# Determinants of Customers Loyalty in the Hospitality Industry: A Study of Selected Hotels in Asaba, Delta State, Nigeria

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Abstract: With the proliferation of hotels in Nigeria and Delta state in focus, as a result of the influx of people into the state for one business or the other, most of the hotels now face the challenge of increased competition of meeting and exceeding customers' expectation to ensure repeat patronage, which arguably can only be found in loyal customers. This study therefore examines determinants of customers' loyalty in the hospitality industry: A study of selected hotels in Asaba, Delta state, Nigeria using descriptive statistics and the linear regression model of the ordinary least square (OLS). The study was built on the Theory of Reasoned Action (TRA). The theory has been applied in various studies that relate to customer intension to patronize or repurchase intension. In this study, variables external to the theory of reasoned action were included in other to predict consumer's behavioural intention to patronize hotels in Asaba. The variables included (food quality, restaurant image, service quality, atmospheric quality, perceived value, price, quick service, environment, consumers demographics and Modernity) in the model are drawn from various customer loyalty literature. The variables have in different context explained some variance in customer's behavioural intention to patronize businesses, thus their inclusion in this study. Quota sampling was used to select a sample of two hundred (200) respondents i.e. fifty (50) respondents each that visit the four selected hotels during the period of data collection for this study. Findings revealed that with the exception of service quality, all other variables-Customer satisfaction, trust, affective commitment, hotel image, effective relationship, and technology- significantly influence customers loyalty in the hotels studied. The study therefore recommends that hotel operators should focus on Customer satisfaction, a good hotel image, adoption of modern technology among others because they have been identified to significantly influence customers decision to patronise hotels.

Key Words: Customers Loyalty, Hospitality Industry, Hotels, Regression Model

#### 1. INTRODUCTION:

In Nigeria, the hospitality industry, particularly the hotels are increasing in their numbers on a daily bases in every city and town in the country, thus, leading to serious competition among the hoteliers in attracting and retaining customers. According to Kandampully and Suhartanto (2000), one of the greatest challenges facing hotel organizations today is the ever-growing volume and pace of competition. They further stated that competition has had major implication for the customer, proving: increased choice; greater value for money; and augmented levels of service. However, in the face of competition, what sustains a firm is the loyalty of the customers which results into continued patronage of the firm's products or services. Kandampully and Suhartanto (2000), confirms that loyalty of a firm's customer has been recognized as the dominant factor in a business organization's success.

Therefore, the hotel industry, in particular, and all businesses whose service depend on building long term relationship need to concentrate on maintaining customer's loyalty (Al-Rousan & Badaruddin 2010). This is important because it has been confirmed in the literature that increased competition has forced firms including hotels to constantly look for new ways to be more attractive and thus more competitive. As the cost of keeping an existing customer is lower than the cost of acquiring new customers, many firms have launched loyalty programs (Hikkerova 2011; Persson & Bertilsson 2011; Wang 2007). It costs five times as much to attract new customers than keeping existing ones (Hikkerova 2011; Ko, Sook, Myungsoo & Young 2008; Abraham & Taylor 1999). Consequently, in other to create loyal customers, factors influencing loyalty need to be ascertained. This is because if they are well known hoteliers will be equipped with the necessary arsenals to competitively stay ahead of their competitors.

## 2. STATEMENT OF THE PROBLEM:

The hotel Industry, a service provider, plays an immense role in the development of an economy. According to Poku et al (2013), apart from its contribution to GDP, it also serves as a source of employment for many people such as cleaners, cooks, receptionists, security guards, etc. Arguably, the hotel industry in Nigeria and Delta state in particular is one of the largest sources of employment for its teaming youthful population. With the proliferation of

