

INFLUENCE OF FACILITIES ON CUSTOMER PATRONAGE AMONG SELECTED HOTELS IN SOUTHWEST, NIGERIA

**Oladele Olajide Patrick, Federal University Oye-Ekiti
Yakibi Ayodele Afolabi, Federal University Oye-Ekiti
Akinruwa Temitope Emmanuel, Ekiti State University
Ajayi Omobola Monsurat, Ekiti State University**

ABSTRACT

The study investigated the influence of quality of facilities on customer patronage among selected hotels in south-west, Nigeria. The primary source of data collection was adopted while multistage sampling techniques such as stratified, heterogeneous purposive and proportionate sampling techniques were utilized. The study was carried out in Ekiti, Ondo, Osun, Ogun, Oyo and Lagos States. A total number of 69 hotels cutting across all sizes were sampled. Questionnaire was used to collect data. Data collected were analysed using descriptive statistics such as percentages and inferential Statistics such as hierarchical multiple regression. Good access road, basic security facilities, constant water supply, constant electricity and convenient parking space were used as dimensions of the explanatory variables. Findings showed that quality of facilities is positive and significantly related to customer patronage of hotels. Consequently, in ranking, we concluded that customer patronage is a function of the good access road, constant electricity, constant water supply, basic security facilities and convenient parking space. Hence, the study recommended that investors should, as a matter of fact, ensure that hotels should be situated in strategically accessible locations to be complemented with other facilities such as constant electricity, constant water supply, basic security facilities and convenient parking space.

Keywords: Access Road, Security Facilities, Water Supply, Electricity, Parking Space, Hotel, and Customer Patronage.

INTRODUCTION

According to Kumar & Malik (2013), hospitality is defined as reception and entertainment of guests, visitors or strangers with liberality and goodwill. Hotels have come up beyond what used to be in the years past in terms of customers. Hotels now arm themselves with modern equipment in order to be relevant and remain competitive in the industry. Just like any other commercial establishment, hotels have functional compartments ranging from customer service, human resources, finance, research and development and facilities which are the focus of this study among others. The competition for having a strategic location and adequate facilities that create delight to customers is now the priority in the minds of the hotel investors.

Generally, the hotel business is challenging and thrilling and these pave ways for investors to become financially independent, bosses in their own right, create job opportunity and also increase self-esteem. Besides, it gives owners the opportunity to be creative in terms of meeting customers' expectations. To record huge success in this aspect, efforts must be geared

towards putting in place all essentials that will create customer satisfaction because, customers are becoming more conscious of their convenience, hence, want to be fulfilled. The awaking consciousness in customers had sharpened their knowledge horizon, thereby armed them to the extent that customers are readily prepared to challenge bad service rendered. This increase in knowledge has reshaped end user service expectations from service providers (Oladele, 2011). This heightened knowledge had exposed the organisation of hotel businesses to embrace factors that are capable of enhancing customer patronage. This is because the society depends on organisations, so also organisations depend on the society for survival and for achieving specific and desirable ends, through services, products, and facilities offered to the members of the society. Therefore, effective customer service through the availability of quality facilities cannot be ignored in the realm of achieving effective customer patronage in hotels.

The advent of dynamism in facilities becomes an imperative in the context of achieving effective customer patronage in hotel business provided to end users has reshaped the activities of hotels in Nigeria simply because most activities beyond lodging are now being carried out in hotels. Past studies have indicated the importance of facilities as a sub set of critical success factors in the management of service oriented organisations and their findings tend towards diverse and different focus (Mosoma, 2014; Okibo & Ogwe, 2013; Natuhwera, 2011; Shariff et al., 2015; Jakpar & Johari, 2012; Lacap, 2014; Kumar & Malik 2013; Choi & Chu, 2001; Zaim et al., 2013; Oliveira et al., 2013). Nigeria as a frontier market with the growing population of about 170 million is fast becoming the center of focus for potential investors who see Nigeria as a greener pasture where business will thrive. The dream of Nigeria as hospitality investment destination may not be fulfilled, if necessary quality facilities are not put in place. Therefore, this study intends to investigate the influence of facilities quality on customer patronage of hotels in Nigeria.

