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FOREWORD

Dear Authors and Esteemed Readers

It is with deep satisfaction that I write this Foreword to the Proceedings of the 2nd International Conference on the Future of Tourism (ICFT) held in Arusha, Tanzania, April 16 - 17, 2019.

ICFT continues a tradition of bringing together researchers, academics and professionals from all over the world, experts in tourism and hospitality. The conference particularly encouraged the interaction of research students and developing academics with the more established academic community in an informal setting to present and to discuss new and current work. Their contributions helped to make the Conference as outstanding as it has been. The papers contributed the most recent scientific knowledge known in the field of Sustainability of Tourism; Domestic Tourism and SMEs Development; Tourism and Economic Development; Culture and Tourism; Innovation in Tourism; Customer Care in Tourism; Methods of Measuring Tourism; and National Tourism Policy.

In addition to the contributed papers, two invited keynote presentations were given: by Mr. Richald Rugimbana, the Executive Secretary of Tourism Confederation of Tanzania who spoke about the Issues for future tourism development with special focus of Tanzania; and Prof. Zororo Muranda, Pro-Vice Chancellor, Chinhoyi University of Technology in Zimbabwe who gave presentation on the Future of tourism: Tourism of the future.

The Conference was preceded by a tailor made training in *e-Tourism and Management of World Heritage sites*. The facilitators of training were: Prof. George Oreku, a professor of ICT from the Open University of Tanzania and Mr. Erick Kajiru, an expert of Management of UNESCO World Sites from the UNESCO Commission in Tanzania.

These Proceedings will furnish the scientists of the world with an excellent reference book. I trust also that this will be an impetus to stimulate further study and research in all these areas.

We thank all authors and participants for their contributions.

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ASSESSMENT OF THE SERVICES PROVIDED BY SMALL AND MEDIUM SIZED HOTELS IN KINONDONI DISTRICT, DAR ES SALAAM REGION

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Abstract

The aim of this paper was to assess services provided by small and medium sized hotels in Kinondoni District in Dar es Salaam Region. The study used questionnaires, focus group discussion, in-depth interview, direct observation and documentary literature review in data collection. The data was collected from 90 respondents from 10 small and medium sized hotels. The study involved 10 hotel operators, 30 employees and 50 local and international guests. The study found that small and medium sized hotels are facing a lot of challenges such as lack of trainee staff, lack of staff motivation, lack of accuracy and access to information, lack of excursion and security. Other challenges are lack of enough facilities, lack of job security, and lack of financial support, poor technology and poor marketing strategies. The study suggests several measures to address challenges facing small and medium sized hotels such as; the government should take measure of insisting learning and education to stimulate business management marketing strategy. The hotel operators should carry regular trainings to their staff. Furthermore, there should be employee's motivation, job, excursion and enough facilities. The government should provide conducive working environment for the small and medium sized hotels to operate.

Keywords: Hotel, Kinondoni Municipality, Operators, Small and medium size hotel, Service

Introduction

Small and medium size hotels offer various services such as catering, accommodation, attraction activities and transportation (Mbise, 2009). Many people depends on the services provided by these hotels especially internal and international guests. Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited (UNWTO, 2011).

Tourism has a vital role in Tanzania's economic development. Currently, tourism is number one foreign currency earner among all sectors of the economy. Five years ago, the mineral sector was the main foreign exchange earner, but it was progressively superseded by tourism. In 2014 alone tourism generated around USD 2 billion which constitutes 25% of all the forex that came to Tanzania (<https://www.tanzaniainvest.com/tourism>). The industry is still underexploited and poorly linked to other sectors in the economy despite its potentiality to the economy.

The hotels ought to provide the best customer services to sustain tourism. This industry plays an important role in maximizing revenue and reduces unemployment. Basically, service failure in small and medium hotels may occur in different stages like reception, ordering, consumption, and checkout-which suggests how commonplace service failure could be in public settings, as these settings are inherently people driven with high customer-employee interactions (Namkung & Jang, 2010). This suggests that, different recovery efforts may have different impacts on customers (Silber et al., 2009). Service failure ruins the tourism industry.

