Hotel standardization and classification system in Kenya: A quality assurance approach

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Abstract
Globally, various classification systems are in use to measure and continuously improve on service quality in the hospitality sector for destination management. Kenya in particular, has pursued hospitality quality standards against the policy background of high value low volume for sustainable growth of the sector since 1972. More recently, the country entrenched in its long term national economic blue print, the goal of making Kenya part of the leading top ten long-haul tourist destinations of choice offering value for money, and a diverse and distinct visitor experience. The role of quality products and services is undoubtedly critical in achieving this desired goal of influencing the international visitors' choice of Kenya as a preferred tourism destination. Efforts to upgrade the quality standards of hospitality establishments' products and services remain a priority in the tourism sector development to secure a competitive edge in the global tourism marketplace. However, the applicability of existing classification systems in achieving the desired quality objectives remains an issue under discussion. The study was an attempt to assess the current scenario of classification systems with particular reference to Kenya. Explicitly, the study reviewed hotel rating systems, identified the attendant benefits inherent in the standardization and classification schemes in use and the constraints therein. The study adopted a content analysis methodology to review and analyse existing academic literature and apposite government documents. The conclusions drawn in this study are the basis for the proposed quality assurance model, which is considered to be vital in bridging the gap between customer's expectations and experiences as a cornerstone for gaining customers loyalty. The quality assurance model, therefore, is envisioned to find relevance across the world and provide a firm foundation in tourism destinations' management and improvement of hospitality service quality for sustainability and competitiveness aspirations.

Keywords: Standardization, classification, grading, star rating, quality assurance, Kenya.

Introduction
Tourism is undoubtedly the largest and fastest growing service industry globally (Ayre, 2000; Pender, 2005). Its contribution to the Gross Domestic Product represents 9% and overall 30% of services exports (UNWTO, 2015). The tourism services sector thus is extremely significant in socio-economic transformation of developing countries (UNWTO, 2017). However, tourism industry complemented by the hospitality sector offering distinct products and services whose quality affects the destination image and competitiveness (Ingram, 1995). Hospitality sector itself, constitutes various service institutions and most importantly, the hotels sub-sector (Shahin & Debastani, 2010). The quality of products and services offering by hotels are critical in achieving a competitive edge in the ever-increasing dynamism of the tourism industry (Wuest, 2001 and Wadawi, 2011). This is exacerbated by the nature of the tourism product as stated by Wilson and Gilligan (1995) signifying “a bundle of potential satisfaction.” Abbott (1995) opines that international travellers’ pursuit is not merely the “product” but “satisfying experience.”
Boshoff and Gray (2014) also argued that the level of a tourist satisfaction is determined by the quality of products and services offered. The service quality dynamics, therefore explains the occurrence of different quality award schemes for tourism destinations management (Narangajavana, 2007). SERVQUAL “conceptual gap” model, for instance, is one such kind applied in tourism and hospitality sectors for service quality measurement (Parasuraman et al., 1985). The authors contend that quality is the margin dividing the customers’ expectations and actual experience. This means that hospitality operators’ management strategy must focus on narrowing the gap separating the tourist’s expectation and their perception of service quality prior to the actual service delivery and performance. Parasuraman and colleagues in their subsequent studies in 1988 and 1991 developed SERVQUAL – a 7 point Likert scale quality measurement tool for actual service delivery. Zeithaml et al. (1990) later showed the model enables service quality to be assessed in five broad dimensions of quality management inconsistencies namely; the tangibles, referring to the physical facilities, amenities and the staff grooming that involves high level interpersonal interaction with the customers.

The tangible aspects of a hotel therefore signify greater evidence the totality of quality service process provided by the establishment; empathy of staff encompassing their professionalism and personal attributes manifest in helpful, friendly, caring and individualised attention to guests denoting quality service offerings; the reliability of a hotel to package and deliver quality service dependably and accurately in exchange of value for money to the satisfaction of guests; the responsiveness of staff to willingly provide timely and prompt services to guests; and the assurance manifest in hotel staff skills and competence, courteousness and ability to inspire trust and confidence in the guests serviced (Parasuraman et al.1988 and Shahin et al. 2006). However, Parasuraman et al., (1988) five gap model contrasts with Akan’s (1995) seven dimensions which are deemed to influence guest perception of quality and introduce courtesy and competence of hotel personnel critical in service delivery.

The foregoing discussions gives an insight into the global classification systems derived from SERVQUAL model , later enriched by service quality scholars (Brady et al., 2002 and Shahin et al., 2010) to measure service quality in hospitality sector. The role of classification systems on hospitality service quality and customer satisfaction are well recorded in a number of academic researches (Zeithaml et al., 1996). Hospitality service quality has continued to evolve prompting scholars to shift focus to Total Quality Management (TQM) philosophy for product differentiation, service excellence and customer satisfaction (Williams et al., 2003 and Kujala et al., 2004). The unfolding dynamics compels independent hotels to franchise with international hotel chains to accelerate their brand recognition and service standards as testimony to the significance attached to services quality. Moreover, industry service providers are increasingly appreciating the tourist travel motive as a factor of hospitality service quality expectations and associated guest satisfaction and experience influenced by quality judgments, (Fenandez et al., 2001 and Wadawi et al., 2011).

