CHALLENGES FACING TOURIST HOTELS TOWARDS PROVISION OF GOOD CUSTOMER SERVICES:THE CASE STUDY OF TOURIST HOTELS IN ARUMERU DISTRICT, ARUSHA REGION

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A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENTS OF REQUIMENTS FOR THE MASTER DEGREE OF TOURISM MANAGEMENT AND PLANNING OF THE OPEN UNIVERSITY OF TANZANIA

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CERTIFICATION

The undersigned certifies that he has read and hereby recommends for acceptance by the Open University of Tanzania, a dissertation entitled*: **Challenges facing tourist hotels towards provision of good customer service: A case study of tourist hotels in Arumeru District** in partial fulfilment of the requirements for the Degree of Master of Tourism Management and Planning.

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Dr. Emmanuel Patroba Mhache

Supervisor

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Date

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DEDICATION

 It is true that this studying opportunity was like a miracle to my life and happened in the name of the Almighty Father GOD; "You raise me up from the poor, out of the dust and lifted me out of the dunghill. And you set me with princes, even with the princes of people, Thank you Father". ***"You are Yehovah."***

DECLARATION

I, **Sarikiaely Sikoyo Mbisse**, do hereby declare that this dissertation is my own original work and that it has not been presented and will not be presented to any other University or higher institutions of learning for a similar or any other degree award.

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Signature

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Date

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ABSTRACT

The purpose of the study was to investigate the challenges facing tourist hotels in provision of good customer services in Arumeru district, Arusha region. Specifically, the study sought to address the following specific objectives, that is, to examine contributions of good customer's services to tourist hotels, to determine challenges facing tourist hotels in provision of good customer services and to identify measures for preventing challenges and improve hotels' customer services. The study design was a descriptive research design whereby both qualitative and quantitative studies were used. The sample size included 30 tourists, 36 hotel employees and 5 hotel managers. Purposive and simple random sampling methods were used. The data collection instruments were questionnaires, interview, direct observation and document review. Quantitative Data were analyzed by using Statistics Packages for Social Science (SPSS version 16.0) and Microsoft excel whereby content analysis was used to analyze qualitative data. The study found that unqualified staffs, poor management, poor communication system, shortage of staff were the main challenges facing tourist. These are the reasons for poor services offered in tourist hotels. Furthermore this study recommended some appropriate strategies that hotels may use to enhance customer satisfaction. These are training of the staff, recruiting qualified staff, employing enough staff, to maintain good communication system, as well as ensuring the hotel has enough working equipment was the measure towards challenges facing tourist hotels in Arumeru District.

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ACRONYMS AND ABBREVIATIONS

EDP :   Expectancy-Disconfirmation Paradigm

GDP :   Gross Domestic Product

NCAA :   Ngorongoro Conservation Area Authority

SERVQUAL**:**   Service Quality Model

SPSS :   Statistical Packages for Social Science

TTB :   Tanzania Tourist Board

 TPST :   Tourism Promotion Services Tanzania

URT :   United Republic of Tanzania

WTO :   World Tourism Organization

CHAPTER ONE

1.0   INTRODUCTION

1.1   Introduction

This chapter introduces the study by providing background to the problem, statement of the problem, objectives of the study and research questions. It also explains significance of the study and describes the expected output and limitation of the research.

1.2   Background to the Problem

It is important to note that hotel business is very competitive and provision of quality service has been seen as a determinant factor for hotel businesses survival. In the era of global competition, many service firms like hotels focus on service quality and excellence to acquire and retain a pool of loyal and profitable customers (Anantharaman, 2001).

Mbise (2012) describes that in Tanzania the development of hospitality industry started in the early 70s, but was wholly state owned, different from the usual perspective of managing the hospitality and tourism industries, whereby it is widely known that the industry is private sector motivated. After independence, Tanzania followed a socialist system whereby the majority owned major means of production. Despite the fact that Tanzania had a lot to offer to foreign tourists, the tourism industry found itself struggling for existence. This was due to mismanagement, lack of accountability and responsibility which resulted in some properties being closed and others operated at a loss (Mbise, 2012). He continues that, it was in the early 1990s when Tanzania liberalized trade and adopted a free market economy. Most of the state owned businesses, including hospitality business were privatized. In that time, Tanzania witnessed a boom of investments in tourism enterprises, especially chain lodges and international hotels and that though these changes

were important for the hospitality and tourism industry to revitalize, they did not take into account the business environment factors. He claims that the industry faced poor language proficiency, communication skills and lack of qualified employees to provide services that met international standards.

Customer satisfaction is one of the most important outcomes of firms in a market-oriented firm where the obvious need of firms is to satisfy their customers, expand their business and improve profitability (Kandampuly, 2000). Redman and Mathews (1998) argues that it is essential to invest in quality improvement if a firm wants to increase sales or market share and that the increase of sales and market share depends on how much a firm is able to attract and retain existing and potential customers. The ABCN Worldview Forum (2014) discussions suggests that; 86% of people are willing to pay more for a better customer experience; 89% will switch to your brand for a better customer experience; a dissatisfied customer will tell 9-15 people about their experience (13% tell more than 20 people; 86% of consumers stop doing business with you because of bad customer service; or every customer complaint there will be 26 others who have remained silent and that 73% are loyal to a brand because of great customer experience. That is to say, a good customer service provision is a primary platform in attempts for hotels to attract and retain their customers.

Cook (2008) shows the importance of satisfying customers in businesses by highlighting that: reducing customer defections can boost profits by 25–85 per cent; that the price of acquiring new customers can be five times greater than the cost of keeping current ones and that the return on investment to marketing for existing customers can be up to seven times more than to prospective customers. Literally everything that we do in business, every concept perceived, every technology developed and associate employed, is directed

with this one objective clearly in mind - pleasing the customer. For hotels, these are the living facts behind their business success.

Mosoma (2014) argues that organisations, whether profit-oriented such as market enterprises or pure public goods-oriented such as law enforcement agencies, virtually exist to accomplish varied goals that are at the core of their organisational formation. However, one common goal for both market and public sector institutions is obtaining and retaining consumers of their products and services. He continues that in other words, customers are centripetal to the survival goals in businesses. On Tanzania Mosoma (2014) informs that with transformations that have elevated the need free market and competitive business policies, businesses including hotels have found themselves under increasing pressure to invest in initiatives that would allow them to get and retain customers. He continues that whereas scholars agree that getting customers is an important step towards the success of businesses generally, they also caution that getting customers may come accidentally and thus might not guarantee retention of those customers. From that intellectual angle, business owners and managers have found it compelling to make sure that any customer who calls in must leave satisfied as a way of boosting the organisation's image and attracting even more customers in addition to retaining old customers.

In hotel business, customer service provision is embedded on all staffs of a hotel. It stretches across business relations between the owner and management, business and employees, management and customers, and employees and customers. Apart from employees, who are specifically entrusted with day-to-day customer satisfaction activities, all employees in a hotel have a role of facilitating and making sure that they best satisfy customer needs with the intention of attracting new customers and retaining old customers. Therefore, this study builds from the concept that good customer service delivery is such a

complex process that would always require a hotel to be well prepared in delivery of good services. The intention is therefore to identify the challenges that hotels faces in good service delivery.

1.3   Statement of the Problem

Good customer service leads hotel to increase its sales, reducing marketing costs through the word of mouth, customer's retention and reducing complains. However the good service in hotel reflected by how the management succeeded to plan and ensures quality services delivery to the customer. Good service delivery would always require staff to be on top of their performance and with regard to this, Baum and Devine (2007) argues that hotel staffs are required to manage their emotions for the benefit of their customers and the hotel at large. Poon (1993) argues that employees in hospitality must be trained to be loyal, flexible, tolerant, amiable and responsible and that at every successful tourism establishment, it is the employees that stands out. That having employees with such qualities may assure good service delivery to hotel customers.Is logical to argue that whatever a hotel does with attempts of meeting customer needs and expectation, their staffs are the centre of all such processes.

A study by Mbise (2012) affirms that the operation of tourist hotel requires meeting international standards to ensure the delivery of quality service despite the fact that the hotel in industry in Tanzania has tried to achieve these standards, complaints still arise about the quality of service offered. He also narrates that poor service standards have been a concern not only to the government but also to other stakeholders including the hotel owners, tour operators and Tanzanian development partners such as the European Union, the World Bank. This being the case for responsible management and other stakeholders to ensure that the level of services offered are maintained in a required standard. This will

lead to increase the length of stay for guests, customer loyalty, and increase of hotel profits, employee's retention, and increase income per capital, increase national income and development of tourism industry.

The Integrated Tourism Master Plan of Tanzania (United Republic of Tanzania, 2002) identified that Tanzania international competitiveness is being jeopardised by a poor level of service standards. Equally, large proportions of European tour operators surveyed in 2002 felt that the service elements in Tanzania were not high enough to justify the prices being charged (Mbise, 2012). Poor service standards have been a concern not only to the government but also to other stakeholders including the hotel owners, tour operators and Tanzanian development partners such as the European Union, the World Bank (URT, 2002). Studies on customers services and customers retention has been conducted all over the world by a variety of researcher's to name a few Kangogo *et al.* (2013) conducted a research on effects of customer`s satisfaction on performance of the hotel industry in western tourist circuit of Kenya. Other studies related to customers services are; The quality of service standard and related factors in tourist hotels in Arusha, Tanzania (Mbisse,2012) and the study conducted in Pakistan on improvement of hotel service quality by Naseem *et al.* (2011).There is no studies conducted to investigate challenges facing tourist hotels in provision of good customer services .This study was designed to find out challenges facing tourist hotels in provision of good customer services in Arumeru district, Arusha region.

1.4 Objectives of the Study

1.4.1 General Objective

The general objective of this study is to investigate challenges facing tourist hotels in provision of good customer services in Arumeru District, Arusha region.

1.4.2 Specific Objectives

   i.   To examine impacts of good customers services to tourist hotels.

  ii.   To determine challenges facing tourist hotels in providing of good customer services.

 iii.   To identify measures for preventing challenges and improve hotels' customer services.

1.5 Research Questions

   i.   What are the impacts of good customers' services to tourist hotels?

  ii.   What are the challenges facing tourist hotels in provision of customer services?

 iii.   What are the measures to maintain and improve hotels' customer services?

1.6 Significance and Justification of the Study

For the academic purpose, this study is the requirement for the award of Master of Tourism Planning and Management. The findings of this study will help hotels and their staff to improve customer services and increase and retain customers. The study also provided a genuine feedback on the areas where need to maintain and improve in relation to service provision to their guests. This study will also act as a platform for hotels that is incorporated in this study to assess their strengths and weaknesses in the hospitality and tourism industry in Tanzania. Competent staffs always stand a chance of not only surviving in the labour market but also chances of succeeding in their careers. The study suggested areas where staffs of hotels need to maintain and improve service delivery. Finally, the study findings will shade lights on hotels in the country on what they need to improve and correct in attracting and retaining customers.

1.7 Limitations of the Study

According to Orodho (2008), a limitation of study is an aspect of the study that the researcher knows may adversely affect the results or generalizability of the results of the study, but over which she/he has no direct control over. In this study the researcher faced different limitations as follows: The nature of work in the hotel industry where employees are working on shift basis was limitation to this study; this was because respondents could not be reached at the same time in the researched hotels. Also the hotel operators in Arumeru District are not supportive of academic research. A number of managers were over-protective of any information that the researcher tried to obtain from their guests.

1.8 Delimitations of the Study

The researcher used the respondents who were in day shift to overcome the problem of respondents with different schedules of day and night. Also the researcher forced to use tour operators collecting their guest's information as per questionnaires after check out from their hotels.

CHAPTER TWO

2.0   LITERATURE REVIEW

2.1   Introduction

This chapter presents what has been done, identifies and describes the theoretical, empirical, policy implications and conceptual frameworks underlying this study. This chapter also identifies gaps in this field of research thus legitimising undertaking of this study as well as defining the key terms.

2.2   Definition of Terms

2.2.1 Hotel

Mackenzie and Chan (2009) defined hotel as an establishment held out by the proprietors as offering sleeping accommodation to any person, who is able and willing to pay a reasonable sum for the services and facilities provided. Pyre *et al*. (1989) defines hotel as commercial establishment providing lodging for the public and offer meals and entertainments. In general hotel means an establishment held out by the proprietor as offering sleeping accommodation to any person presenting himself who appears able and willing to pay a reasonable sum for the services and facilities provided and who is in a fit state to be received.

