

Effect of Customer Satisfaction on Performance of the Hotel Industry in the Western Tourism Circuit of Kenya

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Abstract

The hotel industry is one of the fastest growth sectors of the global economies; its significant contribution is seen to be on an upward trend, as evidenced even here in Kenya where international hotel chains are opening its branches to reap the market rewards from this competitive industry. The purpose of this research project was to find out the effect of customer satisfaction in this industry. The researcher employed descriptive research design, simple random sampling was used, questionnaire as the research instrument was used for data collection, and descriptive statistics was used in analyzing data. Presentation of data was done through use of bar graphs, pie chart and frequency tables. The research findings showed, hotels strive to meet the expectations of the hotel customers through provision of excellent services in pursuit of customer satisfaction, and the customers appreciate this by becoming not only regular, but also loyal clients', hence good performance of the hotel. The hotel industry in western tourism circuit of Kenya has low performance as compared to what other tourism regions has, yet the tourism circuit has unique and great potential to offer. These research findings suggested some appropriate hotel strategies that may enhance customer satisfaction

Key Words: Customer, customer satisfaction, hotel performance

1.0 Introduction

The hospitality sector is part of a huge group of travel and tourism industry is one of the fastest growing industries that provide the necessary and desirable goods and services to travellers worldwide. Sriyam (2010) points out that guest satisfaction in the hotel industry is the highest priority for owners and managers competing with hundreds of others, because personal services are at the top of the travellers list of the most important things when considering a hotel to stay in. Tailoring of customer service has seen more and more customers switch from one service provider to another, this is seen especially in the hotel sector where guests prefer a high level of service, and individual requirements are therefore much differentiated. Little (2011) gave an example of Banyan Tree Hotels where customers were offered tailored reservation to their taste; such as enjoying dinner on the ocean sandbank with a poem written in the sandbank plus some music played by the boat crew.

As Kenya focuses to be industrialized by 2030, research foresees the hotel industry as one of the sectors that will contribute greatly to the industrialization (Schulz, 2012), the hotel industry has seen customer satisfaction as a key marketing tactic in differentiating itself from its competitors and therefore a heightened understanding of a guest preference and total worth will enhance a guest experience and maximize hotel revenue.

The specific objectives of the study were:

- i. To assess the perception of customer satisfaction on the services of the hotel industry.
- ii. To find out the kind of strategies the hotel industry has put in place to enhance customer satisfaction.
- iii. To establish whether customer satisfaction strategies put in place have improved and sustained performance in the hotel industry.
- iv. To examine the challenges influencing customer satisfaction in the hotel industry and suggest ways of overcoming the challenges.

2.0 Literature Review

The tourism as an international industry and as the biggest provider of jobs on the planet boasts a greater array of heterogeneous stakeholders than many other industries (Buhalis, 2008). In the International Labour Organizations (2010), Tourism industry accounted for more than 235 million jobs globally, an equivalent to 8% of the overall number of direct and indirect jobs.

Tourism has also helped in providing employment to a large number of people in Kenya, and according to the Economic Survey (2012), the tourism earnings in Kenya rose by 32.8% from 73.7 billion in 2010 to 97.9 billion in 2011. The hotel industry is seen to shift towards highly competitive, integrated and customer oriented market framework, supported by the progressive career path evident from the fact that more and more universities are now offering hotel management courses, a phenomenon which was rare some ten years ago, even in Kenya.

Customer satisfaction, according to World Trade Organization (1985) is a psychological concept that involves the feelings of well-being and pleasure resulting from gaining what a person hopes for and expects from a product and /or service. It is the customer’s fulfilment response to consumption experience, a highly personal assessment that is greatly affected by customer expectations and experience (The Centre for Study on Social Policy, 2007), and is linked to both the personal interaction with the service provider and the outcome experienced by the service users, it is a psychological effect on their choice when they choose a particular hotel or resort to visit and stay in. Dominici et al (2010) observed that in order to achieve customer satisfaction, it is important to recognize and to anticipate customers' needs and to be able to satisfy them, consequently, the attractiveness of a touristic destination is influenced by the standards of the services provided by the local hotels in the region.

2.2.2 Conceptual Framework

The study was guided by a conceptual framework developed by the researcher as presented below:

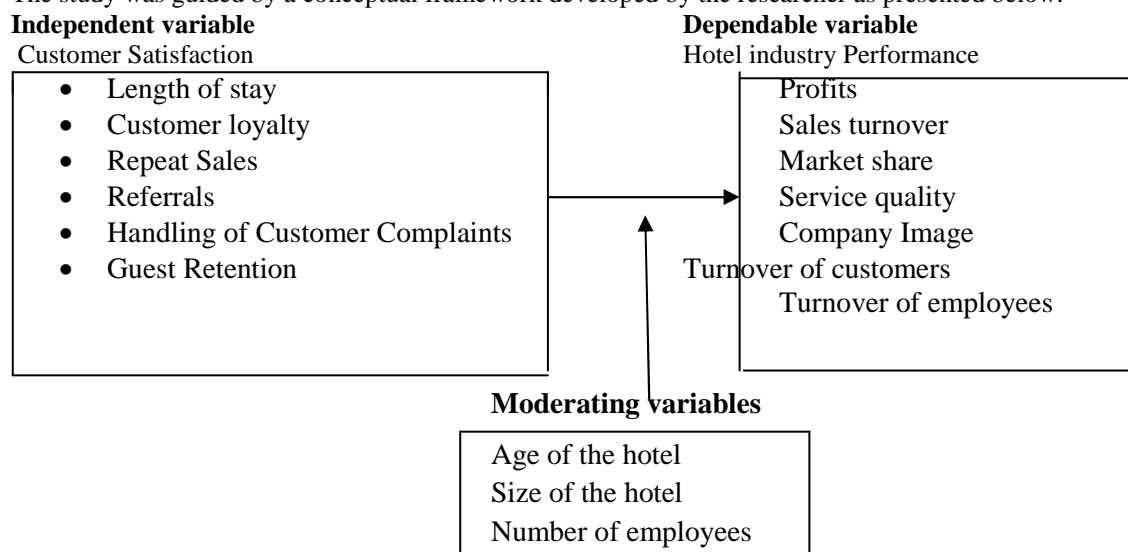


Figure 1: effects of customer’s satisfaction on performance of the hotel industry in western tourist circuit of Kenya (Source: Researcher, 2013)

2.1 Customer satisfaction

Customer service has never been as exciting as it is today because customers are more connected and knowledgeable than ever before, the social media, online customer reviews, messages forums and the power of internet search are tipping and shifting the balance of power in their favour. Kevin et al (2011) observed that hotel websites provides the type of information that customers would like to have, this has been seen to increase in use of internet services and that global hotel reservations rising from \$ 5 billion in 2001 to \$14.8 billion in 2010. Effective modes of communications have shaped the marketplace enabling consumers to present their preferences and standards to organizations that are poised to listen and respond (Adele, 2013). As contributed by Schultz (2012), that as competition in the hotel industry intensifies, hoteliers have learnt to shift their strategies from customer acquisition to customer retention and loyalty, which is only possible with effective customer satisfaction.

A research done by Kenexa Institute found out that there was a strong positive relationship between employee and customer satisfaction (Wiley, 2012), and this is because employee behaviour is defined as consequences of their actions in delivering hotel services. Knowing what the customer expects is the first and possibly most critical step in delivering good quality service, but being wrong about what customers wants can mean losing a customer’s business when another company hits the target exactly.

2.2 The concept of customer loyalty, length of stay and retention

Customer loyalty is the degree to which customers experience positive feelings for and exhibit positive behaviour towards a company or brand. According to Kotler and Armstrong (2006), loyalty is won through delivery of consistent superior customer service, it means providing them with services that are so good such that there is little chance of not meeting up to their expectations and requirements. Retaining loyal customers for hoteliers is essential and a core factor in keeping the industry in shape and competitive enough to measure itself up to the changing trends of the industry (Schulz, 2012). Achieving the desired results of customer

loyalty is frequently a customer action, and that loyal customers don't leave for any attractive offer elsewhere, but rather gives the organization a chance to beat the other offer. Kotler and Armstrong (2006) saw loyalty as a factor of consistent superior customer service, they found out that five percent increase in customer retention yielded seventy five percent increases in the net present value of a firm.

In research contributions, Cvent (2013) found that in today's era of customer-oriented business strategy, the 80/20 rule has proved to be one of the fundamental business effects; this is where 80 percent of profitable revenues come from just the 20 percent of the organizations' clients. Findings from Carson Research Consulting (2013) indicate that loyal customers are those who purchase from an organization repeatedly, will do so even in the face of certain challenges, that they are twenty six to fifty four percent more likely to positively refer the organization to others. Rousan et al (2010) also found out that loyal customers don't get swayed by price inducement from the competitors, but will continue as loyal customers, a research in South Africa fast foods industry showed that customers retention tend to focus on evaluation of customers management relationships as the major strategy for retaining customers.

Kohlmayr (2012) concludes that to inspire long term loyalty among guests, hoteliers must not only identify who their most valuable guest is, but also put strategies in place to make them feel welcome and most valued.

2.3 Repeat Sales and word of mouth

Dominici (2010) pointed out that the search for a new location is certainly the most important factor for many tourists, that the choice of repeat holiday destination depends on their loyalty which is guided by; desire to reduce risk of making a mistake, chance to meet the same people again, emotional affection to a specific place and to explore the place better. Kapiki (2012) observed that excellent services quality by hoteliers' results in to better customer satisfaction and loyalty. Word of mouth according to Cvent (2013) is non official way of communication between people regarding a product of service, findings by Natuhwera (2011) showed that a satisfied customer is the one whose expectations are met, and that the benefits from positive word of mouth is an important factor in the hotel industry because with excellent customer satisfaction, customers are more likely to recommend such high services to their friends, relatives and colleagues and this will consequently make the hotel business thrive on credible and positive image. However, according to Litrin (2006), negative word of mouth can have an overwhelming impact upon a hotel image, since dissatisfied visitors spread unflattering comments related to their experience, hence negative sales and performance of the hotel.

