

# Customer Retention Dynamics in Ghana's Hospitality Sector: An Empirical Study of Elmina Beach Resort

Felix Adu-Poku (Corresponding Author)

Directorate of Public Affairs

University of Cape Coast

Cape Coast

[felix.adu-poku@ucc.edu.gh](mailto:felix.adu-poku@ucc.edu.gh)

<https://orcid.org/0009-0005-9489-7166>

Nana Afumwaa Agyemang

Department of Health Information Management

College of Health and Allied Sciences

University of Cape Coast

Cape Coast

[afumwaa.agyemang@ucc.edu.gh](mailto:afumwaa.agyemang@ucc.edu.gh)

## ABSTRACT

This paper examines the determinants of customer retention at Elmina Beach Resort in Ghana, analysing how switching barriers, service quality, customer trust, and brand image influence loyalty, and whether customer satisfaction mediates these relationships. A quantitative design was adopted using survey data from 97 guests. Pearson correlations and multiple regressions tested the relationships between the variables, with customer satisfaction modelled as a mediator. Service quality, brand image, and customer trust exhibited strong positive correlations with retention ( $r = 0.43\text{--}0.54$ ,  $p < 0.01$ ). Regression results confirmed these as significant predictors ( $\beta = 0.11\text{--}0.28$ ,  $p < 0.01$ ), while switching barriers showed a weak negative effect ( $\beta = -0.07$ ,  $p < 0.05$ ). Introducing customer satisfaction as a mediating variable increased the model's explanatory power ( $R^2 = 0.797$ ), revealing satisfaction as a critical conduit between service experience and loyalty outcomes. Managers should prioritise consistent service quality, trustworthy interactions, and positive brand imagery to strengthen satisfaction and retention. This study provides empirical evidence from a sub-Saharan context, extending satisfaction–retention theory and demonstrating the mediating role of satisfaction in a resort environment.

**Keywords:** Customer retention; service quality; satisfaction; trust; brand image; Ghana; hospitality management.

**DOI:** 10.7176/JEP/17-5-01

**Publication date:** May 30<sup>th</sup> 2026

## INTRODUCTION

Client retention has become a pivotal strategy for sustaining competitiveness in the global hospitality industry. Retaining existing customers is significantly more cost-effective than acquiring new ones (Wang, 2009; Ko et al., 2013). According to Kotler (2012), the essence of relationship marketing lies in cultivating long-term

partnerships among firms, customers, and suppliers to ensure sustained value exchange. Consequently, customer retention has evolved into a key performance indicator in hospitality management, influencing both profitability and organizational longevity (Garrido-Moreno & Padilla-Meléndez, 2011).

Several theoretical perspectives underscore the strategic significance of customer retention, including the Conversion Model (Laroche et al, 2012), Partnership Model (Sharma & Patterson, 2000), and the Holistic Approach (Ranaweera & Neely, 2003). Collectively, these frameworks highlight that customer loyalty produces multiple organizational benefits, such as enhanced employee satisfaction, reduced operational costs, improved service delivery, and expanded market share (Crane et al., 2007). Within an increasingly globalized and technology-driven marketplace, hospitality firms must therefore innovate continuously to meet shifting customer expectations and sustain competitive advantage (Boohene, Agyapong & Gonu, 2013; Buttle, 2004).

In Ghana, the hotel industry, regulated by the Tourism Act 817 (2011), constitutes a vital pillar of tourism-led economic development. However, the sector faces growing competitive pressures and fluctuating customer loyalty, both of which threaten service quality and profitability (Akpabli, 2019; Gounaris, 2005). Despite the strategic importance of customer retention, empirical research on its determinants within Ghana's hospitality context remains limited, particularly at the firm level where managerial practices directly shape customer experiences.

Golden Beach Hotels Ghana Limited (GBH), comprising La Palm Royal Beach Hotel, Elmina Beach Resort, and Busua Beach Resort, represents a major player within Ghana's hospitality landscape. Among these, Elmina Beach Resort offers a compelling context for examining customer retention dynamics due to its long operational history, brand visibility, and current challenges in sustaining repeat patronage.

Over the past decade, Ghana's hotel industry has evolved from offering basic lodging and catering to delivering diverse, technology-enhanced services and experiences. This evolution has intensified market competition and raised customer expectations. As a result, hotels must adopt data-driven and customer-centric strategies to maintain market share through effective retention initiatives. Within this competitive environment, Elmina Beach Resort must not only attract new guests but also nurture and sustain customer loyalty amid rising operational costs, digital transformation, and an expanding array of alternative accommodations.

Although empirical evidence consistently shows that retaining existing customers is more cost-effective than acquiring new ones (Ko et al., 2013; Platteau & Abraham, 2002), many hotels, including Elmina Beach Resort, continue to emphasize acquisition-oriented marketing. Existing literature highlights the strategic role of retention in driving profitability (Garrido-Moreno & Padilla-Meléndez, 2011), yet few studies contextualize this phenomenon within emerging hospitality markets such as Ghana, where consumer behaviour, trust, and loyalty mechanisms differ from those in advanced economies.

