ASSESSMENT OF CUSTOMER RETENTION AT HOSTELS BOARD OF MANAGEMENT (HBOM) FOR LONGACRES LODGE IN LUSAKA, ZAMBIA.

BY

MIRRIAM NYASULU

A Dissertation Submitted to the University of Zambia in Partial Fulfillment of the Requirements for the Award of Master in Business Administration in Management Strategy

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APPROVAL

This dissertation by Mirriam Nyasulu is approved as a fulfillment of the requirements for the award of the degree of Master of Business Administration in Management Strategy by the University of Zambia.

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DECLARATION

I, **Mirriam Nyasulu**, do hereby declare that the work in this study is solely mine. I further declare that this research has not been previously submitted at any other University and that all referencing from other works has been acknowledged.

Signature: ………………………………… Date: …………………………

DEDICATION

I dedicate this report to my husband, Col Progress Chishimba, and to my children: Abraham, Isaac, Comfort and Blessed for the endless support during my two year academic journey. For your support and encouragement during this period, I say thank you and you will always occupy a special place in my heart.

To my late parents (Mr. and Mrs. Ockley Nyasulu) thank you for your dedication, moral and financial support in ensuring that I got education. You provided all my school requirements whenever I needed them with love and willingness. Your commitment and love will always be in my heart.

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ABSTRACT

Customer retention is key to successful operations of any business. It contributes to revenue creation and helps to build the image of an organization. Unfortunately, Longacres Lodge has lost a considerable number of customers over the past two years. This has affected its operations and the lodge may foldup. In spite of this trend, Longacres lodge has not done an in-depth of customer analysis, particularly in assessing which factors determining customer satisfaction that result in customer retention. The aim of the study was to help develop measures that can be employed to improve retention in order to increase business portfolio at Longacres Lodge in order to increase business portfolio. The total population of the study was 320. Based on Simple Random sampling, questionnaires were administered to 150 respondents. Purposive sampling using interview schedules was used for 5 executive Secretaries/Directors that accessed services at Longacres lodge making a total of 155 respondents. To achieve the objectives, the study employed concurrent mixed method research designs in which both quantitative and qualitative were employed. The study used descriptive statistics and spearman correlation analysis for quantitative data while qualitative data was analysed thematically. The study found that variety of food on the menu, breakfast preparation, timely response to customer requests, welcoming attitude and quietness of the environment were negatively affecting customer satisfaction and retention. Thematically, it was revealed that employee attitude, not giving rewards and discounts to frequent customers, toilet type and lack of internet were affecting customer satisfactions, which in turn resulted in low customer retention. In conclusion, this study recommended that management should align the reservation services with modern technology and concentrate on enhancing the skills, knowledge and commitment of their employees by providing regular trainings and incentives. Management should also focus on improving the breakfast, ensuring a wide variety of food on the menu and work on renovating the facilities of the lodge. It further recommended regular customer surveys in order to understand the needs of the customers and check adherence to lodge requirements.

Key Words: *Customer Retention, Customer Loyalty, Customer satisfaction, Accommodation, Food, Customer Relations.*

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ABBREVIATIONS

CIM : Customer Involvement Management

CRM : Customer Relationship Management

CR : Customer Retention

CS : Customer Satisfaction

GDP : Gross Domestic Product

HBOM: Hostels Board of Management

ICT : Information and Communication Technology

SPSS : Statistical Package for Social Sciences

DEFINITIONS OF TERMS

Customer Retention: This is refers to the ability of a company or product to retain its customers over some specified period (Molly, 2015).

Customer Satisfaction: This is refers to person's feeling of pleasure or disappointment, which resulted from comparing a product's perceived performance or outcome against his/her, expectations (Sophia, 2019).

Food: This refers to the largest element of the hospitality industry, it can take the form of high-end restaurants, fast-food eateries, catering establishments and other manifestations (Wikipedia. (n.d.).

Accommodation: This refers to an establishment that provide facilities and services for sleep, rest, relaxation and entertainment for people who are temporarily away from their usual place of residence or work in return for a fee (Hotels. (n.d.).

Customer Relations: This refers to the relationships that a business has with its customers and the way in which it treats them (Micah, 2020).

Business Portfolio: This refers to a company's set of investments, holdings, products, businesses and brands (Roslyn. (n.d.).

CHAPTER ONE: INTRODUCTION

1.1 Context and Background

The Longacres lodge is one of the lodges under Hostels Board of Management that offers hospitality services in Zambia. The Hostels Board of Management is the leading chains of town and country lodges and conferencing facilities. The Board was instituted on 1 July 1957, and it has grown to a chain of over 11 lodges doted across the country, including the state of the art Government Complex Centre in Lusaka. The Longacres lodge provide numerous services that include; meals and beverages, conferencing facilities, lodging (accommodation), outside catering, wedding meals, kitchen parties, among others. The lodges under the Hostels Board of Management are: Lothian House in Kitwe, Mongu Lodge, Livingstone Lodge, New Government Complex in Lusaka, Belvedere Lodge in Lusaka, Mansa lodge, Henry Makulu House in Ndola, Luangwa House in Chipata, Kabwe lodge, Solwezi lodge, Long Acres lodge in Lusaka and Kasama lodge. Like many other companies operating in a free market economy, the board in particular Longacres has faces stiff competition from many different lodges that are in the hospitality industry. This has led to a loss of customers, and the current study therefore sought to assess customer retention at Longacres lodge in Lusaka.

The free market liberalisation and the influx of new hotels and lodges have led to stiffer competition and the possibility of reducing market shares for all players (Alrubaiee and Nahl, 2010). Therefore, in this competitive and globalised market, customers in the hospitality industry are the most important asset in ensuring continuous operation of the business, income flow and profitability of the business. Since customers are of great importance, it is critical for the hotels and lodges to satisfy their needs, to cultivate long-term relationship with them, with a view to enjoying their continuous support (Alrubaiee and Nahl, 2010). For over the past years, the interest in retaining customers has increased significantly. Organisations' commitment has moved gradually from mutually independent transactions to loyalty-based and repeat purchases, and cross-sell opportunities that are based mostly on relationships and customer satisfaction.

The strategic success factor in matured markets is customer retention, which can be achieved through developing long-term relationships with the customers. Customer retention is the strategic objective to determine and maintain long-term relationships with customers. The high retention rate is equivalent to a low defection rate in an organisation. Customer defections are the loss of customers to other providers of a similar or the same service (Kotler et al, 2008). The task all marketers face nowadays is identifying ways of increasing customer retention, as organisations have discovered that converting customers into loyal ones and establishing long-term relationships with them is crucial for organisational survival (Alrubaiee and Nahl, 2010). Similarly, increased customer retention is frequently discussed to be an important driver of organizations' long-term financial performance. Many lodges face competition, and their biggest challenge is customer retention. Longacres lodge managed by Hostels Board of Management (HBOM) is one of the lodges that have faced serious competition that has resulted in customer loss in the last two years.

In Zambia, Simumba and Nchito (2018) studied the customer engagement in tourism and hospitality services in Kasama and Shiwang'andu districts.. In Kenya Kangogo and Manyasi (2013) studied the Effect of Customer Satisfaction on Performance of the Hotel Industry in the Western Tourism Circuit of Kenya; in South Africa; Petzer, Steyn and Mostert (2009) studied Customer retention practices of small, medium and large hotels. Amin et al (2013) investigated the effect of service quality dimensions on customer satisfaction and behavioural intentions in the Malaysian resort hotels. Therefore, a study on customer retention in the hospitality industry was desirable in Zambia to fill this knowledge gap.

The customer's decision to leave the relationship with a particular company to an alternative is a major concern for many companies such as in the hospitality industry (Portela and Menezes, 2011). Considerable increase of business competition for lodges in the hospitality industry over the last decades has given rise to a phenomenon of customer switching behaviour, which has serious consequences for the financial performance of many lodges like the longacres lodge. Several researchers have stated

that customer defection is the core reason of profitability losses in the hospitality industry, due to losses on current and potential revenues, brand image and increased marketing costs (Portela and Menezes, 2011). Following customer retention paradigm, many lodges have concentrated on retaining their customers. There is a growing recognition that customers like products or qualities of services offered to them and have a life cycle that companies must understand and try to manage. It is important to know that customers are acquired, can be retained and fully grown in value over time. Customers climb a value staircase from suspect, prospect, first time customer, majority customer and ultimately to partner or advocate (Christopher et al., 2002). Therefore, knowing customers' needs, how they feel about the lodge and their expectations is very critical for maximising customer retention.

The hospitality industry is all forms of business relating to the provision of accommodation in lodging, conferencing services, food, drinks and various types of other services that are interrelated and are intended for the public service. Hospitality services offered by lodges and hotels are very important as it directly affects customers' satisfaction, and so will affect a business. The facilities should be excellent in order to retain customers. Satisfied customers look for a memorable experience and dynamic service where it counts. Satisfied and happy customers are loyal customers. Parayani et al. (2010) demonstrated that the hospitality industry face increasing competition for high service quality and customer satisfaction. Therefore, hotel and lodge organizations need to understand with as much precision as possible what the customers want from the services offered. In the event that customers are satisfied with products/services or brand, they most likely become loyal customers and keep spreading good word of mouth about the hotel or the lodge. In that manner, in the event that they are disappointed, they will probably switch off brands and talk bad of the brand to different customers about the hotel. The brand of the hotel is an essential factor that emphatically or contrarily influences advertising exercises and creation of a good impression or image of the hotel (Pearce and Robinson, 2010).

1.2 Statement of the Problem

According to the information obtained from the management of HBOM, over the past two years, Longacres lodge has lost a considerable number of customers. Out of the customers that visit Longacres lodge, over 50% of the customers do not return to access hospitality services offered by the lodge (Board of Directors report, first quarter, 2019). This has affected its operations and revenue base, and Longacres lodge may foldup. In spite of this trend, Longacres lodge has not done an in-depth of customer analysis, particularly in assessing customer retention. Because of the number of customers leaving, there was a need to identify which factors are affecting customer retention at Longacres lodge and develop ways to improve retention and increase business portfolio. This study was therefore designed to help clearly identify reasons why customer retention had gone down which had also reduced revenue generation. If not carefully addressed the problem can lead to unemployment, mass loss of revenue, and generally affect the productivity of the hospitality industry and its contribution to Gross Domestic Product (GDP). It is anticipated that the problem of customer retention can be contextualized and addressed by using both theoretical and empirical evidence.

1.3 Purpose of the Research

The purpose of the study was to propose measures that can be employed to improve retention in order to increase business portfolio at Longacres Lodge.
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1.3.1 Research Objectives

1. To assess the extent to which customers' experience with food is a determinant of customer satisfaction and retention at Longacres lodge.

2. To ascertain the extent to which of accommodation service offered contributes to customer satisfaction and retention at Longacres lodge

3. To establish whether employee relations with customers at Longacres lodge has affected their retention.

4. To propose measures of improving customer retention at Longacres lodge in order to increase business portfolio.

1.4 Research Questions

1. What is the effect of customer satisfaction with food (meals) on customer retention at Longacres lodge?

2. What is the effect of customer satisfaction with accommodation on customer retention at Longacres lodge?

3. How have employee relations with customers at Longacres lodge affect customer satisfaction and their retention?

4. How can the customer retention be improved at Longacres lodge in order to increase business portfolio?

1.5 Significance of the Study

The study help to find solutions for Longacres lodge. This helps to improve business portfolio for the lodge and contribute positively to government revenue collection, as the Board has been marked as economic institution. The lodge therefore helps the government reduce on budget deficit, increase Gross Domestic Product and contribute to economic development of the country. The study also contributes to the body of knowledge with regard to assessment of customer retention in the hospitality industry.

