MARKETING MODELS FOR PERFORMANCE AMONG FOUR AND FIVE STAR HOTELS IN KENYA

BY

ANTONETA NJERI KARIRU

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DECLARATION

This thesis is my original work and has not been presented for Doctor of Philosophy degree or any other degree in any other tertiary or higher institution of learning.

CANDIDATE

Antoneta Njeri Kariru

PG/PHD/00032/2013

Signature……………………………………. Date………………………………….

This thesis has been submitted to Maseno University for review with our approval as university supervisors.

Prof. Edwin Odhuno

School of Business and Economics

Mount Kenya University,

P. O. Box 5826, KIGALI.

Signature……………………………Date…………………………

Dr. Kambona Oscar Ouma

Department of Ecotourism, Hotel and Institution Management

Maseno University

P.O Box 333-40105, MASENO.

Signature……………………………Date…………………………

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DEDICATION

Dedicated to my late sister Ruth Wambui Kariru for helping me grow academically and personally, my family for paving the way for me and my friends for always being there for me.

ABSTRACT

Kenya has been slow in adjusting to the external hospitality environment and adopting competitive marketing strategies as evidenced by the higher growth of tourism in competitor countries. Marketing models such as the four P's which were developed for monopolies within the manufacturing industries of developed countries and overlook modern consumer trends such as guests' experiences are however being used by hotels in Kenya which operate in a monopolistic and perfectly competitive service oriented industry. This study therefore examined marketing models for performance among four and five star hotels in Kenya. The specific research objectives were to; examine factors which influence the guests' purchase decisions, establish the hotels' marketing strategies, assess guests' and managers' perceptions on the marketing strategies, develop a marketing model for the hotels, establish the direct effects in the relationship between the new marketing strategies and performance and the mediating roles of customer and market performance in the relationship between the new marketing strategies and financial performance. The study adopted the contingency theory and applied the mixed sequential exploratory research design. The study population comprised of managers and customers in hotels. Hotels in Nairobi and Mombasa were selected using cluster sampling. The guests who were interviewed (n=26) and those who filled in self-administered questionnaires (n=198) were selected using convenience sampling. Managers who preferred to complete self-administered questionnaires (n=102) or talk freely of their marketing activities through semi-structured interviews (n=9) were conveniently sampled. Data was analysed using descriptive, thematic, content, narrative and gap analysis and structural equation modeling. The findings showed that the guests' purchase decisions depended on their perceptions of the marketing strategies; the hotels focused on promotions and their customers and there were gaps in managers' and guests' perceptions of the marketing strategies. A new marketing model which mapped the product, ambience, hospitality, service, destination, value and communication strategies was therefore developed and validated after confirming its validity, reliability and predictive relevance. The R^2 for cash inflow was .58, profits .78 and return on investment .65. Thus the guests' perceptions of the marketing strategies influenced their purchase decisions although the hotels embraced a narrow range of marketing strategies which could be improved. The study concluded that the factors which influence the guests' purchase decisions are the atmosphere, food, facilities, amenities, hospitality, location, accessibility, price, value, discounts and security; the hotels employ customer relationship management and promotions; the guests and managers have positive and negative perceptions of the marketing strategies; a new marketing model which addresses guests' experiences can be adopted; the new marketing strategies directly, positively and negatively influence performance and that customer performance and market performance partially, indirectly or fully mediate the relationship between the new marketing strategies and financial performance. The hotels should therefore involve guests in developing their products and experiences; embrace a broader range of modern marketing strategies; close the gaps in managers' and guests' perceptions of the marketing strategies; adopt the new marketing model and take advantage of the effects of the marketing strategies on performance.

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ABBREVIATIONS/ACRONYMS

AVE: AVERAGE VARIANCE EXTRACTED

β: BETA

CCI: CUSTOMER TO CUSTOMER INTERACTION

CR: COMPOSITE RELIABILITY

CSR: CORPORATE SOCIAL RESPONSIBILITY

f^2: F STATISTIC

GDS: GLOBAL DISTRIBUTION SYSTEM

HACCP: HAZARD ANALYSIS CRITICAL CONTROL POINT

ISO: INTERNATIONAL ORGANIZATION FOR STANDARDIZATION

ITB: INTERNATIONALE TOURISMUS-BORSE

KICC: KENYATTA INTERNATIONAL CONVENTION CENTRE

KTB: KENYA TOURISM BOARD

KTN: KENYA TELEVISION NETWORK

M: MEAN

MDN: MEDIAN

N/A: NOT APPLICABLE

p: PROBABILITY OF ERROR

PLS-SEM: PARTIAL LEAST SQUARES STRUCTURAL EQUATION MODELING

Q^2: PREDICTIVE RELEVANCE

R^2: COEFFICIENT OF DETERMINATION

ROI: RETURN ON INVESTMENT

SD: STANDARD DEVIATION

SERVQUAL: SERVICE QUALITY

SIC: SINGLE ITEM CONSTRUCT

SPSS: STATISTICAL PACKAGE FOR SOCIAL SCIENCES

t: t STATISTIC

TECH: TECHNOLOGY

UK: UNITED KINGDOM

UNWTO: UNITED NATIONS WORLD TOURISM ORGANIZATION

USA: UNITED STATES OF AMERICA

USP: UNIQUE SELLING POINT/PROPOSITION

VIF: VARIANCE INFLATION FACTOR

OPERATIONAL DEFINITION OF CONCEPTS AND TERMS

Accommodation: Rooms offered to guests for occupancy when engaging sleeping accommodation in a hotel

Beach hotel: A hotel located next to the beach

Business hotel: A hotel whose major customers are business customers

Chain hotel: A hotel that is part of a group of hotels which are under common ownership

Customer driven: Addressing the needs, wants and desires of customers

Domestic market: Customers in hotels who come from Kenya

Excellent hotels: Four and five star hotels

Foreign owned hotel: A hotel that is owned by a foreigner or foreign government and not a Kenyan nationality or the Kenyan government

Hotels: Establishments which offer food, drinks, entertainment, relaxation amenities, meeting facilities, functions areas and sleeping accommodation to customers

Hotel customer: A person who has visited a four or five star hotel for either food, drinks, entertainment, relaxation, functions, conferences, meetings or sleeping accommodation but has not necessarily spent the night at the hotel

Hotel guest: A person who has engaged sleeping accommodation for at least one night in a four or five star hotel

Independent hotel: A hotel which is not part of a chain of hotels

International market: Customers in hotels originating from other regions of the world other than East Africa

Leisure hotel: A hotel whose major customers are leisure customers

Local market: Customers in hotels who come from the hotel's vicinity

Locally owned hotel: A hotel which is owned by a Kenyan

Marketing: An activity through which a hotel targets customers with an aim of attracting them to its facilities

Marketing strategies: Plans hotels use to target their customers and attract them to their facilities

Marketing tactics: Ways hotels implement their marketing strategies

National market: Customers who are Kenyans by nationality

Performance: A hotel's ability to achieve its financial and non-financial business potentials as reflected by key performance indicators like customer performance including customer satisfaction and market image and awareness, market performance including market share, market penetration, competitive advantages, competitive position and sales volume and financial performance including profits, cash inflow and return on investment

Privately owned hotel: A hotel which is not owned by a local or foreign government but is instead owned by an independent investor

Purchase decisions: Factors which influence a customer's choice of a hotel

Regional market: Customers in hotels whose nationalities are of the East Africa countries other than Kenya- that is, Ugandans, Tanzanians, Sudanese, Burundians and Rwandese

Restaurant: A section of the hotel including the bar, catering, events, conference, meeting and function rooms, where food, beverages and sundries are sold or served

State owned hotel: A hotel which is owned by a local or foreign government

Town hotel: A hotel located in or near a major town or city and whose major customers are business customers

Vacation hotel: A hotel located near or at a natural or man-made attraction and whose major customers are holiday makers or leisure customers

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CHAPTER ONE: INTRODUCTION

1.1 Introduction

This chapter gives an overview of the study's background, statement of the problem, purpose, specific objectives, research questions, significance, scope, delimitations, limitations, assumptions and conceptual framework.

1.2 Background of the Study

This sub section looks at tourism statistics and the background of the study in line with the objectives of the study.

1.2.1 Tourism and tourism statistics

Tourism is a global international trade and leading economic activity which is projected to continue growing in both developed and developing countries. Global tourism involves domestic and international travel for business, leisure, sports, culture, religion or even health. In the year 2015, global tourism contributed to approximately 10% of the world's gross domestic product, created one in eleven jobs, accounted for 6% of the world's exports and generated 1.4 trillion United States dollars from the over 1.2 billion domestic and international tourists (United Nations World Tourism Organization, 2016).

Table 1.1 Top tourist destinations by region in 2015 (Source: United Nations World Tourism Organization, 2016)

No.	Region	Tourist arrival numbers
1	Europe	594,100,000
2	Asia and Pacific	289,500,000
3	America	199,400,000
4	Middle East	36,300,000
5	Africa	35,400,000

As illustrated in Table 1.1, in the year 2015, Europe dominated the global tourism destination and was followed by Asia and Pacific, America and Middle East. However, Africa attracted

the lowest number of tourists thus indicating that the continent was the least preferred destination.

Table 1.2 Growth in number of international tourist arrivals by region in 2015 (Source: United Nations World Tourism Organization, 2016)

No.	Region	Tourist arrival numbers	Growth in number of international tourist arrivals
1	Europe	594,100,000	5.00%
2	Asia and Pacific	289,500,000	6.00%
3	America	199,400,000	6.00%
4	Middle East	36,300,000	2.00%
5	Africa	35,400,000	-3.00%

Table 1.2 depicts that Europe, Asia and pacific, America and Middle East had growth rates in tourist arrivals of 5.00%, 6.00%, 6.00% and 2.00% respectively. Yet, Africa experienced a 3.00% drop in tourist arrivals due to security threats and poor economic growth thus attracting the lowest number of visitors in the world (United Nations World Tourism Organization, 2016) moreover indicating that Africa was lagging behind in tourism performance relative to competitors.

Table 1.3 Top tourist destination countries in the world in 2015 (Source: United Nations World Tourism Organization, 2016)

No.	Country	No.	Country
1	United States	6	Germany
2	Spain	7	United Kingdom
3	China	8	Mexico
4	Italy	9	Russian Federation
5	Turkey		

Table 1.3 shows that countries such as United States of America, Spain and China were feted as the most visited destinations in the world in 2015 again showing that no African country made it to the top nine list of popular destinations in the world. (United Nations World Tourism Organization, 2016). Nonetheless, the African continent is endowed with both natural and manmade attractions ranging from the supreme beaches to the beautiful landscapes, diverse cultures, dense forests and diverse wildlife. Despite being a small source market for international tourists, the tourism and hospitality industries in the African continent have thrived in the last decade with their attractions bringing in among other tourists many business and leisure travellers.

Table 1.4 Top tourist destinations in Africa in 2015 (Source: United Nations World Tourism Organization, 2016)

No.	Country	Tourist arrivals	No.	Country	Tourist arrivals
1	Morocco	10,177,000	6	Algeria	1,710,000
2	Egypt	9,139,000	7	Mozambique	1,552,000
3	South Africa	8, 904,000	8	Mauritius	1,152,000
4	Tunisia	5,359,000	9	Kenya	1,114,000
5	Zimbabwe	2, 057,000			

As portrayed in Table 1.4, according to the United Nations World Tourism Organization (2016), despite missing statistics for most of the countries, the leading destination in Africa in 2015 was Morocco, followed by Egypt, then South Africa, Tunisia, Zimbabwe, Algeria, Mozambique, Mauritius and lastly Kenya. The United Nations World Tourism Organization elaborates that Tunisia and Algeria had declines of 12.00% in tourist arrivals due to terrorism yet they still made it to the top six lists of popular destinations. Morocco had a slight decline due to reduced arrivals from France which is its major source market. South Africa had a drop in the number of arrivals as a result of new visa rules. Kenya, Togo, Mozambique and Sierra Leone too had declines. However Kenya's decline was as a result of poor marketing strategies, terrorism threats and political uncertainty. Seychelles, Mauritius, and Madagascar which are islands nevertheless respectively had growths of 19.00%, 11.00% and 10.00% in arrivals while Eqypt had a 5.00% decrease as a result of terrorism threats and political unrests.

Nonetheless, when it comes to East Africa, the leading destination is Kenya which is closely followed by Tanzania and Uganda. As a result, tourism has become a major economic activity in Kenya. The tourism sector employs thousands of people in Kenya and contributes to about 10% of the country's gross domestic product. In the year 2010, tourism in Kenya generated approximately 73.68 billion Kenyan shillings in earnings (Kenya National Bureau of Statistics, 2016). The year 2014 saw roughly 1.35 million tourist arrivals and approximately 87.1 billion Kenyan shillings being generated from the trade indicating a

decline from the year 2012 when there were roughly 1.8 million tourist arrivals and earnings of approximately 96.02 billion Kenya shillings (Kenya National Bureau of Statistics, 2016).

In Kenya, both domestic and international tourists are attracted by the beaches, conference facilities, wildlife, culture, nature, landscapes, cuisine, music, dance, literature and weather. These tourists need accommodation thus the importance of lodging facilities such as hotels. In the year 2013, the hotel bed occupancy percentage in the country was 36.40% with 4,792,500 visitors having been accommodated. The year 2014 saw a slight decline in these figures to 4,727,000 visitors and a bed occupancy percentage of 31.60%. However, in addition to providing accommodation, most hotels also offer dining, entertainment and conference facilities. This makes them invaluable to the country's economy. Consequently, the country has further invested in hotels of various star ratings (Kenya Gazette, 2003; Trip advisor, 2013). These facilities are spread across the country. For example, all four and five star hotels which had been gazetted in the year 2003 were located at the coastal region and in the capital city, Nairobi.

The Kenyan Vision 2030 aims at making Kenya a leading international and long-haul tourism destination by the year 2030 through adoption of among other strategies international marketing strategies (Kenya Vision 2030). Such strategies include targeting high-end tourists in traditional and new markets such as Scandinavia, India, South Africa and Japan. Subsequently, the vision further seeks to raise hotel/bed capacity in the country in line with the projected increase in tourist arrivals. These growth prospects have moreover attracted many investors including international hotel chains which have mostly invested in the cities of Nairobi and Mombasa. This trend of international hotel investment in Kenya had been expected to continue in the coming years in line with the projected growth in tourism. However, the country had been facing challenges from terrorism and the resultant travel

advisories which had resulted in drops in the number of tourist arrivals. Nonetheless, further growth of the hospitality and tourism industries will increase competition between existing and emerging establishments. All these call for the adoption of effective marketing strategies by both local and international hotels in the country.

1.2.2 Marketing strategies of hotels

Marketing is "a social and managerial process by which individuals and groups obtain what they need and want through creating and enhancing products and value with others" (Kotler Bowen & Makens, 2003, p. 13). It focuses on the customer and is used to improve the competitiveness of the business (Bowie & Buttle, 2004).

Marketing strategies identify and analyse target markets and develop marketing plans used to create, promote and price products which meet the needs of that market (Hult, Pride & Ferrel, 2011). However, most non-hospitality and hospitality facilities still encounter challenges in creating and implementing competitive marketing strategies (Negi, 2002; Hult *et al.* 2011; Ha & Jang, 2013). For example, studies in Kenya have looked at tourism marketing strategies and found that 26% of local tourists sampled in tourist destinations in Kenya had never seen the Ministry of Tourism in Kenya advertise and promote domestic and local tourism (Kamau, Waweru, Lewa & Misiko, 2015). The researchers moreover concluded that either the Ministry of Tourism was not aggressive in its marketing efforts or that its adoption of mass marketing meant that its target markets were not clearly defined. The authors therefore recommended that Kenyan hospitality marketers match their marketing efforts with the needs and wants of customers. Similarly, researchers have looked at traditional advertisements in conventional and budget hotels in Eldoret and recommended the adoption of internet marketing (Walaba, 2016). However, the marketing strategies of four and five star hotels in Kenya are poorly documented.

1.2.3 Factors influencing guests' purchase decisions in hotels

It has already been established that the best marketing strategies are created with the customers in mind since satisfying them through successfully meeting their needs and informing them of the firm's commitment to do so can increase sales and business (Mohajerani & Miremadi, 2012). This is because the customer should be the focus of marketing activities and not the product (Bowie & Buttle, 2004; Tsiotsou & Ratten, 2010). Hence, researchers have looked at the purchase decisions of guests in zero rated and non-classified hotels in Kenya (Korir, Korir, Musyoki & William, 2012; Kivuva, Kihima & Nzioka, 2014) yet researchers in the country have not looked at the purchase decisions of guests in four and five star hotels.

1.2.4 Gaps in guests' and managers' perceptions of the factors influencing the guests' purchase decisions and the marketing strategies of hotels

In a bid to satisfy customers, efforts to identify and meet customers' expectations by bridging the gaps between managers' and customers' perceptions of customers' purchase needs and the marketing strategies of firms have led to the adoption of the gap analysis concept (Fifield, 1998). Thus studies outside Kenya have looked at these gaps in hotels (Heung, 2000; Lockyer, 2002; Juwaheer & Ross, 2003). Nonetheless, similar gaps in four and five star hotels in Kenya have not been identified.

1.2.5 Marketing strategies and the performance of hotels

Marketing strategies are important because they enhance business survival due to increased competition especially when correctly crafted (Wilson & Gilligan, 2001; Perreault & McCarthy, 2005). In light of this, researchers in Kenya have looked at the effects of the marketing mix elements on the accommodation choices of domestic tourists in the country and concluded that "pricing strategies should match buyers' purchasing powers, products should meet guests' needs, information on distribution should be accessible, location should

be at the right place, people should have the right attitude, skills and appearance, processes should be accessible, physical evidence should be made tangible and promotions should be embraced" (Kamau, Waweru, Lewa & Misiko, 2015, p. 32). However, studies on the relationship between the marketing mix elements and performance of classified non-star rated hotels in Kenya (Mucah, Mbaeh & Noor, 2013) have failed to establish the nature of mediators in the relationships. By extension, the relationship between the marketing strategies and performance of four and five star hotels in Kenya remain undocumented.

1.2.6 Marketing models for hotels

Most marketing models such as the four P's which have been adopted by the hotel industry have been developed, tested and applied in political, socio-cultural, economic, legal, natural, geographical and technological environments that are different from the current environments (Gronroos, 1997; Goi, 2009). The four P's model nonetheless focuses on the manufacturing industry, is limited for service and experiential oriented hospitality firms and can be considered obsolete therefore calling for the development of new marketing models which will shift the focus from the marketing mix theories to addressing the needs and wants of customers while outdoing competitors (Fanning & Ogle, 2014). Fanning & Ogle (2014) add that the applicability of the extended marketing mix elements such as the seven P's to the hospitality industry is questionable. Mucah *et al*. (2013) similarly noted that hotels in Kenya still use the marketing mix models including the four P's which may not be appropriate since they ignore the customer and service aspects of the industry. Nevertheless, "the hospitality industry, the world over is transforming from a product-focused, physical asset intensive business to a customer-focused, experience-centric one" (Knutson, Beck, Him & Cha; 2006 as cited by Bharwani & Jauhari, 2013, p. 824). However, the experiences of guests in hotels, their dimensions (Tsiotsou & Ratten, 2010) and relationships with the traditional marketing

models are yet to be explored. All these call for the development of a new marketing model and competitive marketing strategies for four and five star hotels in Kenya.