2.2.2 Customer Services

Customer services is the service provided in support of the company`s core product. Customer service is never charged and has traditionally been seen as the augmented product offered to the customer (Zeithaml *et al*. 2006) .According to Schultz (1998) customer service is the provision of service to the customers before, during and after a purchase. Also it may vary by product, service, industry and individual customer.

2.2.3 Customer Satisfaction

Randall and Bitner (1994) defined customer satisfaction as a positive alternative towards a supplier that is achieved when the customer's expectations are met. Customer satisfaction, according to World Trade Organization (1985) is a psychological concept that involves the feelings of well-being and pleasure resulting from gaining what a person hopes for and expects from a product and /or service.

2.2.4 Tourism

According to World Tourism Organization (1991) tourism is defined as the activities of people travelling to and not less than one year for leisure activities, studying, business, or other purposes and one must cover the distance of not less than 160 kilometres .Jafari (1977) state that tourism is the study of man away from his usual habitat, the industry which responds to his needs, and the impact that both he and the industry have on the socio-cultural, economic, and physical environments. Tourism is deemed to include any activity concerned with the temporary short-term movement of people to destinations outside the places where they normally live and work, and their activities during the stay at these destinations. (British Tourism Society,1979). Again the World Tourism Organization (1994) defined tourism as the activities of persons travelling to and staying in places outside their usual environment for less than a year, for any main purpose (leisure, business or other personal purpose) other than to be employed by a resident entity in the country or place visited.

2.3 Tourism and Hospitality Services in Tanzania

Tourism and Hospitality is an important sector in Tanzania. Government and other stakeholders more and more realize the contribution of the hospitality sector to the country (good for close to 18% of the GDP). It employs up to half a million people including

indirect employment (Tanzania Tourist Board Report, 2002).This rapidly growing sector has a great potential for development. Still, some gaps exist that keep Tanzania from reaping the fruits of this potential. One major problem is the shortage of skilled workers**.** There is a big gap between the demand of the sector and the availability of staff with relevant qualifications. This is a problem for the industry, which often recruits new personnel abroad. It is also a missed opportunity for the country, as these skills could and should be provided internally.

The Tanzania Hotel Colleges have been trying to strengthen the capacity of the hospitality sector by addressing education and training in hospitality. Experienced professionals provide high-quality education in a practical setting. Target groups are hospitality professionals that need an update or upgrade as well as fresh students. People that already work in Hospitality could follow a refresher course or enrol for a certificate in a department that is new to them.

Comparing to neighbouring Kenya, in 2012 the number of international tourist arrivals in Tanzania were 1,077,058 while in Kenya were 1.7ml (Tanzania Tourism Visitors Report, 2014). Hotel investment in Tanzania has been moving at a snail's pace, derailing tourism development in terms of visitor arrivals. Tanzania is facing a shortage of tourism rooms in key tourist sites, towns, and the capital city of Dar es Salaam. Further, bureaucracy in processing investors' licenses and other business documents is slowing the process down. Dar es Salaam leads in accommodation facility investments, mostly big hotels of international standards, including Serena Hotel, Southern Sun, Hyatt Kilimanjaro Hotel, Peacock Hotel, and Sea Cliff Hotel. The northern tourist city of Arusha has been developed with 91 hotel investments, including the leading Impala Chain, which manages Impala

Hotel, Naura Springs, and the prestigious Ngurdoto Mountain Lodge on the middle of Mount Kilimanjaro and Mount Meru.

Other chain hotels are Serena Lodges and Hotels which operates under Tourism Promotions and Services Tanzania (TPST).These include Lake Duluti Serena Hotel, Lake Manyara Serena Safari Lodge, Ngorongoro Serena Safari Lodge, Serengeti Serena Safari Lodge, Mbuzi Mawe Serena Camp and Kirawira Serena Camp. The Kilimanjaro region, famous for Mount Kilimanjaro and home of Tanzania's Arabica coffee, has been developed with 38 high-class tourist hotels and lodges, including Kilemakyaro Mountain Lodge, Mountain Inn (Shah Tours), and Nakara Hotels. The rest of Tanzania excluding Zanzibar island, the remains are with little or negligible hotel investments.

A hotel establishment has a number of departments which are responsible for the day to day operations of an accommodation facility. Departments which generate revenue for a hotel are referred as revenue canters which are; front office, housekeeping, telephone, restaurants outlets, kitchen and laundry, health clubs. The departments which incur expenses are known as cost canters, these are sales and marketing, accounting and maintenance. Also these cost canters provide support services to enhance the overall operation and to ensure guest satisfaction within the hotel.

2.4   Theoretical literature review

2.4.1   Customers Expected and Experienced Service Model

The study aims at examining if hotels managed to meet and exceed customer expectations and challenges associated with processes of good service delivery. The study aims at deriving the theory that if their expectations were met then they would be able to mention and describe areas where they mostly enjoyed and vice versa. Thus, the study will adopt

the customers expected and experienced services model (Gronroos, 2001). Gronroos (2001) argues that if expectations were unrealistic, the total perceived quality would be low, irrespective of the experienced quality measured in an objective way being good.

However, SERVQUAL is the most common model used by researchers but it has strong structure and specifies the factors of customer perspective as well. Though SERVQUAL has been generally robust as a measure of service quality, the instrument has been criticized on conceptual and methodological grounds. The main criticism of SERVQUAL has focused on the use of expectation as a comparison standard. It has been argued that expectation is dynamic in nature, and that it can therefore change according to customers' experiences and consumption situations. One of the main problems mentioned in the literature is the applicability of the five SERVQUAL dimensions to different service settings and replication studies done by other investigators failed to support the five-dimensional factor structure (Parasuraman *et al.* 1985)
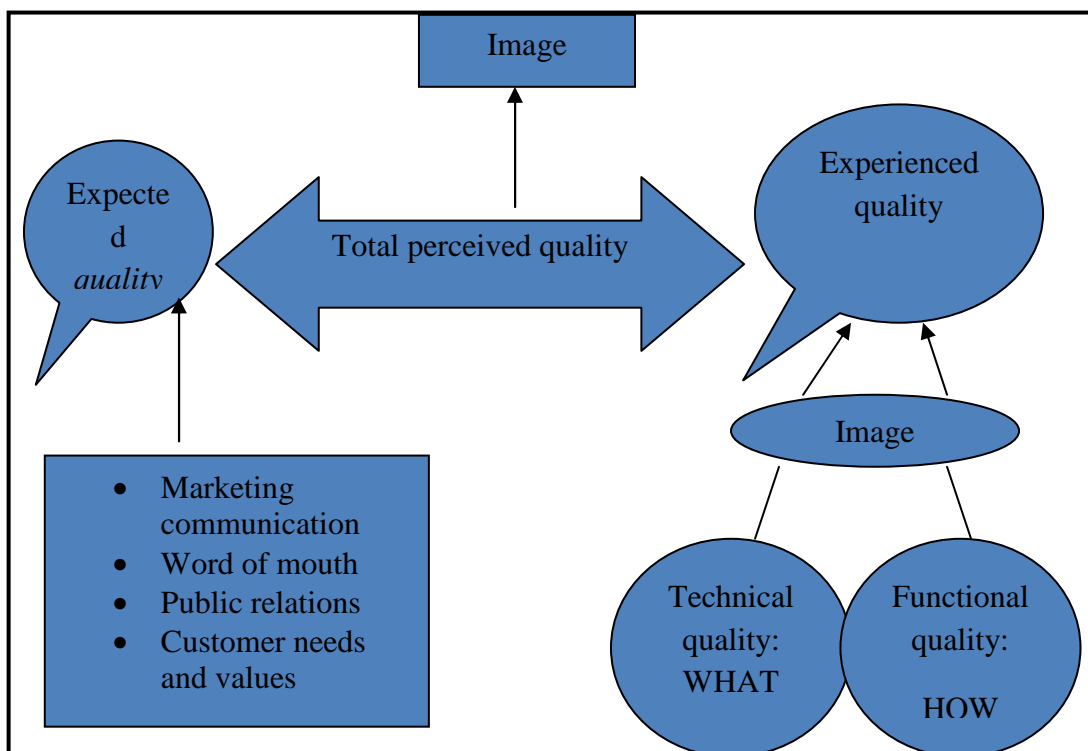
Figure 2.1 : **Customers expected and experienced service model.** Source: **Gronroos, 2001**

Figure 2.1 describes that, the expected quality is a function of factors, namely, marketing communication, word of mouth, company/local image, price, customer needs and values. Image as used in this context is used to refer to the customers' mental setting about the hotel and expected services Marketing communication includes advertising, direct mail, sales promotion, websites, internet communication and sales campaigns. These are directly under the control of the company unlike the image and word of mouth factors, which are indirectly controlled, by the company.

Image of the company plays a central role in customer perception of service quality. Thus, it is imperative that image be properly managed. External impact on these factors could possibly occur, but they are a function of the previous performance of the firm, supported by for instance advertising. Lastly, the needs of the customers as well as the values that determine the choice of customers also affect their expectations. Thus, the level of total perceived quality is not determined simply by the level of technical and functional quality dimensions, but rather by the gap between the expected and experienced quality.

According to the SERVQUAL model, good service can be measured by identifying the gaps between customers' expectations of the service to be rendered and their perceptions of the actual performance of service That gap in this study will filled by collecting the empirical evidences about the hotel services from their guests and hotel staffs will also express challenges that they face on service delivery. It is logical that customers to any service come with expectations. An ability to meet and exceed customer expectations may assure a firm of a repeat business and its growth. A good service is obtained when the experienced quality meets the expectations of the customers.

2.4.2   Multilevel Model

Multilevel model explains how retail services quality will be provided so as to ensure provision of quality services. The model divided into primary dimensions and sub dimension to explain retail quality services. Retail quality service has physical aspects, reliability, personal interaction, policy and problem solving. These are primary dimensions. Physical aspects divided into appearance and convenience. The way physical appearance of the hotel look like it will help ease provision of customer services, hence provision of convenience service. Reliability involving promises and doing it right, customer services is needed to be real. The services offered to the customer should be as the way organization promised this is termed as retail quality services.

Personal interaction while providing services is accompanied with inspiring confidence courteous, this will help an organization to deliver quality customer services. Policy and problem solving are primary dimensions in provision of quality services. The policy which tourist hotels practise to delivering services will help them to providing quality customer services. Problem solving is the dimension which applied to ensure retail quality services is provided. The way tourists' hotels solving the problem existing in services provision, helps these hotels in provision of quality customer services. Figure 2.2 on multilevel model was adopted from Dabholkar *et al*. (1996). Multilevel model is adopted in this study because the study is focusing in assessing challenges facing tourist hotels in provision of good customer service. The model show how retail quality service will be provided by a firm or organization. The way tourist hotels struggling in providing quality customer services is when challenges are discovered.
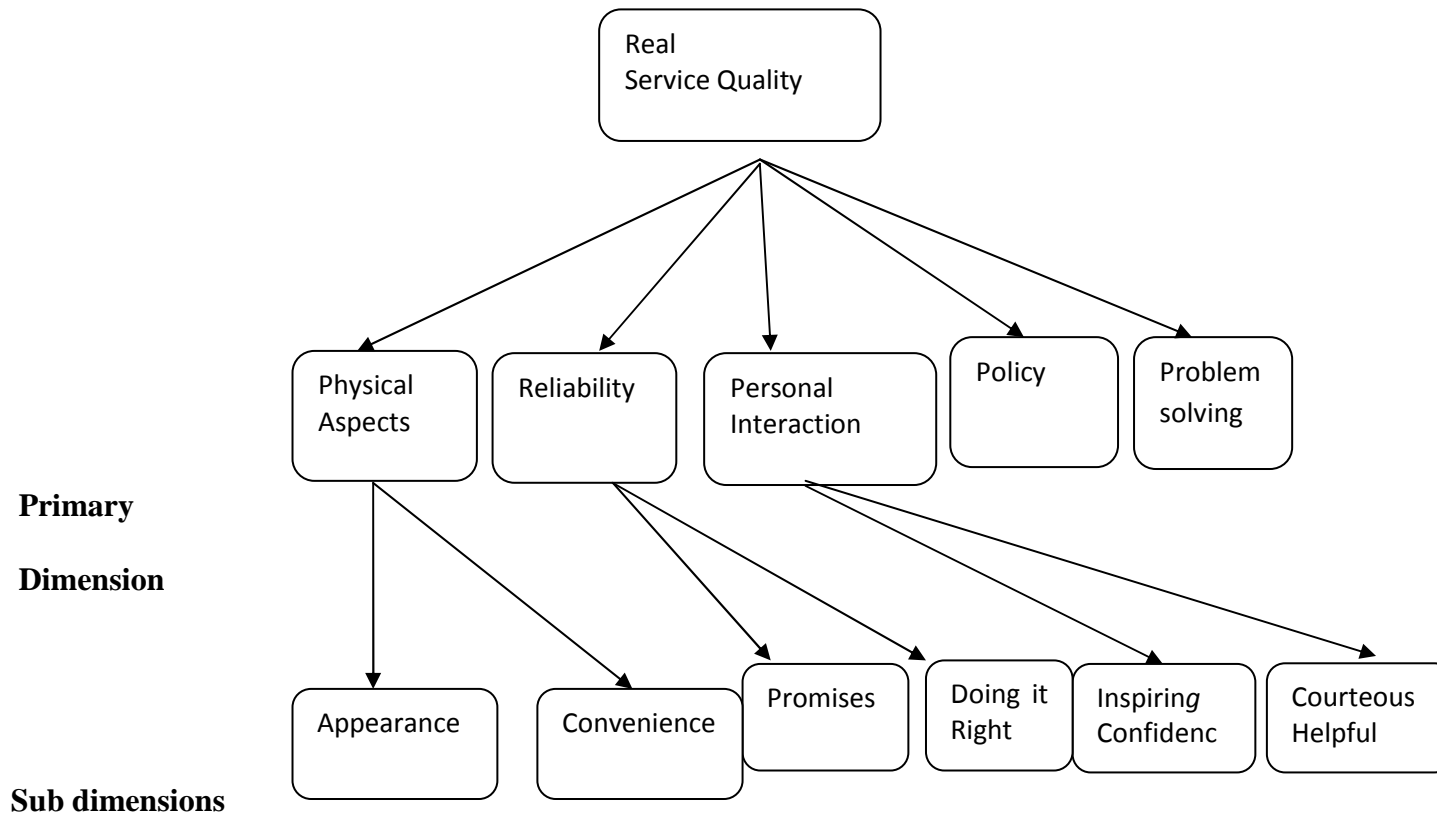
Figure 2.2 : Multilevel model. Source: Adopted from Dabholkar *et al*. 1996