1.6 Study Scope

This research study focused on assessing the factors affecting customer retention for Hostels Board of Management at Longacres Lodge in Lusaka. The study had three main areas of focus, which is customer satisfaction with food, accommodation and customer relations. The study focused on collecting primary data from customers that visited the lodge during the one month of data collection. The study also collected primary data from secretaries of organizations that have accessed hospitality services from the lodge.

1.7 Limitation of the Study

One big limitation of the study was the failure to collect primary data from all the lodges managed by Hostels Board of Management. However, the lodge (Longacres lodge) selected for the study was one of the top lodges under HBOM hit by poor customer retention, and hence the lodge gave a good representation of the lodges under HBOM. The findings from the Longacres lodge are applicable to all the lodges managed by HBOM.

1.8 Dissertation Structure

The dissertation is organized in five chapters: Chapter one gives the introduction of the study clearly indicating the problem of the study, the research objectives, research questions, Justification of the Study, scope and limitations. Chapter two brings out literature concerning customer retention, as well as theories that formed a basis for the study. Chapter three outlines the research methodology that was used in collecting the data, the techniques employed, as well as the analysis methods that were used by the study to achieve the research objectives. Chapter four presents the results and the findings of the study, it discusses the findings in light of the existing literature. Chapter five gives a conclusion of the study and provide recommendations that can help Hostels Board of Management to increase customer retention at its lodges.

1.9 Chapter Summary

Chapter one has clearly introduced the research, stating the problem, aim, objectives, research questions, scope, limitations, justification for the study and dissertation structure. The chapter that follows outlines the literature from various researchers and the theories that helped to build the conceptual framework for the study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Chapter two reviews the findings of other researchers and tries to analyze the findings and see how they can be applied to the current study concerning the customer retention in a hospitality industry. The chapter explores the dominant themes of the study such as food factor, accommodation factor, employee customer relations factor and customer retention. The chapter analyses these factors to establish how they affect customer satisfaction in the hotel industry and consequently affect customer retention. Chapter two also brings out studies of other researchers whose findings may be applicable to this current study.

2.2 Customer Satisfaction Factor: Food

According to Ha and Jang (2010), several factors explain the attention given to food in accommodation establishments. Eating habits are an expression of peoples' beliefs and traditions that is linked to geography and availability. Economic, religious, psychological and convenience factors affect eating habits. In the 21st century, customs and traditions have been strongly reformed, and consumers are now segmented in terms of needs, interest and behaviors. This is important to understand and segment customers to treat each segment accordingly in terms of meeting their needs. In a highly competitive hospitality industry, attracting customers with dedicated service and high quality food along with satisfying them and making them into loyal customers is critical for the success of the business. Ha and Jang (2010) found that providing high service and food quality in hotels and lodges can enhance customer satisfaction and loyalty directly. As customers perceive and evaluate service based on performance of restaurant during service delivering (Ha and Jang, 2010).

Kim et al (2010) conducted a research to find the relationship between the personality, satisfaction and loyalty in food industry. The study found that the customer loyalty was affected by food quality. This meant that the customers who desire to test new foods

consider the food as an important factor and are more satisfied and not only come again, but also recommend it to the others. It is therefore to increase customer satisfaction by ensuring that the food is of high quality, and this will improve customer loyalty and retention.

A study by Ryu et al., (2012) also highlighted the importance of food quality as a measure of customer satisfaction in the restaurant industry. As a result, five aspects of food quality were adopted from (Ryu et al., 2012), namely: the food is fresh, the food is delicious, the food is nutritious, there is a variety of menu items and the smell of the food is enticing. Though this study only looked at food attributes and ignored other factors like the performance of restaurant workers serving the food, the study has valuable information that can be adopted by restaurants.

A study by Qin and Prybutok (2009) explored the potential dimensions of service quality and examined the relationships between service quality, food quality, perceived value, customer satisfaction and behavioural intentions in fast-food restaurants. The study findings pointed out that food quality has a positive and direct influence on customer satisfaction.

A research study by Bujisic et al., (2014) revealed that food quality, apart from service and ambience is one of the most important attributes of restaurant quality. The variables were found to have a positive influence on aspects of customer behavioural intention, such as return intention and word-of-mouth recommendation. Hence, the food industry is an essential part of hospitality that contributes to satisfy the physiological needs and can as well provide a consumer with a dining experience. Understanding the food service as part of the offer, makes it possible to analyse its importance not only as a service provision, but also as an attraction in form of cultural expression through typical dishes that arouse the curiosity of consumers. The food and beverage service is of great importance in the hospitality industry, accounting for a high percentage of the organization's revenue. This profitability happens if the organisation maintains a level of excellence, competent management, resulting in a quality service. Bujisic et al. study

provides relevant information that emphasises the importance of good quality food to customers to ensure their satisfaction.

Barreto and Cé (2014) stated that among the services provided by hotels and hostels, the breakfast stands out. This is usually the only meal included in the room rate, and it stands out as an amenity that has a major influence on consumers' choice of a hotel. Breakfast is of particular importance, as it is the first meal of the day after a long period of fasting during a sleep. In hotels, breakfast is also one of the most important meals of the day it arouses the curiosity of guests and can be strategic to the company. It is possible to make an impression and surprise the customer during breakfast both in terms of product and service quality. It is also a unique moment for the hotelier to seduce the guest.

It is important to emphasize that hotel restaurant services should seek to continually improvement on service excellence, paying special attention to its tangible aspects and to raise staff awareness of quality issues. The evaluation of the food service quality in the accommodation establishments affects the perception of quality processes, which in turn affect the indicators that guide the what, and why of customer service projects. This quality is associated with intrinsic characteristics of food (nutritional and sensory quality), safety (sanitary quality), service (customer-company relationship) and price (Untaru et al., 2012).

2.3 Customer Satisfaction Factor: Accommodation

Accommodation is one of the important factors that directly affect customer satisfaction in the hospitality industry. Many factors must be given attention when improving the quality of accommodation services and such factor that Longacres lodge should pay attention to is the ambience. In order to improve the quality of ambience, (Heide et al (2007) suggested that different groups of practitioners both of hospitality managers and outside experts (e.g., designers, architects, etc.) should be involved in conducting this task. Heide et al (2007) found that ambience had an association with customers thus; it

was seen as a tool for changing customers' attitudes and behaviour. Regardless of different geographical areas, nationality of customers and types of hotel, ambience has been identified as an essential determinant in explaining customer satisfaction among hotel customers. The other sub-dimension of physical environment quality is cleanliness where it has been identified as one of the most important factor and features a hotel could offer its customers (Heide et al., 2007). Cleanliness is the most important feature of hotel rooms. Cleanliness is a factor in influencing whether customers will return to a hotel and thus the level of repeat business as well.

Lockyer, (2005) also reported that room cleanliness is particularly one of the most important attributes for business customers in selecting their hotel. The third sub-dimension of physical environment quality is decoration, which has been referred to as the art of decorating a room so that it's attractive, easy to use, and function well with the existing architecture. Kinderis et al., (2011) also stated that in the unfavourable economic environment, enterprises providing accommodation services should maintain service quality as the mean for competitive struggle, this is not only a perfect measure to compete against other hotels but also one of the measures that influences customer loyalty.

2.4 Customer Satisfaction Factor: Employee Relations

In many studies, it was found that customer satisfaction and loyalty is significantly influenced by employee related dimensions. The role of employees can be described in terms of designing, developing and delivering services. They perform a number of activities to complete their assigned task and responsibilities. Quality of their performance has been reported as an important determinant of customer loyalty (Chuang et al., 2012). This information has a lot to offer to lodges that is struggling to maintain customer loyalty.

Amoako et al., (2012) found that customer relationship management practices adopted by hotels have a direct impact on customer loyalty. In all the CRM activities, employees play an important role in building and managing relationships with customers. This is

more important in hotel industry as it is highly people intensive. Human dimensions of service quality have also been found to influence customer loyalty in hotel industry. In one of the studies (Poku, Zakari and Soali, 2013) it was observed that reliability, responsiveness, empathy and assurance components of service quality had an impact on customer loyalty in hotels.

2.5 Customer Satisfaction and Retention in Hospitality Industry

The relationship between customer satisfaction and customer retention has been studied for many years (Sim et al., 2006). The study by Sim et al., (2006) indicated that added values that meet customers' specific needs, such as hotel location to take advantage of low-cost attractions, dining, shopping, free or reduced parking, phone calls, in-room facilities, and amenities would enhance customer satisfaction as well as customer retention. Furthermore, (Sim et al., 2006) found out that ambiance and hospitality are two significant indicators for customer satisfaction. Hospitality focuses more on the service that is delivered by employees who have direct contact with customers and ambience is more about the atmosphere, architectural design, colour, harmony and décor. Winning new customers is by far more difficult and expensive than keeping existing ones (Kotler, 2008).

2.6 Customers Satisfaction (CS)

Customer satisfaction is defined as an affective state with positive feelings (Cronin et al., 2000) resulting from an evaluation of the overall consumption experiences. The transaction specific satisfaction covers customers' specific satisfaction experiences towards each transaction, and cumulative satisfaction refers to overall customer rating based on all encounters and experiences (Cronin et al., 2000).

Cahill (2007) attempted to classify factors that may influence customer loyalty. Cahill (2007) differentiates between the three main groups of customer loyalty determinants, namely customer-related factors, relationship-related factors and company related factors. Customer-related determinants of loyalty are derived from individual consumer

characteristics. Relationship-related determinants are closely associated with the interaction between sellers and buyers. They include factors such as; previous experience, quality, trust, normative feelings and emotional closeness (Cahill, 2007). It is reported that the key company-related determinants are the company's reputation, the price-quality ratio and the appropriate customer loyalty programmes. From this study, the quality of hospitality service offered to customers as well as the relationship of customers with the workers can have an effect on customer loyalty and retention. Schweizer (2008) outlined some of the determinants of customer loyalty and rated them according to their importance. The identified determinants are purchase conditions, companies' pricing policies, product quality, product availability, reputation and image, consumer trust, previous experience, positive recommendations, available customer loyalty programmes, customer commitment, customer involvement and participation, switching barriers, customer attributes, customer behaviour patterns, product importance, individual experiences, etc. Schweizer (2008) is convinced that customer loyalty is influenced by a combination of factors, which is always unique for different situations. Similarly, the listed factors are important to the operation and management of lodges.

According to Shilpa (2016), happy and satisfied customers leave the hotel with a wish to come again. With the increasing competition, customers are displaying switching behaviour for many reasons. Customer loyalty is an important issue of concern among hotels. There are many factors contributing to customer loyalty but it is observed that employee performance play a key role in retaining customers. A study by Shilpa (2016) on the effect of Employees on Customers Loyalty in Hotel Industry found that there is a significant positive effect of employee performance on customer loyalty. The study provides valuable insight to improve customer loyalty through good employee performance.