The guests’ satisfaction ultimately, guarantees customer loyalty, repeat visits and prosperous business, (Renganathan, 2011). Hospitality product and service quality must thus be capable of being measured, without which both destination managers and service providers can neither identify service gaps nor determine the effectiveness of service quality improvement strategies (Lovelock et al., 2006). Overall, service quality measurement for practical purposes should be methodological or systematic, involving critical evaluation of systems functionality and analysis of quality service delivery processes, resulting in guests’ satisfaction and experience “the performance,” (Fenandez et al., 2004).
Hotel classification systems emerged in United Kingdom in late 19th century, when Automobile Association (AA), instituted classification for accommodation properties and hotel ranking by star rating system in 1912 (UNWTO, 2015). However, for over 100 years of existence, classification system has attracted little research (UNWTO, 2015). Lately classification systems have evolved to focus on intangible aspects of Hospitality services characterized by the ‘inherent quality’ hidden in processes, heterogeneity and perishability, posing greater challenge to efforts meant to synchronize classification systems for assessing service quality and delivery process (IH&RA–WTO, 2004; Zeithaml et al., 2006 and UNWTO, 2015). Service quality measurements are usually very subjective owing to the intangibility element of service (Callan, 1995 and Min and Min, 1997). The complexity of service quality programs is further aggravated by the diversity of the sectors’ supply and demand structures, varying levels of economic development, cultural and geographical locations of countries (Kotler, 2010). Additionally, it is increasingly becoming indistinguishable how the classification systems are interpreted by consumers given the diverseness of systems in operation, quality seals awarded through governments, independent organizations or electronic distribution channels, causing confusion and uncertainty among international travellers (IH&RA–WTO, 2004; UNWTO, 2015; Minazzi, 2010; Minazzi, 2014 and Hensens, 2015). Considering the vital role of quality products and service in tourism destination competitiveness, the study explored the feasibility of quality assurance model for quality destination management.

Kenya is a premier tourism destination alongside top ten African countries (Wadawi, 2008 and WTTC, 2018). The country pride itself on rich biodiversity, wildlife, especially the “Big Five,” aesthetic landscapes and cultural heritage (Kareithi, 2003 and GoK, 2010a). The flourishing diverse tourist attractions are the major contributing factor drawing international travelers to Kenya. Existing super structural developments offering quality accommodation, catering and entertainment services, enhance the popularity of the destination. To this end, tourism was identified in the national economic blue print, Kenya Vision 2030 as a prime pillars for economic growth and development (GoK, 2010b). The sector contributes about 9% of Gross Domestic Product (GDP) and significantly subsidizes social well-being of the citizens (GoK, 2017). The sector expected to play a lead role growth expansion through increased quality hotel bed capacity to 40,000 at the end of the planned period. The envisioned growth is supported by increasing number of reputable hospitality facilities whose service quality is vital enablers to revenue growth, international visitation and product differentiation for destination competitiveness (Wadawi et al., 2011). The sectors’ development is also premised on the sustainability principles that include environmental and ecological integrity, socio-cultural convenience and economic viability (GoK, 2010a).

However, the sector continues to suffer setbacks related to seasonality and occupancy rates as low as below 30% (Kivuva & Ondigi, 2016). This puts into question the long-term viability of the hospitality trade against the international benchmarks. The slump in tourism business is characterized by significant decline in service quality (Mayaka, 1999). The deteriorating service standards is associated with general lack of innovative and exciting new product development, inadequate and ineffective regulatory quality controls within the sector (Wadawi et al., 2011). The precipitating inability to invest in quality improvement, results in gradual dilapidation of physical facilities. Under the circumstances, most hotels are unable to meet the minimum standards requirements to participate classification programs by the Regulatory Authority (GoK, 2011).

Consequently, hotel guest are likely to continue receiving unsatisfactory and poor service quality from unclassified facilities, if adequate measures are not put in place to address the problems holistically. The tourism resource-attractions and hospitality product and service quality as
studies indicate Getz, (2008); Pender and Sharply, (2005) have the power to draw tourist to a destination. However, it is the tourist perception of hotel product and service quality including the perceived risks on food hygiene and safety at the destination that bears greater influence on tourist’s destination choice and desire for repeat visits (Juwaeheer, 2004). The tourist perception of a destination is thus defined by among other things, the quality of accommodation facilities, attractions, infrastructure, superstructures and environmental quality at large (Avelini, 2002). The correlation between service quality and tourists’ choices intensifies the need for an institutionalized efficient and effective quality assurance system to promote the development and management of tourism sustainability and competitiveness.

A pioneer in East African region, Kenya embraced classification and grading system since 1972 (GoK, 2003). Hotel star rating has been used in the country as a means of categorizing service types and quality ranking scale of 1 to 5 star levels. However, previous executions faced a number of challenges and controversy by hoteliers (Anon, 2005). Kivuva and Ondigi (2016) investigating guest satisfaction with the services of non-classified hotels in Mtwapa area – Coast region of Kenya found out that hotel customers were dissatisfied with the services of non-classified hotels due to their poor services. The assertion confirms studies by Williams and Visser, (2002) that guest satisfaction levels are influenced by service quality. This implies that, if the quality of service is poor and does not meet the guest’s expectations, then the level of satisfaction declines and vice versa. This according to the studies by Williams and Visser, (2002); Anon, (2005); Kivuva and Ondigi, (2016) explain why certain hotels continues to experience low occupancy rates hence lower returns on investment for quality standards improvement strategies. Additionally, as a major player of East African Community Partner States, Kenya ratified and signed the Treaty establishing East African Community (EAC) as an economic block in 1999. The Country has henceforth embraced the harmonized Regional Classification System and institutionalized it into the national laws as an official classification system. The regional classification scheme is envisioned to address the numerous challenges previously faced by individual Partner States resulting in continued decline in standards of hospitality facilities in the community. However, the plethora of organizations and proliferation of private/independent international organizations administering and awarding different quality labels coupled with loyalty brand by multinational hotel chains has continued cause more confusion in quality award systems (O’Neill, 2009 and Hensens et al. 2010).

Present governance structure of the tourism sector has drastically changed with the advent of the Kenyan Constitution (GoK, 2010b) and Tourism Policy (GoK, 2010a) intent to introduce institutional framework giving rise to the establishment of the Tourism Regulatory Authority (GoK, 2011). The Authority’s mandated is to regulate the tourism sector on the basis of standards, codes of practice and classification of tourism facilities thereby creating a conducive environment for investment as a catalyst for institutionalizing quality in the operations of the sector. County governments, on the other hand, are responsible for local tourism development and management under the fourth schedule of the constitution of Kenya. It is however, unclear what ‘local’ tourism really is. (GoK, 2010b). This ambiguity has left counties in limbo and has led them to develop their own regulations with duplicating functions of standardization and tourism promotion. This is likely to lead to further fragmentation of the tourism sector, and complicating the relationships between the two levels of tourism governance structure. This is bound to result in failure to realize the economic potential of tourism and improved quality standards in Kenya.