1.3 Statement of the Problem

Marketing models and related strategies if correctly crafted can affect the business performance of hotels. It is apparent that Kenya's current tourism and hotel marketing strategies are not competitive. The impacts of external forces such as politics, economic cycles, socio-cultural trends, technological changes, demographic shifts, globalisation, ecological concerns and multi-culturalism have called for the adjustment of the marketing strategies. However, the country has been slow in responding to these forces and adopting competitive marketing strategies as evidenced by the high number of tourist arrivals in competitor countries such as Morocco, Egypt, South Africa and Tunisia (see Table 1.4), which has not been seen in the Kenyan tourism industry meaning that hotels in the country may not be achieving their performance potentials.

Marketing strategies affect business performance, yet the marketing strategies of four and five star hotels in Kenya are not well documented. The concept of turning guests' needs into competitive marketing strategies has not been explored. Subsequently, scholars who have investigated factors which influence the purchase decisions of guests have failed to explain how these needs can be turned into competitive marketing strategies. Gaps in guests' and managers' perceptions and expectations of the marketing strategies of four and five star hotels are as well over looked. In addition, the relationship between the marketing strategies and performance of hotels and the mediating roles of key performance indicators such as customer performance and market performance in the relationship between the marketing strategies and financial performance have not been established. No tailored marketing model has also been proposed and developed for hotels in Kenya which are competing in perfectly

competitive and monopolistic markets in a country that is in its early stages of development. Most marketing models that are currently being used by hotels in the country such as the four P's were moreover developed for monopolies operating within the manufacturing industries of developed countries. The models may therefore not reflect the best strategies for hotels in Kenya. The models too overlook modern marketing trends such as the guests' experiences which can provide competitive niches for hotels.

1.4 Purpose and Objectives of the Study

1.4.1 Purpose of the study

The purpose of this study was to examine marketing models for performance among four and five star hotels in Kenya.

1.4.2 Specific objectives of the study

1. To examine factors which influence the purchase decisions of guests in four and five star hotels in Kenya

2. To establish the marketing strategies employed by four and five star hotels in Kenya

3. To assess guests' and managers' perceptions on marketing strategies employed by four and five star hotels in Kenya

4. To develop a marketing model for four and five star hotels in Kenya

5. To establish the direct effects in the relationship between the new marketing strategies and performance

6. To establish the mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance

1.5 Research Questions

Qualitative, inductive and exploratory studies often use research questions whereas quantitative, deductive and confirmatory studies frequently test research hypotheses (Saunders, Lewis & Thornhill, 2009). This study adopted the mixed methods research approach by combining qualitative and quantitative approaches. However, only research questions were used since the study was exploratory and inductive in nature.

1.5.1 Research questions

The following research questions were developed for the six objectives.

1. Which factors influence guests' purchase decisions in four and five star hotels in Kenya?

2. What are the marketing strategies employed by these hotels?

3. How do guests and managers perceive the marketing strategies of the hotels?

4. Which marketing model can be used by the hotels?

5. What are the direct effects in the relationship between the new marketing strategies and performance?

6. What are the mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance?

1.6 Significance of the Study

Although there is a well-defined body of knowledge on marketing, which is well researched and documented, information on the marketing strategies and tactics of four and five star

hotels in Kenya is wanting. The marketing concept has been touted as the success concept for businesses (Negi, 2002). Strategic marketing for that reason needs to be embraced as a tool for the improved performance of hotels in Kenya and its importance in tourism development justified.

There is also increased international competition between destinations and hotels (Elaver, Tari & Perreira, 2006). Kenya's tourism marketing strategies are ineffective and need to be adjusted in order for the nation to be able to successfully compete both regionally and internationally. One way to achieve this is for hospitality practitioners to understand their customers' purchase behaviours and meet their desires. Pursuing marketing strategies which do not take into consideration what matters most to the customer would lead to poor business performance since the establishment will not be able to attract customers and sustain operations.

This study hence informed tourism stakeholders including the government, travel agents, tour operators, managers, entrepreneurs, investors and scholars on how to increase the business performance of hotels in Kenya by developing and validating a marketing model which improved the existing marketing strategies and addressed the needs of customers. In so doing, the research contributed to the existing body of knowledge on the strategic marketing of hotels.

1.7 Scope, Delimitations and Limitations of the Study

1.7.1 Scope and delimitations of the study

Kenya had approximately one hundred and sixty two star rated hotels employing thousands of managers and catering to over six million domestic and foreign tourists annually (Kenya Gazette, 2003; Trip advisor; 2013). These facilities are also located across the country. The

participants chosen for the study were therefore limited to managers working in four and five star hotels in Nairobi and Mombasa, and guests visiting the hotels. However, since all the hotels had been classified and rated using the same criteria, meaning that they shared similar quality and service standards, the findings arising from the study were generalized to all four and five star hotels within these regions.

1.7.2 Limitations of the study

The study involved four and five star hotels only which were last classified and given star ratings by the Kenyan government in the year 2003 meaning that the ratings may have been obsolete because of aging and emerging modern hotels which had not been classified. Consequently, the researcher used Trip advisor to reaffirm the existing star ratings.

The researcher interviewed a convenient sample of guests implying that the findings may be generalised with care. However, this facilitated the collection of rich information from respondents who were willing and able to freely participate in the study and moreover increased the number of guests who filled in the questionnaires.

In addition, the sample of guests who were interviewed was almost purely Kenyan meaning that the findings may not have reflected a global market that is characteristic of the hotel industry. As a result, literature review was used to augment the findings from the interviews.

Similarly, out of the one hundred and ninety eight guests who filled in the self-administered questionnaires, one hundred and fifteen were Kenyans while the remaining eighty three were of twenty one other nationalities meaning that the findings may be generalized with care though the sample at the same time represented local, national, regional and international populations.

The researcher also used convenience sampling of managers though this is often considered biased. However, convenience sampling facilitated the collection of rich information from as many managers as possible thus increasing the accuracy and relevance of the data that was collected. In addition, in order to address any bias, all respondents who felt that they were knowledgeable and informed enough to answer the questionnaires and respond to interviews were encouraged to participate thus giving all the managers the opportunity to give their opinions.

1.8 Assumptions of the Study

It was assumed that four and five star hotels in Kenya were excellent hotels which offered the highest quality of products and services in the country. Hence, the most effective tools available for these facilities to outdo each other businesswise, were the marketing strategies and tactics that they pursued, which informed the guests' purchase decisions.

It was also postulated that most of the hotels were either in the growth or mature stage of the product life-cycle and therefore had well-structured marketing activities. Managers working in the hotels were consequently the best sources of information on the most competitive marketing strategies and tactics for hotels in the country.

A third assumption was that the top revenue outlets for the hotels were the restaurants and accommodation. This is because these two outlets are the major sources of business for most hotels (Andrews, 2010).

1.9 Conceptual Framework

Factors influencing guests' purchase decisions
- Quality of food
- Room amenities
- Service speed
- Reliability
- Atmosphere
- Convenience
- Location
- Price
- Promotions

→

Marketing strategies employed by hotels
- Product/Service strategy
- Process strategy
- People strategy
- Physical evidence strategy
- Distribution strategy
- Place strategy
- Pricing strategy
- Communication strategy

→

Customer Performance
- Customer satisfaction
- Market image and awareness

→

Market Performance
- Competitive advantages
- Competitive position
- Market share
- Market penetration
- Sales volume

→

Financial performance
- Cash inflow
- Profits
- Return on investment

Figure 1 The relationship between the guests' purchase decisions, marketing strategies and performance of four and five star hotels in Kenya

Source: Modified from Rust's, Ambler's, Carpenter's, Kumar's and Srivastva's (2004) chain of marketing productivity (p. 77)

Various factors were considered when developing and validating the marketing model for the hotels. However, the contingency theory highlighting contingency, response and performance variables and a modified version of Rust's, Ambler's, Carpenter's, Kumar's and Srivastva's (2004) chain of marketing productivity guided this study and the development of the conceptual framework. As a result, consumer behaviour attributes, which represented the contingency variable, were reflected by the factors influencing the guests' purchase decisions. In addition, the response variables were reflected by the marketing strategies. Business performance was moreover reflected by customer, market and financial key performance indicators.

Thus, as illustrated in figure 1, it was posited that the hotels focused on their guests and identified the factors which influenced their purchase decisions. These factors included the quality of food, room amenities, service, reliability, atmosphere, convenience, location, prices and promotions. The hotels then developed marketing strategies which highlighted and addressed these factors. The marketing strategies included the products/service, process, people, physical evidence, location, distribution, pricing and communication strategies. The marketing strategies then influenced performance as reflected by three key performance indicators; customer performance, market performance and financial performance. Customer performance was reflected by the levels of customer satisfaction and market image and awareness. Market performance covered competitive positions, competitive advantages, sales volume, market penetration and market share. Financial performance on the other hand addressed profits, return on investment and cash inflow. Hence, the marketing strategies increased customer satisfaction and generated positive market image and awareness which increased market share, market penetration, competitive advantages, competitive positions and sales volumes. These subsequently increased profits, cash inflow and return on investment. Consequently, the marketing strategies were the independent variables,

performance was the dependent variable and customer performance and market performance acted as mediators in the relationship between the marketing strategies and financial performance.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter provides theoretical, empirical and methodological reviews on factors influencing hotel guests' purchase decisions, marketing strategies employed by hotels, gaps in guests' and managers' perceptions of guests' purchase decisions and the marketing strategies of hotels, marketing models adopted by hotels, hotel performance and mediators in the relationship between the marketing strategies and financial performance of hotels. The chapter also highlights the gaps in knowledge.

2.2 Theoretical Review

This sub-section gives theoretical reviews of the marketing mix and contingency theories.

2.2.1 Marketing mix theory

This sub-section looks at the existing marketing mix models.

2.2.1.1 Four P's model

According to Shaw & Jones (2005), the marketing mix, first proposed by Borden in 1965, and derived from the concept of managers mixing ingredients when targeting customers, is a tool on which marketing plans are based. Goi (2009, p. 3) explains that the original marketing mix had twelve elements which included "product planning, pricing, branding, place, personal selling, promotions, advertising, packaging, display, servicing, physical handling and fact finding and analysis". The most recognised mix, popularly referred to as the four P's, however has four elements which were extracted from the twelve elements. Vignali (2001) describes these four elements as the product, price, promotion and distribution. Zineldin & Philipson (2007) asserted that the four P's can be used to meet the needs of the customer and

obtain competitive advantages. Goi (2009) however outlines that despite it providing a solid base for creating other models, it ignores personal needs of customers, lacks much theoretical content, overlooks experiential marketing and is production-oriented rather than customer-oriented and thus focuses more on the organization instead of the customer meaning that it may not be the best for hotels which have customers as their main sources of business. Gronroos (1997) also posited that it narrows marketing thinking and strategy and has elements which tend to overlap implying that it cannot be used to develop focused and smart marketing strategies for hotels. Fanning & Ogle (2014) likewise felt that the model focuses more on the manufacturing industry meaning that it may not fit the service-oriented hotel industry.

2.2.1.2 Five P's model

Judd (2003) proposed the inclusion of a fifth P in the four P's model. He called the fifth P the "people power" and argued that it should reflect the human resources or employees who ought to embrace a customer oriented culture when working, with the ultimate goal being to create value for customers and outdo competitors, hence promoting internal marketing. Judd further proposed other P's such as public relations, political power, packaging, positioning, public affairs and portfolio of markets. The five-P's is slightly better than the four P's although it is limited in scope.

2.2.1.3 Six P's model

According to Gummesson (1994), Kotler forwarded the six-P's concept in 1984 which covered the product, price, promotion, place, political power and public opinion formation. However, hotels are service oriented and therefore rely heavily on the customer and employee interaction processes. The product is often created, delivered and consumed simultaneously during service encounters. Therefore, similar to the four P's and five P's, the

six P's model cannot be fully adopted by hotels since it tends to overlook experiences and relationships which are integral parts of service delivery systems in hotels.

2.2.1.4 Seven P's model

Due to the criticism that the four p framework has received and because of the need to increase organizational competitiveness, the model was modified by Booms & Bitner in 1981 in order to create the seven P's. The seven P's is an expanded marketing mix model which attempts to exhaustively address all elements of the services marketing mix. Its elements include product, price, promotion, place, process, physical evidence and people (Rafiq & Ahmed, 1995). Product is the feature, quality and quantity of the product or service. Place includes the location, accessibility and number of outlets. Price is the value, determinant and level of price. Promotion is concerned with advertising, sales promotions, public relations, direct marketing and personal selling. People refers to the quality and training of staff, and the behaviour and degree of involvement of other customers. Process encompasses procedures, policies and customer interactions. Physical evidence comprises cleanliness, decor, furnishings, colour, layout, noise level and ambience of service.

However, the seven P's is not tailor made for either the hospitality or hotel industries which are service oriented with the product and service experiences merging. The industries too face challenges due to products and services which are often consumed on site, intangible and difficult to store. The products, services, locations, people, physical evidence, prices, promotion and guest experiences in hospitality establishments including hotels are also unique and cannot be compared with that found in other service sectors such as banking.

2.2.1.5 Fifteen P's model

Gummesson (1994) also mentioned Baumgartner (1981) who suggested the fifteen P's which included the product, service, price, promotion, place, people, politics, public relations,

probe, partition, prioritize, position, profit, plan and performance and positive implementations. The fifteen P's however has elements like politics, probe, partition, prioritize, position, plan and positive implementations which are more of management concepts than marketing concepts and may therefore not be the best for hotels.

2.2.1.6 Hospitality marketing mix model

As a result of the short falls of the former models, Bowie & Buttle (2004) proposed a marketing mix for the hospitality industry whose elements included the product/service, location, price, distribution, process, people, physical environment and marketing communication.

The products and services are accommodation, food, beverage, business services and leisure. The location covers the place and its influences on price levels of rooms and menus. The price comprises room prices, menu prices and what customers are willing to pay. The process includes bookings, check-in, check-out and service operations. People include customers and employees. The physical environment or physical evidence encompasses the landscape, lighting, layout, decor, furniture, furnishing, ambience and atmosphere. Distribution is the accessibility and availability of products to target markets. Promotion or communication refers to all means of communicating with stakeholders via personal selling, public relations, advertising, sales promotion and internet.

The hospitality marketing mix model somehow addresses the needs of the industry. However, it is generic and applicable to all sectors inclusive of motels, campsites, lodges, resorts, fast food establishments, cafes and restaurants which differ in each of their offerings, products, services and atmospheres. The hotel industry is unique since it caters to guests who enjoy packages of various products including food, accommodation, leisure, business, conferencing and entertainment therefore calling for tailor made marketing models. The hospitality

marketing mix model has also failed to expound on the placement of modern concepts and trends in the hotel industry such as the guests' experiences revolving around advances in technology, healthy eating, word of mouth advertising, corporate social responsibility (CSR) and guest security which have in the recent past greatly influenced the purchase decisions of guests in the facilities. In light of this, the proposed marketing model focused on the needs of customers in hotels only by integrating managers' and guests' perspectives, with a bias towards exploring the overlooked concepts and integrating them into the new marketing model.

2.2.2 Contingency theory

According to Stoner, Freeman & Gilbert (1995), the contingency theory describes the organization as an open system which interacts with its environment. Siu & Kirby (1995) posit that the relationship between strategy and performance will vary based on the size of the firm and the business environment. Zeithalm, Varadarajan & Zeithalm (1988) identify contingency variables such as consumer behaviour attributes, organizational characteristics, resources and broader environmental uncertainty; response variables such as marketing strategies; and performance variables such as key performance indicators as essential aspects of this theory. Heiens & Pleshka (2011, p. 32) moreover believe that there should be fit between "strategy, organizational structure and the environment in order to guarantee success". Thus, according to Ginsberg & Venkatraman (1995) as cited by Heiens & Pleshka (2011), the theory links organizational factors, environmental characteristics and the strategic responses.

Zeithalm *et al.* (1988) note that each marketing strategy has a unique impact on competitiveness as dictated by the environment. They elaborate that the contingency theory can "integrate basic laws or principles of marketing management with relevant situational

factors" as seen when studying the relationship between marketing strategies and performance (p. 48). Hence, Pimenta da Gama (2011) explains that marketing strategies and the evaluation of marketing performance depend on organizational and environmental factors such as industry dynamics including the changing, needs, wants, desires and preferences of customers, the competitive intensity and environmental uncertainty.

It was therefore assumed that four and five star hotels in Kenya were market oriented meaning that they focused on their customers and competitors. Consequently, the marketing strategies of these hotels were influenced by environmental factors such as the changing needs, wants, demands and desires of the customers and the competitive, ecological, technological, political, economic and socio-cultural forces. These marketing strategies subsequently affected the performance of the hotels. As a result, contingency variables addressed in this study were consumer behaviour attributes addressing the needs, wants, desires and demands of customers as reflected by the factors influencing the purchase decisions of the guests. The organizations' strategic responses included the marketing strategies which were developed in response to customers' demands. Meanwhile, performance variables were reflected by customer, market and financial key performance indicators.

2.3 Empirical Review

This sub-section reviews previous studies on the factors influencing hotel guests' purchase decisions, marketing strategies employed by hotels, guests' and managers' perceptions of guests' purchase decisions and the marketing strategies of hotels, the relationship between the marketing strategies and performance of the hotels and the existing marketing models.

2.3.1 Factors influencing the purchase decisions of guests in hotels

This sub-section looks at the factors which influence the purchase decisions of guests in hotels and the guests' and managers' perceptions of the same.

2.3.1 1 Determinants of guests' purchase decisions in hotels

Various factors influence the purchase decisions of guests in hotels. For example, Dortyol, Varinli & Kitapci (2014) posited that friendly, courteous and helpful employees including individualised attention to customers and staff neatness, tidiness, knowledge and skills explained the greatest variance in customers' needs of service quality delivery. Meanwhile, Choi & Chu (2000) found that the second most important determinant of satisfaction amongst customers was staff service quality as portrayed by the courtesy, appearance and knowledge of staff.