The role of employees is described in terms of designing, developing and delivering services. Quality of their performance is reported as an important determinant of customer loyalty. Trust and customer interactions are also found to influence customer

loyalty in hotel industry. Chuang et al., (2012) found that customer interaction had the greatest direct impact on trust, followed by service quality, and finally, customer loyalty. This study clearly brought out the importance of employee and customer interaction in hotel industry.

A study by Amoako et al. (2012) found that customer relationship management practices that are adopted by hotels have a direct impact on customer loyalty. In all the CRM activities, employees play an important role in building and managing relationships with customers. This is more important in hotel industry as it is highly people intensive. The emphasis has been made on maintaining good employee customer relationship and on quality of service. In ensuring customer satisfaction and loyalty, Mangwiro (2015) also pointed the importance of customer service, service personnel's attitude, physical environment and staffs' cleanliness, price and food quality.

2.7 Customer Retention Management

In every business, the sole purpose of a business is to create a customer. Customer retention generates an increase in customer net present value. Customers have a life cycle that companies can attempt to manage. Customers are acquired, retained and can be grown in value over time. They climb a value staircase or value ladder from suspect, prospect and first-time customer, to majority customer and ultimately to partner or advocate status. (Ang and Buttle, 2006).

According to Mascareigne (2009), within customer retention strategies there are five main processes that include creating value, creating bonds that bind customers to the firm, monitoring the customer relationships, implementing the use of loyalty programs and customer clubs and using effective recovery strategies. In creating value, (Mascareigne, 2009) mentioned the idea that firms need to have the ability of selling a credible promise and that in the environment of professional services credibility is imperative. Mascareigne (2009) also acknowledged that along with an ability to sell the promise then there must be a process of activities in place to do so, which is then

followed by the learning process for efficiency and service quality. The second process is creating the bonds, which then result in binding the customer to the firm. After the bonds have been built, the next stage is monitoring the customer relationships. Monitoring and evaluating tools that can be used are relationship surveys and customer databases. Asirifi et al. (2014) indicated that Service responsiveness in terms of responsive attitude and prompt response to customers' request have an adverse effect on service quality which results to customer loyalty and profitability.

According Khan (2013) customer retention in hotels is a major factor to consider because absence of customers in the hotels will result in lower sales thus closing up of the properties. Retaining loyal customers for hoteliers is vital, a main factor in keeping hotels in shape, and competitive enough to catch up the changing trends that has affected business and economic activities of the hospitality. Therefore, to retain customers in the hotels there are a number of strategies that should be put in place such as recoginising customer by name; this makes the customer feel recognised appreciated and respected. Flexibility in pricing of the products and services provided is yet another important aspect for customer retention. The other retention strategies incudes offering standardized services and using loyalty programs such as points, discounts and customer membership cards.

2.8 Customer Relationship Management (CRM)

Amoako et al. (2012) defined CRM as a business strategy that uses information technology to provide an enterprise with a comprehensive, reliable, and integrated view of its customers so that all processes and customer interactions help to maintain and expand mutually beneficial relationships. CRM is largely focused on technology database management approach to gathering and analyzing information about customers in order to fully satisfy them. To establish good customer relationship facilities and initiatives like phone calls, loyalty programs, websites, or personalized e-mails to implement one-to-one business interactions with the customers. For CRM to be successful some resources can be in place and making follow-ups to concert efforts from

all employees to continue providing quality service that builds customer relationship. Most CRM applications take great advantage of technology innovations, with their ability to collect and analyze data on customer patterns, develop prediction models, respond with timely and effective customized communications, and efficiently deliver personalized value services to individual customers (Kotler 2004, p. 141).

2.9 Theoretical Framework

The reason why many customers originally decide to purchase from companies are expected and perceived service that they anticipate. After some experience with these companies, some of corporate customers and individuals are no longer satisfied with the products and services and so opt to switch (churn). It is therefore important that hospitality employees learn to give customers a good experience in the products and services that they provide.

Keaveney (1995) introduced the model of customer switching behaviour, containing eight main casual factors that are critical to switching behaviour, namely; pricing, inconvenience, core service failures, service encounter failures, employee responses to service failures, competitive issues, ethical problems and involuntary factors. Among these factors, pricing problem emerged as the most influential factor for switching, followed by service failures and denied services (Sim et al., 2006).

The variables chosen were based on customer satisfaction and retention in relation to accommodation, food and customer relations. It assesses the influence of these factors on customer satisfaction and retention and the influence of customer satisfaction on customer retention. The study presumes that there are relationships between the independent constructs, accommodation, food and customer relations, the mediating construct, customer satisfaction, and the dependent variable, customer retention. Accommodation is measured using a) room attribute-related items which include comfort of bed, cleanliness and tidy, check in process, odour, temperature, quietness of the room and surroundings, well equipped, comfort of the bed linens and interfering of

privacy (Ryu et al., 2012). Food quality consists of ten dimensions: breakfast well prepared, lunch well prepared, dinner enjoyable, the food is fresh and hot, presentation of food, value for money; variety of items on the menu and the taste of the food (Qin and Prybutok, 2009; Ryu et al., 2012). Customer relations consists of staff related items such as politeness of staff, welcoming attitude, responsiveness, facilitation in reservation and communication (Ryu et al., 2012). Customer satisfaction is measured using self-reported satisfaction, customer mood and length of wait for service (Qin and Prybutok, 2009; Ryu et al., 2012).
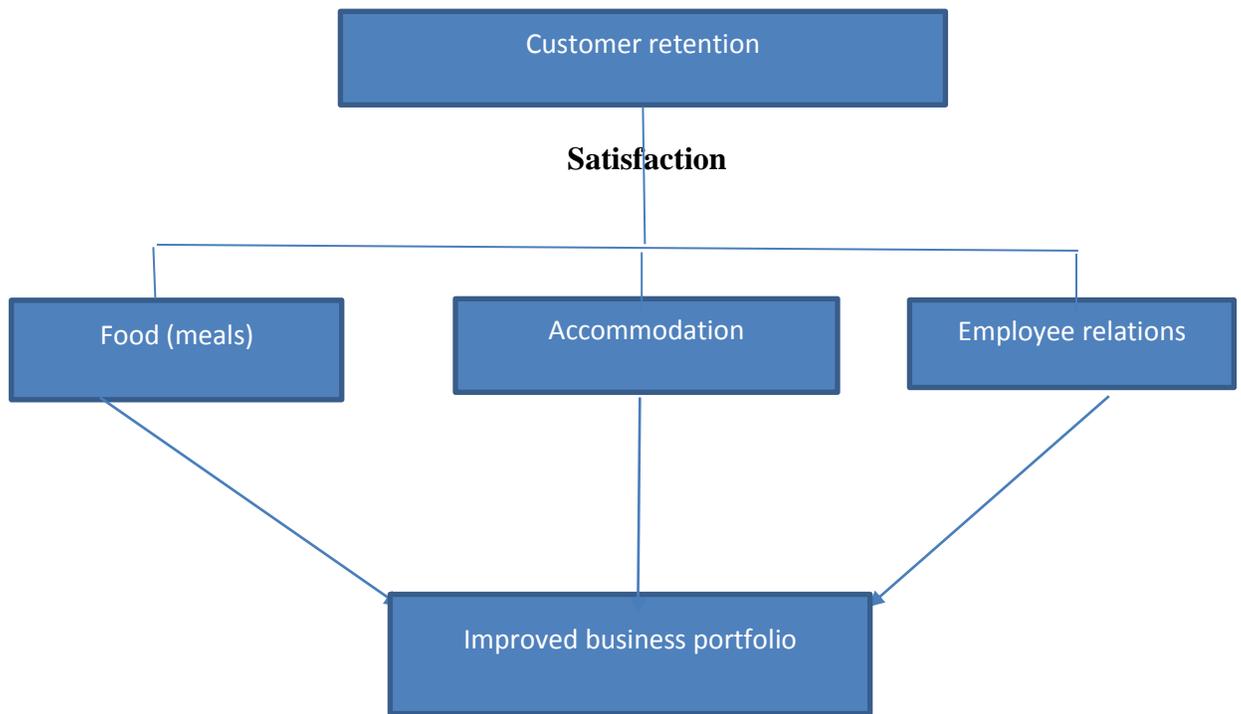
Figure 2.1 Conceptual Framework of Customer Retention

From the conceptual framework above, the factors listed prepositions to have an effect on customer retention. These factors will lead either to customer satisfaction or to dissatisfaction. If customers are satisfied, they will be loyal and will return to access the services offered; if not satisfied, these customers are likely to go somewhere else to access the services. Therefore, improving the quality of meals (food), accommodation and employee relations with customers will improve customer retention and business portfolio.

The theory of relationship marketing identifies the following key elements within relationship marketing that emphasize a relational instead of transaction-based approach to marketing. Understanding the finances of customer retention and ensuring a suitable amount of monetary and other resources are suitably shared between retaining and attracting customers (Christopher, Payne and Ballantyne, 2002:4). Relationship marketing involves a relationship where at least two parties are in contact with each other.

2.10 Chapter Summary

The literature has provided so much information on how best Longacres lodge and other lodges can satisfy the customers and ensure customer loyalty and retention. The literature has outlined many factors, and on top of the list is good quality service. If there is good quality service, customers will be satisfied and likely to return for more purchases. The other important factor is good relationship between employees and customers, and Longacres lodge employees must ensure that employees have good interactions with customers that build relationships. Employees of Longacres lodge must avoid delay in attending to customer requests and ensure no service failure at all times. The literature has also suggested to Longacres lodge many measures that the lodge can implement to ensure that its competitive in operations, and this include price discounts, promotions, bonuses among others.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The previous chapter provided the literature review. Chapter three describes the research methodology that was used for the study. Howell (2013) stated that methodology is the systematic, theoretical and analysis of the methods applied to the field of study. The methodology consists of theoretical analysis of methods and principles associated with a branch of knowledge, theoretical model, phases and quantitative or qualitative techniques. The chapter describes various procedures and processes that were employed to collect and analyse the data. The chapter gives a detailed discussion of the population of the study, sampling procedure and sample size, data collection procedures and data analysis techniques of the research study. Therefore, it covers the full research methodology that was used in the study.

3.2 Research Design

This study is a mixed method design taking a concurrent triangulation approach. It uses two different methods in an attempt to confirm, cross validate or corroborate findings within a single study (Green etal, 1989). The study involves collecting and analysing quantitative and qualitative data within a single study. This method employed to collect findings from different data sources. Quantitative and qualitative data are mixed for illustrating a more complete understanding of the phenomenon being studied (Mertens and Hesse-Biber, 2012). It uses multiple worldviews or paradigm of pragmatism and combines inductive and deductive thinking. Quantitative methods enabled the researcher to conduct the inquiry in objective approach whilst qualitatively the researcher relied on the views of respondents. The details of the methods and processes are described in the sections that follow below.

3.3 Study Population

The Hostels Board of Management has a chain of 11 lodges doted across the country which includes Government Complex Centre in Lusaka, Lothian House in Kitwe, Mongu Lodge, Livingstone Lodge, Belvedere Lodge in Lusaka, Mansa lodge, Henry Makulu House in Ndola, Luangwa House in Chipata, Kabwe lodge, Solwezi lodge, Longacres lodge in Lusaka and Kasama lodge. From the study population of the number of lodges under HBOM, the study focus was on Longacres Lodge, this Lodge had received about 320 customers in the one month of data collection period.

