

**INFLUENCE OF SERVICE CONVENIENCE ON GUEST LOYALTY IN
SELECTED NON-CLASSIFIED HOTELS IN MERU COUNTY, KENYA**

**Jedidah Kanorio Magiri
HPM-4-2329-17**

**A RESEARCH PROJECT REPORT SUBMITTED TO THE SCHOOL OF
HOSPITALITY AND TOURISM MANAGEMENT IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE
DEGREE OF BACHELOR OF SCIENCE IN HOSPITALITY MANAGEMENT
OF GREYSA UNIVERSITY**

DECEMBER 2019

DECLARATION

Declaration by the Candidate

This research project report is my original work and has not been presented for award of a degree or for any similar purpose in any other institution.

Signature: _____ Date: _____

Jedidah Kanorio Magiri – HPM-4-2329-17

Declaration by the Supervisor

This research report has been submitted with my approval as a University supervisor:

Signature: _____ Date: _____

John K. Gitau

Lecturer, School of Hospitality and Tourism Management

Gretsa University.

DEDICATION

This work is dedicated to my family for their encouragements, moral and financial support.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
TABLE OF CONTENTS	iv
LIST OF TABLES	vi
LIST OF FIGURES	vii
ABBREVIATIONS AND ACRONYMS	viii
OPERATIONAL DEFINITIONS OF TERMS	ix
ABSTRACT.....	x
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background of the Study	1
1.2 Statement of Research Problem.....	1
1.3 Purpose of the Study	2
1.4 Objective of the Study	2
1.4.1 General Objective	2
1.4.2 Specific Objectives	2
1.5 Study Hypotheses.....	3
1.6 Significance of the Study	3
1.7 Scope of the Study	3
1.8 Limitations of the Study.....	4
1.9 Study Conceptual Model.....	5
CHAPTER TWO: LITERATURE REVIEW	6
2.0 Introduction.....	6
2.1 Understanding the Concept of Guest Loyalty.....	6
2.2 Service Convenience on Customer Loyalty.....	7
2.3 Theoretical Background.....	9
CHAPTER THREE: RESEARCH METHODOLOGY	10
3.0 Introduction.....	10
3.1 Research Design.....	10
3.2 Study Area	10
3.3 Target Population.....	10
3.4 Sample Size.....	11
3.5 Sampling Techniques.....	11

3.6 Research Instruments	11
3.7 Validity and Reliability of the Questionnaire	12
3.7.1 Validity of the Questionnaire.....	12
3.7.2 Reliability of the Questionnaire	12
3.8 Data Collection Techniques	12
3.9 Data Analysis Techniques.....	13
3.10 Ethical Considerations	13
CHAPTER FOUR: FINDINGS AND DISCUSSIONS	14
4.1 Introduction.....	14
4.2 Response Rate	14
4.3 Participants' Demographics	14
4.4 Descriptive Results Service Convenience Dimensions	14
4.4.1 Decision Convenience	14
4.4.2 Access Convenience	15
4.4.3 Benefit and Post-benefit Convenience.....	16
4.4.4 Transaction Convenience.....	16
4.4.5 Customer Loyalty.....	17
4.5 Testing of Study Hypotheses	17
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS .	19
5.1 Introduction.....	19
5.2 Summary of Findings.....	19
5.2.1 Objective 1: the influence of decision convenience on customer loyalty.....	19
5.2.2 Objective 2: the influence of access convenience on customer loyalty.....	19
5.2.3 Objective 3: the influence of transaction convenience and customer loyalty.....	19
5.2.4 Objective 4: the relationship between benefit and post-benefit convenience and customer loyalty	19
5.3 Conclusions.....	20
5.4 Recommendations for Practice	20
5.5 Recommendations for Future Research	20
References	21
APPENDICES	25
Appendix 1: Letter of Introduction	25
Appendix 2: Questionnaire for Customers dining in the Hotels.....	26

LIST OF TABLES

Table 4. 1. Respondents Bio-data	14
Table 4. 2. Mean scores of the level of agreement (decision convenience factors)	15
Table 4. 3. Mean scores of the level of agreement (access convenience factors).....	15
Table 4. 4. Mean scores of the level of agreement (benefit and post-benefit factors).16	
Table 4. 5. Mean scores of the level of agreement (convenience factors).....	16
Table 4. 6. Mean scores of the level of agreement (BP competence factors).....	17
Table 4. 7. Correlations among service convenience dimensions and customer loyalty	17

LIST OF FIGURES

Figure 1. 1. Conceptual framework for determining the influence of service convenience on guest loyalty	5
--	---

ABBREVIATIONS AND ACRONYMS

HR: Human Resource

SERVCON: Service Convenience

OPERATIONAL DEFINITIONS OF TERMS

- Customer Loyalty** : Refers to a buyer's total commitment or deep attachment to a product, service, brand or organization
- Non-rated hotel** : A hotel that has not been classified by the Kenya Tourism Regulatory Authority.
- Service** : refers to the customers' time and effort perceptions
- Convenience** related to buying or using a service