Bad communication is an aspect of service failure. Lack of communication between employees, and between employees and customers could stagnant the business. Employees should be trained to acquire good communication skills. Appropriate lines of communication should be established between employees and management (Cranage, 2004:212). Hotel Managers should examine the physical environment and facilities in which services are delivered. The service offered should meet the needs and demands of guests whose turnover is the measure of service satisfaction. The quality services assure guests with healthy destination. This study assessed services provided by small and medium sized hotels in Kinondoni District and came up with the possible solutions for revealed challenges.

Dar es Salaam leads in accommodation facility investments, mostly big hotels of international standards like Serena Hotel, Southern Sun, Peacock Hotel, and Sea Cliff Hotel (Apolinari Tairo, 2012). These hotels contribute significantly to Tanzania's economic development. Destination image is crucial for tourism development. For any travel situation, consumers are spoilt by choice of available destinations. The images held of destination play a critical role in purchase decisions. Destination image therefore plays a major role in the competitiveness of travel destinations (Pike, Steven 2016). The prosperity of the industry depends on hotels quality services. However, studies on the services offered by the hotels show the magnitude of the problems is still high, hence, the need for more studies.

Literature Review

Definition of concepts

(i) Tourism and Tourist

Tourism refers to “traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes” (UNWTO, 2010). A tourist is a person who travels away from their normal residential region for a temporary period of at least one night, to the extent that their behaviour involves a search for leisure experiences from interactions with features or characteristics of places he chooses to visit” (Leiper, 2004).

(ii). Hotel

According to Mackenzie and Chan, (2009) a hotel is 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.

(iii) Small and medium sized hotels

According to Ingram et al, (2000) a small hotel can be defined as one having up to 50 rooms, a medium-sized hotel can be defined as one having 51–100 rooms and a large hotel is one having over 100 rooms. Small hotels are hotels which encompass full-service properties, apartment hotels as well as ecologies and other niche accommodations with 4 to 25 rooms while medium hotels are with 26 to 99 rooms (Clayton et al. 2012 & Ramsey, 2015).

(iv) Customer service

A customer service is the commitment to providing added services to external and internal customers, including attitude knowledge, technical support and quality of service in timely manner (Macha and Tonya, 2010).

(v) Customer satisfaction

The most comprehensive definition of satisfaction has been offered by Kotler and Keller who define satisfaction as “person’s feeling of pleasure or disappointment which resulted from comparing a product’s perceived performance or outcome against his/ her expectations” (Kotler & Keller, 2006).

Customer satisfaction has been treated as one of the most important factors for all company and firms that provide products or services. It is all company’s goal to achieve customer satisfaction and through that the company will gain competitive advantages to stay survival. In addition Marketers consider satisfying customers as a key element of business activities especially in competitive market (Anderson, 2005).

About the definition of customer satisfaction there are a lot of idea as well as theories. In 1997 Oliver had stated that customer satisfaction is the consumer’s fulfillment response. It is a judgment that a production or service feature,

or the product or service itself, provide a pleasurable level of consumption related to fulfillment. There are 2 level of fulfillment, under or over-fulfillment. While Oliver stated that customer satisfaction is about fulfillment, in contrast, Kotler (2000) defined customer satisfaction as: "A person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance in relation to his/ her expectations". According to that, some researcher stated that: there are 3 stages of satisfaction, customer feel satisfied when the product performance better than expectation of customer, and they fell disappointed when product performance lower than expectation, they feel neutral when the performance meet the expectation.

Theoretical Literature Review

The study employed the Power-Dependency Theory to assess services provided by the small and medium sized hotels in Kinondoni District in Dar es Salaam. The theory is suitable for the study as it is directly related to the theme of the study. As for the Power-Dependency Theory, both dependency and power are crucial in appreciating the relationship that exists between buyer and seller. Quality delivery and consistency as well as reduction of cost will be brought by a good and durable relation between supplier and buyer (Caniels and Gelderman, 2007). In essence, the powerful firm opts to share the control of the firm with a less powerful firm so as to cultivate a democratic relationship. Thus, power determines cooperation and coordination amongst them.

