



Choice Criteria for Customer Patronage of Hotels: A Study of University Lecturers in Abia State, Nigeria

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ABSTRACT

This paper examines twenty-three factors considered important in the selection and patronage of hotels by university lecturers in Abia State, Nigeria. Data were conveniently collected from 285 lecturers in the two government-owned universities in Abia State using self-administered questionnaire containing twenty-three choice statements. Principal component analysis reduced the twenty-three choice items to four factors namely, servicescape, service innovation, spatial layout and service quality. Data were analyzed using ANOVA and multiple regression. The results show that the four factors are important determinants of the choice of hotels by university lecturers in Abia State. Hotel owners and managers were therefore advised to continuously improve servicescape, service innovation, spatial layout and service quality of their hotels for sustainable customer selection and patronage.

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Introduction

Hotels, which are firms in the tourism industry, consist of business ventures that offer accommodation, food, drinks, event space and other leisure activities for sale to the general public (www.globalhotel-data.com, 2013). The hospitality industry is the fastest growing sub-sector in the Nigerian tourism sector (Kalu, 2015), as hotels are being established at an alarming rate in all the cities of the country. No wonder Esiekpe (2011) puts the rooms in Nigeria's hotels at over 30,000.

All the hotels being established in all the places, have common goal-rendering services that satisfy customers at a profit (Onuoha & Agu, 2016). To achieve this, hotels are improving the quality of service they render (Ozuru & Amadi, 2015); as today's customers are more sensitive and demanding than ever; they always want the highest utility for the money paid for a product (Ogbuji et al, 2016). Thus, hotels are engaging in new or renewed methods of rendering services aimed at increasing customer selection and patronage.

Extant studies on hotel selection and patronage, (for example Simpeh et al, 2011; Ozuru and Amadi, 2015; Onuoha and Agu, 2016; Kalu, 2015; Anand, 2008; Kandampully and Suhartanoto, 2000; Tu et al, 2011; Nyheim, 2005), focused on a particular marketing phenomenon which the authors statistically affirmed has significant relationship with customer patronage of hotels. However, this study aims at exposing respondents to several marketing phenomena identified in previous studies as having significant relationship with customer choice and patronage of hotels, at the same, to see whether the presence of one phenomenon would make another or others less important.

Review of Related Literature

The hospitality industry, where hotels belong to, is specifically a service business venture. It is a sub-sector of the tourism sector, and is emerging as a major, dominant and

rapidly growing sub-sector of the tourism sector (Jamir, 2007) and produces over 80% of global tourism earnings (www.opentravel.com, 2012). Of course, being the fastest growing sub-sector of the tourism sector means that more hotels are being established day-by-day, thus making the sub-sector competitive. Worse still, hotels render services that do not have much differentiating factors. However, Onwuchuruba (2006) and Ojasalo (2013) opine that hotels can differentiate their services through the way they are delivered in terms of people, physical environment and processes. In view of the foregoing, hotels are engaging in several customer acquisition and retention strategies.

Various studies had been carried out to determine the relationship between a particular strategy and customer patronage of hotels.

Simpeh et al (2011) studied the relationship among ambient conditions, and signs, symbols and artifacts and customer patronage of hotels in Ghana. Results showed that each of the two factors has positive and significant association with customer patronage of hotels in Ghana.

Charlie (2015) conducted a study on customer choice of hotels in Port Harcourt using two dimensions of atmospherics-music and lighting. Results showed that hotel's atmospherics influence customer choice and patronage. Simpeh et al (2011 and Eiseman (1998) also identified colour, light and pictures as elements of facility design used in appealing to customers.

Customers make their decision by using technology available in a particular hotel. Technological factors considered include technological innovation, innovative service process (Onuoha & Agu, 2016), technical competence (Nyheim, 2005) and room service (Charlie, 2015).

According to Onuoha and Agu (2016) parking space, equipment arrangement and size and shape of service equipment are important factors considered by customer in selecting hotels.

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Other factors similar to the aforementioned are furniture arrangement (Wakefield & Blodgett, 2005) and space among service equipment (Awasthi & Shrivastava, 2014).

Elements of service quality have been identified in various studies, including Ekeke et al (2016), Korda and Snoj (2010), Melia (2011), and Philips and Louvieris (2005) as influential factors for hotels patronage. These elements include physical surroundings, appearance of personnel, empathy, responsiveness, reliability, assurance, customer knowledge, access, communication, security, competence and courtesy.

In view of the foregoing, it could be said that the likely key factors that influence customer choice and patronage of hotels are ambient conditions, atmospherics, sign, symbols and artifacts, technological innovation, technical competence, innovative service process, room service, parking space, equipment arrangement, furniture arrangement, accessibility of site, size and shape of service equipment, physical surroundings, appearance of personnel, empathy, responsiveness, reliability, assurance, competence, security, communication, and courtesy.