ABSTRACT

The purpose of this study is to examine the influence of service convenience on guest loyalty in non-rated hotels located in Meru County. In particular, the study sought to establish the influence of service convenience using Service Convenience model (SERVCON) dimensions (that is: decision convenience, access convenience, transaction convenience, benefit convenience, and post-benefit convenience) on guest loyalty. A descriptive cross-sectional research design of 100 customers dining in the non-rated hotels through self-administered questionnaires was conducted. The population of the study was all non-rated hotels that are recognized by TripAdvisor as the best accommodation facilities in Meru County, Kenya. In addition, the study used purposive sampling technique to select all non-rated hotels that constituted the sampling frame. All variables were measured using adapted and modified constructs from previous researches. The face validity was used to assess the validity of the questionnaire. Reliability of the constructs was examined using Cronbach's alpha coefficient technique. Descriptive statistics (means, frequencies, percentages, and standard deviations) and inferential statistics (Pearson correlation analysis) were used to analyze quantitative data. Correlation analysis was used to test the study hypotheses in line with the study objectives. Results revealed positive and statistically significant relationships among the service convenience dimensions and customer loyalty. Recommendations are made to the management of non-rated hotels in Meru need to consider developing strategies directed towards ensuring seamless and easy to complete transaction. There is need to focus and invest on current transaction systems that would make it easy and convenient for the customers to complete any type of transaction with a lot of ease

Keywords: Guest Loyalty Service Convenience, Non-Rated Hotels,

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Service convenience is referred to as a customer's perception of the time and effort required to buy or use a service (Berry, Seiders, & Grewal, 2002). In their original work, Berry et al. (2002) argue that service convenience is important for the service provided in developing service delivery to guests. The hospitality industry is complicated and always characterized by a complicated business environment. Particularly, with the advent of advanced technologies, new service offerings are created on a daily basis (Rust, 2006). Accordingly, guest experience and perception of service quality changes over time and across different contexts and unavoidably becomes a sophisticated phenomenon (Anton, Camareno, & Carrero, 2007). Thus, to maintain a competitive advantage, hotel operators must ensure that they are on track in understanding and maintaining high levels of service convenience to address ever-changing guests' expectations.

1.2 Statement of Research Problem

Service environment is characterized by intense competition as organizations rival each other for customers. This underlines the significance of guest satisfaction as it is vital for the growth and survival of an organization. The marketing goal of any organization is to ensure that customers are satisfied as this has been seen to develop a sustainable competitive advantage (Mandhachitara & Poolthong, 2012). Understanding loyalty is therefore considered to be a key element in delivering long-term corporate profitability, as profits can be increased over the lifetime of a customer through his/her retention (Oberseder, Schlegelmilch, & Murphy, 2013).

Several researchers have tested many constructs thought to be determinants of customer satisfaction such as service quality (Zaithaml, Berry, & Parasuraman, 1996),

customer satisfaction (Chandrashekar, Rotte, Tax, & Grewal, 2007), customer trust and commitment (Garbarino & Johnson, 1999). These constructs influence customer repurchase decisions to varying degrees depending on the industry studies. This means the determinants of one industry cannot be generalized in other industries. While this is the case, there is a scarcity of research that looks into the influence of service convenience on guest loyalty especially in the area of non-rated hotels in Meru County.

1.3 Purpose of the Study

The purpose of this study is to investigate the influence of service convenience on guest loyalty in selected non-rated hotels in Meru County, Kenya.

1.4 Objective of the Study

1.4.1 General Objective

The main aim of this study is to investigate the influence of service convenience on guest loyalty in selected non-rated hotels in Meru County, Kenya. The study was guided by the following specific objectives:

1.4.2 Specific Objectives

- (i) To determine the effect of decision convenience on guest loyalty in selected non-rated hotels in Meru County, Kenya.
- (ii) To establish the effect of access convenience on guest loyalty in selected non-rated hotels in Meru County, Kenya.
- (iii) To investigate the effect of transaction convenience on guest loyalty in selected non-rated hotels in Meru County, Kenya.
- (iv) To assess the effect of benefit and post-benefit convenience on guest loyalty in selected non-rated hotels in Meru County, Kenya.

1.5 Study Hypotheses

- (i) H₀₁: There is no statistically significant relationship between decision convenience and guest loyalty in selected non-rated hotels in Meru County, Kenya.
- (ii) H₀₂: There is no statistically significant relationship between access convenience and guest loyalty in selected non-rated hotels in Meru County, Kenya.
- (iii) H₀₃: There is no statistically significant relationship between transaction convenience and guest loyalty in selected non-rated hotels in Meru County, Kenya.
- (iv) H₀₄: There is no statistically significant relationship between benefit convenience and guest loyalty in selected non-rated hotels in Meru County, Kenya.

1.6 Significance of the Study

The study findings will provide the non-rated hotels in Meru County with the knowledge required to more effectively serve their customers. As the service economy grows, competition among hotels and in the general hospitality industry intensifies, and to ensure service excellence, non-rated hotels need to create strong relationships with their customers through service convenience. The study findings will be of benefit to managers of non-rated hotels in Meru County when it comes to development of strategies whose aim is to ensure guest loyalty through service convenience.

1.7 Scope of the Study

This study was only confined to the effects of four aspects of service convenience model (SERVCON) (namely: decision, access, transaction, benefit, and post-benefit

conveniences) on guests' loyalty in non-rated hotels in Meru County, Kenya. In addition, the study participants were customers receiving services from non-rated hotels.

1.8 Limitations of the Study

The study has several limitations. Firstly, data was only collected from non-rated hotels in Meru County, thus, limiting the generalization of the study findings to hotels situated in other counties in Kenya as they do not share similar characteristics. Secondly, the use of descriptive cross-section research design allows the researcher to establish the relationships among the investigated variables at the time of the study. Also, the study findings can only be interpreted in the light of the four constructs of SERVCON model and not any other variable.

1.9 Study Conceptual Model

Figure 1.1 is the study conceptual model showing the relationships between the study independent variables (service convenience dimensions) and the dependent variable (customer loyalty). The figure assumes that service convenience dimensions have direct relationships with customer loyalty.