2.4 Word of Mouth (WOM)

Word of mouth according to Cvent (2013) is an official way of communication between people regarding a product of service, and it is among the first three sources of information through experiences of friends and relatives. It is a powerful tool that provides inquirer with an indirect experience about the product or service through friends and relatives; it is tailored to people that have same interests and is not limited by money or any other constraints as social, time, family or physical features. Little (2011) contributed that the social network offers an appealing context to study word of mouth because it provides easy tools for current users to invite others to join the network and build relationships online. In the hotel industry, the best word of mouth comes from high service quality and good customer experience; this will make the customer talk about the hotel services in a positive way. However, according to Litrin (2006), negative word of mouth can have an overwhelming impact upon a hotel image, because dissatisfied visitors spread unflattering comments related to their experience, but positive recommendation boosts sales and hence good performance for the hotel.

Natuhwera (2011) found out that in a service setting like the hotel industry, steps must be taken urgently to pacify dissatisfied customers, failure to which the customers will exit or engage in negative word of mouth (WOM) to the detriment of the service provider and the result will not be positive; lost sales and profits. In the findings of Little (2011), failing to create fabulous word of mouth is more expensive, and that customers who experience poor services not only cease to use your services, but also deters up to fifty people in your network, and this can cause real decline in the hotels' performance and growth. According to Abdullah et al (2012) satisfied customer, either foreign or local may lead to favorable words of mouth which have been proven as the best advertisement money can buy.

2.5. Handling of Customer Complaints

According to Natuhwera (2011), customer complaints reflect customer dissatisfaction and service deficiencies and this require great attention and care. Carson Research Consulting (2013) found out that customers are twice as likely to speak to others when things go wrong (bad experience) than when things are right. This require that the hotel employees attend to problems immediately, not to leave issues and problems unresolved because

solving them at the earliest time creates good impression to the customer about the type of establishment they are in. An unresolved issue encourages negative talks and a bad impression of management inability to manage the organization. It is not in order to disappoint a golden customer because it is them that they bring in more customers by their word of mouth, the earlier their issues are solved and satisfied, the more they advertise the organization. Satisfied customers will talk about the hotel service to others and their word of mouth can act as magic to increasing the sales of the organization.

Yeji (2012) posits that service attitude of the employee's plays a critical role in maximising customer satisfaction; therefore employee's ability to solve problems efficiently and accurately is the most important factor in maintaining customer satisfaction level. Carson Research Consulting (2013) suggested that companies including hotel establishments need to provide customers with the tools to be heard, because their concerns will be used to avoid recurrence of similar experience to another client. The hotel employees need to accept, apologise to the client then attend to the faults at the earliest time possible but not to argue with the customer, in doing this; hotels can stimulate word of mouth through addressing complaints effectively hence can turn a client into a supporter who will tell others the good experience offered.

2.6 Strategies for enhancing customer satisfaction in the hotel industry

In the world of today and tomorrow in the hotel industry, service will be the difference between barely surviving and achieving success. Providing high quality services and improving customer satisfaction are widely recognized as fundamental factors boosting the performance of companies in the hotel and tourism industry (Dominici, 2010). In their contributions Onyango et al (2012) found out that the hotel industry has experience enormous growth in business volume thereby making them larger and more complex to manage and meet challenges of customer demands. This is further aggravated by the modern communications technology (email, telemarketing, television advertising) which has simply created too much "white noise" in the marketing airwaves. With the increased bargaining power consumers are obtaining, hotel corporations are realizing that the key to their success will be to foster strategic relationship marketing efforts, particularly through the usage of loyalty measures (Gordon, 2006).

Research findings by Yun (2000) indicated to secure the continual growth of the business and market share, international hotel companies are increasingly entering into strategic alliances and tie-up relationships with other companies including, but not limited to, airline companies and travel companies in the form of short-term opportunistic relationships, medium-term tactical relationships, or long-term strategic relationships. An educated, sophisticated customer base is placing increasing emphasis on the value of goods and services received in relation to the price paid in the market place. With an intensely competitive industry vying to serve them, customers are in a position to demand good value for their money. According to Schultz (2012), for a hotel to lead in customer retention and loyalty, they have to offer superior quality service as compared to its competitors. Service quality leaders understand that the little things matter and that if left unattended will turn into larger more complex things that will negatively affect service quality (Zeithamal, Parasuraman, & Berry, 1990).

2.7 Critique of Existing Literature relevant to the study

There is emerging power shift in businesses and in the hotel industry, the customers know they are in charge, the modern customer is very knowledgeable and has the power hence they demand nothing but the best that can satisfy them. To realize effective customer satisfaction, the hotel industry must constantly gather more information on how to improve their services by providing communication channels for the customers to convey their complaints easily. Critics argue that customer satisfaction is not enough anymore, and that customer loyalty is the key (Michael, 2013), yet without the right attitude of service, the customer will not feel valued nor welcomed. Therefore hotel employees need to keep their passion for the customer alive. According to contributions of The Centre for Study on Social Policy (2007,) lack of customer oriented culture poses as a big challenge to attaining customer satisfaction. The social media too has flooded customers with mixed information on reviews of the hotel industry, an hotel may rate very high in some services but very poor in some, therefore timely identification and understanding the magnitude of some of these customer complaints and issues becomes a challenge to most hotels as they may not have the capacity to analyze critically some of the reports raised which may be of help in formulating decisions and competitive business strategies for effective customer satisfaction and good performance of the hotel industry.

