

PERCEPTION OF SERVICE QUALITY AND ITS IMPACT ON CUSTOMER LOYALTY IN SELECTED HOTEL IN KWARA STATE, NIGERIA

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Abstract

This study examines guest perceptions of service quality and its impact on customer loyalty in hotels. The primary aim is to explore the factors shaping guest perception of service quality, investigate the correlation between guest satisfaction and customer loyalty, and identify actionable insights for service quality improvement. Utilizing a quantitative research methodology, data was collected through structured questionnaires administered to hotel guests at Sinclair hotel, focusing on various service quality dimensions such as physical facilities, staff competence, and promptness of service. The study adopted Sinclair Hotel, Ilorin, as its case study. The findings reveal significant correlations between six out of seven service quality indicators and guest perception, indicating the crucial role of these factors in shaping overall guest satisfaction. Notably, "confidence in the knowledge and competence of the hotel staff" did not significantly correlate with guest perception, suggesting other service dimensions might be more influential in the selected hotels. Furthermore, the study confirms that guest satisfaction significantly influences customer loyalty, with strong correlations between satisfaction levels and loyalty indicators such as the likelihood to recommend and intention to revisit.

Keywords: *Customer loyalty, Customer satisfaction, Guest perception, Hospitality, and Service quality*

INTRODUCTION

The hotel industry, as a vital service provider, significantly contributes to the development of Nigeria (Nneoma, 2021). Beyond its notable impact on the country's Gross Domestic Product (GDP), this sector serves as a dynamic source of employment, fostering economic growth and providing livelihoods for numerous individuals engaged in diverse roles (Nneoma, 2021). One of the pivotal aspects of the hotel industry's influence lies in its ability to generate employment opportunities across a wide spectrum of professions (Goh and Lee, 2018). From cleaners meticulously maintaining the hygiene standards of the premises to skilled cooks tantalizing the taste buds of guests with delectable cuisine, and receptionists ensuring seamless guest experiences, to the ever-watchful security guards safeguarding the well-being of everyone within the establishment, the hotel industry is a cornerstone for a myriad of job roles (Kichuk, 2017). The ripple effect of

this extensive employment network extends beyond the immediate workforce, positively impacting families and communities. The income earned by individuals employed in the hotel industry contributes to household well-being, enabling access to education, healthcare, and other essential amenities (UNWTO, 2018). In addition to employment, the hotel industry plays a crucial role in promoting tourism a sector with immense potential for economic advancement (Thommandru, *et al.*, 2023). Hotels serve as integral components of the tourism infrastructure, attracting both domestic and international visitors (Odia and Agbonifoh, 2017). As the hospitality sector flourishes, it creates a positive feedback loop, encouraging further investments in tourism-related activities and ancillary services.

In the fiercely competitive landscape of the hotel industry, where choices abound for discerning customers, the ability to not only attract but also retain them through dedicated

service is paramount for the sustained success of any business (Nneoma and Uwabor, 2021). Beyond the initial allure of luxurious amenities and pleasing accommodations, the real differentiator lies in the commitment to providing an exceptional and personalized guest experience (Cunha, 2017). Attracting customers is just the first step; the true challenge lies in the art of satisfaction and the subsequent conversion of satisfied guests into loyal patrons. In this dynamic environment, where customer expectations evolve rapidly, hotels must go beyond the conventional standards to offer a level of service that not only meets but exceeds these expectations (Ali *et al.*, 2021). This involves a keen understanding of individual preferences, anticipating needs before they arise, and consistently delivering a seamless and memorable stay (Khadka and Maharjan, 2017). Dedicated service, characterized by a genuine commitment to guest satisfaction, is the cornerstone of this endeavor. It involves more than just fulfilling basic requirements; it entails creating an atmosphere of warmth and hospitality that leaves a lasting impression on guests (Ferdous and Mim, 2021). This can range from personalized welcome amenities and attentive concierge services to responsive customer support throughout their stay. In essence, it is about making each guest feel valued and appreciated, fostering a sense of connection that extends beyond the transactional nature of the business (Ferdous and Mim, 2021).

