

Customers' Information: A Tool for Customers' Retention in Hotels, A Case Study of Presidential Hotel, Rumuola, Portharcourt, Rivers State

*Olawale-Olakunle, Olajumoke Elizabeth**

Department of Hospitality Technology, Rufus Giwa Polytechnic, Owo, Nigeria

Abstract

This research focused on customers' information, a tool for customers' retention, a case study of Presidential Hotel, Rumuola, Portharcourt, Rivers State. Specifically, the study helped to know how to win customers in other words to retain them and make them enjoy the various services being paid for and prefer such services to other competing hotels. The study made use of survey for its research design and a sample size of twenty (20) copies of questionnaires were distributed among the staff, nineteen (19) staff were randomly selected from sampled organization i.e. Presidential hotel, Rumuola, Portharcourt, Rivers State, based on the copies of the questionnaires retrieved from the staff. Questionnaires were structured and administered to the staffs which were used to generate data. Oral interview was also conducted to obtain salient information from the staff. Percentage and frequency were used to statistically analyze the data. It was shown from the findings, that customers' information in Presidential hotel is one of the major approaches in retaining the new customers and maintaining the old customers, by using customer information, to get the detailed information of the guest in the hotel. Therefore, it was recommended that there must be proper upkeep and updates of customer information books, all hands must be on deck in other to achieve customers' retention and profit maximization must be the watchword of all members of staff as a drive to retaining new customers and as well maintaining the old ones.

Keywords: Customer, hotel, information, retention, tool

***Author for Correspondence** E-mail: olajumokeelizabeth@gmail.com

INTRODUCTION

The main aim of any business is to have and at the same time, retain their customers [1]. This can only be achieved where the customers' needs are met. Not only do they return to the hotel but they also talk favorably to others about their satisfaction. Customer retention leading to profit is the central goal of an establishment. This study deals with the strategic use of customer's information for customer retention in hotels. In order to maintain old customers and attract new customers, the hotel industry must work on the customer information for customer retention in hotel so as to increase the productivity of the establishment [2].

Statement of the Problems

To determine the strategic use of customer's information for customer retention in hotels, there is need to:

- i. Look into the attitude of staff based on the training and orientation given.

- ii. Examine the impact of quality services, increasing awareness on products and services.
- iii. Evaluate the role played by high standard of living in determining customers' retention based on services rendered by the hospitality industry.

Purpose of the Study

The purpose of this work is to analyze the strategic use of customer information for customer retention in hotel. The study of this research will help to know different strategic uses of customer information for customer retention in the hotel. In summary, this study will help to know how to win customers in order to retain them and make them to enjoy the services being paid for and services to other competitors.

Objective of the Study

The main objective of the research is to find out that which facility or information are there

in the hotel which are most liked by the customers and which makes them to stay there. The research makes use of Presidential Hotel, Rumuola, Port Harcourt, Rivers State, as the case study.

Significance of the Study

This study will provide the strategic use of customer's information for customer retention in hotels; it will serve as gateway to researchers, hotel managers and business organization to carry out development programs.

REVIEW OF RELATED LITERATURE

Customer Retention

Many researchers define that the customer retention is so important and explain that to attract the customer and then retain that customers are too important for the customers. Juran stated that customer retention occurs when a customer purchases a product or service for more than once [3]. For product or services for short purchase time, the customer purchases the product or services over a specified time or period. For product or services with long purchase time, the customer purchases the product or services over the next occasion or on regular basis; this is basically called the customer retention; these two situations are called the customer retention according to Jobber [4]. In this line, Kapferer refers to customer retention as the total percentage of the customers who actually patronized the hotel for the first time and still maintains a good level of patronage afterwards, due to the very good image of the hotel presented and the level of standard services offered to such customers [5].

The Concept of Customer Retention

It is pertinent to note that any hotel that wishes to retain its customers must be ready to pay the price of providing its customers with every of their demands, of which the hotel should not loose such customers to other competing hotels around, to provide, thereby carting away their proffered customers [6].