The study therefore, attempted to evaluate the practicability of standardization and classification systems and suggest a more appropriate quality assurance framework for sustainable and competitive tourism development both in Kenya and globally.
Problem Statement

Kenya has pursued hospitality standards against the policy background of high value low volume for sustainable growth of the sector (GOK, 2010a). This is manifest in the adoption of a classification system in 1972 during the regime of the Hotel and Restaurants Authority Act, Cap 494 laws of Kenya. The laws effectively institutionalized hospitality product and service quality development and improvement strategy through star rating system, consequently, making classification and star rating system an integral part of quality management practice. However, the effectiveness of the classification system and their viability to guarantee high quality service for sustainability and destination competitiveness is unknown. On the contrary, the implementation of classification system in Kenya brought with it hitherto multiple challenges (Anon, 2005).

Furthermore, services quality standards of most hospitality facilities have in equal measure remained low, failing to meet the expectations of the international travellers (Wadawi et al., 2011). The inadequacy of quality management and measurement systems, as a result, has created room for emergence of various independent ranking schemes awarding different quality claims in the industry. A lot more confusion is now witnessed in the sector making classification systems difficult to interpret by international travellers (Minazzi, 2010, and Hensens, 2015). Consequently, the hope of the country becoming one of the top ten long-haul destination of choice remains a mirage. Besides, the Constitution of Kenya (GoK, 2010b), created two levels of governments assigning local tourism development and trade regulation to county governments.

As a consequence, each county have own laws and regulations embedded with potent lack of reciprocal coordination aligned to national minimum regulatory standards. The situation is further aggravated by the individual county’s attempts to standardizing tourism product and services to facilitate their marketing approaches. The national government’s role in creating conducive regulatory environment as a catalyst for institutionalizing the quality requirements and expectations is seriously in doubt. In the same breath, efforts by (IH&RA–WTO, 2004) to unify the classification systems have been brought to nought due to diverseness of the socio-economic backgrounds within which hospitality sector operates while the rising number of rating systems frustrates harmonization efforts.

The absence of a single international standardization and classification system is bound to make administration of a national or regional classification system to international appeal doubtful, thus rendering the policy aspirations of the country unattainable. To address the complexity of these emergences and associated difficulties, there is need to create a reliable and credible quality assurance model as a foundation for an integrated classification approach and quality management, improvement and measurement for the industry’s sustainability and competitiveness.

The specific objectives of the study were;

1. To assess the inherent benefits of hospitality service quality standardization and classification system.
2. To evaluate the challenges in implementation of classification system in Kenya.
3. To explore and recommend appropriate quality assurance model for destination quality management.
Justification of the Study

The results of the study will in particular hopefully assist:

1. Governments at all levels to develop and implementing national minimum standards for tourism sustainability.
2. Policy direction and mainstreaming co-regulation principles for destination quality management, branding and positioning to international visitor’s expectations.
3. Industry players understanding of the importance of national standards and quality assurance augmenting aggressive marketing strategies.
4. Expand on existing knowledge and open fresh grounds for future research on conceptual model of quality assurance.

The Concept of Hotel Standardization and Classification Systems

The practical application of standardization implies the process of normalization or harmonization of specific product and service quality characteristics as a standard. Standardization thus defines quality specifications for conformance giving rise to two distinct aspects of standards; firstly, the enforceable minimum standards which constitute regulatory obligations and operational requirements a hospitality facility has to fulfill for registration and licensing purposes. Secondly, the grading standards that encompasses the qualitative and intangible product and service quality allowing a hotel establishment to compare and compete with other properties, the basis of classification (Callan, 1994; IH&RA–WTO, 2004 and Minazzi, 2010). WTO and IH&RA (2004) define classification as a systematic assessment of hospitality service quality inherent in both physical and intangible service processes occasioning satisfactory outcomes. Grading which is commonly used interchangeably with classification, refer to ‘quality grading’ of facilities through objective and qualitative assessment under official classification systems (Foris, 2014).

The methodical quality evaluation serves as a basis to conveniently categorize and grade facilities according to their common physical and service characteristics. The resultant quality levels as Foris, (2014) observes signify encoded synthesis of expected range of facilities and amenities denoting a facility’s conformance to a set of quality standards in any star category. Variety of grading symbols exists internationally (crowns, suns, letters, star rating and diamond), however, star rating system is the symbol universally recognized globally (Israeli, 2002; Danziger et al. 2006; Narangajavana and Hu, 2008 and Minazzi, 2008). Classification System therefore is in actual sense, the process that constitutes holistic audit of both service production and delivery to a certain the level of conformity to the grading standards resulting in star rating (Callan, 1995).

Quality Assurance System

According to UNWTO (2003) quality is “the result of a process that guarantee the satisfaction of all the legitimate product and service needs, requirements, and expectations of the consumer, at an acceptable price, in conformity with mutually accepted contractual conditions and the underlying quality determinants including safety and security, hygiene, accessibility, transparency, authenticity, and harmony of the tourism activity concerned with its human and natural environment.” Quality assurance, therefore relates to all actions, procedures and tools, which through their existence ensure that quality standards are improved, service levels
maintained and enhanced by the system that results in comparative advantage of a facility or destination.

Contemporary research Albrata et al., (2011) on hotel classification and service quality improvement and industry performance reveals relationships between quality award symbols and hotel rack rates chargeable to guests. The study found that quality levels by reputable classification systems help explain hotel tariffs, concluding that star rating is a reliable and powerful marketing tool for tourism industry competitiveness. Cser and Ohuchi (2008) however, observed that previous research mainly concentrated in evaluating classification systems in general without examining the systems’ central role in quality assurance process. Briggs et al., (2007) on the other hand studied linkages occurring amidst service quality aspects and performance. The study however, fell short of quality improvement and associated quality measurement mechanisms. Fernandez and Serraru (2004) in a research conducted in Spain sought to establish whether hotel star rating system is a better predictor of hotel service quality. The study established a positive correlation between the quality of service delivery and the level of hotel rankings according to customer expectations. Nonetheless, the study did not delve into examining the quality improvement instruments for sustainability which this study sought to fulfil. Parasuraman et al. (1988) affirmed the notion that high quality service by hotel establishments is a function of consumer’s expectation. Fernandez et al., (2004) in part, opines that guest’s perception of hotel service quality is largely a factor of the operators’ ability to manage the gap between expectation and experience. Danziger et al., (2006) and Israeli, (2002) investigation on hotel classification systems asserted that star rating system is a critical tool for measuring hotel service quality. As such, rating system conducted in a suitable quality assurance framework is a major factor influencing guest’s expectations and quality judgement determining their satisfaction and cumulative experience in a destination.