Dortyol *et al.* (2014) too established that prices including affordability, food quality and reliability comprising a variety of high quality, hygienic meals and service response affected the choices of customers. Ha & Jang (2013) further affirmed that food and service are the key determinants of customer satisfaction and repeat business for the restaurant. Soriano (2002) on the other hand posited that quality factors which customers first seek include the quality of food and service as portrayed by the variety, innovativeness, presentation, freshness and consistency of food, equipment, appearance of staff, courtesy of employees and waiting time. Recent studies (Kincaid, Baloglu, Mao & Busser, 2010) have as well demonstrated that accessibility, location and parking space greatly influence customers' feelings when dining out in restaurants. Other studies have also shown that tangibles such as crowding and the appearance of the hotel's building and exterior (Dortyol *et al.*, 2014), place factors such as the appearance, ambience, atmosphere, bathroom, telephone service, parking and appliance repair at the restaurant (Soriano, 2002) and appearance factors like the physical appearance,

interior decor, external decor and hotel view (Poon & Low, 2005) are amongst the things that hospitality customers seek. Room amenities too such as noise, views, decor, comfort of rooms (Dortyol *et al.*, 2014), comfort of the bed, room temperature, cleanliness and quietness of the room (Choi & Chu, 2000) moreover attract customers.

Meanwhile, studies conducted in Kenya such as Kivuva *et al.* (2014) established that business guests in non-classified hotels in the country look at the location, convenience, price, hygiene, cleanliness, room comfort, customer service and staff professionalism when making their purchase decisions. Korir *et al.* (2012) also found that tangible factors such as quantity of food, accessibility, layout, menu design, variety of menu, price and lighting and intangible factors such as quality of food, cleanliness, staff responsiveness and entertainment affected the purchase decisions of guests in zero rated hotels in Eldoret town in Kenya. With regards to the marketing mix elements, Kamau *et al.* (2015) moreover established that price was the major determinant of the accommodation choices of domestic tourists in Nairobi and Nakuru, followed by the product/service, then location, people, processes, physical evidence and lastly promotion. However, there is limited information on the major determinants of the guests' purchase decisions in four and five star hotels in Kenya.

According to Kotler *et al.* (2003) the purchase decisions of guests are affected by technological, political, socio-cultural, natural, economic and demographic shifts in the macro environment and the personal, socio-cultural, psychological and economic situations of individual customers meaning that hotels must always research on their customers' purchase decisions in order to develop products, services and experiences which address their needs, wants and desires hence keeping abreast with their demands. Yet, the needs, wants and desires of guests in four and five star hotels in Kenya have not been identified.

2.3.1.2 Gaps in guests' and managers' perceptions of the determinants of guests' purchase decisions in hotels

Guo (2002) explains that gap analysis is used to identify discrepancies between variables such as quality and cost. According to Fifield (1998), a gap may exist between managements' and customers' perceptions of customers' needs. This gap is called the "product (needs) gap".

Lockyer (2002) explored managers' and guests' views on business guests' accommodation selection and acknowledged cleanliness of the room as being the most important factor for both management and business guests. Lockyer (2002) showed that business guests valued cleanliness first then bathroom and shower quality, standard of bedroom maintenance, comfort of mattress and pillow, courteous, polite, well mannered, enthusiastic and committed staff, availability of parking, effective room locking systems, sound proofing between bedrooms and finally food service efficiency. The managers on the other hand valued cleanliness first then courteous, polite, well mannered, enthusiastic and committed staff, efficiency of front desk, good reputation of the hotel, location, services provided as ordered, accuracy of wake-up call, comfort of mattress and pillow and finally sympathetic handling of complaints. Lockyer (2002) therefore concluded that there were gaps in managers and guests' perceptions of guests' accommodation needs. Lockyer (2002) did not however address other factors such as room service, atmosphere, quality of food, menu variety, menu nutrition, price, value, guests' benefits and security which also influence the purchase decisions of guests in hotels. In addition, studies on gaps in managers' and guests' perceptions of the guests' purchase decisions in four and five star hotels in Kenya have not been conducted.

2.3.2 Marketing strategies employed by hotels

Dittmer & Griffin (1993) define a marketing strategy as all the activities and efforts that are put towards achieving marketing goals. Kotler *et al.* (2003) and Perreault & McCarthy (2005) argue that firms can pursue growth strategies which identify new opportunities for improved business performance. These opportunities include market penetration through increasing sales in existing markets, market development by targeting new markets, product development by improving existing products for the current markets and diversification by entering new markets or offering new products. However, these marketing strategies are growth strategies meaning that they may not be applicable in hotels that are in the other stages of the product life cycle such as maturity and decline.

Grewal & Levy (2008) have also suggested that marketing strategies developed by companies could focus on either customer, operational or product excellence, where firms that are centred on customer excellence strive to retain loyal customers and provide excellent services. Firms that build on operational excellence on the other hand attempt to establish efficient operations and excellent supply chain management. Moreover, firms which focus on product excellence provide high quality products and concentrate on effective branding and positioning. These marketing strategies however fail to elaborate on the role of internal marketing and employees who moreover contribute to the success of hotels.

Kotler *et al.* (2003) have also identified product, pricing, sales, advertisement and promotions as marketing strategies for hospitality firms with different strategies being adopted at different stages of the product life cycle. Examples of pricing strategies mentioned by Kotler *et al.* (2003) include prestige, market skimming and market penetration for new entrants and product bundle pricing for existing products; sales force strategies involve managing new, key and national accounts; advertising strategies use tools such as print, audio and display

media; public relations uses print media, press releases, sponsorships and events; internet marketing builds on the use of databases and websites to reach customers; direct marketing avoids the use of intermediaries whereas sales promotion adopts packages, samples, coupons, premiums, patronage rewards, point of sale displays and contests.

However, studies conducted in Kenya such as Kamau *et al.* (2015) have established that most tourists in tourist destinations in the country were reached using advertising, sales promotions, personal selling, direct marketing, public relations and informal marketing via televisions, travel diaries television shows aired on Kenya Television Network (KTN), magazines, print, directories, catalogues, mailings, internet, tele-marketing, brochures, newspapers, radios, tour firms, travel agents, sales promotions, word of mouth, personal experiences, sales presentations, outdoor advertisings, yellow pages, expos and exhibitions. Walaba (2016) also found that conventional and budget hotels in Eldoret used traditional advertisement including newspapers, radios, televisions, brochures, pamphlets, magazines, word of mouth and billboards and therefore recommended the adoption of the internet. Yet, the marketing strategies of four and five star hotels in Kenya have not been established. In addition, some modern marketing tools and strategies such as the social media and guests' experiences are not mentioned in any of the previous studies that have been reviewed.

Furthermore, the changing macro and micro environments including economic, political, natural, technological, socio-cultural and demographic shifts, which affect the nature and contents of the marketing strategies of hotels call for constant review of the marketing strategies. Smith (1995) also earlier noted that excellent companies achieve world-class competitiveness by responding to customers' needs, a trend which will force modern hotels to develop marketing strategies which revolve around the needs, wants, desires and demands of their customers. Nevertheless, the concept of developing customer driven marketing

strategies which address the needs, wants, desires and demands of guests in four and five star hotels in Kenya has not been explored.

2.3.3 Guests' and managers' perceptions of the marketing strategies of hotels

This sub-section looks at gaps in guests' and managers' perceptions of the marketing strategies of hotels. According to Fifield (1998) a gap may exist between managements' and customers' perceptions of the appropriateness of the marketing activities of firms. This gap is called the "activity gap".

2.3.3.1 Gaps in guests' perceptions of the marketing strategies of hotels

Heung (2000) revealed that guests' expectations of the location, room service, staff competencies, benefits, appearance of the hotel, prices of rooms, value of the meal, security, service speed, complementary amenities, reliability of front desk staff and courtesy of staff exceeded their perceptions. Yet, Juwaheer & Ross (2003) found that guests' expectations of cleanliness, quality, layout and decor of the room, bar, restaurants, service speed, nutritional content of menu items, safety, security, quality, promotion strategies and courtesy, knowledge, skills and reliability of staff exceeded their perceptions. Heung (2000) in addition revealed that customers' perceptions of the variety of food, quality of food and beverages, food safety, cleanliness, reliability of front desk staff and personal amenities exceeded their expectations while Juwaheer & Ross (2003) established that customers' perceptions of guest privacy and the promotion tools exceeded their expectations. However, there are other marketing tactics for hotels such as crowd management, control of other customers and investment on the location and accessibility which fall under the people and place strategies that have not been addressed by these studies and by extension in four and five star hotels in Kenya.

2.3.3.2 Gaps in guests' and managers' perceptions of the marketing strategies of hotels

Lockyer (2002) found that managers' expectations of parking, cleanliness of the hotel, food service efficiency, courtesy and enthusiasm of staff exceeded those of customers. Juwaheer & Ross (2003) on the other hand found that management had overestimated guests' expectations of the appearance of communication media such as brochures, layout and decor of the rooms, restaurants and bars, levels of service and courtesy of staff. Lockyer (2002) and Juwaheer & Ross (2003) did not however address other marketing tactics that are important in hotels such as the management of the room service, accessibility, location, security and quality of food which fall under the product, service and place strategies and also gaps in managers' and guests' perceptions of the same. In addition, similar studies need to be replicated among four and five star hotels in Kenya.

2.3.4 Marketing models used by hotels

This sub-section looks at studies conducted on the marketing models adopted by hotels especially the four P's and seven P's models.

2.3.4.1 Four P's model

According to Mucah *et al.* (2013), the marketing mix models including the four P's may not be appropriate for hotels in Kenya since they ignore services and customer relationships. Studies conducted outside Kenya such as Gronroos (1997) and Chikweche & Fletcher (2012) have also criticised the four P's for being developed in a business environment which is different from the prevailing one particularly for being developed in a monopoly which is not reflective of all types of marketing situations. The model may therefore not be appropriate for hotels in a monopolistic and perfectly competitive market similar to what is found in Kenya.

Judd (2003) and Zineldin & Philipson (2007) further stated that the model does not appreciate relationship marketing as a modern strategic tool yet hotels rely heavily on building close relationships with their customers. Rafiq & Ahmed (1995) moreover conducted non-hospitality studies and clarified that the four P's is too simple and static, and does not take into consideration physical evidence, relationship marketing and services which are essential elements of the hotel product.

2.3.4.2 Seven P's model

Rafiq & Ahmed (1995) found that marketing academics advocated for the use of the seven P's model instead of the four P's. The authors also concluded that despite being more complicated than the four P's, the seven P's was a more standardised, comprehensive, detailed and refined model with a broader perspective, since it clearly takes into account people and processes.

2.3.4.3 The guests' experiences as an overlooked element in the existing marketing models

According to Tsiotsou & Ratten (2010), the guest's experience is a valuable yet underexplored marketing concept. This study proposed that guests' experiences be integrated in the new marketing model and moreover be used to attract and retain customers.

Walls, Okumus, Wang & Kwun (2011, p. 11) explain that experiences should augment products and services in the hospitality industry. The four authors quoted other scholars who described what experiences were. For instance, they cited Mossberg (2007) who explained that an experience is "a blend of many elements coming together and involve the consumer emotionally, physically, intellectually and spiritually". Williams (2006) and Tsaur, Chiu & Wang (2007) explain that experiences can enhance organizational performance by giving customers' memorable experiences created via themes such as favourable atmosphere,

services, communication and products thus influencing their emotions and generating competitive advantages and repeat business.

Schmitt (1999, p. 53) on the other hand posits that:

> Marketers can create for customers sensory experiences (SENSE), affective experiences (FEEL), creative cognitive experiences (THINK), physical experiences, behaviours and lifestyles (ACT), and socio-identity experiences that result from relating to a reference group or culture (RELATE).

Schmitt (p. 57) expounded that "experiences provide sensory, emotional, cognitive, behavioural and relational values that replace functional value". These experiences therefore involve sight, sound, touch, taste, feel, feelings, emotions, creativity, lifestyles, interactions and exploration. Prahalad & Ramaswamy (2004) also held that the firm, market and customer can act together to generate value through creating a variety of personal experiences which actively involve customers. Bharwani & Jauhari (2013) further noted that customers nowadays buy memories and experiences rather than service delivery and quality.

However, the dimensions of hotel guests' experiences and their integration within the traditional marketing models have not been established. For example, modern technological, natural, socio-cultural and demographic trends such as advanced, convenient and innovative information technology, concern or lack of concern for healthy eating, word of mouth advertising, modern entertainment, upgraded facilities, customer driven corporate social responsibility initiatives and guest security can initiate and sustain memorable experiences for guests in hotels yet they remain underexplored and their importance not verified.

2.3.5 The relationship between the marketing strategies and performance of hotels

This sub-section looks at how hotels can measure performance and the direct and mediating relationships between the marketing strategies and performance of hotels.

2.3.5.1 Measuring the performance of hotels

Tung, Cheng & Wu (2009) contended that profitability, sales, investment and market share are indicators of management performance in hotels. Nagy, Babaita & Ispas (2012) identified cash flow, profitability, return on investment, customer satisfaction and market share as financial and non-financial indicators of performance whereas Pimenta da Gama (2011) pinpointed sales, profits, cash flow, market share, service quality, customer satisfaction, customer loyalty and brand equity. Doyle & Wong (1998) also listed profits, return on investment, sales growth and market share as financial measures of business performance while Tavitiyaman, Zhang & Qu (2012) described profits, return on investment and total sales. Fifield (1998) moreover explained that generally marketing strategies should be evaluated by looking at their impact on the firm's performance through analysing both financial and non-financial measures including profit, profitability, shareholder return, cash flow, liquidity, share price, return on net assets, market share, growth, competitive advantage, competitive positions, sales volume, market penetration levels, new product development, customer satisfaction, customer franchise and market image and awareness.

However, Gama (2011) & Morgan (2012) state that business performance in marketing can be measured by looking at two key performance indicators, market performance and financial performance, whereby market performance covers customer satisfaction and market share while financial performance includes profits and return on investment. Sainaghi, Phillips & Corti (2013) on the other hand identify customer performance which is reflected by customer satisfaction as another key performance indicator.

Rust *et al.* (2004) moreover posit that there are no frameworks which outline the impact of marketing strategies on business performance. The authors therefore proposed the use of a conceptual framework called the chain of marketing productivity when assessing the impact

of marketing tactics and strategies on the productivity of the firm in terms of customer, market and financial impact. The researcher in this study used a modified version of the chain as illustrated in Figure 1. However, customer, market and financial impacts were replaced with customer, market and financial performance.

2.3.5.2 The direct relationship between the marketing strategies and performance of hotels

Literature on the direct relationships between the marketing strategies and performance was reviewed. However, the review showed that these relationships are not well documented.

2.3.5.2.1 Marketing strategies and customer performance

Claver *et al.* (2006) and Kandampully (2006) have shown that product quality has a significant relationship with market image and awareness and customer satisfaction. For example accommodation (Choi & Chu, 2000), hygiene (Walter, Edvardsson & Ostrom, 2012), food (Ha & Jang, 2013) and service (Jones & Dent, 1994; Gupta, McDaniel & Herath, 2005; Poon & Low, 2005; Pandey & Joshi, 2010; Ha & Jang, 2013) affect customer satisfaction. In addition, the staff and their courtesy, appearance and knowledge (Choi & Chu, 2000); atmosphere and physical evidence including crowding (Hwang, Bendle & Yoon, 2012), and customer to customer interaction (Nicholl's, 2012); and the place including the location, parking, accessibility (Kincaid *et al.,* 2010), convenience, transportation (Poon & Low, 2005), and security (Choi & Chu, 2000) and value (Doyle & Wong, 1998; Choi & Chu, 2000; Mohajerani & Miremadi, 2012; Sarker, Aimin & Begum, 2012) have moreover been associated with customer satisfaction. Meanwhile, promotion affects market image and awareness (Sunday & Bayode, 2011) and customer satisfaction (Lin, Chang, Lim, Tseng & Lan, 2009). These studies however fail to explore the relationship between other marketing

strategies of hotels such as processes and indicators of customer performance like customer satisfaction and market image and awareness especially in four and five star hotels.

2.3.5.2.2 Marketing strategies and market performance

Product quality has a significant relationship with competitive advantages (Goodman, 1996; Kandampully, 2006), market share (Wiley, 1991) and competitive positions (Claver *et al.*, 2006). Processes (Kandampully, 2006) for example information technology (Victorino, Verma, Plasehka & Dev, 2005) and the place (Kotler *et al.*, 2003) have similarly been linked to competitive advantages. The physical evidence (Ariffin & Aziz, 2012) and promotion (Suttle & Akpabio, 1998) too increase market share. Value moreover influences competitive advantages (Doyle & Wong, 1998; Petzer, Steyn & Mostert, 2008) and market share (Xie & Chen, 2014). However, the relationships between other marketing strategies of hotels such as people and elements of market performance like market penetration and sales volume particularly in four and five star hotels have not been established.

2.3.5.2.3 Marketing strategies and financial performance

Ailawadi, Borin & Farris (1995) found that marketing strategies directly affect financial performance. Suttle & Akpabio (1998) too established that processes affect profits. Williams, Babatunde & Jeleel (2012) have moreover linked sales promotion to higher sales and profits. Nonetheless, these studies have failed to expound on the relationships between other marketing strategies such as people, product, pricing, physical evidence and place and indicators of financial performance like return on investment and cash inflow particularly in four and five star hotels.

2.3.5.3 Mediating roles of customer performance and market performance in the relationship between the marketing strategies and financial performance of hotels

According to Nilsson, Johnson & Gustafsson (2001), marketing strategies which focus on the customer generate customer satisfaction thus increasing profitability. Gale (1994) on the other hand found that product quality affects market share and ultimately financial performance while Kandampully (2006) established that market share mediates the relationship between service and profits. Nevertheless, these studies have not addressed other marketing strategies like the process, people, physical evidence, place and promotion strategies. They have also overlooked the mediating roles of other measures of customer performance like market image and awareness and market performance like market penetration, competitive advantages, competitive positions and sales volume.

2.4 Methodological Review

Soriano (2002) studied customers' expectations factors but focused on restaurants only and moreover solely used literature to develop the questionnaires meaning that the perspectives of the customers who actually patron the restaurants may have been overlooked.

Korir *et al.* (2012) looked at determinants of consumer purchase decisions in Kenya but focused on only three zero rated hotels in Eldoret which may have made generalization and comparative analysis of findings difficult.

Poon & Low (2005) studied travellers' satisfaction with Malaysian hotels but used questionnaires that were developed from literature only thus ignoring the opinions of the guests who actually visited hotels in Malaysia. The researchers moreover used systematic sampling to identify two hundred guests who were interviewed at an airport thus limiting the

representativeness of the sample since other guests such as resident guests at the hotels and guests who used other means of transportation and who could have also participated in the study were excluded. The researchers also studied hotels ranging from one to five star yet hotels of different star ratings are known to have different standards in terms of products and services which would have made comparative analysis difficult.

Heung (2000) studied the satisfaction levels of travellers in hotels and selected railway stations and ferry terminals as the study locations thus ignoring resident guests at hotels. The researcher also used structured questionnaires which unlike unstructured questionnaires are often rigid when filling and analysing since they do not allow for personally meaningful responses and elaboration of responses. In addition, the items in the questionnaires were generated from literature alone meaning that they may not have been tailor made to the needs of guests who actually visited the hotels.

Dortyol *et al.* (2014) used a convenient sample of international tourists when studying their perceptions of hotel quality. Yet, the researchers focused on tourists visiting one particular area alone moreover collecting the data at an airport thus limiting the variety of respondents such as resident guests in hotels and restricting generalization of findings.

