Where 1=Very important, 2= Important, 3=Neutral, 4=Not important, and 5=Not important at all). Tick ones in the appropriate box

Relationship marketing	1	2	3	4	5
The price of the products and services relative to the value					
Tell others about the hotel by word of mouth					
I am proud to tell others about the hotel via the internet					
The quality of products and services					
The hotel's advertisement through its products and services					

**APPENDIX C: INTERVIEW SCHEDULE FOR FOOD AND BEVERAGE
MANAGERS**

I am a student at Kenyatta University pursuing an MSc degree in Hospitality management. You have been selected to participate in this interview based on your position in the hotel. The information you are about to deliver will be handled with the greatest sensitivity and strictly meant for a research basis.

Thank you

1. Gender

Male Female

2. Age

19 and below 20-29 30-39 40-49 50 years and above

3. Highest level of education

High School Diploma Degree MSc Other?

Explain.....

4. For how long have you worked in your current position

Below 1 year 1-3 years 4-6 years 7 years and above

5. What are some of the strategies you often use to enhance customer service in your establishment?

6. What are some of the practices you frequently use to enhance service integrity in your establishment?

7. What are some of the practices you have put in place to enhance staff communication effectively with guests in your establishment?

8. What are some of the strategies you often use to enhance relationship marketing in your establishment?

9. What are the indicators you use to measure performance in your establishment?

Thank you for your cooperation.

**APPENDIX D: MAP OF STUDY AREA SHOWING CLASSIFIED HOTELS
IN MOMBASA COUNTY**



Source: <http://www.google.co.ke/mombasa+county+map> (15 May 2017)

**APPENDIX E: LIST OF CLASSIFIED HOTELS IN MOMBASA COUNTY,
KENYA**

CLASSIFIED HOTELS	Rooms	Beds	Star rating
1. SERENA BEACH RESORT AND SPA	168	328	****
2. VOYAGER BEACH RESORT AND SPA	236	472	****
3. MARINA ENGLISH POINT	26	28	****
4. SEVERIN SEA LODGE	188	376	****
5. SAROVA WHITE SANDS BEACH RESORT AND SPA	335	435	****
6. BOLLYWOOD BITES	0	0	***
7. BAHARI BEACH HOTEL	105	212	***
8. ROYAL COURT HOTEL	89	188	***
9. ISINYA RESORTS LIMITED (BLISS RESORT)	43	86	***
10. JACYJOKA APARTMENTS	12	16	***
11. AZUL MARGARITA BEACH RESORT	35	98	***
12. PLAZA BEACH HOTEL	88	176	**
13. CASTLE ROYAL HOTEL	68	99	**
14. GASARO HOTEL LIMITED	39	58	**
15. MIDVIEW HOTEL	68	136	**

(TRA, 2018)

APPENDIX F: RESEARCH LICENSE FROM NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY, AND INNOVATION.

Republic of Kenya
REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION

Ref No: 900817

RESEARCH LICENSE



This is to Certify that Miss. SILYVIA Askine ACHIENG of Kenyatta University, has been licensed to conduct research in Mombasa on the topic: Customer retention strategies and Hotel performance in classified hotels in Mombasa County for the period ending : 23/March/2021.

License No: NACOSTI/P/20/4184

900817

Applicant Identification Number

Director General
NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION

Verification QR Code



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APPENDIX G: FREQUENCIES FOR RESEARCH QUESTIONNAIRES

FREQUENCIES FOR OBJECTIVE ONE

I am accorded good reception on arrival

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	113	44.8	44.8	44.8
Agree	72	28.6	28.6	73.4
Neutral	52	20.6	20.6	94.0
Valid Disagree	5	2.0	2.0	96.0
Strongly Disagree	10	4.0	4.0	100.0
Total	252	100.0	100.0	

I always send a booking confirmation

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	82	32.5	32.5	32.5
Agree	91	36.1	36.1	68.7
Neutral	43	17.1	17.1	85.7
Valid Disagree	27	10.7	10.7	96.4
Strongly disagree	9	3.6	3.6	100.0
Total	252	100.0	100.0	

Check-in is quite simple

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	108	42.9	42.9	42.9
Agree	67	26.6	26.6	69.4
Neutral	38	15.1	15.1	84.5
Valid Disagree	32	12.7	12.7	97.2
Strongly disagree	7	2.8	2.8	100.0
Total	252	100.0	100.0	

The services are unique and convenient

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	65	25.8	25.8	25.8
Agree	117	46.4	46.4	72.2
Neutral	48	19.0	19.0	91.3
Valid Disagree	7	2.8	2.8	94.0
Strongly disagree	15	6.0	6.0	100.0
Total	252	100.0	100.0	

Services are reliable and secured

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	87	34.5	34.5	34.5
Agree	95	37.7	37.7	72.2
Neutral	38	15.1	15.1	87.3
Valid Disagree	22	8.7	8.7	96.0
Strongly disagree	10	4.0	4.0	100.0
Total	252	100.0	100.0	