Factors Influencing Customer Retention

Customers are important, but keeping and customer satisfaction is more important. What is changing or maintaining the consumer is

expected to maintain that, if companies want to improve their product or service. A consistently high customer loyalty through the provision of services is achieved [7].

According to Kapferer, 5% increase in customer loyalty can produce 25–80% rise in profits advised [8]. He added that the profit derived from a single customer during the business relationship that grows argued. 60% of new customers increase sales in the form of customer loyalty, customer recommendations could be attributed.

Boubakri *et al.* said the customer retention, customer satisfaction and quality services are the pre-requisites and have significant impact on purchase intentions [9]. Maintained or be loyal to a customer and hotel patronage factors include the followings: satisfaction, quality service, brand image, service performance, customer identification, positive experiences, flexibility and technology [10]. According to Blattberg *et al.*, the firm's customer loyalty dominant factor in the success of a business organization is recognized [11]. The hotel's photo and interior, reception, food and beverage, and price performance with positive customer satisfaction and customer loyalty are indicative of the fact correlated [12]. Corporate image and service quality, which in turn affect customer loyalty; customer satisfaction is influenced equally by customer retention.

For any hotel to gain or maintain loyal customers there is need to present a positive business image. The quality of services, identify customer needs, and to provide users with the products and services required in the use of technology [13].

Guest Information Trend

Information concerning guest trend is vital to planning and revenue/yield management [14]. Types of the guest used by hotels, airlines, cruise line and auto-rental companies include the following:

1. Booking patterns;
2. Cancellation;
3. Conversion percentages (percentage of inquiries to reservation);

4. Overbooking patterns;
5. Historical trends on occupancy for prime, shoulder and low season;
6. Yield patterns by season.

RESEARCH METHODOLOGY

Research methodology can be defined as the specification of procedure and analyzing the data necessary to help on solving the problems at hand in such a way that the differences between the cost of obtaining various levels of accuracy and the expected value of the information associated with each level of accuracy is minimized [15]. This study includes the research design, tested variables (dependent and independent), hypothesis population, samples size, questionnaire reliability, data gathering procedures, statistical analysis, method and the response rate. Research methodology refers to the procedure for obtaining and utilizing the data collected. The main aim of this chapter is to present the basic method of data collection and the analysis.

Data Analysis and Presentation of Result Section A: Profile of the Respondents

Table 1 shows that 2 (9.14%) of the respondents are between 16 and 25 years, 5 (28.57%) of the respondents are between 26 and 35 years, 3 (15.29%) of the respondents are between 36 and 45 years, 7 (37.86%) of the respondents are between 46 and 55 years while 2 (9.14%) of the respondents are 45 years and above.

The Table 3 shows that 8 (62.9%) of the respondent had WAEC/SSCE/GCE qualification, 6 (25.6%) of the respondents had ND/NCE, 4 (10.6%) of the respondents had HND/BSc qualification, none of the respondents had MSc/MBA qualification while 1 (0.9%) of the respondents falls to other qualification category.

The Table 4 above shows that 12 (63.2%) of the respondents has worked from 1 to 10 years, 7 (36.8) from 21 to 30 years, 31 and above were not available in the establishment.

The Table 5 above shows that 10 (52.6%) of the respondents believe that professionalism in hotel and catering management affect

customers' information and customers' retention in hotels, 8 (42.1%) of the respondents believe that it affects at some of the times, whereas 1 (5.3%) believes none of the times.

Table 1: Distribution of Respondent by Age.

Respondent Age	No. of Respondents	% of the Respondents
16–25 years	2	9.14
26–35 years	5	28.57
36–45 years	3	15.29
46–55 years	7	37.86
56 and above	2	9.14
Total	19	100.0

Source: Field Survey, 2017.

Table 2: Sex of the Respondents.

Responses	No. of the Respondents	% of the Respondents
Male	10	52.6
Female	9	47.4
Total	19	100.0

Source: Field Survey, 2017.