hotels in the state as a result of the influx of people into the state for one business or the other, most of the hotels now face the challenge of increased competition of meeting and exceeding customer expectation to ensure repeat patronage, which is the bedrock of any business. Perceptibly, increased patronage is found in loyal customers. Liang (2008) noted that loyalty has become important over the past few years because of increased competition within respective industries. In the hospitality industry, there is a novel research in customers' loyalty, but researchers have approached the concept from varying literally perspectives and research interest. For example, Al-Rousan and Badaruddin (2010) used service quality to investigate customer loyalty in the Jordanian five star hotels. Hikkerova (2011) investigated Loyalty Programmes: a study case in the Hospitality Industry. Persson and Bertilsson (2011) examined how to create loyal visitors in hotel businesses. Poku, Zakari and Soali (2013) investigated how service quality impacts customer loyalty in Kumasi, a leading city in Ghana. Filip and Anghel (2009) investigated customer loyalty and its determinants in a banking services environment. Adeleke and Aminu (2012) investigated the determinants of customer loyalty in the GSM market in Nigeria. However, with respect to the topic under investigation, there is no known research on determinants of customers' loyalty in the hospitality industry in Nigeria, especially in hotels. A more related works reviewed was the work of Al-Rousan and Badaruddin (2010) and Poku, Zakari and Soali (2013), but there studies were carried out in Jordan and Ghana respectively. In order to fill the literature and knowledge gap, this study examines the determinants of customers' loyalty in the hospitality industry: A study of selected hotels in Asaba, Delta state, Nigeria.

## 3. OBJECTIVES OF THE STUDY:

The main objective of the study is to examine the determinants of customers' loyalty in the hospitality industry: A study of selected hotels in Asaba, Delta state, Nigeria. The study intends specifically to:

- i. Examine the demographic profile of customers in the selected hotels.
- ii. Ascertain factors influencing customers' loyalty in the selected hotels.

#### 4. LITERATURE REVIEW:

## The Concept of Customer Loyalty

Arguably, in a competitive business environment, competition pits one company against another in their struggle to attract and retain customers. Organizations like the hotel industry whose service depend on building long term relationship need to concentrate on maintaining customer's loyalty in other to retain the customer. Extant literature is replete with concept of customer loyalty (Heskett & Sasser 2010; Eshghi, Haughton & Topi 2007; Bolton 2000; Gronroos & Hadbrook 1994). According to Jones, Earl and Sasser (1995) and Anderson and Jacobsen (2000) as cited by Adeleke and Aminu (2012), customer loyalty is customer repeating purchase intention to some specific products or services in the future or the result of an organization's creating a benefit for customers so that they will maintain and increasingly repeat business with the organization. Furthermore, loyalty is used to describe the willingness of a customer to continue patronizing a firm's goods and services over a long period of time and on a repeated and preferably exclusive basis, and voluntarily recommending the firm's products to friends and associates. It is making customers feel committed: When the benefits are meaningful to them, they will stay on (Adeleke & Aminu 2012; Lovelock 1996)

## Factors Influencing Customers Loyalty

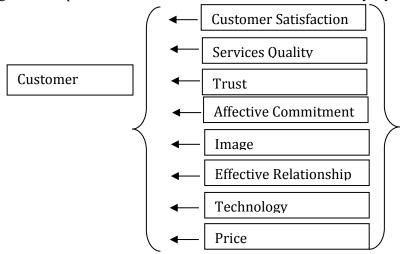
Extant literature is replete with factors influencing customers' patronage in different industries including hotels. According to Poku, Zakari and Soali (2013) and Filip and Anghel (2009), loyalty comes about as a result of high level of customer satisfaction, good service quality, customer feelings of trust and affective commitment, the positive image of the company, the relational benefits perceived by the customer that enhance the value of the core products and services they receive in the hotels or other businesses they patronize. It was also identified in the literature that customers' loyalty is determined by effective relationships with customers, customers' satisfaction and technology (Persson & Bertilsson 2011). Holjevac, Marković, and Raspor (undated) included customer satisfaction and good service quality as factors influencing loyalty. A loyal customer does not only engage in repeat patronage but also provides positive word- of- mouth to other people, thereby increasing the revenue of the hotel. The implication of this is that a customer's change of patronage would have an impact in the long-term revenue of the hotel (Poku et al 2013). Kandampully and Suhartanto (2000) included customer satisfaction and image as factors influencing customer loyalty in hotels. In line with the differences in the findings of previous scholars we conceptualise and proposed that consumers' loyalty is a function of customer satisfaction, service quality, trust, affective commitment, hotel image, effective relationship, technology and price. In line with the above-proposed function we develop the hypothesis.