Choi & Chu (2000) conducted importance performance analysis on the levels of satisfaction among Asian and Western travellers in hotels and used group discussions and literature review to identify the attributes to use in the questionnaires. However, the study focused on departing international tourists and thus ignored resident guests in hotels. The study also sampled business and leisure travellers only yet hotels cater to a wider range of guests including conference, educational, medical and religious travellers.

Lockyer (2002) looked at gaps in managers' and guests' perceptions of the marketing strategies of accommodation facilities but focused on business guests who were reached

using business cards and accommodation managers who were conveniently sampled and reached via telephone books. Yet, accommodation facilities deal with other group of guests such as conference and leisure guests who are also profitable. In addition, the attributes which were used to construct the questionnaires which were administered to the managers and guests were derived from literature only meaning that they may not have reflected the opinions of guests who actually visited the accommodation facilities.

Juwaheer & Ross (2003) studied gaps in guests' and managers' perceptions and expectations of hotels but focused on resident guests only who may have been influenced by the hotel environment when participating in the study. In addition, the researchers interviewed both guests and managers when developing the attributes of the questionnaires meaning that the managers' perspectives may have influenced the accuracy of the final instruments in reflecting the actual needs of the guests.

Mohajerani & Miremadi (2012) studied value and customer satisfaction in hotels but focused on customers of domestic flights at airports only meaning that other guests who used other means of transportation like road, water and railway may not have participated in the study.

Rafiq & Ahmed (1995) looked at the perceptions of United Kingdom and Europe marketing academics on the applicability of the seven P's marketing mix as an alternative to the four P's. However, the study was conducted outside the hospitality industry and had a small sample size.

Mucah *et al*. (2013) studied the relationship between the marketing mix elements and performance of hotels but focused on non-star rated hotels meaning that the facilities may have been of different standards therefore making generalisation and comparative analysis of findings difficult. The researchers moreover sampled the management teams, operatives and customers yet operatives and customers may not have the knowledge to answer questions on

the performance of hotels. In addition, a small sample size of only eighty customers participated in the study. The study nonetheless failed to indicate whether the respondents filled in similar questionnaires which could have facilitated comparative analysis of findings.

The researcher in this study moreover aimed at examining marketing models for performance among four and five star hotels in Kenya by getting the perspectives of both managers and customers on the guests' purchase decisions and marketing strategies of the hotels and subsequently using this information to develop and validate a new marketing model. This called for the adoption of both qualitative and quantitative approaches thus the use of interviews, questionnaires and secondary data. Hence, the most appropriate research approach was the mixed methods research approach using pragmatism assumptions. However, none of the studies that have been reviewed have used the approach and assumptions.

Interviewing guests who had visited four and five star hotels in the country at the first phase of the study ensured that the items in the questionnaires actually reflected the views of guests in these hotels. The use of one hundred and ninety eight guests and one hundred and two managers to answer the questionnaires and twenty six guests and nine managers to respond to the interviews ensured that the samples were large enough for the study. The study of four and five star hotels only facilitated comparative analysis and generalization of findings since the facilities were of similar standards. The approach of guests at the hotels and in several tourist sites increased the representativeness of the samples. The use of semi-structured questionnaires and interviews increased the accuracy of the data collected by allowing for personally meaningful responses. The sampling of all ranges of guests including business, leisure, conference, education, emergency and medical tourists increased the representativeness of the sample. The convenience sampling of managers ensured that all the

managers had the opportunity to participate in the study. Using similar questionnaires for both managers and guests facilitated comparative analysis of findings. However, only managers provided information on the performance of the hotels since it was assumed that the guests were not knowledgeable and informed enough to provide information on the performance of the hotels.

2.5 Gaps in Knowledge

Although this chapter discussed the marketing strategies employed by hotels, factors influencing guests' purchase decisions in hotels, guests' and managers' perceptions and expectations of guests' purchase decisions and the marketing strategies of hotels, hotel performance and the existing marketing models, the literature review revealed that the studies conducted in Kenya have not looked at the marketing strategies and tactics of four and five star hotels in the country.

Studies on consumer behaviour in Kenya have briefly addressed the factors which influence the purchase decisions of customers frequenting tourist destinations and accommodation facilities and moreover focused on non-classified and zero rated hotels some of which were conventional and budget hotels thus overlooking the purchase decisions of guests in upscale hotels like four and five star hotels.

Customers are important in developing marketing strategies yet researchers who have investigated determinants of guests' choices in hotels have failed to explain how the guests' needs can be turned into competitive marketing strategies. Managers and customers may also have different perceptions on guest's needs and the hotels' marketing strategies yet similar studies in four and five star hotels in Kenya are wanting.

Information on the attributes of hotels based on guests' views should be collected over time due to changing perceptions and needs meaning that the marketing models which are currently being used by hotels in Kenya such as the four P's need to be either adjusted to changing business environments, tailored to the hotel industry in Kenya or scrapped in order to accommodate modern strategies such as the guests' experiences and their dimensions and tactics like customer driven corporate social responsibility, healthy eating, innovative information technology, modern entertainment, upgraded facilities, guest security, relationship marketing and word of mouth advertisement. The models have also been developed for the manufacturing, production and hospitality industries in developed countries meaning that they may need some adjustments in order for them to be applied to hotels in Kenya.

The relationship between the marketing strategies and performance of four and five star hotels in Kenya and the mediating roles of some measures of customer performance and market performance such as market image and awareness, market penetration, competitive advantages, competitive positions and sales volume are also underexplored.

This study consequently examined marketing models for performance among four and five star hotels in Kenya and moreover developed and validated a new marketing model which centred on the needs and experiences of guests in these hotels by getting information from the relevant stakeholders; guests and managers. As a result, gaps in knowledge were filled and a leeway for hotels in the country to improve their business performance was provided.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the research methodology by giving an overview of the research approach, paradigm, philosophy, population, sampling technique, data collection instruments, measurement of variables, reliability and validity procedures, data analysis techniques and ethical considerations.

3.2 Research Design

The three main research approaches are qualitative, quantitative and mixed methods. Qualitative approaches build on the context of the information by exploring the underlying meanings behind words, quantitative approaches build on the exploration of numbers while the mixed methods research approach combines both qualitative and quantitative approaches (Creswell & Plano Clark, 2011). This study used the mixed methods research approach involving surveys by administering interviews and questionnaires to both guests and managers over the three phases of the study.

3.2.1 Mixed methods research approach

Mixed methods research approach combines qualitative and quantitative approaches in order to overcome the weaknesses of using a single approach while taking advantage of the strengths of each approach (Masadeh, 2012). Baker (1988, p. 96) defines survey research as "a method of describing attitudes and behaviours of a population of people by selecting in a representative way a sample of individuals and soliciting their response to a set of questions". This could involve interviews (Porta & Keating, 2010) and questionnaires (Kombo & Tromp, 2006). As a result, primary data in this study was collected qualitatively by means of

interviews and quantitatively by means of questionnaires. However, secondary data from published literature and scientific journals was used to augment the findings.

The six major designs to the mixed methods research approach are sequential explanatory, sequential exploratory, multiphase, embedded, transformative and convergent parallel (Creswell & Plano Clark, 2011). Masadeh (2012) explains that the sequential explanatory design commences the study with a quantitative strand which is then followed by a qualitative strand while the sequential exploratory design begins the study with a qualitative strand which is then followed by a quantitative strand. This study used the sequential exploratory fixed design which commenced the study with a qualitative strand which was followed by a quantitative strand and then a qualitative strand.

First phase	*Second phase*	*Third phase*
Qualitative data collection	Qualitative and quantitative data collection	Qualitative data collection
Guests' interviews DATA ANALYSIS *Thematic analysis*	**Managers' and guests' questionnaires** DATA ANALYSIS *Descriptive analysis, Content analysis, Mann Whitney test, Wilcoxon signed rank tests, Narrative analysis, Partial Least Square–Structural Equation Modeling*	**Managers' interviews** DATA ANALYSIS *Thematic analysis*

Figure 2 Sequential exploratory fixed design used in the study

As illustrated in Figure 2, the first phase involved interviewing guests in order to identify the factors which influence their purchase decisions in four and five star hotels and which should subsequently be addressed by the marketing strategies of the hotels. The second phase entailed finding out from managers and guests whether the factors identified in the interviews truly reflected the determinants of guests' purchase decisions and whether the hotels' addressed these factors in their marketing strategies. This was done through the

administration of questionnaires to managers and additional guests in the hotels. The third phase involved interviewing more managers in order to discuss the most appropriate marketing activities for the hotels. The qualitative and quantitative data that was collected was integrated and interpreted after the third phase of the study.

3.2.2 Research paradigm and philosophy

The four major research philosophies in social research are the positivism, realism/critical reality, interpretivism/constructivism and pragmatism tactics which are different with regards to the ontology, axiology, epistemology, rhetoric structure and research method (Saunders *et al.*, 2009). This study adopted the pragmatism paradigm and philosophical assumptions. Consequently, the researcher embraced multiple realities, adopted both objective and subjective stances in collecting and interpreting data, used the mixed methods research approach by collecting qualitative and quantitative data and applied formal and informal styles in interpreting and presenting the findings. Denscombe (2008) too believes that pragmatism is the most appropriate philosophy for studies that use the mixed methods research approach.

3.3 Population and Sampling

3.3.1 Study location

The study was conducted in hotels, beaches, national museums, national parks and heritage sites located in Nairobi and the Southern and Northern coasts of Mombasa.

3.3.2 Target population

The unit of analysis was the hotel. There were one hundred and sixty two star rated hotels in Kenya during the study period (Kenya gazette, 2003; Trip advisor, 2013). The population of

study comprised of managers working in star rated hotels in Kenya and guests who visited the hotels during the study period. The managers' and guests' populations were respectively assumed to be finite and infinite meaning that the managers' population could be counted whereas the guests' population could not be counted.

3.3.3 Sample size and sampling technique for the hotels

Cluster sampling was used to select all four and five star hotels in Nairobi and Mombasa. Cluster sampling is probabilistic and divides the population into smaller groups that are more convenient to sample (Kombo & Tromp, 2006). However, hotels in Kenya had last been classified and given star ratings by the government in the year 2003 meaning that the ratings may have been obsolete because of aging and emerging modern hotels which had not been classified. Consequently, the researcher used Trip advisor (2013) to reaffirm the existing star ratings.

Table 3.1 Distribution of sampled hotels

	Mombasa	Nairobi
Four star hotels	6	1
Five star hotels	2	6
Total	**8**	**7**

As illustrated in table 3.1, a total of fifteen hotels were sampled. Eight hotels were sampled in Mombasa. Six of these hotels were four star while two were five star. In addition, seven hotels were sampled in Nairobi. One of the hotels was four star while six were five star.

3.3.4 Sample size and sampling techniques for guests

The guests' sampling frame comprised of guests who had visited four and five star hotels in Nairobi and Mombasa between July 2014 and March 2015. The sample therefore comprised of guests visiting the hotels. Some guests were interviewed while others were given self-administered questionnaires to fill two months after the interviews had been analysed. The

interviews were conducted in August 2014 whereas the questionnaires were filled between October 2014 and January 2015 thus reducing chances of the same guests answering both the interviews and questionnaires. However, the researcher also had to talk to the guests before they filled in the self-administered questionnaires in order to make sure that none of them answered both instruments.

Guests who had spent at least one night in any four or five star hotel between May 2014 and January 2015 were targeted. The guests who responded to interviews and the ones who filled in the self-administered questionnaires were selected using convenience sampling. This technique is non-probabilistic and targets individuals who are willing and able to participate in the study (Kombo & Tromp, 2006) thus increasing the accuracy and relevance of the information collected (Saunders *et al.,* 2009). All the guests were moreover considered informed and knowledgeable enough to participate in the study since they had spent at least one night in a four or five star hotel in Kenya during the study period.

The interview and questionnaire administration were carried out during the peak and off peak seasons of tourism between the months of May 2014 and February 2015 in order to gather data that was reflective of the industry trends and so avoid bias. However, the normal peak tourism season in Kenya was not observed due to insecurity levels as a result of terrorism and the outbreak of the Ebola virus that reduced travel in Africa. Hence, the number of foreign visitors entering the country as well as travel from domestic tourists was low. Nevertheless, the researcher was able to access two hundred and twenty four guests most of who were of Kenyan nationality. Twenty six of these guests participated in the interviews. Twenty respondents were approached in Mombasa while six were interviewed in Nairobi. The interviews were conducted till the point of data saturation where no more new information could be collected, hence a total of twenty six respondents. The information gathered from

these guests and the literature review was adequate for the construction of the questionnaire which was filled by one hundred and ninety eight guests.

The Yamane's sample size formula (Yamane, 1967) was used to calculate the guests' sample size. Thus:

$$n = \frac{N}{1 + N(e)^2}$$

Where n is the sample size needed, e^2 is the level of precision, which is 7.10% in this study, N is the population size, which is estimated to be 1,000,000 and p, assuming a 95% confidence level, is 0.5 (50%).

Hence:

$$n = \frac{1000000}{1 + 1000000(.071)^2}$$
$$= 198$$

The resultant sample size was therefore one hundred and ninety eight. Consequently, one hundred and ninety eight guests were targeted and accessed.

3.3.5 Sample size and sampling techniques for managers

The managers' sampling frame comprised of managers working in four and five star hotels located in Nairobi and Mombasa. The sample was therefore made of managers working in the hotels. All the managers who filled in the questionnaires and answered the interviews were selected using convenience sampling. This technique is non-probabilistic, involves participants who are considered easily accessible, key informants and thus information rich (Kombo & Tromp, 2006). Convenience sampling was used because it was postulated that all the managers were knowledgeable on the hotels' marketing strategies and tactics. For this reason, the study focused on all levels of managers including the directors, general, assistant general, resident, operations, human resource, business development, sales, marketing,

communications, public relations and guest services managers, guest relations officers, marketing executives and other departmental heads and supervisors.

The Creative research systems formula (Creative research systems, 2015) was used to calculate the managers' sample size. This formula is widely used in research. For example, Fwaya, Odhuno, Kambona & Othuon (2012) used it in sampling two hundred and seventy six hotel managers in a study aimed at developing a performance measurement model for hotels in Kenya.

Thus:

$$SS = \frac{Z^{2*}(P)*(1-P)}{C^2}$$

Where SS is the sample size needed to achieve specific level of reliability, Z=1.96 (corresponding to desired level of confidence for 95% confidence level), p=0.50 (the percentage picking a choice for sample size needed) and C=0.04 (the confidence level).

Hence:

$$SS = \frac{(1.96)^2*(0.5)*(0.5)}{0.0016}$$
$$= 600.25$$

The resultant sample size was therefore six hundred and one. The population was also estimated to be one hundred and twenty. This was because it was assumed that each of the fifteen hotels which were sampled had at least eight informed respondents and that their organizational structures were similar. However, since the required sample size exceeded the study population, the correction calculation for finite population indicated below was used to calculate the final sample size.

$$New\ SS = \frac{SS}{1+SS-1/Pop}$$

Where New SS is the required sample size and Pop (population)=120.

Hence:

New SS=601/1+$\underline{601-1}$
                        120
              =101

The actual sample size from the calculation above was therefore one hundred and one. Convenience sampling was therefore used to select one hundred and two managers who filled in self-administered questionnaires and nine managers who responded to interviews.

3.4 Data Collection

3.4.1 Study variables and their measurement

3.4.1.1 Factors influencing guests' purchase decisions

The factors which influence the guests' purchase decisions as derived from the guests' interviews and literature were used to develop the items in the questionnaires. Hence, the factors and subsequently items in the questionnaires included the quality of rooms, quality of food and beverages, nutritional content of menu items, variety of menu, food safety, cleanliness of restaurants, cleanliness of the rooms, room amenities, business hours of operation of restaurants, room services, benefits given to guests, prices of rooms, prices of meals, value of meals, value of the stay, service speed at the front desk, service speed at the restaurant, level of automation of processes at the front desk, level of automation of processes at the restaurant, reliability of front desk staff, reliability of restaurant staff, knowledge and skills of front desk staff, knowledge and skills of restaurant staff, courtesy of front desk staff, courtesy of restaurant staff, parking availability, accessibility, location, security, appearance of staff, appearance of the hotel's exterior, crowding, other customers, layout and decor of the

rooms and lobby, layout and décor of the restaurant, atmosphere of the rooms and lobby and atmosphere of the restaurant.

3.4.1.2 Independent variable-marketing strategies of hotels

The independent variables were the marketing strategies employed by the hotels. These strategies included the product, destination, hospitality, service, value, ambience and communication strategies for the proposed marketing strategies in the new and validated marketing model. The strategies were derived from the quantitative analysis of items in the managers' questionnaires on their expectations of the marketing strategies of the hotels. (Appendix A).

Promotion strategy was represented by experiential marketing, relationship marketing, advertisement, sales promotion, corporate social responsibility, internet marketing, personal selling and public relations as derived from literature. (Appendix A).

3.4.1.3 Dependent variable-performance

The dependent variable was the hotel's performance which was represented by financial and non-financial measures of performance which were compiled from literature. To measure the dependent variables, the managers had to indicate the impact of the marketing strategies on three key performance indicators; customer performance, market performance and financial performance. Customer performance was reflected by customer satisfaction and marketing image and awareness. Market performance covered sales volume, market share, competitive advantages, competitive positions and market penetration. Meanwhile financial performance was reflected by profits, cash inflow and return on investment. The indicators of performance were treated as single item constructs since it was assumed that each marketing strategy had a unique impact on each measure of performance thus combining them as latent constructs

would not have accurately reflected the actual impact of the strategies on performance. (Appendix A). Partial least square structural equation modelling allows for the analysis of single item constructs (Wong, 2013).

3.4.1.4 Mediating variables-customer performance and market performance

Indicators of customer performance (customer satisfaction and market image and awareness) and market performance (competitive advantages, competitive position, market share, sales volume and market penetration) acted as mediators in the relationship between the marketing strategies and financial performance. (Appendix A).

3.4.2 Research instruments

The study used interviews, questionnaires and secondary sources of data.

3.4.2.1 Interviews

Both guests and managers were interviewed. The first semi-structured interviews with guests asked them to explain the factors which they would consider important when deciding to visit a four or five star hotel and that should subsequently be addressed by the marketing strategies of the hotels. However, the interview schedule had only one in-depth question since the intention of the interviews was to identify the factors which could complement and add to what was already retrieved from the literature review and thus provide factors that were more representative of the purchase needs of guests in four and five star hotels in Kenya. (Appendix B).

The second interviews conducted on managers discussed the most appropriate marketing activities for the hotels. (Appendix E). Since the managers were allowed to talk freely about

their marketing strategies and activities, semi-structured interviews were used. Some contacts in the hotels felt that the questionnaires were too sensitive and would reveal a lot of information on their marketing strategies. They therefore opted to have their managers interviewed instead. In addition, some managers preferred to be interviewed instead of filling in the questionnaires. The researcher also interviewed additional managers who had not filled in the questionnaires. Three managers moreover opted for phone interviews. The managers' interviews were conducted between February 2015 and May 2015.