**Benefits of hospitality service quality standardization and classification systems**

The motivation to embrace quality systems and service procedures in a tourist destination management as summarised by Camp (1989) are diverse. Specifically, quality systems provide opportunities for quality enhancement and associated comparative advantage outcomes; they make hotel’s quality products and services saleable in tourist marketplace; results in the stability of the tourism industry; protection of job prospects and improved livelihoods among the local population around the individual hotel properties. Furthermore, the systems ensure acquisition and maintenance of customer loyalty for profitability and increased market share while reducing operation costs and susceptibility to price rivalry from competitors. Quality systems also enhance creation of a competitive edge and facilitate access to financing. The array of positive aspects of quality thus intensifies the need for service quality measurement in hospitality to continuously validate service quality (Ritchie and Crouch, 2003). The rising consumer consciousness and knowledge of service quality therefore compels both local and international hotel chains and destination managers to seek recognizable standards and reliable hotel rating systems to communicate accurate quality levels of hotel facilities (Israeli and Uriely, 2000; Cser & Ohuchi, 2008, and Minazzi, 2010).

Conventionally (Minazzi, 2010) hotel classification systems promotes best practices and quality awareness by service providers, and more importantly, guarantees guest satisfaction and experience during their stay at a destination. It primarily serves to facilitate prospective travellers’ choice of reliable and dependable hotels offering safe food and accommodation services (UNWTO, 2015). The type of rating system a destination may choose to adopt plays a critical role in its marketing strategy.
Classification systems thus facilitate continuous improvement in the quality of service and the performance of the tourism industry and increase the benefits accruing to destination (WTO – IH&RA, 2004). Hotel standardization and quality systems are therefore vital to overall tourism destination management and competitiveness. Empirical literature Camp (1989); WTO – IH&RA (2004) and Minazzi (2010) indicates that the topmost beneficiaries of the tourism and hospitality industry’s classification system include first and foremost; Governments at all levels using the system to regulate the industry and to guarantee basic hygiene and safety standards for both local and international visitors; Hospitality operators using the rating systems to package their products and services and promote their quality brands to customers; Travel agencies using the system to facilitate conclusion of business contractual agreements and selection of rated hotels providing quality service that meets the expectations of their clients; Tour Operators using the star rating as first filters to match with their own rankings to facilitate travel packaging and marketing strategies; and finally, Tourist who are the consumers of the products and services, using the rating systems to facilitate their choice of quality accommodation facilities and destinations to visit. Callan, (1995) also affirms that hotels value classification rating systems as a tool for promoting and enhancing their business returns. Similarly, research by Narangajavana and Hu (2008), opines that rating systems are a significant guide for pegging hotel’s pricing decisions and that hotel ranking is directly correlated with quality service improvements and performances in hotel properties all over the world.

Consequently, properly designed and implemented classification systems have overall significant positive impacts on the destination such as improved image and credibility; rise in service quality aligned to internationally recognized standards and best practices; equal opportunities of recognition for both independent family and international chain hotels, and centralized reliable source of information available to hospitality service consumers (WTO – IH&RA, 2004). Despite literature by Narangajavana and Hu, (2008) suggesting classification systems leads to quality improvement, marketing and increased performance, the role of classification systems in sustainable growth of the hospitality sector and quality destination management is yet to be realised, especially in the developing countries such as Kenya.

The Challenges of Classification Systems

The importance of hospitality service quality and classification systems to national economies is underscored by scholarly research (Minazzi, 2010 and UNWTO & IH&RA, 2004). To date, there exist official classification systems administered at different levels of tourism governance as public, private or joint public and private sector partnerships. The types of standards used are also either regulatory or optional while the programs management orientation is in most cases mandatory or voluntary (Minazzi, 2010). Besides, the frequency of evaluation and controls are also exercised differently (UNWTO & IH&RA, 2004). This demonstrate the complex nature of classification systems’ management, each with their different and unique inherent challenges attracting accusations related to lack of credibility, fairness and accountability. The undertaking of classification therefore has a number of underlying deficiencies arising from the basic diversity of accommodation types, cultural environments and economic context in which the systems are embedded, (UNWTO, 2015). The heterogeneity has in turn rendered attempts to obtain a single unified international standardization unattainable (UNWTO & IH&RA, 2004). The lack of a single approach explains multiple occurrences of different classification systems. In such circumstance it becomes difficult not only for the industry operators to embrace the classification systems but also the target clients to interpret and decipher any useful information relayed through numerous ranking systems (Minazzi, 2010). This eventuality renders the future of classification systems, their viability and sustainability in serious doubt (Hensens, 2015).
According to Cooper et al. (2005) the challenges of classification systems are related to the subjective nature of the evaluation approaches with reference to the intangibility of the hospitality products and services. Thus, many classification systems tend to concentrate on the physical features which are largely tangible and quantifiable capable of objective assessment at the expense of salient quality aspects. The focus therefore is simply limited to the sheer availability or otherwise of specific facilities and amenities enhancing objectivity (Maravic, 2016). Cooper et al. (2005) on a separate study showed that political interference and pressure have influenced the skewedness of most classification criteria leading to excessive bureaucratic administrative provisions. As such, a number of systems give emphasis to standardization rather than promoting excellence. De Querol, (2010) argues that classification systems are also limited in scope and do not establish clear communication and marketing strategies to help hotels boost their market share. Although, classification is an important marketing tool, it is argued in academic circles Cser and Ohuchi, (2008) and Kotler et al., (2010) that government agencies do not facilitate promotion and positioning of the destination for international market access by listing of classified facilities to augment individual marketing efforts.