LITERATURE REVIEW

Facilities Quality

Facilities consist of, but not limited to security, parking space, stable power, constant water supply and road networks. Facilities are considered essential and critical to hotel business success. Conversely, its absence is a bad signal. Facilities, according to Bogoro et al. (2013) are man-made. Obviously, security in the service industry like hotels is the act of securing the customers from physical dangers. This connotes that the surroundings of the hotel must be predictable by customer, habitable, devoid of threat to existence and absolutely free from either physical or psychological harm in any way.

Choorichom (2011) stated that security and safety were identified as the most influential in determining customers' selecting hotels in Lanta Yai Island. These facilities include, but not limited to:

Parking space

In early 70's to late 90's, the emphasis placed on parking space was not well pronounced as it is in the contemporary hotel business. Ramly et al. (2004) showed that parking space plays prominent roles that influence and attract customers' patronage. They further see the availability of enough parking spaces as strength to enhance booming of business. It shows that the era of

traditional hospitality, which was only concerned with providing accommodation, table, and food, had become a thing of the past (Ramly et al., 2004).

Yadav et al. (2012) observed that people visiting service industry, with their conveyance; see the need to be provided proper parking facilities. Therefore, investors in the hotel business now see a parking space as a strategic means of enhancing customer patronage, especially during the peak period.

Power

Assurance of enjoying uninterrupted power supply, especially during customers' stay, is one of the major reasons for customers' patronage. The important role of power to make customers delighted and satisfied cannot be ignored. Its consistent availability is capable of influencing customer re-patronage and the reverse is the case if it is not constantly available. Clifford (2010) pointed out that the dilapidated state of the infrastructural facilities in Nigeria is a cog in the wheel of the tourism development. This restrains and reduces the number of customer's patronage that should maintain the upsurge performance track of the industry.

Road networks

According to Anor et al. (2012), road network system is one of the most important infrastructures, in any country, as it provides the means to move people and goods from specific location to another. The authors stressed further that road network system manifests properties such as the hierarchy of roads, connectivity, accessibility, linkages, and movement (Anor et al., 2012). Olawale & Adesina (2013) said road networks are observed in terms of its components of accessibility, and traffic density, the level of service, compactness, and density of particular roads.

Moreover, Ahmad (2012) showed that macro-accessibility concerns access road conditions and proximity to the centre from the customer's place of work or residence. From Anor et al. (2012), descriptions show that easy access road into and within the hotel speaks much about its credibility and significance of customer's patronage of the hotels.

Security and safety

Kovari & Zimanyi (2010), explained that security and safety have become a complex, multidimensional notion with a wide range of components belonging to it political security, public security, legal protection, safety in communication, environmental security and so on. This does not exclude hotel industry. The authors stressed further that the issue of security and safety has undergone a significant change from a more or less passive factor to an active element (Kovari & Zimanyi, 2010). The issue of security becomes important in the light of hotel industry in order to protect the customer, their belongings, and the achievement of their industry.

Customer Patronage

Patronage is defined as the degree to which a customer exhibits repeat purchase behaviour from a service provider, possesses a positive, long-lasting attitude and disposition towards a service provider (Gremler & Brown, 1996). From the view of Oliver (1999), customer patronage is defined as a deeply held commitment to repurchase a firm's products at the expense of a competitor's offering. Seock (2009), described patronage as the repeat purchase behaviour at

a particular store for either the same products or any other products. From the views of the aforementioned authors it shows that the survival of any business is a function of the rate of patronage. This reflects the view of Ogwo & Igwe (2012) that the main reason for establishing a business is to create customers.

Theoretical, Empirical Frameworks and Hypothesis

The theory guiding this study is Theory of Reasoned Action (TRA). The theory aims to explain voluntary behaviour by an individual and the underlying motivation that drives an action. The theory was developed to offer a better understanding of the relationship among attitudes, intention, which in turn is influenced by attitude towards the behaviour and the social normative perceptions regarding it (Fishbein, 1967). Operationalization of Theory of Reasoned Action (TRA) constructs was developed from attitude measurement theory rooted in the concept that attitude is influenced by expectation or beliefs concerning attributes of the object or action and evaluation of those attributes (Ajzen & Albarracin, 2007; Trafimow, 2007). For the purpose of this study, the TRA was modified to reflect the measurements of attitudes that serve as antecedent factors that ultimately influence action. These are the explanatory variables, such as: good access road; constant electricity; constant water supply; basic security facilities and convenient parking space.