The significance of delivering high-quality services in the hotel industry has become a focal point of extensive research and a subject of keen interest for service managers. Traditionally recognized as a pivotal factor in customer satisfaction, quality service not only enhances income but also plays a crucial role in expanding market share (Ali *et al.*, 2021). The importance of this paradigm lies in the customers' perception and evaluation of the service provided by a hotel during the delivery process. Customers, in their assessment of service quality, mostly scrutinize various aspects of their experience within a hotel. These

evaluations encompass the efficiency of check-in and check-out procedures, the responsiveness of staff to inquiries and requests, the cleanliness and maintenance of facilities, the quality of amenities, and the overall ambiance of the establishment (Ogunbayi, Olatidoye and Agbedi, 2019). Each of these elements contributes to shaping the customers' perception of the service received and significantly influences their level of satisfaction (Ogunbayi *et al.*, 2019). To comprehend the factors influencing customers' satisfaction and loyalty, it is important to delve into the identification of indicators of service quality within hotels. These indicators serve as benchmarks for evaluating the overall performance of an establishment. Elements such as the courtesy and professionalism of staff, the speed and accuracy of service delivery, the reliability of amenities, and the ability to exceed customer expectations are critical aspects that directly impact the perceived quality of service. Moreover, the linkage between service quality and customer loyalty forms a crucial nexus in the hospitality industry. Satisfied customers are more likely to become loyal patrons, repeatedly choosing a particular hotel for their accommodation needs and recommending it to others (Nneoma and Uwabor, 2021). Loyalty, in turn, translates into sustained business, positive word-of-mouth advertising, and a competitive edge in the market.

While numerous studies have explored the implications of service quality, it is noteworthy that a significant portion of existing research has primarily focused on isolated factors associated with service quality. For instance, Ogunbayi *et al.*, (2019), concentrated solely on the influence of tangible elements on service quality, while Akeem, Salome and Olufunke (2021) delved into dimensions such as assurance, reliability, and responsiveness. Consequently, there remain unexplored areas that warrant more thorough investigation, particularly in understanding the collective impact of both tangible and intangible factors on service quality. The hospitality industry is

inherently service-oriented, with guest satisfaction serving as a linchpin for success. However, despite the industry's unwavering commitment to delivering exceptional service, there exists a discernible gap in comprehending the intricate interplay between guest perception of service quality and the consequential impact on customer loyalty. This gap is further underscored by the heightened significance of customer loyalty in the contemporary business landscape, where guests are not merely patrons but potential brand advocates in an era of instant information dissemination through online platforms.

The inherent complexity of the hospitality sector, with its myriads of service components, demands a diversified understanding of the factors that contribute to guest satisfaction and, subsequently, influence the loyalty continuum. The prevalence of online review platforms and social media has amplified the consequences of service shortfalls, as negative guest experiences can swiftly reverberate and influence potential customers. The need to proactively address the underlying issues affecting service quality and customer loyalty in these hotels is not just a matter of guest satisfaction but is increasingly becoming a crucial business imperative. Moreover, in the face of evolving consumer expectations and heightened competition, the selected hotels are confronted with the challenge of not only attracting new guests but, more crucially, retaining existing ones. A comprehensive examination of the root causes behind the existing service quality gaps is imperative to fortify the foundations of customer loyalty and, consequently, sustain the long-term viability of these hotels in the highly competitive hospitality landscape. Therefore, this research aims to bridge the identified gap by systematically investigating the factors influencing guest perception of service quality in the selected hotels in relation to customer loyalty.

The aim of this study is to investigate Guest Perception of Service Quality and its Impact on Customer Loyalty. The objectives are to: explore factors shaping guest perception of

service quality; investigate the correlation between guest satisfaction with the explored factors and subsequent customer loyalty; and identify actionable insights for improving service quality and fostering customer loyalty.

LITERATURE REVIEW

The hotel business stands as a linchpin within the tourism and hospitality industry, offering paid lodging on a short-term basis, alongside optional amenities such as entertainment, food, and beverages (Patrick Solomon & Salome, 2020). According to AllAfrica the number of planned hotel rooms in Africa has soared to 64 000 in 365 hotels, up almost 30% on the previous year. This growth has significantly contributed to the expansion of the tourism and hospitality sector overall. Among the array of accommodations available to tourists, hotels reign supreme as the most extensive and prominent option. Traditionally perceived as establishments offering lodging, food, and beverage services for short stays, contemporary hotels present a more nuanced landscape. While many provide comprehensive services, including dining facilities, others focus solely on accommodation, with additional amenities like conference rooms (Kucukusta, 2017).

The European Commission (2014) defines hotels as units offering short-term lodging to visitors, often on a daily or weekly basis, along with essential services such as housekeeping, meals, parking, laundry, and recreational facilities. This comprehensive definition encapsulates the multifaceted nature of modern hotels. In Nigeria, the concept of commercial accommodation evolved with colonialism. Before this era, temporary shelter and refreshments were sporadically provided during travels, with minimal or no compensation (Akeem, Salome and Olufunke, 2021). However, the colonial period marked the advent of formal lodging houses, followed by the establishment of the first commercial hotels, such as the Bristol and Grand hotels, in 1942. Post-independence, the surge in inter-regional travel for business and political reasons led to the proliferation of diverse hotel types, both

government-owned and international brands like Sheraton, Hilton, and Best Western, alongside numerous independent and family-owned establishments across Nigeria (Akeem, Salome and Olufunke, 2021).