The complexity of hotel classification systems is exacerbated by the existence of many independent quality rating programmes and quality seals not linked to any recognizable set of standards or known quality brands (Kotler et al., 2010). Moreover, electronic distribution channels have introduced online guest reviews and ranking systems conflicting with official classification systems (Hensens, 2015). International chain hotels have also continued to communicate their own quality brands which are inconsistent with recognized systems to achieve brand awareness and loyalty for their brand differentiation (Kim & Kim, 2004; and O’Neill et al., 2006). Consequently, a single classified hotel is likely to have different quality rating claims coursing uncertainties and confusion to consumers (Matzler et al., 2005 and Mitchell et al., 1999). The phenomenon has increasingly influenced the tourist purchasing behaviours and imparted negative brand competition and price wars by operators seeking to dominate the marketplace, (O’Neill et al., 2006). This therefore raises questions on the practicability and sustainability of the classification systems which this study attempts to address.

Methodology

This study adopted content analysis and qualitative survey of secondary data as the principal source of information. As Elo and Kyngas (2008) argued, content analysis is used to analyze documents, oral or visual communication to distil words and phrases that have the same meaning. It allows testing of theoretical issues thus enhance understanding of data. In particular, a review of international tourism trends, academic articles, a study of country tourism reports, regional and national tourism policy documents, laws and regulations on hotel classification systems constituted the primary source of valuable information. In addition, an analysis of purposeful selection of countries was undertaken. The research design enabled the researcher to appreciate the existence of various classification systems, their types and approaches. The method employed provided the necessary foundation for conceptualizing sustainable integrated quality management system and quality assurance model.
### Results and Discussion

**Comparative review of National Classification Systems**

The study surveyed seven national classification systems to ascertain the conduct, symbols and ranking systems applied worldwide. A summary of the results is displayed in table 1.

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Kenya</th>
<th>Italian</th>
<th>French</th>
<th>Spain</th>
<th>Germany</th>
<th>Great Britain</th>
<th>USA-Canada</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country</strong></td>
<td>Kenya</td>
<td>Italian</td>
<td>French</td>
<td>Spain</td>
<td>Germany</td>
<td>Great Britain</td>
<td>USA-Canada</td>
</tr>
<tr>
<td><strong>Structure of the Program</strong></td>
<td>• Star symbol since 1972</td>
<td>• Star symbol 1983</td>
<td>• Star symbol since 1942</td>
<td>• Star symbol since 1942</td>
<td>• Star symbol GHRA 1996</td>
<td>• Informal System by AA &amp; Royal Club Automobile</td>
<td>1977 AAA developed Quality rating system</td>
</tr>
<tr>
<td></td>
<td>• Government Agency run</td>
<td>• Regional autonomous Government run</td>
<td>• National Government run through regional Governments</td>
<td>• Regional Government run</td>
<td>• Voluntary National System</td>
<td>• Regional Government run up to 2006</td>
<td>Privately run</td>
</tr>
<tr>
<td></td>
<td>• Compulsory Classification system</td>
<td>• Compulsory official regional system</td>
<td>• Done by A tout – France Tourism Development Agency</td>
<td>• Compulsory official regional system</td>
<td>• Professional Associations of Hotels</td>
<td>• Four Classification Systems (England, Wales, Scotland &amp; North Finland)</td>
<td>Diamond symbol</td>
</tr>
<tr>
<td></td>
<td>• 2015 Minimum Standards for pre-qualification</td>
<td>• 2002 Minimum Standards by Regional Governments</td>
<td></td>
<td></td>
<td></td>
<td>• Only classified hotels are promoted by Government</td>
<td>Voluntary</td>
</tr>
<tr>
<td><strong>Type of Ranking</strong></td>
<td>• Ranking scale of 1-5</td>
<td>• Six levels (1-4lux)</td>
<td>• Ranking scale of 1-5</td>
<td>• Ranking scale of 1-5</td>
<td>• Hotel stars System</td>
<td>• Ranking scale of 1-5</td>
<td>Ranking scale of 1-5</td>
</tr>
<tr>
<td></td>
<td>• Basic Minimum score &amp; minimum requirements used</td>
<td>• 2009 - Ranking scale of 1-5</td>
<td>• Basic Minimum standards &amp; technical requirements</td>
<td>• 2006 Minimum Standards</td>
<td>• Ranking scale of 1-5</td>
<td>• 2006 - adopted detailed National Minimum Standards of Quality Assurance</td>
<td>Combined aspects (Overall quality, Range of facilities &amp; hospitality provided)</td>
</tr>
<tr>
<td><strong>Quality Aspects Evaluated</strong></td>
<td>• Excessive focus on technical quality</td>
<td>• Mainly focus on technical quality</td>
<td>• Mainly focus on structural &amp; technical aspects</td>
<td>• Predominantly based on objective criteria linked structural aspects include (condition, maintenance of structure &amp; service etc.)</td>
<td>• Minimum standard requirements in place</td>
<td>• Quality aspects (cleanliness, service, food quality etc.)</td>
<td>Quality standards based more on service aspects</td>
</tr>
<tr>
<td></td>
<td>• Less emphasis on service quality &amp; environmental aspects</td>
<td>• Small, medium &amp; low cost hotels are disadvantaged</td>
<td>• Mainly focus on structural &amp; technical aspects</td>
<td></td>
<td>• Percentage score used</td>
<td>• Items rated from (acceptable to excellent)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Entry barrier for low cost hotels</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operational Details &amp; Management</strong></td>
<td>• County/Regional legislation on standards</td>
<td>• Regional legislation</td>
<td>• Reviewed their Classification system to align with the neighbouring competitors</td>
<td>• Regional legislation</td>
<td>• Periodic assessment after every 3 years</td>
<td>• Professional assessors perform annual assessment</td>
<td>Hotel participate by paying assessment application fee of $150</td>
</tr>
<tr>
<td></td>
<td>• Poor coordination of regional laws</td>
<td>• Regional difference due to poor coordination</td>
<td></td>
<td></td>
<td></td>
<td>• 2009 adopted mystery overnight guest stay to evaluate the hotel</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Counties monitor &amp; inspect Compliance with standards</td>
<td>• Regions carry out monitoring &amp; annual inspection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Periodic 5 years assessment by national agency</td>
<td>• Periodic assessment after every 5 years</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>• Types of inspection not defined</td>
<td>• Type of inspection not defined</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>New Approach</strong></td>
<td>• 2008 adopted EAC regional classification &amp; rating system</td>
<td>• 2009 adopted a new rating system based on sets of minimum national standards hotels must meet</td>
<td>• Have adopted minimum national standards hotels must meet</td>
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<td>• Harmonized regional standards criteria</td>
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<td>• 2014 National law regulating the conduct of classification</td>
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Table 1: Analysis of National Classification Systems  
(Source: By Author, 2019)
The Practices of National Classification Systems