2.8 Summary

The growth and contributions of the hospitality and tourism industry sector across the globe is seen to depend largely on growth of the hotel industry and that the constant demand of touristic services is influenced by the

standards of the services provided by the local hotels (Dominici, 2010). In the hotel industry, customer satisfaction which is defined as a highly personalized assessment of a services experience (The Centre for Study on Social Policy,2007) can impacts a company's bottom-line in myriad ways especially in the hotel industry which is seen as key in retention of loyal customer and for continued growth of the organization, consequently, customer service has become very exciting because the current customer has become more knowledgeable and way ahead in terms of what to expect, this is contributed by the sophistication of the social media which has enabled speedy sharing of customer reviews within a short period of time.

Schultz (2012) noted that the competition in the hotel industry has caused shifts of strategy from customer acquisition to customer loyalty and retention which is possible only through effective customer satisfaction. Customer satisfaction has been seen to have great impacts on customer loyalty, future purchase as well as customer retention. Therefore customer satisfaction can provide major competitive advantage because research findings point out that with excellent customer satisfaction, customers are more likely to recommend such high services to their friends, relatives and colleagues and this will consequently make the hotel business thrive on credible and positive image.

3.0 Methodology

The study adopted a descriptive research design which according to Churchill (1991) is appropriate where the study seeks to describe the characteristics of certain groups in making predictions. This researcher used 10% of the sample size to arrive at the number of respondents, therefore 24 respondents in two major hotels; this was guided by the contributions of Krejcie and Daryle (1970) and arrived at the number of respondents as shown in the following table:

Table 1: No of selected sample size

Hotel	Customer Population	Sample size	10%
Golf Hotel	250	152	15
Siaya Guest House	100	86	9
Total	350	238	24

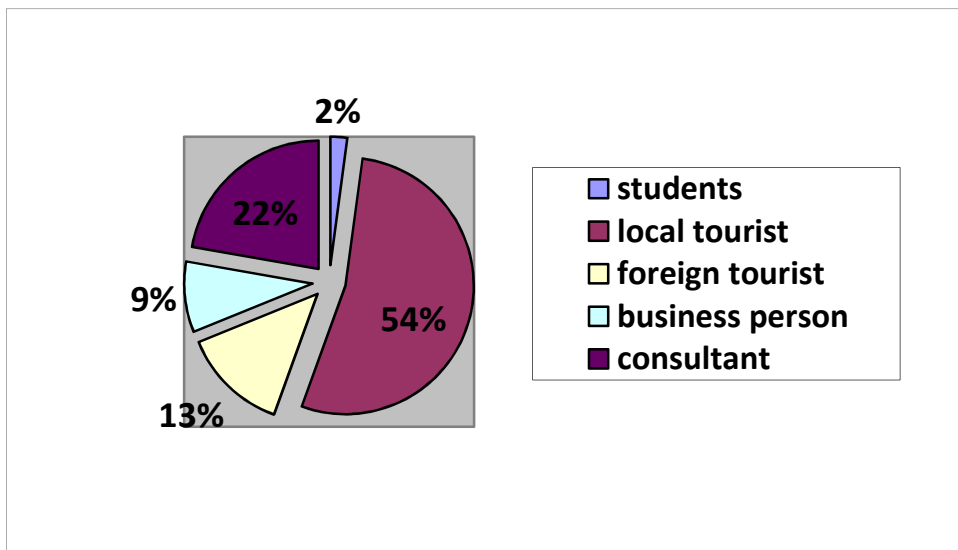
Source: Researcher 2013

The researcher used questionnaires that were administered to the respondents in the hotels by drop and pick later method, data was analyzed and presented through use of pie charts, bar charts and graphs.