According to industry projections by a research firm, (Price Waterhouse Coopers, 2018), guest nights are anticipated to increase from 1.6 million in 2017 to 2.3 million by 2022, representing a 7.5% growth. Concurrently, the average room rate rose by 4.8% in 2017, with overall room revenue forecasted to surge from \$210 million in 2017 to \$380 million by 2022, marking a significant uptrend in the sector's economic prospects (Akeem, Salome and Olufunke, 2021). In addition to these quantitative indicators, qualitative shifts are also underway within the hotel industry. Modern travelers increasingly prioritize personalized experiences, sustainability initiatives, and technological integration when selecting accommodations. Hotels are responding by incorporating innovative design elements, implementing eco-friendly practices, and leveraging technology to enhance guest convenience and satisfaction. Furthermore, the rise of alternative lodging options such as vacation rentals and boutique hotels has spurred traditional hotels to differentiate themselves through unique offerings and tailored experiences. In conclusion, the hotel industry plays a pivotal role in the global tourism and hospitality landscape, offering a diverse range of accommodations and services to travelers worldwide. As the sector continues to evolve, embracing innovation, sustainability, and guest-centricity will be paramount to maintaining competitiveness and driving long-term success.

Hotels Service Quality

In the hospitality industry, where the guest experience reigns supreme, service quality stands as the bedrock upon which a hotel's reputation and success are built (Poku, Zakari and Soali, 2013). Service quality in hotels is a multifaceted concept encompassing several dimensions. Tangibles, such as the physical

facilities, room amenities, and overall ambiance, form the foundation upon which guests evaluate their experiences. Reliability is crucial, ensuring consistency in service delivery, from the accuracy of reservations to the efficiency of check-in and check-out processes. Responsiveness plays a pivotal role, with guests expecting prompt and attentive assistance whenever needed. Assurance instills confidence in guests, reflecting the professionalism and competence of staff members. Finally, empathy underscores the human touch, as hotels strive to understand and cater to the individual needs and preferences of guests with genuine care and sincerity. To deliver hotel services effectively, two fundamental elements are essential: the physical infrastructure and the service provided (Hamadziripi, 2023).

The combination of these elements presents hotel owners with a nuanced challenge of quality, involving two distinct aspects: technical quality, rooted in the material foundation, and functional or process quality, which pertains to the service experience. Technical quality, often equated with what customers receive during their stay—accommodation for hotel guests and food for restaurant patrons—is externally observable. While customers can often assess these elements, their nature is contingent upon the technical solutions employed by the enterprise to address customer needs. Consequently, the availability and condition of these elements may influence customer expectations regarding quality. Technical quality typically hinges on material measures and technologies, established through conventional evaluation methods akin to those used for assessing product quality. However, adherence to technical quality parameters alone does not guarantee customer satisfaction, as even the most upscale hotels can incur negative evaluations due to conflicts with service personnel or incidents like theft. Thus, customers are invariably influenced by the manner in which technical services are delivered, thereby shaping another dimension

of quality: functional quality. This encompasses provider behavior and associated circumstances such as attentiveness, professionalism, politeness, and the ability to address unforeseen challenges.

Functional quality poses greater difficulty in control, given the potential for significant deviations (Khalifa, Trung and Hossain, 2022). There is no consensus on whether technical or functional quality holds greater importance. Ali (2021), argues that service cannot be fully predetermined and suggests focusing on tangible evidence such as room aesthetics and guest interactions. Conversely, Al-Juboori (2016) holds that customers value the professionalism and skill of hotel employees. This discussion highlights two primary categories of elements that should be overseen by hotel owners. However, some experts in the hospitality industry advocate for prioritizing aspects valued most by customers.