Kumar & Malik (2013) on an empirical study of factors affecting hotel guest's satisfaction from office services and facilities in the Indian hospitality industry showed that facilities contribute in no small measure to the customers' satisfaction. Generally, when a customer is satisfied, the likelihood of repeat patronage is certain. Survey questionnaire, factor analysis with varimax rotation and 5 points Likert scales were employed, Kumar & Malik (2013) study showed that there is a nexus between facilities of hotel and satisfaction in Indian hospitality business. It should be noted that there may be disparities between what Indians may refer to as facilities that satisfied them and what Nigerians may see as facilities that ensure their patronage of a hotel. The disparity in the perception of facilities that can ensure satisfaction may be as a result of the fact that the two countries are at different stages of social, cultural and economic development.

The study of Lacap (2014) on the competitiveness and sustainability of the hotel industry in Pampanga revealed that the facilities (in the form of infrastructure and technology) have a significant impact on the sustaining customer of the hotel. Focus group and in-depth interviewing were used. Focus group and interviewing could conveniently be used where a town or a state is being considered as a study location. But, these methods may not be convenient where more states were involved as in case of the current study. In the same vein, Heyes et al. (2015) work on; can a luxury hotel compete without a facility? Opinions from senior managers of London's luxury hotels showed that the hotels find it difficult to compete without facilities, a qualitative method was used and the study was investigated in London. Eliciting information from senior managers alone is not sufficient to arrive at findings that can be generalised to other countries coupled with the fact that customers who are the users of these hotels were not included as respondents, left Heyes et al. (2015) findings limited in scope. In addition, Khosravi et al. (2014) on why tourists are attracted to boutique hotel: a case of Penang Island, Malaysia, indicated that facilities among others factors such as price, location, design and image, contributed significantly in attracting customer patronage. The findings of Khosravi et al. (2014) were limited, because of a single town that was used which does not allow comparison of other respondents' views from other locations.

Findings from the study conducted by Cherdchamdol & Sriboonjit (2011) on factors influencing customer satisfaction, with chain budget hotels in Bangkok, Thailand showed that hotel image, eco-tangible (i.e. physical facilities), staff service quality and value for money had a positive and direct effect on satisfaction. But, room quality and the facility have the highest correlation coefficient values. 200 online and offline questionnaires from 10 chains of hotels were administered, using 5 point Likert Scales and data gathered were analysed using Multiple Regression. The fact remains that the study focused was on satisfaction rather than patronage. The findings showed that satisfaction has a link with patronage; this makes Cherdchamdol & Sriboonjit (2011) study dovetails into the current research. Using online and offline were added advantage. Meanwhile, adopting online may not be the best option for the current study, due to the lukewarm attitude of respondents towards online questionnaire. The study is not without its flaws. Firstly, it was not mentioned or showed whether the hotels used cut across all sizes i.e. from one star to five stars. Secondly, the study was conducted only in Bangkok, Thailand. The current study in contrast would be investigated in the south-west, Nigeria (which consists of six states) to address one of the flaws identified Cherdchamdol & Sriboonjit (2011) study.

The study by Kim et al. (2007) was on destinations and accommodations, how linked are they from a customer's perspective in Saginaw, Bridgeport, Birch Run, Chesaning, and Frankenmuth in Michigan. Push factors (i.e. sightseeing, shopping, business trip) and pull factors (i.e. hotel room type, hotel service, recommendation by a friend, always stay at the hotel, location and hotel amenities) were considered as factors that necessitated for the overall trip satisfaction. However, pull factors (hotel service and facilities) had a significant influence on hotel satisfaction ratings. These findings did not actually ignore the presence of push factors. It stressed further that satisfaction can result in repeat visitation to the hotel. The study surveyed 42 hotels; the open-ended questionnaire, random sampling, and 7 points Likert scale were employed as methods. Looking deeply into the study, using different locations allowed comparison of responses from various respondents in diverse locations and this paved way for more robust findings of the study. The flaws of the study were the use of open-ended questionnaires. Because it is believed that not all respondents could be considered literate, hence, some may not be able to express their minds as they are. In addition, authors did not indicate how the data were analysed.

Research Hypothesis

H₀: Quality of facilities does not significantly affect customer patronage of hotels in Southwest Nigeria.