2.4.3 Expectancy-disconfirmation Paradigm

Oliver (1977; 1980) proposed the Expectancy-Disconfirmation Paradigm (EDP) as the most promising theoretical framework for the assessment of customer satisfaction. The model implies that consumers purchase goods and services with pre-purchase expectations about the anticipated performance. The expectation level then becomes a standard against which the product is judged. That is, once the product or service has been used, outcomes are compared against expectations. If the outcome matches the expectation confirmation occurs. Disconfirmation occurs where there is a difference between expectations and outcomes.

The expectancy-disconfirmation paradigm was criticised by some scholars. The main criticisms of this approach focus on the use of expectations as a comparison standard in measuring customer satisfaction, the dynamic nature of expectations and the timing of its measurement, the meaning of expectations to respondents, the use of difference scores in assessing satisfaction, and the reliability and validity of the EDP in predicting customer satisfaction (Yuksel and Yuksel, 2001). One of the problems related to the EDP is the suggested sequence of the model, which presupposes that everyone has precise expectations prior to the service experience.

Application of Expectancy-Disconfirmation Paradigm towards the provision of good services to customers is that, a customer is either satisfied or dissatisfied as a result of positive or negative difference between expectations and perceptions. Thus, when service performance is better than what the customer had initially expected, there is a negative disconfirmation between expectations and performance which results in satisfaction, while when service performance is as expected, there is a confirmation between expectations and perceptions which results in satisfaction. In contrast, when service performance is not as

good as what the customer expected, there is a negative disconfirmation between expectations and perceptions which causes dissatisfaction.

2.4.4 Equity Theory

According to this theory, satisfaction exists when consumers perceive their output/input ratio as being fair (Swan and Oliver, 1989). Equity models are derived from the Equity Theory (Adams, 1963), and are based on the notion of input-output ratio, which plays a key role in satisfaction (Oliver and Swan, 1989). According to this theory, parties to an exchange will feel equitably treated (thus, satisfied), if in their minds, the ratio of their outcomes to inputs is fair (Oliver and DeSarbo, 1988). Whether a person feels equitably treated or not may depend on various factors including the price paid, the benefits received, the time and effort expended during the transaction and the experience of previous transactions (Woodruff *et al.* 1983). This implies that comparative baseline may take many different forms.

Translated into a tourism context, the Equity theory suggests that tourists compare perceived input-output (gains) in a social exchange: if the tourist's gain is less than their input (time, money, and other costs), dissatisfaction results (Reisinger and Turner, 1997). Satisfaction is therefore, "a mental state of being adequately or inadequately rewarded" (Moutinho, 1987).

In the handful of studies that have examined the effect of equity on customer satisfaction, equity appears to have a moderate effect on customer satisfaction and post-purchase communication behavior.

Application of Equity theory to the challenges facing tourism hotels towards provision of customer services is that, satisfaction is seen as a relative judgment that takes into

consideration both the qualities and benefits obtained through a purchase as well as the costs and efforts borne by a consumer to obtain that purchase. For instance, it found that consumers were less satisfied and had a less positive attitude toward a hotel when they heard that other customers received a better price deal and better service than them. In other words, their perceptions of equitable treatment by the hotels translated into satisfaction judgments and even affected their future expectations and purchase intentions.

This study was guided by Customers expected and experienced service model because the way guest adapt service offered in tourist hotels reduced or minimized challenges facing tourist hotels towards provision of good customer service.

2.5   Empirical Literature Review

2.5.1   The need for Customer Service Delivery in the Hotel Industry

The hospitality field, by definition, is a service industry. Its task is to create shareholder wealth by servicing and satisfying guests. Industry segments include, among others: hotels, restaurants, private clubs, managed food service, event planning, tourism related businesses, and travel providers. More often than not, the product purchased is either intangible or the perceived quality of the product purchased is impacted by the service method in which it was received. Langhorn (2004) noted that in hospitality, the service provider is "part of the product itself" and that for guests to be satisfied, they not only must believe that they have received a valuable service for their dollar, but also feel valued and respected by the workers providing the service. Numerous examples illustrate that it is important that the hotel industry develop customer loyalty, as opposed to relying solely on pricing strategies.

Researchers have shown that a 5 per cent increase in customer loyalty can produce a profit increase of 25 per cent to 85 per cent (Reichheld and Sasser, 1990). Hence, a dedicated focus on customer loyalty is likely to become a prerequisite for the future survival of hotel organizations and for hotels they must carefully consider analyse and act upon every aspect of their relationships with their guests and booking customers. Additionally, there is little to distinguish one hotel's products and services from another. Thus, it has become imperative for hotel organizations to gain a competitive advantage. There are two strategies most commonly used by hotel managers in order to gain a competitive advantage, which are low-cost leadership through price discounting and developing customer loyalty by providing unique benefits to customers. Hotels that attempt to improve their market share by discounting price run the serious risk of having a negative impact on the hotel's medium- and long-term profitability. As a result, quality of service rather than price that has become the key to a hotel's ability to differentiate itself from its competitors and to gain customer loyalty.

Guzzo *et al.* (2010) insist that in order to be successfully in the market it is not sufficient to attract new customers rather managers must concentrate on retaining existing customers by implementing effective policies of customer satisfaction and loyalty. They further stress that, customer satisfaction is largely hooked upon quality of service. From such conceptions, we can claim that in the hotel industry, knowing a guest had a less-than-memorable experience in the hotel restaurant gives you a chance to win them back the next time they are in town. Guzzo *et al*. (2010) further insists that research on the topic of guest satisfaction, which translates into the consideration of whether or not customers will return to a hotel or advice it to other tourists, is pivotal to the success of the hospitality business. That, neglecting to pay attention to those hotel attributes considered most important by

guests, may lead to negative evaluation of the hotel, thus restricting the chance of repeat patronage.

Guzzo *et al.* (2010) also argues that to obtain loyalty and to outweigh other competitors, hotel providers must be able to obtain high levels of customer satisfaction for the service supplied. They affirm hotel guest define the perception of hotel attributes as the degree to which guests may find various services and facilities critical for their stay in a hotel. Hotel attributes such as cleanliness, price, and location, and security, personal service, physical attractiveness, opportunities for relaxation, standard of services, appealing image, and reputation are recognized as decisive by travellers to assess the quality of the hotel. This study aims at examining visitor's perception on hotel services and this literature qualifies the study in a way that the attributes as listed by Guzzo *et al*. (2010) will also be quantified by this study. The attributes in reference to this study are things like cleanliness, price, location, and security, personal service, physical attractiveness, opportunities for relaxation, standard of services and appealing image of a hotel.

2.5.2 Delivering Customer Service in Hotels

Achieving improvements in customer service is now recognized as a major challenge facing manufacturing and service industries throughout the world (Garavan, 1997). The management and hotel staffs are responsible for hotel services delivering to their customers. Callan (1992) argues that the exact definition of service quality is quite elusive, and the nature of service and its unique characteristics add to the difficulties of definition. He argues that a customer will judge a relationship or service as lacking equity if their rewards and costs do not equal the rewards and costs of the service provider. For him service quality is defined as a subjective process based upon the discrepancy of expectations and perceptions of the service receiver. Callan (1992) continues that

customers will identify dimensions of service quality, by making judgements about levels of responsiveness (willingness to help customers), assurance (knowledge and courtesy of employees and their ability to convey trust and confidence) and efforts to achieve empathy (caring, individualized attention to customers). He concludes that customers could sample from either of dimensions of service quality towards establishing whether there is equity or not in the relationship, they have with the service provider. This literature is relevant to my study in a way that these attributes as explained by Callan (1992) are the centre of this study that aims at examining customer perception on hotel services.

Service quality from an external perspective refers to customer perceptions of service delivery experiences as compared with then expectations (Hensel, 1990). When talking of service delivery in hotel services time remains a main issue. (Doo, 2005) claims that there is no doubt that interpersonal skills are important to an individual's professional life and the success of organizations. In general, interpersonal skills are emphasized across all fields in current society, not only in service-oriented occupations. It is undeniably that, service encounter involves the time that the consumer directly interacts with the personnel, physical facilities and other tangible elements. The service encounter is primarily a social encounter and in an industry like hotel that often deals with intangibles and uncontrollable elements, it is the nature and quality of communication during this first encounter that further establishes and confirms customer expectations about the hospitality product. That is to say, for staff that are concerned with service delivery they must be good communicators with their clients. Being an effective communicator, however, involves a set of skills that need to be developed in service providers through practice and training.

These are the skills of action or encoding skills that involve the ability to articulate ideas, thoughts and feelings, and to successfully integrate the verbal and non-verbal components

of the message. Skills of reception or decoding, on the other hand, involve the ability of the receiver of the message to understand the meaning of communication (Callan, 1992). For hotel staffs and in the essence of good service delivery, they must just perfect communicators. This study is intended to examine the perception of services by visitors and it is logical that measuring perceptions will involve capturing the notion of how service was delivered to them during their stay.

Guzzo *et al*. (2010) explain that customer satisfaction is a business philosophy, which tends to the creation of value for customers, anticipating and managing their expectations, and demonstrating ability and responsibility to satisfy their needs. The challenge with god service delivery is if you do not meet expectations customers will say it. Cook (2008) affirms that to provide excellent service an organization needs to under-promise, over-deliver. She further argues that as the power of the customer increases, customers are becoming more vocal in expressing their dissatisfaction. In addition, as the vast majority of customers still do not complain, those that do give the company both valuable insights and the opportunity to rescue the situation. She continues that an ability of an organisation to capture and deal with complaints stands a chance to promote the benefits of effective complaint handling, which include: improved customer retention, avoidance of unfavourable publicity, avoidance of legal costs, saving time and giving information to prevent future problems.

An organisation that deals with service delivery is not free from customer complaints. Hampson and Junior (2005) argue that conflicting pressures result in the contradictory requirements that front-line workers be both efficient and effective. That is to say, regardless of all what an organisation does in attempts to build a strong foundation for satisfying their customers, an attempt to make sure that they handle customer complaints

effectively would help retaining loyal customer and at large avoid ruining their brand names to their customers.

It is also beyond doubt customers' perceptions of an organization are often based on their dealings with front-line staff. These members of staff represent the organization in the eyes of the customer, and any complaints that customers make are normally directed at this level. It takes a serious incident for the complaint to escalate beyond front-line staff. Cook and Macaulay (1997) argues that customer service staff needs to display knowledge and skill and that nothing turns off the customers more than staff that do not know the answers to their questions or handle their requests and problems unsympathetically. One of the aspects of good customer delivery is the ability of staff to meet customers' expectations and this study will examine satisfaction from hotel services by looking at the aspect of staff competency.