This study delineates the primary facets of service quality within the hotel industry, utilizing the five dimensions established by Nguyen (2021), Akeem (2021) and Ali (2021)

1. **Tangibles:** This dimension encompasses the physical attributes of the establishment, including facilities, equipment, and the appearance of employees. As noted by Nneoma and Uwabor. (2021), it pertains to ensuring that these elements project a positive image of the organization. For instance, Sinclair Hotel Ilorin must prioritize maintaining superb physical aesthetics to meet customer expectations. The presentation is crucial as guests often form initial perceptions based on visual cues, such as photos and reviews (Nneoma and Uwabor, 2021). Therefore, outdated rooms, unclean corridors, or cramped dining areas can negatively impact the property's reputation and deter potential guests. Additionally, equipment across various areas such as rooms, the casino, or the restaurant should be elegant, user-friendly, and incorporate modern technology. Similarly, employees should maintain a professional and presentable demeanor as they significantly contribute to the overall impression of the hotel

(Nneoma and Uwabor, 2021). Their interactions with guests should reflect respect and a commitment to excellent service provision.

2. **Responsiveness:** This dimension focuses on the hotel's willingness and ability to promptly address customer needs. According to Diminyi, Doris, Ibuo, Anyanwu (2020), responsiveness entails attentiveness and a proactive approach to assisting customers. Hotel staff should be trained to efficiently handle guest inquiries, requests, and complaints to optimize service quality and enhance guest satisfaction.

3. **Reliability:** This dimension pertains to the hotel's ability to consistently deliver services accurately and dependably (Onubogu and Oparah 2021). Some organizations may fall into the trap of overselling their services, making extravagant promises that exceed their actual capabilities. It is imperative for hotels to ensure that the services they advertise align with what they can feasibly provide to customers in a particular time period set out within the specified time frame (Onubogu and Oparah 2021). If service delivery is done in a proper manner, it will enhance the perceived quality that the customer experiences (Onubogu and Oparah 2021). Sinclair Hotel Ilorin hotel should thus strive to be reliable at all times and never to over-promise when they cannot deliver a certain product as in food and beverage items or other services.

4. **Assurance :** This dimension pertains to the capability of employees to instill confidence and trust in customers. The perception of service quality, whether high or low, largely hinges on how customers gauge actual performance against their expectations. Quality assurance is closely linked to customer service, as subpar service can lead to disappointment or dissatisfaction (Nneoma and Uwabor, 2021). Ensuring the best or guaranteed quality fosters customer loyalty and retention (Auka, 2012).

5. **Empathy:** This dimension concerns the extent to which personalized and caring service is provided. Organizations often face challenges in exceeding customer expectations

and demands. For instance, staffing shortages at the hotel and the need for superior service and event hosting have necessitated an increase in staff-to-customer ratios (Edike and Joseph, 2020). This rise in ratios has implications for the level of individual attention and empathy extended to each customer (Edike and Joseph, 2020).

Among the five dimensions outlined above, reliability has consistently emerged as the most crucial factor in customers' assessment of service quality, with efforts to enhance reliability lying at the core of service quality improvement endeavors (Mmutle and Shonhe, 2017). Furthermore, unreliable service entails unfulfilled promises regarding aspects that customers value in the service received. Failure to deliver core services reliably may lead customers to perceive the organization as incompetent, potentially prompting them to seek alternatives within the hospitality industry (Mmutle and Shonhe, 2017).

Customers Loyalty in Hotel Industry

In the dynamic landscape of the hotel industry, while customer satisfaction remains a pivotal metric, customer loyalty emerges as the cornerstone of sustained success, driving repeat business and word-of-mouth referrals, thereby bolstering hotel profitability (Nuseir, 2021). Adebayo and Ademokoya (2020), underscore the pivotal role of customer loyalty as a primary indicator of success within the service sector, particularly in the realm of hospitality. Customer loyalty, as articulated by Ali (2021), encapsulates a consumer's propensity to repeatedly engage with the same service provider, maintain a positive sentiment towards the provider, and actively endorse the service to others. Arslan (2020) extends this definition by portraying loyalty as a state wherein customers perceive a specific service provider as the optimal solution for their needs, effectively excluding competitors and consistently patronizing the same provider.

Furthermore, loyal customers, as defined by Fiiwe, Egele, Ozo, Obasiabara (2020), are those who prioritize their relationship with a firm to

the extent of making it their preferred choice. Such customers exhibit a reluctance to switch to alternative providers based on minor discrepancies in price or service quality. Instead, they offer constructive feedback, display regular patronage, treat employees with respect, and enthusiastically refer others to the service (Arslan, 2020).