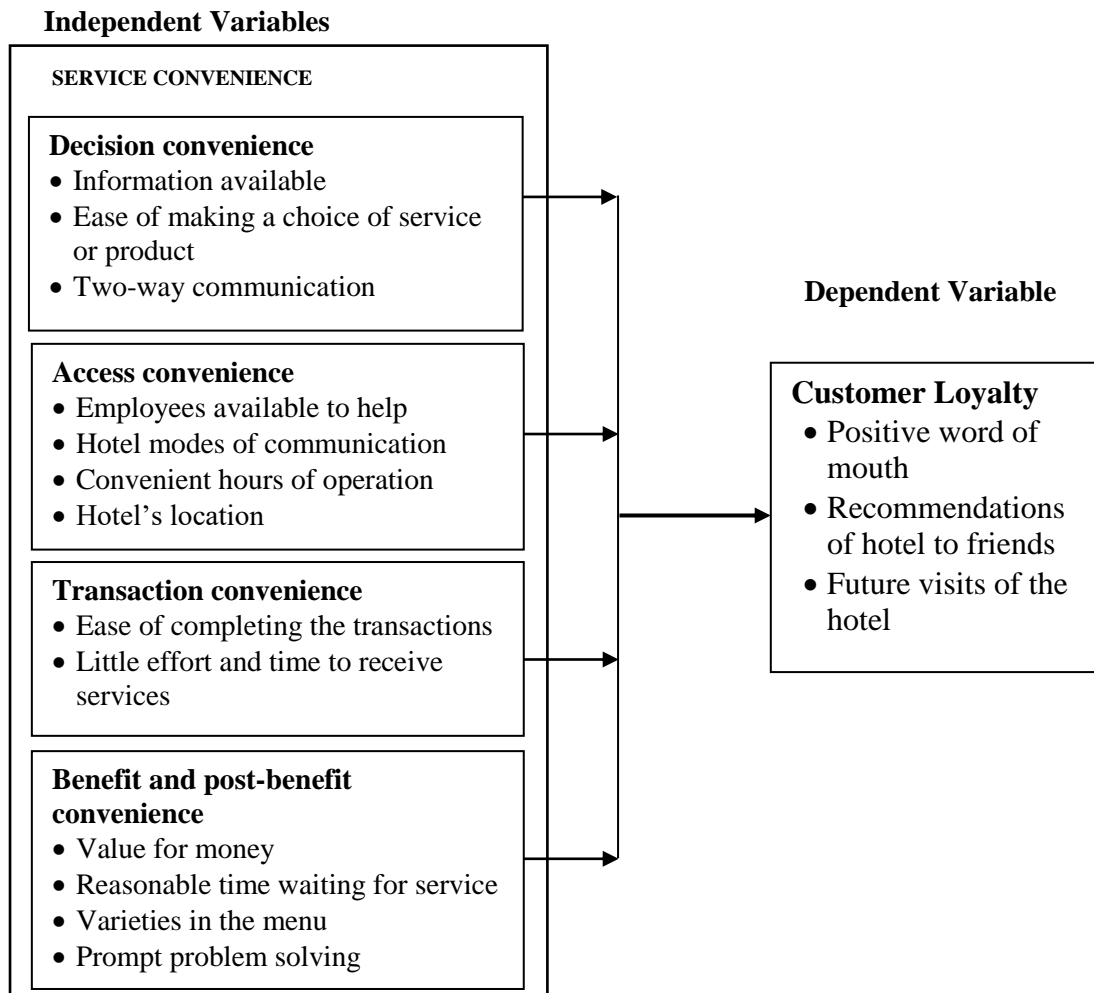


Figure 1. 1. Conceptual framework for determining the influence of service convenience on guest loyalty

Source: Modified from Colwell et al. (2008) service convenience model and Zeithaml et al. (1996) customer loyalty construct

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction

The chapter discusses review of literature based on the following subheadings: understanding the concept of customer satisfaction, service convenience and its relationship with customer satisfaction.

2.1 Understanding the Concept of Guest Loyalty

The concept of customer loyalty cannot be unilaterally defined and different researchers have defined it differently. In line with this statement, Yang and Peterson (2004) acknowledge that defining customer loyalty has demonstrated to be extremely difficult. While this is the case, researchers have defined customer loyalty differently. For example, Oliver (1999) defines customer loyalty as a buyer's total commitment or deep attachment to a product, service, brand or organization, John (2010) as a mindset that persuades a customer either to revisit a company, shop or outlet to purchase a particular product, service or brand, and Morgan and Hunt (1994) argue that it is associated to the concept of relationship commitment, which can be expressed as a sustaining desire to be in a valued connection. All these definitions seem to center around one key aspect of customer loyalty – ability of an organization to create and maintain a loyal customer for prolonged business.

Research has demonstrated that customer loyalty is a multidimensional concept encompassing both behavioral and attitudinal elements (Oliver, 1999). From the latter perspective, customer loyalty is viewed as a specific desire to continue a relationship with a service provider (Kim, Park, & Jeong, 2004). While this is the case, behavioral perspective sees customer loyalty as repeat patronage (i.e. repeat purchases by customers) as measured based on the number of times a customer chooses the same

product or service in a particular category compared to the total number of purchases made by the customer in that category (Tarus & Rabach, 2013).

Business organizations and service providers use customer loyalty as a key to gaining competitive advantage over rivals (Woodruff, 1997). Customer loyalty is imperative for both the organization and the customer. From the organization point of view, loyal customers are ready to make repeat purchases in a trade that provide worth beyond their imaginations and significantly add to the overall value of the organization (Zahra et al., 2016). According to Hunt, Arnett, and, Madhavaram (2006), remaining loyal to an existing service provider or organization is beneficial to a customer as well because it helps to minimize time and resources used while determining alternatives. Service to loyal customers is dependably more cost-effective than attracting new customers, which underlines the importance of customer loyalty to an organization (Rowley, 2005). Indeed, Nwankwo (2013) argues that a high retention rate is equal to a low defection rate.