4.0 Research Findings

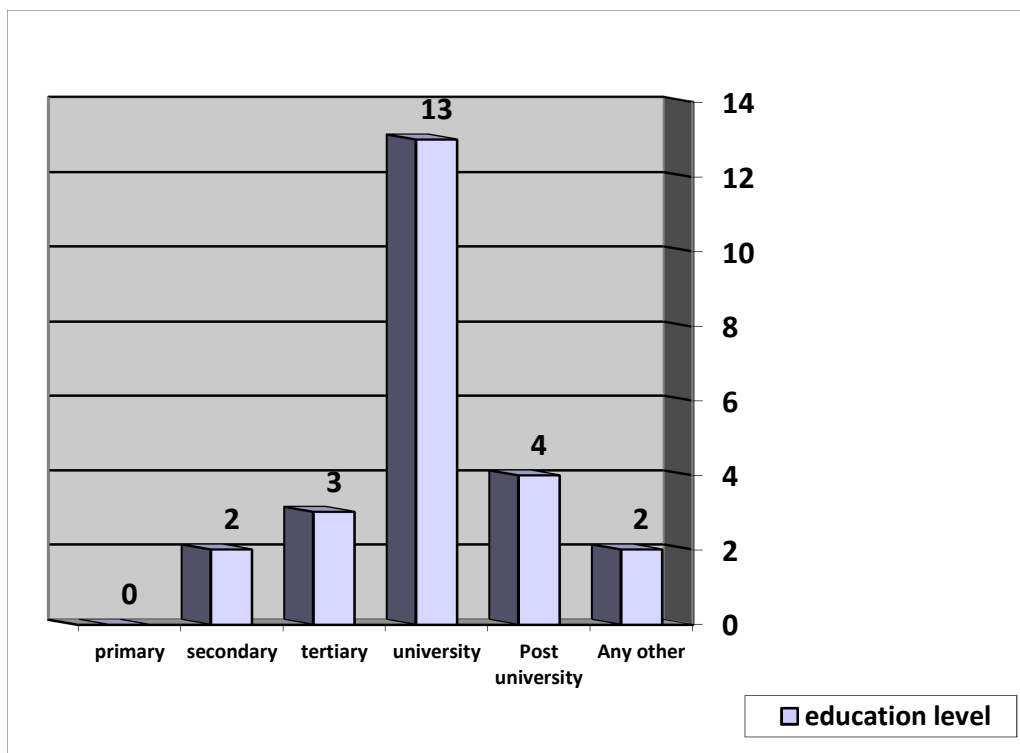
4.1 General information

It was found out that majority of the visitors (70%) of the hotel clients are males as compared to 30% who were females, a strong indications that there is generally low number of female clientele patronizing the services of the hotel industry, this may be attributed to the nature of their careers, parental care for the young ones, and other household duties which may be another reason preventing other potential female clients from visiting this hotel industry. However, 58% of the customers visiting the hotel industry in this tourism circuit are not-resident guests while only 42 % are on resident terms, in addition 8% of the hotels customers were between 20-30years, 58% constitute the ages of 30-40, 25 % were clients of 40-50 years of age and a further 4% were those between 50-60 years of age and over 60 years respectively. The descriptive nature of hotel clients is as shown in the following pie chart demonstrating that more than half of the hotel clients in this tourism circuit are local tourists.



4.1.2 Education Level

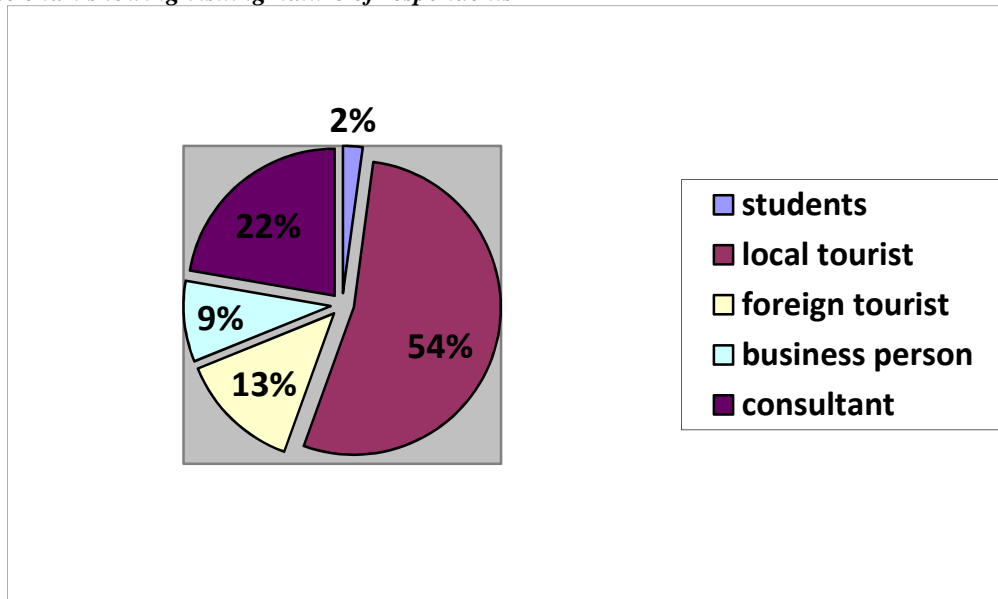
Figure 1: Bar chart showing educational level of the respondents



From the above data analysis, majority of the hotel customers, 17 or 71% of them have at least a university degree and above, demonstrating that a good number of the hotel customers as career professionals in their various respective fields. None of the respondents has a primary level of education; however some 8% of their customers have attained post primary/secondary education.