Närvänen, Kuusela, Paavola, and Sirola (2020), conceptualize loyalty through four main paradigms: as an expression of freedom of choice, a commitment rooted in convention, a sense of belongingness, and a binding obligation. Further classification by Ing (2020) delves into behavioral and attitudinal dimensions of customer loyalty. Shafiee and Bazargan (2018), characterize the behavioral dimension as manifested through consumers' consistent purchases over time, reflecting a preference for a particular service. Conversely, Abdelhady (2023) posits the attitudinal dimension, encompassing consumers' intentions to repurchase and advocate for the service to others. Moretta, Cavacece, Russo and Granata (2019) highlight customer satisfaction, commitment, trust, and engagement as pivotal factors intertwined with loyalty. Extensive empirical research and quantitative analyses reveal positive correlations among these variables, with each factor exerting a positive influence on customer loyalty, while loyalty reciprocally impacts all of them positively. Consequently, there is a paradigm shift from perceiving loyalty merely as an outcome to recognizing it as an integral component within a positive feedback loop. Enhancements in one variable trigger a cascade of improvements across the spectrum, underscoring the interconnected nature of these factors in nurturing enduring customer loyalty.

Building upon this foundation, it's imperative for hoteliers to implement strategies that not only prioritize customer satisfaction but also foster long-term loyalty. Personalized experiences, proactive communication, and value-added services are key elements in cultivating strong emotional connections with customers, thereby increasing their propensity

to remain loyal to a particular hotel brand. Moreover, harnessing technology to gather and analyze customer feedback in real-time allows for swift adjustments and continuous improvement in service delivery, further enhancing customer satisfaction and loyalty. Therefore, while customer satisfaction remains a crucial aspect of the hotel industry, it is customer loyalty that holds even greater significance in driving sustained success. By understanding the multifaceted nature of loyalty and its interconnectedness with factors such as satisfaction, commitment, trust, and engagement, hoteliers can design effective strategies to cultivate and nurture enduring relationships with their customers, ultimately enhancing profitability and positioning their brands for long-term growth and success.

METHODOLOGY

The research design for this study employed a quantitative approach to investigate the relationship between guest perception of service quality and its impact on customer loyalty in selected hotel in Kwara State. Quantitative research involves the collection and analysis of numerical data to examine patterns, correlations, and associations between variables. In this case, numerical data were collected from guests through structured surveys to assess various aspects of service quality and loyalty. While the total population of guests at the hotel may fluctuate, the research aimed to engage a sample size of approximately 50 participants. This sample size is considered sufficient to yield statistically significant insights into guest perception of service quality and its impact on customer loyalty within the context of the study objectives. The sampling method employed for this study was systematic random sampling, wherein guests visiting the hotel during the data collection period will be selected for participation. This method ensures that every guest has an equal chance of being included in the sample, thus enhancing the representativeness of the findings. A questionnaire was utilized as the primary research instrument for data collection in this

study on guest perception of service quality and customer loyalty in Sinclair Hotel Ilorin. The questionnaire is designed to gather quantitative data from guests regarding their experiences, perceptions, and attitudes toward various aspects of service quality and loyalty within the hospitality context. The collected quantitative data were analyzed using statistical techniques to establish relationships and patterns between guest perception of service quality and customer loyalty. The analysis will involve the following steps. Descriptive statistics were used to summarize and present the characteristics of the collected data, such as mean, median, standard deviation, and frequency distributions.

For the research on guest perception of service quality and customer loyalty in selected hotels in Kwara State, the model adopted may be the SERVQUAL model, which is a widely recognized and extensively used model for measuring service quality in the hospitality industry.

SERVQUAL Model: The SERVQUAL model, developed by Ali (2021), focuses on five key dimensions of service quality:

1. **Tangibles:** Physical facilities, equipment, and appearance of personnel.
2. **Reliability:** Ability to perform the promised service dependably and accurately.
3. **Responsiveness:** Willingness to help customers and provide prompt service.
4. **Assurance:** Knowledge and courtesy of employees and their ability to convey trust and confidence.
5. **Empathy:** Caring, individualized attention provided to customers.

Application of SERVQUAL in the Research are as follows:

1. **Measurement of Service Quality:** The SERVQUAL model provides a structured framework for measuring service quality across its five dimensions. By adapting and applying SERVQUAL questionnaire items, researchers can assess guest perceptions of service quality in the selected hotels.

2. Identification of Service Gaps: SERVQUAL enables the identification of gaps between guests' expectations and perceptions of service delivery. By comparing guests' perceptions of service quality against their expectations, researchers can pinpoint areas where improvements are needed.
3. Analysis of Customer Loyalty: While SERVQUAL primarily focuses on service quality, its findings can also shed light on factors influencing customer loyalty. High levels of satisfaction across SERVQUAL dimensions are likely to correlate with increased customer loyalty and positive word-of-mouth recommendations.
4. Strategic Recommendations: Based on SERVQUAL results, researchers can provide strategic recommendations to the hotels for enhancing service quality and fostering customer loyalty. These recommendations may include targeted training programs, operational improvements, or adjustments to service delivery processes.