## 5. HYPOTHESIS:

**Ho:** Consumers loyalty as a function of customers' satisfaction, service quality, trust, affective commitment, hotel image, effective relationship, technology and price do not significantly influence the consumers' loyalty towards patronising the hotels in Asaba, Delta state, Nigeria.

In line with the above-proposed hypothesis, we present a conceptualize schema of determinants of customers' loyalty in the hospitality industry: A study of selected hotels in Asaba, Delta state, Nigeria.

Fig. 1: Conceptualized Schema of determinants of customers' loyalty



Source: Author's conceptualization, 2016

#### 6. THEORETICAL FRAMEWORK:

This study is built on the Theory of Reasoned Action (TRA). The theory has been applied in various studies that relate to customer intension to patronize or repurchase intension (kirsten 2008; Ibrahim & Vignali 2005; Tan & Yeap 2012; Lim, Tan & Tan 2013). Ibrahim and Vignali (2005) applied the theory of reasoned action on a study of Consumer intention to patronage international fast food restaurants. The study was modelled using the classic beliefattitude-behaviour intention model (i.e. attitude and subjective norm) based upon the theory of reasoned action, and an extended model that included variables external to the classic theory. The Theory of Reasoned Action was developed by Fishbein and Ajzen (1975 1980), derived from previous research that started out as the theory of attitude, which led to the study of attitude and behaviour. The theory was "born largely out of frustration with traditional attitudebehaviour research, much of which found weak correlations between attitude measures and performance of volitional behaviours" (Hale, Householder & Greene 2002). The theory of reasoned action is a model for the prediction of behavioural intention, spanning predictions of attitude and predictions of behaviour. According to the theory, behaviour is determined by the behavioural intension to emit the behaviour. There are two major factors that determine behavioural intensions: a personal or "attitudinal" factor and a social or "normative" factor. In accordance with an expectancy-value formulation, the first component (the person's attitude toward a specific behaviour) is proposed to be a function of the salient (behavioural) beliefs about the perceived consequences of performing the behaviour and the person's (outcome) evaluation of these consequences. The second component, subjective norms, consists of an actor's perceptions of what important specific referent individuals or groups think he or she should do. Subjective norms are a function of the person's (normative) beliefs regarding what each referent thinks he or she should do and the motivation to comply with these referents. The relative importance of the attitudinal and normative components in determining intension is expected to vary according to the behaviour, the situation, and individual differences of the actor (Ajzen & Fishbein 1980).

The theory of reasoned action has "received considerable and, for the most part, justifiable attention within the field of consumer behaviour not only does the model appear to predict consumer intentions and behaviour quite well, it also provides a relatively simple basis for identifying where and how to target consumers' behavioural change attempts" (Sheppard, Hartwick & Warshaw 1988). Ibrahim and Vignali (2005) noted that Consumer researchers have applied the theory of reasoned action to a wide variety of behaviours over the years, including the consumption of automobiles, banking services, computer software, coupons, detergents, food choice, fast food restaurant choice and hotel choice. The TRA model has however proved its efficacy by exuding a strong predictive utility, even when utilized to investigate situations and activities that do not fall within the boundary conditions originally specified for the model". Ibrahim and Vignali (2005) noted that the extent to which the theory succeeds in predicting behavioural intention is usually evaluated by means of linear multiple regression analysis.