The visiting nature of respondents

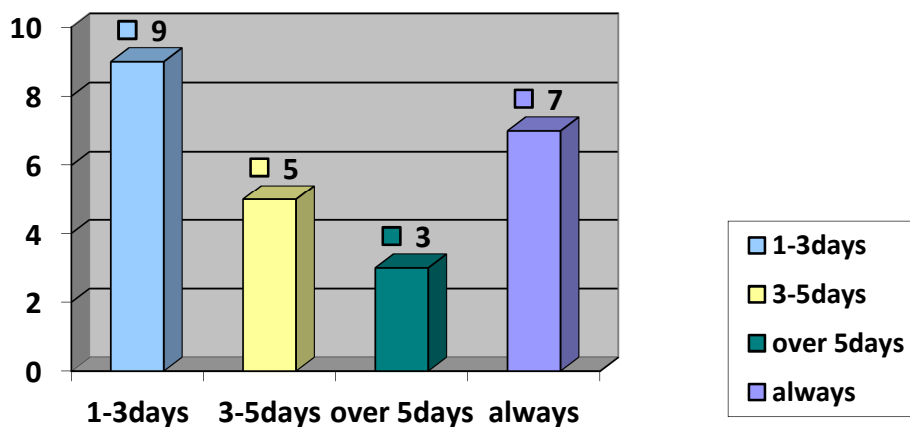
Figure 2: Pie chart showing visiting nature of respondents



The above statistical findings shown in the pie chart shows that half of the hotels customers are actually local tourists; these are clients residing within the locality /neighbourhood of the hotel location. This factor demonstrates affordability of the hotel service rates by the local customers which is a good indication of the business sustainability as they don't rely so much on foreign tourists as is experienced in some other tourism regions like the coastal tourism circuit of the country.

4.1.6 Days spent in the hotel

Figure 3: Bar graph showing days spent in the hotel



The above figures clearly shows that majority of the hotel clients spend less than 3 days accommodation in these hotels; this could be supported by the above fact, that most of them are actually local residents who only come for other services but retreat to their residents or homes for accommodation services.

4.2 SECTION B; responds on satisfaction level by the hotel customers

Table 2: Respondents satisfaction level

	Item	Excellent	Good	Fair	Poor	Very poor
1	Reservation	18	4	2		
2	Reception	15	6	2	1	
3	Food Quality		9	8	5	2
4	Beverage quality	3	14	5	2	
5	Guest room quality	5	18	1		
6	Costs		7	10	5	2
7	Timeliness in problem solving	2	12	4		
8	Friendly and courteous staff	8	11	3	2	
9	Security		5	13	6	
10	Hotel Amenities	4	6	10	4	
11	Personalised service		1	3	10	8

From the above table of responses, there is a general indication that majority of the customers visiting this western region are happy from the hotel services received, out of the ten satisfaction items, scores of fair satisfaction to excellent satisfaction are significantly higher than those for poor and very poor satisfaction. However, there is one satisfaction item which registered dismal satisfaction; that of offering their clients a personalised service, 75% (18) of the respondents have experienced either poor or very poor personalised services, and therefore could be one of the greatest challenges why the industry in this region generally receive certain type of clients and not others as evidenced example by the low level of foreign tourists (only 13 %).

4.3 Responses on effect of customer satisfaction on hotel performance

Table 3: Effect of customer satisfaction on hotel performance parameters

Hotel Performance parameters	Positive response	Negative response
Profits	24	
Sales turnover	24	
Market share	19	
Service quality	24	
Hotel image	24	
Customer turnover		21
Employee turnover		17

From the above scenario, majority of the respondents agree that customer satisfaction has a positive effect on the hotel performance (positive relationship) as demonstrated in the hotel performance indicators such as; profits, sales turnover, market share, service quality and hotel image. There is also a general agreement that the effect of customer satisfaction on customer turnover and employee turnover is negative, these responses clearly shows that good customer satisfaction translates to low customer and employee turnover but increases profits, sales turnover, and service quality.

4.4 Section C: Does the hotel qualifies to be customer's 1st choice

The inquiry on whether the respondents could consider visiting the very hotel as their first choice elicited interesting responses as seen below, majority of them had positive responses with a few responding negatively. Those who never considered the visited hotel as their first choice may turn not being loyal customer in the future, and are likely to switch to the rival hotel easily; dissatisfaction of customers may result in negative word of mouth which is not healthy for this industry where competition is very stiff. The responses on whether the hotel is their first choice is as depicted in the following pie chart.

Question: Would you make this hotel your 1st choice?

21 (yes)	3 (no)
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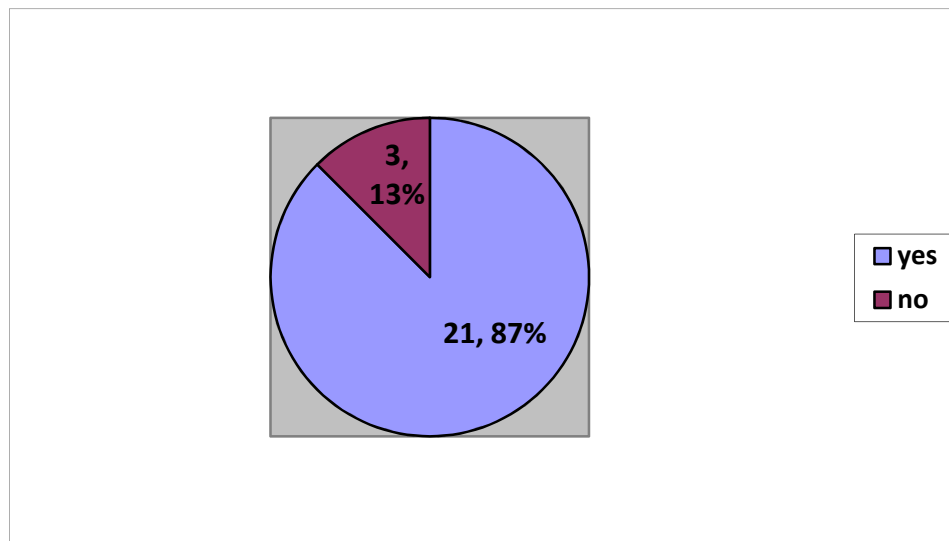