RESULTS

A total of 38 questionnaires were retrieved from hotel guest and the result and data analysis are presented below.

Table 1: Demographic Result

	Items		Q	%
1	Age of Respondents	18-25	12	31.6%
		26-35	18	47.4%
		36-45	06	15.8%
		46-55	02	5.2%
		56 and above	0	0%
		Total	38	100%

Table 2: Service Quality Factors

Item	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	Total
The physical facilities and appearance of the hotel meet my expectations.	14 (36.8%)	22 (57.9%)	2 (5.3%)	0 (0.0%)	0 (0.0%)	38

2	Gender of Respondents	Male	20	52.6%
		Female	18	47.4%
		Total	38	100%
3	Occupation	Self employed	16	42.1%
		Employed	14	36.8%
		Unemployed	0	0%
		Students	08	21.1%
		Total	38	100%
4	Frequency of Visit	Rarely	12	31.6%
		Occasionally	18	47.4%
		Frequently	08	21.1%
		Always	0	0%
		Total	38	100%

Source: Field Survey, 2024

The age group with the highest representation is 26-35 years old (36%), followed by 18-25 years old (24%). This suggests that younger adults are the primary clientele of Sinclair Hotel. Gender distribution is fairly balanced, with a slight male majority (52.6% male, 47.4% female). All respondents are Nigerian, indicating the survey was conducted among local guests. In terms of occupation, a significant portion of the respondents are self-employed (42.1%), followed by employed individuals (36.8%) and students (21.1%). No respondents were unemployed. The frequency of hotel stays shows that a majority of the respondents stay in hotels occasionally (47.4%) or rarely (31.6%). A smaller portion of the guests stay frequently (21.1%), and none reported always staying in hotels. This suggests that while the hotel has a steady stream of occasional visitors, it might need to explore strategies to increase repeat stays.

Service Quality Assessment

The hotel staff consistently deliver the services promised to guests.	14 (36.8%)	22 (57.9%)	0 (0.0%)	2 (5.3%)	0 (0.0%)	38
The hotel staff are prompt in attending to guest needs and requests.	12 (31.6%)	24 (63.2%)	0 (0.0%)	2 (5.3%)	0 (0.0%)	38
I feel confident in the knowledge and competence of the hotel staff.	8 (21.1%)	24 (63.2%)	6 (15.8%)	0 (0.0%)	0 (0.0%)	38
The hotel staffs demonstrate a genuine interest in meeting my individual needs.	18 (47.4%)	18 (47.4%)	2 (5.3%)	0 (0.0%)	0 (0.0%)	38
The cleanliness of my room met my expectations.	16 (42.1%)	20 (52.6%)	0 (0.0%)	2 (5.3%)	0 (0.0%)	38
The amenities provided in my room (e.g., toiletries, towels, bedding) were of satisfactory quality.	10 (26.3%)	22 (57.9%)	6 (15.8%)	0 (0.0%)	0 (0.0%)	38

Source: Field Survey, 2024

The assessment of service quality at Sinclair Hotel is predominantly positive. For the physical facilities and appearance, 94.7% of the respondents either strongly agreed (36.8%) or agreed (57.9%) that their expectations were met. Similarly, the delivery of promised services also received high marks, with 94.7% of respondents agreeing or strongly agreeing, and only 5.3% disagreeing. Promptness in attending to guest needs and requests was rated positively by 94.8% (31.6% strongly agree, 63.2% agree), with a small minority (5.3%) disagreeing. Confidence in the staff's

knowledge and competence was also high, with 84.3% expressing positive sentiments, though 15.8% were undecided, indicating room for improvement in staff training. Guests felt that the hotel staff were genuinely interested in meeting their individual needs, with 94.8% agreeing or strongly agreeing, and 5.3% undecided. Room cleanliness met expectations for 94.7% of guests, while 5.3% disagreed. Lastly, the quality of amenities was satisfactory for 84.2% of respondents, with 15.8% undecided, suggesting some variability in guest experience.

Table 3: Customer Loyalty Indicators

Item	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	Total
I am likely to recommend Sinclair Hotel to others.	18 (47.4%)	20 (52.6%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	38
I intend to revisit the Sinclair Hotel in the future.	18 (47.4%)	20 (52.6%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	38
My overall satisfaction with Sinclair Hotel was good.	14 (36.8%)	24 (63.2%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	38

Source: Field Survey, 2024

Customer loyalty indicators show very positive feedback. A majority of respondents (100%)

indicated that they are likely to recommend Sinclair Hotel to others, with 47.4% strongly

agreeing and 52.6% agreeing. Similarly, all respondents intend to revisit the hotel in the future, reflecting high satisfaction and loyalty. Overall satisfaction was rated positively by 100% of the respondents, with 36.8% strongly agreeing and 63.2% agreeing.