This study looked upon the relationship between the small and medium size hotels so as to assess the service they provide as well as what challenging them in providing quality service. The theory fits in this study as it is essential to examine Power-Dependency Relationships between small and medium sized hotels as to a large extent helps to recognize the challenges.

Buyer's dependence on a supplier is a potential supplier power source and that the primary outcome of relative dependence is relative power. They conclude that the relative power of a party is the result of the net dependency on the other party (Caniëls & Gelderman, 2007).

Empirical Literature Review

Different authors have conducted studies concerning hotel industry. Milohnic and Ceroviczdenko (2007) conducted studies about benchmarking and quality of small hotels in Croatia. They explored the co-dependency of benchmarking and quality based on numerous interviews of 60 managers of small hotel in Croatia. Findings show that management of small hotels rarely applies the comparison of business success regarding domestic and foreign competitors, therefore fails to understand that this is a way to improve one's businesses.

Rose and Patricia (2013) studied the entrepreneurial challenges facing the hospitality industry in Kericho, Kenya using a triangulation of both descriptive and exploratory design that involved 30 hotels employees as well as 20 supervisor and 10 managers/owners was used. A self-reporting structured questionnaire was used, the findings show that small hotel sector face shortage of competent manpower, financial constraints, high competition and problems with suppliers.

A descriptive study have also shown that operating micro economy in Tanzania's small hotels may not be at their optimum levels due to scale and location effects, and an inefficient use of labor input. A descriptive analysis of evidence from Tanzania highlighted factors that possibly lead to market failure for small hotel financing. The study showed that availability of finance remains an obstacle to small hotel businesses in sub-Sahara region (Sharma & Upneja, 2005).

In Tanzania small businesses are important source of economic and link to entrepreneurial activity, innovation, and job creation (Sharma, 2006). Tarimo (2007) examined the effect of cooperate social responsibility in the hotel industry in Arusha. Findings revealed that property rights, traditional and shared expectations might affect level of corporate social responsibility performance.

Binkowsk (2005) conducted a study on the effect of hotel's image towards customer loyalty. He used the combination of methodology that was documentary analysis, observation and questionnaire to group leaders. Research findings were; Image and loyalty were closely interrelated as positive image affect customer's loyalty.

Riman (2008) conducted the study on revenue management within Swedish hotels. The methodology used was both descriptive quantitative and qualitative. Results showed that there was misperception that revenue management was the same as simply offering discounted room prices.

Empirical Review

Various studies have been conducted concerning the issue of services provided by small and medium sized hotels. Milohnic and Ceroviczdenko (2007) conducted studies about benchmarking and quality of small hotels in Croatia. They explored the co-dependency of benchmarking and quality based on numerous interviews of 60 managers of small hotel in Croatia. Findings show that management of small hotels rarely applies the comparison of business success regarding domestic and foreign competitors, and so fails to understand that this is a way to improve one's businesses.

The study by Mbise, (2012) pointed out that, designing the service quality package poses a big challenge to the hotel managers; the study further stated

that, guest requirements is the most important aspect in meeting service quality, hence guest satisfaction.

The study by Molohnic and Crzinic, (2010) showed that the management of small hotels rarely applies the comparison of business success regarding domestic and foreign competitors, and therefore fail to understand that this is the way to improve one's business. There is a direct link between service quality and business (Zenithal, 2000). The link is perceived to be either through marketing by attracting new customers or defensive marketing by retaining the existing customer base leading to an increasing popularity of quality improvement programs and quality service becoming a strategic issue in services.

A descriptive study showed that operating micro-economy in Tanzania's small hotels may not be at their optimum levels due to scale and location effects and inefficient use of labor input. A descriptive analysis of evidence from Tanzania highlighted factors that are possibly leading to market failure for small hotel financing. The study also showed that availability of finance remains an obstacle for small hotel businesses in sub-Saharan region (Sharma and Upneja, 2005).