Customer loyalty establishes itself in a variety of behaviors, the common ones being endorsing customers to the service provider and repeatedly visiting the businesses (Fornell, 1992). Several researchers have perceived these two behaviors as indicators of customer loyalty (Lam, Shankar, Erramilli, & Murthy, 2004; Zaithaml et al., 1996). Along similar lines, the current study theorizes customer loyalty on the basis of the two behaviors.

2.2 Service Convenience on Customer Loyalty

The concept of service convenience begun with products. Copeland (1923) suggests a classification of consumer products in which convenience goods were defined as intensively distributed products that require minimal time and physical and mental

effort to purchase. Other definitions of convenience also focused on resources such as time and effort required by the customer in shopping for a product (Brown, 1990). While convenience is important in products, it is equally important in services. Service convenience, as conceptualized by Berry, Seiders, and Grewal (2002), refers to the customers' time and effort perceptions related to buying or using a service. Colwell, Aung, Kanetkar, and Holden (2008) have demonstrated that service convenience can be used as a way of adding value to consumers by reducing the amount of time and effort a consumer must expend on the service.

Different scholars have described service convenience differently. Savings of effort and time are the two crucial aspects of convenience (Anderson, 1971). Yale and Vankatesh (1986) propose six classes of convenience: time utilization, accessibility, portability, appropriateness, handiness, and evasion of horribleness. While this is the case, Berry et al. (2002) provide the criticism of this framework and argue that it lacks the theoretical underpinning and means of measurement.

Brown (1989) suggests five types of convenience: time, place, acquisition, use, and execution. Shopping convenience has been examined by Seiders, Berry, and Gresham (2000), who developed a convenience model associated to customer shopping speed and ease. Berry et al. (2002) theorize five dimensions of service convenience: decision convenience, access convenience, transaction convenience, benefits convenience, and post-benefit convenience.

Although this conceptualizations of service convenience based on the consumption process has received some concerns pertaining linear accumulation of judgments of convenience across stages, it is the only framework that has been considered in research to date (Farquhar & Rowley, 2009). Berry et al.'s (2002) five service

dimensions were used by Colwell et al. (2008) through SERVCON scale in Canadian cellular and internet services. They found service convenience to be a significant predictor of overall customer satisfaction, and eventually loyalty. This is further supported by (Seiders, Voss, Godfrey, and Grewal (2007) who argue that service convenience has an impact on customer satisfaction and repeat purchases from a service organization.

A more recent study by Aagja, Mammen, and Saraswat (2011) used SERVCON scale in the Indian organized food and grocery retail context. On the basis of Aagja et al. (2011) study findings, the higher the perceived service convenience level, the greater the effect on customer satisfaction and shoppers' behavioral intentions. In addition, Kaura (2013) has used SERVCON scale in Indian banking sector and found that service convenience has a significant impact on customer satisfaction and customer loyalty. The current study will also use Berry et al.'s (2002) conceptualizations of service convenience.

2.3 Theoretical Background

This study will be based on SERVCON model. This model was developed by Seiders et al. (2007) and empirically validated service convenience construct in the context of retail chain with approximately 100 stores situated in all major geographic regions of the United States of America. This model has five dimensions of service convenience: decision convenience, access convenience, transaction convenience, benefit convenience, and post-benefit convenience. SERVCON model will be used in the current study to establish the relationships between its dimensions and customer loyalty, and in the development and design of the questionnaire.

CHAPTER THREE: RESEARCH METHODOLOGY

3.0 Introduction

This chapter presents the methodology that was used to conduct the study and discusses the research design, study area, target population, sampling techniques, sample size, instruments, validity and reliability, data collection and analysis techniques and concludes with ethical considerations.

3.1 Research Design

A research design is important to any study being carried out as it provides a framework for the collection and analysis of data (Bryman & Bell, 2015). In line with this statement, a descriptive cross-sectional research design was used to collect data on the study constructs. The design allowed the researcher to collect data from the selected non-rated hotels simultaneously without manipulation of the variables (Bryman & Bell, 2015).

3.2 Study Area

The study was conducted in non-rated hotels situated in Meru County of Kenya. Meru County is located in the Eastern Highlands of Kenya overlooking the snowcapped peaks of Mount Kenya. Meru lies strategically on the North – Eastern slopes of Mount Kenya. Meru town is home to eleven hotels regarded by the Trip Advisor as the best accommodation facilities.

3.3 Target Population

A target population for a survey is the entire set of units for which the survey data are to be used to make inferences (Kothari, 2012). In other words, the target population defines those units for which the findings of the survey are meant to generalize. Therefore, for the purpose of this survey, the study targeted all non-rated hotels situated within Meru County. The target population comprised of 11 hotels, that is,

Alba, Three Steers, Meru Slopes, Nevada Palace, Meru Safari, West Wind, Elsa, White Star, Blue Towers, Meru Paramount, and Jambo Park.

3.4 Sample Size

The sample size for this study was 100 customers dining in non-rated hotels included in the sampling frame during data collection.

3.5 Sampling Techniques

Sampling occurs when researchers examine a sample of a larger group of potential participants and use the results to make statements that apply to this broader population (Kothari, 2012). A sampling technique is a method that the researcher intends to use when selecting survey participants which could either be probability or non-probability. As so, a multistage sampling approach was used where hotels were identified and selected. All non-rated hotels in Meru County were included in the sampling frame. Nonetheless, 1 hotel was used for pretesting questionnaire, leaving 10 available for data collection. Subsequently, convenience sampling technique was used to selected 100 participants from the 10 hotels each contributing 10 customers to the study sample.