Table 4: Guest Satisfaction Factors

Factor	Frequency	%
Price/value for money	10	26.3%
Location	20	52.6%
Service quality	22	57.9%
Reputation of the hotel	12	31.6%
Previous positive experiences	18	47.4%
Loyalty rewards program	4	10.5%
Recommendations from friends/family	6	15.8%
Other	0	0.0%
Total Responses	92	100.0%

Source: Field Survey, 2024

The factors influencing guests' decision to stay again highlight the importance of service quality (57.9%), location (52.6%), and previous positive experiences (47.4%). Price/value for money (26.3%) and the hotel's reputation (31.6%) are also significant, while recommendations from friends and family (15.8%) and loyalty rewards programs (10.5%) play a smaller role. This indicates that while quality and location are critical, there is potential to enhance loyalty programs and leverage word-of-mouth marketing.

Test for Hypothesis

Null Hypothesis (H0): There is no significant correlation between various service quality factors and guest perception in the selected hotel.

Alternative Hypothesis (H1): There is a significant correlation between various service quality factors and guest perception in the selected hotel.

For this Hypothesis a correlation analysis was carried out between overall guest satisfaction and the service quality factors. We reject null hypothesis if P-value < 0.05 and accept the alternative. Result is shown below (Full Result in Appendix).

Table 5: Hypothesis Result 1

P value							
P (two-tailed)	<0.0001	<0.0001	0.0136	0.4957	<0.0001	<0.0001	0.0168
Significant? (alpha = 0.05)	Yes	Yes	Yes	No	Yes	Yes	Yes

Source: Field Survey, 2024

P value < 0.05 for six out of seven service quality indicators, we reject the null hypothesis there is a significant correlation between various service quality factors and guest perception in the selected hotel and accept the null hypothesis ($P > 0.05$) that there is no significant correlation between "confidence in the knowledge and competence of the hotel staff" and guest perception of the hotel.

Null Hypothesis (H0): Guest satisfaction has no significant impact on subsequent customer loyalty in the hospitality sector.

Alternative Hypothesis (H1): Guest satisfaction significantly influences customer loyalty in the hospitality sector.

For this hypothesis a linear regression with guest satisfaction as the independent variable and customer loyalty indicators as the

dependent variable. We reject null hypothesis if $P < 0.05$. The result is shown below;

Table 6: Hypothesis Result 2

R squared	1.000	0.8021
F	145.9	
DFn, DFd	1, 36	
P value	<0.0001	
Deviation from zero?	Significant	

Source: Field Survey, 2024

Since $P \text{ value} < 0.05$ we reject the null hypothesis and accept the alternative that Guest satisfaction significantly influences customer loyalty in the hospitality sector.

Discussion of Result

In respect to the objectives of this study, Tefera and Govender (2017) conducted a study in Ethiopia that revealed a significant relationship between service quality, customer satisfaction, and loyalty among hotel guests. They emphasized the importance of setting realistic customer expectations and regularly assessing satisfaction to foster loyalty. The results of this study corroborate these findings, demonstrating significant correlations between most service quality indicators and guest perception, which in turn impacts customer loyalty. The emphasis on setting realistic expectations and continuous satisfaction assessment aligns with our recommendation for hotel management to maintain high standards in key areas like physical facilities and service promptness.

Mmutle and Shonhe (2017), explored the impact of service quality on hotel reputation in Nigeria, finding that poor service provision negatively affects reputation. They emphasized the importance of meeting and exceeding customer expectations. The results of this study align with this by showing significant correlations between service quality factors like physical facilities and promptness with guest perception, which can directly impact the

hotel's reputation. Ensuring high service quality helps maintain a positive image and meets customer expectations, which is essential for long-term success. Nurcahyo, Fitriyani & Hudda (2017) confirmed the significant impact of facility and service quality on customer satisfaction and loyalty in a Jakarta hotel. The results of this study shows that factors such as room cleanliness and quality of amenities are critical in shaping guest satisfaction and loyalty. This reinforces the importance of both tangible and intangible aspects of service quality in driving customer satisfaction.