3.4 Sample and Sampling Procedures

The sample size refers to the number of items to be selected from the population to represent a sample. Kothari, (2004) suggests that the size of sample should neither be excessively large, nor too small but optimum. An optimum sample is one, which accomplishes the necessities of representativeness, efficiency, flexibility and reliability. Whilst deciding the size of the sample, the researcher ought to determine the desired precision as well as an acceptable confidence level for the estimate. The size of population variance needs to be carefully considered as in case of larger variance, and normally a bigger sample is desired. The size of population must be considered, it also limits the sample size and parameters of interest in a research study. Budgetary constraint must also be considered when deciding the sample size.

Recognising that this study was about customer retention, the inclusion criterion is determined to include only frequent and retain guests who have experienced the services of Longacres lodge. The simple random sampling method was used because it offers all population members equal chances of being selected into the sample, making the sample sufficiently representative of the population and making it possible to generalize findings over the entire population (Bartlett et al., 2001). Moreover, this sampling method is generally deemed more appropriate for quantitative research designs (Creswell, 2003). Since the sampling method employed was simple random sampling,

the study sampled 150 customers out of the 320 customers that visited Longacres lodge within one month of data collection. The sample size of 150 respondents is large enough to be a representation for the study and give a normal distribution on the characteristics of the population according to the central limit theory. The simple random sampling technique was coupled with purposive sampling targeting organisations, which had ample experience with the services of the lodge. Respondents for purposive were required to have stayed in the lodge or used the services and facilities within six months to ensure that they provided credible responses based on their ample experience with the lodge's service delivery and these were executive secretaries/directors of organizations. These were marked for in-depth interviews. Out of the 9 corporate organisations that have experience with the services offered by HBOM, the study purposively selected 5 organisations based on short distance and quick response from the organisation secretaries. The study therefore had a total of 155 sample size. The sample size chosen is large enough to be a representation for the study and give a normal distribution on the characteristics of the population according to the central limit theory.

For quantitative data collection, the researcher targeted a sample size of participants that could give a 95% percent level of confidence and 5% (0.05) sampling error using the formula below.

n $=\frac{N}{1+Ne^2}$ Where: n= sample size N= total population e = sampling error (Taherdoost, 2017).

i. Using this formula the study sample for customers at Longacres lodge was calculated as follows:

n$=\frac{320}{1+320x0.05^2}$ = Total customers population (N) was = 150

Sample Size for executive secretaries

Total population was = 9

n $= \frac{9}{1+9x0.05^2}$

Total executive secretaries=5

3.5 Data Collection Methods

Two data collection tools were used in this study, that is, a questionnaire and an interview guide. In terms of the relationship between food and customer retention; accommodation and customer retention; customer relations and customer retention; customer satisfaction serves as the mediating variable. The structured questionnaire was used to capture these variables. The questionnaire had five sections. The questions in sections B, C, D and E were measured on a 5-point Likert scale: from 1 to 5, where 1 stands for strongly disagree and 5 stand for strongly agree. Questionnaires were designed in a structured manner in which it captured all the variables under study.

The qualitative data was captured through the interview guide with organisation's executive secretaries that have been frequently utilising Longacres lodge facilities. According to Silverman (2004), an interview is an interaction between the researcher and the respondent in which both participants construct and create the narrative versions of the social world.

Data collection procedure and time were followed before embarking on data collection. Permission was sought in advance from the relevant authorities to access and conduct research at the respective study sites. The researcher also carried an official introductory letter from the Directorate of Research and Graduate Studies (University of Zambia (UNZA)) for permit purposes. In line with the research objectives, questionnaires and interview guides were developed, the researcher analysed the instruments with the supervisor. Thereafter, the questionnaires were pilot tested to 8 customers and 2 executives. The instruments were later polished for actual research data collection. The dates for interviews were pre-arranged with all the respondents involved.

3.6 Data Analysis

The study used statistical package for social sciences (SPSS) as a tool to analyse quantitative data from questionnaires. Data analysis such as frequencies, percentages,

cumulative percent and means were calculated to show the level of various characteristic variables. The study also used spearman correlation analysis to statistically determine factors affecting customer retention at the lodge. Correlation analysis measures the strength and direction of the relationship. It is therefore a measure of the strength and the direction of the relationship. The strength ranges from 0 – 1 or 0 to -1; from 0.00 – 0.19 it's a very weak relationship, 0.20 – 3.9 weak relationship, 0.40 – 0.59 moderate strong relationship, 0.60 – 0.79 strong relationship, 0.8 – 0.99 very strong relationship and 1.00 implies that there's a perfect positive relationship. This also applies when the relationship is negative, and is denoted as; **$-1 \leq rs \leq 1$**, meaning that correlation coefficients ranges from negative 1 to positive 1.

The study also used thematic analysis (TA) method for analysing qualitative data to enable the researcher capture the meanings within the data. The technique provides a strategy for organising and interpreting qualitative data to create a narrative understanding that brings together the commonalities and differences in participants' descriptions of their subjective experiences. Braun and Clarke (2006) as a theoretically flexible method that organises, describes and interprets qualitative data describe the process of TA.

3.7 Reliability and Validation of Research Instruments

Reliability on the other hand refers to the measure of the degree to which a research instrument yields correct and consistent results on across time and the various items of the instrument (Sekaran, 2003). Reliability is the extent to which an instrument is predictable, stable, accurate and dependable to yield the same results every time it is administered. In order to ensure reliability, the research instruments were carefully reviewed to ensure the data collected is accurate and in line with the study. Validation on the other hand refers to the degree to which the results are true and have conformed to the analysis that was employed. In order to ensure that the results are valid, the researcher conducted statistical tests to ensure the data used met all the spearman assumptions of ordinality of variables and the monotonic assumptions. The ordinal

assumption was observed through the ranks in responses, and the monotonic assumption was observed through scatter plots and the pattern observed.

3.8 Ethical Consideration

It is very important to ensure confidentiality during the process of conducting the study survey. Respondents were protected by ensuring that information collected in the questionnaires remains confidential. During the study, anonymity was put into consideration by not disclosing respondent's names. The study ensured that respondents were not interfered in answering the research questions in order for them to express their feelings on the services provided to them. The questionnaires were carefully reviewed not to include embarrassing questions or threatening statements for the respondents. The study also acquired informed consent of the respondents, and the data collected was used only for academic purpose and recommendations were given to Longacres lodge. Clearance was obtained from University of Zambia Ethics Committee.

3.9 Chapter Summary

The above chapter presented the research design that was used by the study, the methods that were employed in collecting the data, the sampling methods, as well as the analysis tools and methods that were used to achieve the research objectives. The chapter that follows presents the results of the analysis.

CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND FINDINGS

4.1 Introduction

Chapter four presents the analysis and discussion of the findings. The topic of the study was on assessing customer retention in the hospitality industry for Longacres lodge. The study administered questionnaires to 150 individuals that had accessed accommodation during the survey period, and the study collected data from 5 organisations that frequently accessed services provided by the lodge using interview guide. Therefore, the analysis and the findings presented in this chapter are from the field research survey that was conducted by the researcher. The presentation is in two major parts; the descriptive analysis and the statistical analysis, and these are presented using tables, charts and explanations.

4.2 Descriptive Analysis: Demographic characteristics of the respondents

From figure 4.1, 94 of the respondents were male, representing 62.7%; while 56 respondents were female, representing 37.3%. These results indicate that the survey had more male respondents than the female. Therefore, understanding male preferences when it comes to providing lodging accommodation services can help to put up measures to ensure retention of customers in a hospitality industry like Longacres lodge.
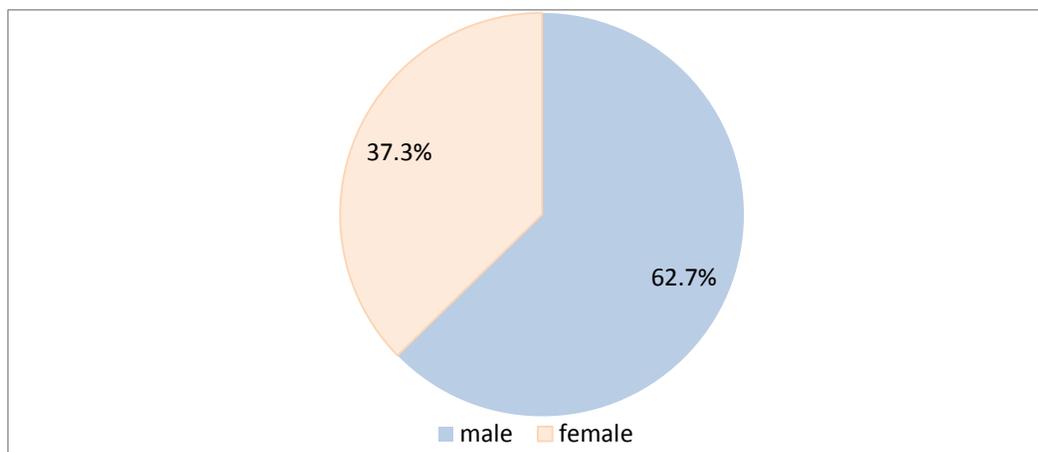
Figure 4.1: Gender of the Respondents

From table 4.1, the minimum age of the respondents was 25 years of age; the maximum age was 64 years. The mean age of the respondents was 39.12 years and the standard deviation was 9.103, indicating that the age of the respondents was closely distributed. The age distribution of the respondents indicates that majority of the respondents are around 37.5 years, hence, Longacres lodge should understand the lodging preferences of this age group and work on providing those services for customer retention.

Table 4.1: Age Distribution of the Respondents

Minimum	Maximum	Mean	Std. Deviation
25	64	39.12	9.103

From figure 4.2, 19.3% of the respondents were single, 71.3% of the respondents were married, 6.7% of the respondents were widowed and 2.7% of the respondents were divorced. From these results, it's clear that majority of the respondents were married.
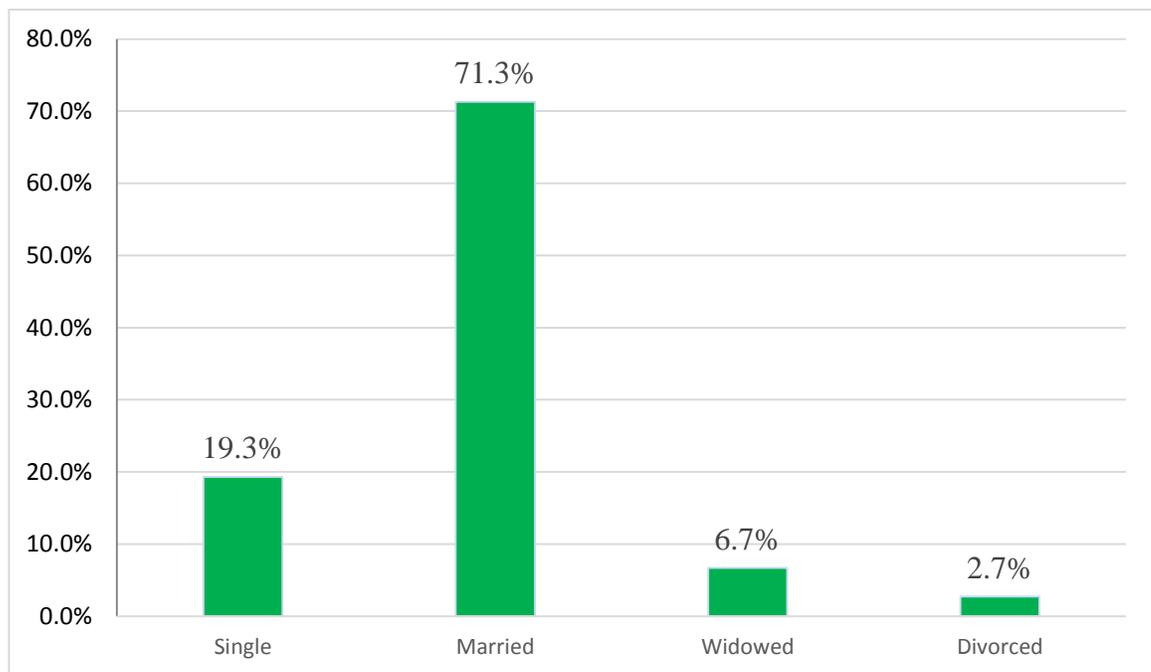
Figure 4.2 Marital Status of the Respondents

