Selecting non-classified hotels in Kenya: what really matters for business guests?

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Abstract
Non-classified hotels, which comprise small hotels and guest houses, are important accommodation providers offering limited services and products as compared to the classified hotels. Through guest satisfaction, they can achieve repeat business and also get new business through word of mouth from previous guests. The main focus is for the hoteliers to know exactly the determinants of selection of hotels by their guests. In this case, the focus was on non-classified hotels in Mtwapa town at the Kenyan coast. The study adopted a cross-sectional descriptive survey design. Results from this study clearly indicate that all aspects of hotel operations are important to business guests’ selection of a non-classified hotel. However, it was revealed that this was not on equal basis. Results indicate that the core product (guestroom comfortability), hygiene and cleanliness were the most important factors in determining guests’ selection of where to stay.

This research therefore suggests that any efforts towards quality improvement in a hotel should focus primarily on ensuring customer satisfaction with the guestroom. While acknowledging the importance of all aspects of hotel operations, managers should recognize the importance of the guestroom and its facilities towards hotel selection and overall customer satisfaction. Therefore, it is imperative that managers channel their resources towards improving guest services in the guestrooms in accordance with the requirements of the clientele. This includes such aspects as the look of the guest rooms, facilities provided in the guest rooms and comfortability of the bed and mattress.

Key words: Business guests, Determinants, Non-classified hotels

INTRODUCTION
The accommodation sector has a great diversity in the types of hotels available to guests. These vary from small owner-operated bed and breakfast establishments to exclusive highly rated hotels having a thousand or more rooms (Nayif, 2001). While classified hotels have extensive facilities, non-classified hotels have limited facilities available to their guests. They are smaller in size compared to the classified ones. Such diversity adds interest and complexity to the process that potential
guests go through in the selection of a hotel as well as management decisions with regard to attracting and retaining guests. Thus, the determinants of selection of hotels by business guests are an important issue to the management (Nayif, 2001). This understanding can have a significant impact on average occupancy.

The choice of a hotel to stay has attracted the attention of many researchers over the years. Such include: satisfaction levels between Asian and Western travelers in Malaysian hotels (Poon and Low, 2005); importance of the physical attributes of a hotel (Weber, 2000); international tourist perceptions of hotels in Mauritius using a modified Service Quality (SERVQUAL) approach (Juwaheer, 2004); business guests’ perception of service quality in two European city centre hotels (Callan and Kyndt, 2001); importance of value to the selection process (Yesawich, 2006); a model of hotel choice behaviour based on the economics of information theory which incorporates relational and core service experiences as well as search attributes (Babakus, Yavas and Eroglu, 2005).

All these studies considered many different determinants and influences on hotel occupancy. In the majority of these studies ‘standard of housekeeping’ or ‘cleanliness’ was the highest rated factor for business guests. This include such aspects as cleanliness, value for money, customer service, design and size of bedrooms, location among other factors (Lockyer, 2002). However, much of the Kenyan tourism product and more so the accommodation sector in Mombasa has been said to be ‘tired’ and deteriorating (WB, 2010). With virtually no new additions in the coastal market, this study therefore sought to investigate the requirements of business guests and what factors they put into consideration when selecting a non-classified hotel to stay. This is useful in bridging the gap between guests’ expectations and what the hoteliers provide in order to attract this important market.

It should be noted that, the main difference between leisure and business tourists is in the type of services bought. However, business tourism needs special facilities and services such as a conference centre (Swarbrooke and Horner, 2007). Besides, business tourism is also linked to leisure travel where most conference packages have social programs of leisure activities included and also the business tourist is likely to be accompanied by other leisure seekers such as wife and children (Swarbrooke and Horner, 2001). This therefore makes the distinction between leisure and business client blurred at the destination level. Nevertheless, in terms of motivation to travel, there is a wide gap between leisure guests and the business guests in Kenya (Figure 1). With the much needed 65 percent occupancy rate for seven months out of the year necessary for a three star hotel at the Mombasa coast to break even (WB, 2010) business guests are a critical market to hoteliers as they boost occupancy levels, especially during low seasons and weekdays. To note is that between 2002 and 2009, the average bed occupancy rate for hotels in Kenya stood at 39.2% (GoK, 2009). This study will therefore provide insights into what really matters to the business client in non-classified hotels.