Surahman, Yasa & Wahyuni (2020), studied the effect of service quality on customer loyalty in tourism villages, mediated by customer satisfaction. They found that while there was no direct effect of service quality on loyalty, customer satisfaction played a critical mediating role. The results of this study support this, showing that guest satisfaction significantly influences loyalty, highlighting the necessity of creating satisfactory experiences to foster loyalty. Okocha *et al.*, (2021) assessed the relationship between service quality, customer satisfaction, and behavioural intentions in 3-star hotels in Nigeria. They found strong correlations between service quality dimensions, customer satisfaction, and behavioural intentions. The results of this study revealed that service quality significantly influences guest perception and satisfaction, which in turn affects behavioural intentions like recommending and revisiting the hotel.

Adebisi *et al.*, (2019) investigated the impact of service quality on customer loyalty in the Nigerian telecommunications industry, finding a significant positive relationship. While this study focuses on the hospitality industry, the findings underscore the universal importance of service quality in driving customer loyalty across different sectors. The emphasis on service improvement initiatives is equally relevant in hospitality. Ezenta Ogemdi Nneoma and Osagie Uwabor (2021), examined service quality and customer satisfaction in resort hotels in Nigeria, finding significant

relationships between dimensions like tangibility, reliability, and responsiveness, and customer satisfaction. The results of this study support these relationships, particularly with the significant correlations between service quality indicators and guest perception, which drive overall satisfaction.

Findings in Relation to Contrasting Literature

While several findings align with much of the existing literature on service quality, customer satisfaction, and loyalty, there are notable contrasts, particularly concerning the role of staff competence and the direct relationship between service quality and loyalty. Result shows that there is no significant correlation between "confidence in the knowledge and competence of the hotel staff" and overall guest perception ($P > 0.05$). This result contrasts with several studies that highlight the critical importance of staff competence in shaping customer perceptions and satisfaction. For instance, Tefera and Govender (2017) emphasized the significant role of knowledgeable and competent staff in fostering customer satisfaction and loyalty, suggesting that staff competence directly impacts guests' overall perception of service quality. Similarly, Ezenta Ogemdi Nneoma and Osagie Uwabor (2021), found a significant relationship between the reliability dimension, which includes staff competence, and customer satisfaction in resort hotels. The lack of significant correlation in this study may be due to consistently high baseline competence levels among staff in the surveyed hotel, making other service quality dimensions more prominent in guests' perceptions. This finding suggests that in environments where staff competence is generally assured, guests may place greater emphasis on other aspects of service quality, such as physical facilities and promptness of service. This insight highlights the need for hotel to focus on a broader range of service quality factors beyond staff competence to enhance overall guest perception.

Direct Relationship between Service Quality and Loyalty

The study found that guest satisfaction significantly influences customer loyalty, consistent with the mediation model proposed by Maroco and Maroco (2013), which posits that satisfaction mediates the relationship between service quality and loyalty. However, this finding contrasts with Tefera and Govender (2017), who found no direct association between service quality and loyalty, emphasizing that service quality affects loyalty indirectly through customer satisfaction. Similarly, Surahman *et al.*, (2020) did not find a direct effect of service quality on loyalty, highlighting the mediating role of customer satisfaction.

CONCLUSION

The results reveal significant correlations between most service quality indicators and guest perception, with p-values less than 0.05 for six out of seven service quality factors. This indicates a strong relationship between these factors and guest perception, leading to the rejection of the null hypothesis for most indicators. However, no significant correlation was found between "confidence in the knowledge and competence of the hotel staff" and guest perception ($P > 0.05$), suggesting this factor might not be as critical in the selected hotels. Additionally, guest satisfaction was found to significantly influence customer loyalty, leading to the rejection of the null hypothesis that guest satisfaction does not impact loyalty.

The study concludes that various service quality factors significantly influence guest perception, and guest satisfaction plays a critical role in fostering customer loyalty. The findings suggest that hotel management should prioritize a multi-dimensional approach to service quality improvement, focusing on areas such as physical facilities and promptness of service. This study underscores the importance of maintaining high standards across multiple service dimensions to improve guest perception and foster customer loyalty. Hotel management

should focus on enhancing physical facilities, ensuring prompt and efficient service, and regularly assessing and responding to guest satisfaction. By doing so, hotels can create positive guest experiences that drive loyalty and support long-term success in the competitive hospitality industry.

RECOMMENDATIONS

Based on the findings, the study recommends that hotel managers should:

1. Enhance physical facilities and ensure prompt service delivery.
2. Regularly assess guest satisfaction and adjust service delivery to meet evolving expectations.
3. Focus on a comprehensive range of service quality dimensions, considering both direct and indirect effects on customer loyalty.
4. Conduct further research to understand context-specific variations in service quality impacts and to refine models for service quality improvement in the hospitality industry.

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