In this study, variables external to the theory of reasoned action were included in other to predict consumer's behavioural intention to patronize hotels in Asaba, Delta state, Nigeria. The variables included (food quality, restaurant image, service quality, atmospheric quality, perceived value, price, quick service, environment, consumers demographics and Modernity) in the model are drawn from various customer loyalty literature (Al-Rousan &

Badaruddin 2010; Hikkerova 2011; Persson & Bertilsson 2011; Poku, Zakari & Soali 2013; Filip & Anghel 2009; Adeleke & Aminu 2012; Al-Rousann & Badaruddin 2010; Poku, Zakari & Soali 2013). The variables have in different context explained some variance in consumer's behavioural intention to patronize hotels, thus their inclusion in this study.

#### 7. EMPIRICAL LITERATURE REVIEW:

From the empirical literature reviewed customers loyalty has been investigated from different standpoints. For example; Al-Rousan and Badaruddin (2010) examine Customers' Loyalty and the Impacts of Service Quality in the Jordanian five star hotels using factor analysis and multiple regression analysis. The results show that dimensions of service quality such as empathy, reliability, responsiveness and tangibility significantly predict customers' loyalty. Specifically, among the dimension of tourism service quality, the most significant predictor of customer loyalty is tangibility. Hikkerova (2011) investigated Loyalty Programmes: a study case in the Hospitality Industry using the chisquare and t-test statistics. Findings revealed economic value of the exchange, reputation in terms of quality of the firm, communication, and shared values as four antecedents of loyalty. Persson and Bertilsson (2011) examined how to create loyal visitors in hotel businesses using the Correlations analysis, which resulted in two main findings. (1) Organizational factors such as: size, strategy, and maturity of information system affect Customer Relationship Management activities where the development of a customer loyalty strategy affects Customer Relationship Management activities the most. (2) Customer Relationship Management activities as: bonus cards, service customization, free-gifts, and convenient check in/check outs affect loyalty where service customization affects loyalty the most. Poku, Zakari and Soali (2013) investigated how service quality impacts customer loyalty in Golden Tulip, a 4-star hotel; Miklin Hotel, a 3-star hotel and Lizzie's Hotel, a 2-star hotel in Kumasi, a leading city in Ghana by use of the SERVQUAL model through the study reveals that customer satisfaction is not based solely on the rankings/classification of the hotels but on service quality that gives value for money which in turn produces customer loyalty. Filip and Anghel (2009) investigated customer loyalty and its determinants in a banking services environment. In their study, the existence of favourable attitudes or positive motivations to customers, constraint factors or inertia, level of satisfaction, bank's attitude towards its own customers, the level of customer trust toward the organization or its employees in ensuring the financial interests of clients, and also the level of customer commitment were indentified to support the level of customers loyalty to the bank. Adeleke and Aminu (2012) investigated the determinants of customer loyalty in the GSM market in Nigeria using Pearson Product Moment Correlation to establish the relationship between the independent and dependent constructs of the research. The findings revealed that service quality, customer satisfaction, and corporate image are important determinants of customer satisfaction and loyalty in the Nigeria's GSM market. The fourth factor, price/tariff is found not to be a determinant of customer satisfaction and loyalty in market.

From the literature reviewed so far, customers' loyalty has been investigated from different standpoints. For example, Al-Rousan and Badaruddin (2010) used service quality to investigate customer loyalty in the Jordanian five star hotels. Hikkerova (2011) investigated Loyalty Programmess: a study case in the Hospitality Industry. Persson and Bertilsson (2011) examined how to create loyal visitors in hotel businesses. Poku, Zakari and Soali (2013) investigated how service quality impacts customer loyalty in Kumasi, a leading city in Ghana. Filip and Anghel (2009) investigated customer loyalty and its determinants in a banking services environment. Adeleke and Aminu (2012) investigated the determinants of customer loyalty in the GSM market in Nigeria. However, with respect to the topic under investigation, there is no known research on determinants of customers' loyalty in the hospitality industry in Nigeria, especially in hotels. A more related works reviewed was the work of Al-Rousan and Badaruddin (2010) and Poku, Zakari and Soali (2013), but there studies were carried out in Jordan and Ghana respectively. In order to fill the literature and knowledge gap, this study examines the determinants of customers' loyalty in the hospitality industry: A study of selected hotels in Asaba, Delta state, Nigeria.