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

a. establish the relationship between business guests’ satisfaction and location and environment of non-classified hotels in Mtwapa town
b. identify the determinants of selection of non-classified hotels by business guests in Mtwapa town
IMPORTANT ATTRIBUTES IN SELECTING HOTELS

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

The intangible elements are service related: customer service, understanding and caring on the part of hotel management, assurance, and the relative convenience of dealing with transactions while staying in a hotel. This also includes the service that the customer receives at the restaurant, if any, in the hotel. The tangible elements are those related to the physical facilities – the availability and quality of various facilities in the room (e.g. coffee facilities and hair dryer bathrobe) and in the entire hotel (e.g. swimming pool and gym). The physical appearance of hotel personnel, the cleanliness of the room as well as the entire hotel will also be included in the physical elements. If the hotel has its own restaurant for use by the guests, the cleanliness of the restaurant and quality of food are also some of the physical elements customers use to judge the quality of a hotel (Han, Back and Barrett, 2009; Wu and Liang, 2009).

It has long been recognized that these factors in a hotel differ in terms of their ability to win compliments or result in complaints from guests. An understanding of which attributes will enhance compliments or will result in complaints is important for the management to improve overall customer satisfaction and ensure customer loyalty.
Past studies indicate that cleanliness and location are important attributes considered by business guests in making their hotel choice (Clow, Garretson and Kurtz, 1994; McCleary, Weaver and Hutchinson, 1993; Yavas and Babakus, 2005). Yavas and Babakus (2005) found out that business guests seem to provide highest importance to the availability of general amenities followed by other attributes such as convenience, core service, room amenities and ambiance in that order. Convenience concerns the location of the hotel or its accessibility. Weight is also given to the core service provided, that is, the bedroom itself where comfortability of the bed and beddings is of utmost importance to guests. Room facilities provided are equally critical to guests. These include such items as the quality of furniture, availability of mini-bars, coffee making facilities among others. Hotel ambiance concerns the quality of the environment, both inside and outside the hotel. Clean environment is also very important to hotel guests. Thus, hoteliers should ensure that cleanliness is of the highest possible standards, even outside the hotel buildings (Yavas and Babakus, 2005).

Kashyap and Bojanic (2000) in their study noted that perceived price and quality of public areas and rooms were significant in explaining ratings and intention to revisit for business guests. Further, Chu and Choi (2000) in their research on Hong Kong hotels found out that business guests stressed service quality, value for money, room and front desk services, and security in making their hotel choices. Locker (2002) in his study of hotels in New Zealand compared what hotel managers and business guests believed were the determinants of accommodation selection. He discovered that business guests rated bathroom and shower quality, standard of bedroom maintenance and comfort of mattress and pillow highly, while accommodation management rated courteous, polite, well mannered staff, enthusiasm and commitment of staff and efficiency of front desk highly.

In unison, both the business guests and accommodation managers indicated that the cleanliness of the hotel was the most significant factor influencing accommodation selection. However, the research identified that there was a statistically significant difference in many items in the survey between what management and guests believed were important, which indicates a lack of understanding by management. The ramifications for management who do not provide those items important to guests are lower occupancy rates and guest dissatisfaction.

According to Ramanathan (2010) in his study of United Kingdom hotels, value for money is classified as a critical attribute in business guest accommodation selection. This is a complex attribute that calls for efficient operational practices that minimizes the cost of operations, which will be ultimately passed on to guests who will perceive getting good service for the best possible price. The importance of this attribute has been stressed in several studies on hotel performance (Chen and Schwartz, 2008; Gallarza and Saura, 2006; Mattila and O’Neill, 2003; Oh, 1999). Al-Sabbahy, Ekinci and Riley, (2004) have also classified value for money as an influencing factor of customers’ future choice behavior. Chen and Schwartz (2008) stressed the importance of value when guests book a room on the internet and showed that the patterns of changes in room rates observed by guests while searching for a deal affects their propensity to book.

Silverman and Grover (1995) classified hotel service attributes as necessary and desirable to explain the ability of the attributes in shaping the overall quality perceptions that leads to customer loyalty. Necessary attributes have to be functioning properly in order that the overall quality of a hotel is judged as high quality. Desirable attributes (for instance nice ambiance in the
restaurant) add to the baseline perceptions of quality if they are good; otherwise they may tend to reduce quality perception but not to a point where overall quality is judged as poor. Recently, Mohsin and Lockyer (2010) have identified that hotel customers associate high importance to value for money, physical quality (room furnishings) and prompt response on reservations. Laetitia and Yi Wang (2006) in their research of dimensions of guest house service in South Africa found out that business guests identified professionalism of staff as the most important determinant when selecting accommodation. Other determinants of selection of a guest house by business guests identified by these researchers were availability of amenities like dining rooms, room amenities such as comfortable pillow and mattress, core service, convenience and ambience. Kwenga (2012) in his study of the buying criteria and perception of customers in church guest houses in Nairobi, Kenya, found out that quiet and isolated locations, good physical and sufficient technical conference facilities, excellent service by qualified staff and fair prices influence the customers in purchase of accommodation in these guest houses.