Table 3: Distribution of Respondents by Educational Qualification.

Educational qualification	No. of Respondents	% of Respondents
WAEC/SSCE/GCE	8	62.9
ND/NCE	6	25.6
HND/BSc	4	10.6
MSc/MBA	-	-
Others	1	0.9
Total	19	100.0

Source: Field Survey, 2017.

Table 4: Distribution of Respondents by Length of Service.

Variation in Length of Service	No. of Respondents	% of Respondents
1–10 years	12	63.2
11–20 years	7	36.8
21–30 years	-	-
31 and above	-	-
Total	19	100.0

Source: Field Survey, 2017.

Table 5: Professionalism in the Hotel and Catering Management Affect Customers' Information and Customer Retention in Hotel.

Responses	No. of Respondents	% of Respondents
All the time	10	52.6
Some of the times	8	42.1
None of the times	1	5.3
Total	19	100.0

Source: Field Survey, 2017.

The Table 6 shows that 10 (52.6%) of the respondents believe that the extents at which holders of HND/BSc in hotel and catering render quality services is at a very large extent, 5 (26.3%) of the respondents believe that the extents of which HND/BSc in hotels and catering render quality service is at large extent, while 2 (10.5%) of the respondents believe in little extent and 2 (10.5%) of the respondents believe in very little extent.

The Table 7 shows that 12 (63.2%) of the respondents believe that allowing performance of hotel and catering to perform their fields is very important, 7 (37.86%) of the respondents think or view that it is not important, while none of the respondents fills do not know; therefore majority agrees that professionals in hotel and catering perform well in their field of study, is very important.

The Table 8 shows that 3 (15.29%) of the respondents believe that graduates of the other fields can render quality service, 4 (10.6%) of the respondents believe that graduates of other fields can render quality service at large extent, 4 (10.6%) of the respondents believe that graduates of other fields can render quality service at little extent while 8 (42.1%) agreed that graduate from other field can render quality service at very little extent.

The Table 9 shows that 12 (63.2%) of the respondents agreed that considering customer information enhances customer retention in hotels, 6 (25.6%) disagree that considering customers' information enhances customer retention in hotels while 1 (5.6%) of the respondents strongly disagrees that considering customer information enhances customers' retention in hotels. Therefore, majority agree that considering customer information enhances customer retention.

The Table 10 shows that 10 (52.6%) of the respondents strongly agree that quality service enhances high patronage in hotel industry, 5 (26.3%) of the respondents agree that quality service enhances high patronage, 3 (15.29%) disagree that quality service enhances high patronage in hotels while 1 (1.3%) of the respondents strongly disagree that quality service enhances high patronage in hotel industry.

Table 6: To What Extent can Holders of HND/BSc in Hotels and Catering Management Render Quality Service?

Responses	No. of Respondents	% of Respondents
Very large extent	10	52.6
Large extent	5	
Little extent	2	10.5
Very little extent	2	10.5
Total	19	100.0

Source: Field Survey, 2017.

Table 7: Allowing Professionals in Hotels and Catering to Perform in their Field is Important.

Responses	No. of Respondents	% of Respondents
Very important	12	63.2
Not important	7	37.86
Don't know	-	-
Total	19	100.0

Source: Field Survey, 2017.

Table 8: To What Extent can Graduates of Other Field Render Quality Service?

Responses	No. of Respondents	% of Respondents
Very large extent	3	15.29
Large extent	4	10.6
Little extent	4	10.6
Very little extent	8	42.1
Total	19	100.0

Source: Field Survey, 2017.

Table 9: Considering Customer Information Enhance Customer Retention in Hotels.

Responses	No. of Respondents	% of Respondents
Agree	12	63.2
Disagree	6	25.6
Strongly disagree	1	5.3
Total	19	100.0

Source: Field Survey, 2017.

Table 10: Quality Service Enhance High Patronage in the Hotel Industry.