Figure 4: Pie chart showing rating of the hotel as 1st choice

4.4.1 Responses in making future hotel reservations

22 (yes)	2 (no)
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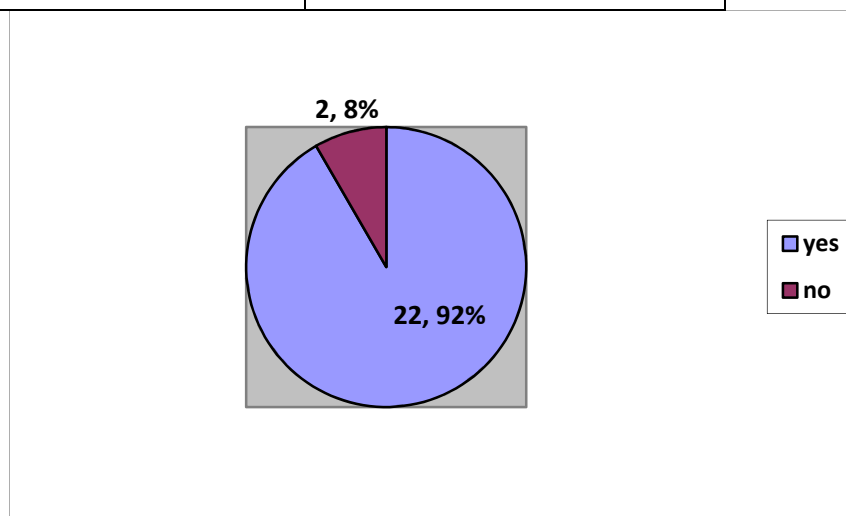


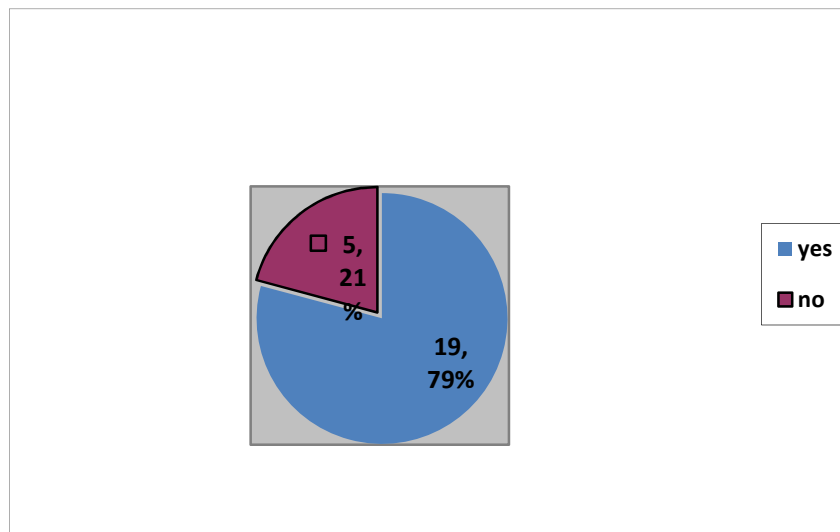
Figure 5: Pie chart showing future hotel reservation

The above inquiry whether respondents could make future hotel reservation showed high positive responses as compared to those who negatively responded, 92 percent has intention of future reservation as compared to only 8% who will not. This analysis showed that the western tourism circuit hotels have good strategies of making their customers loyal; with loyal customers there is a possibility of future repurchases. However, the 8% of the clients who will not make future reservations is definitely a future loss for the hotel in terms of revenue source as the same customer will switch to another competitor (s) of choice.

4.4.2 Recommending the hotel to friends and relatives

19 (yes)	5 (no)
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Figure 6: Pie chart showing recommendation of the hotel to friends and relatives



The above data shows that most of respondents will positively recommend their friends and relatives on the services of the hotel visited as demonstrated by the high number of positive affirmation; 79% as compared to only 21 % for those who will not recommend.

4.5 Suggestions that could make the hotel attain customer satisfaction

The study revealed several issues that the hotel managers in this tourism circuit need to work on to stimulate retention through effective customer satisfaction. The following were some of the valuable suggestions that the respondents presented that if provided in their services will enhance their customer satisfaction.

First, the hotels need to establish some form of customer retention strategies, careful considerations to made and uniquely tailored to specific customer, and must be those things that the customer values most. Such strategic initiatives could be things such as discounts, complimentary, offers and loyalty programme. The hotel also need to categorize its customer base because not all customers are equal; first time and rare visiting group needs should be targeted for special treatment, perhaps in the form of a particularly high level of service, in addition regular clients of the hotel must be assured of continued excellent services such as good rooms in recognition of their loyalty. However, this may becomes a challenge at some point if the hotel is not in a position to provide all the required and expected level of services due to the excessive number of both first time and regular clients, such scenario could be seen in case of overbooking of rooms (resulting into complaint) or a case of providing restaurant services to abnormally big clientele base (surprise booking) resulting in to compromised service quality.