2.5.3   Understanding Customer Expectations

Understanding customer expectations is crucial to any service-oriented establishment. Rosenbaum and Masiah (2007) argues that service establishments would relish the opportunity to have their customers display customer voluntary performance behaviours, which refer to helpful, discretionary customer behaviours that support an organization's service performance and quality. Yavas et al. (2006) argues that unless satisfactorily rectified, service failures can result in such detrimental outcomes as decline in customer confidence, negative word-of-mouth and loss of customers permanently. If effectively resolved, however, failures have positive impact on regaining customer confidence, post-recovery satisfaction and repurchase intentions.

Plouffe et al. (2009) claims that successful sales people readily acknowledge that different approaches are needed for different customers. The idea that service processes consist of delivery plus performance has important consequences for notions of service productivity and quality (Johns, 1999). From such a claim by Johns, (1999) argue that, if the aim of the hotel is to meet customer expectations than there must be a way, into which hotels can tap and analyse customers' expectations. Nickson et al. (2013) argue that employees can portray the firm's image through their work, and at the same time appeal to the senses of the customer for those firms' commercial benefit. This study finds this aspect important from the presumption that it would be relatively simple to handle customer needs if the management of a hotel can earlier project the needs of their customers.

Pratten (2004) advise that employers should examine carefully how effectively all of their staff is made part of a team. On how hotel management can get it right, Hensel (1990) present what can be done by a hotel management. These steps are important and relevant to this study as id shades a light on what can be done if the study concludes that hotels faces challenges in delivering good customer service to their customers. Hensel (1990) advise that the first step for service quality improvement and control is to define accurately the relative importance of service delivery expectations of targeted segments of their market. He says that, the management must understand what consumers want and how they will evaluate the delivered service as an input into service delivery system design and quality control activities. He warns that, although quality is often defined as conformance to specifications it is the customer's definition of service quality specifications that matters. From such a platform, this study would like to examine the perceptions of visitors on hotels services and this will help to establish what makes a day for hotel visitors. These findings will help hotels incorporated in this study to re-position if possible.

Zetthaml et al. (1988) indicates that service quality problems related to management not understanding consumer expectations is a function of the extent to which a company recognizes the importance of consumer input, receives accurate communication about consumer needs, and places barriers between customer-contact personnel and top managers. They continue arguing that, these issues can only be addressed through top management commitment and funding of programs that result into awareness and acceptance of customer-defined service quality specifications by those involved in the design of the service delivery mechanism and quality assurance.

Zetthaml et al. (1988) identified five categories of service quality determinants to include: tangibles, the physical facilities, equipment, appearance of service personnel's; reliability, the ability to perform the desired service dependably, accurately, and consistently; responsiveness, the willingness to provide prompt service and help customers; assurance, employees' knowledge, courtesy, and ability to convey trust and confidence and empathy, the provision of caring, and individualised attention to customers. These service quality determinants are relevant to this study in the sense that if the hotel staff did not display them then there are higher chances that hotel guests would have not experienced good service delivery thus ruining their stay.

Still on the issues of the importance of understanding your customers' expectations, Alexander and Turner (1997) argues that delivering against your customers' wants and needs can add costs into your business and that to maximise your profit it is necessary to differentiate your customers based on value, in order to meet your best customers' needs and make profit. They argue that for any organisations that deal with customers it is always important to themselves ask the following questions: whom should your organisation

serve; how should your organisation serves them and what customers do the organisation no longer wishes to serve? This study finds these arguments important because answers to these questions may help hotel to prepare and deliver services that perfectly suit customers' needs and this is in line with State and State (2004) who claims that, customer satisfaction depends directly and most immediately on the management and monitoring of individual service encounters.

2.6 Conceptual Framework

The study was guided by a conceptual framework adopted from Kangogo et al. (2013) (Figure 2.3). The tourist hotels are facing challenges towards offering good customer services in meeting the expectations of the customers through provision of excellent services in pursuit of customer satisfaction, and the customers appreciate this by becoming not only regular, but also loyal clients' hence good performance of the hotel. The profits which tourist hotels get, sales turnover, market share, service quality, turnover of employees and turnover of customers are variables which determine the existence tourist hotels.

Independent Variables

Customer Satisfaction

Dependent variable

Hotel industry

	Moderating variables	

- Length of stay
- Customer loyalty
- Repeat Sales
- Referrals
- Handling of Customer Complaints
- Guest Retention

Age of the hotel
Size of the hotel
Number of employees

- Profit
- turnover
- Sales Market share
- Service quality
- Turnover of employees
- Turnover of customers

Figure 2.3 : Effects of customer`s satisfaction on performance of the hotel industry in western tourist circuit of Kenya. Source: **Adopted from Kangogo *et al.* 2013**

Customer loyalty is the degree to which customers experience positive feelings for and exhibit positive behavior towards a company. According to Kotler and Armstrong (2006), loyalty is won through delivery of consistent superior customer service. This means providing customers with services that are good will meet expectations and requirements of customers. Retaining loyal customers for hoteliers is essential and a core factor in keeping the industry in shape and competitive enough to measure itself up to the changing trends of the industry (Schulz, 2012). Achieving the desired results of customer loyalty is frequently a customer action, and that loyal customers don't leave for any attractive offer elsewhere, but rather gives the organization a chance to beat the other offer.

Dominici (2010) pointed out that the search for a new location is certainly the most important factor for many tourists. The choice of repeat holiday destination defends on their loyalty which is guided by; desire to reduce risk of making a mistake, chance to meet the same people again, emotional affection to a specific place and to explore the place better. Kapiki (2012) observed that excellent services quality by hoteliers' results in to

better customer satisfaction and loyalty. Word of mouth according to Cvent (2013) is non official way of communication between people regarding a product of service. Findings by Natuhwera (2011) showed that a satisfied customer is the one whose expectations are met, and that the benefits from positive word of mouth is an important factor in the hotel industry because with excellent customer satisfaction, customers are more likely to recommend such high services to their friends, relatives and colleagues and this will consequently make the hotel business thrive on credible and positive image. However, according to Litrin (2006), negative word of mouth can have an overwhelming impact upon a hotel image, since dissatisfied visitors spread unflattering comments related to their experience, hence negative sales and performance of the hotel.

According to Nathuwera (2011), customer complaints reflect customer dissatisfaction and service deficiencies and this require great attention and care. Carson Research Consulting (2013) found out that customers are twice as likely to speak to others when things go wrong (bad experience) than when things are right. This require that the hotel employees attend to problems immediately, not to leave issues and problems unresolved because solving them at the earliest time creates good impression to the customer about the type of establishment they are in. An unresolved issue encourages negative talks and a bad impression of management inability to manage the organization.

Length of stay, customer loyalty, repeat sales, handling of complains and guest retention in the tourist hotels their outcomes are increase of profit. Profit leads the increase of market share due to the increase of length of stay, customer loyalty and repeat sales. Handling of customer complaints help tourist to provide quality services and overcome challenges which facing the hotel towards provision of quality service. Turnover of employee and

turnover of the guests is the outcomes of handling of complaints, repeat sales, customer loyalty, and length of stay.

2.7   Research Gap

Studies on customers services and customers retention has been conducted all over the world by a variety of researcher's to name a few Kangogo *et al.* (2013) conducted a research on effects of customer`s satisfaction on performance of the hotel industry in western tourist circuit of Kenya. Other studies related to customers services are; The quality of service standard and related factors in tourist hotels in Arusha, Tanzania (Mbisse,2012), Improvement of hotel service quality in Pakistan(Naseem *et al.* 2011), An assessment of hotel product quality in Kenya as a basis for building destination competitiveness(Wadawi ,2008),Factors influencing customers satisfaction in tourist hotels in Tanzania(Mrutu ,2008),Micro and small horticultural enterprises' market access to tourist hotels in Tanzania(Nguni,2012).

These studies focused on what a hotel has to offer in order to meet customer satisfaction. Issues that addresses challenges that hotel meet when providing service were silently addressed. Hotels know that their survival; relies on how best they satisfy their customers (Timmeran, 2013). This study was focused on what challenges do they face and how do they address them in attempts to meet good customer service.

CHAPTER THREE

3.0 THE STUDY AREA AND RESEARCH METHODOLOGY

3.1   Introduction

This chapter presents the study area, research design, target population, sampling procedures and sample size. This chapter also presents and data collection methods data analysis, presentation and data interpretation**,** reliability and validity.

3.2 The Study Area

The study was conducted in Arumeru district (Figure 3.1) in Arusha region. The district is located at the foot of Mount Meru bordered with Kilimanjaro region to the eastern part and Arusha municipality to the western side. To the southern part the district is bordered with Kiteto and Simanjiro districts of Manyara region. Also to the northern part the district is bordered with Longido district.

The study was conducted in Arumeru District in Arusha region because it is the womb of tourism in Tanzania as most of tourist attractions are found in this circuit. Not only in this but it is also the way towards other attractions such as Ngorongoro Conservation Area Authority (NCAA), Arusha, Serengeti, Tarangire and Lake Manyara National Parks. Arumeru District is the most important arriving destinations for the most of tourists who are arriving in Kilimanjaro International Airport (KIA). These tourists are also accommodated in different tourist hotels found in Arumeru District. Apart from accommodation services, hotels in Arumeru District provides other services like walking safari, canoe, bird watching, mountain climbing in mount Meru and conference facilities center in Ngurudoto Mountain lodge which held meetings and brought a good number of visitors who need services from hospitality industry.
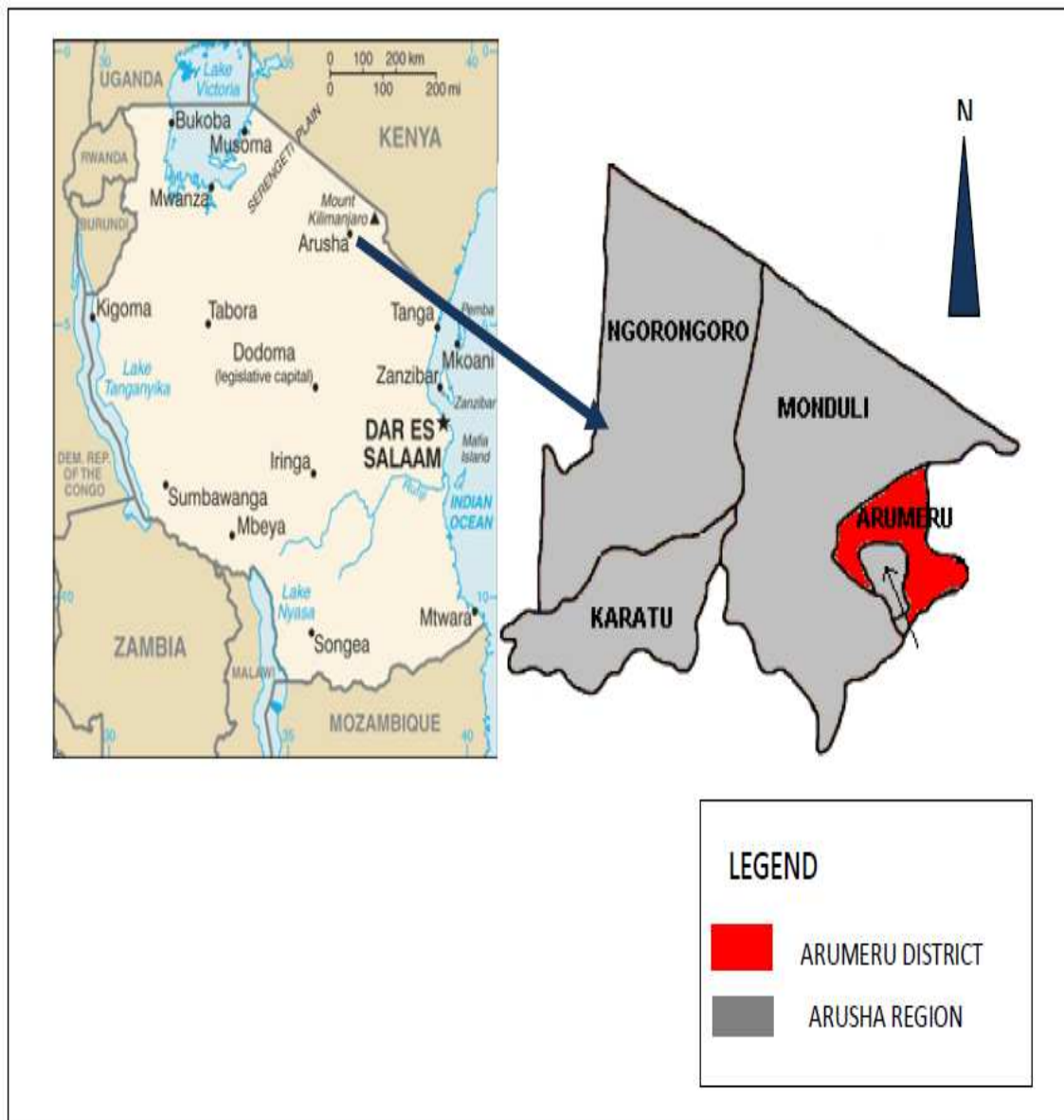
Figure 3.1 : Map to show the study area. Source: http://merudc.blogspot.com/

3.3 Research Design

Research design is the conceptual structure which research is conducted (Kothari, 2009).