Research Methodology

Area of Study

This study was carried out in Abia State, Nigeria. The State has several towns. However, for the purposes of convenience, only two towns-Uturu and Umuahia where government- owned universities are located, were selected for study.

Samples and Sampling Technique

Our population of interest, in this study, included all lecturers in the two government-owned Universities-Abia State university, Uturu (ABSU) and Michael Okpara University of Agriculture, Umudike (MOUUAU)-in Abia State, Nigeria, which is put at 1112, in the proportion of 500 for ABSU and 612 for MOUUAU. For a population of 1112, a sample size of 285 is adequate (Sekeran, 2003). Thus, the sample size for this study is 285 lecturers. Subsequently, the number of elements assigned to each University-126 for ABSU and 159 for MOUUAU-was determined using Bowley's (1964) population formula cited in Onuoha (2015).

Nevertheless, all elements as selected into the sample were lecturers who were available at their offices as at the time the researchers visited their schools. This method of non-probability sampling is referred to as convenience sampling (Ezejelue et al, 2008).

Instrument

Primary data used in this study were generated from respondents using a structured questionnaire. The respondents were asked whether they agree or disagree with certain statements relating to the independent and dependent variables using a 5-point Likert scale of "strongly agree" (5) to "strongly disagree" (1).

Data Analysis Techniques

Data analysis was done using multiple regression analysis.

Principal component analysis was used to come up with a set of small number of uncorrelated factors which could be useful in explaining the character of the items used (Ezejelue et al, 2008).

Multiple regression analysis was used to show changes in the dependent variable due to changes in the independent variables.

Model Specification

This study aimed at identifying the factors that affect university lecturers' choice of hotels in Abia State, Nigeria. From the literature reviewed, twenty-three choice criteria were identified. The choice criteria are the independent variables while patronage is the dependent variable of the study.

The basic model for the study is as stated below.

$$Ph = a + b_1 Ac + b_2 At + b_3 Ssa + b_4 Ti + b_5 Tc + b_6 Isp + b_7 Rs + b_8 Ps + b_9 Ea + b_{10} Fa + b_{11} Aos + b_{12} Sse + b_{13} Phs + b_{14} Ap + b_{15} Em + b_{16} Res + b_{17} Re + b_{18} As + b_{19} Co + b_{20} Sec + b_{21} Com + b_{22} Ct + b_{23} Sse$$

Where:

Ph= patronage of hotels; a = constant; bi= Scope; Ac = Ambient conditions; At = Atmospherics; Ssa = Signs, symbols and artifacts; Ti= Technological innovation; Tc = Technical competence; Isp = Innovative service process; Rs= Room service; Ps = Parking space; Ea= Equipment arrangement; Fa= Furniture arrangement; Aos= Accessibility of site; Sae = Size and shape of service equipment; Phs= Physical surrounding; Ap= Appearance of personnel; Em= Empathy; Res= Responsiveness; Re= Reliability; As= Assurance; Co= Competence; Sec= Security; Com= Communication; Ct= Courtesy; Sse= Space among service equipment

Thus:

$$Ph = f(Ac, At, Ssa, Ti, Tc, Isp, Rs, Ps, Ea, Fa, Aos, Sae, Phs, Ap, Em, Res, Re, As, Co, Sec, Com, Ct, Sse)$$

Analysis And Results

Kaiser-Meyer-Olkin (KMO) and Bartlett's Test of Sphericity

The appropriateness of the data for the purpose of principal component analysis was tested using KMO and Bartlett's test. The result is as shown in Table 1.

Table 1. KMO and BTS.

Variables	
KMO	0.732
BTS	467.123
Sig	.000

Sig. at 0.05 (2-tailed)

From Table 1, the results (BTS=467.123; Sig.=0.000) indicate that the data were appropriate for the purpose of principal component analysis. Statistically, this means that there exist relationships among the variables and that they can be appropriately included in the principal component analysis. Also, the result of the KMO measure of sampling adequacy is 0.732, indicating that there are sufficient items for each factor. Thus, the two results support the appropriateness of the factor analysis technique.

Principal Component Analysis

The twenty-three (23) choice criteria for patronage of hostels were reduced to a manageable level using principal component analysis (factor analysis). The number of factors the choice criteria were reduced to, the name given to each factor with its corresponding Eigen value and Cronbach's alpha are as shown in Table 2.

Regression Analysis

From the factor analysis, we got four (4) uncorrelated factors-servicescape, service innovation, spatial layout and service quality. These factors were used as the independent variables and patronage as the dependent variable in the multiple regression analysis.

From Table 3, the value of R² is 0.845 which indicates that approximately 85% of the variation in the dependent

Table 2. Rotated Component Matrix.