METHODOLOGY
The study was carried out in Mtwapa town at the Coastal region of Kenya, located about 16 Km north of Mombasa city. Mtwapa is a town which has grown from a Swahili fishermen village at the Mtwapa Creek to a bustling Coastal town. Investments, trade in properties and real estate, boutiques, salons, shops, hotels, kiosks, nightclubs and bars, supermarkets, and cyber cafes operated 24 hours characterize this coastal town.

The study (carried out between March and April of 2013) adopted a cross-sectional descriptive survey design as it is relatively easy and quick to obtain data that is amendable to statistical manipulation (Brotherton, 2008). This enabled the researcher to identify and describe certain features of the study. This included such aspects as the important determinants of accommodation selection by business guests hence their satisfaction. The study targeted all the 25 non-classified hotels in Mtwapa town as the study population.

These hotels provided both accommodation and food and beverage services to their guests. Within these hotels, the targeted respondents were all business guests who were identified with the help of the hotel managers. Of the study population, 15 hotels were sampled which translated to 60% of the total. These were selected randomly whereby all the 25 hotels were assigned a number and 15 random numbers generated. A hotel whose listing corresponded to the random number generated made up a unit of the study. Twenty (20) guests were randomly selected from each sampled hotel, hence a total of 300 respondents. All the sampled hotels had at least 20 business guests at the time of data collection. A structured questionnaire was developed and was administered by the researchers to the selected business guests. The items in the questionnaire were a mixture of both open and close-ended questions.

RESULTS AND DISCUSSIONS
The study established that most of the guests (34.1%) in the sampled hotels were mainly Kenyans from other parts of the country excluding the coastal area; this was followed by guests from the coastal region with the exception of Mtwapa (25.8%). Those from around Mtwapa area accounted for 21.8%. This meant that non-classified hotels in Mtwapa town received most of its business guests from within Kenya, with a contribution of 81.7%. This could be attributed to the fact that unlike classified hotels, the non-classified types are not well known to the international tourist and are of lower standards and therefore they depended more on the domestic market. The need to tap more into the domestic
market is therefore necessitated because it is this market that is likely to unlock the potential of such hotels in the coastal region.

Moreover, with a mean age of 35 years, the average business guest was relatively young aged between 20 and 60 years old. This could be closely associated with the liveliness of Mtwapa town notably the many entertainment spots, night life and its 24 hour economy. In terms of the frequency of visits, the study revealed that majority (76%) of the visitors to Mtwapa hotels were on repeat basis. This included monthly visits (27%), weekly visits (22%), annual visits (17%) and semi-annual (10%).

**Location and Comfort of Environment**

Results from the sampled hotels depicted a positive correlation between location of hotel and comfortability of environment (P = 0.415). The mean rating of satisfaction was slightly above 3 (neutral level) and less than 4 (satisfied level) for both location of hotel and comfortable environmental setting on a Likert scale of five points.

Indeed, location is one of the important factors which lead to guest satisfaction with the hotel product hence influencing future purchase. The fact that some of the non-classified hotels in Mtwapa town were located in busy noisy streets, others along the Mombasa-Malindi road while others were in quiet suburban areas may have contributed to the different variations in the satisfaction levels. Thus, hotels which were located in more quiet areas away from the noisy night clubs had a higher percentage of satisfaction. Those adjacent to the loud music playing clubs and near the main highway had the lowest percentage of satisfaction among guests. As Ekinci, Dawes and Massey, (2008) found, physical qualities of a hotel have either positive or negative impact on customer satisfaction. The environment can be included among the physical qualities of a hotel of which it was revealed that the satisfaction level was way below the satisfied level (4).

Guests will always come back if they enjoy their stay in a hotel (Mason, Tideswell and Roberts, 2006) hence the 76% repeat visitation in Mtwapa. According to Clow, Garretson and Kurtz (1994), a number of factors contribute to guest experience. These factors include location of the hotels and comfortable environment among others. This coastal town is well served by public transport which operates 24 hrs a day from Mombasa town hence its easy accessibility. Laetitia and Wang (2006) and Kwenga (2012) found that location and convenience; quiet and isolated locations were a very important determinant of purchase of accommodation product. Therefore, location of the hotels reflected to a great extent the comfortable environmental setting (Table 1).