Despite being one of Ghana's largest hotels, Elmina Beach Resort has recently experienced a decline in repeat patronage. The proliferation of guesthouses, budget motels, and serviced apartments has eroded its customer base, while low switching costs and limited brand differentiation exacerbate attrition. Preliminary observations from management also indicate declining sales and increased customer dissatisfaction, raising concerns about the effectiveness of existing retention strategies. However, the mechanisms through which these variables operate in African resort settings, and particularly the mediating function of satisfaction, are under-explored. The present study addresses this gap through two objectives:

1. Identify the factors that contribute to customer retention at Elmina Beach Resort.
2. Examine the mediating role of customer satisfaction on the relationship between these factors and retention.

## LITERATURE REVIEW

Customer retention has emerged as one of the most critical determinants of organizational success, particularly within service-oriented industries such as hospitality. The concept, deeply rooted in the satisfaction–loyalty relationship, underscores the idea that customer satisfaction serves as the foundation for sustained patronage and long-term profitability. According to Zeithaml, Berry and Parasuraman (1996), satisfaction represents the consumer’s evaluation of a product or service relative to expectations, and this evaluation forms the basis of customer loyalty and retention. Boohene, Agyapong and Gonu (2013) similarly assert that satisfaction arises from the congruence between customer expectations and actual service performance, emphasizing that emotional and cognitive perceptions of service experiences drive customers’ future behavioural intentions.

Customer retention, in its essence, reflects a sustained commitment by consumers to continue engaging with a particular brand or organization. Zineldin (2000) defines it as a customer’s consistent preference for a company over its competitors, while Ang and Buttle (2006) associates retention with repeat patronage and the reinforcement of trust through continuous satisfaction. Within the hospitality industry, retention holds exceptional value because service delivery is highly experiential and intangible, relying heavily on human interaction, ambiance, and perceived value. Reichheld (1996) argues that maintaining existing customers is more cost-effective than acquiring new ones, as loyal customers generate steady revenue streams, require less persuasion, and often become advocates who promote the brand through word-of-mouth. Kotler (2012) reinforces this view by emphasizing that customer retention not only enhances profitability but also strengthens an organization’s brand equity and market stability.

Retaining customers yields a cascade of benefits for hospitality firms. Loyal patrons are less sensitive to price fluctuations, more forgiving of occasional service lapses, and more inclined to engage in repeat purchases (Reichheld & Kenny, 1990). In addition, existing customers often provide referrals, which serve as a cost-efficient means of customer acquisition (Edward & Sahadev, 2011). Jena, Guin and Dash (2011) observe that retaining customers helps organizations spread operating costs over a longer period, thus improving financial performance. In the hotel context, repeat guests also contribute to consistent occupancy rates and predictable cash flows, both of which are vital for operational sustainability.

A key driver of customer retention in the hospitality industry is brand image. As Dhillon (2013) notes, branding represents the identity and reputation of an organization, serving as a psychological anchor that influences customer perceptions and expectations. A strong brand image fosters trust, emotional connection, and confidence in service reliability (Saleem & Raja, 2014). In the hotel sector, customers often associate brand image with service quality, reliability, and prestige, which in turn shape their loyalty behaviours (Fung So, King, Sparks & Wang, 2013). Positive brand perceptions lead to stronger emotional attachment and higher likelihood of repeat patronage. Maroofi, Nazaripour and Maaznezhad (2012) further explain that brand value reflects not only the organization’s characteristics but also the customer’s self-concept and identity, illustrating the emotional depth of customer-brand relationships.

Empirical research supports the proposition that brand image significantly influences customer satisfaction and retention. Suhartanto and Kandampully (2003) emphasize that brand reputation, formed through advertising, public relations, and customer experience, creates lasting impressions that shape purchase intentions. Likewise, Kayaman and Arasli (2007) found that positive brand images can protect customer loyalty even during service failures, while Lahap et al. (2016) highlight that hotel image directly influences customer perceptions of service quality and loyalty. In competitive markets, therefore, maintaining a consistent and reputable brand image becomes a strategic imperative for customer retention.

Another central construct in understanding retention is customer satisfaction. In hospitality, satisfaction extends beyond basic service delivery to encompass the overall emotional and experiential engagement between the customer and the hotel (Barsky & Labagh, 1992; Choi & Chu, 2001). Satisfied guests are more likely to return, recommend the establishment to others, and remain less responsive to competitors' marketing efforts (Fornell, 1992). Studies by Legohérel (1998) and Bowen and Shoemaker (2003) demonstrate that satisfaction in hotels is influenced by factors such as service reliability, staff friendliness, ambiance, and perceived value for money. Moreover, the interpersonal relationship between employees and customers has been shown to play a crucial role in satisfaction outcomes (Brauer, 2006; Petrillose & Brewer, 2012). When staff are empathetic, courteous, and responsive, they foster emotional bonds that translate into loyalty and long-term patronage (Back & Parks, 2003).