The study by Hill and Stewart, (2000) found out that hurdle that small firms faced especially in the developing countries including Tanzania is lack of carrier structure which did not guarantee promotion on training. Small firms have difficulties to progress and compete with larger firms whereby the employees have low motivation to perform.

The study by Sharma, (2006) showed that availability of financing remains a critical obstacle for small hotel businesses in sub-Saharan region. The study by Rose and Patricia, (2013) found that small hotel sector face shortage of competent manpower, financial constraints, high competition and problems with suppliers.

Tarimo, (2007) examined the effect of cooperate social responsibility in the hotel industry in Arusha. His findings revealed that property rights, local traditional and shared expectations might affect level of corporate social responsibility performance.

Challenges Facing Hotels

Lack of support and capital

Most hotels fail to access approved credit from various financial institutions, they lack enough budgets to run the business operations. They generate capital from other sources like stakeholders, friends and family members, the capital is not enough to expand the business. Hotel owners conduct business in renting premises, so cannot apply loan in financial institutions due to lack of title deed.

Poor Technology

This impedes hotels development. Some hotel managers fail to embrace current technology in assisting their business. Technology like E-marketing, use of credit cards, online booking and e-magazine. Application of technology would simplify business operations and maximize profit.

Poor market and marketing strategy

Some hotels do not consider marketing as an important strategy for expanding their business due to their lack of knowledge on marketing. They fail to channel their budget into marketing activities and operations. Some of the hotels use brochures, internet banner, social networking, and blog spot to advertise their business.

Low level of wages and salaries

Most small and medium sized hotels pay low wages and low salaries to their employees and that slow their morale to work and minimize the quality of service provided. Hotel owners prefer to take cheap labor so that they can pay low salary. This is the secret behind poor services delivery.

Poor training of staff

Hotel owners and managers do not train their staff thus their employees lack new skills and knowledge which could improve their performance. Some Hotel Managers consider staff training wastage of money and resources. They take for granted that; the staff have experience. (Ngirwa, 2006) Most African work organizations do not have staff training policies at their disposal.

Poor communication

This hinders provision of quality customer services. Most hotels lack good communication systems from managerial to the lower level. The upper level treats the lower level as mere subordinates; hence subordinates feel inferior and segregated. (Hartog & Verburg, 2002) Communication with emphasis on the norms and values is related to service quality in an organization.

The problem of language

Language is important in provision of quality service. Language barrier deters communication with customers. The employees must be well versed with Swahili, English and even other international languages in order to accommodate with both internal and international guests.

Policy Review

Tanzania introduced small and medium enterprise development policy which is under Ministry of Industry and Trade. The vision of the SME Development Policy is to have a vibrant and dynamic SME sector that ensures effective utilization of available resources to attain accelerated and sustainable growth. The objective of the National Vision 2025 is to transform the predominantly

agricultural economy to a semi-industrialized one. The SME sector has a significant role to contribute towards attaining this goal. It is on this basis that the Sustainable Industrial Development Policy identified specific strategies targeting at stimulating the SME sector to be able to play this crucial role (URT, 2012).

Small and medium enterprises faced challenges such as lack of entrepreneurship and business trainings, lack of enough information, poor technology, poor marketing, and limited access to finance, inadequate working premises as well as having low skills and knowledge to operate the business. Also, there is no umbrella association for SMEs. Likewise, the institutions and associations supporting SMEs are broken, weak and uncoordinated because of lack of clear guidance and policy for the development of the sector.

Certain measures are undertaken by the government to create conducive environment for small and medium enterprise development, the measures include implementing a program on Business Environment Strengthening for Tanzania- BEST, implementing a 'Competition Policy' review of tax regime, simplification of licensing procedures, maintaining microeconomic stability.

The hotels help in income generation, poverty alleviation and employment creation. The sector is estimated to generate about a third of GDP, employs about 20% of the Tanzanian labor force and has greatest potential for further employment generation. However, Tanzania has no specific policy focusing at the development of SME sector. The different policies have uncoordinated programs and interventions aimed at supporting the sector with limited impact. It has resulted in a number of gaps leading to inability to address the core constraints impeding the growth of the sector. This obstructs exploitation of the existing potentials for acceleration of SME development and limits its ability to exploit the exciting potential of SMEs to accelerate growth (URT, 2012).