<table>
<thead>
<tr>
<th>Variable</th>
<th>Location of Hotel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location of Hotel</td>
<td>Pearson Correlation 1</td>
</tr>
<tr>
<td>Comfortable Environment Setting</td>
<td>Pearson Correlation .415**</td>
</tr>
</tbody>
</table>

Sig. (2-tailed) .000

**Correlation is significant at 0.01 level (2-tailed)**
Determinants of Choice of Hotel by Business Guests

The study found out that hygiene and cleanliness of the non-classified hotels was important in business guests’ decision making. This included aspects such as clean environment, clean bedrooms and cleanliness in the restaurant, clean staff uniform and generally clean premises. This is a critical consideration especially done for repeat visits and through word of mouth for the first time business guests. It was revealed that 71.6% of the total respondents considered hygiene and cleanliness to be a very important factor while 28.4% said it was just important. In general, all respondents referred this determinant as important. Business guests just like all other guests are very concerned about cleanliness of the hotel in general and the facilities provided. This supported the study done by McCleary, Weaver and Hutchinson (1993) who found out that this is an important attribute considered by business guests when selecting a hotel for their stay. A clean facility will attract business from current and potential guests. Also Lockyer (2002) in his research revealed that business guests rated cleanliness as an important attribute in hotel choice. This view was also shared by Ramanathan (2010) who said that this attribute added up to the perception of any hotel and helped in facilitating the return of guests. The implication is that hoteliers should strive to provide clean and hygienic facilities if they are to get repeat visits and also first time guests.

The research revealed that room comfort which includes comfort of mattress and pillow and other room facilities is another critical aspect of the accommodation product considered by the business guests when making choices of where to stay. This is derived from past experience with the non-classified hotels and also from word of mouth for the first time business guests. About 94.6% of the respondents said that room comfortability is a very important determinant of the hotel selected. Guests revealed that they would purchase accommodation from non-classified hotels with comfortable mattresses and pillows and other guest room facilities. The study supported the findings by Lockyer (2002) who discovered that business guests rated bathroom and shower quality, standard of bedroom maintenance and comfort of mattress and pillow as important aspects in choice of hotel. Ramanathan (2010) in his study of UK hotels also found out that room standard is an important consideration by business guests. He further suggested that any perception of reduced room standard is likely to be detrimental to guests’ intention to stay again in the hotel. The findings of this study also supported the research findings by Laetitia and Wang (2006) on guest house service in South Africa, who identified that room amenities like comfortable mattress and pillow as important considerations in hotel purchase. The implication was that hoteliers should ensure room facilities are as per guest expectations and replace the ones which have worn out in a bid to attract return visits.

Customer service (staff professionalism) was also found to be another important consideration by business guests of non-classified hotels in Mtwapa town. However, not many rated this factor as a very important consideration. Only 37.6% of the respondents rated it as a very important determinant while 62.1% said it is just important. Staff professionalism ranges from how staff handle guests, how they talk to them, how they do the service delivery and so on. Business guests will always go to non-classified hotels which have a reputation of good staff performance though it seemed to be not to be highly rated. As outlined by Hartlane, Wooldridge and Jones (2003), performance of hotel personnel is a necessary cue in order to ensure good perception of quality. They also found out that performance of housekeeping, parking staff, room service and bell staff as
important. Mohsin and Lockyer (2010) identified that prompt response to reservations is an attribute that customers associate with high importance. The importance of staff professionalism was also pointed out by Laetitia and Wang (2006) in their study of dimensions of guest house service in South Africa. They found out that business guests identified staff professionalism as important in selection of a hotel to stay. This implies that non-classified hotel managers should aim getting the right kind of staff with the required training to ensure professional delivery of service to guests.

**Analysis of variance of selection factors**

The study found out that all the factors listed in Table 2 below were important to business guests when they are making a choice of non-classified hotel. Hotel guests needed quality hotel products ranging from room facilities, restaurant services, staff and customer services among other aspects. Quality accommodation product determines patronage by guests and hence customer loyalty. If these non-classified hotels provide quality products and services, this enhances guest satisfaction. Total quality is important and should always be stressed. This includes the cleanliness of the whole hotel and rooms, professionalism displayed by the staff, the core product and security among others.