3.4.2.2 Questionnaires

The guests and managers were given self-administered questionnaires to evaluate the hotels. Crotts, Bing & Raschid (2008) suggested that items on importance-performance scales be studied and constructed beforehand. Items on the questionnaires were therefore derived from the guests' interviews and literature review. The questionnaires had both open and closed ended questions which allowed for more personally meaningful responses. (Appendices C and D).

Items on the questionnaire were measured on seven-point likert scales (1= to no extent at all and 7=to a very large extent; 1=not at all important and 7=extremely important). Likert scales present items as a declarative sentence followed by response options that indicate varying degrees of agreement with or endorsement of the statement (DeVellis, 1991). They are often used to measure opinions, beliefs and attitudes by setting up ordinal categories for degrees of agreement (Baker, 1988).

The managers' and guests' questionnaires were similar but not exactly the same. For example, in order to conduct gap analysis on their perceptions and expectations of the factors

which influence the guests' purchase decisions and the marketing strategies of the hotels and excellent hotels, the managers and guests had to answer the same set of questions.

The managers' and guests' questionnaires were moreover administered at the same time, between October 2014 and January 2015. Some of the guests' and managers' questionnaires were dropped at the hotels for distribution by management and front desk staff, a few were sent via electronic mail and postal mail while others were personally administered to the guests and managers.

3.4.2.3 Secondary data

Secondary data on the guests' purchase decisions and marketing strategies of the hotels was compiled from scientific journals and publications.

3.4.3 Reliability and validity of the research instruments

Quantitative studies should address reliability and validity since they often involve the control and manipulation of events unlike qualitative studies particularly unstructured ones which call for flexibility in studying phenomena in unique scenarios (Saunders *et al.,* 2009). According to Field (2006), reliability is the consistency of a measurement device. Reliability refers to the extent to which an instrument measures in a similar way each time it is used while validity is the extent to which an instrument actually measures what it is supposed to (Baker, 1988). The techniques which were used to ascertain reliability and validity are discussed in the next sub-section. (Appendices F and G).

3.4.3.1 Reliability of research instruments

3.4.3.1.1 Sampling

Choosing respondents who are not representative of the study population reduces reliability (Saunders *et al., 2009*). The researcher therefore used convenience sampling of managers and guests who had spent at least one night in a four or five star hotel since they were the best sources of information on the marketing strategies of the hotels and the purchase decisions of guests visiting the hotels. Convenience sampling of guests also facilitated the collection of rich information from guests who were willing and able to freely participate in the study. Convenience sampling of managers on the other hand facilitated the collection of rich information from the managers while giving them all the opportunity to participate in the study thus reducing bias.

3.4.3.1.2 Familiarisation of respondents

Familiarising the respondents with the study increases reliability (Saunders *et al., 2009*). Due to this, the managers and guests in this study were given copies of the interview schedules prior to the actual interviews so that they could familiarise themselves with the study.

3.4.3.1.3 Internal reliability

Internal reliability reflects the correlations among a set of questions. To assess the internal reliability of factors identified in this study, cronbach coefficient alphas were calculated. (Table 4.1). Cronbach's alpha is often used to determine the reliability of items comprising scales (DeVellis, 1991).

3.4.3.1.4 Inter-rater agreement

Inter-rater agreement increases reliability in qualitative studies (Hruschika, Schwartz, John, Picone-Decaro, Jenkins & Carey, 2004) by getting more than one rater to process all or some of the qualitative data after which the results are compared. Consequently, this study used more than one coder to analyse the qualitative data from the interviews and open ended questions in the questionnaires after which the results were compared. This increased consistency and transparency in reporting the findings.

3.4.3.1.5 Multiple coding

Multiple coding at different periods further enhances reliability in qualitative research (Wadongo, 2013). In multiple coding, the researcher processes the data at different periods. The data in this study was therefore coded twice between the months of September 2014 and March 2015.

3.4.3.2 Validity of research instruments

3.4.3.2.1 Pilot testing

Pilot testing enhances the validity of questions in studies involving interviews and questionnaires (Kombo & Tromp, 2006). Piloting was therefore used to increase the validity of the instruments used in this study. Two guests and two managers, each representing 10% of the samples, were interviewed before the final respondents were approached. Twenty guests at a tourist site and ten managers also representing 10% of the samples answered the questionnaires before their administration to the final respondents. The aim of this piloting exercise was to identify any problems with the questionnaires and interviews before they were administered to the final respondents.

Some corrections were made to the interview schedules and questionnaires after the pilot tests. For instance, the guests' interview schedule had too many questions. Due to this, only one in depth question was asked during the interviews in order to get detailed information that could be used to construct the questionnaires. Questions on guests' frequency of visit and length of stay had also been missing in the guests' questionnaire. These were therefore included in the final instrument. Questions on the promotional tools of the hotels and the general performance enjoyed by excellent hotels had also been added to the managers' questionnaire after the piloting exercise revealed their importance. The respondents who participated in the pilot test were excluded from the final sample.

3.4.3.2.2 Triangulation of data sources

In triangulation of data sources, the researcher can use information from more than one source to compare and contrast data (Raftopoulos, 2005) thus increasing validity (Richard & Savita, 2007). The researcher in this study therefore adopted triangulation by using questionnaires, interviews and secondary data as the sources of data.

3.4.3.2.3 Face and content validity

Face validity reflects whether the instrument measures what it ought to (Garson, 2002) whereas content validity shows whether the items in the instrument adequately reflect the subject under study (Cohen, Manion & Morrison, 2007). Face and content validity were therefore used to establish if the interview schedules and questionnaires actually measured what they were supposed to. Four lecturers in the ecotourism, hotel and institution management department at Maseno University therefore went through the instruments and declared them fit for the study.

3.4.3.2.4 Probing and clarification

Probing and clarification of answers during interviews increases the validity of the interviews (Saunders *et al.,* 2009). The researcher in this study consequently used probing and clarification during the interviews with managers and guests in order to gather more accurate and detailed information.

3.4.3.2.5 Detailed reporting of qualitative data

Khambete & Athavankar (2010, p. 14) state that in order to increase validity in qualitative research, the researcher should have "a detailed report of data collection and interpretation, well developed concepts and categories and the presentation of theory". As a result, the researcher in this study gave detailed accounts of the research design adopted, research method used, research strategies applied and the findings from the interviews and open ended questions in the questionnaires while clearly highlighting similarities and differences in the findings.

3.4.3.2.6 Secondary data

The validity and reliability of secondary data is determined through establishing the reputation of the source of secondary data and the methods used to collect the data (Saunders *et al.,* 2009). The researcher in this study consequently confirmed that the sources of secondary data were reputable by making sure that the methods used to collect the data were valid and reliable.

3.5 Data Analysis

3.5.1 Descriptive statistics

Frequencies, percentages, means (M), medians (Mdn) and standard deviations (SD) were computed using statistical package of social sciences (SPSS). Frequencies and percentages were used to establish the ages, gender, frequency of visit, length of stay, reason for visit, nationalities, communication media and memorable experiences of the guests, the managers' positions and the target markets, star ratings, years of operation, types, number of guest rooms and ownerships of the hotels. Means were calculated to determine the average age of the guests, the average number of guest rooms in the hotels and the average number of years that the hotels had been in operation in Kenya.

In order to prepare the data for analysis, skewness and kurtosis were computed as recommended by Bagozzi & Yi (1988). Skewness and kurtosis are shape statistics (Larson, 2006) which indicate whether data is normally distributed by looking at the symmetry and peakedness of the distribution (DeCarlo, 1997; Ghasemi & Zahediasl, 2012). Positive skew indicates that most of the scores are below the mean while negative skew means most of the scores are above the mean. Positive kurtosis show heavier tails and a higher peak while negative kurtosis portrays lighter tails and lower peaks (Kline, 2010). Skewness and kurtosis absolute values close to 0.00 highlight almost normal distributions (Simpson, Maylor, McConville, Stewart-knox, Meunier, Andriollo-Sanchez, Polito, Intorre, McCormack & Coudray, 2014). Skewness absolute values of $<\pm2$ and kurtosis absolute values of <10 are considered acceptable and do not call for data transformation (Kline, 2010).

3.5.2 Qualitative data analysis

Qualitative data analysis involves transcribing, organizing, familiarising, coding and theming data (Lacey & Luff, 2001). Qualitative data on the hotels' marketing strategies, marketing activities and performance and also on guests' purchase decisions and memorable experiences was moreover analysed and presented using content, thematic and narrative analysis. Hence, by analysing the literature collected, interview transcripts and open ended questions in the questionnaires, all patterns, themes and categories were identified. Using the NVIVO 11 software, the data was therefore first coded, then noded, and finally arranged into themes which were later presented as verbatim data, oral testimonies and narratives.

3.5.2.1 Thematic analysis

Thematic analysis identifies themes which emerge from data (Kombo & Tromp, 2006) and is guided by six steps; familiarization with data, transcription of verbal data, generation of initial codes, search for themes, review of themes and definition and naming of the themes (Braun & Clarke, 2006). Thematic analysis was therefore used to explore data from the guests' interviews on their purchase decisions and the managers' interviews on the marketing activities of the hotels. In order to facilitate interpretation of the data, mapping was used to present the findings.

3.5.2.2 Content analysis

Content analysis involves determining the frequencies with which themes and words are repeated in qualitative data (Ritchie & Lewis, 2003). Content analysis was therefore used to explore open ended answers from the managers' questionnaires on their opinions on the marketing strategies of the hotels.

3.5.2.3 Narrative analysis

Narrative analysis involves the presentation of data in the form of written narratives especially when it is difficult to identify themes within the data (Lacey & Luff, 2001). Narrative analysis was therefore used to present written narratives on the guests' memorable experiences in the hotels as derived from open ended answers in the guests' questionnaires.

3.5.3 Gap analysis

Gap analysis was performed to assess significant differences in the guests' and managers' perceptions and expectations of the guests' purchase decisions and the marketing strategies of the hotels. Consequently, Mann Whitney and Wilcoxon signed-rank tests were computed. These tests are non-parametric tests and appropriate for ordinal data such as that produced by likert scales and data that is non-normally distributed (Pallant, 2003).

3.5.4 Partial least squares structural equation modelling (PLS-SEM)

The marketing model which was developed and validated was explored using partial least square structural equation modelling. Partial least square structural equation modelling allows for the exploratory analysis of constructs and relationships where the sample size is small, data is non-normally distributed and single item constructs are being used thus providing an advantage over regression and correlation by giving a complete picture of the inter-relationships among constructs (Nadeem, 2015). Structural equation modelling using SMART PLS involves constructing and testing formative or reflective models or both. These models comprise of inner models which show the relationships among latent variables, and outer models which reflect the indicators of latent variables (Wong, 2013). Reflective models have indicator variables which point away from the latent variable while formative models have indicator variables which point into the latent variable.

Wong (2013, p. 16) stated that:

> Being a reflective model, the following should be reported; variance for endogenous variable, inner model path coefficients and their significance, outer model loadings and their significance, indicator reliability, internal consistency variability, convergent validity, discriminant validity and structural path significance in bootstrapping.

Reliability and validity were ascertained during the analysis of quantitative data. Convergent validity confirms whether constructs which should relate actually relate; while discriminant validity checks whether constructs which should not relate do not actually relate. Hence, relevant measures of reliability including individual items reliabilities (internal consistency reliability), reliability for the composite of measures of a latent variable (composite reliability or CR) and the average variance extracted (AVE) from the latent variables were computed. Only items with exploratory factor loadings greater than .63 (Wong, 2013), composite reliability scores greater than .60 for exploratory inquiries and extracted average variances greater than .50 (Bagozzi & Yi, 1988; Fornell, 1992; Anderson & Gerbing, 1988) were retained in the analysis as these are the recommended cut offs.

In partial least square structural equation modelling, discriminant validity can be calculated using the Fornell-Larcker criterion. To achieve this validity, the square root of the average variance extracted should be greater than the correlations among the latent variables. In exploratory studies, the recommended cut-off for indicator reliability is $\geq$.40 and for the t statistics of inner and outer models >.196 for .05 confidence levels and .165 for .10 confidence levels (Wong, 2013). Hence, t statistics are used to determine the confidence interval to accept while beta values (β) show the path coefficients or regression weights. Wong adds that collinearity issues including variance inflation factor (VIF), f statistics effect (f^2) which indicates the contribution of an exogenous variable to an endogenous variable and indirect and total effects and their significance in case of mediations should be investigated, where f^2 of .02, .15 and .35 depict small, medium and large effects respectively. Meanwhile,

variance inflation factor values ≥ 3.33 show collinearity issues and that "some indicators are redundant" (Peng & Lai, 2012, p. 471).

Blind folding is a procedure which is used to determine the predictive relevance (Q^2) and validity of the inner model (Gorondutse, Hilman & Nasidi, 2014). Cross-validated redundancy and cross-validated communality are the most common methods of generating the Stone-Geisser's Q^2 though cross validated redundancy is preferred. Q^2 scores $>.00$ show predictive relevance (Yusr, Othman & Mokhtar, 2012; Peng & Lai, 2012) with values of .02, .15 and .35 revealing small, medium and large predictive relevance respectively.

Coefficient of determination (R^2) shows the amount of variance explained by the exogenous variables. Chin (1998) as cited by Peng & Lai (2012) contended that R^2 scores of .67, .33 and .19 are substantial, moderate and weak respectively. However, Cohen (1988) posited that R^2 values of .26 are substantial, .13 moderate and .02 weak.

3.5.5 Mediation

The structural equation modelling model which was generated in the study showed the relationship between the new marketing strategies and financial performance via the following indicators of customer performance (customer satisfaction and market image and awareness) and market performance (competitive advantages, competitive positions, market penetration, market share and sales volumes) which therefore acted as the mediators. Consequently, the structural modeling involved sequential mediation with two series of mediation which is considered acceptable (Lleras, 2005; Monecke & Leisch, 2012; Avcilar & Ozsoy, 2015).

A mediator is a variable which "accounts for the relation between the predictor and the criterion" (Baron & Kenny, 1986, p. 1176). It "specifies how a given effect occurs" and

portrays how the independent variable influences the dependent variable through it (Holmbeck, 1997, p. 599).

There are three types of mediation; indirect, partial and full. In indirect mediation, the relationship between the independent and dependent variables is not significant but when the mediator is added, the mediator path is significant yet the direct effects between the independent and dependent variables are still not significant (Baron & Kenny, 1986).

In partial mediation, the relationship between the independent and dependent variables is significant. When the mediator is added, the mediator path is also significant yet the regression weights between the independent and dependent variables drop in value but remain significant (Baron & Kenny, 1986).

In full mediation, the relationship between the independent and dependent variables is significant. When the mediator is added, the mediator path is significant yet the direct effects between the independent and dependent variables are no longer significant (Baron & Kenny, 1986).

In order to identify the nature of the mediation, whether indirect, partial or full, the impact of the mediator on the direct effect between the marketing strategy and performance was first established. Then using bootstrapping with five thousand samples, the significance levels of the indirect effects were determined, hence the significance and nature of mediator.

3.6 Ethical Considerations

The study was presented to the board of School of Graduate Studies and the Ethics Review Committee at Maseno University for approval. The researcher had to be cleared to conduct the study by these two boards before data collection commenced. The letters for approval from these two boards are attached in Appendices AE and AF. Access permission was also

requested from the hotels through letters of introduction sent to the General Managers and personal visits.

The respondents were also briefed before participating in order to ensure that they were fully informed about the procedures involved and the associated benefits and risks. No one was forced to participate. Consequently, willing participants were given informed consent forms to fill in and sign so as to indicate their acceptance. So as to ensure confidentiality, they were guaranteed anonymity and assured that their responses would be used solely for purposes of the study. The managers and guests were therefore not supposed to indicate their names or the hotels that they worked for or had visited. The researcher was also personally liable for all the information and ensured that the filled in schedules and questionnaires were securely stored in locked files and password protected computers which she only had access to.

CHAPTER FOUR: RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the characteristics of the hotels and respondents and other results and discussions in line with the objectives of the study. Hence, the results are discussed under nine sub-sections labelled; "Descriptive statistics", "Factors influencing the purchase decisions of guests in four and five star hotels in Kenya"; "Marketing strategies employed by four and five star hotels in Kenya"; "Guests' and managers' perceptions of the marketing strategies of four and five star hotels in Kenya"; "Developing a marketing model for four and five star hotels in Kenya", "The direct effects in the relationship between the new marketing strategies and performance", "The mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance", "Results from managers' interviews" and "Experiential-based marketing strategies for four and five star hotels in Kenya".

4.2 Descriptive Statistics

This sub-section provides an overview of descriptive statistics on the characteristics of respondents, response rates, skewness, kurtosis and cronbach alpha scores.

4.2.1 Characteristics of hotels and managers

Top, middle and lower level managers filled in the managers' questionnaires. Of the respondents, fifty (49.00%) were top level managers, thirty eight (37.00%) middle level managers and fourteen (14.00%) lower level managers. Approximately fifty six per-cent of the managers (n=58) worked in four star hotels with the remainder (n=44, 43.13%) working in five star hotels. The managers were employed in either town, vacation, beach, leisure or business hotels some of which were either local, foreign, privately owned, state owned,

independent or chain hotels. However, sixty six managers (64.70%) worked in town hotels and sixty seven (65.68%) in privately owned or chain hotels. The hotels had been in operation in Kenya for an average of sixty four years though forty nine managers (48.00%) were employed in hotels which had been in operation in the country for between twenty six and seventy years. Each hotel had one hundred and sixty five guest rooms on average however forty seven managers (46.07%) worked in hotels which had between one hundred and fifty one and two hundred rooms. The hotels mainly targeted local, national, regional and international guests although twenty four managers (23.52%) worked in hotels which concentrated on one or two of these markets. (Appendix H). In addition, nine managers participated in the final interviews.

4.2.2 Characteristics of guests

Twenty guests (76.92%) were interviewed in Mombasa while six (23.08%) were interviewed in Nairobi. Twenty three guests (88.40%) were Kenyans whereas the other three (11.60%) were international. The respondents were aged between twenty and fifty six years with a mean age of thirty four and a half years. Seventeen (65.38%) were male while the other nine (34.61%) were female (Appendix I).

One hundred and five (53.03%) of the one hundred and ninety eight guests who completed the questionnaires were male while ninety three (46.96%) were female. Forty four guests (22.22%) were aged between thirty six to forty years with the oldest being over seventy years. The sample was predominantly Kenyan (58.09%) with only eighty three guests (41.91%) originating from other countries. One hundred and sixty guests (53.53%) had visited for business and leisure while thirty eight (19.19%) were either on tour or attending conferences, seminars, workshops, retreats or functions. Seventy three guests (36.86%) visited the hotels annually. However, fifteen guests (7.57%) had frequented for the first and

second times. Forty one guests (20.70%) had stayed for one week with six guests (3.03%) having been accommodated for up to three months. Nonetheless, seventy per-cent of the guests (n=139) had spent at least one week at the hotels. (Appendix J)

4.2.3 Response rate

One hundred and twenty questionnaires were distributed to managers. However, only one hundred and two usable questionnaires were returned thus giving a usable response rate of eighty five per-cent. Two hundred and twelve questionnaires were also distributed to guests. One hundred and ninety nine guests replied though one questionnaire was considered invalid hence a usable response rate of ninety three per-cent.