Research Gap

The study by Livanga and Shitundu, (2003) on the role of tourism in poverty alleviation in Tanzania, suggested that if well managed tourism can help in poverty alleviation and improve the social, cultural and economic conditions of the people and Nation at large.

Livanga and Shitundu, (2003), dealt with the challenges facing small and medium sized hotels and showed that there are various challenges such as poor laundry services, environment changes, lack of infrastructure, and lack of trained staff, security and poor administration. The studies anticipated that, the quality of service would be improved if the number of tourist increase, however that is not the case as the actual outcomes suggests that service quality have relation with interaction of employees in the hotel, capacity and environment, employee understanding of customers to needs.

Adenso et al, (2002) did study on the service provided by hotels and advice that customers should be well handled and satisfied with the services they pay for. Firms should strive eliminate service failures as it risks services provided and the whole business environment (Yen et al. 2004). Still, the survival of the hotel depends on how best it satisfies customers in terms of quality and reliable services. There are still challenges facing the hotels in Kinondoni District in spite of the efforts made including formulating policies, regulations and several studies done,. This is the research gap the study is geared to fill.

Statement of the Problem

Poor service standards have been a concern to both the Government and other stakeholders including small hotels owners, tour operators and Tanzania development partners such as the European Union and the World Bank (URT, 2002). The hotels are very crucial to domestic and international guests as they offer various services such as porters' service, laundry service, and use of facility for furnishings and decorations, food and beverage, accommodation service as well as transport and communication.

Dar es Salaam leads in accommodation facility (Apolinary, 2013). Most hotels with national and international standards, including Serena, Nelly Inn, Southern Sun, Hyatt Kilimanjaro, Giraffe Ocean View, Peacock, Sea Cliff, Brunei executive resort, Protea hotel and apartments, Jangwani Sea breeze, Sea Scape and Green lodge hotels are in Dar es Salaam. Small and medium sized hotels have the potential to contribute significantly to Tanzania's economic development.

The hotels provide facilities for the transaction of business, meetings and conference, recreation and entertainment, foreign currency earner as well as providing outlets for the products of other industries such as furniture, food, and drinks. They buy products from farmers, fishermen, and utility services such as gas, electricity and water (Sharma, 2006).

Various studies have been conducted concerning the issue of services provided by small and medium sized hotels. Adenso et al. (2002) did study on the service provided by hotels and suggests that, customers desire to be handled as equal associates with civility and efficiency hence it is necessary for the firms to impress the customers by offering prices that worth the value of the services offered. Hotels need to go beyond customer satisfaction to ensure their happiness.

Yen et al., (2004) suggested that service failures can be understood by requesting guests to provide insight into the causes of problems as well as questioning employees who deal with customers, and simply through observing

service processes and challenges encounters. In order for tourism to prosper there must be good quality service from the hotels.

However, there are few studies on the services provided by the hotels and still the magnitude of the problems is heightening. Hence, the need of conducting more studies to supplement efforts of enhancing services provided by these hotels. This study assessed services provided by small and medium sized hotels in Kinondoni District in Dar es Salaam Region.

Objectives

- To identify services provided by small and medium sized hotels in Kinondoni District.
- To examine the quality of services provided in small and medium sized hotels in relation to customer satisfaction.
- To examine the customer perception on the quality of hotel services
- To examine challenges facing small and medium sized hotels in provision of quality services in Kinondoni District.

Methodology

The Study Area

The study was carried out in Kinondoni Municipality which is one amongst the five districts of Dar es Salaam Region. Kinondoni is a Municipality within the City of Dar es Salaam. The GN. No. 4, 2000 issued by the President's Office, Regional Administration and Local Government established the Kinondoni Municipal Council (KMC) as an autonomous body. The Municipality was selected as the area of this study due to the concentration of several small and medium sized hotels available in Kinondoni as mentioned earlier.