# 8. METHODOLOGY:

# Research Design

This study adopts a quantitative survey research design which aims at determining the relationship between the independent variables and dependent variable in a population (Micheal, Oparaku & Oparaku 2012). It is also a descriptive survey research design because it involves asking questions, collecting and analysing data from a supposedly representative members of the population at a single point in time with a view to determine the current situation of that population with respect to one or more variable under investigation (Okeke, Olise & Eze 2008). The questions asked are to elicit responses that will answer the research questions and address the objectives of the research - which is to ascertain factors influencing customers' loyalty in the selected hotels in Asaba, Delta state, Nigeria.

Area of Study

The study was executed in Asaba, Delta state, Nigeria. The city is significant to this study because it is the capital of Delta state - one of the major oil producing states in the country- and also a major economic hub of the state where economic and business activities take place. The state has hotels of different classes scattered all over the city as a result of the growing number of consumers and rising population of people that engage in one business activity or the other. The inhabitants are predominantly traders who are into various kinds of economic activities and civil service etc.

The population of the study is made up of the customers of four selected hotels in Asaba, Delta state. Since all the hotels have lodging which is a common feature, the study selected fifty guests from each of the hotels for investigation. Quota sampling was used to select the sample of two hundred (200) respondents i.e. fifty (50) respondents each that visit the selected hotels during the period of data collection for this study. The aim of using quota sampling was to enable the researcher reduce bias in sample selection from the population of the study.

The instrument used for the data collection is the questionnaire which was designed and administered to customers of the selected hotels in Asaba, Delta state, Nigeria. The questionnaire was titled determinants of customers' loyalty in the hospitality industry: A study of selected hotels in Asaba, Delta state, Nigeria. The questionnaire has two sections. Section A and Section B. Section A sought information on demographic profile of the respondents. Section B was made up of items designed to elicit information relating to the determinants of customers loyalty in the hospitality industry: A study of selected hotels in Asaba, Delta state, Nigeria. Using a close ended questions and a four (4) Likert summative scale question of Strongly Agree (SA) 4 points; Agree (A) 3 points; Disagree (D) 2 points; Strongly Disagree and (SD) 1 point. The reliability of the instrument were established using test re-test method. Copies of the questionnaire for the study were administered to twenty (20) customers of one randomly selected hotel in Asaba, Delta state, Nigeria. The same instrument was administered to twenty (20) customers of the same hotel after two weeks. The coefficient of reliability for their responses of 0.851 was established using cronbach alpha, which was considered high enough as suggested by Hair, Bush, and Ortinua (2006).

## Model for the Study

Data collected for this study were analysed using linear regression model and descriptive statistics such as frequencies, percentages, mean, and standard deviation. The demographic profiles were processed using descriptive statistics, while the hypothesis for the study was processed using the regression model. All the analysis were done using SPSS version 17. Linear regression model of the ordinary least square (OLS) approach was used to test the hypothesis in order to ascertain the influence of customer satisfaction, service quality, trust, affective commitment, hotel image, effective relationship, technology and price on consumers loyalty towards patronising the hotels in Asaba, Delta state, Nigeria. The use of (OLS) is informed by the fact that under normality assumption for ei, the OLS estimator is normally distributed and are said to be best, unbiased linear estimator (Gujarati & Porter 2008).