RESEARCH METHODOLOGY

This study used descriptive survey. A structured closed ended questionnaire was used. The face and content validity were tested by experts. The population consisted of the customer patronising the hotel particularly, those that lodged or keep at the least a night in the hotel which was drawn from the customer records of the selected hotels. Heterogeneous purposive sampling technique was used to select the location of the study in the southwest (Ekiti, Ondo, Osun, Ogun, Oyo and Lagos State) Nigeria. The choice of the state capitals was because they are the nerve center of commercial activities. In addition, as state capitals, notable events and other activities that are capable of compelling immigrants to lodge in hotels can be found there. Stratified sampling was used to select 69 hotels on the basis of their locations and stars rating.

RESULTS

From the population of 5,070 obtained at different visits to the hotels, heterogeneous purposive sampling was used to select 450 respondents while proportionate sampling was used to select the number of respondents from each of the States. From the 450 questionnaires distributed, only 400 were found usable due to the absence of missing value. Seven points Likert scale adapted and modified from Chu & Choi (2000) and Choorichom (2011) was used to measure the constructs. Hierarchical multiple regression was employed at a significant level of 5%.

Table 1 showed that all the predictor variables contributed significantly to customers' patronage. In this case, Good access road toward the hotel has the highest influence on customers' patronage with Beta=0.553, $p < 0.05$ and $t\text{-value} = 12.935$. Followed by Constant Electricity, Constant Water Supply, and Basic Security Facilities give Beta=0.326, 0.090 and 0.028 respectively. However, Convenient Parking Space shows negative contribution but statistically significant to the customer's patronage with the value Beta= -0.085, $\text{sig} = 0.009$. The study concluded that Quality of facilities could significantly affect customers' patronage of hotels in Southwest Nigeria.

Model	Unstandardized Coefficients		Standardized Coefficients Beta	T	Sig.
	B	Std. Error			
(Constant)	0.736	0.197		3.736	0.000
Good access Road (GAR)	0.551	0.043	0.553	12.935	0.000
Basic Security Facilities (BSF)	0.026	0.040	0.028	0.658	0.001
Constant Water Supply (CWS)	0.082	0.045	0.090	1.830	0.008
Constant Electricity (COE)	0.314	0.064	0.326	4.935	0.000
Convenient Parking Space (CPS)	-0.084	0.056	-0.085	-1.510	0.009

The model summary, Table 2 gives the R (0.808) indicating the multiple correlations of the explanatory variables and customer patronage while the close margin of R^2 and adjusted R^2 i.e. $(0.653 - 0.648) = 0.005 / 0.5\%$ attested to the strong nexus between the explanatory variables and customer patronage. Thus R and the closeness of R^2 and adjusted R^2 (i.e. 0.808, 0.653 and 0.648) respectively showed that there is strong positive relationship between facilities quality (FAq) and customer patronage (CUSpat). From the same Table, the predicting level of FAq on CUSpat is 65.3%. This means that pooling together all the predictor's variables about 65.3% of the variance in customer's patronage can be predicted from the Quality of Facilities offer to the customers in the selected Hotels in Southwest Nigeria. These predictor variables are; Convenient Parking Space (CPS), Basic Security Facilities (BSF), Constant Water Supply (CWS), Good access Road (GAR), Constant Electricity (COE).

Model	R	R^2	Adjusted R^2	Std. Error of the Estimate
	0.808	0.653	0.648	0.664

Note: * $p < 0.05$.

DISCUSSION

The Quality of Facilities

The findings of the study revealed that presence of quality facilities has a strong positive connection with the customer patronage among selected hotels in south-west Nigeria. This is consistent with Olawale & Adesina (2013) and Ahmad (2012) that easy access to good road network provides relative advantages. Followed by constant electricity, constant water supply, convenient parking space and basic security facilities respectively.

Also, in Table 2, summary multiple regression of R^2 further affirmed the significant influence of the quality facilities on customer patronage. Because, the R^2 value showed that the explanatory variables jointly (good access road, basic security facilities, constant water supply and power, and convenient parking space) have a reasonably strong impact on customer patronage of a hotels.