The Municipality is bordered by the Indian Ocean to the North East; Ilala District to the South; Ubungu District to the North. It is well linked by roads and other communication networks to the rest of the city and other parts of the country. It was selected as the area of this study because of its geographical location as the district is nearby JNIA. It receives many tourists from different parts of the world, easy access to information due to improved transport and communication and availability of tourists' infrastructure. It has distinctive urban characteristics with a modified type equatorial climate that makes it hot and humid throughout the year with an average temperature of 29°C. The hottest season is from October to March while May and August are relatively cool.

Research Design

The paper adopted descriptive research design which is concerned with describing the characteristics of a particular individual, or of a group. The intention was to measure characteristics described in research questions and represents efforts to provide a precise description of a particular situation or

phenomenon. For the purpose of the study, descriptive research design was suitable as it helped to get the wider picture of the employees, customers and stakeholders' opinions, challenges and suggestions on the services provided by the hotels with the aim of giving recommendations and solutions to lessen the problem. It enabled the researcher to report what was happening and what happened by collecting information for critical analysis, evaluation, interpretation, discussion, conclusion and recommendation of the material.

Target Population

The target population is the collection of subjects in which the sample is drawn (Kothari, 2009). The study involved both domestic and international guests who visited small and medium hotels, employees and managers of five small and five medium sized hotels in Kinondoni District.

Data Collection

Questionnaire

Questionnaires were distributed to the respondents by the researcher then collected after being filled. The respondents were left free to answer questions. The technique was used to the internal and international guests of the Hotel.

It was used to collect information concerning gender, level of education, marital status, age of the respondents, name of the hotel, attendance and caring of the staff to the guests, how do guests rate the services provided by the hotel, quality of the services provided by the hotel, the challenges behind provision of quality services to the guests, trainings of the employees, motivation of the employees, also if the employees have any channel to raise the complains to the management, employees facilities, employees work experience, services provided to the clients, and employees and the guests recommendations towards the services provided by the hotel.

Focus Group Discussions

A focus group is working well when participants begin to talk to one another and build on each other's comments rather than continually responding directly to the moderator (Kruger et al. 2000). Participants were engaged, and the focus group became a forum for their own discussion. The moderator stimulated discussion with comments or subjects. The data produced were the transcripts of the group discussions, the moderator's reflections and annotations.

It was used to collect information on facilities to host disabled guests, staff trainings, hotel equipment, convenience of services provided, marketing strategy, financial challenges, technology, employees and customers satisfaction, level of customers services, key hotel services, employees' motivation, measurements to observe the standards of the services offered to the customers

and challenges in quality services delivery to customers and ways to overcome the challenges.

In-depth Interview

This technique was used to collect information concerning the kind of services offered, measurements used to observe the standards of the services offered to your customers, challenges in delivering quality services, employees' motivation, type and number of customers, customers satisfaction, employees' satisfaction, employee's trainings and ways of minimizing challenges. In depth interviews were conducted to 10 Hotel Operators. In-depth interview is a qualitative research technique that involves conducting intensive individual interviews with respondents to explore their perspectives on a particular idea or situation (Boyce & Neale, 2006).

Direct Observation

Hotel bills and menu, cleanliness, food quality, customer caring, rooms' quality, security, the kitchen, transport and communication were observed through direct observation. The researcher prepared the list of things to observe so that she does not miss the information. An observation is a purposeful, systematic and selective way of watching and listening to an interaction of phenomena as they occur (Kumar, 2005).

Documentary Literature Review

The study employed Documentary Review to collecting secondary data to supplement the primary data. The researcher consulted various documents reliable for the betterment of the study and collected information from various sources like books, internet, repots and papers. The review helped in gathering information about the services provided by small and medium sized hotels. It helped to understand the past and present in order to predict the future situation.

Sampling

Sample Size and Sampling Procedure

The study employed random and non-random sampling techniques to identify the sample in order to achieve the expected results. The sample method involved taking a representative of the population and using the data collected to answer research questions. The researcher made sure that each sampled unit represented the characteristics of a known number of units in the population.