4.2.4 Skewness and kurtosis

The values for skewness ranged from -3.62 to .39 while those for kurtosis ranged from .02 to 9.79 indicating that most of the data was normally distributed. (Appendices K, L and M).

4.2.5 Cronbach alpha coefficients

The cronbach alpha coefficient was computed to ascertain the reliability of each scale in the guests' and managers' questionnaires.

Table 4.1 Cronbach alpha scores of guests' and managers' questionnaires

Scale	No. of items	Guests' questionnaire		Managers' questionnaire	
		Pilot	Final	Pilot	Final
Promotion tools of excellent hotels	8	N/A	N/A	.52	.91
Promotion tools of four and five star hotels in Kenya	8	N/A	N/A	N/A	.89
Guests' purchase decisions in any four or five star hotel	37	.83	.91	.22	.96
Marketing strategies of excellent hotels	37	.84	.95	.93	.97
Guests' purchase decisions in four and five star hotels in Kenya	37	.50	.88	.96	.96
Marketing strategies of four and five star hotels in Kenya	37	.59	.86	.49	.90
Performance of excellent hotels	9	N/A	N/A	N/A	.90
General performance of four and five star hotels in Kenya	9	N/A	N/A	.96	.92
Performance of four and five star hotels in Kenya as a result of marketing strategies	9	N/A	N/A	.85	.89

Note: N/A-Not Applicable

As illustrated in table 4.1, the pilot studies revealed that most of the scales had cronbach alpha coefficients above the recommended value of .70, apart from the guests' scale on their purchase decisions in four and five star hotels, the guests' and managers' scales on the marketing strategies of four and five star hotels and the managers' scales on the promotional tools of excellent hotels and guests' purchase decisions in any four or five star hotel. However, the results of the final study revealed that all the scales had high cronbach alpha scores, above .80 with the lowest reliability coefficient being .86 thus verifying the reliability of the instruments.

4.3 Factors Influencing the Purchase Decisions of Guests in Four and Five Star Hotels in Kenya

The first phase of the study involved interviewing guests in order to examine the factors which influence their purchase decisions in four and five star hotels. This phase addressed the first research objective of the study which was to examine the factors which influence the purchase decisions of guests in four and five star hotels in Kenya. The research question answered was "which factors influence guests' purchase decisions in four and five star hotels in Kenya?". The interview schedule is attached in Appendix B. The data from the interviews was thereafter subjected to thematic analysis. The findings showed that the factors influencing the guests' purchase decisions in the hotels were the atmosphere, food, facilities, amenities, hospitality standards, location, accessibility, price, value, discounts and security.

4.3.1 Thematic analysis

Seven factors which the guests indicated in the interviews greatly influenced their purchase decisions and should therefore be addressed by the marketing strategies of the hotels were identified. The themes representing these factors were labelled; "atmosphere", "food",

"facilities and amenities", "hospitality standards", "location and accessibility", "price, value and discounts" and "security". In order to facilitate presentation of the data, mapping and interpretation was also done. (Appendix N).

Fifteen guests (57.69%) talked about the atmosphere, seven (26.92%) about the facilities and amenities, thirteen (50.00%) about the food, eleven (42.30%) about the hospitality, twelve (46.15%) about the location and accessibility, nineteen (73.07%) about the price, value and discounts and twelve (42.85%) about the security.

4.3.1.1 Atmosphere

The first theme named "atmosphere" had seven sub categories; "environment", "atmosphere", "layout and décor", "appearance of staff", "appearance of the hotel's exterior", "crowding" and "other customers". Fifteen guests (57.69%) talked about the atmosphere. Of the fifteen guests, eight (30.76%) talked about the environment, two (7.69%) discussed the atmosphere, four (15.38%) talked about the layout and décor, three (11.53%) discussed the appearance of staff, five (19.23%) talked about the appearance of the hotels' exterior, one (3.84%) discussed the management of crowds and lastly one (3.84%) talked about the appearance and behaviour of other customers. The theme therefore addressed the environment, atmosphere, ambience, appearance of staff, appearance of the hotel's exterior, crowding and other customers.

Eight guests (30.76%) preferred conducive, classical, peaceful, quiet, relaxing, calm, cool, natural and beautiful environments with high levels of ambience and beautiful facilities in order to assure a good holiday get away, peace of mind and fun. The appearance of staff particularly their neatness and loudness mattered to three guests (11.53%) who moreover felt that it could only be judged on arrival at the hotel. The appearance of the hotel's exterior as

reflected by the grounds, landscapes and built environments further influenced the choices of five guests (19.23%). Of the five guests, two (7.69%) felt that they would not visit hotels which were not appealing or attractive enough in terms of the appearance of the grounds which they believed should be beautiful and well kept. Two guests (7.69%) held that the maintenance of the lawns and the colours and materials used in decorating ought to be of high quality in order to satisfy the prestigious look that is associated with upscale hotels. The external appearance of the hotels as shown on promotional materials moreover attracted one guest (3.84%). Meanwhile, three guests (11.53%) felt that the settings including layout and appearance ought to be appealing in order to give a good image of the hotel and its management. Of the three guests, two (7.69%) believed that the flower beds should be well maintained and that the walls should have appealing and attractive colours and decorations. One respondent gave the following oral testimony:

> *"...nobody would like to be in a place where things are placed anyhow without a systematic order. I believe what the eyes perceive says a lot about the hotel and its management..." (Guest participant I)*

Walter *et al.* (2012) maintained that atmospherics determine guests' decisions to frequent restaurants and their perceptions on hotel accommodation. Pedraja & Yagiie (2001) likewise found that the physical environment as portrayed by decorations, sounds and lighting determined restaurant choice. Ha & Jang (2013) explained that the physical environment was important during dining out since it influences judgement on the quality of food and service and that layout and interior design are crucial in enhancing revisit intentions since the perceptions of atmospherics affect behavioural intentions such as repeat visits, thus making restaurant environments critical marketing tools. Dittmer & Griffin (1993) too noted that the decor including the style and layout of interior furnishings contributed to the atmosphere of a lodging facility. Countryman & Jang (2006) additionally established that the style, lighting and colour of the lobby had a positive effect on the impression of the lobby.

Three guests (11.53%) were concerned about the noise levels and music being played. They felt that the hotels should not be too noisy and that the music played should be soft and relaxing in order to create a calm atmosphere that facilitated meetings with business clients. Hwang *et al.* (2012) too noted that music has an influence on guests' experiences and spending behaviour.

The study found that one guest (3.84%) was worried about crowding particularly at the front desk since it slowed down service. This somehow conflicts Hwang *et al.'s* (2012) claims that crowding for example at waiting areas of restaurants can create mixed impressions such as inaccessibility and popularity of the restaurant thus impacting on guests' feelings, satisfactions and repeat visits. For instance, crowding in bars can create a feeling of fun and excitement.

The study found that one guest (3.84%) was concerned about the appearance, behaviour and dressing of other customers.

> *"...the appearance of other customers is important since their behaviour and appearance influences other customers...at times you will meet other guests whose behaviour and appearance will make you wonder..." (Guest participant K)*

Nicholls's (2012) similarly observed that customer interactions going beyond cross cultural ones contribute to the satisfaction of hospitality consumers. Nicholl's argued that the behaviour and appearance of customers including both verbal and non-verbal communication can interfere with the experiences of other customers leading to tension or unique experiences and value such as those experienced in niche, volunteer and cultural tourism or in the interaction between a foreign and domestic tourist.

4.3.1.2 Facilities and amenities

The second theme named "facilities and amenities" had the following sub categories; "level of automation of processes", "parking availability", "quality of rooms", "room amenities" and "cleanliness". Seven guests (26.92%) talked about the facilities and amenities. Of the seven guests, one (3.84%) talked about the level of automation of processes, two (7.69%) discussed parking availability, three (11.53%) talked about the quality of rooms, two (7.69%) discussed the room amenities and lastly three (11.53%) talked about the levels of cleanliness. The themes therefore indicated the importance of information technology, parking space, tour guiding facilities, quality of amenities and cleanliness which could enhance service delivery and the hotel stay.

One guest (3.84%) preferred automated hotels which used innovative technology such as stable WI-FI and current technology to ensure accuracy and reduce paperwork thus preventing the loss of vital documents and the resultant guest dissatisfaction. Two guests (7.69%) on the other hand had mixed reactions on the value of transportation facilities particularly the availability of parking and tour guiding facilities especially when traveling for long distances. Of the two guests, one (3.84%) recommended transport services to pick and drop guests around the country including tour guides for non-citizens who were not familiar with Kenya. Meanwhile, five guests (19.23%) drew attention to amenities which they stressed should be of high quality. Of the five guests, one (3.84%) felt that since they would have paid a lot of money to be in the hotel, then this should be translated in the facilities in terms of room and relaxation amenities. Four guests (15.38%) on the other hand preferred unique amenities such as large beds and superior quality accommodation which would make them feel at home.

Prior studies have already established that quiet, well maintained rooms, audio-visual equipment, in-room safety box, soothing music, furnishing, internet connection cable, comfortable bed, safe, well equipped bathroom, reasonable room prices, efficient front desk (Poon & Low, 2005), fridges, hairdryers, parking, cooking, email, children movies (Lockyer, 2005), and amenities such as the efficiency of room service, variety of food and beverage facilities, quality of food and beverages, reliability of wake-up call, access to information desk and availability of mini bar (Choi & Chu, 2000) are some of the accommodation factors influencing travellers' satisfaction.

Three guests (11.53%) reported that they liked clean environments. The guests felt that the linen and other accessories in the rooms including the dining tables, table cloths, towels and beddings ought to be maintained with high levels of cleanliness in order to prevent contracting diseases during their stay.

> *"...table cloths, towels and beddings used in the hotel should be maintained with high levels of cleanliness and again the dining tables should be clean as well so as to ensure that customers do not contract diseases while staying in the hotel..." (Guest participant D)*

This finding has previously been reported by Lockyer (2002) whose observations based on surveys on managers and customers acknowledged cleanliness of the room as being the most important factor for business customers.

4.3.1.3 Food

The third theme named "food" had the following sub categories; "quality of food", "nutritional content of menu items", "variety of menu" and "food safety". Thirteen guests (50.00%) discussed the food. Of the thirteen guests, four (15.38%) talked about the quality of food, two (7.68%) discussed the nutritional content of the food, six (23.06%) talked about the variety of menu and lastly three (11.53%) discussed food safety. The themes therefore

showed that meals which were unique, nutritious, safe, of high quality and of various types were important.

Four guests (15.38%) felt that the food ought to be unique, appetizing and of a wide variety including cultural foods since they rarely prepared them at home thus providing an opportunity to experience the cultures of other communities. Two guests (7.69%) on the other hand talked about the price of the meal being an indication of its quality. The guests felt that the amount of money to be spent should be matched by foods and drinks that were of high quality in order to make them worth the prices charged.

> *"...I would visit a hotel where I am assured that the foods and drinks are of high quality to guarantee and match the amount of money that I am going to spend..." (Guest participant F)*

However, there was agreement amongst three guests (11.53%) that the meals offered in four and five star hotels particularly at the Kenyan coast were rarely fresh as evidenced by the habit of over spicing which the guests felt was done in order to conceal abnormalities and failures. Of the three guests, one (3.84%) felt that meals particularly the fish were not always fresh since few people frequented the hotels thus encouraging overnight storage and recycling of food. One guest (3.84%) consequently believed that the guest had no power to influence food safety.

> *"...food safety is important though the customer cannot influence it since the food may even be over spiced in order to conceal any abnormalities or failures..." (Guest participant K)*

These are clearly problematic in light of Burusnukul, Binkley & Sukalakamala (2011) who contended that outbreaks of food borne illnesses in the past have drawn attention to food safety in restaurants. Henson *et al.* (as quoted by Knight, Worosz & Todd, 2007) had likewise named cleanliness as the most important factor among customers in determining the level of food safety at a restaurant. Walter *et al.* (2012) further expounded that poor hygiene

contributes to unfavourable customer experiences while Knight *et al.* (2007) on the outset explained that when customers perceive lack of food safety at a restaurant, they tend to look for safer premises.

The study found that one guest (3.84%) preferred menu items which were balanced in order to keep the guest's health in check. This provided evidence that healthy eating is an added concern to most consumers (Alexander, Gorman & Wood, 2010). Global trends confirm that illnesses such as diabetes, obesity and high blood pressure have raised alarms on the value of healthy eating. This finding enhances understanding of why consumers are concerned about the calorie and salt content of meals they consume away from home. It is thus not a surprise that prior studies, such as, Josiam & Foster (2009) has established that menu labelling influences guests' decisions on dining out. Josiam & Foster (2009) maintain that nutritional information on cholesterol, total calories, sugar, carbohydrate, protein, sodium, omega three-fats, dietary fibre, potassium and the complete ingredient list are the most important information the guests would seek and should thus be provided on menus. The two authors pointed out that addressing the needs of guests who are concerned with nutritional information could give a restaurant competitive advantage. However, like Alexander *et al.*, (2010), the authors reported that menu labelling may seem appropriate in fast foods and other popular catering establishments rather than in fine dining restaurants similar to those found in four and five star hotels. This is because the restaurants' goals are to make sales and profits rather that to meet the nutritional needs of customers. The researchers felt that menu labelling is an expensive exercise which could interfere with the creativity of the chef and additionally suggested that further research be conducted on the opinions of fine dining restaurant customers on the best ways to label restaurant menus and on the need for menu labelling since it may be found unacceptable in such restaurants.

4.3.1.4 Hospitality

The fourth theme named "hospitality" had the following sub categories; "courtesy of staff", knowledge and skills of staff", "service speed" and "reliability of staff". Eleven guests (42.30%) talked about the hospitality. Of the eleven guests, eight (30.76%) talked about the courtesy of staff, five (19.23%) discussed the knowledge and skills of staff, six (23.07%) talked about the service speed and lastly five (19.23%) discussed the reliability of staff. The themes therefore reflected guests' desires to be attended to by employees who were fast, reliable, welcoming, courteous, polite, honest, skilled and knowledgeable.

Thirteen guests (50.00%) felt that the employees ought to be friendly, respectful, with good communication and relational skills and knowledgeable about the hotel, its services and the hospitality industry at large in order to avoid misleading the customer, ensure prompt responses to customers' orders especially from the business guests and guarantee staff professionalism, honesty and security thus controlling the greed to steal from guests. Jani & Han (2011) and Walter *et al.* (2012) likewise recognised staff friendliness as a significant factor in service encounters in restaurants.

Service speed emerged as an important aspect of the hotel experience for six guests (23.07%). The guests preferred modern services and facilities and prompt service delivery especially when checking in and handling guests' requests since these could instil confidence in them and create reputable images. Poon & Low (2005) also highlighted the value of service speed and the friendliness, courtesy, pleasantness and language proficiency of staff. However, three guests (11.53%) gave accounts of service experiences which reflected dissatisfaction. For example, one guest (3.84%) made an enquiry at the front desk which was responded to after an hour thus creating the perception of slow service.

"...I once visited a five star hotel which had slow service speed at the reception. It took about an hour for me to get a response to an enquiry that I placed at the reception desk. As a result of this incident I concluded that the employees in that hotel were not reliable..." (Guest participant C)

This supported the view that response time is important in service delivery since it affects customer satisfaction and behavioural intentions (Jones & Dent, 1994). Service speed could affect customer experiences, where delays contribute to unfavourable guests' experiences. Jones & Dent (1994) emphasised that service speed mattered during arrival, seating, ordering, serving food and drinks and during payment while at the front desk, service delivery speed was important during check-in, check-out, porterage, use of telephone, message delivery and when providing room service. However, an exception to this approach to service can be found in luxurious hotels where the guest accepts slow personalised service which is part of the meal experience and which is done in order to increase the average spend by the customer and justify the high prices charged, as is seen with gueridon service and elite customers (Goodman, 1996).

The study found that two guests (7.69%) thought that the employees in four and five star hotels treated foreign guests better than the local guests when receiving and delivering services, thus indicating service unfairness. The guests concluded that foreigners were being given more attention in treatment and service after witnessing foreigners being welcomed, received and attended to faster and with more attention. According to Namkung, Jang, Almanza & Ismail (2009) service unfairness can be judged by examining indicators of service failure such as priority of service, delayed service procedures, high pricing and lack of employee attentiveness. These authors (p. 377) emphasised that "service fairness signifies consumers' perceived fairness within the context of an overall service experience with or without service failures" as reflected by distributive, price, outcome, procedural and interactional justice. In such a case, the customer will analyse the cost versus benefit (room

and menu prices), final output, the service delivery process (e.g first come first serve basis) and the employees' attitude (competency, skills, knowledge and training).

4.3.1.5 Location and accessibility

The fifth theme labelled "location and accessibility" had three sub categories; "location", "convenience" and "accessibility". Twelve guests (46.15%) discussed the location and accessibility. Of the twelve guests, six (23.07%) talked about the location, seven (26.92%) discussed the convenience and lastly seven (26.92%) talked about the accessibility. The themes therefore showed the value of the location and its convenience and accessibility.

Two guests (7.69%) were attracted to hotels which were situated near important attractions such as beaches especially when the visit was for leisure purposes since it gave them the opportunity to indulge in water sports and sporting activities such as scuba diving at the Coastal Kenya. Meanwhile, two guests (7.69%) felt that hotels in town centres would not be appealing due to noise, traffic jams and congestion of people. One guest (3.84%) likewise preferred locations that were situated away from noise. Five guests (19.23%) on the other hand had mixed reflections on the accessibility of the hotel as reflected by the state of road networks. Of the five guests, one (3.84%) felt that inaccessible hotels would lead to wastage of time while trying to figure out where the hotel was located. Another guest (3.84%) believed that inaccessible roads would lead to car breakdowns which would raise the cost of repair and maintenance especially when using a personal car. One guest (3.84%) held that five star hotels ought to be located where transport infrastructures were well developed in order to ensure convenience and save the cost of fuel. Another guest (3.84%) felt that the hotels should be accessible via both public and private means. Yet one guest (3.84%) maintained that accessibility would not matter if the other more important factors that attracted him to the hotel were addressed. The value of convenience and parking was also

discussed by seven guests (26.92%). Of the seven guests, one business guest (3.84%) felt that the hotels ought to have clearly defined operating hours so that they could schedule their daily activities and avoid loggerheads with security and management. Another guest (3.84%) believed that since he normally drove himself to seminars, conferences and vacations, parking availability would reduce the extra parking charges that he would be forced to pay outside the hotel.