There is an emphasis on customer satisfaction

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	85	33.7	33.7	33.7
Agree	60	23.8	23.8	57.5
Neutral	73	29.0	29.0	86.5
Valid Disagree	14	5.6	5.6	92.1
Strongly disagree	20	7.9	7.9	100.0
Total	252	100.0	100.0	

I am satisfied with the products and services

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	89	35.3	35.3	35.3
Agree	100	39.7	39.7	75.0
Neutral	36	14.3	14.3	89.3
Valid Disagree	18	7.1	7.1	96.4
Strongly disagree	9	3.6	3.6	100.0
Total	252	100.0	100.0	

Staff readily listen to my suggestions

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	44	17.5	17.5	17.5
Agree	97	38.5	38.5	56.0
Neutral	67	26.6	26.6	82.5
Valid Disagree	33	13.1	13.1	95.6
Strongly disagree	11	4.4	4.4	100.0
Total	252	100.0	100.0	

FREQUENCIES FOR OBJECTIVE TWO

Quality and value of the price paid

	Frequency	Per cent	Valid Percent	Cumulative Percent
Do not meet	26	10.3	10.3	10.3
Valid Below	52	20.6	20.6	31.0
Meets	130	51.6	51.6	82.5
Exceeds	44	17.5	17.5	100.0
Total	252	100.0	100.0	

Our hotel's safety and convenience

	Frequency	Per cent	Valid Percent	Cumulative Percent
Valid Do not meet	18	7.1	7.1	7.1
Valid Below	15	6.0	6.0	13.1
Valid Meets	167	66.3	66.3	79.4
Valid Exceeds	52	20.6	20.6	100.0
Valid Total	252	100.0	100.0	

Our hotel staff's empathy with your needs

	Frequency	Per cent	Valid Percent	Cumulative Percent
Valid Do not meet	24	9.5	9.5	9.5
Valid Below	46	18.3	18.3	27.8
Valid Meets	121	48.0	48.0	75.8
Valid Exceeds	61	24.2	24.2	100.0
Valid Total	252	100.0	100.0	

The consistency and reliability of service offered

	Frequency	Per cent	Valid Percent	Cumulative Percent
Valid Do not meet	14	5.6	5.6	5.6
Valid Below	71	28.2	28.2	33.7
Valid Meets	106	42.1	42.1	75.8
Valid Exceeds	61	24.2	24.2	100.0
Valid Total	252	100.0	100.0	

Staff's emphasis on quality services and products

	Frequency	Per cent	Valid Percent	Cumulative Percent
Do not meet	30	11.9	11.9	11.9
Below	45	17.9	17.9	29.8
Meets	107	42.5	42.5	72.2
Exceeds	70	27.8	27.8	100.0
Total	252	100.0	100.0	

The overall expectation of other services

	Frequency	Per cent	Valid Percent	Cumulative Percent
Do not meet	15	6.0	6.0	6.0
Below	76	30.2	30.2	36.1
Meets	116	46.0	46.0	82.1
Exceeds	45	17.9	17.9	100.0
Total	252	100.0	100.0	

FREQUENCIES FOR OBJECTIVE THREE

The staff clearly express themselves as they offer services

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	85	33.7	33.7	33.7
Agree	86	34.1	34.1	67.9
Neutral	46	18.3	18.3	86.1
Disagree	20	7.9	7.9	94.0
Strongly disagree	15	6.0	6.0	100.0
Total	252	100.0	100.0	

I freely express my concerns to the hotel staff

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	97	38.5	38.5	38.5
Agree	54	21.4	21.4	59.9
Neutral	71	28.2	28.2	88.1
Valid Disagree	23	9.1	9.1	97.2
Strongly disagree	7	2.8	2.8	100.0
Total	252	100.0	100.0	

I get to know of all changes in hotel policies

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	45	17.9	17.9	17.9
Agree	75	29.8	29.8	47.6
Neutral	92	36.5	36.5	84.1
Valid Disagree	30	11.9	11.9	96.0
Strongly disagree	10	4.0	4.0	100.0
Total	252	100.0	100.0	

I get to know of all relevant information, in the hotel

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	54	21.4	21.4	21.4
Agree	112	44.4	44.4	65.9
Neutral	52	20.6	20.6	86.5
Valid Disagree	22	8.7	8.7	95.2
Strongly disagree	12	4.8	4.8	100.0
Total	252	100.0	100.0	

Staff freely discusses solutions with us through the internet

	Frequency	Per cent	Valid Percent	Cumulative Percent
Strongly agree	30	11.9	11.9	11.9
Agree	75	29.8	29.8	41.7
Neutral	70	27.8	27.8	69.4
Valid Disagree	62	24.6	24.6	94.0
Strongly disagree	15	6.0	6.0	100.0
Total	252	100.0	100.0	

FREQUENCIES FOR OBJECTIVE FOUR

The price of the products and services relative to the value

	Frequency	Per cent	Valid Percent	Cumulative Percent
Very important	105	41.7	41.7	41.7
Important	51	20.2	20.2	61.9
Neutral	61	24.2	24.2	86.1
Valid Not important	20	7.9	7.9	94.0
Not important at all	15	6.0	6.0	100.0
Total	252	100.0	100.0	