The research design enables the researcher to collect data with minimal expenditure of

effort time and money (Orodho, 2008). According to Lavrakas (2008), a research design is

a general plan or Strategy for conducting a research study to examine specific testable

research questions of interest. There are different kind of research design like descriptive,

case study and experiment research design. This study used descriptive research design

whereby both qualitative and quantitative data collected. Descriptive studies are usually the best research design for collection information that demonstrate relationships and describe the world as it exists. It can also answer the questions such as "what is" or "what was". Experiments can typically answer "why" or "how" Bickman and Rog (1198). A descriptive study is one that provides descriptions of phenomena or characteristics associated with the research population, giving an estimate of the population that have certain defined characteristics while also making discoveries on the associations among different variables (Cooper and Schnder, 2003)

3.4   Target Population

The population can be defined as the entire group of individuals, events, or objects having common observable characteristics (Mugenda and Mugenda, 2003). Frankfort and Nachmians (1996) explain that a population is the subject on which measurement is undertaken, and from which a sampling unity is obtained. According to Kothari (2004) a population refers to all items in any field of inquiry and is also known as the 'universe. Populations considered in this study involved tourists accommodated in tourist hotels in Arumeru District and hotel employees together with managers.

However, the researcher obtained the information from owners of selected five hotels concerning number of staff, hotel managers together with number of tourists accommodated in these hotels. The information regarding population show that Ngurudoto Mountain Lodge have 284 population, Lake Duluti Serena Hotel 198 , Kigongoni Lodge 168, Lake Duluti Lodge 107and Arumeru River Lodge with 90 which make total of 847 as the target population.

3.5   Sampling Procedure and Sample Size

3.5.1   Sampling Procedure

Sampling procedure is the systematic procedure of forming the manageable sample size that is investigated to answer the research questions (Cooper and Schindler, 2003). Simple random sampling used to select five tourist hotels which included in the sample size out of ten hotels in Arumeru district. To avoid bias while selecting five tourist hotels, the researcher prepared a list of ten tourist hotels on piece of paper and numbered them and mixed all the pieces of paper together in a box then asked his colleague to pick five pieces randomly. The hotels in reference are Lake Duluti Serena Hotel, Kigongoni lodge, Lake Duluti lodge, Ngurudoto mountain lodge and Arumeru River Lodge. According to Hornby, (1995), ethics relate to moral principles or code of conduct. The issue of ethics in this study was highly taken in consideration. By considering the issue of ethics in this study the researcher was renamed all selected hotels as follows; Ngurudoto mountain lodge to be hotel "A", Arumeru River Lodge to be as hotel "B", Lake Duluti Serena Hotel to be as hotel "C", Lake Duluti lodge to be as hotel "D" and Kigongoni lodge to be as hotel "E". The question of being ethical cannot be ignored by any research; this is because there is law which prohibits unethical behaviour in conducting researcher (Mugenda and Mugenda, 2003).

Simple random sampling was used in selecting hotel employees to be used as the respondents by the researcher in tourist hotels. In order to avoid bias a researcher asked a list of staff were on duty from head of departments, and write their names on pieces of paper by numbering them. This was done by writing YES or NO on pieces of paper equal to the number of employees on duty during the day of selection from the various departments of the hotel. Pieces of paper written YES are equal to the number of the respondents required to participate in the research. Pieces of paper written YES and NO

mixed together in a box, shaken well and then picked by the service employees. Those who picked YES included in the sample size, due to the nature of hotel industry which works on shift basis.

However, simple random sampling used in selecting tourists to be used as the respondents by the researcher in tourist hotels whereby the researcher asked for the hotel room guest list from the receptionist which shows list of guest/tourist accommodated on that day. Then the researcher selected names from the rooming list and wrote them on pieces of paper and mixed them together in a box then asked employees to pick a paper randomly as per number of sample size determined. Therefore the tourist whose name is picked included in the sample size .Purposive sampling was used in selecting hotel managers. In purposive sampling, subjects are selected because of some characteristic (Patton, 1990). According to Kamuzora (2008), purposive sampling is defined as a judgmental sampling where the researcher chooses only element that he believes will be able to deliver the required data. The respondents also known as cases are specifically chosen because they can teach a researcher a lot about issues that are of importance to the research (Boeije 2009). In this study, five hotel managers were purposively selected.

3.5.2   Sample Size

A number of authors have provided formulae for determining sample size. According to Gay and Diehl (1992), generally the number of respondents acceptable for a study depends upon the type of research involved; descriptive, correlational or experimental. For descriptive research, the sample should be 10% of population but if the population is smaller then 20% may be required. Roscoe (1975) and Abranovic (1997) argue that a sample of 500 assures that sample error will not exceed 10% of standard deviation, about 98% of the time. Roscoe (1975) and Abranovic, (1997) again state that within 30 to 500

number of population, the use of a sample about 10% size of parent population is recommended. Alreck and Settle (1995) states that it is necessary to sample more than 10% of the total population.

According to information which the researcher obtained from owner of selected hotels, it showed that the number of target population in this study was 847, therefore according to Alreck and Settle (1995), number of sample size in this study is equal to 10% of 847 which is 84.7.So the number of sample size in this study was 85 (Table 3.1). According to Sweeney and Williams (2002) a sample is a small group of respondents drawn from a population that the researcher is interested in obtaining information about. Patton (2002) argues that the sample size depends on what one wants to know, the purpose of the inquiry, what is at stake, what will be useful, what will have credibility and what can be done with available time and resources.

Therefore, to ensure that what was taken in this study was used and can provide accurate information the researcher obtained responses from 37 hotel tourists in a distribution of 13 guests in Ngurdoto mountain lodge, Arumeru river lodge 4, Duluti lodge 4, Lake Duluti Serena hotel 9,and 7 tourists from Kigongoni lodge. For the case of hotel staffs, this study expected to capture responses from 43 hotel staffs in a distribution of 12 guests in Ngurdoto mountain lodge, Arumeru river lodge 5, Duluti lodge 7, Lake Duluti Serena hotel 10, and 9 staff from Kigongoni lodge. This is because in each hotel there are different numbers of staff and tourist .And also for the case of hotel managers, the researcher expected to capture respondents 5 hotel managers in a distribution of 1 hotel manager from each hotel, these make total of 85 respondents.

Table 3.1 : Sample Size

Respondents	Population	Sample size
Tourist	370	37
Hotel Managers	46	5
Hotel employees	431	43
TOTAL	847	85

Source: Researcher's Computation, 2015

However, during data collection the number of questionnaires administered to all the respondents was 80. A total of 36 out of 43 questionnaires were properly filled and returned from the hotel employees .This represented an overall successful response rate of 84%. Also a total of 30 out of 37 questionnaires were properly filled and returned from the tourists, this represented an overall successful response rate of 81%.Four managers were interviewed out of five managers, this represent 80% of all managers. According to Mugenda and Mugenda (2003), a response rate of 50% or more is adequate. Babbie (2004) also asserted that return rates of 50% are acceptable to analyze and publish, 60% is good and 70% is very good.

3.6 Sources of Data

3.6.1 Secondary data

Polit and Beck (2003) argue that secondary research involves the use of data gathered in a previous study to test new hypotheses or explore new relationships. Secondary data obtained from documents such as books, theses, papers, journals, magazines, articles, atlases, pamphlets and unpublished literature regarding what other people have written on the theme. However other information could be obtained from Tanzania Tourist Board

Report, Tanzania Tourism Report and also from Tourism Institutions like National College of Tourism.

3.6.2   Primary Data

Louis *et al.* (2007) describes primary data as those items that are original to the problem under study. Ember and Ember (2009) describe primary data as data collected by the investigator in various field sites explicitly for a comparative study. Primary data include information collected from respondents through interviews, questionnaires and through direct observation which enabled the researcher to observe the processes of handling customers. This helped a researcher to obtain fresh or firsthand data.

3.7   Data Collection Methods

Burns and Grove (2003) define data collection as the precise, systematic gathering of information relevant to the research sub-problems, using methods such as interviews, observations, focus group discussion, narratives and case histories. This study used the following data collection methods to collect data.

3.7.1   Questionnaires

Kothari (2004) defines a questionnaire as a document which consists of a number of questions printed or typed in a definite order on a form or set of forms. A questionnaire is a research instrument consisting of a series of questions and other prompts for purpose of gathering information from respondents. There are three basic types of questionnaires; closed ended, open-ended or a combination of the two (Dawson, 2002). In this study the researcher asked the guest questions related to service which they obtained from the employees (Appendix 2) and for the employees a researcher asked employees the questions related to challenges facing during service provision (Appendix 3). Questionnaires as the

method of data collection used to collect information concerning hotel customer services from the guests and also the information concerning challenges facing tourist hotels towards provision of good customer services from employees. This is because it is difficult for a researcher to meet and seat together with these respondents due to their time table or nature of their job.

3.7.2   Interview

An interview is a data collection technique that involves oral questions directed to respondents, either individually or as a group (Varkevisser *et al*. 2003) Interview is a one on one directed conversation with an individual using interview guide (Appendix 4) designed to elicit extended responses. The answers to the questions posed during an interview recorded by writing them down. Because this method allows a researcher to probe for greater depth or explanation, simple yes/no questions or fixed response questions are typical not used. This method used to collect information from the hotel managers because they have enough time for face-to-face interview through interview guides which enable the researcher to obtain the in-depth detailed information.

3.7.3   Direct Observation

Direct observation is the process enabling researchers to learn about the activities of the people under study in the natural setting through observing and participating in those activities (Kawulich, 2005). Observation can give additional, more accurate information on behaviour of people than interviews or questionnaires. A researcher can check on information collected through interviews especially on sensitive issues (Varkevisser *et al*. 2003). A researcher therefore went to the study area to observe (Appendix 5) the processes of handling customers in order to come up with accurate information concerning provision

of customer's service. Observing specific scenarios is presumed to supplement what would have been collected by using other data collection methods.

3.7.4 Documentary Review

Kothari (2004) defined secondary data as data that is available in documents. Documentary reviews are data collected and analyzed by someone else. These documents obtained from Tanzania Tourist Board (T.T.B), Tanzania Tourism Report and also from Tourism Institutions like National College of Tourism. This process helps the researcher to formulate a good platform for discussing the results in relation to what others have found in the area of good service delivery in hotels. A variety of journal articles, relevant websites, books and presentations will be reviewed. A researcher intended to use this type of data collection tool because it consuming less time and money. Polit and Beck (2003) also indicates that secondary data collection is efficient and economical because data collection is typically the most time consuming and expensive part of a research project.

3.8   Data Analysis, Interpretation and Presentation

Data analysis is the processing of data collected to make meaningful information out of them (Sounders *et al*. 2009). Burns and Grove (2003) defined data analysis as a mechanism for reducing and organizing data to produce findings that require interpretation by the researcher. The first step to be taken is to translate all interviews and questionnaires information that were conducted in Swahili to English language. This process is known as data preparation where transcriptions will takes place in order to allow the researcher to work with texts, sometimes in combinations with the original recordings (Boeije, 2009).

The transcripts read repeatedly to identify themes within the transcripts, the process known as coding. In qualitative studies, coding means identifying themes within interview notes,

documents, or field observations that relate to the research questions in your study. Berkes (2004) explains that themes are common ideas and patterns that the researcher observes repeatedly s/he read the data collected information. The process may often require reading the transcripts repeatedly to identify themes. In this case, themes developed in and to reference to research questions. The researcher verified if the information obtained answers the research questions within the theoretical framework. Constant comparison and analytical induction helped the researcher to develop a pattern-coded analysis table with study findings. Constant comparison will helped the researcher to describe the variation that is found within certain phenomenon, and wherever possible to indicate in which situations different variations of the phenomenon manifest themselves (Boeije, 2009).