> *"...the hotel has to be accessible since I would like to use my personal car; I would therefore choose a hotel with good road networks, making it easily accessible without causing damage to the vehicle as this would raise the cost of repair and maintenance..." (Guest participant N)*
>
> *"...being a business person, I would prefer a hotel which has clearly defined its operating business hours as this will enable me to schedule my daily activities in a convenient way. This will also prevent me from being at loggerheads with the security and management..." (Guest participant W)*

These findings supported the assertion that location including parking, convenience, accessibility and transportation from areas like airports and taxi services moreover affect customer satisfaction (Poon & Low, 2005). The relevance of these findings are clear given that Dortyol *et al.* (2014) likewise discovered that parking was important to hospitality guests while Lockyer (2005) equally found that location factors such as prices versus transport costs, needs and looks of the property were essential.

4.3.1.6 Price, value and discounts

The sixth theme named "price, value and discounts" had three sub categories; "prices", "value" and "discounts". Nineteen guests (73.07%) talked about the price, value and discounts. Of the nineteen guests, fourteen (53.84%) talked about the prices, eight (30.76%) discussed value and lastly four (15.38%) talked about the discounts. The themes therefore indicated what the vast majority of guests thought of the prices.

One guest (3.84%) indicated that the economy and his level of income would determine his choice in relation to price, value and benefits. Eight guests (30.76%) on the other hand felt that the hotels were overpriced particularly for the locals thus limiting their purchase frequencies. Of the eight guests, two (7.69%) held that the prices ought to be reduced at low peaks to prices that the locals can afford so that they too can experience the feeling of a five star hotel. One guest (3.84%) believed that locals should not pay as much as foreigners. Two guests (7.69%) felt that they would instead visit the hotels as corporate guests under organizational sponsorship due to the high prices and affordability thus reflecting the business expenditure effect to price sensitivity. Five guests (19.23%) however appreciated the high prices thus illustrating the price quality effect to price sensitivity. Of the five guests, one (3.84%) felt that high prices helped keep the hotels in line with competitors. One guest (3.84%) reported that he would still visit regardless of the high prices since he would be aware that such upscale facilities ought to charge premium prices. Two guests (7.69%) moreover believed that they would pay high prices in order to enjoy quality since quality and prices go hand in hand and would otherwise find it strange and question the levels of quality if the hotels priced their products cheaply.

> *"...prices in these hotels are too high for domestic tourists and the locals though when an organization sponsors the customers then the customer will pay little attention to factors such as the price and value of the package..." (Guest participant Z)*

The results confirmed Lockyer's (2005) notion and finding that price, which is the relationship between the reason of visit and price paid, budget, price versus location and related costs, affects accommodation choice. This is also much in line with prior studies such as Sarker *et al*. (2012) which established that tourists were dissatisfied with the tourism product which they thought was priced too expensively. Pedraja & Yagiie (2001) as well noted that price variations can determine eating out decisions of price searchers. Such customers will for instance target restaurants which offer items at their preferred prices.

Value too seemed important to six guests (23.07%). Of the six guests, two (7.69%) linked maximum value for money with high quality products and moreover reported that they would not like to visit hotels where they would feel short changed as a result of paying high prices for poor services. This confirmed that when guests purchase, they desire value too. Ramanathan & Ramanathan (2011) confirmed that value for money is the most critical hotel attribute as compared to customer service, room quality, cleanliness, food quality and family friendliness particularly in independent hotels as opposed to chain hotels. Choi & Chu (2000, p. 123) as well discovered that "value including value for money of food and beverage, value of the rooms, reputable chain hotel and comfortable ambience" influenced the satisfaction levels of customers. Value is closely linked to quality and can be reflected by the quality of the product and service. Value is also reflected in the price with more valuable service accruing higher prices.

Four guests (15.38%) spoke highly of loyalty programs. Of the four guests, two business guests (7.69%) believed that in order for them to maintain their loyalty, they would choose hotels which gave them discounts and fair prices since they frequented with their employees and business partners for seminars and conferences several times a year.

> *"...I would consider if the business offers discounts to customers who frequently visit the hotel. This is because I normally take my employees for seminars and conferences like four times a year. Therefore, I would highly appreciate where the prices would be charged fairly as a result of me being a loyal customer..." (Guest participant Y)*

Ferrel *et al.* (2010) already established that perceived value is an output of customer benefits and costs. Woodall (2003) as quoted by Mohajerani & Miremadi (2012, p. 135) described this value as "the personal perception of advantage arising out of customer associated with the offering of an organization". Smith (1995, p. 135) further stated that "value is perceived when customers' requirements are met at an attractive price".

Corporate social responsibility was also mentioned as another important dimension of value to a guest who was biased towards giving back to society.

4.3.1.7 Security

The seventh theme named "security" reflected the views of twelve guests (46.15%) on insecurity due to criminals, terrorism and tourist abductions in the country. The guests felt that although the hotels had high security levels, criminal activities, terrorism and tourist abductions called for enough security check points, adequate security equipment and qualified security guards in order to prevent trespassers and people of ill intentions from entering the premises and harming and stealing from guests thus assuring guest safety and minimising criminal risks.

> *"...this aspect [security] tends to be most important to me due to the current situation in the country in relation to terrorism and kidnapping of tourists..." (Guest participant V)*
>
> *"...the hotel should be well secured from trespassers and people of ill-intentions to harm and steal from the customers..." (Guest participant U)*

Choi & Chu (2000, p. 123) already stated that "security factors such as responsible security personnel, loud reliable fire alarms and availability of safe boxes determined the satisfaction levels of guests in hotels". Dortyol *et al.* (2014) likewise revealed that security and safety were important to these guests.

The information which was obtained from the analysis of the guests' interviews and literature review was moreover used to develop the items in the questionnaires which were filled by one hundred and ninety eight guests and one hundred and two managers in the second phase of the study. The items in the questionnaires were the; quality of food and beverages, quality of rooms, nutritional content of menu items, room amenities, food safety, variety of menu, cleanliness of the rooms, cleanliness of the restaurant, courtesy of front desk staff, courtesy of

restaurant staff, reliability of front desk staff, reliability of restaurant staff, knowledge and skills of front desk staff, knowledge and skills of restaurant staff, service speed at the front desk , service speed at the restaurant, level of automation of processes at the restaurant, level of automation of processes at the front desk, atmosphere of the rooms and lobby, atmosphere of the restaurant, layout and décor of the rooms and lobby, layout and décor of the restaurant, appearance of staff, appearance of the hotel's exterior, crowding, other customers, price of rooms, price of meals, value of the stay, value of the meal, benefits given to repeat guests, parking availability, security, hours of operation of the restaurant, corporate social responsibility, location and accessibility.

4.3.2 Managers' and guests' perceptions of factors influencing the purchase decisions of guests in four and five star hotels in Kenya-gap analysis

Descriptive analysis revealed that all the factors which influenced the guests' purchase decisions had mean scores above 4.00 thus indicating that both the guests and managers felt that they were very important to the guests.

Mann Whitney tests were computed in order to establish gaps in managers' and guests' perceptions of the importance of the factors which influence the guests' purchase decisions. The managers' perceptions were derived from the twelfth question in the managers' questionnaire while the guests' perceptions were derived from tenth question in the guests' questionnaire.

Scores on the following factors being important determinants of guests' purchase decisions when visiting any four or five star hotel were significantly different between managers and guests. (Appendix O).

Variety of menu [U=-2.33, p=.020]; Nutritional content of menu items [U=-2.69, p=.007]; Food safety [U=-3.29, p=.001]; Quality of food and beverages [U=-2.21, p=.027]; Level of automation of processes at the front desk [U=-2.71, p=.007]; Courtesy of staff at the restaurant [U=-2.18, p=.029]; Price of menu items [U=-4.17, p=.000]; Price of rooms [U=-5.15, p=.000]; Value of the meals [U=-2.43, p=.015]; Atmosphere of the rooms and the lobby [U=-3.74, p=.000]; Other customers [U=-3.52, p=.000]; Crowding [U=-4.09, p=.000]; Business hours of operation of the restaurant [U=-3.46, p=.001]; Location of the hotel [U=-4.07, p=.000]; Accessibility [U=-4.11, p=.000]; Security [U=-2.25, p=.024] and Parking availability [U=-6.97, p=.000].

The results therefore showed that the managers and guests equally felt that the quality of rooms, level of automation of processes at the restaurant, cleanliness, room amenities, room service, service speed, courtesy of front desk staff, reliability of staff, knowledge and skills of staff, value of the stay, benefits, atmosphere of the restaurant, layout and décor, appearance of staff and appearance of the hotel's exterior were very important to guests visiting four and five star hotels.

However, the findings also showed that the managers were not fully aware of how valuable the variety of menu, nutritional content of menu items, food safety, quality of food, level of automation of processes at the front desk, courtesy of restaurant staff, prices, value of meals, atmosphere of the rooms, other customers, crowding, business hours of operation of the restaurant, location, accessibility, security and parking were to the guests when making their purchase decisions.

4.4 Marketing Strategies employed by Four and Five Star Hotels in Kenya

The second research objective of the study aimed at establishing the marketing strategies employed by four and five star hotels in Kenya. The research question answered was "what are the marketing strategies employed by the hotels?". The data was obtained from the sixteenth question in the managers' questionnaire. This was an open ended question which requested the managers to indicate their marketing strategies. The question was exploratory in nature and aimed at examining the marketing strategies of the hotels and establishing whether they addressed the factors which influence the guests' purchase decisions. The data was thereafter subjected to content analysis. (Appendix P).

The analysis revealed a strategy which focused on the customer. This theme was subsequently labelled "customer relationship management". The results also showed that the hotels mostly embraced the "promotion" strategy. Hence, the other six sub-themes representing the tools under the promotion strategy were labelled "advertisements", "internet marketing", "personal selling", "sales promotion", "travel agents and tour operators" and "public relations".

4.4.1 Content analysis

4.4.1.1 Customer relationship management

The first marketing strategy which addressed customer management was aimed at satisfying guests by addressing their needs and meeting their expectations. Twenty nine managers (28.43%) indicated the tactics that they used under this strategy. Of the twenty nine managers, eight (7.84%) indicated that they used customer relationship management. Three managers (2.94%) stated that they used the marketing mix model. Two managers (1.96%) claimed that their hotels adopted product differentiation. One manager (0.98%) wrote that

they invested in market research via guests' questionnaires and comments. One manager (0.98%) indicated that they delivered high quality services. One manager (0.98%) claimed that they offered exceptional guests' experiences. One manager (0.98%) stated that they invested in excellent products and services. One hotel (6.66%) offered variety of meals. One hotel (6.66%) maintained good guests' relations. One hotel (6.66%) embraced strategic pricing. One hotel (6.66%) used feedback tactics.

> *…offering exceptional customer experience…(Management participant AA)*

The results therefore showed that the hotels used the traditional marketing models like the four P's. They also embraced product, service and pricing strategies by investing in quality and variety and moreover engaged in market research. However, experiential marketing was not a major marketing strategy for the hotels.

Relationship management was also practised by three hotels (20.00%). Two managers (1.96%) stated that they provided education to guests through the internet therefore introducing and advertising the hotel. Meanwhile, one manager (0.98%) claimed that they maintained local contact with customers.

> *…by providing tourist education to tourists through internet hence introducing and advertising the hotel to the tourist… (Management participant BB)*

The findings consequently revealed that only a few hotels had embraced relationship marketing as a modern marketing tool yet it can complement the marketing mix (Gronroos, 1997).

Three managers (2.94%) indicated that they offered best services to win back guests. Two managers (1.96%) stated that they targeted repeat clients (word of mouth) and customer loyalty. One manager (0.98%) wrote that they relied on the loyal guest and tried to attract and retain them by offering the best services which ensured that they referred others. One manager (0.98%) claimed that they made sure that they followed up on service delivery

hence keeping themselves on toes to maintain standards. One manager (0.98%) stated that they ran customer reviews to facilitate services. One manager (0.98%) wrote the following;

> *...providing best services that make guests come back for more or refer others to the hotel…(Management participant CC)*

Hence, it was apparent that most of the hotels had recognised the value of the loyal customer and taken advantage of powerful marketing tools such as word of mouth. However, the marketing strategies slightly addressed the factors which influence the guests' purchase decisions as indicated in the guests' interviews.

4.4.1.2 Promotions

Promotions using tools such as advertisements, internet marketing, personal selling, sales promotion, travel agents, tour operators and public relations was the second marketing strategy employed by the hotels.

4.4.1.2.1 Advertisements

Forty nine managers (48.03%) indicated that their hotels used advertisement tools such as word of mouth, brochures, media, prints, radio, television, billboards, open air caravans, road shows, dailies, flyers, digital printing and electronic screens. Of the forty nine managers, eight (7.84%) indicated that they used advertisements. Eight managers (7.84%) wrote that they used the media. Six managers (5.88%) stated that they distributed brochures. Four managers (3.92%) claimed that they had billboard displays. Three managers (2.94%) indicated that they advertised on television. Three managers (2.94%) wrote that they distributed flyers. Three managers (2.94%) indicated that they aired on radio. Two managers (1.96%) indicated that they distributed prints. Two managers (1.96%) claimed that they used digital marketing. Two managers (1.96%) stated that their hotels invested in word of mouth. Two managers (1.96%) wrote that they held road shows. One manager (0.98%) claimed that

they used open air caravans. One hotel (6.66%) invested in electronic screens in lifts and reception areas. One hotel (6.66%) advertised in dailies. Lastly, one hotel (6.66%) displayed posters.

> *...advertisements in the print media and radio stations such as Capital FM... (Management participant DD)*

The findings nonetheless showed that most of the hotels had embraced advertisements as marketing tools though modern tools like mobile marketing to mass markets were not common. Ndivo, Waudo & Waswa (2012) and Nyagaka (2009) likewise reported that word of mouth, print, brochures, electric and outdoor advertising are popular advertising tools among tourism firms in Kenya.

4.4.1.2.2 Internet marketing

Thirty four managers (33.33%) indicated that they used internet marketing and online tools like electronic mail, global distribution systems (GDS's), websites, trip advisor, guests' comments and e-marketing. Of the thirty four managers, twenty (19.60%) indicated that they used internet marketing. Three managers (2.94%) claimed that they ran websites. Three managers (2.94%) stated that they communicated via electronic mail. Two managers (1.96%) wrote that they embraced the social media platform particularly Twitter and Facebook. Two managers (1.96%) claimed that they registered with global distribution systems. Two managers (1.96%) stated that they used trip advisor. One manager (0.98%) indicated that they analysed online guests' comments. Lastly, one hotel (6.66%) embraced electronic marketing.

> *...online marketing through global distribution systems... (Management participant EE)*

Thus, the hotels had been able to keep up with technological changes in marketing though more recent internet marketing tools such as Instagram and bookings.com had not yet been

adopted. Njunge & Liswani (2013) moreover found that the internet was a popular tourism destination communication tool in Kenya.

4.4.1.2.3 Personal selling

Twenty three managers (22.54%) stated that they engaged in personal selling by building rapport with existing and potential customers, making sales calls, sales visits, personal calls, telephone calls and also organizing door to door marketing, sales visits and familiarization trips for tour operators, travel agents and customers. Of the twenty three managers, six (5.88%) stated that they made sales visits and personal calls. Four managers (3.92%) wrote that they organized sales calls. Four managers (3.92%) indicated that they made telephone calls. Three managers (2.94%) stated that they simply held familiarization trips while three others (2.94%) expounded that these trips were for tour operators, travel agents and customers. One hotel (6.66%) organised sales visits to tour operators. One hotel (6.66%) managed customers' accounts with keen follow up. One hotel (6.66%) organized door to door marketing. Lastly, one hotel (6.66%) established new accounts with an aim of maintaining them for future business.

> *…one on one visitation to prospective clients to build more rapport… (Management participant FF)*

Hence, personal selling was not a major marketing tool for most of the hotels. In addition, tools such as dinners and parties for clients had been overlooked.

4.4.1.2.4 Sales promotion

Thirteen managers (12.74%) stated that they adopted sales promotion by giving value adds and complimentary offers such as discounts, gift vouchers and free nights to resident guests, loyal guests and honeymooners. Of the thirteen managers, two (1.96%) simply stated that they used sales promotion. Two managers (1.96%) claimed that they gave discounts to

resident guests. Two managers (1.96%) wrote that they gave out gift vouchers. One manager (0.98%) indicated that they offered value adds. One hotel (6.66%) offered free nights. One hotel (6.66%) developed holiday packages. One hotel (6.66%) provided complementary offers to repeat guests and honeymooners. In addition, in order to boost sales during periods of low demand, one manager (0.98%) indicated that they had special seasonal offers and holiday packages at favourable rates.

> *… promoting regular customers/guests by offering for instance one free night…*
> *(Management participant GG)*

The findings therefore indicated that the hotels adopted a narrow range of sales promotions tools and moreover overlooked free samples, contests, games, sweepstakes, premiums, coupons, point of sales displays and rebates.

4.4.1.2.5 Travel agents and tour operators

Fourteen managers (13.72%) indicated that they used travel agents and tour operators. Of the fourteen managers, six (5.88%) stated that they hired travel agents. Six managers (5.88%) indicated that they used tour operators as distributors since they had connections with international markets. Lastly, two managers (1.96%) simply claimed that they used travel agents and tour operators.

> *…we use travel agents who have connections with the international market…*
> *(Management participant HH)*

It was therefore apparent that most of the hotels did not take advantage of other important intermediaries in their distribution channels such as specialists including airlines, tour brokers, sales representatives and the consortia who could also be major links to other sources of business (Kotler *et al.* 2003). In addition, other tools like direct marketing and government agencies were not mentioned by any manager.

4.4.1.2.6 Public relations

Twenty one managers (20.58%) wrote that they embraced public relations by participating in local, regional and international trade fairs, expos and exhibitions in order to create awareness amongst stakeholders. Of the twenty one managers, four (3.92%) indicated that they were involved in exhibitions. Three managers (2.94%) wrote that they held events. Three managers (2.94%) stated that they participated in expos and trade fairs. Three managers (2.94%) claimed that they embraced partnerships, corporate marketing, corporate social responsibility and sponsorship of events such as the eco-awards in order to be visible in the public forum. One manager (0.98%) wrote that they participated in trade fairs and exhibitions. One hotel (6.66%) attended trade fairs only. One hotel (6.66%) participated in international trade fairs. One hotel (6.66%) embraced partnerships. Lastly, one hotel (6.66%) attended local and international expos.

… participating in exhibitions to create awareness… (Management participant II)

The results thus showed that most of the hotels had not adopted public relations as a major marketing tool. In addition, other important public relations activities including internal public relations through staff games, clubs and parties and tools such as lobbying, membership clubs, events including sports, press releases and printed media like newsletters had not been embraced.

The managers' also answered open ended questions on the role of corporate social responsibility in marketing their hotels. The data was obtained from the seventeenth question in the managers' questionnaire. The results showed that the managers believed that corporate social responsibility was very important since it addressed the needs of various stakeholders. Seven managers (6.86%) believed that it created awareness of the product and subsequently

impacted customers' behaviours. Three managers (2.94%) felt that it enhanced the market profiles.