Service quality, as a related determinant, has been widely recognized as the backbone of customer retention. Parasuraman, Zeithaml and Berry (1988) describe service quality as the discrepancy between expected and perceived service performance, emphasizing that consistent quality is essential to sustain customer loyalty. Brady and Cronin (2001) argue that superior service quality not only fulfils functional expectations but also enhances emotional satisfaction, leading to positive behavioural intentions. In the hotel industry, Munusamy et al. (2012) found that service quality directly affects customer satisfaction and retention, while Akbaba (2006) revealed that business travellers in Turkey displayed a strong correlation between perceived service quality and repeat patronage. McCullagh (2010) and El Saghier and Nathan (2013) further suggest that organizations delivering superior service transform satisfied customers into committed advocates who actively promote the brand.

Equally important is the role of trust in fostering long-term customer relationships. Hunt and Morgan (2017) identify trust as a central mediating variable in relationship marketing, noting that it reduces perceived risk and enhances commitment. Delgado-Ballester (2004) and Wirtz and Lihotzky (2003) highlight that trust becomes particularly crucial in industries where the service experience is intangible and subjective, such as hospitality. When guests perceive a hotel as trustworthy, based on its reliability, transparency, and integrity, they are more likely to maintain the relationship even in the face of minor service lapses. Mosavi and Ghaedi (2012) found a positive association between trust, satisfaction, and retention among hotel customers, reinforcing the idea that trust functions as a stabilizing force in customer relationships.

Switching barriers have been identified as an important moderating factor in customer retention. Jones, Mothersbaugh and Beatty (2000) define switching barriers as perceived costs, social bonds, and alternative attractiveness that influence a customer's decision to remain or defect. Patterson and Smith (2003) categorize these barriers into psychological, economic, and relational dimensions, arguing that high switching costs often

deter customers from seeking alternatives even when dissatisfaction occurs. White and Yanamandram (2007) found that strong interpersonal relationships and emotional investments in a brand reduce customers' willingness to switch providers. Similarly, Fullerton (2005) and Gustafsson, Johnson and Roos (2005) argue that both affective and calculative commitment can motivate continued patronage, suggesting that retention is influenced not only by satisfaction but also by structural and emotional constraints.

## **THEORETICAL FRAMEWORK**

This study adopts the Holistic Model of Customer Retention developed by Ranaweera and Neely (2003), which offers a comprehensive understanding of the psychological and behavioural dynamics that influence customers' long-term relationship with service providers. The model integrates customer satisfaction, trust, and switching barriers as key determinants explaining why customers remain loyal even in highly competitive markets. Within Ghana's hospitality industry, particularly at Elmina Beach Resort, this framework effectively captures the combined effects of experiential, relational, and situational factors that shape guest retention behaviour.

According to Ranaweera and Neely (2003), customer retention is a multifaceted process that extends beyond satisfaction. While satisfaction, defined as the evaluation of service performance against expectations (Oliver, 1980), is a prerequisite for loyalty, it is not sufficient on its own. In the hospitality context, guests may express satisfaction yet still explore alternatives due to novelty or price variations. Consequently, trust and switching barriers play mediating roles in strengthening or sustaining customer relationships.

Trust, as conceptualized by Hunt and Morgan (2017), reflects confidence in a service provider's reliability, integrity, and responsiveness. In developing economies like Ghana, where service quality varies significantly, trust becomes central to maintaining long-term patronage. Guests' confidence in the consistency and honesty of hotel management fosters emotional bonds that transform transactional satisfaction into enduring loyalty.

Switching barriers, the perceived psychological, social, or economic costs of changing service providers, further reinforce customer retention. These barriers, which may include loyalty rewards, personal relationships with staff, or familiarity with the service environment, discourage defection even when satisfaction fluctuates. In Ghana's hospitality context, such barriers are particularly relevant as they promote customer inertia and reduce the likelihood of switching to competitors.

The interdependence among satisfaction, trust, and switching barriers makes the Holistic Model especially relevant to Ghana's hospitality sector. Satisfaction builds trust, trust enhances perceived value, and both interact with switching barriers to secure loyalty. For Elmina Beach Resort, this framework underscores the need for a balanced retention strategy that prioritizes service excellence, emotional engagement, and continuity incentives. Ultimately, the model offers a realistic explanation of how relational quality and contextual factors jointly drive customer loyalty and retention in the hospitality industry.