A simple approach of quantifying study results by using Statistical Package for Social Scientists (SPSS) vision 16.0 and Microsoft excel employed. Statistic with regard to the ranking of hotel services are expected thus making it necessary for application of quantitative methods of data collection. By using SPSS the study was able to reveal issues and correlation between numbers of staffs concerning service delivery, number of rooms vs. number of staffs as related to hotel service delivery.

The researcher presented analysed data both qualitative and quantitative data presented by using frequency tables, charts and percentage so as to simplify interpretation of the findings. For qualitative information collected, the information presented in form of content analysis. For quantitative information collected, the researcher used and run SPSS and present results through statistical descriptions, graphs and interpret them in relation to challenges facing hotels in service delivery.

3.9   Validity and Reliability

To ensure reliability, well-constructed primary data collection methods like interview and questionnaires was operationalized also supported by direct observation. This ensured reliability as defined by Boeije (2009) that reliability is the extent to which an experiment, test, or measuring procedure yields the same results on repeated trials. Reliability refers to the extent to which data collection technique or techniques yield consistent findings. In other words, similar observations made or conclusion reached by other researcher or where there is transparency in how sense was made from the raw data ensures reliability (Saunders et al. 2007). Secondary data collected through document review from other researchers with a high response rate applied to ensure reliability. The researcher also ensured that the authority or reputation of the source of data is well assessed.

According to Boeije (2009) validity refers to the extent to which a concept, conclusion or measurement is well-founded and corresponds accurately to the real world. To ensure validity of the data, triangulation of methods used in sampling and effective data collection. The use of triangulation such as use of different samples and methods of data collection increases the validity of the study also (Cooper and Schindler, 2003). This means that different methods of sampling and data collection used. The use of triangulation helped to demonstrate validity and open up new perspective about the topic under investigation.

3.10   Ethical Research Issues

Varkevisser et al. (2003) emphasized that when a researcher develop his/her data collection techniques must consider whether his/her research procedures are likely to cause any physical or emotional harm. Ethical aspects strictly observed in order to achieve the research objectives. Respondents informed of the purpose of the research as being for

academic purposes only. It observed that confidentiality and anonymity on findings adhered to. Consent sought from respondents before interviewing them. Impartiality and objectivity while conducting research adhered to. Participant's right to withdraw and to decline to take part in a particular aspect of research respected. The researcher ensured that there is no cause of harm or intrusion on participant's privacy. It ensured that no personal assumptions or opinions of the researcher recorded.

CHAPTER FOUR

4.0 DATA PRESENTATION AND DISCUSSION OF THE FINDINGS

4.1 Introduction

This chapter presents the research findings and discussion of the findings with focus on the challenges facing tourist hotels towards provision of good customer services in Arumeru District.

4.2 Socio-Demographic Characteristics of the Respondents

4.2.1 Age of the Respondents

The age of the employees was established (Table 4.1) in the researched hotels with the aim of knowing the age structure of the employees in the industry. According to Basnayake and Gunaratne (2002), the age of a person usually is a factor that can explain the level of production and efficiency. Table 4.1 provides the clear structure of the employee's age. It shows that 25% of the employees are of age between 18 – 24 years, 38.9% were of the age between 25-34, 22.2% aged between 35-44, 8.3% had age between 45-54, 2.8% had age between 55-64 and also 2.8% had age between 65+.It is widely accepted that hospitality sector is the industry of young generation as it needs energetic and enthusiastic people. The findings imply that majority of the respondents are in the middle age group (18 to 24 years and 25 to 45 years) which fall within the economically active and productive group. The economically active and productive group in Tanzania is from the age of 15 years old to 64 years (URT 1991). In addition 33.3% of the hotels customers were between 18-24years, 30%.

Constitute the ages of 25-34, 13.3 % were clients of 25-44 years of age and a further 3.3% were those between 45-54 years of age,10% of the hotels customers were between 55-64 and 10% had age of over 65 years .

Table 4.1 :   Age of the Respondents

Age category	Employees		Tourists	
	Frequency	**Percent**	**Frequency**	**Percent**
18-24 years	9	25	10	33.3
25-34 years	14	38.9	9	30
35-44 years	8	22.2	4	13.3
45-54 years	3	8.3	1	3.3
55-64 years	1	2.8	3	10
Above 65 years	1	2.8	3	10
Total	**36**	**100**	**30**	**100**

Source; Field survey, 2015

4.2.2   Sex of the Respondents

In order to have good representations of gender, sex of the respondents was taken into consideration. In this study both male and female were interviewed (Figure 4.1). Thus, 14 (39%) of employees were females and the remaining 61% were males. This situation can be attributed to patriarchal system which favoured male and discouraged females in education system.
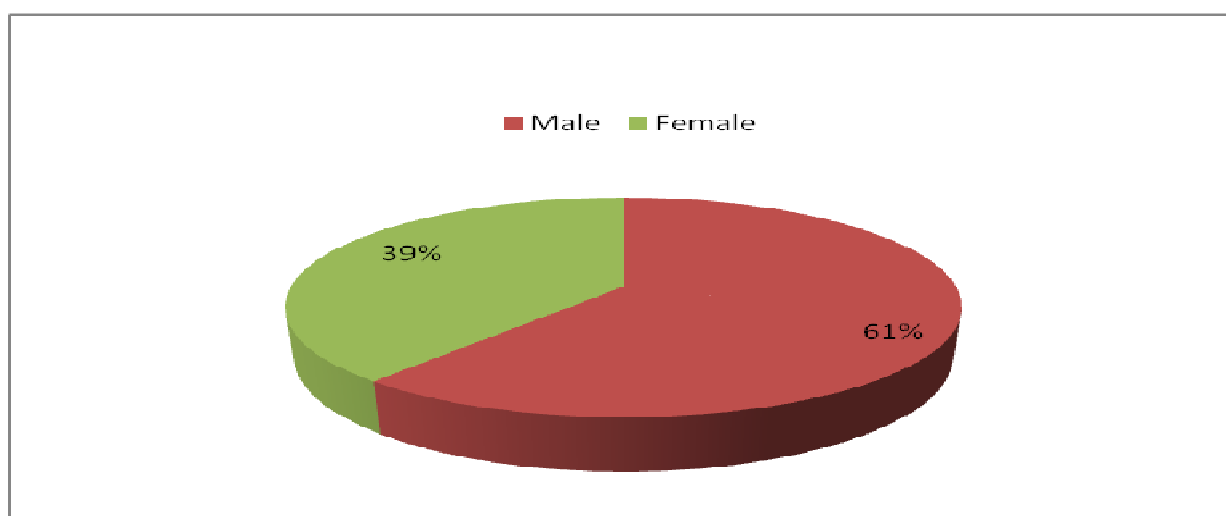
Figure 4.1 :   Distribution of respondents by gender

Source: Field survey, 2015

4.2.3   Respondents work experience

The information concerning working experience was collected from people interviewed (Table 4.2). The findings provided a picture of the employees' professional experience of the hotel industry in the researched area. More than 41% had experience between one and five years, 27.8% had experience between six to ten years, 16.7% had experience between eleven to fifteen years while 13.9% had experience of above sixteen years. Understanding the working experience of respondents in this study was important in order to know how their working experience relates to the performance of their hotel activities.

Table 4.2 :   Respondents' work experience

Working years	Frequency	Percentages
1-5	15	41.7
6-10	10	27.8
11-15	6	16.7
16+	5	13.9
Total	36	100

Source: Field survey, 2015

4.2.4   Educational level of the respondents

To ensure good customer service to guests, managers need to train the service employee in the specifications of products and services. The information presented in table 4.3 show that 50% of the respondents had ordinary secondary education and 30.6% had collage certificate in professional qualification. In addition, the study revealed that about 16.7% of respondents were standard seven educations with experience but no professional qualifications. According to Zeithaml *et al. (*2006) it is important also to accept that,

professional qualification form a basis for building professional attitude of the hotel employees, which is very crucial in provision of good customer service. From the above data analysis, majority of the hotel customers, 15 or 50% of them have at least a university degree and above, demonstrating that a good number of the hotel customers as career professionals in their various respective fields. None of the respondents has a primary level of education; however some 6.6% of their Customers have attained post primary/secondary education. Also the study revealed that about 43% of tourists had college educations.

Table 4.3 : Educational Level of the Respondents

Level of education	Employees		Tourists	
	Frequency	**Percent**	**Frequency**	**Percent**
Primary education	6	16.7	00	0
Secondary education	18	50.0	2	6.6
Collage education	11	30.6	13	43.3
University education	1	2.8	15	50
Total	36	100	30	100

Source: Field survey, 2015

4.3   Services offered in Tourist Hotels in Arumeru District

This study identified several services offered in Arumeru tourist hotels. The level of services provided in these hotels varies depending on size of the hotel, location and type of hotel as well as targeted customers. The following are services offered in tourist hotels.

4.3.1   Food and beverage service

Food and beverage (F&B) department provides food and beverage services to the hotel guests and visitors through a variety of outlets and facilities/services. These services are

provided in two forms which are in house services and outside services. In the house (hotel) food and beverage (F&B) department provides breakfast, lunch and dinner to the restaurants, banquet service and room services which also called in-room dining. Also there are coffee shops and cake shops. Outside services include outside caterings and pick nick services like lunch boxes. These services are provided in most of tourist hotels in Arumeru District. In the most hotels food which prepared is continental's food, Indian food and Swahili food which are offered to the clients through buffet service and ala carte menu. Plate 4.1 and Plate 4.2 shows table setup in the restaurant and buffet in the restaurant.

Plate 4.1 : Table setup in the restaurant. Source: Field survey, 2015

Plate 4.2 : Buffet in the restaurant. Source: Field survey, 2015

4.3.2 Business Centre Services

Some of tourist hotels in Arumeru District provide various business facilities and services to the clients such as duty shops, curio shops which have commodities ranging from handicrafts, traditional clothes from the Maasai, batiks, souvenirs, cards for those clients who they want to buy gifts. There are also internet facilities and bureau de change to customer needs in the exchange purpose. These centres provide foreign money (forex), income and employment to the people and government at large.

4.3.3 Transfer services, day trip tour and mountain climbing

Most of tourist hotels in Arumeru District have either shuttle which is going direct to pick guest from air ports and transfer them or look for company to take care of the tourist and ensure that guests are not walking here and there to find these services. This system helps guests to meet their demand easily. Apart from these, most of tourist hotels organize day trip and walking safaris for the clients in request. Also most of tourist hotels in researched area organized mountain climbing activities for the tourists by either using mount Meru or Mount Kilimanjaro.

4.3.4 Meeting and conference services

Most of tourist hotels in Arumeru District offered conferences and meeting facilities as they have special halls within the hotel which is used for meeting. These helps to cater for the needs of different customers and meet the level or standards of services required. The tourist hotels observed by a researcher providing conference services in Arumeru District are Ngurdoto Mountain Lodge and Lake Duluti Serena lodge (Plate 4.3).

Plate 4.3 : Conference room .Source: Field survey, 2015

4.3.5 Entertainment and recreational services

In tourist hotels in Arumeru District entertainments and recreational services are provided. Entertainments and recreational services provided include swimming pools, gym and bird watching. These services are intended to recreate and entertain guests so as to make them comfortable and enjoyable. Also there are acrobatic shows which resemble different traditional dances as well as *khanga* part.

4.3.6 Accommodation services

In Arumeru District the tourist hotels are also providing accommodation service for the tourists arriving in Kilimanjaro International Airport (KIA) as well as from other parties. However, these accommodation services differ from one hotel to another according to the size and grade of the hotel. Plate 4.4 shows one of the double rooms as the part and parcel in accommodation services.

Plate 4.4 : **Guest double room.** Source: **Field survey, 2015**

4.3.7 Laundry service

The tourist hotels also provide laundry services. The laundry department provides dry cleaning services, valet services, washing and sorting clothes according to color, type and level of soiling. Some hotels maintain their own laundry, while others rely on commercial operators.

4.4 Impacts of Good Customers' Services to Tourist Hotels

In order to understand the impacts of good customer services to tourist hotels in Arumeru District, a researcher asked the respondents to explain the impacts of good customers' services to tourist hotels. The findings in Table 4.4 presents comment from respondents towards impacts of good customer services to tourist hotels.

Table 4.4 : Impacts of Good Customers' Services to Tourist Hotels

Impacts	Responses	Percentages
Good performance of the hotel	24	67
Profit increased	19	53
Customer loyalty	16	44
Market share	20	56
Service quality	25	69
Hotel image	22	61
Customer turnover	29	81

Source: Field Survey, 2015

4.4.1 Good performance of the Hotel

The study revealed 67% of the respondents said that good customer services improve performance of hotel. During interview session with managers about the impacts of good customer services to tourist hotels in Arumeru District, managers came up with different comments about the impacts of good customer services to tourist hotels. The manager from hotel B said that *"good customer services lead to Good performance of the hotel"*.