The analysis revealed varied approaches adopted for ranking of hospitality facilities as a tool for communicating information about the quality of hospitality facilities to prospective travellers. The system attracts national government’s involvement in the practice of classification and star rating persuaded by the impact of hospitality service quality in the economies of the destinations. This explains government’s interventions informing of policy direction defining the structure of the system, type of ranking, quality aspects evaluated and the management of the programs evidenced in countries surveyed. Despite differences demonstrated in the analysis, common trends are beginning to emerge across nations. Explicitly, recognition and acceptance of the ranking scale of 1 to 5 star rating system; adoption of national minimum standards requirements for participation in rating systems pioneered by European Countries such as France, Spain, Italy, Germany and Great Britain since 2006. Another common feature observed is the inclusive approach in the management of the programs seems to be gaining currency, as seen in Great Britain, USA, Canada and Kenya.

The joint approach comprising professionals drawn from both the public and private sector organizations is becoming a key element ensuring sustainability of classification system. The greatest challenge dodging classification systems in most countries under review remains skewedness towards objective assessment. Great Britain, USA and Canada are however starting to embrace quality service ‘subjective-intangible’ assessment exclusively by professional practitioners. The current classification systems practices as the survey showed also suffers the absence of holistic and integrated classification approach. The outcome of the analysis is consistent with previous research Hensen, (2015); Briggs et al. (2007) and IH&RA-WTO, (2004) indicating evolving characteristic of classification systems at national and regional economic blocks such as European Union, South-East Asia, ECOWAS as well as the East African Economic block, (EAC, 1999). The study further revealed occurrence a number of organizations involved in the administration of classification and star rating systems variously categorized as:

1) **Government led systems** evidenced in Italy, France and Spain where classification systems are regulatory and mandatory. The overarching motive is to enforce quality standards compliance in protection of guest’s safety and preservation of social and natural environments, tariff controls and diversification of revenue streams. Industry stakeholders in a number of countries across support government led classification systems (IH&RA-WTO, 2004). Although, government led systems are perceived to be overly concerned with the quantitative and technical aspects with less emphasis on service quality that are difficult to quantify and are subjective on account of assessment (Briggs et al., 2007). This implies that public management systems are less costumer-oriented and more inclined towards regulatory controls and promotion of the destination competitiveness. Classification standards criteria also remain in force for longer period exceeding 5 years without review (IH&RA-WTO, 2004).

2) **Joint Public-Private Sector Partnership;** this is where classification systems are hitched on the collaborative effort between government agencies and industry operators. The approach is perceived to protect the interests of industry operator and enhance transparency, accountability and fairness. The credibility of the system is upheld through the combined approach and uploaded for being more responsive to a number of challenges highlighted in IH&RA-WTO, (2004) study report. Lead countries include Germany, Great Britain, USA-Canada and Kenya. It is also believed, joint management approach directly responds to the needs and expectation of the guest’s and their ever-
changing demands, therefore are deemed sustainable according to reviewed literature, (IH&RA-WTO, 2004; Briggs et al. 2007 and Hensen, 2015).

3) Independent bodies led systems; involves private sector professional organizations including VisitBritain and VisitScotland of Great Britain; AAA – Tourist Information Development in USA and Canada; German Hotel and Restaurant Association (DEHOGA); Forbes Travel Guide and Six Sigma Award both of USA; Touring Club Italiano; Malcolm Baldrige National Quality Award and European Foundation for Quality Management Award (EFQM), all of which administers classification systems with limited government intervention. The systems are largely voluntary and customer oriented therefore demand driven. Nevertheless, they have remarkable differences in quality standards criteria, rating scales and symbols. This implies that guests may have different service quality experiences in similar star categories in one country to another. Moreover, international brand chain hotels notorious for developing their own classification criteria, rekindles the emerging of unregulated star rating categories with such unfettered quality claims (Seven Stars Emirates Palace Hotel and Burj Al Arab in United Arab Emirates; Seven Star Pangu Hotel in China; Seven Star Hotel Townhouse Galleria, Milan-Italy) across the world. The rating systems continue to create more confusion in global classification systems (Minazzi, 2010).

4) Online Guest Review Systems; technological advance has created an enabling environment where guests use social media platforms to make their own reviews, communicate and sharing experiences. Today’s travelers consider online reviews to be more reliable in terms of real life experience than classification systems (Hensens et al., 2010; Verma and Smith, 2010). There exists a paradigm shift attracting the attention of both consumers and hoteliers to the online platforms. However, questions have been raised regarding their transparency and reliability due to the inconsistencies in the ratings awarded, which in most cases do not correspond to official classification systems. This has in effect added to the confusion in interpretation and understanding of classification systems (Hensens et al., 2010; Verma and Smith, 2010 and UNWTO, 2015). Nonetheless, due to their persistence and wider outreach, online platforms such as TripAdvisor have grown larger and faster (O’Neill, 2009). The growth has led to an overwhelming acceptance by the hospitality practitioners to enhance service quality. Online rating systems are acclaimed lay much emphasis on the subjective intangible criteria of service quality and much less on the tangible criteria concerned with the availability and size of facilities (Hensens et al., 2010).