## **METHODOLOGY**

### **Research Design**

This study adopted a quantitative research design, appropriate for obtaining measurable data on customer retention dynamics at Elmina Beach Resort. Quantitative methods allow statistical testing of relationships among variables and generalization of findings (Creswell & Poth, 2016). The design enabled the systematic collection of numerical data through structured questionnaires, aligning with the study's goal of assessing the extent to which service quality, satisfaction, trust, and switching barriers influence customer retention. The target

population comprised approximately 5,000 regular patrons of Elmina Beach Resort, as obtained from the hotel's customer database. Inclusion criteria covered customers who frequently patronize the resort and were willing to participate, while employees and transient visitors were excluded. The sample size was determined using Cochran's (1977) formula, with parameters set at a 95% confidence level ( $Z = 1.96$ ), estimated proportion ( $p = 0.07$ ), and margin of error ( $d = 0.05$ ), resulting in a minimum sample of 100 respondents. A purposive sampling technique was applied, focusing on clients with sufficient experience and engagement with the resort to provide informed responses (Patton, 1999).

### **Research Instrument**

Data were collected through a structured questionnaire designed to obtain information on customer retention at Elmina Beach Resort. The instrument comprised two sections: the first gathered demographic data such as age, gender, and frequency of patronage, while the second focused on key variables influencing customer retention. Responses were measured on a five-point Likert scale ranging from 1 (*Not at all*) to 5 (*Extremely*).

The questionnaire assessed four main constructs. Service Quality was measured using the SERVQUAL dimensions, tangibility, reliability, responsiveness, assurance, and empathy (Ndubisi, 2011). Customer Satisfaction was adapted from Rust and Zahorik (1993), reflecting the extent to which service experiences met or exceeded expectations. Customer Trust, based on Gounaris (2005), captured perceptions of reliability, integrity, and benevolence, while Switching Barriers, drawn from Clemes, Gan and Zhang (2014), examined the economic, social, and psychological costs of changing service providers.

### **Data Analysis**

Data were coded and analyzed using SPSS version 22.0. Descriptive statistics (frequencies, percentages, means, and standard deviations) were used to summarize demographic characteristics and key variables. Inferential analysis was employed to examine the relationships among service quality, satisfaction, trust, switching barriers, and customer retention, providing empirical evidence to support the study's objectives.

### **Ethical Considerations**

Ethical approval for the study was obtained from a recognized institutional research ethics committee. All participants received detailed information about the study's purpose, procedures, and confidentiality safeguards, and provided written informed consent prior to participation. Pseudonyms were used to protect participants' identities, and all data were stored securely with access restricted to the research team (David Carlson & Dobson, 2020). The study was conducted in accordance with the ethical guidelines established by the Declaration of Helsinki and adhered to the principles of voluntary participation, anonymity, and respect for participant autonomy.

## **RESULTS**

### **Factors Contributing to Customer Retention in Elmina Beach Resort**

The study examined the factors contributing to customer retention at Elmina Beach Resort, addressing both the identification of key determinants and the factor that best predicts customer loyalty. Data were collected through close-ended questionnaire items measured on a unilinear scale, where 1 indicated the least agreement and 4 the highest. Using SPSS Version 22.0, responses on each construct, service quality, customer satisfaction, customer trust, and switching barriers, were aggregated by computing average scores for analysis.

To determine the relationships among these variables, Pearson's Product Moment Correlation was first employed to assess the strength and direction of associations. This preliminary analysis was followed by multiple regression analysis to evaluate the extent to which each factor contributed to customer retention. The dependent variable was customer retention, while the independent variables comprised the four constructs mentioned above.

Before interpreting the regression results, a multicollinearity diagnostic test was conducted to ensure the reliability of the model. The Variance Inflation Factor (VIF) values were all below 5, indicating no significant multicollinearity among the independent variables. Likewise, tolerance values were above 0.10, and the condition index values were below 15, confirming the absence of collinearity issues.

Overall, these diagnostic outcomes confirmed the robustness of the regression model, validating that the contribution of each independent variable to customer retention was not distorted by inter-variable correlations.

**Table 1:** Relationships between Customer Retention and the Factors Contributing to It

| Variables             | Customer retention          |       |
|-----------------------|-----------------------------|-------|
|                       | Correlation coefficient (r) | Sig.  |
| Switching barrier     | -0.217**                    | 0.001 |
| Service quality       | 0.426**                     | 0.000 |
| Customer trust        | 0.544**                     | 0.000 |
| Brand image           | 0.326**                     | 0.000 |
| Customer satisfaction | 0.564**                     | 0.000 |

\*\*p < 0.01 (N = 97)

All major predictors correlate significantly with retention except switching barriers, which show a weak negative relationship. Results revealed a significant positive relationship between customer retention and customer trust ( $r = 0.544, p < 0.01$ ), service quality ( $r = 0.426, p < 0.01$ ), and brand image ( $r = 0.326, p < 0.01$ ). Conversely, switching barriers showed a weak but significant negative relationship ( $r = -0.217, p < 0.01$ ). These findings indicate that trust is the strongest predictor of retention at Elmina Beach Resort, followed by service quality and brand image, while switching barriers hinder sustained loyalty.