	Components			
	Factor 1	Factor 2	Factor 3	Factor 4
	Servicescape	Service Innovation	Spatial Layout	Service Quality
Ambient conditions	0.821			
Atmospherics	0.623			
Sign, Symbols & Artifacts	0.518			
Technological Innovation		0.872		
Technological Competence		0.771		
Innovative Service Process		0.684		
Room Service		0.660		
Parking Space			0.793	
Equipment Arrangement			0.788	
Furniture Arrangement			0.693	
Accessibility of Site			0.779	
Size & Shape of Service Equipment			0.517	
Space among Service Equipment			0.526	
Physical Surroundings				0.602
Appearance of Personnel				0.614
Empathy				0.729
Responsiveness				0.787
Reliability				0.716
Assurance				0.662
Competence				0.718
Security				0.819
Communication				0.696
Courtesy				0.705
Eigen Values	8.18	15.16	16.20	22.10
Cronbach's Alpha	0.703	0.854	0.856	0.839

All items were with factor loading above 0.3)

Table 3. model Summary.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.821	.845	.824	.54642

a Predictors: (Constant), Servicescape, Service Innovation, Spatial Layout, Service Quality

Table 4. ANOVA (b).

Model	Sum of squares	df	Mean square	F	Sig.
1					
	60.541	3	11.284	35.211	.000
Regression					
Residual	32.112	89	.413		
Total	92.653	92			

a Predictors: (Constant), Servicescape, Service Innovation, Spatial Layout, Service Quality

b Dependent Variable: Patronage

Table 5. Coefficient (a).

Model		Unstandardized coefficient		Standardized coefficient	T	Sig.
		B	Std. Error	Beta		
	(Constant)	3.712	.054		61.121	.000
	Servicescape	.164	.054	.275	5.611	.000
	Service Innovation	.341	.054	.342	7.721	.000
	Spatial Layout	.352	.054	.351	6.572	.000
	Service Quality	.479	.054	.573	8.913	.000

a Dependent Variable: Patronage

variables is collectively explained by the independent variables- servicescape, service innovation, spatial layout and service quality. The value of F, in Table 4, is 35.211 with 3 and 89 degrees of freedom which is significant at 0.05 level. This result indicates that the model is significant, meaning that there are relationships between the dependent variable and the independent variables.

The results of the analysis contained in Table 5 are as follows:

a. The value of Servicescape (B_1) is 0.164. The value of T statistics (T) is 5.611 which is significant at the level of 0.05 ($P < 0.05$). Thus, servicescape influences customer choice and patronage of hostels. This finding is consistent with the findings of extant studies that servicescape is an important

and appropriate strategy in attracting and sustaining customer patronage of hotels (Bitner, 1992; Namasivayam & Lin, 2008; Simpeh et al, 2011).

b. The value of Service Innovation (B_2) is 0.341. The value of T is 7.721 which is significant at the level of 0.05 ($P < 0.05$). Thus, service innovation influences customer choice and patronage of hotels. This finding is in line with the findings of extant studies (for example, Kang, 2007; Walley & Amin, 1994; Beatson et al, 2007; Bitner et al, 2009; Villaneuva et al; 2008; Onuoha & Agu; 2016) that the use of advanced technologies in service delivery in hotels has potential for cost reduction, service quality improvement and customer acquisition and retention.

c. The value of Spatial Layout (B_3) is 0.352. The value of T is 6.572 which is significant at the level of 0.05 ($P < 0.05$). Thus, spatial layout influences customer choice and patronage of hotels. This finding corroborates other research findings that spatial layout facilitates the fulfillment of functional, hedonic or pleasure needs; as accessible ancillary service areas influence customers to spend more time enjoying the primary service offering (Baker *et al.*, 1994; Wakefield & Blodgett, 2005; Simpeh *et al.*, 2011).

d. The value of Service Quality (B_4) is 0.479. The value of T is 8.913 which is significant at the level of 0.05 ($P < 0.05$). Thus, service quality influences customer choice and patronage of hotels. This finding supports the finding of Onwuchuruba (2006) and Ojasalo (2013) that customers would like to patronize a hotel that distinguishes itself by having more competent and reliable contact personnel who possess the necessary skills than its competitors.

In view of the above results, our parametric model of the choice criteria for customer patronage of hotels is as follows:

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4$$

Which is

$$\text{Patronage of Hotels} = 3.712 + 0.164 (\text{Servicescape}) + 0.341 (\text{Service Innovation}) + 0.352 (\text{Spatial Layout}) + 0.479 (\text{Service Quality})$$

Conclusion And Recommendations

From the literature reviewed, this study reveals twenty-three (23) important factors considered by customers in hotel selection and patronage. Based on data collected on the factors and analysed, this study concludes that the variables the factors were reduced to (Servicescape, Service Innovation, Spatial Layout and Service Quality) are important factors that influence customers' choice and patronage of hotels.

Based on the conclusion of the study, hotel owners and managers are advised to continuously improve their servicescape, service innovation, spatial layout and service quality of their hotels for sustainable customer selection and patronage.

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