4.4.2 Income and Profit increased

However, 53% of the respondent said that provision of good customer services to tourist hotels it increase the profits of the hotel. Tourist increase due to provision of good services and proper advertisement of hotels attractions. Also the manager from hotel D said that *"the provision of good customer services to tourist hotels attract many customers hence lead to increases amount of money each customer spends in the hotel"*.

4.4.3 Customer loyalty

The findings showed 44% of the respondents said that the provision of good customer services to tourist hotels leads to customer loyalty. Also the manager from hotel A said that *"provision of good customer services to the tourists lead to Customer loyalty"* The findings also comply to the study done by Youngmi (2002) (1989) who observed that in the long run, hotels that are successful in delivery and maintenance of superior value are able to build customer loyalty. In the line with Kotler and Armstrong (2006), loyalty is won through delivery of consistent superior customer service, it means providing them with services that are so good such that there is little chance of not meeting up to their expectations and requirements.

4.4.4 Market share

During the study 56% of the respondents said that provision of good customer services to tourist hotels lead to the market share as it generate positive word of mouth and decrease barriers to buying. The findings also comply to the study done by Abdullah *et al* (2012) satisfied customer, either foreign or local may lead to favorable words of mouth which have been proven as the best advertisement money can buy. The manager from hotel E said that *"provision of good customer services also reduces cost of marketing"*. The study done by Kangogo et al point out that with excellent customer satisfaction, customers are more likely to recommend such high services to their friends, relatives and colleagues and this will consequently make the hotel business thrive on credible and positive image.

4.4.5 Service quality

The study showed 69% of the respondents said that provision of good customer services lead to service quality to the tourist hotels. The study done by Dominici *et al* (2010) observed that in order to achieve customer satisfaction, it is important to recognize and to

anticipate customers' needs and to be able to satisfy them. During interview session with managers about the contributions of good customer services to tourist hotels in Arumeru District, the manager from hotel B said that "*excellent services quality by hoteliers' results in to better customer satisfaction and loyalty*".

4.4.6 Hotel image

The findings shows 61% of the respondents said that the provision of good customer services to the tourists raised the image of hotel globally. Also during interview session with hotel managers about the contributions of good customer services to tourist hotels in Arumeru District, the manager from hotel C said that "*good customer services leads to good image of the hotel*" .Another manager from hotel A said that "*a satisfied customer is the one whose expectations are met, and that the benefits from positive word of mouth is an important factor in the hotel industry because with excellent customer satisfaction, customers are more likely to recommend such high services to their friends, relatives and colleagues and this will consequently make the hotel business thrive on credible and positive image*".

4.4.7 Customer turnover

The finding of this study revealed that 81% of the respondents said that the provision of good customer services to the tourist hotels lead to customer turnover. Also the manager from hotel A said that "*provision of good customer service to the tourists goes through with good working environments hence lead to customer's turnover*". The study done by Schulz, (2012) conclude that retaining loyal customers is essential and a core factor in keeping the industry in shape and competitive enough to measure itself up to the changing trends of the industry

4.5   Challenges facing Tourist Hotels towards provision of Good Customer Services

During the data collection respondents were asked, what are the challenges facing tourist hotels in provision of good customer services in Arumeru District? The results in table 4.5 show the percentage of respondents and their comments towards challenges facing tourist hotels in provision of good customer services.

Table 4.5 :   Challenges Facing Tourist Hotels

Challenges	Responses	Percentages
Language barrier	27	75
Insufficient staff	18	50
Unqualified staff	17	47
Lack of working equipment	21	58
Poor communication system	24	67
Poor management(the hotel managers are not professional hoteliers)	22	61
Staff are paid low wage of salary and there is no motivations.	32	89

Source: Field Survey, 2015

4.5.1   Language Barrier

The result showed that 75% of the respondents said that language is the challenge towards provision of good customer services in tourist hotels. However during the study the researcher observed that, front office employees performed poorly in language proficiency than any other element in front office.

4.5.2 Insufficient Staff

The results showed 50% of the respondents said that shortage of staff is the challenge towards provision of good customer services in tourist hotels. Also the manager from hotel E said that *"the shortage in human resources has also resulted in the drop of good customer services to the hotel industry."*

4.5.3 Unqualified Staff

During the study 47% of the respondents said that unqualified staff is the challenge towards provision of good customer service. The findings are in line with Ngirwa (2006) who established that most African work organizations do not have staff training policies at their disposal. Similar results were observed by Jacobs (2003) who states that, it is difficult for trainees to understand the way the department works without proper training programmes being set up in place.

4.5.4 Lack of working equipment

The findings showed 58% of the respondents said that lack of working equipment is the challenge towards provision of good customer services. The manager from hotel E said that *"one of the challenges facing tourists hotel is lack of working equipment especially laundry machines and kitchen equipments"*

4.5.5 Poor management

The findings showed 61% of the respondents said that poor management of the hotel is the challenge towards provision of good customer services in tourist's hotels. The researcher observed that, in all researched hotels, employees were not satisfied with performance of the hotels management. This could be the reason for poor service delivery.

4.5.6   Low level of salary

The study revealed 89% of the respondents said that low wage of salary and absence of motivation among staff is also the challenge towards provision of good customer services. Similar results were observed by Mbisse (2012) who indicated that well compensated employees create a sense of ownership in the organization and encourage employees" loyalty.

4.5.7   Poor communication system

The results showed 67% of the respondents said that poor communication system in tourist hotels is the challenge towards provision of good customer services in tourist's hotels. Also during observation, the researcher observed that Communication system from managerial level to the lower level of staff was not good .The study done by Hartog and Verburg (2002) indicated that communication with emphasize in the norms and values is related to service quality in an organization.

4.6   Measures to Address Challenges Facing Tourist Hotels in delivering Customer Services.

This part evaluates measures used in preventing challenges facing tourist hotels and improves hotels' customer services. The following are some of the valuable suggestions that the respondents presented to enhance customer satisfaction. Table 4.6 presented the responses and percentage of respondents and their comments towards measures to address challenges facing tourist hotels in Arumeru District.

Table 4.6 : Measures to address Challenges Facing Tourist Hotels

Measures	Responses	Percentages
Training of staff	28	78
Employ enough staff	21	58
Recruitment of the qualified staff	18	50
To ensure the hotel has enough working equipments	20	56
To maintain good communication system	26	72
Hotel owners to employ qualified hotel managers	23	64
Management of the hotel to increase salary scales	28	78

Source: Field Survey, 2015

4.6.1 Training of staff

About 78% of the respondents said that training of the staff is one of the measures to address challenges facing tourist hotels. The findings also comply with the study done by Mbisse (20012) who observed that Training plays a major role in correcting mistakes which occur on the course delivering the service to the guest. Management need to know that the aspect of training is managerial practices which need to be exercise daily.

4.6.2 Employ enough staff

During the study 58% of the respondents said that to employ enough staff is another measure for the challenges facing tourist hotels. The manager from hotel D said that *"one of the measures to address challenges facing tourist hotels towards provision of good*

customer service is to employ enough staff so as to meet customer expectations and on time"

4.6.3 Recruitment of the qualified staff

The results showed 50% of the respondents said that recruiting qualified staff is also measures to address the challenge facing tourist's hotels towards provision of good customer services. The study done by Provis et al.(2003) confirmed that the method used in selection of employees to fill the vacancy that arises in the organization has impacts in service quality to the hotel guests.

4.6.4 To ensure the hotel has enough working equipments

The findings showed 56% of the respondents said that to ensure the hotel has enough working equipments is another measure to address the challenges. During the study the researcher observed that in order to address challenges facing tourist hotels towards provision of good customer service, the hotel owners should put enough working equipments in each department.

4.6.5 To maintain good communication system

The findings revealed that 72% of the respondents commented that to maintain good communication system in the tourist hotels is the measure to address the challenge facing tourist's hotels. Kangogo *et al*. (2013) conclude that, to realize effective customer satisfaction, the hotel industry must constantly gather more information on how to improve their services by providing communication channels for the customers to convey their complaints easily.

4.6.6 Hotel owners to employ qualified hotel managers

The findings showed 64% of the respondents said that a hotel owner to employ the managers who has good knowledge of the tourist hotel is the measure to address the challenge. Also during the study the researcher observed that in order to address challenges facing tourist hotels in delivering customer services, the owner of the tourist hotels should employ qualified hotel managers

4.6.7 Management of the hotel should increase salary scales

The result showed 78% of the respondents said that Management of the hotel should improve the salary scales of the employees. This is the measure to address challenges facing tourist hotels towards provision of good customer services. Similar results were observed by Mbisse (2012) who states that, Understanding what motivate employees to deliver the service quality like reasonable package of salary aimed identifying factors that manager should focus in ensuring that employees deliver service quality willingly. The awareness of factors that motivate employees in deliver service quality assists manager in making decision when planning the service quality improvement.

4.7   Discussion of the Findings

4.7.1   Challenges facing tourist hotels towards provision of customer services

The findings of the study in table 4.5 showed that the major challenges facing tourist hotels towards provisional of good customer services in Arumeru District. The findings are in line with Ngirwa (2006) who established that most African work organizations do not have staff training policies at their disposal. The findings also comply with the study done by Mbisse (2012) and conclude that the industry faced poor language proficiency, communication skills and lack of qualified employees to provide services that met international standards. While the industry practitioners trust a person with experience in

performing a certain task; it is important also to accept that, professional qualification form a basis for building professional attitude of the hotel employees, which is very crucial in provision of service quality (Zeithaml *et al.,* 2006). Also Multilevel model in this study explained that,the way tourists' hotels solving the problem existing in services provision, helps these hotels in provision of quality customer services.

4.7.2   Measures to address challenges facing tourist hotels in delivering customer services

However during this study, the findings in table 4.6 showed that training for the staff, recruiting qualified staff, employing enough staff as well as ensuring the hotel has enough working equipment was the measure towards challenges facing tourist hotels in Arumeru District. Similar results were observed by Yang (2006) who states that, Service organizations therefore need to adopt critical quality practices and an outstanding quality-management system-not only to delight customers and to increase customer loyalty, but also to pursue excellence in business performance. In addition, services are more labour intensive and employee behaviour and performance are the key factors in the provision of good customer service. Training of the employees on customer satisfaction, and rewarding and promotion programs for the successful employees would motivate employees in delivering quality service.

4.7.3   Impacts of good customers' services to tourist hotels

The results in table 4.4 showed that employee's turnover, Service quality, Good performance of the hotel; customer loyalty, market share, and Customer turnover are the contribution of good customer services to tourist hotels in Arumeru District. The findings are in line with Kandampully (1998) who states that, that delivering superior service quality enhances productivity, reduces costs, increases customer loyalty, improves market

share, and brings other general benefits to a service organization. Customer satisfaction plays a role of mediator in perceived value of hotel and behavioral intention (Kim *et al.* 2008) Therefore management and staff should respond to the expectations of the customer and maintaining good standards of service in order to satisfy the customers. Customer expectations vary from one to another.

CHAPTER FIVE

5.0 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1   Introduction

This chapter presents the summary, conclusion and recommendations. The conclusions and recommendations are based on the findings and have been carefully analyzed to guide policy makers, tourist hotels owner, managers and stakeholders in the tourism industry in Tanzania on how to provide good customer services in tourist hotels so as to meet the customer expectations. The summary summarize the whole work from the title, study problem, objectives, significance of the study, literature review, research methodology as well as findings of the study per specific objective.

5.2   Summary

The general objective of this study was to investigate challenges facing tourist hotels in provision of good customer services in Arumeru District, Arusha region. Customers have complained that, services offered in tourist hotels do not meet their requirement .Specifically, the study sought to address the following specific objectives, that is, to examine contributions of good customer's services to tourist hotels, to determine challenges facing tourist hotels in provision of good customer services and to identify and evaluate measures for preventing challenges and improve hotels' Customer services.

 In this study the researcher faced different limitations as follows: The nature of work in the hotel industry where employees are working on shift basis was limitation to this study; this was because respondents could not be reached at the same time in the researched hotels. Also the hotel operators in Arumeru District are not supportive of academic research. A number of managers were over-protective of any information that the

researcher tried to obtain from their guests. In order to deal with limitations of the study, the researcher used the respondents who were in day shift to overcome the problem of respondents with different schedules of day and night. Also the researcher forced to use tour operators collecting their guest's information as per questionnaires after check out from their hotels.