From figure 4.3, 6.7% of the respondents have obtained tertiary certificates, 32.0% of the respondents have obtained diploma levels of education, 46.0% of the respondents have obtained degree level of education, 12.0% of the respondents have masters' degree levels of education, and 3.3 % of the respondents have doctoral degree levels of education. These results indicate that majority of the respondents are well educated, implying that they are knowledgeable and well exposed to different hospitality services, hence providing quality service by Longacres lodge is important for customer retention.
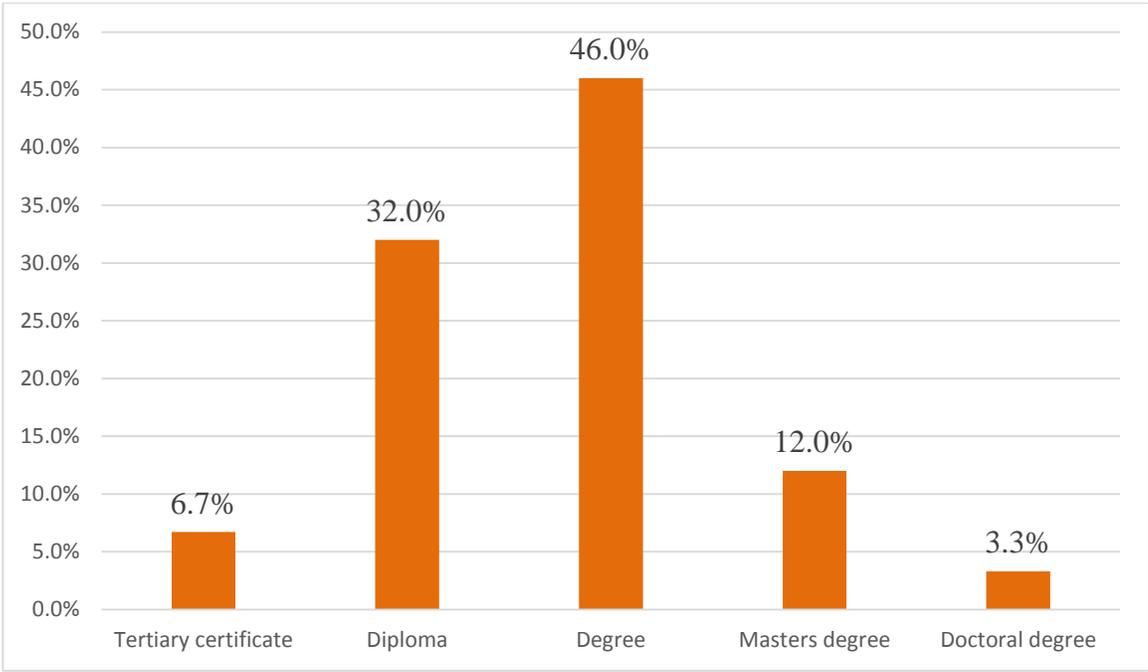
Figure 4.3 Respondent Levels of Education

4.2 Findings on food experiences and customer satisfaction

From table 4.2, respondents were less satisfied with the breakfast as the mean score of 2.75 is below average score of 3. Respondents were also less satisfied with variety of food on the menu (2.67 mean score). However, majority of the respondents were satisfied with lunch preparation, dinner, food been fresh and hot, taste and flavor of food. These results imply that Longacres lodge needs to improve on breakfast delivery, which should include the quality and timely preparation. The lodge also needs to

improve on variety of food that is served to customers. This will improve customer satisfaction and directly increase customer retention.

Table 4.2 Mean Scores analysis for food

Food Element	Mean Score	Sample Size
Breakfast was well prepared	2.75	150
Lunch was well prepared	3.40	150
Dinner was enjoyable	3.01	150
Food served was fresh and hot	3.58	150
The menu has a good variety of food	2.67	150
The presentation of food is excellent	3.07	150
The food is taste and flavorful	3.24	150

From the statistical analysis in table 4.3, there was a negative relationship between customer satisfaction and breakfast preparation. The correlation coefficient of -0.162 means that breakfast preparation was negatively affecting customer satisfaction and retention, as the results shows statistically significant (P-Value 0.047). There was a negative relationship between customer satisfaction and menu having a variety of food. The correlation coefficient of -0.251 means that customers are not satisfied with the variety of food on the menu hence affecting satisfaction and customer retention. There was positive relationship between customer satisfaction and Dinner quality, freshness and hotness of food, presentation of food, taste of food, flavor, and the value of food. This implies that customers were satisfied with these food attributes.

Table 4.3 Spearman Correlation Analysis on Food and Customer Satisfaction.

Variable X (Food)	Variable Y	Correlation Coefficient	P-Value	Sample Size
Breakfast was well prepared	Customer satisfaction	-.162*	.047	150
Lunch was well prepared	Customer satisfaction	.185*	.023	150
Dinner was enjoyable	Customer satisfaction	.273**	.001	150
Food served was fresh and hot	Customer satisfaction	.375**	.000	150
The menu has a good variety of items	Customer satisfaction	-.251**	.002	150
The presentation of food is excellent	Customer satisfaction	.245**	.002	150
The food is taste and flavorful	Customer satisfaction	.271**	.001	150
the food is a good value for money	Customer satisfaction	.256**	.002	150

In a highly competitive hospitality industry, attracting customers with dedicated service and high quality food along with satisfying them and making them into loyal customers is critical for the success of the business. The qualitative finding from almost all the interviewees showed that Longacres lodge rarely provide a wide variety of food staffs to choose. On breakfast specifically, one key informant indicated that:

The breakfast offered does not have variety of food; the time of preparing breakfast was also not convenient especially for people who wake up

early to go for work to some far distant places. The kitchen should be
ready all the time to provide food for the customers and clearly indicated
that breakfast did not meet his expectation.

Similarly, concerns were also raised by almost all informants who showed concern that Kitchen staffs are not serving staff appropriately. In elucidating this point, Informants indicated that:

The main concern is delay in preparing the food; it takes more than 60
minutes to get what you have ordered, which really affect our
programmes especially when we have workshops and meetings.

4.3 Findings on accommodation and customer satisfaction

Table 4.4 shows that Longacres lodge need to improve on cleanness of rooms as the mean score (2.97) was slightly below the average. The areas of improvement should include the bathroom (2.76 mean score), beds (2.80) and beddings (2.76) and interference of privacy (2.71). The other factor affecting customer satisfaction is quietness of the room and surroundings (2.65 mean score). Longacres needs to improve in these areas to increase customer satisfaction and improve on customer retention.

Table 4.4 Mean Scores analysis for Accommodation

Food Element	Mean Score	Sample Size
The room was clean and tidy	2.97	150
The bed was comfortable	2.80	150
The check in process was quick	3.11	150
The bathroom was well cleaned	2.76	150
The odour in the room was pleasant	2.74	150
Room temperature was comfortable	3.37	150
The quietness of the room and surroundings	2.65	150
The room was well equipped	2.43	150
The bed linens were comfortable	2.76	150
Interfering of privacy	2.71	150

From the table 4.5, there was no significant relationship between customer satisfaction and room check in process, room odor, room temperature, room equipment and privacy interference. The study found a negative relationship between customer satisfaction and bed comfortability; a correlation coefficient of -.235[**] means that bed comfortability is negatively affecting customer satisfaction, and the results were statistically significant (P-Value 0.004). The study also found a negative relationship (-.206*) between customer satisfaction and likeness of the bathroom, meaning that the bathroom was negatively affecting satisfaction and customer retention. A correlation coefficient of -.215** was obtained between customer satisfaction and the quietness of the room and the surroundings. This means that customers were not satisfied with the quietness of the rooms and the surroundings, hence negatively affecting their satisfaction and retention. The study found a correlation coefficient of -.226**; meaning that comfortability of bed linens was negatively affecting customer satisfaction and retention.

Table 4.5 Spearman Correlation Analysis on Accommodation and Customer Satisfaction

Variable X (Accommodation)	Variable Y	Correlation Coefficient	P-Value	Sample Size
The room was clean and tidy	Customer satisfaction	.083	.311	150
The bed was comfortable	Customer satisfaction	-.235**	.004	150
The check in process was quick	Customer satisfaction	.150	.068	150
The bathroom was well cleaned	Customer satisfaction	-.206*	.011	150
The odour in the room was pleasant	Customer satisfaction	-.104	.205	150
Room temperature was comfortable	Customer satisfaction	.100	.225	150
The quietness of the room and surroundings	Customer satisfaction	-.215**	.008	150
The room was well equipped	Customer satisfaction	-.114	.166	150
The bed linens were comfortable	Customer satisfaction	-.226**	0.005	150
Interfering of privacy	Customer satisfaction	-.064	.435	150

Consumers have increasing experience in terms of accommodation and are able to make comparisons and critical assessment of all aspects and elements. Therefore, it is important for Longacres lodge to pay particular attention to the quality of accommodation been offered. The Informants highlighted that:

Longacres lodge must pay attention to things they are able to work on easily and ensure that the beddings are changed regularly and that it must be changing the beds as an upgrade to the current bed styles, and should work on improving the infrastructure.

The internet services in the lodges cannot be emphasized much as it is essential for every customer who wants to be in touch with the world at any point. Nonetheless, in an interview conducted the informants also pointed out that the lodge was grappling with lack of internet and limited access to DSTV channels.

It is very frustrating to be given internet password, which cannot give, you access or if access is granted then it will be very slow; i ask if there can be improvement to internet especially in the rooms and increase on the number DSTV channels.

From the informants, it came to light that Longacres lodge did not have a generator to power up the facility after power cut, and the respondent really urged management to look into alternative power sources for the lodge to ensure customers have power to continue working and access all other facilities provided like TV.

In another interview, the informants indicated that some bath tabs are stained and need to be changed. However, informants commended the standard of Solwezi lodge in providing good standard accommodation.

4.4 Findings on employee relations and customer satisfaction

From table 4.6; majority of the respondents indicated that employees were polite (3.25 mean score), employees were helpful (3.21 mean score), employees had good interaction (3.38 mean score), employees communicate smoothly (3.77 mean score). About half of the respondents indicated employees respond to requests on time (3.07 mean score). From the mean score results, majority of the respondents were not satisfied with the attitude of employees towards work (2.69 mean score), this can be confirmed from mean score on timely response to requests which is just average. Facilitation of reservation by employees was also scored low (2.83 mean score). These results imply that the lodge needs to improve on reservations, improve on employee attitude towards customers and improve on timely response to customers' requests.