The model is implicitly specified as follows;

The model is explicitly specified as follows;

$$Y = \alpha + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 \dots \beta_k x_k + \varepsilon \dots eq(2)$$

Where:

 $\alpha$  = intercept

Y = consumers loyalty towards patronising the hotels (frequency of patronising the hotels).

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_4 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + \epsilon$$
.....4

The included variables  $X_1$ - $X_8$  represent customer satisfaction, service quality, trust, affective commitment, hotel image, effective relationship, technology and price,  $\beta_1 - \beta_8$  are the slope coefficients of the regressors,  $\alpha$  represents the vertical intercept and  $\epsilon$  the stochastic residual term designed to capture the effects of unspecified variables in the model, which is normally distributed with a mean value of zero.

# a. Discussions and Conclusions

Table 1: Distribution according to demographic profile of respondents

Items	Frequency	Percentage (%)	Cumulative (%)
Gender			
Male	149	74.5	74.5
Female	51	25.5	100.0
Total	200	100.0	
Age			
18-30	8	4.0	4.0
31-40	19	9.5	13.5
41-50	125	62.5	76.0
51-60	41	20.5	96.5
61-70	5	2.5	99.0
71 and above	2	1.0	100.0

Total	200	100.0	
Marital status			
Married	122	61.0	61.0
Single	61	30.5	91.5
Divorced	6	3.0	94.5
Widow/Widower	11	5.5	100.0
Total	200	100.0	
<b>Educational Qualification</b>			
Primary	16	8.0	8.0
Secondary	55	27.5	35.5
Tertiary	129	64.5	100.0
Total	200	100.0	
Occupation			
Civil servant	21	10.5	10.5
Private Company Staff	44	22.0	32.5
Business/Trading	117	58.5	91.0
Craft	11	5.5	96.5
Students	7	3.5	100.0
Total	200	100.0	
<b>Income of customers (monthly)</b>			
1000-20000	1	0.5	0.5
21000-40000	4	2.0	2.5
41000-80000	44	22.0	24.5
81000-100000	31	15.5	40.0
101000 and above	120	60.0	100.0
Total	200	100.0	

## Source: Field survey2016.

The demographic profile of the respondents was presented in table 1. The table revealed the percentage of male to female gender that visits the hotel, 74.5% of the respondents are males while 25.5% of the respondents are female gender. The implication is that there are more males that patronize the hotel that female gender. The age of the respondents revealed that majority of the people who patronize the hotel fall within the age bracket of 41-50 years. These constitute 62.5% of the respondents. 61% of them are married. With respect to educational exposure, majority of the customers (64.5%) had tertiary education. The occupation of majority 58.5% of the customers is mainly business/trading. 60% of the customers who responded to the questionnaire earn incomes above  $\cancel{\$}$  100,000.00 per month.

Table 2: Distribution according to frequency of patronising the hotels.

Items	Frequency	Percentage (%)	Cumulative (%)
Every day	13	6.5	6.5
Once a week	40	20.0	26.5
Every two weeks	91	45.5	72.0
Occasionally	56	28.0	100.0
Total	200	100.0	

# Source: Field survey 2016.

Table 2, reveals the frequency of patronising the hotels by the customers. 45.5% of the customers who visits a particular hotel do that every two weeks, followed by 28% of the customers that visit occasionally and then 20% of the customers visit once every week.

# 9. REGRESSION RESULT

Table 3: Factors influencing customers' loyalty in the selected hotels

Model	В	Std. error	t	Sig.
(Constant)	4.536	3.349	1.354	0.133
Customer satisfaction	0.152	0.048	3.108	0.000
Service quality	1.219	0.264	4.617	1.000
Trust	1.332	0.384	3.469	0.099
Affective commitment	0.111	0.019	5.842	0.015
Hotel image	0.221	0.099	2.232	0.026

Effective relationship	1.129	0.103	10.961	0.000
Technology	0.327	0.070	4.671	0.067
Price	1.369	0.181	7.564	0.000
R	0.813			
$\mathbb{R}^2$	0.742			
Adj. R <sup>2</sup>	0.733			
F-statistic	68.546			0.000

Source: Field survey 2016.