The fact that Kumar & Malik (2013) in Indian and Cherdchamdol & Sribbnjit (2011) in Pampang focused was on satisfaction, yet, beyond differences in location, their studies showed that the presence of facilities in the hotels is capable of eliciting customer satisfaction. The implication of their findings to the current study is that, when the customer is satisfied, there is every possibility that such a customer may start to patronise. Again, it showed customers, irrespective of location and star levels of a hotel, those customers were more passionate about the facilities that commensurate or above the value they gave.

Moreover, the findings of the current study are in agreement with Kim et al. (2007), findings that facilities played important role in hotel industry. Importantly, Kim et al., 2007, study was carried out using 5 different locations in Michigan. Of which, the current study also used six state capitals in Nigeria. These results from different countries attested that quality facilities in hospitality business such as hotels cannot be overlooked in the light of value attached by customers' patronage. In addition, it is not only that the findings of the current study aligned with Heyes et al. (2015) but, empirically provides an answer to the question raised by the authors that can luxury hotels compete without a facility? This study showed that elevated value attached to the light of the competitive business environment such as hotel business, is very germane especially, in this contemporary service era, when customers are very passionate about their comfort and satisfaction derived from the values they parted with.

CONCLUSION

From the findings, it was clearly showed that quality of facilities was significant and positively related to customer patronage in south-west Nigeria hotels. Particularly, good access road, constant electricity, water supply and basic security facilities influenced customer patronage. With these results, we concluded that patronage is a function of the good access road, constant electricity, water supply and basic security facilities and these findings are consistent with the results of the study of Heyes et al. (2015). It is also pertinent to point out that the results of this study are also congruent with the findings of earlier work done by Kim et al. (2007).

Recommendation

It is important to note that good access road was considered most significant among constructs of quality facilities; this is followed by constant power, constant water supply, basic security facilities and convenient parking space. Hence, it is recommended that investor(s) should site hotel in a strategic location where there is easy access road, regular supply of power and water. In addition, support services such as (mail services, fleet cars, catering, reception, housekeeping, refuse disposal, horticulture, fire alarm, effective intercom, and professional security) should be made readily available.

REFERENCES

- Ahmad, A.E.M.K. (2012). Attractiveness factors influencing shoppers' satisfaction, loyalty, and word of mouth: An empirical investigation of Saudi Arabia shopping malls. *International Journal of Business Administration*, 3(6), 101.
- Ajzen, I., & Albarracin, D. (2007). *Prediction and change of health behaviour: Applying the reasoned action approach*. Prediction and Change of Health Behavior. Applying the Reasoned Action Approach.
- Anor, N., Ahmad, Z., Abdullah, J., & Hafizah, R.N. (2012). Road network system in Port Klang, Malaysia and impacts to travel patterns. *Procedia-Social and Behavioral Sciences*, 35, 629-636.
- Bogoro, P., Maimako, S.S., & Kurfi, A.K. (2013). Assessing the role of infrastructure on customer satisfaction with national park in North East Nigeria. *International Journal of Scientific & Engineering Research*, 4(10), 826-843.
- Cherdchamdol, P., & Sriboonjit, J. (2011). The factors influencing customer satisfaction with chain budget hotels in Bangkok. *Journal of Business Strategy and Execution*, 3, 1-10.
- Choi, T.Y., & Chu, R. (2001). Determinants of hotel guests' satisfaction and repeat patronage in the Hong Kong hotel industry. *International Journal of Hospitality Management*, 20(3), 277-297.
- Choorichom, J. (2011). Factors influencing the selection of Hotels/Resorts in Lanta Yai Island, Krabi, Thailand by International Travelers. *Veridian E Journal, Silpakorn University*, 4, 1-23.
- Chu, R.K., & Choi, T. (2000). An importance-performance analysis of hotel selection factors in the Hong Kong hotel industry: a comparison of business and leisure travellers. *Tourism Management*, 21(4), 363-377.
- Clifford, R. (2010). *Towards a legal Framework for Tourism Development in Nigeria*. A paper presented at the National Conference on Development of Tourism in Nigeria, Lagos.
- Fishbein, M. (1967). *Readings in attitude theory and measurement*. New York: Wiley.
- Gremler, D. D., & Brown, S.W. (1996). Service loyalty: its nature, importance, and implications. *Advancing Service Quality: A Global Perspective*, 5, 171-181.
- Heyes, A., Beard, C., & Gehrels, S. (2015). Can a luxury hotel compete without a spa facility?. Opinions from senior managers of London's luxury hotels. *Research in Hospitality Management*, 5(1), 93-97.
- Jakpar, S., & Johari, A. (2012). Examining the product quality attributes that influence customer satisfaction most when the price was discounted: A case study in Kuching Sarawak. *International Journal of Business and Social Science*, 3(23), 221-236.
- Khosravi, S., Malek, A., & Ekiz, E. (2014). Why Tourists are attached to boutique hotels: Case of Penang Island, Malaysia. *Journal of Hospitality and Tourism*, 12(1), 26-41.
- Kim, M.R., Vogt, C., & Rummel, A. (2007). *Destination and accommodations-how linked are they from a customer's perspective?* Proceedings of the 2007 Northeastern Recreation Research Symposium 100-106.
- Kovari, I., & Zimanyi, K. (2010). Safety and security in the age of global tourism. (The changing role and conception of safety and security in tourism). *Applied Studies in Agribusiness and Commerce*, 59-61.
- Kumar, S., & Malik, S. (2013). An empirical study of factors affecting hotel customer s' satisfaction from front office services & facilities in Indian hospitality industry. *A Journal of Economics and Management*, 2(3), 1-8.
- Lacap, J.P.G. (2014). Competitiveness and sustainability of hotel industry: The case of hotels in Pampanga. *Business Management Strategy*, 5(1), 115-127.
- Mosoma, D. (2014). Effect of internal customer care on employee satisfaction in Tanzania's small and medium hotel industry enterprises. *International Journal of Business and Management Review*, 2(3), 17-31.