Another suggestion forwarded is demonstration of excellent service skills and techniques by the hotel staff; such skills include simple courtesy, remembering guests' names, and their preferences.

5.0 Summary and Conclusions

The research findings from this study, shows that customer satisfaction have great impacts on a company bottom line in myriad ways. The hotel industry being a customer driven sector must positioned itself at the heart of every operation so that their customer needs and requirements act as a guide in the hotels decisions, policies and strategies. High customer satisfaction possibly affects purchases intentions, customer's retentions, referrals and reception. It is a strong predictor of future business performance for the global hotel sector that is seen to be on an upward growth trend though with great challenges.

Conclusions

The hotel industry is facing customer service revolution, and to achieve customer satisfaction, it requires hotels to constantly listen, understand and be creative to the evolving needs and shifting expectations of its customers. Customer satisfaction impacts a company's bottom line in many myriad ways, hotel industry inclusive. From the literature review and study findings, all indications point out that customer satisfaction positively affects

purchase intentions, customer retention, referrals; it reduces price sensitivity and customer complaints and is also a strong predictor of future business performance metrics.

From the above findings, it can be concluded that the effect of customer satisfaction in the hotel industry in Western tourism circuit in Kenya is real as it is in the global hotel industry. As Kenya strives to be an industrialized nation by 2030, growth and development of the hotel industry cannot be underestimated as it is seen to contribute to this realization. Customer satisfaction in this industry is fueled by the speed and nature in which customer experience is being transferred, hotel customers are now more knowledgeable than ever before; they have more information through sophisticated sources of information such as social media, online review and the power of the internet, they use such modes in recommending experiences of hotel services to their peers, friends and other prospective hotel clients.

There is good customer satisfaction in the hotel industry in the Western tourism circuit in Kenya, the hotel clients reported that satisfaction on reservation, reception, food quality and beverage quality was satisfactory. Fair ratings were registered in costs, security and hotel amenities, however, provision of personalized services registered dissatisfaction. But despite this scenario, there was a general belief that customer satisfaction has positive impacts on market share, service quality, hotel image, sales turnover, and that lack of customer satisfaction results in customer and employee turnover. Several suggestions were identified that could make the hotels in this tourism circuit attain better customer satisfaction, these strategies include; tailoring requirements to meet customer expectations, offering of discounts and complimentary especially for loyalty customers. This further demands that the hotel understands clearly every customer's needs and requests in recognition of their diverse needs and requirements. The hotels also ought to aim at offering excellent services through demonstration of current and relevant service skills in the industry.

However, personalized service came out as a big assignment to the industry, most customers' deep lack of them in this tourism region and this could be a source of dissatisfaction and source of complaint which if not handled well may lead to negative word of mouth because the hotel visitors were unable to experience personalized satisfactory services contrary to their expectation in regard to the hotel industry.

5.1 Recommendations

The hotel industry in the Western tourism circuit has all it takes in positioning itself as a trendy hotel sector by visualising what it uniquely offers to its customers, the hotel managers can strive to provide unparalleled customer service through focusing on the needs, concerns and experiences of each customer. It was also noted that most hotels in this tourism circuit hardly have personalized service provisions, the hotel managers therefore in this region have an uphill task in ensuring that employees stand up to the customers' expectations, whatever provisions are required from the management, should be facilitated to them, otherwise provision of all necessary hotel facilities and customers' supplies to non-committed employees will not alone lead to the expected customer satisfaction and service excellence.

The observation that employees especially in the service area either lack motivation or have a problem in attitude towards their work is a concern because this is a people industry and serving clients unhappily is against the industry expectation. This therefore demands that while designing customer care service policies, hotel management needs to consult especially their loyal customers so that quite a number of customer complaints and areas of new interests are put in to consideration. This will be possible if the hotels undertake customer satisfaction surveys especially from a pool of their loyal regular clients. Making follow-ups on the services offered will also improve in overcoming some of the negative issues raised and will serve as improvement strategies in increasing customer satisfaction in the hotel industry. Management should put in place strict guidelines to be followed while dealing with customer complaints so as to eliminate negative word of mouth (feedback) from customers. From the above research findings, the hotel industry should have customer-based retention strategies; many customers declared that they were satisfied with services and that they will continue visiting the hotel, although there are some who indicated that areas such as hotel amenities were few and also not modern. Making follow-ups on the services offered will help to overcome some of the negative issues raised and will significantly contribute to improvements in increasing customer satisfaction.

The hotel industry in this region needs to also aim even better, the tourism circuit has very rich potential and much to offer such as: traditional foods, bull fighting, the only natural rain forest and the rich culture only found

in this region is in itself a great potential and unique experience that any visitor will get value for money spend in sampling what the region offers.

From the above research findings, the hotel industry should have customer based strategies, many customers declared that they were satisfied with services and that they will continue visiting the hotel, although there are some who indicated that there is general lack of personalized services and lack of choices since the region has few hotels and most of them not rated at all.

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