**Table 4:** Factors Contributing to Customer Retention

| Variables         | Standardised                 |            |                              |       | Collinearity Statistics |       |
|-------------------|------------------------------|------------|------------------------------|-------|-------------------------|-------|
|                   | Unstandardised Coefficient B | Std. Error | Coefficient Beta ( $\beta$ ) | Sig.  | Tolerance               | VIF   |
| Switching barrier | -0.066                       | 0.021      | -0.072*                      | 0.021 | 0.609                   | 1.642 |
| Brand image       | 0.098                        | 0.022      | 0.111**                      | 0.000 | 0.481                   | 2.079 |
| Service quality   | 0.283                        | 0.022      | 0.278**                      | 0.000 | 0.627                   | 1.595 |
| Customer trust    | 0.122                        | 0.022      | 0.123**                      | 0.000 | 0.603                   | 1.659 |
| Constant          |                              |            | 1.464                        |       |                         |       |
| R                 |                              |            | 0.611                        |       |                         |       |
| R Square          |                              |            | 0.493                        |       |                         |       |
| Adjusted R Square |                              |            | 0.471                        |       |                         |       |

(N = 97)

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

\*. Correlation is significant at the 0.05 level (2-tailed).

Dependent Variable: Customer retention

Observations in Table 2 indicate that the independent variables' total contribution to the dependent variable variance is 0.493 while the R<sup>2</sup> is updated is 0.471. This is to forecast or explain a 49.3 percent difference in customer retention, in combination service efficiency, market confidence, switching barrier and brand worth. This means that other factors or variables not currently included in this analysis are expected to contribute 50,7% to consumer satisfaction, aside from the factors or variables added.

### **The Mediating Role of Customer Satisfaction on the Factors that Contribute to the Retention of Customers of Elmina Beach Resort**

In this model, service quality, customer trust, switching barriers, and brand image served as independent variables, while customer loyalty functioned as both a dependent and mediating variable. The mediation hypothesis proposed that customer loyalty enhances the impact of these factors on overall retention. Accordingly, the following hypotheses were tested:

**H<sub>0</sub>:** Customer loyalty has no statistically significant mediating effect on the factors influencing customer retention at Elmina Beach Resort.

**H<sub>1</sub>:** Customer loyalty has a statistically significant positive mediating effect on the factors influencing customer retention at Elmina Beach Resort.

**Table 3:** *The Mediating Role of Customer Satisfaction on the Factors Contributing to Customer Retention*

| Variables             | Unstandardised |            | Standardised |       | Collinearity Statistics |       |
|-----------------------|----------------|------------|--------------|-------|-------------------------|-------|
|                       | B              | Std. Error | Beta (β)     | Sig.  | Tolerance               | VIF   |
| Brand image           | 0.097          | 0.046      | 0.098**      | 0.001 | 0.752                   | 1.329 |
| Switching barrier     | -0.026         | 0.023      | -0.032*      | 0.025 | 0.378                   | 2.648 |
| Service quality       | 0.222          | 0.054      | 0.242**      | 0.000 | 0.807                   | 1.239 |
| Customer trust        | 0.223          | 0.057      | 0.237**      | 0.000 | 0.753                   | 1.329 |
| Customer satisfaction | 0.382          | 0.022      | 0.377**      | 0.000 | 0.627                   | 1.596 |
| Constant              |                |            | 0.746        |       |                         |       |
| R                     |                |            | 0.893        |       |                         |       |
| R Square              |                |            | 0.797        |       |                         |       |
| Adjusted R Square     |                |            | 0.784        |       |                         |       |

(N = 97)

\*\*.

\*. Correlation is significant at the 0.05 level (2-tailed).

Dependent Variable: Customer retention

Findings revealed that service quality, customer trust, and brand image contributed 24.2%, 23.7%, and 9.8%, respectively, to customer retention, while switching barriers reduced retention by 3.2%. When customer loyalty was introduced as a mediating variable, it remained statistically significant ( $\beta = 0.377$ ,  $p < 0.01$ ), accounting for 37.7% of the variation in customer retention. The model's explanatory power increased substantially, with the

adjusted  $R^2$  rising from 0.493 to 0.797, indicating that customer loyalty strengthens the influence of the independent variables and plays a critical mediating role in sustaining retention at Elmina Beach Resort.

## DISCUSSION

The findings revealed that service quality, customer trust, and brand image significantly and positively influence customer retention, while switching barriers exerted a weak but negative effect. Furthermore, customer satisfaction was found to mediate the relationship between these factors and customer retention, thereby reinforcing its central role in sustaining long-term customer relationships in the hospitality sector.

The positive and significant relationship between service quality and customer retention ( $r = 0.426$ ,  $p < 0.01$ ) underscores the critical role that perceived service excellence plays in shaping customer loyalty. This finding aligns with the tenets of the Service Quality Model (SERVQUAL), which posits that tangibility, reliability, responsiveness, assurance, and empathy are the foundation of customer satisfaction and repeat patronage. It supports the works of Venetis and Ghauri (2004) and Akbaba (2006), who asserted that service quality is a decisive factor in the retention of hotel clients. At Elmina Beach Resort, this implies that improving staff responsiveness, reliability, and empathy directly enhances the likelihood of repeat visits.