<table>
<thead>
<tr>
<th>Determinant</th>
<th>F-statistic</th>
<th>Significance (P-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel location</td>
<td>4.077</td>
<td>.007</td>
</tr>
<tr>
<td>General hygiene</td>
<td>8.896</td>
<td>.000</td>
</tr>
<tr>
<td>Price</td>
<td>8.139</td>
<td>.000</td>
</tr>
<tr>
<td>Customer service</td>
<td>5.674</td>
<td>.001</td>
</tr>
<tr>
<td>Core product</td>
<td>18.927</td>
<td>.000</td>
</tr>
</tbody>
</table>

Core product which includes room facilities such as comfort of mattress, pillow and bathroom was the most outstanding selection factor. This determinant had a calculated F-statistic of 18.927 as compared to the tabulated statistic of 23.412. This can be explained by the fact that the guest room is the most private place for the guests in a hotel and they expect the highest comfortability, just as they do at their homes. The other important selection factor for business guests was general hygiene, with an F-statistic of 8.896. Business guests expect thorough cleanliness in the hotel, ranging from the guestrooms to the public areas. The least important determinant identified by the study was location of the hotel with an F-statistic of 4.077. This could be because almost all the non-classified hotels in the area of research were accessible and well served by taxis both during day and night.

**Generalized multiple regression line of dependent and independent variables**

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

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

This was fitted by use of the independent factors which were: location & accessibility \((X_1)\), core product provided \((X_2)\), hygiene and cleanliness \((X_3)\), prices \((X_4)\), customer service and consistency of standards \((X_5)\) with their respective co-efficient. Table 3 below shows the extracted standardized coefficients of beta for fitting the regression line with ‘\(Y\)’ being the dependent variable of satisfaction and selection factors.

### Table 3 Regression Coefficients* of Variables

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.(P-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>T</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.016</td>
<td>.585</td>
<td>.045</td>
</tr>
<tr>
<td></td>
<td>Location of hotel</td>
<td>-.075</td>
<td>.109</td>
<td>-.045</td>
</tr>
<tr>
<td></td>
<td>Core product</td>
<td>.131</td>
<td>.064</td>
<td>.131</td>
</tr>
<tr>
<td></td>
<td>Hygiene &amp; cleanliness</td>
<td>.127</td>
<td>.088</td>
<td>.101</td>
</tr>
<tr>
<td></td>
<td>Prices</td>
<td>-.072</td>
<td>.053</td>
<td>-.092</td>
</tr>
<tr>
<td></td>
<td>Customer service</td>
<td>-.092</td>
<td>.071</td>
<td>-.081</td>
</tr>
</tbody>
</table>

Therefore the regression line took the form of:

\[ Y = 2.016 - 0.045X_1 + 0.131X_2 + 0.101X_3 - 0.92X_4 - 0.081X_5 + \mu \]

The implication of the substituted equation from Table 3 was that all these factors contributed towards selection and satisfaction of business guests by the hotel products provided. The first in contribution was core product provided followed by hygiene and cleanliness, value for money, customer service and location in that order. This line had the implication that for a factor to satisfy and be selected by the hotel client it must have met the threshold value of 2.016, with 2 being the dissatisfied value ranking.

### CONCLUSIONS

Weaver and Oh (1993) suggest that there is a misunderstanding of the importance of business travelers because they are fewer in number, and in fact there are less business travelers than leisure travelers in the hotel market at any one time. Business travelers travel mainly for work-related reasons while leisure travelers travel mainly for the purpose of pleasure. However, even though they may be fewer in number, the intensity of use by the business traveler is much higher than for leisure travelers (Lockyer, 2002). As a result, the business market has a significant impact on many hotels and being able to identify the characteristics of this market can assist hotel managers in tailoring their product to meet their needs, thereby increasing occupancy. Thus an understanding of the expectations of business guests is an important issue for
hoteliers. This study is beneficial to non-classified hotels and the hotel sector in general in Mtwapa town and other areas. Through gaining understanding of the determinants of hotel choice by business guests, hoteliers are in a better position to align their businesses strategically in a bid to attract this important market which boosts room occupancy. This in turn leads to improved revenues and profitability. Various organizations such as Pubs, Entertainment and Restaurants Association of Kenya (PERAK) and Kenya Association of Hotelkeepers and Caterers (KAHC) are also beneficiaries of this research work in provision of information to their stakeholders. Further research should be done to determine whether there is a difference in expectations among guests of non-classified and classified hotels.

References