Table 4.6 Mean Scores analysis on Employee Relations

Customer Relations Element	Mean Score	Sample Size
Employees are friendly	2.85	150
The employees were polite	3.25	150
Welcoming attitude	2.69	150
Employees were helpful throughout the stay	3.21	150
Interaction with employees was pleasant	3.38	150
Employees respond to request in a timely manner	3.07	150
Employees were attentive to your requests	3.11	150
I had smooth communication with employees	3.77	150
Employees provide information required correctly	3.55	150
Facilitation of reservation was excellent	2.83	150

From table 4.7 the study did not find any significant relationship between customer satisfaction and employee friendliness, politeness, helpfulness, interaction, attentiveness and communication, excellent facilitation of reservation was only significant at 90% confidence level (P-Value 0.097). The study found a negative relationship between customer satisfaction and employee welcoming attitude. A negative correlation coefficient of -.323** obtained imply that welcoming attitude of employees was negatively affecting customer satisfaction and retention. The study also obtained a correlation coefficient of -.180* between customer satisfaction and employee timely response to requests. This means that the delay by employees to timely respond to customer requests was negatively affecting customer satisfaction and retention. These results mean that the lodge needs to improve customer relations in terms of timely response to customer requests, and should improve on welcoming attitude towards customers.

Table 4.7 Spearman Correlation Analysis on Customer Relations

Variable X	Variable Y	Correlation Coefficient	P-Value	Sample Size
Employees are friendly	Customer satisfaction	.049	.548	150
The employees were polite	Customer satisfaction	.131	.111	150
Welcoming attitude	Customer satisfaction	-.323**	.000	150
Employees were helpful throughout the stay	Customer satisfaction	-.063	.446	150
Interaction with employees was pleasant	Customer satisfaction	.102	.215	150
Employees respond to request in a timely manner	Customer satisfaction	-.180*	.027	150
Employees were attentive to your requests	Customer satisfaction	-.049	.555	150
I had smooth communication with employees	Customer satisfaction	.156	.057	150
Employees provide information required correctly	Customer satisfaction	.303	.000	150
Facilitation of reservation was excellent	Customer satisfaction	-.136	.097	150

Concerning employee relations, the informants interviewed also gave their observations indicating that:

> *Some employees know what to do and have understanding of the customers, while on the other hand some of the employees do not know how to attend to the customers.*

One of the informants interviewed indicated that the poor employee relations exhibited by some employees might be due to low motivation of the employees, or just bad attitude of the employee towards work. Informants indicated that;

> *Employees at longacres lodge have inertia type of attitude towards work; need to be pushed to do the job they are employed. The employees actually delay to respond to requests; they need trainings in customer care and housekeeping, and in use of information communication technologies.*

It is worth noting that some informants were happy with very few employees whom they mentioned by names.

4.5 Findings on measures to improve customer retention

From table 4.8, the mean scores that are above average are loyalty programs in form of membership, customer clubs and special discounts, and occasional gifts and rewards. Customer satisfaction and customer identification also had mean scores of 3.17 and 3.09 respectively. The service quality and performance, and use of technology on reservation mean score were also just average (3.01), implying that these variables are important to customers and Longacres lodge should improve on quality of service offered, and performance and should be offering discounts to customers to be competitive and increase on customer retention.

Table 4.8 Mean Score Analysis on Customer Retention

Variable X (Customer Retention)	Mean Score	Sample Size
Loyalty programs in form of membership, customer clubs and special discounts	3.75	150
Occasional gifts and rewards	3.77	150
Service quality and performance	3.01	150
Customer identification i.e. addressing the customer by name	3.09	150
Importance of employee and customer interaction	2.79	150
Use of technology such as online booking, self-check-in, keyless entries, mobile apps that allow customers to put forth requests, energy-saving devices with the latest technologies for the hotel industry.	3.01	150
Customer satisfaction	3.17	150
I would highly recommend the hotel to my friends and family.	2.01	150

This variable sought to identify measures that can be employed to improve customer retention and increase on business portfolio. Asked the measures to increase customer retention informants indicated that lodge should be offering promotions, rewards and price discount to their customers. The lodge should ensure competitive prices and make use of technology in reservation such as online booking. The informants stated that:

Longacres lodge has to embrace the trend in technology as far as booking for the service is concerned. It is very inconveniencing to have unanswered call or drive to make a booking when you can easily do it online. Times have changed let us move with it. Nowadays, most hotels and lodges have listed their properties on online platforms such as Booking.com, Trivago and TripAdvisor to allow guests to book wherever they are at the particular moment.

Concerning the conference facilities, the informants pointed that lack of air cone facilities was affecting customer satisfaction and retention. Further, the toilet type and setup for the conference facilities was reported to be disliked by participants. Further, the informants indicated that the lodge does not give rewards and discounts to frequent customers, hence making it uncompetitive. Longacres lodge therefore needs to improve on customer relations by timely responding to customer requests, introduce discounts to frequent customers, and ensure that the menu has a variety of foods. One of the informants (IV) emphasised that management should look into renovating the infrastructure of Longacres lodge.

CHAPTER FIVE: DISCUSSION OF FINDINGS

5.1 Introduction

Chapter five discusses the findings of the study in right of the existing literature. The discussion is arranged in line with the research objectives; it first begins with the discussion on food attributes, then accommodation, customer relations and lastly on measures that can be implemented to increase customer retention at Longacres lodge.

5.2 Discussion on food experiences and customer satisfaction

The hospitality industry keeps on getting more and more competitive every day, hence, customers constitute one of the most important assets for a hospitality company to continue operating as a business. Since customers are of great importance, it is crucial for the hotels and lodges to satisfy their needs to cultivate long-term relationships with them, with a view to enjoying their continuous patronage (Alrubaiee and Nahl, 2010). One strategic key success factor in hospitality business is customer retention, which can be developed through good quality service provision and establishing good relationships with customers. Customer retention is therefore a strategic objective of maintaining long-term relationships with customers. The high retention rate is equivalent to a low defection rate in an organisation. A customer defection is the loss of customers to alternative providers of a similar or the same service (Kotler et al, 2008). The task all marketers face is determining ways of increasing customer retention, as managers have discovered that converting indifferent customers into loyal ones and establishing long-term relationships with them is highly important for organizational survival (Alrubaiee and Nahl, 2010). Similarly, increased customer retention is frequently argued to be an important driver of organizations' long-term financial performance. The customer's decision to terminate the relationship with a particular company to another is a major concern for many companies in almost every industry (Portela and Menezes, 2011). Considerable increase of business competition for lodges in the hospitality industry like Longacres lodge over the last decades has given rise to a phenomenon of customer switching behaviour, resulting in high customer churn rates, which has serious

consequences for the financial performance of lodges as business entities. The current study therefore assessed factors affecting customer retention at Longacres Lodge with a focus on food (meals), accommodation and customer relations.

From the descriptive analysis, customers for Longacres lodge were less satisfied with the breakfast as the mean score of 2.75 is below average score of 3. Respondents were also less satisfied with variety of food on the menu (2.67 mean score). However, majority of the respondents were satisfied with lunch preparation, dinner, food been fresh and hot, taste and flavor of food. These results imply that Longacres lodge needs to improve on breakfast delivery, and this should include quality and timely preparation of breakfast. Longacres lodge also needs to increase the variety of food that is served to customers. This will improve customer satisfaction and directly increase customer retention.

From the statistical analysis, the study obtained a correlation coefficient of -0.162; indicating that breakfast preparation was negatively affecting customer satisfaction and retention, and these results were statistically significant (P-Value 0.047). There was a negative relationship between customer satisfaction and menu having a variety of food. The correlation coefficient of -0.251 indicated that customers are not satisfied with the variety of food on the menu hence affecting satisfaction and customer retention.

This research finding is in line with many researchers concerning food and customer retention. Previous studies found that providing high service and food quality in hotels and lodges can directly enhance customer satisfaction and loyalty (Ha and Jang, 2010; Wall and Berry, 2007). Customers perceive and evaluate service based on performance of restaurant during service delivery (Ha and Jang, 2010). Ryu et al., (2012) also highlighted the importance of food quality as a measure of customer satisfaction in the restaurant industry. Bujisic et al., (2014) study revealed that food quality, besides service and ambience is one of the most important attributes of restaurant quality. A study by Kannan (2017) indicated that food quality is by all accounts acknowledged as a central part to fulfil restaurant customers. The study endeavored to distinguish which properties among food-related qualities are basic in enhancing satisfaction and uplifting intentions to return. The study found that general food quality fundamentally influences customer

satisfaction and behavioural intentions. Taste and variety were the two biggest food factors to customer satisfaction and behavioural intentions. Ahmad (2015) also found that food quality has a great influence on customer satisfaction. It is one of the most important factors resulting in higher levels of customer satisfaction. Ghulam et al (2017) found that food safety has mediating effect on food quality and customer's satisfaction and people are concerned about what they eat, that is, whether the food is safe or not, and also pay attention to what adds up in their food, which points to the importance of having a variety of foods on the menu. Food restaurants must therefore pay attention to their food processing and cooking procedures to ensure quality and should be offering a variety of foods on the menu.

Kim et al (2010) conducted a research to find the relationship between customer satisfaction and loyalty in food industry. It was shown from the results that the customer loyalty was affected by food quality. This meant that the customers who desire to test new foods consider the food as an important factor and are more satisfied and not only come again, but also recommend it to other people. Ryu et al., (2012) also highlighted the importance of food quality as a measure of customer satisfaction in the restaurant industry. As a result, five aspects of food quality were adopted from (Ryu et al., 2012), namely: the food is fresh, the food is delicious, the food is nutritious, there is a variety of items on the menu and the smell of food is enticing. Qin and Prybutok (2009) explored the potential dimensions of service quality and examined the relationships between food quality and customer satisfaction. The study pointed out that food quality has a positive and direct influence on customer satisfaction.

The findings of the study are also well supported by the theories. According to customer switching behaviour model, the reason why many customers originally decide to purchase from companies are expected and perceived service that they anticipate. After some experience with these companies, some of corporate customers and individuals will no longer believe that their dealings would bring any benefits and so opt to switch to other competitors. Keaveney (1995) introduced the model of customer switching behaviour, containing eight main casual factors that are critical to switching behaviour, namely, pricing, inconvenience, core service failures, service encounter failures, and

employee responses to service failures, competitive issues, ethical problems and involuntary factors. This means that customer experience with the quality of food at Longacres lodge will affect satisfaction and retention. It is therefore important to ensure that the food service provided to customers by Longacres lodge is of high quality to meet the needed customer standard to prevent customers from switching to other competitors.

From the researcher's opinion, the food factors found significant in this study are important which Longacres lodge and any restaurant or lodge offering food services to customers should not undermine. To some people breakfast is very important and would rather have breakfast and skip lunch. Therefore, timely preparation of breakfast and ensuring that the breakfast is of good quality and is adequate for the customers is important to ensure customer satisfaction and retention. Some lodges will start offering breakfast after 07 hours when some customers have even left the lodges, and this is a great discouragement to the customers. People are now more exposed than before and therefore they need a variety of food to choose from. It is very frustrating for a customer to leave a lodge where one is accommodated to go and look for food somewhere else. Therefore, Longacres and any lodge offering accommodation must ensure that they have variety of food on their menu, as people now are very selective with food. Nowadays, there is a lot of demand for tradition food for people that visit the lodges, which continuously lack on the menu. International visitors will usually want to taste the local foods, which are expected to be on the menu each time tradition food is demanded.