Similarly, the study found a significant positive relationship between customer trust and retention ( $r = 0.544$ ,  $p < 0.01$ ), highlighting trust as a psychological anchor in the customer–brand relationship. This aligns with Hunt and Morgan’s (2017) Commitment-Trust Theory, which asserts that trust is a prerequisite for enduring relationships in service marketing. When customers perceive that a hotel is reliable, honest, and benevolent, they develop a sense of security and commitment, reducing their inclination to switch to competitors. This finding reinforces the importance of transparent communication, consistent service delivery, and ethical business practices in building durable customer trust.

The results also revealed that brand image has a moderate but positive effect on customer retention ( $r = 0.326$ ,  $p < 0.01$ ). A strong and positive brand identity enhances customer perceptions and fosters emotional attachment to the service provider. This corroborates the views of Mohajerani and Miremadi (2012) and Fung So et al. (2013), who argued that a favourable brand image contributes to customer satisfaction, financial performance, and market esteem. For Elmina Beach Resort, maintaining a consistent and appealing brand image through quality service and marketing communication is thus essential for competitive advantage.

Conversely, the switching barrier was found to be negatively associated with customer retention ( $r = -0.217$ ,  $p < 0.01$ ), implying that customers who feel constrained by costs or inconvenience may develop resentment rather than loyalty. This aligns with Colgate and Danaher (2000), who differentiated between “constructive” and “coercive” switching barriers, arguing that only the former, based on relational and emotional bonds, positively influences retention. Hence, hotels should aim to build positive relational barriers such as personalized experiences, rather than imposing restrictive or cost-based deterrents.

The mediating role of customer satisfaction was particularly evident. Introducing satisfaction into the regression model substantially increased the explanatory power (Adjusted  $R^2$  from 0.471 to 0.784), confirming its significance as a mediator. Satisfaction enhanced the influence of service quality, customer trust, and brand image on retention, while mitigating the negative effect of switching barriers. This finding validates the hypothesis that customer satisfaction positively mediates the relationship between key service factors and retention at Elmina Beach Resort. It is consistent with the conclusions of Choi and Chu (2001) and Reichheld

and Sasser (2003), who established that satisfied customers are more likely to remain loyal and engage in positive word-of-mouth behaviour.

From a theoretical standpoint, these findings affirm the Service Quality Model's applicability within Ghana's hospitality context. They illustrate that customer perceptions of quality directly influence satisfaction, which in turn drives retention. Satisfaction thus serves as the psychological bridge connecting operational performance with relational outcomes. In practical terms, this implies that Elmina Beach Resort must continue investing in staff training, personalized service, and consistent delivery of quality experiences to sustain customer loyalty and profitability.

## CONCLUSION

The results showed that service quality, customer trust, and brand image significantly enhance customer retention, while switching barriers have a weak negative effect. Among these, service quality emerged as the most influential factor, highlighting the importance of efficient, reliable, and empathetic service delivery in maintaining lasting customer relationships.

The findings further revealed that customer satisfaction strengthens the impact of all other factors on retention, indicating that satisfied guests are more loyal, make repeat visits, and advocate for the resort. Overall, customer retention at Elmina Beach Resort was found to be moderate, shaped by moderate levels of loyalty, trust, and service quality, alongside relatively high switching barriers. Most patrons were females aged above 35 years, many of whom had stayed at the resort for over two years.

The study concludes that enhancing service quality and customer satisfaction remains the most effective strategy for improving retention, fostering loyalty, and ensuring sustained competitiveness within Ghana's hospitality sector.

## CONFLICT OF INTEREST

The authors declare that there is no conflict of interest regarding the publication of this article. All authors have read and approved the final manuscript, and no financial or personal relationships have influenced the integrity or objectivity of the research presented herein.

## REFERENCES

- Akbaba, A. (2006). Measuring service quality in the hotel industry: A study in a business hotel in Turkey. *International journal of hospitality management*, 25(2), 170-192.
- Akpabli, D. A. (2019). *Entrepreneurial capability, institutional factors and SME performance in Ghana* (Doctoral dissertation, University of Ghana).
- Ang, L., & Buttle, F. (2006). Customer retention management processes: A quantitative study. *European journal of marketing*, 40(1/2), 83-99.
- Back, K. J., & Parks, S. C. (2003). A brand loyalty model involving cognitive, affective, and conative brand loyalty and customer satisfaction. *Journal of hospitality & tourism research*, 27(4), 419-435.
- Barsky, J. D., & Labagh, R. (1992). A strategy for customer satisfaction. *Cornell Hotel and Restaurant Administration Quarterly*, 33(5), 32-40.
- Boohene, R., Agyapong, G. K. Q., & Gonu, E. (2013). Factors Influencing the Retention of Customers of Ghana Commercial Bank within the Agona Swedru. *International Journal of Marketing Studies*. 5(4), 82-95