3.6 Research Instruments

A structured self-completed questionnaire was used to collect data. The questionnaire comprises of the various sections, namely; respondents' bio-data, service convenience constructs, and customer loyalty. All the constructs will be adopted from literature and will be modified to fit the current study. Respondents were asked to indicate their level of agreement with each statement of service convenience and customer loyalty on a five-point Likert scale where 1 represented "strongly disagree" and 5 denoted "strongly disagree".

3.7 Validity and Reliability of the Questionnaire

3.7.1 Validity of the Questionnaire

Bryman and Bell (2015) refer to validity to the issue of whether or not an indicator (or set of indicators) that is devised to gauge a concept really measures that concept. Thus, in line with this definition, the researcher used content validity technique to establish whether indicators of different constructs apparently reflected the content of the concept in question using the help of the supervisor.

3.7.2 Reliability of the Questionnaire

Reliability refers to the consistency of a measure of a concept (Bryman & Bell, 2015). Therefore, in the present study, internal reliability was used to examine whether or not the indicators that make up the scale or index are consistent—in other words, whether or not respondents' scores on any one indicator will tend to be associated to their scores on other indicators (Bryman & Bell, 2015). To establish the reliability of the constructs investigated in the study, Cronbach's alpha for internal reliability was used. Five separate reliability analysis were conducted for the four dimensions of service convenience (decision convenience, access convenience, transaction convenience, and benefit and post-benefit convenience) and one for the guest loyalty construct. The reliability coefficients were .784, .841, .912, .765, and .845 respectively. All the reliability coefficients were above the cut-off of .70 demonstrating that they were all reliable.

3.8 Data Collection Techniques

Data collection process involved several steps. First, the researcher sought permission approvals from the human resource (HR) managers of the 10 hotels situated within Meru County. Questionnaires were given to the HR managers, which they then requested the supervisors to issue them to service employees to administer to

customers dining in the restaurants. The selected customers were requested to complete the questionnaires and leave them on the table. The filled questionnaires were collected by the service employees and handed over to their respective supervisors who in turn handed them over to HR managers. The researcher will obtain the completed questionnaires from the HR managers.

3.9 Data Analysis Techniques

The collected questionnaires were coded and variables entered into the statistical package for social sciences (SPSS). Both descriptive statistics (i.e. percentages, mean and standard deviation scores) and inferential statistics (i.e. Pearson correlation) were to address the study hypotheses. The Pearson correlation analysis was used to test the study hypotheses.

3.10 Ethical Considerations

Ethics are important in research process. As such, the researcher sought informed consent from the selected participants. The respondents were ensured confidentiality and anonymity and were not required to include their names anywhere on the questionnaire. Moreover, the researcher notified the respondents of their voluntary participation in the study. Data collected from respondents was only used for the purposes of this study.

CHAPTER FOUR: FINDINGS AND DISCUSSIONS

4.1 Introduction

The chapter presents the results of the analysis of data collected.

4.2 Response Rate

A total of 100 questionnaires were conveniently distributed to customers in the selected hotels in Meru County. Of the distribute questionnaires, all were collected. However, 3 questionnaires had missing data and were discarded. This yielded 97 (97%) questionnaires for data analysis.

4.3 Participants' Demographics

Results of the analysis of respondents' bio data are presented in Table 4.1.

Table 4. 1. Respondents Bio-data

	Frequency (n)	Percent
Sex		
Female	45	46.4%
Male	52	53.6%
Frequency of visit to the hotel		
1 to 2 times	33	34.0%
3-4 times	49	50.5%
Above 4 times	15	15.5%
Level of education completed		
Primary school	10	10.3%
Secondary school	59	60.8%
Diploma	18	18.6%
Degree	10	10.3%

As shown in Table 4.1, majority 53.6% were male and female accounted for 46.4%. Moreover, majority (50.5%) had visited the hotels for number of times ranging between 3 to 4 times. With regard to the level of education completed, majority (60.8%) had completed secondary school education.

4.4 Descriptive Results Service Convenience Dimensions

4.4.1 Decision Convenience

The respondents were asked to indicate their perceptions of the degree of agreement of each factor on a 5-point Likert scale, where 1 denoted “strongly disagree” and 5

denoted “strongly agree”. Table 4.2 demonstrates the mean scores of the level of agreement of 4 factors measuring decision convenience.

Table 4. 2. Mean scores of the level of agreement (decision convenience factors)

	n	M	SD	Mean Ranking
The information I receive from this hotel makes it easy for me to choose what to buy	97	4.35	0.28	2 nd
Making up my mind about what service I want to buy is easy	97	4.85	0.19	1 st
The information that I receive from this hotel is clear and easy to understand	97	4.15	0.57	4 th
The hotel let me know the charges or special offers	97	4.22	0.46	3 rd

As shown in Table 4.2, the mean scores ranged between 4.15 to 4.85 indicating that respondents in this study agreed with the items of decision convenience.

4.4.2 Access Convenience

The respondents were asked to indicate their perceptions of the degree of agreement of each factor on a 5-point Likert scale, where 1 represented “strongly disagree” and 5 denoted “strongly agree”. Table 4.3 shows the mean scores of the 4 factors measuring access convenience.