Tell others about the hotel by word of mouth

	Frequency	Per cent	Valid Percent	Cumulative Percent
Very important	65	25.8	25.8	25.8
Important	60	23.8	23.8	49.6
Neutral	81	32.1	32.1	81.7
Valid Not important	26	10.3	10.3	92.1
Not important at all	20	7.9	7.9	100.0
Total	252	100.0	100.0	

I am proud to tell others about the hotel via the internet

	Frequency	Per cent	Valid Percent	Cumulative Percent
Very important	60	23.8	23.8	23.8
Important	82	32.5	32.5	56.3
Neutral	65	25.8	25.8	82.1
Valid Not important	35	13.9	13.9	96.0
Not important at all	10	4.0	4.0	100.0
Total	252	100.0	100.0	

The quality of products and services

	Frequency	Per cent	Valid Percent	Cumulative Percent
Very important	95	37.7	37.7	37.7
Important	61	24.2	24.2	61.9
Neutral	50	19.8	19.8	81.7
Valid Not important	41	16.3	16.3	98.0
Not important at all	5	2.0	2.0	100.0
Total	252	100.0	100.0	

The hotel's advertisement through its products and services

	Frequency	Per cent	Valid Percent	Cumulative Percent
Very important	70	27.8	27.8	27.8
Important	65	25.8	25.8	53.6
Neutral	66	26.2	26.2	79.8
Valid Not important	36	14.3	14.3	94.0
Not important at all	15	6.0	6.0	100.0
Total	252	100.0	100.0	

ITEM-TOTAL STATISTICS FOR RESEARCH QUESTIONNAIRE

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
I recommend it to friends and relatives visiting the region	73.33	264.238	.780	.917
Choose to stay in when visiting the region	73.13	276.267	.419	.922
Give it a priority to others when planning a visit to the region	73.53	279.267	.351	.923
Increase my length of stay in it per visit when in the region	72.80	280.600	.269	.924
Spend more on their products and services	72.93	264.067	.704	.918
Give bigger tips to staff as a sign of appreciation	72.53	276.552	.374	.923
I am accorded good reception on arrival	73.13	262.124	.812	.916
I always send a booking confirmation	72.87	275.552	.360	.923
Check-in is quite simple	72.67	278.381	.266	.925
The services are unique and convenient	73.00	271.714	.611	.919
Services are reliable and secured	73.00	262.429	.706	.917
There is an emphasis on customer satisfaction	72.93	256.067	.885	.914
I am satisfied with the products and services	73.00	259.857	.823	.916
Quality and value of the price paid	73.07	280.352	.405	.922
Our hotel's safety and convenience	72.40	290.971	-.021	.926
Our hotel staff's empathy with your needs	72.80	288.457	.058	.926
The consistency and reliability of service offered	72.67	291.810	-.054	.926
Staff's emphasis on quality services and products	73.07	286.352	.109	.926
The overall expectation of other services	73.07	297.781	-.260	.929
The staff clearly express themselves as they offer services	73.27	262.352	.824	.916
I freely express my concerns to the hotel staff	72.80	268.600	.746	.918
I get to know of all changes in hotel policies	72.80	278.171	.525	.921
I get to know of all relevant information, in the hotel	72.87	268.410	.626	.919
Staff freely discusses solutions with us through the internet	72.73	275.781	.421	.922
The price of the products and services relative to the value	73.13	258.410	.777	.916
Tell others about the hotel by word of mouth	72.87	256.981	.821	.915
I am proud to tell others about the hotel via the internet	72.60	265.543	.601	.919
The quality of products and services	73.00	257.286	.804	.916
The hotel's advertisement through its products and services	72.93	253.781	.859	.915

**APPENDIX H: VERBATIM ANALYSIS FOR FOOD AND BEVERAGE
MANAGERS**

	Customer Service	Service Integrity	Communication	Relationship Marketing	Hotel Performance
	Open-ended questions	Open-ended questions	Open-ended questions	Open-ended questions	Open-ended questions
	<ul style="list-style-type: none"> • Personalized service. • Customer feedbacks • Training of staff • Use of checklists. 	<ul style="list-style-type: none"> • Personalized service • Weekly training • Provision of rewards and certificates • Check and balances. <u>No</u> • Staff centred and depends on the hotel 	<ul style="list-style-type: none"> • Use of on-line feedbacks • Websites • Notice boards • Individual letters and email address <u>No</u> • Available on-line, no need for emphasis. 	<ul style="list-style-type: none"> • Workshops for staff • Promotion of interdependent relationships between staff and customers. 	<ul style="list-style-type: none"> • Customer comments • Feedback forms • Triple advisories • Metrics • on-line ratings
No. of respondents (n)	n = 10	Yes n = 8 No n = 4	Yes n = 10 No n = 2	n = 8	n = 8
Percentage %	83.3%	Yes 66.6 % No 33%	Yes 83.3% No 16.6 %	66.6%	66.6%