The study also showed emerging trends in favour of regional classification systems and joint public-private sector approach. The drifts are fuelled by the lack of a single international classification system found to be unfeasible (IH&RA-WTO, 2004). It is generally agreed by scholars and industry practitioners that a single harmonized international classification system is unrealistic considering various levels of economic development, cultural and geographical differences (Foris, 2014). However, harmonization can only occur at the regional level because of cultural similarities and geographical proximity as articulated in IH&RA-WTO, (2004) study report. This explains the evolving trends whereby countries coalesce under regional economic blocks to develop national minimum standards covering core aspects of guest’s safety and security, hygiene, cultural and natural environmental preservation preceding grading standards and star rating. The quality management strategy is particularly suited to various levels of governance systems within countries or regional economic integration (Foris, 2014). The Nordic – Baltic Countries of Northern Europe are the forerunners of national minimum standards. However, in situations where regional governments such as in Italy and Spain administer own minimum standards, consequences are poor coordination and confusion (Foris, 2014).
Standardization and Classification System in Kenya

Government run and mandatory classification system was introduced in Kenya in earnest 1972 for hospitality facilities (GoK, 1972). However, the implementation was mired with discontent and accusations of biasness from industry players (Wadawi et al., 2011 and Anon, 2015). The country has since the enactment of the East African Community Treaty, signed on 30th November 1999, embrace the Regional Classification System in pursuit of the Community's aspirations outlined in Article 5 of the EAC Treaty. The Treaty underscores Partner States commitment to develop and promote East Africa as a single tourist market with quality tourist accommodation and catering facilities within the region. The regional classification system is thus a hybrid of minimum registration and grading standards developed through EAC harmonization process in accordance with Article 115 and 116 of the Treaty (EAC Treaty, 1999). The system focus on consumer’s perspective of service quality as travellers worldwide expects certain minimum standards of hospitality facilities and amenities regardless of the location of the properties (UNWTO, 2015).

Tourism Regulatory Authority, a government agency responsible for regulating the tourism sector for sustainable tourism countrywide embraces inclusivity to administer the classification through joint public - private sector partnership engraved in law (GoK, 2010b). This is manifest in establishment of standardization and classification committee of experts to oversight the conduct of classification. The assessment is also conducted by professional assessors trained and certified under the Community’s secretariat. The regional classification system, thus is wholly accepted by the tourism sector stakeholders’ operators, organizations and county governments. The collaboration has led to successful implementation of national classification countrywide and effectively enhancing the credibility and transparency of the program since 2015. Consequently, boosting the country’s image as a quality tourism destination comprising 184 star rated hospitality facilities with 23,782 classified bed capacity translating to 53% out of the estimated 40,000 national bed capacity envisaged under Kenya Vision 2030.

Conclusion

Governments across the world are increasingly attaching greater importance to tourism and hospitality sector. The in-depth literature reviewed underscores the significance of hospitality sector in the growth and development of local economies for improved wellbeing of the citizens. As much as the tourism resource–attractiveness continues to play a pivotal role in attracting visitors to a destination, the products and services quality have greater influence on the tourist’s choice of a destination and return visits. Standardization and classification systems are therefore critical in quality improvement, measurement and management for sustainability and competitiveness.

The survey outcome indicates that standardization and classification systems are a complex undertaking practiced variably at sub-regions, national and regional economic blocks. This is evident as the study showed, it has increasingly become difficult to adopt a single universal international classification system due to the prevailing economic circumstances, geographical and cultural diversity, hence the existence of different classification system all over the world. Classification systems are largely legislated or enforced by public agencies or simply managed by industry professional practitioners’ organizations as is the case in Germany, Great Britain, USA and Canada. Private sector organizations run system are accredited for being detailed and much more focused on service quality and customer oriented as opposed to purely government led systems. Conversely, there is raging debate among practitioners and scholar as to whether formal classification systems are necessary when consumers are able to get sufficient information through online reviews. Whereas attempts to standardize service quality and
harmonize classification systems have born no fruit, integrated, inclusive and regional classification systems involving the corporation of both the public and private sector, provides interim solution as seen in East African Community and European Union (The European Consumer Centre Network, 2009). However, it is still unclear how hospitality rating designations, their meaning and comfort levels accorded compare across the world, as guests continue to complain about service quality in certain hotel.

An attempt to consign standardization and classification systems at lower regional authorities as seen in Italy and Great Britain are unfeasible and adds to poor coordination, confusion and uncertainty brought about by online guest review platforms. Furthermore, the complex dynamics characterizing quality management of a tourist destination and the ever-changing taste and demands of the modern tourists and emerging experience economy, not only require high level preparedness to accommodate change but also the ability to predict and manage them to achieve competitive advantage.

Global best practices spearheaded in the Caribbean and Europe in undertaking classification systems based on evaluation of hotel quality against minimum standards requirements and grading standards, if well designed and implemented may guarantee consistency. It is in this respect, that France which previously had different scales has since modified their classification system structures to be consistent with the neighbouring countries for competitiveness. Largely, the European and North American systems recognises the significance of service quality aspects in hotel rating system. Recent trends have also shown inclination towards classification systems related to functional quality already taking root in USA, Canada and Great Britain countries. This implies that the classification systems are rapidly evolving to incorporate critical suitability aspects of personnel competency, environmental conservation and quality service. This undoubtedly introduces subjective evaluation best executed by industry professionals and practitioners involving continuous training the expert assessors as an imperative to enhancing credibility.

The main preoccupation of tourism policy makers, planners and industry operators therefore should be on how best to plan and manage those elements of the hospitality service quality to better position the destination to capture a larger share of the global tourism. Viewed from these perspectives, the need to reorient the Kenyan standardization and classification system was long overdue. The study therefore, suggested a quality assurance model centered on integrated quality systems leading to an integrated classification approach dedicated to continuous quality improvement, maintenance and performance of the destination for sustainability and competitiveness.

**The proposed Quality Assurance Model**

Today’s experience economy is dominated by informed, active and demanding travellers in search for a more complex and exiting products. Technological advances and globalization has also made it possible for properties to offer identical facilities and amenities comprising the tourist product. The service quality orientation should thus be centered on functional quality to ensure uniqueness and authenticity of service identifiable with specific hotel brand or destination. Literature showed, there is dire need for a paradigm shift in tourism competition from the quality of facilities to tourist experience (Irena et al., 2014; Crouch & Geoffrey, 2007). This calls for strategic destination management, incorporating innovative approaches and integrated quality systems driven by governments and involving players, and fully supported by local communities. Certainly, these dimensions of quality shifts attention to the qualitative and
intangible value of the products and services quality overriding the quantitative objective of traditional classification systems.