Table 4. 3. Mean scores of the level of agreement (access convenience factors)

	n	M	SD	Mean Ranking
The hotel employees are available when I need to talk to them	97	4.02	0.71	2 nd
The hotel is accessible through various ways (online, telephone, in person)	97	3.78	1.01	4 th
The hotel’s hours of operation are convenient	97	4.22	0.59	1 st
The location of this hotel is easy to access	97	4.01	0.84	3 rd

The mean scores of the 4 factors of access convenience ranged from 3.78 to 4.22. The highest rated factor was “the hotel’s hours of operation are convenient with a mean score of 4.22 (SD = 0.59). The lowest rated factor was “the hotel is accessible through various ways” with a mean score of 3.78(SD = 1.01). However, all the items were above a scale mean of 3.00 indicating that respondents agreed with them.

4.4.3 Benefit and Post-benefit Convenience

The respondents were asked to indicate their perceptions of the degree of agreement of each factor on a 5-point Likert scale, where 1 represented “strongly disagree” and 5 denoted “strongly agree”. The results are shown in Table 4.4.

Table 4. 4. Mean scores of the level of agreement (benefit and post-benefit factors)

	n	M	SD	Mean Ranking
I am able to get the benefits of the service with little effort	97	4.12	0.56	1 st
The time required to receive the benefits of service is reasonable	97	3.12	1.01	5 th
The menu is full of dishes that I love and is are easy to use	97	3.45	0.98	1 st
The hotel quickly resolves problem/s I have with the service	97	3.78	0.84	2 nd
It is easy for me to obtain follow-up service from the hotel	97	3.74	0.81	3 rd
When I have questions about my service, the hotel is able to resolve my problem	97	3.69	0.79	4 th

The mean scores for the 6 factors of benefit and post-benefit factors ranged from 3.12 to 4.12. Majority of the means were near the scale mean of 3.00 meaning that there was greater variation in the responses provided by respondents.

4.4.4 Transaction Convenience

The respondents were asked to indicate their perceptions of the degree of agreement of each factor on a 5-point Likert scale, where 1 represented “strongly disagree” and 5 denoted “strongly agree”. The descriptive results of the analysis of the respondents’ data in relation to transaction convenience are exhibited in Table 4.5.

Table 4. 5. Mean scores of the level of agreement (convenience factors)

	n	M	SD	Mean Ranking
I find it easy to complete my service purchase with this hotel	97	4.35	0.48	2 nd
I am able to complete the purchase of my service quickly	97	4.85	0.19	1 st
It takes little effort to deal with this hotel during a purchase	97	3.78	0.56	3 rd

The mean scores for the 3 factors of transaction convenience ranged from 3.78 to 4.85 meaning that respondents agreed with all the items of the construct.

4.4.5 Customer Loyalty

The respondents were asked to indicate their perceptions of the degree of agreement of each factor on a 5-point Likert scale, where 1 represented “strongly disagree” and 5 denoted “strongly agree”. Table 4.6 shows the mean scores for the 5 items of customer loyalty.

Table 4. 6. Mean scores of the level of agreement (BP competence factors)

	n	M	SD	Mean Ranking
I say positive things about this hotel to other people	97	4.15	0.58	2 nd
I recommend this hotel to others	97	4.65	0.49	1 st
I encourage friends and relatives to do business with this hotel	97	4.03	0.89	4 th
I consider this hotel my first choice for services	97	3.78	0.96	5 th
I will visit this hotel in future	97	4.06	0.84	3 rd

As indicated, the mean scores ranged from 4.06 to 4.65. The highest rated factor was “I recommend the hotel to others” with a mean score of 4.65 (SD=0.49).

4.5 Testing of Study Hypotheses

The study hypotheses were tested using Pearson correlation coefficient (r). Table 4.7 shows the correlations between service convenience dimensions and customer loyalty.

Table 4. 7. Correlations among service convenience dimensions and customer loyalty

Variables		Customer Loyalty
Decision convenience	Pearson Correlation (r)	.447**
	p value	.000
Access convenience	Pearson Correlation (r)	.628**
	p value	.001
Transaction convenience	Pearson Correlation (r)	.706**
	p value	.000
Benefit and Post-benefit convenience	Pearson Correlation (r)	.501**
	p value	.000

Notes: $n = 97$. **. Correlation is significant at the 0.01 level (2-tailed).

As shown in Table 4.7, all items of service convenience were found to have statistically significant positive correlations with customer loyalty. The highest correlation was between transaction convenience and customer loyalty ($r = .706^{**}$). Pearson correlations for decision convenience, access convenience, and benefit and post-benefit convenience were .447, .628, and .501 respectively. On the basis of the

Pearson correlations results shown in Table 4.7, all the hypotheses of the study (H_{01} , H_{02} , H_{03} , and H_{04}) are rejected.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the findings, conclusions and recommendations based on the data analyzed in the previous chapter.

5.2 Summary of Findings

5.2.1 Objective 1: the influence of decision convenience on customer loyalty

Descriptive results on this objective revealed that respondents agreed with items measuring decision convenience construct. Moreover, Pearson correlation results revealed a weak positive statistically significant relationship between two variables.

5.2.2 Objective 2: the influence of access convenience on customer loyalty

The respondents revealed high levels of agreement with factors measuring access convenience. Also, Pearson correlation results revealed a strong positive statistically significant relationship between access convenience and customer loyalty.

5.2.3 Objective 3: the influence of transaction convenience and customer loyalty

The descriptive results revealed that the respondents' high level of agreement with the items measuring transaction convenience. Also, the Pearson correlation analysis revealed a strong positive statistically significant relationship between transaction convenience and customer loyalty.

5.2.4 Objective 4: the relationship between benefit and post-benefit convenience and customer loyalty

The descriptive results of this objective revealed participants' high level of agreement with the items measuring benefit and post-benefit convenience. Additionally, results of correlation analysis revealed a strong positive statistically significant relationship between benefit and post-benefit convenience and customer loyalty.