The study used probability sampling to select 5 small and medium sized hotels from the target population of 26 small sized hotels and 5 medium sized hotels from target population of 23 medium sized hotels. All small and medium sized hotels were written on the piece of paper and put in two different boxes. Two individuals were each to pick five pieces of paper from the boxes. Then, the researcher selected hotels for the study the picked papers.

Random sampling was used to get the sample of 30 employees out of 100 employees and 40 local and international guests out of 200. The formula used was: $f = n/sn$, Where f = frequency interval; N = the total number of the wider population; sn = the required number in the sample. The computation was: the sample of 30 employees needed out of 100 employees; $F = 100/30$ which is equal to 3.3 approximately 3 and that means the study collected information after every 3rd person. From 200 local and international guests the sample of 50 was needed, the computation was: $F = 200/50$ which equals to 4, a study had to collect information after every 4th Person.

There were 50 hotels with one operator each. The study used purposive sampling to get information from the 10 hotel managers. The researcher used purposive sampling that enabled her to use judgment to select samples that would best enable her to answer questions and meet objectives.

The researcher selected a sample on the basis of her own knowledge of the population, its elements, and the nature of her research aims. The researcher was able to select participants based on internal knowledge of the said characteristics. This method was useful because the researcher wanted to study a small subset of a larger population in which many members of the subset were easily identified but the enumeration of all was nearly impossible.

Sampling Frame and Sample Size

The sample size was 90 respondents from 10 small and medium hotels in Kinondoni ward. From the population of 26 small sized hotels the sample was 5 hotels, from the population of 23 medium sized hotels the sample was five hotels, from the population of 50 hotel operators the sample size was 10 hotel operators, from 100 employees the sample size was 30 employees and from 200 hundred internal and international guests the sample size was 50 internal and international guest. That made the number of hotels to be 10 small and medium sized hotels. Sample size is 30 employees, 10 hotel operators and 50 guests. The total sample size was 90 respondents.

Findings

Demographic Findings

Table 4.1 Gender of Respondents (Source: Field Data, 2017)		
Gender	Frequencies	Percentages
Female	55	61.1
Male	34	37.8
Total	90	100.0

Table 4.2 Level of education of the respondents (Source: Field data, 2017)			Table 4.3 Marital Status (Source: Field data, 2017)		
Level of education	Frequency	%	Marital category	Frequency	%
Non-formal education	4	4.4	Single	22	24.4
Primary education	9	10.0	Married	38	42.2
Secondary education	15	16.7	Widow	4	4.4
Collage education	45	50.0	Separated	21	23.3
University education	17	18.9	Divorced	5	5.6
Total	90	100	Total	90	100

Table 4.4 Age of the respondents (Source: Field data, 2017)			Table 4.5 Occupation of the respondents (Source: Field data, 2017)		
Age Category	Frequency	%	Position	Frequency	%
18-29	21	23.3	Hotel operator	12	13.3
30-39	15	16.7	Local guest	23	25.6
40-49	29	32.2	International guest	25	27.8
50-59	16	17.8	Receptionist	6	6.7
60+	8	8.9	Waiter/Waitress	8	8.9
Total	90	100	House keeper	5	5.6
			Cook	6	6.7
			Security	5	5.6
			Total	90	100

Employees responses	Frequency	%	Employees responses	Frequency	%
Attended training	13	43.3	Yes, staff are motivated	15.0	50.0
Have not attended training	17	56.7	Staff are not motivated	15.0	50.0
Total	30	33.3	Total.	30	100

Are facilities adequate (staff)	Frequency	%	Are facilities adequate (guests)	Frequency	%
Yes	13	43.3	Yes	23	46.0
No	17	56.7	No	25	50.0
Total	30	100	Total	50	100

Table 4.9 Respondents response on job security (Source: Field data, 2017)		
Do you have job security	Frequencies	Percentages
Yes	7	23.3
No	23	76.7
Total	30	100

Findings on Objectives 1&2

Table 4.10 Service provision in hotels (Source: Field data, 2017)			Table: 4.11 Response on excursion and security (Source: Field data, 2017)		
Services Status	Frequency	Percentage.	Response	Frequency	percentage
Good	18	36.0	Excellent	3	6
Poor	32	64.0	Good	15	30
			Poor	32	64
Total.	50	100	Total.	50	100