The complex dynamics has intensified the need for an innovative quality assurance model. The study proposed a ‘System-Oriented’ approach to ‘Integrated Quality Management’ for holistic hospitality sector management encompassing an extraordinarily large number of causal variables (Grey, 1989). The model is anchored on Integrated Quality Management System (IQMS) and incorporates a variety of components operating as one complete whole inter-linked by several sets of hospitality sector management vertical and horizontal interactions. Functionality is at three levels; the government and the industry; the hospitality institutions comprising service delivery unit as sub-systems (Front office operations, Food and beverage services, Accommodation services, Special events and entertainments services) operating harmoniously to transforms inputs into outputs (Dwyer et al., 2011). The model adopts a systematic approach to development of measures vital for both internal and external quality evaluation guiding all practitioners in service delivery enriching the tourist satisfaction and their experiences founded on co-regulation principles (Ritchie & Crouch, 2003) Figure 1.

Quality Assurance Model

Figure 1: Source: Authors own framework adapted from Parasuraman et al. (1988)
The Quality Assurance Model is conceptualized drawing from Parasuraman et al. (1988) “conceptual gap” theory and Ritchie and Crouch, (2003), “sustainable competitive tourism destination” theory. The underpinning theoretical framework aids in the understanding of the relationship between the constructs. The model is relevant to all levels of tourism governance to secure service quality, preservation of national identity, heritage, uniqueness and destination appeal. This is realized by proactively and inclusively adopting and executing a quality management system for the sector and at the organization’s service delivery outlets.

The model features government agency as the overall system manager, policy planner, developer and promoter of favourable investment environment and creative marketing strategy. It also incorporates industry practitioners whose active participation in government legislative programs produces acceptable regulatory regimes and standards enhancing compliance encompassing co-regulation ideals for the sector governance. The industry operators are also the primary service providers and administrators of several sub-systems through competent and motivated human capital (Lovelock & Jochan, 2011). The model also takes cognizance of the local communities as the custodians of tourism resource-attractions and suppliers of tourism commodities as well the recipients of both negative and positive impacts of hospitality sector operations. The tourists whose needs and expectations dictates the quality of products and services offered, are underscored as the ultimate unique experience of the destination stimulating the need for continuous improvement through regular audit systems. The underlying principles of the model include:

1) Proactive involvement; clear coordination and collaboration between tourism authorities, industry practitioners and local communities in the development and implementation of regulations and grading standards for compliance promotion is paramount. The net effect is the collective drive and advocacy for industry players’ affiliation to tourism trade and professional societies within which information and knowledge about best practices is shared to promote self-regulation, maintenance of high quality standards and safety of the destination as a prerequisite to destination competitive. In so doing, hospitality sector players fulfills their regulatory obligation and complements the government’s role of promoting compliance with the national minimum standards for accreditation. As such, a stable foundation for co-regulation is established, yielding benefits of full compliance, capacity building and training enhancing professionalism and good governance as well as corporate social responsibility to meet the needs and interests of the communities.

2) Comprehensive quality and environmental management system; organizations’ policies and operation plans should be based on integrated quality management systems, executed on account of accurate quality evaluation of the tourist product and services offered in a competitive tourism environment. The systems’ ought to be flexible to ensure continuous quality improvement at the dictates of changing consumer tastes as well as the product and services quality, whose values are created by satisfied, committed, loyal and productive staff. The model underscore the critical role of professional, creative and innovative staff to deliver functional quality while anticipating customer’s needs, to customize the products and services important for service brand, product differentiation and competitive advantage. Government authorities’ in collaboration with industry operators’ capacity build hospitality personnel to entrench quality assurance in every facility by instituting internal quality audit system to monitor levels of conformity and non conformities with standards operating procedures adopted as quality measurement and improvement tools enabling product packaging, branding, presentation and delivery.


3) Integrated classification approach; holistic in design, taking into account assimilation of six quality pillars as the basis of quality assessment and star rating of facilities, incorporating both the tangible and intangible aspects of service quality. Explicitly, they include; physical quality, safety and security, service quality, sustainability features, functional quality by competent personnel and quest’s satisfaction and experience. Its successful execution also requires inclusive approach involving both public and private sector professionals to manage the program. This will lend credibly and transparency to the process, equity and fairness for all parties directly or indirectly affected. The approach adopts the most efficient and cost effective mechanism to lessen the burden program implementation. The integrated approach also entails equity by offering equal chance to all players to compete fairly. The process thus, constitutes two main levels of quality award namely; accreditation and classification. Accreditation is the quality award scheme signifying quality mark of identity as an annual program. It is administered on the basis of compliance with the national minimum standards to provide recognition and incentive for quality improvement to facilities that do not satisfy conditions for star rating. Classification is rigorous quality assessment for star rating on account of conformity to classification standards criteria by classified facilities are recognized through approved certification and award of plaques symbolizing levels of star rating attained.

4) Innovative marketing and promotion strategy; for accreditation and classification to make business sense, concerted efforts must be made to market and promote approved and classified facilities. One avenue of promotion involves direct government listing and publication under an incentive scheme to promote continuous improvement. The private sector may also collaborate with the government agencies through joint promotion events to achieve marketing goals. This provides opportunities for destination quality branding based on the unique and authentic cultural heritage of the country, facilitating promotional campaigns and positioning to penetrate the bulging global experience economy.

Recommendation

The study explored and developed a quality assurance framework believed suitable for quality tourism destination management for sustainability and competitiveness. Hospitality sector policymakers, planners and operators may find it useful for entrenching the critical quality factor in the industry operations. The integrated classification approach may also be useful in overcoming the present day challenges bedeviling implementation of classification systems globally. However, the proposed quality assurance model, consist of a large number of variables with various causal effects and inter-linkages between the study components. The interactions may have different significant effects with unknown outcomes. The study therefore, recommends further research on the quality assurance model utilizing primary data analysis to enrich the conclusions drawn herein.

References