5.3 Conclusions

The following conclusions are made on the basis of the study findings:

- (i) Service convenience dimensions (decision convenience, access convenience, transaction convenience, and benefit and post-benefit convenience) are positively related with customer loyalty.
- (ii) Transaction convenience has the strongest correlation with customer loyalty, meaning that customers value the ease of transacting with the hotels.
- (iii) Decision convenience has the weakest correlation with customer loyalty, indicating that customers do not assign great importance when it comes to decision convenience.

5.4 Recommendations for Practice

Based on the study conclusions, recommendations are made to the management of non-rated hotels in Meru need to consider developing strategies directed towards ensuring seamless and easy to complete transaction. There is need to focus and invest on current transaction systems that would make it easy and convenient for the customers to complete any type of transaction with a lot of ease.

5.5 Recommendations for Future Research

Several recommendations for further research are made on the basis of the study findings. First, the fieldwork of the study was carried out non-rated hotels in Meru County. A similar study needs to be carried out in other cities and towns in Kenya and beyond. Second, future research needs to consider using a more vigorous statistical tests that would establish causal relationships among the study variables. Lastly, future researchers should consider conducting a study incorporating other factors that could influence customer loyalty among non-rated hotels.

References

- Aagja, J., Mammen, T., & Saraswat, A. (2011). Validating service convenience scale and profiling customers: A study in the Indian retail context. *Vikalpa*, 36(4), 25–49.
- Bedi, M. (2010). An integrated framework for service quality, customer satisfaction and behavioral responses in Indian banking industry: A comparison of public and private sector banks. *Journal of Services Research*, 10(1), 157–172.
- Berry, L., Seiders, K., & Grewal, D. (2002). Understanding service convenience. *Journal of Marketing*, 66(3), 1–17.
- Brown, L. (1989). The strategic and tactical implications of convenience in consumer product marketing. *Journal of Consumer Marketing*, 6(3), 13–19.
- Brown, L. (1990). Convenience in services marketing. *Journal of Service Marketing*, 4(1), 53–59.
- Bryman, A. & Bell, E. (2015). *Business Research Methods*. London: Oxford University Press.
- Caroline, M., & Elizabeth, M. (2014). Determinants of Customer Retention in Commercial Banks in Tanzania. *Journal of Finance and Bank Management*, 2(1), 09–30.
- Chandrashekar, M., Rotte, M., Tax, S., & Grewal, R. (2007). Satisfaction strength and customer loyalty. *Journal of Marketing Research*, 44(1), 153–155.
- Colwell, S., Aung, M., Kanetkar, V., & Holden, A. (2008). Toward a measure of service convenience: Multiple-item scale development and empirical test. *Journal of Services Marketing*, 22(2), 160–169.
- Copeland, M. (1923). Relation of consumers' buying habits to marketing methods. *Harvard Business Review*, 1(3), 282–289.

- Farquhar, J., & Rowley, J. (2009). Convenience: a service perspective. *Marketing Theory*, 9(4), 425–438.
- Fornell, C. (1992). National customer satisfaction barometer: the Swedish experience. *Journal of Marketing*, 56(1), 6–21.
- Garbarino, E., & Johnson, M. (1999). The different roles of satisfaction, trust, and commitment in customer relationships. *Journal of Marketing*, 63(2), 70–87.
- Hair, J., Black, W., Babin, B., & Anderson, R. (2010). *Multivariate Data Analysis* (6th Ed). Upper Saddle River, NJ: Prentice Hall.
- Hunt, S., Arnett, D., & Madhavaram, S. (2006). The explanatory foundations of relationship marketing theory. *Journal of Business & Industrial Marketing*, 21(2), 72–87.
- Jagannathan, L. (2008). Integration of quality management system (QMS) and environmental management system (EMS)-A study in Indian auto component industry. *Serbian Journal of Management*, 3(2), 127–136.
- John, J. (2010). *An analysis on the customer loyalty in telecom sector: Special reference to Bharath*. India: Sanchar Nigam Limited.
- Kaura, V. (2013). Antecedents of customer satisfaction: a study of Indian public and private sector banks. *International Journal of Bank Marketing*, 31(3), 167–186.
- Kim, M., Park, M., & Jeong, D. (2004). The effects of customer satisfaction and switching barrier on customer loyalty in Korean mobile Telecommunication services. *Telecommunications Policy*, 28(2), 145–159.
- Kothari, C. (2004). *Research Methodology: Methods and techniques* (2nd Ed.). New Delhi: New Age International.

- Lam, S., Shankar, V., Erramilli, M., & Murthy, B. (2004). Customer value, satisfaction, loyalty, and switching costs: an illustration from business-to-business service context. *Journal of the Academy of Marketing Science*, 32(2), 293–311.
- Lenka, U., Suar, D., & Mohapatra, P. (2009). Service quality, customer satisfaction, and customer loyalty in Indian commercial banks. *Journal of Entrepreneurship*, 18(1), 47–64.
- Mandhachitara, R., & Poolthong, Y. (2012). A model of customer loyalty and corporate social responsibility. *Journal of Services Marketing*, 25(2), 122–133.
- Manickavasakam, T. (2012). A Study of Banking Customer Retention through Customer Satisfaction in Dharmapuri. *Namex International Journal of Management Research*, 2(2), 8–15.
- Morgan, R., & Hunt, S. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20–28.
- Nwankwo, S. (2013). Customer Relationship Management and Customer Retention: Empirical Assessment from Nigeria's Insurance Industry. *Business and Economics Journal*, 4(2), 2–6.
- Oberseder, M., Schlegelmilch, B., & Murphy, P. (2013). CSR practices and consumer perceptions. *Journal of Business Research*, 66(10), 1839–1851.
- Oliver, R. (1999). Whence Consumer Loyalty? *Journal of Marketing*, 33–44.
- Rowley, J. (2005). The four Cs of customer loyalty. *Marketing Intelligence & Planning*, 23(6), 574–581.
- Seiders, K., Berry, L., & Gresham, L. (2000). Attention retailers: How convenient is your convenience strategy? *Sloan Management Review*, 49(3), 79–90.