- Natuhwera, C. (2011). *Customer care and customer satisfaction in hotel: A case study of Sheraton hotel Kampala* (Published B.A. project). Makerere University.
- Ogwo, O.E., & Igwe, S.R. (2012). Some key factors influencing attitudes to customer's patronage of GSM Services: The Nigerian Experience. *International Journal of Business and Management*, 7(18), 82-91.
- Okibo, B. & Ogwe, S.L. (2013). An assessment of factors affecting quality customer care services in Telkom Kenya. *International Journal of Scientific & Technology Research*, 2(10), 103-110.
- Oladele, P.O. (2011). Causal direction between customer satisfaction and service quality: A review of literature. *European Journal of Humanities and Social Sciences*, 2(1), 1-10.
- Olawale, T.N., & Adesina, K.I. (2013). An assessment of the relationship between road networks connectivity and tourists' patronage in Lokoja metropolis, Kogi state. *Journal of Natural Resources Research*, 3(9), 1-10.
- Oliveira, R., Pedro, M.I., & Marques, R.C. (2013). Efficiency performance of the Algarve hotels using a revenue function. *International Journal of Hospitality Management*, 35, 59-67.
- Oliver, R.L. (1999). Whence consumers loyalty? *Journal of Marketing*, 63(4), 33-44.
- Ramly, A.S.M., Ahmad, R., & Ahmadin, S.N. (2004). Factors influencing customers patronising mamak restaurants- A survey in Shah Alma. *Presented at the Second National Educators Conference*, 1(1), 10-21.
- Seock, Y.K. (2009). Influence of retail store environmental cues on consumer patronage behavior across different retail store formats: An empirical analysis of US Hispanic consumers. *Journal of Retailing and Consumer Services*, 16(5), 329-339.
- Shariff, S.N.F.B.A., Omar, M.B., Sulong, S.N.B., Majid, H.A.B.M.A., Ibrahim, H.B.M., Jaafar, Z.B., & Ideris, M. S.K.B. (2015). The influence of service quality and food quality towards customer fulfilment and revisit intention. *Canadian Social Science*, 11(8), 110-116.
- Trafimow, D. (2007). Distinctions pertaining to Fishbein and Ajzen's theory of reasoned action. *Prediction and Change of Health Behaviour: Applying the Reasoned Action Approach*.
- Yadav, S., Siraj, S., & Arora, R. (2012). Customer patronage behaviour in shopping mall: A review analysis. *International Journal of Retailing & Rural Business Perspectives*, 1(2), 119-130.
- Zaim, H., Yasar, M.F., & Unal, O.F. (2013). Analysing the effects of individual competencies on performance: A field study in services industries in Turkey. *Journal of Global Strategic Management*, 14, 67-77.