5.3 Discussion on accommodation experience and customer satisfaction.

The research findings from the descriptive analysis on accommodation indicates that Longacres lodge should improve on cleanness of rooms as the mean score (2.97) was slightly below the average. Other areas that require improvement is bathroom (2.76 mean score), beds (2.80) and beddings (2.76) and interference of privacy (2.71). The other factor affecting customer satisfaction is quietness of the room and surroundings (2.65 mean score). Longacres lodge needs to improve in these areas to increase customer satisfaction and improve on customer retention.

On the accommodation, the statistical analysis found a negative relationship between customer satisfaction and bed comfortability. A correlation coefficient of -.235 meant that bed comfortability was negatively affecting customer satisfaction, the results were statistically significant (P-Value 0.004). The study also found a negative relationship (-.206) between customer satisfaction and likeness of the bathroom, meaning that the bathroom was negatively affecting satisfaction and customer retention. A correlation coefficient of -.215 obtained between customer satisfaction and the quietness of the room and the surroundings meant that customers were not satisfied with the quietness of the rooms and the surroundings, hence negatively affecting their satisfaction and retention.

From the literature review, Heide et al., (2007) found that environment had an association with customer satisfaction, and it was seen as a tool for changing customers' attitudes and behaviour. Physical environment quality like cleanliness is one of the most important factors and features a hotel could offer its customers (Callan, 1996). Lockyer (2005) also reported that room cleanliness in particular was one of the most important attributes for customers in selecting their hotel. Kinderis et al., (2011) stated that in the unfavorable economic environment, enterprises providing accommodation services should maintain service quality as the mean for competitive struggle. Khan et al (2019) study findings revealed that components especially quality of accessibility, accommodation, venue and their dimensions contribute directly to satisfaction and customers' intention to return. Quality of accommodation during the stay contributes directly and positively to customer satisfaction. Quality of venue has strong, direct and positive association with customer satisfaction and this will result in retention. Therefore, management of HBOM and other lodges offering accommodation must ensure that the quality of accommodation is good to ensure customer satisfaction and retention. A study by Gandolfo and Rosa (2010) found that room service; room tidiness and comfort are important in ensuring customer satisfaction and retention.

In order to increase the level of service quality, hospitality managers must attempt to improve the ambience of the room (Heide et al., 2007). The second sub-dimension of physical environment quality is cleanliness where it has been identified as one of the

most important factor and features a hotel could offer its customers when it comes to accommodation (Callan, 1996). Min et al. (2002) identified that cleanliness was the most important feature of hotel rooms. The other important feature of physical environment quality is decoration, which has been referred to as the art of decorating a room so that it's attractive (Fornes, 2007), and Longacres lodge should be ensuring that rooms are clean and well decorated to be attractive to customers.

The customer switching behavior model also supports the findings of this study, it points that the quality of accommodation service received will affect customer satisfaction and retention of the lodge. Keaveney (1995) model of customer switching behaviour points that core service failures and service encounter failures will result in customers switching to other business competitors. Failure by the lodge to offer good accommodation to customers in terms of good beds, beddings, good bathroom and toilet; as well as failure to provide access to DSTV and internet from the rooms, as was pointed by the respondent interviewed can force customers switch to competitors of Longacres lodge.

From the researcher's perspective, the issues raised on beds and beddings, the bathrooms and the sink been stained are serious that can discourage customers from coming back to access accommodation services. There is a great increase in the number of lodges and hotels in the country, and this has put pressure on the quality of accommodation that should be provided due to increased competition. People are now more exposed to various accommodation standards and are able to make comparisons; therefore, Longacres lodge should make sure that they improve on the quality of accommodation provided. Renovation should be done regularly, and management must consider changing the beds and the sinks in the bathrooms.

5.4 Employee relations experience and customer satisfaction

From the descriptive analysis on customer relation, only about half of the respondents indicated employees respond to requests on time (3.07 mean score). From the mean score results, majority of the respondents were not satisfied with the attitude of

employees towards work (2.69 mean score), this can be confirmed from mean score on timely response to requests which is just average. Facilitation of reservation by employees was also scored low (2.83 mean score). These results imply that Longacres lodge needs to improve on reservations, improve on employee attitude towards customers and improve on timely response to customers' requests.

The statistical analysis on customer relations found a negative relationship between customer satisfaction and employee welcoming attitude. A negative correlation coefficient of -.323 obtained imply that welcoming attitude of employees was negatively affecting customer satisfaction and retention. The study also obtained a correlation coefficient of -.180 between customer satisfaction and employee timely response to requests. This means that the delay by employees to timely respond to customer requests was negatively affecting customer satisfaction and retention. These results mean that the lodge needs to improve customer relations in terms of timely response to customer requests, and should improve on welcoming attitude towards customers.

The findings of this research on employee relations is well supported by Chuang et al.(2012) who reported that customer interaction had the greatest direct impact on trust, followed by service quality. Amoako et al. (2012) also found that customer relationship management practices adopted by hotels have a direct impact on customer loyalty. In another study by Poku, Zakari and Soali (2013), it was observed that reliability, responsiveness, empathy and assurance components of service quality had an impact on customer loyalty in hotels. Therefore, the research findings of this study is well supported by many researchers, and Longacres lodge should pay attention to improving service quality in the areas where customers are not very satisfied with to ensure customer retention. Rana et al (2015) study found that customer relationship management has significant effect on the customer satisfaction. If the hospitality company makes CRM strong and reliable, the customer will be more satisfied and return to the company. The increase in the satisfaction level will allow the customer to come again and again to use the company's products and that will increase the sales level of the company, thereby increasing the profits of the organizational.

The theory of relationship marketing identifies the key elements within relationship marketing that emphasize a relational instead of transaction-based approach to marketing. Gummesson (2002) defined relationship marketing as marketing that is based on interaction within networks of relationships. Relationship marketing include; relationships where at least two parties are in contact with each other; a network which is a set of relationships that can grow into extremely complex patterns; and interaction which involves the parties entering into lively contact. According to this theory, delay by Longacres lodge employees to attend to customers' requests as well as bad attitude to customers will create a bad relationship with customers that will lead to dissatisfaction and no return to the lodge.

The customer relationship management theory also supports that all interactions with key customers, who are often identified by lifetime value must fully reflect good customer management. The ultimate goal is to achieve deep customer relationships through which the seller organization becomes indispensable to its most profitable customers (Vandermerwe, 2004). When equipped with understanding and internal support for key customer relationship management, the sales force is generally better enabled and motivated to cultivate long-term customer relationships that offer more personalized products and services (Armstrong and Kolter 2003, p. 514). This theory also emphasizes the importance of building good customer relationship to ensure customers have good interaction with the employees that can build loyalty. Longacres lodge is therefore advised to build good customer relationship that can start with a refresher course for the employees in customer management.

Although, Wieringa and Verhoef (2007) argued that switching behaviour also appears in economic theory, where economic scholars approach switching costs as a mean for keeping customers in relationships, it is not the case with hospitality industry where customers can easily switch without accruing any costs. Keaveney (1995) model of customer switching behaviour also supports this study findings, it indicates that service encounter failures and employee responses to service failures are critical to customer retention, if not handled properly this may cause customers to switch to the business competitors. Employees at Longacres lodge should therefore ensure that they have good

response to customers and ensure attending to customer requests on time. If the customers have bad experience with the employees at the lodge, like delay in attending to customer requests, employees having quarrels or disagreements with customers, showing bad attitude towards work, then customers will switch to competitors. The lodge should therefore work on reducing delay by employees in responding to customer requests as pointed out by the study respondents. Based on this theory, management should therefore pay particular attention to service encounter failures with customers.

From the researcher's point of view, the issues found in this study, bad attitude of some employees and delay in responding to customer requests are serious issues that Longacres management must pay particular attention. Management need to dig into the factors that make some employees to have bad attitude towards customers. Some of the factors that may cause bad attitude and delay to attend to customers is low or poor employee motivation which may be due to poor wages, poor conditions of service, long working hours. To improve employee skills towards customer management, Longacres lodge management can offer a short training to employees on customer management; this can be a motivation towards good customer management for a good and sustainable relationship with customers.

5.5 Discussions on measures to improve customer retention.

From the descriptive analysis, customers for Longacres lodge considered loyalty programs in form of membership, customer clubs and special discounts, and occasional gifts and rewards to be more important as the mean score of 3.75 is above average score of 3. Respondents also considered service quality and performance, and use of technology on reservation mean score were also just average (3.01), implying that these variables are important to customers and Longacres lodge should improve on quality of service offered, and should be offering discounts to customers to be competitive and increase on customer retention.

The findings of the study is well supported by Bolton (2000) who revealed that developing customer loyalty programs by offering discounts, reward points and

customer subscriptions will encourage customers to retain for incentives. According to Kapferer (2004) company brand is based on a relationship between the hotel and the guest. Hotels should therefore focus on building a strong relationship with customers through customization, treating the customers consistently and in the way, each of them wants to be treated. Rita and Josephat (2012) indicated that the hotel industry cannot be successful without having loyal customers. Thus, business image is an essential factor to help in retaining customers. Their study findings showed that top management and staff are involved in creating a positive image, use of technology provided quality services and quality services by the personnel can improve the image of the company. Longacres lodge should therefore focus on building the image, all the employees of the lodge must have good interaction with the customers to build Longacres image since they interact with customers on daily basis.

The findings presented by other researchers on customer retention points to the importance of customer relationship management theory. McLeod and Gilbert (2010) explained that customer relationship management is a business strategy using information technology to provide an organisation with comprehensive, reliable, and integrated view of its customers so that all processes and customer interactions help maintain and expand mutually beneficial relationships. From this theory, Longacres lodge is advised to maintain a good relationship with its customers. To achieve this good relationship, Longacres lodge needs to ensure that the services provided in terms of food, accommodation, conferencing facilities and customer interaction is of good quality and adequate enough to meet customer expectations, which will translate to customer satisfaction and loyalty, and consequently increase customer retention.

The study by Khan (2013) indicated that retaining customers in hotels is a major factor to consider because absence of customers in the hotels will result in lower sales thus closing up of the properties. Retaining loyal customers for hotels is vital, and a main factor in keeping hotels in shape and competitive enough to catch up the changing trends that has affected the business and economic activities of the hospitality industry. Therefore, to retain customers in the hotels there are a number of strategies that should be put in place such as recoginising customer by name; this makes the customer feel

appreciated and respected; flexibility in pricing the products and services provided; offering standardized services by trained employees and using loyalty programs, i.e., points, discounts and customer membership cards. All this are aspects of a business image that enhances customer retention in the hotels.

Other researchers from the literature also give support to the measures of improving customer retention outlined in this study. Bolton (2000) and Khan (2013) also found that discounts, customer membership cards, reward points and use of technology provided quality services can improve the image of the company (Rita and Josephat 2012). Prabhu (2003) also supported the findings by indicating that quality service, brand image, service performance, customer identification, positive experiences, flexibility and technology can increase customer satisfaction and retention. The model of customer switching behaviour also supports this study findings, it indicates that pricing and competitive issues are critical to customer retention.