- Seiders, K., Voss, G., Godfrey, A., & Grewal, D. (2007). SERVCON: Developing and validation of a multidimensional service convenience scale. *Journal of the Academy of Marketing Science*, 35(1), 144–156.
- Sekaran, U. (2010). *Research methods for business: A skill building approach* (4th Ed.). Noida, India: Sheel Print-N-Pack.
- Tarus, D., & Rabach, N. (2013). Determinants of customer loyalty in Kenya: does corporate image play a moderating role? *The TQM Journal*, 25(5), 473–491.
- Woodruff, R. (1997). Customer value: the next source for competitive advantage. *Journal of the Academy of Marketing Science*, 25(2), 139–153.
- Yale, L., & Vankatesh, A. (1986). Toward the construct of convenience in consumer research. In R.J. Lutz, *Advances in consumer research* (1st ed., pp. 403–408). Provo, UT: Association for Consumer Research.
- Yang, Z., & Peterson, R. (2004). Customer perceived value, satisfaction, and loyalty. The role of switching costs. *Journal of Psychology and Marketing*, 21(10), 799–822.
- Zahra, M., Ahmad, R., & Ismail, H. (2016). Predictors of customer loyalty in the Pakistani banking industry: a moderated-mediation study. *International Journal of Bank Marketing*, 34(3), 411–430.
- Zaithaml, V., Berry, L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(2), 31–36.

APPENDICES

Appendix 1: Letter of Introduction



SCHOOL OF HOSPITALITY AND TOURISM MANAGEMENT

Dear Sir/Madam,

This letter is to introduce **Jedidah Kanorio Magiri**, registration number HPM-4-2329-17 who is a student in the Department of Hospitality and Tourism Management at Gretsa University pursuing a Bachelor of Science Degree in Hospitality Management. She will produce her student card as proof of identity.

To complete her degree course, she is undertaking research leading to the production of a research report or other publications and her study is titled: *THE INFLUENCE OF SERVICE CONVENIENCE ON GUEST LOYALTY IN SELECTED NON-CLASSIFIED HOTELS IN MERU COUNTY, KENYA.*

She would like to invite you to assist in this project, by filling in the questionnaire which covers certain aspects of this topic.

Be assured that any information provided will be treated in the strictest confidence and none of the participants will be individually identifiable in the resulting research report or other publications. You are, of course, entirely free to discontinue your participation at any time or to decline to answer particular questions.

Any inquiries you may have concerning this research project should be directed to me by telephone on 0715 567 175 or by email (johnkahuthugitau@gmail.com).

Thank you for your attention and assistance.

Yours sincerely

John K. Gitau
Research Coordinator & Lecturer
Department of Hospitality Management, Gretsa University

Appendix 2: Questionnaire for Customers dining in the Hotels

PART A: BIODATA

1. Gender: Male Female
2. Number of visits to the hotel [tick appropriately]
 1-2 times 3-4 times above 4 times
3. Education Level completed
 Primary School Secondary School Diploma Degree

PART B

INDICATORS OF SERVICE CONVENIENCE DIMENSIONS (SERVCON)

In a scale of 1 to 5 (*1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree*) indicate your opinion on the following statements regarding the hotel.

Decision Convenience					
The information I receive from this hotel makes it easy for me to choose what to buy	1	2	3	4	5
Making up my mind about what service I want to buy is easy	1	2	3	4	5
The information that I receive from this hotel is clear and easy to understand	1	2	3	4	5
The hotel let me know the charges or special offers	1	2	3	4	5
Access Convenience					
The hotel employees are available when I need to talk to them	1	2	3	4	5
The hotel is accessible through various ways (online, telephone, in person)	1	2	3	4	5
The hotel's hours of operation are convenient	1	2	3	4	5
The location of this hotel is easy to access	1	2	3	4	5
Benefit and Post-benefit Convenience					
I am able to get the benefits of the service with little effort	1	2	3	4	5
The time required to receive the benefits of service is reasonable	1	2	3	4	5
The menu is full of dishes that I love and is are easy to use	1	2	3	4	5
The hotel quickly resolves problem/s I have with the service	1	2	3	4	5
It is easy for me to obtain follow-up service from the hotel	1	2	3	4	5
When I have questions about my service, the hotel is able to resolve my problem	1	2	3	4	5
Transaction Convenience					
I find it easy to complete my service purchase with this hotel	1	2	3	4	5
I am able to complete the purchase of my service quickly with this hotel	1	2	3	4	5
It takes little effort to deal with this hotel during a purchase	1	2	3	4	5

PART C

INDICATORS OF CUSTOMER LOYALTY

In a scale of 1 to 5 (*1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree*) indicate your opinion on the following statements regarding your hotel.

I say positive things about this hotel to other people	1	2	3	4	5
I recommend this hotel to others	1	2	3	4	5
I encourage friends and relatives to do business with this hotel	1	2	3	4	5
I consider this hotel my first choice for services	1	2	3	4	5
I will visit this hotel in future	1	2	3	4	5

Thank You for Your Cooperation