- Bowen, J. T., & Shoemaker, S. (2003). Loyalty: A strategic commitment. *Cornell hotel and restaurant administration quarterly*, 44(5-6), 31-46.
- Brady, M. K., & Cronin Jr, J. J. (2001). Some new thoughts on conceptualizing perceived service quality: a hierarchical approach. *Journal of marketing*, 65(3), 34-49.
- Brauer, M. (2006). What have we acquired and what should we acquire in divestiture research? A review and research agenda. *Journal of management*, 32(6), 751-785.
- Choi, T. Y. & Chu, R. (2001). Determination of hotel guests' satisfaction and repeat patronage in the Hong Kong hotel industry. *International Journal of Hospitality Management*, 20, 277-297.
- Clemes, M. D., Gan, C., & Zhang, J. (2014). An empirical analysis of online shopping adoption in Beijing, China. *Journal of Retailing and Consumer Services*, 21(3), 364-375.
- Colgate, M. R., & Danaher, P. J. (2000). Implementing a customer relationship strategy: The asymmetric impact of poor versus excellent execution. *Journal of the Academy of marketing Science*, 28(3), 375-387.
- Crane, F., Kerin, R., Hartley, S., Berkowitz, E. N., & Rudelius, W. (2007). *Marketing*, 7th Canadian ed. McGraw-hill Ryerson Ltd
- Creswell, J. W., & Poth, C. N. (2016). *Qualitative inquiry and research design: Choosing among five approaches*. Sage publications.
- David Carlson, J., & Dobson, T. (2020). Fostering empathy through an inclusive pedagogy for career creatives. *International Journal of Art & Design Education*, 39(2), 430-444.
- Delgado-Ballester, E. (2004). Applicability of a brand trust scale across product categories: A multigroup invariance analysis. *European journal of Marketing*, 38(5/6), 573-592.
- Dhillon, B. S. (2013). *Human reliability: with human factors*. Elsevier.
- Edward, M., & Sahadev, S. (2011). Role of switching costs in the service quality, perceived value, customer satisfaction and customer retention linkage. *Asia Pacific Journal of Marketing and Logistics*, 23(3), 327-345.
- El Saghier, N., & Nathan, D. (2013, April). Service quality dimensions and customers' satisfactions of banks in Egypt. In *Proceedings of 20th international business research conference* (Vol. 13).
- Fornell, C. (1992). A national customer satisfaction barometer: The Swedish experience. *Journal of marketing*, 56(1), 6-21.
- Fullerton, G. (2005). How commitment both enables and undermines marketing relationships. *European journal of marketing*, 39(11/12), 1372-1388.
- Garrido-Moreno, A., & Padilla-Meléndez, A. (2011). Analyzing the impact of knowledge management on CRM success: The mediating effects of organizational factors. *International Journal of Information Management*, 31(5), 437-444.
- Gounaris, S. P. (2005). Trust and commitment influences on customer retention: insights from business-to-business services. *Journal of Business research*, 58(2), 126-140.
- Gustafsson, A., Johnson, M. D., & Roos, I. (2005). The effects of customer satisfaction, relationship commitment dimensions, and triggers on customer retention. *Journal of marketing*, 69(4), 210-218.
- Hunt, S. D., & Morgan, R. M. (2017). The resource-advantage theory of competition: A review. *Review of marketing research*, 153-205.