From the researcher's point of view, Longacres lodge can be competitive and be able to retain customers if it can implement Quality Control (QC) in their operations to ensure that their employees correctly perform their tasks. This will allow the lodge to meet or exceed their customers' expectations in hospitality service provision. Intercontinental hotels is fully integrating all its quality control systems and its employees operations into one set of intimately linked processes standing the best chance to optimize its employee goals, and thus increase customer satisfaction. In managing customer retention, the focus should not only be on enhancing employee capabilities, but the lodge must also be flexible in its pricing of products and services offered through offering discounts. To improve customer retention the lodge must improve on attending to customer requests to avoid customer frustrations. There is need to improve on the process of reservation in terms of the online booking and develop a hotel software system to allow customers book in time.

5.6 Chapter Summary

There is stiff competition in the hospitality industry, so many hotels, lodges and guesthouses have been setup by business individuals. The stiff competition has also been exacerbated by human exposure to various standards of hospitality services. It therefore important that Longacres lodge quickly improves in the areas where it is not performing satisfactory to the expectation of customers. The lodge needs to focus on improving the variety of foods on the menu and the quality and timely preparation of breakfast. On the accommodation side, the lodge should focus on improving the quality of rooms and access to various facilities from the rooms like internet and DSTV. The lodge also needs to improve on customer relation through good quality services and good employee customer interactions with quick response to customer requests. Finally, Longacres lodge needs to flexible in pricing of services it offers, and this can be done through giving discounts and coming up with promotions.

CHAPTER SIX: CONCLUSION AND RECOMMENDATIONS

6.1 Summary of findings

Chapter six gives a summary of the research findings on each of the research aspect from the conceptual framework. The chapter also outlines a conclusion on the findings and gives recommendations to Hostels board of management on the measures it should put place to increase customer satisfaction and retention in the hospitality services it offers.

6.2 Conclusion

Over two years, Longacres lodge has lost a considerable number of customers. This has affected its operations and the lodge may foldup. In spite of this trend, the lodge management has not done an in-depth of customer analysis, particularly in assessing factors affecting customer retention at the lodge. Because of the increase in the number of customers leaving, there was a need to identify which factors are affecting customer retention at Longacres lodge. The objectives of the study were to assess whether customers' experience with food is a determinant of customer satisfaction and retention at Longacres lodge. Second objective was to ascertain whether accommodation service offered contributes to customer satisfaction and retention at Longacres lodge. Third objective was to establish whether employee relations with customers at Longacres lodge has an effect on customer retention. The last objective was to propose measures of improving customer retention at Longacres lodge in order to increase business portfolio. In achieving the research objectives, primary data was collected, a sample size of 155 respondents, Random and purposive sampling were used for the study, and descriptive, thematic and correlation analysis were conducted.

On the results on Food experience and customer satisfaction, the findings revealed that Longacres lodge was not performing satisfactory concerning breakfast preparation and having a variety of food on the menu. The study also found a negative relationship between customer satisfaction and breakfast preparation, a negative relationship between

customer satisfaction and the lodge having a variety of food on the menu. These results meant that breakfast preparation and variety of food on the menu was negatively affecting customer satisfaction and retention.

Accommodation experience and customer satisfaction: On accommodation, the study found a negative relationship between customer satisfaction and bed comfortability, a negative relationship between customer satisfaction and likeness of the bathroom, a negative relationship between customer satisfaction and the quietness of the room and the surroundings. This means that customers were not satisfied with the quietness of the rooms and the surroundings, bathroom and bed comfortability, hence negatively affecting their satisfaction and retention.

Employee experience and customer satisfaction: On customer relations, the study found a negative relationship between customer satisfaction and employee welcoming attitude, implying that welcoming attitude of employees was negatively affecting customer satisfaction and retention. The study also found a negative relationship between customer satisfaction and employee timely response to requests, meaning that the delay by employees to timely respond to customer requests was negatively affecting customer satisfaction and retention.

Measures to improve customer retention: On measures to improve customer retention, the study found discounts, customer membership cards, reward points, use of technology in providing quality services and quality services by the employee, image of the hotel and customer identification to be important factors in retaining customers.

Going by the findings of the study, it was very evident that management was not paying full attention to customer management that the lodge deserves. Such a situation made Longacres lodge continues to lose customers to its competitors for the past two years. This being the case, there was a danger that the Longacres lodge would continue losing revenue and may eventually foldup.

6.3 Recommendations

The study therefore makes the following recommendations

1. The lodge needs to concentrate on enhancing the skills, knowledge and commitment of their employees by providing regular trainings and incentives in order to improve on customer relations, timely response of employees to customer requests and welcoming attitude.

2. Longacres lodge should be conducting customer surveys and mystery shopping regularly to predict the needs, complaints and check adherence to food, accommodation and customer relations requirements.

3. The lodge should align the reservation services with modern technology such as online booking and improve on the existing services. This can be done by creating a website or an application that can allow booking of services in advance.

6.3.1 Recommendation for Future Research

A further research is needed to target only foreign nationals and determine factors that affect their satisfaction in the quality of services and products offered by lodges and hotels. A comparative study can also be conducted to compare services and products offered by lodges in the country.

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Appendix 1 – Customer Questionnaire

SCHOOL OF BUSINESS

INTRODUCTION

Dear Respondent,

The following questionnaire is administered by **Mrs Mirriam N Chishimba** for her Master of Business Administration-Management Strategy (MBA-Strategy) dissertation at the University of Zambia, Graduate School of Business. The title of the dissertation is **'ASSESSMENT OF CUSTOMER RETENTION, A CASE STUDY OF HOSTELS BOARD OF MANAGEMENT.**'

You have been randomly selected to participate in the study .I shall be grateful if you shall answer the questionnaire to the best of your knowledge. Your responses will be treated with confidence.

QUESTIONNAIRE FOR LONGCRES LODGE GUESTS

SECTION A

Social Demographic Characteristics {Tick responses that best suit you and fill in the spaces provided}

1. Sex of the respondent

    1. Male   [   ]

    2. Female   [   ]

2. Age………………………

3. Marital Status i. Single [   ] ii. Married   [   ] iii. Widowed [   ] iv. Divorced
        [   ]

4. Education Level. i. Tertiary certificate   [   ] ii. Diploma   [   ]

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iii. Degree   [   ] iv. Master's degree   [   ]

  v. Doctoral degree   [   ]

5. Name of your organisation. i. Government [   ] ii. Quasi Government   [   ]

                                      iii. Private Sector [   ]

6. Nationality. i. Zambian [   ] ii. SADC region   [   ] iii. International [   ]

SECTION B – FOOD FACTOR

In a highly competitive hospitality industry, attracting customers with dedicated service and high quality food along with satisfying them and making them into loyal customers is critical for the success of the Hostels Board of Management business portfolio

Below are series of statements regarding the food and its variables to the customer satisfaction? Please read each statement and carefully tick (√) or Mark (X) in the box which is applicable and in line with your response on a 5 point scale where;

1 =strongly disagree, 2 =disagree, 3 =Neutral or No Opinion, 4 =Agree, 5 =Strongly Agree.

Statement on Food Factor	Five Point Scale				
	1	2	3	4	5
9. Breakfast was well prepared					
10 Lunch was well prepared					
11. Dinner was enjoyable					
12. The food served was fresh and hot					
13. The menu has a good variety of items					
14. The presentation of food is excellent					

15. The food is tasty and flavourful

16. The food is a good value for money

SECTION C – ACCOMMODATION FACTOR

Organisations providing accommodation services should maintain service quality as the mean for competitive struggle; this is not only a perfect measure to compete against other lodges but also one of the measures that influence customer loyalty.

Below are series of statements regarding the accommodation and its factors to customer satisfaction? Please read each statement and carefully tick (√) or Mark (X) in the box which is applicable and in line with your response on a 5 point scale where;

1 =strongly disagree, 2 =disagree, 3 =Neutral or No Opinion, 4 = Agree, 5 = Strongly Agree.

Statement On Accommodation	Five Point Scale				
	1	2	3	4	5

17. The room was clean and tidy

18. The bed was comfortable

19. The check in process was quick

20. The bathroom was well cleaned

19. The odour in the room was pleasant

21. Room temperature was comfortable

22. The quietness of the room and surroundings.

23. The room was well equipped

24. The bed linens were comfortable

25. Interfering of privacy

SECTION D – CUSTOMER RELATIONS FACTOR

Human dimensions of service quality have been found to influence customer loyalty in hospitality industry.

Below are series of statements regarding the customer relations and its factors in satisfying customer's needs at the lodge? Please read each statement and carefully tick (√) or Mark (X) in the box which is applicable and in line with your response on a 5 point scale where;

1 =strongly disagree, 2 =disagree, 3 =Neutral or No Opinion, 4 = Agree, 5 = Strongly Agree.

Statement On Customer Relations	**Five Point Scale**				
	1	**2**	**3**	**4**	**5**
26. Employees are friendly.					
27. The employees were polite					
28. Welcoming attitude					
29. The employees were helpful throughout your stay					
30. Interaction with employees was pleasant.					
31. Employees respond to requests in the timely manner.					
32. The employees were attentive to your requests					
33. I had smooth communication with employees					
34. Employees provide information required correctly					
35. Facilitation of reservation was excellent					

SECTION D – CUSTOMER RETENTION

Higher customer retention means a base of customers who buy more frequently and in greater volumes, and more willing to try other offerings by the firm, generally require lower maintenance and become less sensitive to the outreach of competitors.

Below are series of statements regarding measures on how to improve customer retention at Hostels Board of Management in order to increase business portfolio.

Please read each statement and carefully tick (√) or Mark (X) in the box which is applicable and in line with your response on a 5 point scale where;

1 =Less important, 2 = Unimportant, 3 =Neutral or No Opinion, 4 = Important, 5 = Very important.

Statement On Customer Retention

		1	2	3	4	5
36	Loyalty Programs in form of membership, customer clubs and special discounts.					
37.	Long term relationship with the lodge					
38.	Use of technology such as online booking, self-check-in, keyless entries, mobile apps that allow customers to put forth requests, energy-saving devices with the latest technologies for the hotel industry.					
39.	Occasional gifts and rewards					
40.	Customer identification i.e. addressing the customer by name					
41.	Importance of employee and customer interaction					
42.	Service quality and performance					

43. Customer satisfaction

44. I would highly recommend the hotel to my friends and family.

THANK YOU FOR YOUR RESPONSES

Appendix 2 – Interview Schedule

INTERVIEW GUIDE FOR EXECUTIVE SECRETARIES/DIRECTORS

INTERVIEW'S DETAILS

Please tell me about yourself. (If not spontaneously mentioned, probe for the following:

Age…………………………………………………………………………………

Gender: ……………………………………………………………………………

Name of Organisation: ……………………………………………………………

Position Held: ……………………………………………………………………

Date and time of interview: ………………………………………………………..

Duration of the interview: ………………………………………………………….

1. What are the experiences that you had with food at Longacres lodge?

2. How was your experience with Breakfast, lunch and dinner at our lodge?

3. What are the experiences that you had with accommodation?

4. What are the experiences that you had with employees at our lodge?

5. What measures can we put in place to improve customer retention in order to increase business portfolio?

6. Are our services delivered according to your expectations?

7. Have you had any reason to complain about your stay at the lodge?

8. What would make you stay at the lodge again?

9. What recommendations can you make to friend or colleague on our lodge?

10. What are the reasons for not retaining to our lodge?