#### **Dependent variable: Frequency of patronising the hotels**

The regression analyses shows the precision of the model. The joint effect of the explanatory variable in the model account for 74.2% of the variations in the factors influencing the behaviour of consumers towards patronising the hotels in Asaba, Delta state. All the coefficients are (customer satisfaction, service quality, trust, affective commitment, hotel image, effective relationship, technology and price) are significant. They also show a positive relationship with the behaviour of consumers towards patronising the hotels in Asaba, Delta state as proxied by Frequency of patronising the hotels. The F-statistics of 68.5% which is significant at 0.000 levels also shows contribution of the regressors in explaining the regressand.

#### 10. FINDINGS:

The analysis of the study revealed the following findings:

- i. More of the male gender patronizes the hotels than the female gender.
- ii. Majority of the people about 62.5% who patronize the hotel fall within the age bracket of 41-50 years.
- iii. 61% of customers who visit the hotels are married.
- iv. Majority of the customers (64.5%) had tertiary education.
- v. The occupation of 58.5% of the customers is mainly business/trading.
- vi. 60% of the customers who responded to the questionnaire earn incomes above  $\frac{100,000.00}{100}$  per month.
- vii. Customers who visit the hotels more frequently do that every two weeks.
- viii. All the coefficients show a positive relationship with the behaviour of consumers towards patronising the hotels in Asaba, Delta state as proxied by Frequency of patronising the hotels.
- ix. With the exception of service quality, all other variables-Customer satisfaction, trust, affective commitment, hotel image, effective relationship, and technology- significantly influence customers loyalty in the hotels studied.
- x. The joint effect of the explanatory variable in the model account for 74.2% of the variations in the factors influencing the behaviour of consumers towards patronising the hotels in Asaba, Delta state.

In the final analysis, the findings of this study have shown consistency with the finding of the previous work reviewed in this study. For example, customer satisfaction, service quality, trust, affective commitment, hotel image, effective relationship, technology and price were all identified to be significant and also have a positive relationship with the behaviour of consumers towards patronising the hotels in Asaba. This conforms with the findings of Poku, Zakari and Soali (2013) and Filip and Anghel (2009), they discovered that loyalty comes about as a result of high level of customer satisfaction, good service quality, customer feelings of trust and affective commitment, the positive image of the company, the relational benefits perceived by the customer that enhance the value of the core products and services they receive in the hotels or other businesses they patronize. It was also identified in the literature that customers' loyalty is determined by effective relationships with customers, customers' satisfaction and technology (Bertilsson & Persson 2011). We can conclude that these variables have strong ramifications for the success of hotel business in Nigeria.

Based on the analysis and findings of this study, the researchers therefore recommend that:

- i. Hoteliers who want to build customers loyalty should develop a customer satisfaction and service quality for their customers
- ii. Hotels should strive to earn the trust of their customer by building a long term relationship with them.
- iii. A good hotel image is important as it has shown in various context to influence customers decision to patronise hotels.
- iv. To have a competitive edge, the technology used in service delivery in the hotels should be modern.
- v. To increase patronage, the hotels should be price sensitive considering the income levels of the target customer in the area.

# 11. RESEARCH LIMITATIONS AND DIRECTION FOR FURTHER RESEARCH:

Some of the problems encountered during the study include: difficulty in getting the respondents to spare their time to fill the questionnaire. There was also financial challenge; the funding of the research fell mainly on two out of

the three researchers. This is because the third researcher is a PhD candidate who is not financially stable to join in the funding of the research, but he did a lot in developing the model and running the analysis for this work.

Similar study should be replicated in other states of Nigeria in order to ascertain the extent to which the variables modelled in this study could predict consumer's behavioural intention to patronize hotels.

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