Literature review covered the theoretical and empirical findings related to the study. The study design was a descriptive research design whereby both qualitative and quantitative studies were used. Population considered in this study involved tourists accommodated in tourist hotels in Arumeru District and hotel employees together with managers. The sample size included 30 tourists, 36 hotel employees and 5 hotel managers which make total of 71 as the number of respondents. Purposive and simple randomly sampling methods were used. The data collection instruments were questionnaires, interview, direct observation and document review. Quantitative Data were analyzed by using Statistics Packages for Social Science (SPSS version 16.0) and Microsoft excel whereby content analysis was used to analyze qualitative data.

The study reveal that the impacts of good customer services to tourist hotels in Arumeru District are good performance of the hotel, profit increased, customer turnover, market share, service quality as well as employee turnover. The challenges facing tourist hotels in Arumeru District are poor communication system, unqualified staffs, Language barrier, lack of working equipment, poor management and low wage of salary. Also the study reveal that training for the staff, recruiting qualified staff, employing enough staff as well as ensuring the hotel has enough working equipment was the measure towards challenges facing tourist hotels in Arumeru District.

Also the research finding from this study, shows that the provision of good customer service have great impacts on the hotels bottom line in myriad ways. The hotel industry being a customer driven sector must positioned itself at the heart of every operation so that their customer needs and requirements act as a guide in the hotels decisions, policies and strategies. Good customer service possibly affects purchases intentions, customer's retentions, referrals and reception. It is a strong predictor of future business performance for the global hotel sector that is seen to be on an upward growth trend though with great challenges.

5.3   Conclusion

The purpose of this study was to find out challenges facing tourist hotels in provision of good customer services in Arumeru district, Arusha region. The tourist hotels in Arumeru District were facing many challenges while providing customer services. To achieve customer satisfaction, it requires hotels to constantly listen, understand and be creative to the evolving needs and expectations of its customers. To provide good customer services, the tourists hotel must positioned itself at the heart of every operation so that their customer needs and requirements act as a guide in the hotels decisions, policies and strategies. Several suggestions were identified that, for the tourist hotels in Arumeru District to attain better customer satisfaction. The suggestions includes, making follow ups on the services offered as the way to overcome some of the negative issues raised as well as additional of extra services to meet customer expectations. Also by providing training for the staff, recruiting qualified staff, employing enough staff as well as ensuring the hotel has enough working equipment was the measure towards challenges facing tourist hotels in Arumeru District.

The findings indicated that, the challenging facing tourist hotels during provision of good customer services are poor communication system, unqualified staffs, Language barrier, lack of working equipment, poor management and low wage of salary. This means that employees were repeating the same mistakes due to poor communication system and hence hotels failed to meet guest's requirement into service specifications.

The study conclude that the reasons for poor services offered in tourist hotels are unqualified staff, poor management, poor communication system, insufficient of staff and lack of working equipment. Good customer service is greatly depended on the quality of service provided. In this regard, hotel enterprises should accept employees as internal customers. In order to develop the skills and the qualifications of the employees, a regular training program should be designed in the hotels. Similarly, employee involvement into the decision-making processes and empowerment would create loyalty and motivation among the employees. The study reveals that some of tourist hotels are not capable of directing employees towards good customer service delivery due to lack of professionalism in their management. Also the hotels are focusing on making profit by cutting cost and neglecting standard of service. These are the reasons for poor services offered in tourist hotels.

However the study came up with the suggestions that in the hotels there should be personalized services whereby different cuisines should be established so as to meet the requirement of different groups of clients. This should be arranged in a weekly basis or cycle menu so as to cater the demand of different customers. A cycle menu is a series of menu that are offered in rotation, covering a given length of time like one, two, or three week(s).These cuisines are like Indian cuisine, Chinese cuisine, African cuisine, Italian

cuisine and Ethiopian cuisine. This will help to meet customer satisfactions for both local and international tourists.

5.4   Recommendations

Based on the results, findings and conclusions, the following are the recommendations.

5.4.1   Recommendation for Practice

- The study recommends that proper implementation of management practices is very important as it plays a great role in maintaining the good standard of services offered to the tourist.

- The study revealed that 50% of the respondents had ordinary secondary education and 30.6% had collage certificate in professional qualification. In addition, the study revealed that about 16.7% of respondents were standard seven educations with experience but no professional qualifications.The owners of the tourist hotels and managers should provide training for staff to develop their skills.

- The study recommended that some appropriate hotel strategies that may enhance customer satisfaction should be established.These are recruiting qualified staff, increase salary scales, maintain good communication system as well as ensuring the hotel has enough working equipment. Good communication system will help management to make follow up during and even before service delivery. Making follow ups on the services offered is the way to overcome some of the negative issues raised and will significantly contribute to improvements in increasing customer satisfaction.

5.4.2   Recommendation for Policy

- The government of Tanzania through the Ministry of Natural Resources and Tourism should put emphasize on qualifications needed for tourist hotel staffs from managerial level to other employees' level so as to produce good staffs.

- The findings of the study reveal that unqualified staff are the reason for the challenges facing tourist hotels in Arumeru District towards provission of good customer services.Thus, the study recommends the hotel schools and colleges to put efforts on ensuring that skills required to work in the hotel industry are well addressed.

- Also the Tanzania government under Ministry of Natural Resources and Tourism should gazette the classification of hotels in order to maintain quality standards. This is because levels of services offered in tourist hotels are also depend on the grade of the hotel.

5.4.3 Recommendations for further research

Another study should be conducted in other areas such as Zanzibar and Dar es Salaam for comparison purposes. The study will provide more evidence on how to improve customer services in tourist hotels.

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APPENDICES

Appendix 1: Research clearance latter.

THE OPEN UNIVERSITY OF TANZANIA

DIRECTORATE OF RESEARCH, PUBLICATIONS AND POSTGRADUATE STUDIES

To Whom It May Concern

14th August, 2015

RE: RESEARCH CLEARANCE

This is to certify that **MR. SIKOYO, SARIKIAELY** has been granted permission to conduct research on "**Challenges facing tourist hotels towards provision of good customer**

services: The case study of tourist hotels in Arumeru District, Arusha Region". This permission allows him to conduct research in Arumeru District Arusha Region in connection with his research. This is in accordance with the Government circular letter Ref. No. MPEC/R/10/1 dated 4th July, 1980; the Vice Chancellor was empowered to issue research clearance to the staff and students of the University on behalf of the Government and the Tanzania Commission for Science and Technology, a successor organization to UTAFITI.

This permission is granted for the period between 15th **August** to **14th October, 2015.**

We thank you in advance for your cooperation and facilitation of this research activity.

Yours sincerely,

Prof. Hossea Rwegoshora

For: VICE CHANCELLOR

THE OPEN UNIVERSITY OF TANZANIA

P.O. Box 23409

Dar es Salaam, Tanzania

Appendix 2: Questionnaires for the customers

INTRODUCTION

My name is **Sikoyo Sarikiaely** a student from the Open University of Tanzania conducting a study on the **challenges facing tourist hotels towards provision of good customer services in Arumeru District, Arusha-Tanzania.** You are kindly requested to fill in as much information as you can. The information you will provide is strictly confidential and your participation in this study is voluntary.

a. QUESTIONS WITH REGARD TO SERVICE PROVISION BY THE HOTEL

1. Please, indicate your age by a TICK (√) in box given below

   15-24 ☐

   25-34 ☐

   35-44 ☐

   45-54 ☐

   55-64 ☐

   65+ ☐

2. Please, indicate your sex by a TICK (√) in box given below

   Male ☐   Female ☐

3. Please, indicate your marital status by a TICK (√) in box given below

   Single ☐   Married ☐ , Divorced ☐

4. Where are you coming from _____

5. Where did you hear about this hotel?

…………………………………………………………………………………………

6. Is this your first visit to this hotel? (Mark the appropriate answer)

……………………………………………………………………………………………

7. How many nights have/are you planning to stay at this hotel?

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8. What were the main reasons for your visit to this hotel?

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……………………………………………………………………………………………

9. Below are listed some statements which refer to visitors the general image of the hotel

staff. For each of the hotel service element, please tick how you find the service

Hotel service element	Visitors ranking of the service element		
	Excellent	Good	Poor
The staffs in this hotel are friendly towards the guests.			
The staff in this hotel always put their guests first.			
Staff can be trusted.			

10. Below is the list of elements that you that you might have experienced while staying with the hotel. For each of the hotel service element, please tick how you find the service

Hotel service element	Visitors ranking of the element		
	Excellent	**Good**	**Poor**
Clean and tidy hotel (reception area, restaurant etc.)			
Clean and tidy rooms			
Catering offer			
Information is accessible.			
Information is clear and accurate.			
Information is reliable.			
Additional activities offered by the hotel (sports facilities, entertainment etc.)			
Additional activities offered in the local area (possibilities for excursions etc.)			
The price of B&B/half board/full board in this hotel is reasonable			
The prices of additional activities offered at this hotel (i.e. prices of food and drink, prices of souvenirs, prices of handcrafted products, prices of excursions, prices of beauty and relaxing programs) are favourable.			
Overall, staying at this hotel has been very valuable to me.			
It gives me sense of joy that I have decided to come to			

this hotel.			
I am delighted about this hotel.			
Visiting this hotel exceeded my expectations.			
If I had to decide, I would choose this hotel again.			
I will recommend this hotel to my friends and relatives and I will return to this hotel			

11. With regards to the challenges faced from the time of your arrival to departure, how would you recommend the hotel to improve its customer service?

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Thank you for your cooperation

Appendix 3: Questionnaires for the staff

INTRODUCTION

My name is **Sikoyo Sarikiaely** a student from the Open University of Tanzania conducting a study on the **challenges facing tourist hotels towards provision of good customer services in Arumeru District, Arusha-Tanzania**. You are kindly requested to fill in as much information as you can. The information you provide is strictly confidential and your participation in this study is voluntary.

a. **QUESTIONS WITH REGARD TO HOTEL SERVICE PROVISION TO CUSTOMERS**

1. Please, indicate your age by a TICK (√) in box given below

   18-24 ☐

   25-34 ☐

   35-44 ☐

   45-54 ☐

   55-64 ☐

   65+ ☐

2. Please, indicate your sex by a TICK (√) in box given below

   Male ☐   Female ☐

3. Please, indicate your education level by a TICK (√) in box given below

   Primary education ☐   secondary education ☐

   College education ☐   University education ☐

4. Please, indicate your marital status by a TICK (√) in box given below

Single ☐   Married ☐   Divorced ☐

5. What is your job title and in which section do you work?

Job Title _____ Section _____

6. For how long have you worked with this hotel? TICK (√) in box given below

1-5   ☐

6-10   ☐

11-15   ☐

1 6+   ☐

7. How does the hotel benefit from the good customer service that you offer to the customer?

....

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8. How would you rate your own performance with regard to customers' service provision?

- Excellent

- Good

- Poor

9. Please give reasons for your response

…………………………………………………78………………………………………………………

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10. What are the main challenges that you face with regard to service provision to

customers?

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11. In order to overcome the challenges you have faced while providing customer services

,What are your recommendations to the hotel management?

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………………………………………………………………………………………………

Thank you for your cooperation

Appendix 4: Interview guide for hotel managers

a. **INTRODUCTION**

My name is **Sikoyo Sarikiaely** a student from the Open University of Tanzania conducting a study on the **challenges facing tourist hotels towards provision of good customer services in Arumeru District, Arusha-Tanzania**. You are kindly requested to fill in as much information as you can. The information you provide is strictly confidential and your participation in this study is voluntary.

1. Do you agree that employee performance of affect provision of customer services?

2. How does the hotel benefit from the good customer service that you offer to the customer?

3. How does the hotel ensure service quality delivery by their staff to the tourists?

4. What are the major complains tourist raise about the services delivered by Hotel staff?

5. What are challenges facing tourist hotels in delivering customer services?

6. What are mitigations used to overcome challenges facing tourist hotels in delivering Customer services?

7. What would be your long term recommendation in the improvement of customer service in the hotel?

8. What kind of services do you offer in your hotel?

9. Who is your the customers?

10. How the management ensure that the level of services offered in the tourist hotels satisfying the customers.

Thank you for your cooperation

Appendix 5: **Observation check list.**

This guide is for helping the researcher to observe how service provided while visiting the

tourist hotels in Arumeru District.

Important issues to observe:

1. Types of services offered in tourist hotels.

2. Equipment used in tourist hotels

3. Number of service providers (employees)

4. How services offered to the tourists.

5. The way guest complaints handled.

6. The level of communication used between service providers and tourists.

7. How management of the hotel ensures and maintains provision of good customer

service.

8. Communication system from managerial level to the lower level.