Table 4.12 Services offered by small and medium hotels (Source: Field data, 201)		
Services	Frequencies	Percentages
Food and beverage service	16	32.0
Business center facilities	7	14.0
Transfer facilities and day trip tour	8	16.0
Meeting and conference facilities	10	20.0
Entertainment and recreation	9	18.0
Total	50	100

Discussion of the Findings

Determinants of Customer Service

Providing customers Preferred services is a step towards customer satisfaction. A fairly easy way to determine customers' preferred services is simply to ask them (Su (2004). Determinants of customer services that lead to customer satisfaction are convenience of location, prompt service, safety and security, employee's friendliness as well as room quality and value.

Room cleanliness makes the customer feels comfortable and have the reason to come back again. A satisfied customer becomes the good ambassador wherever he or she goes. This helps to attract more customers. Convenience of location of the hotel makes it easier for the customers to reach the hotel and in that sense, it attracts more customers as it is easily reached.

Quick services impress and attracts more customers to the hotel. Customers dislike to waste time. Safety and security make the customer feels safe and secure that their belongings and staffs are in safe hands. Employees' friendliness makes customers feel at home and act as good ambassadors when leave the hotel. The room quality and value are important. Low quality rooms are unattractive to customers. Usually, hotels with high quality rooms and affordable prices attract more customers.

Factors Affecting Customer Service

Shortage of trained staff in the hotels hinders tourism development. Trained staffs are essential as they possess required knowledge and skills to deliver the quality customer service. The study indicates that the training level of the SMHEs at the managerial level is not satisfactory (Cevdet, 2003). This inhibits success in management and productive hotel operation.

Employees' anxiety of losing their jobs increases at the times of economic instability to the business. In this situation, job security becomes the most effective factors of job motivation as it eliminates employees' anxiety. Job security is encouraging employees' commitment. Job motivation and job security are both related to work. A higher level of job security corresponds to a higher level of job satisfaction beside a higher level of well-being (Sverke, et al, 2005). Research reveals that an employee's ability only partially determines his productivity. So, motivation is inevitable for improving job performance.

Lack of finance is a challenge for most hotels due to unbearable conditions for getting loans which could boost their activities and operations. The study in Ghana revealed that there are substantially increased banks' lending to the private sector but limited access to credit, high interest rates and prohibitive collateral requirements still inhibit the growth of many hotels. (USAID's DCA Ghana Impact Brief, 2009).

Conclusion and Recommendations

Conclusion

This paper attempted to explain challenges that the small and medium sized hotels face. It highlighted the importance of customer retention management in the hotel industry. Service failure management and service recovery are presented as integral parts of successful customer retention management in the industry. Based upon the literature alluded to in this paper, several customer retention activities relating to service failure management and recovery are presented. Service failure management activities to retain customers range from identifying possible service failure points before they occur to conducting interviews with guests when they leave the hotel. It has shown that customer retention activities involve putting programmes and strategies in place to win back guests who have experienced service failures, and making it easy for guests to complain.

Recommendations

Employees should professionally deal with guests when addressing service failure and put a service recovery process in place to win back guests who have experienced service failure.

Hotels that aim at surviving and prospering in the current environment need to focus on the retention of customers as an important part of their competitive strategy.

Employees with potentially good communication skills who might serve guests proactively should be identified, trained and maintained at all costs.

Training Programmes should be developed to provide employees with good communication skills that will enable guests to be served proactively.

The government should develop plans to support small and medium sized hotels by providing affordable conditions for taking loans, eliminating unnecessary taxes, providing good environment and infrastructures.

Hotel managers should retain employees who have the sense of humour and friendliness that makes customers feel at home and become good ambassadors when leave the hotel.

The hotel owners should consistently motivate employees so as to improve job performance.

Hotel personnel should cultivate the habit of offering quick services in order to impress and attracts more customers to the hotel

This study recommends for more studies on the aspect of challenges facing small hotels in other areas in the country as it may come up with different outcomes.

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