Responses	No. of Respondents	% of Respondents
Strongly agree	10	52.6
Agree	5	26.3
Disagree	3	15.29
Strongly disagree	1	5.3
Total	19	100.0

Source: Field Survey, 2017.

Table 11: Attitude of Staff Affect Customer Retention Ability in Hotels.

Responses	No. of Respondents	% of Respondents
All the time	12	63.2
Some of the times	6	25.6
None of the times	1	5.3
Total	19	100.0

Services: Field survey, 2017.

The Table 11 above shows that 12 (63.2%) of the respondents agree that the attitude of the study affects customer retention ability in hotel all the time, 6 (25.6%) of the respondents agree that the attitude of staff affects customer retention ability some of the times, while 1 (5.3%) of the respondents agrees that the attitude of staff affects customer retention ability in hotels none of the times; therefore majority agree that attitude of staff affect customer retention in hotels.

DISCUSSION OF FINDINGS

Customers' retention: a tool for customer retention in Presidential hotel, Rumuola, Port Harcourt, Rivers State, is one of the major approaches in retaining the new customers and maintaining the old customers. It enhances the use of customer information book to get the detailed information of guests in the hotel [16]. From the research conducted, the following results were gathered: Considering the age of the respondents, the researcher discovered that 7 (37.86%) of the respondents fall to the range of 46–65 years and it has the highest number of respondents and in considering the gender of the respondents, it was observed that 10 (52.6%) of the respondents were males. Considering the marital status, it was noted that 10 (52.6%) of the respondents are married.

Based on the distribution of respondents by educational qualification, it was collated that 8 (62.9%) of the respondents were WAEC/SSCE/GCE holder, and it was also noted that most of the respondents who worked within 1–10 years were 12 (63.2%), from the research conducted in Table 4. It was collated that it is very important to allow professionals in hotel and catering to perform in their fields (Table 7). It was also noted that most of the respondents agreed in Table 9 that customer's information enhanced customer

retention in hotels. It was strongly agreed in Table 10 that quality service enhances high patronage in hotels and that the attitude of staffs is one of the major factors that enhances customer retention in hotels. It was noted that it is very important to train and retrain hotel staff to improve their services and it was noted that quality service speaks for itself in hotel industry.

Summary of the Study

In the hotel industry, strategies are adopted to attract and increase customer patronage. To retain a customer's relationship with customer has to be enhanced by employing strategies in a long time and testing manner for mutual benefits. It can be said that effective customer retention strategy processes the fun of infrastructure, organizing, staffing, budgeting of this process needs to be managed with most efficient adoption of strategies for the best of result.

CONCLUSION

Conclusively, it is important to note that:

1. The purpose of this study was to gain customers' retention in hotel industry, being a vital tool, the management and staff must be fully involved in building up a solid retention strategy.
2. The employer should have an updated copy of customer information book, so as to be conversant with day to day effect of such information on the retention of customers to avoid any flop anywhere.
3. The management should make a follow up to ensure that the tasks are executed in the proper way.
4. Training of staff should be done regularly as well as to overcome whatever challenges come their way.

Recommendations

1. To achieve excellent customer retention through customer information in hotel industry, all hands must be on deck.
2. Profit maximization must be the watchword of the manager and all members of staff, by ensuring that they retain the new customers and maintain the old customers.
3. A significant side benefit is that innovation can also generate opportunities

for up selling and cross selling and thus customer retention, customers are more loyal to provide information that are continually looking for way to add value over the base relationship.

4. To deliver additional value, for the customer, the provider must know their customers business and industry and determine ways in which they can leverage their capability to help the customer achieve their strategies goal.
5. When applying these recommendations, it will help the hotelier to strengthen customer loyalty thereby increasing the chance of retaining their customers and growing their profitable revenue.

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Cite this Article

Olawale-Olakunle, Olajumoke Elizabeth. Customers' Information: A Tool for Customers' Retention in Hotels, A Case Study of Presidential Hotel, Rumuola, Portharcourt, Rivers State. *OmniScience: A Multi-disciplinary Journal*. 2017; 7(3): 1–6p.