- Jena, S., Guin, K. K., & Dash, S. B. (2011). Effect of relationship building and constraint-based factors on business buyers' relationship continuity intention: A study on the Indian steel industry. *Journal of Indian Business Research*, 3(1), 22-42.
- Jones, M. A., Mothersbaugh, D. L., & Beatty, S. E. (2000). Switching barriers and repurchase intentions in services. *Journal of retailing*, 76(2), 259-274.
- Kandampully, J., & Suhartanto, D. (2003). The role of customer satisfaction and image in gaining customer loyalty in the hotel industry. *Journal of Hospitality & Leisure Marketing*, 10(1-2), 3-25.
- Kayaman, R., & Arasli, H. (2007). Customer based brand equity: evidence from the hotel industry. *Managing Service Quality: An International Journal*, 17(1), 92-109.
- Ko, E., Hwang, Y. K., & Kim, E. Y. (2013). Green marketing'functions in building corporate image in the retail setting. *Journal of Business Research*, 66(10), 1709-1715.
- Kotler, P. (2012). *Kotler on marketing*. Simon and Schuster.
- Lahap, J., Ramli, N. S., Said, N. M., Radzi, S. M., & Zain, R. A. (2016). A study of brand image towards customer's satisfaction in the Malaysian hotel industry. *Procedia-Social and Behavioral Sciences*, 224, 149-157.
- Laroche, M., Habibi, M. R., Richard, M. O., & Sankaranarayanan, R. (2012). The effects of social media based brand communities on brand community markers, value creation practices, brand trust and brand loyalty. *Computers in human behaviour*, 28(5), 1755-1767.
- Legohere11, P. (1998). Toward a market segmentation of the tourism trade: Expenditure levels and consumer behavior instability. *Journal of travel & tourism marketing*, 7(3), 19-39.
- Maroofi, F., Nazarpour, M., & Maaznezhad, S. (2012). Investigating the service brand, customers value and its perspective. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 2(4), 102-118.
- McCullagh, J. F. (2012). How can video supported reflection enhance teachers' professional development?. *Cultural Studies of Science Education*, 7(1), 137-152.
- Mohajerani, P., & Miremadi, A. (2012). Customer satisfaction modeling in hotel industry: A case study of Kish Island in Iran. *International Journal of Marketing Studies*, 4(3), 134.
- Mosavi, S. A., & Ghaedi, M. (2012). A survey on the relationship between trust, customer loyalty, commitment and repurchase intention. *African journal of business management*, 6(36), 10089.
- Munusamy, J., Annamalah, S., & Chelliah, S. (2012). A study of users and non-users of internet banking in Malaysia. *International Journal of Innovation, Management and Technology*, 3(4), 452-458
- Ndubisi, N. O. (2011). Factorial and discriminant analyses of environmental sensitivity and initiative of Nigerian firms. *thunderbird International Business review*, 53(1), 19-36.
- Oliver, R. L. (1980). A cognitive model of the antecedents and consequences of satisfaction decisions. *Journal of marketing research*, 17(4), 460-469.
- Parasuraman, A. B. L. L., Zeithaml, V. A., & Berry, L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *1988*, 64(1), 12-40.
- Patterson, P. G., & Smith, T. (2003). A cross-cultural study of switching barriers and propensity to stay with service providers. *Journal of retailing*, 79(2), 107-120.

- Patton, M. Q. (1999). Enhancing the quality and credibility of qualitative analysis. *Health services research, 34*(5 Pt 2), 1189.
- Petrillose, M. J., & Brewer, K. P. (2012). An exploration of customer retention factors in Las Vegas casino resort properties. *UNLV Gaming Research & Review Journal, 5*(2), 1.
- Platteau, J. P., & Abraham, A. (2002). Participatory development in the presence of endogenous community imperfections. *Journal of Development Studies, 39*(2), 104-136.
- Ranaweera, C., & Neely, A. (2003). Some moderating effects on the service quality-customer retention link. *International journal of operations & Production management, 23*(2), 230-248.
- Reichheld, F. F., & Sasser Jr, W. E. (2003). Quality comes to services. *Operations Management, 105*, 289.
- Reichheld, F. F. (1996). Learning from customer defections. *Harvard business review, 74*(2), 56-67.
- Reichheld, F. F., & Kenny, D. W. (1990). The hidden advantages of customer retention. *Journal of Retail Banking, 12*(4), 19-24.
- Rust, R. T., & Zahorik, A. J. (1993). Customer satisfaction, customer retention, and market share. *Journal of retailing, 69*(2), 193-215.
- Saleem, H., & Raja, N. S. (2014). The impact of service quality on customer satisfaction, customer loyalty and brand image: Evidence from hotel industry of Pakistan. *Middle-East Journal of Scientific Research, 19*(5), 706-711.
- Sharma, N., & Patterson, P. G. (2000). Switching costs, alternative attractiveness and experience as moderators of relationship commitment in professional, consumer services. *International journal of service industry management, 11*(5), 470-490.
- So, K. K. F., King, C., Sparks, B. A., & Wang, Y. (2013). The influence of customer brand identification on hotel brand evaluation and loyalty development. *International journal of hospitality management, 34*, 31-41.
- So, K. K. F., King, C., Sparks, B. A., & Wang, Y. (2013). The influence of customer brand identification on hotel brand evaluation and loyalty development. *International journal of hospitality management, 34*, 31-41.
- Venetis, K. A., & Ghauri, P. N. (2004). Service quality and customer retention: building long-term relationships. *European Journal of marketing, 38*(11/12), 1577-1598.
- Wang, Q. (2009). Are Asians forgetful? Perception, retention, and recall in episodic remembering. *Cognition, 111*(1), 123-131.
- White, L., & Yanamandram, V. (2007). A model of customer retention of dissatisfied business services customers. *Managing Service Quality: An International Journal, 17*(3), 298-316.
- Wirtz, B. W., & Lihotzky, N. (2003). Customer retention management in the B2C electronic business. *Long Range Planning, 36*(6), 517-532.
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of marketing, 60*(2), 31-46.
- Zineldin, M. (2000). Total relationship management (TRM) and total quality management (TQM). *Managerial Auditing Journal, 15*(1/2), 20-28.