> *...the publicity that the hotel gets from participating in such activities makes the hotel more appealing to guests... (Management participant JJ)*

The findings therefore indicated that the hotels could use corporate social responsibility to attract and retain new and existing customers.

Two managers (1.96%) agreed that corporate social responsibility attracted guests, particularly the locals.

> *...corporate social responsibility plays a crucial role as it helps familiarise with the hotel's immediate neighbourhood thus creating good co-existence and a positive image to the locals... (Management participant KK)*

Hence, corporate social responsibility had the greatest impact on customers who were closest to the hotels probably because of their participation, support and sponsorship of local activities.

Thirty one managers (30.39%) felt that it also improved their corporate images by increasing their networks in the corporate world thus becoming an avenue for getting the corporate customer.

> *...the hotel promotes game activities, participating in social events such as heart walks. All these give a chance in interacting with different companies and other organizations and selling the hotel's hotels and lodges... (Management participant LL)*

It was therefore clear that corporate social responsibility can be a tool for attracting and retaining the corporate guest and market.

Four managers (3.92%) too held that it bought customer loyalty and trust by improving customer confidence. Four managers (3.92%) also posited that it contributed to brand building (strengthening the brands). Two managers (1.96%) on the other hand believed that it

attracted new ones. One manager (0.98%) felt that it further maintained existing customers. Meanwhile one manager (0.98%) believed that it impacted on their performance.

The findings therefore showed that corporate social responsibility can be a marketing tactic aimed at more than just meeting legal, environmental, community and social demands. It can be used to attract and retain guests who are green customers and change advocates working for governmental and non-governmental organizations that advocate for human rights, poverty eradication and human good including disaster management, sponsorships and charitable events.

4.5 Guests' and Managers' Perceptions of the Marketing Strategies of Four and Five Star Hotels in Kenya

The third research objective assessed guests' and managers' perceptions of the extent to which the marketing strategies of four and five star hotels in Kenya addressed the factors which influence the guests' purchase decisions. The research question answered was "what are guests' and managers' perceptions of the marketing strategies of the hotels?".

The analysis involved a gap analysis of the extent to which the marketing strategies addressed the factors which influenced the guests' purchase decisions as extracted from their interviews since it was postulated that marketing strategies should address guests' needs. It was also assumed that since the study focused on guests who had spent at least one night in a four or five star hotel, then the guests who filled in the questionnaires were informed enough to answer questions on the marketing strategies of the hotels as learnt from word of mouth, experience or observation.

Four gaps in guests' and managers' perceptions of the marketing strategies of the hotels were explored. The first gap analysis compared guests' expectations and perceptions. The second

gap analysis compared managers' expectations and perceptions. The third gap analysis compared managers' and guests' perceptions. The last gap analysis compared managers' and guests' expectations. The data was analysed using Mann Whitney and Wilcoxon signed rank tests. The results showed that there were some gaps in managers' and guests' expectations and perceptions of the marketing strategies of the hotels.

4.5.1 Guests' expectations and perceptions-gap analysis

In order to explore the gaps in guests' expectations and perceptions of the marketing strategies of the hotels, Wilcoxon signed rank tests were computed. (Appendix Q). The guests' expectations were derived from the eleventh question in the guests' questionnaire whereas the perceptions were from the thirteenth question in the same questionnaire.

Scores on guests' perceptions of the hotels' marketing strategies addressing the following factors were significantly different from those on their expectations.

Variety of menu [Z=-6.89, p=.000]; Nutritional content of menu items [Z=-4.45, p=.000]; Food safety levels [Z=-4.59, p=.000]; Quality of food and beverages [Z=-5.48, p=.000]; Quality of rooms [Z=-7.67, p=.000]; Cleanliness of the restaurant [Z=-4.02, p=.000]; Cleanliness of the rooms [Z=-5.02, p=.000]; Room amenities [Z=-6.52, p=.000]; Room service [Z=-6.76, p=.000]; Service speed at the restaurant [Z=-6.65, p=.000]; Service speed at the front desk [Z=-6.42, p=.000.]; Level of automation of processes at the restaurant [Z=-7.41, p=.000]; Level of automation of processes at the front desk [Z=-6.86, p=.000]; Courtesy of staff at the restaurant [Z=-3.97, p=.000]; Courtesy of staff at the front desk [Z=-3.84, p=.000]; Reliability of staff at the restaurant [Z=-6.13, p=.000]; Reliability of front desk staff [Z=-4.22, p=.000]; Knowledge and skills of restaurant staff [Z=-7.05, p=.000]; Knowledge and skills of front desk staff [Z=-5.75, p=.000]; Price of menu items [Z=-7.15, p=.000]; Price

of rooms [Z=-6.37, p=.000]; Value of the meal [Z=-5.60, p=.000]; Value of the stay [Z=-5.06, p=.000]; Benefits given to guests [Z=-7.03, p=.000]; Atmosphere of the restaurant [Z=-5.95, p=.000]; Atmosphere of the rooms and lobby [Z=-6.00, p=.000]; Layout and décor at the restaurant [Z=-6.50, p=.000]; Layout and décor at the front desk [Z=-6.01, p=.000], Other customers [Z=-3.93, p=.000]; Appearance of the staff [Z=-6.80, p=.000]; Appearance of hotel's exterior [Z=-5.42, p=.000]; Business hours of operation [Z=-3.86, p=.000]; Accessibility [Z=-3.75, p=.000]; Security [Z=-5.09, p=.002]; and Parking availability [Z=-4.88, p=.000].

The results therefore showed that the guests felt that the hotels adequately addressed crowding. However, the guests had different expectations and perceptions of the quality of food and beverages, quality of rooms, nutritional content of menu items, room amenities, food safety, variety of menu, cleanliness of the rooms and restaurant, courtesy of front desk and restaurant staff, reliability of front desk and restaurant staff, knowledge and skills of front desk and restaurant staff, service speed at the front desk and restaurant, level of automation of processes at the restaurant and front desk, atmosphere of the rooms and restaurant, layout and décor of the rooms and restaurant, appearance of staff and the hotel's exterior, other customers, price of rooms and meals, value of the stay and meal, benefits given to repeat guests, parking availability, security, hours of operation of the restaurant, corporate social responsibility, location and accessibility. This meant that the hotels could improve their marketing strategies in order to match the expectations of the guests.

4.5.2 Managers' expectations and perceptions-gap analysis

In order to explore the gaps in managers' expectations and perceptions of the marketing strategies of the hotels, Wilcoxon signed rank tests were computed. (Appendix R). The managers' expectations were derived from the thirteenth question in the managers'

questionnaire whereas the perceptions were from the fifteenth question in the same questionnaire.

Scores on the managers' expectations of the marketing strategies of the hotels addressing the following factors were significantly different from those on their perceptions.

Nutritional content of menu items [Z=-5.03, p=.000]; Food safety [Z=-2.98, p=.003]; Cleanliness of the restaurant [Z=-2.87, p=.004]; Room amenities [Z=-3.05, p=.002]; Service speed at the restaurant [Z=-3.36, p=.001]; Service speed at the front office [Z=-3.00, p=.003]; Level of automation of processes at the restaurant [Z=-3.54, p=.000]; Courtesy of front office staff [Z=-2.98, p=.003]; Knowledge and skills of restaurant staff [Z=-2.11, p=.034]; Price of rooms [Z=-2.28, p=.022]; Benefits given to guests [Z=-2.99, p=.003]; Atmosphere at the restaurant [Z=-4.43, p=.000]; Atmosphere of the rooms [Z=-2.74, p=.006]; Crowding [Z=-2.00, p=.025]; Parking availability [Z=-2.18, p=.029]; Relationship marketing as a promotional tool [Z=-2.50, p=.012]; Experiential marketing as a promotional tool [Z=-2.43, p=.015]; Public relations as a promotional tool [Z=-3.56, p=.000]; and Corporate social responsibility as a promotional tool [Z=-2.88, p=.004].

The findings therefore showed that the managers were satisfied with the way the hotels marketed the quality of food and beverages, variety of menu, quality of rooms, cleanliness of rooms, room service, level of automation of processes at the front desk, courtesy of staff at the restaurant, knowledge and skills of staff at the front desk, reliability of staff, price of menu items, value, layout and decor, other customers, appearance of staff, appearance of the hotel's exterior, business hours of operation of the restaurant, accessibility, location, security and promotional tools such as sales promotion, personal selling and internet marketing.

However, the managers had different expectations and perceptions of the nutritional content of menu items, food safety, cleanliness of the restaurant, room amenities, service speed, level

of automation of processes at the restaurant, courtesy of front desk staff, knowledge and skills of restaurant staff, price of rooms, benefits given to guests, atmosphere, crowding, parking, experiential marketing, relationship marketing, corporate social responsibility and public relations. This meant that the managers could improve their marketing strategies in order to meet their expectations.

4.5.3 Managers' and guests' perceptions-gap analysis

In order to explore the gaps in guests' and managers' perceptions of the marketing strategies of the hotels, Mann Whitney tests were conducted. (Appendix S). The managers' perceptions were derived from the fifteenth question in the managers' questionnaire whereas the guests' perceptions were from the thirteenth question in the guests' questionnaire.

Scores on perceptions of the marketing strategies of the hotels addressing the following factors were significantly different between the guests and managers.

Variety of menu items [$U=-3.13$, $p=.002$]; Nutritional content of menu items [$U=-3.79$, $p=.000$]; Food safety levels at the restaurant [$U=-2.86$, $p=.004$]; Quality of rooms [$U=-3.28$, $p=.001$]; Cleanliness of the restaurants [$U=-2.60$, $p=.009$]; Room amenities [$U=-3.32$, $p=.001$]; Room service provided [$U=-3.40$, $p=.001$]; Service speed at the restaurant [$U=-2.21$, $p=.027$]; Level of automation of processes at the front desk [$U=-2.91$, $p=.004$]; Courtesy of staff at the front desk [$U=-1.98$, $p=.047$]; Knowledge and skills of restaurant staff [$U=-2.85$, $p=.004.$]; Benefits given to repeat customers [$U=-2.51$, $p=.012$]; Crowding at the hotel [$U=-6.50$, $p=.000$]; Other customers [$U=-3.87$, $p=.000$]; Appearance of staff [$U=-2.15$, $p=.031$]; Appearance of hotel's exterior [$U=-2.08$, $p=.037$]; and Parking availability [$U=-8.77$, $p=.000$].

The results therefore showed that the managers and guests equally agreed that the hotels paid a lot of attention to the quality of food and beverage, cleanliness of the rooms, service speed at the front desk, level of automation of processes at the restaurant, knowledge and skills of staff at the front desk, courtesy of restaurant staff, reliability of staff, prices, value for money, atmosphere, layout and decor, business hours of operation of the restaurant, accessibility, location and security.

One can expect the best marketing strategies from these hotels. Still, differences were expressed which showed that the managers and guests had different perceptions of the extent to which the marketing strategies of the hotels addressed the variety of menu, nutritional content of menu items, food safety, quality of rooms, cleanliness of the restaurant, room amenities, room service, service speed at the restaurant, level of automation of processes at the front desk, courtesy of front desk staff, knowledge and skills of restaurant staff, benefits, other customers, crowding, appearance of staff, appearance of the hotel's exterior and parking availability. This meant that the hotels were not aware of the guests' perceptions implying that they could improve their marketing strategies in order to match these perceptions.

4.5.4 Managers' and guests' expectations-gap analysis

In order to explore the gaps in guests' and managers' expectations of the marketing strategies of the hotels, Mann Whitney tests were conducted. (Appendix T). The guests' expectations were derived from the eleventh question in the guests' questionnaire whereas the managers' expectations were from the thirteenth question in the managers' questionnaire.

Scores on expectations of the marketing strategies of the hotels addressing the following factors were significantly different between the guests and managers.

Nutritional content of menu items [U=-2.64, p=.008]; Food safety levels at the restaurant [U=-3.04, p=.002]; Quality of food and beverages [U=-2.89, p=.004]; Reliability of front office employees [U=-2.52, p=.012]; Knowledge and skills of front office staff [U=-2.72, p=.007]; Price of menu items [U=-3.46, p=.001]; Price of rooms [U=-3.29, p=.001]; Atmosphere of restaurant [U=-4.51, p=.000]; Layout and décor of rooms [U=-3.00, p=.003]; Appearance and behaviour of other guests [U=-5.35, p=.000]; Crowding at the hotel [U=-2.15, p=.031]; Appearance of the hotel's exterior [U=-3.65, p=.000]; Business hours of operation of the restaurant [U=-2.66, p=.008]; Location [U=-3.24, p=.001]; Accessibility of the hotel [U=-2.96, p=.003]; Security [U=-6.26, p=.000]; and Parking availability [U=-3.59, p=.000].

The results therefore showed that the managers and guests equally felt that the hotels should pay a lot of attention to the variety of menu, quality of rooms, cleanliness, knowledge and skills of staff at the restaurant, reliability of restaurant staff, courtesy of staff, service speed, room service, room amenities, level of automation of processes, value for money, benefits, atmosphere of the rooms, layout and décor of the restaurant and appearance of staff.

However, the managers and guests had different expectations of the marketing strategies addressing the nutritional content of menu items, food safety, quality of food and beverages, reliability, knowledge and skills of front desk staff, prices, atmosphere of the restaurant, layout and décor of the rooms, other customers, crowding, appearance of the hotel's exterior, business hours of operation of the restaurant, location, accessibility, security and parking. This meant that the managers were not aware of the guests' expectations thus providing opportunities for improvement.

4.6 Developing a Marketing Model for Four and Five Star Hotels in Kenya

The fourth research objective aimed at developing a marketing model for four and five star hotels in Kenya. The research question answered was "which marketing model can be used by the hotels?". The model was developed using partial least squares structural equation modelling on the data on the managers' expectations of the marketing strategies of the hotels. The data on the managers' expectations of the marketing strategies was derived from the thirteenth question in the managers' questionnaire. Meanwhile, the data on the managers' expectations of the performance of the hotels as a result of the marketing strategies was derived from the twenty first question in the same questionnaire. The results moreover showed that a new marketing model which highlighted the product, ambience, hospitality, service, destination, value and communication strategies could influence the performance of the hotels. In order to develop marketing strategies which revolved around guests' experiences, the guests had to also answer open ended questions on their most memorable experiences in the hotels. This data was collected from the ninth question in the guests' questionnaire. The results showed that the guests had memorable experiences revolving around the amenities, food, hospitality, services, atmosphere, environment, entertainment, activities and prices in four and five star hotels in Kenya.

4.6.1 A new marketing model for four and five star hotels in Kenya

Partial least squares structural equation modelling was performed in order to develop a new marketing model based on managers' expectations of the marketing strategies and performance of the hotels. However, as illustrated in Figure 3, the first half of the structural equation model highlighted the new marketing strategies and their indicators which were subsequently used to develop the final marketing model which is presented in Figure 5. Hence, a new seven factor marketing model which reflected the marketing strategies and their

indicators was developed. The seven factors were labelled "ambience", "communication", "destination", "hospitality", "product", "service", and "value". These factors had significant loadings. (Appendix U). Factor loadings show the factors that each variable loaded most strongly on (Garson, 2010).
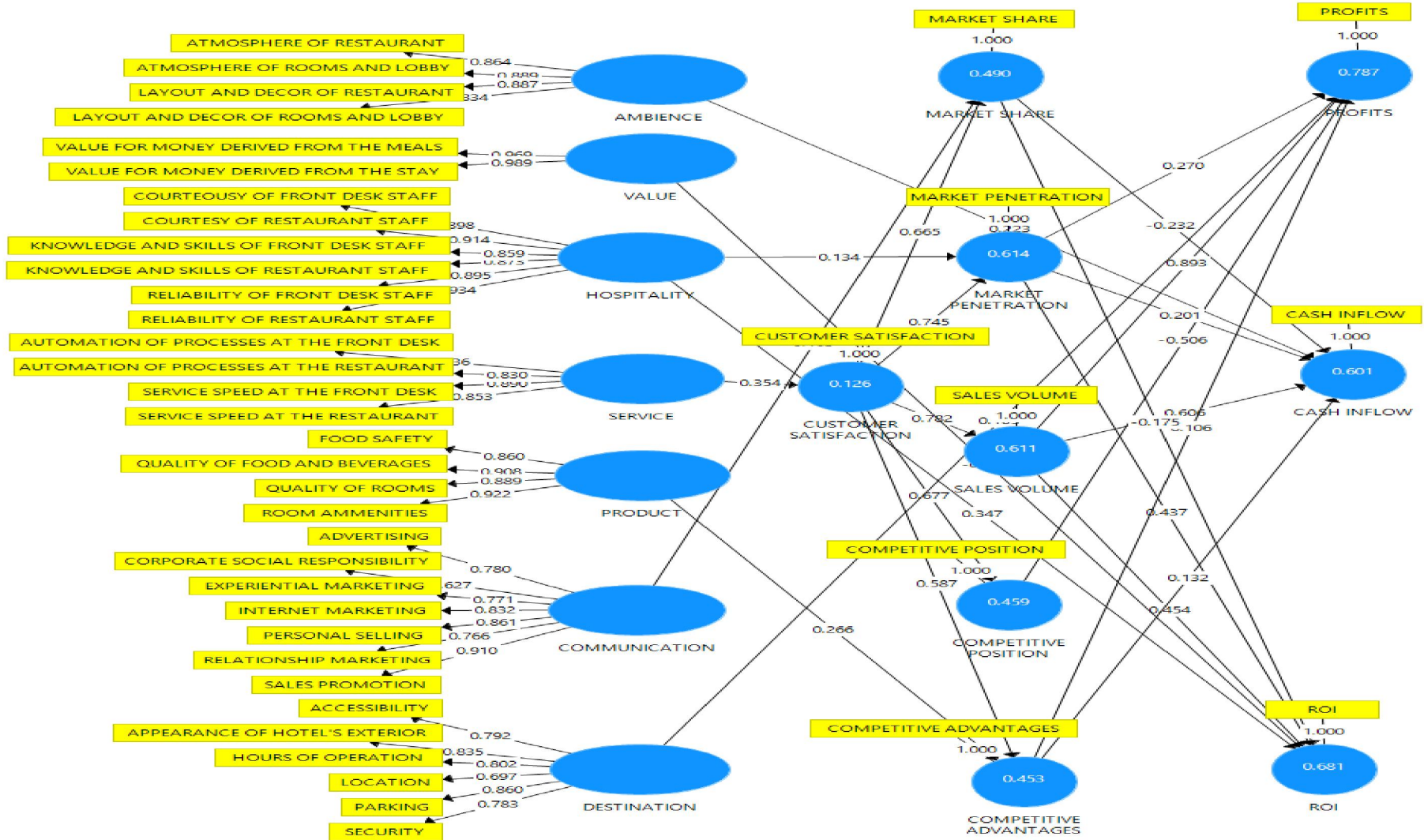
Figure 3 The relationship between the new marketing strategies and performance-factor loadings, path coefficients and R^2

The ambience strategy was represented by four items; "atmosphere of the restaurant", 'atmosphere of the rooms and lobby", "layout and decor of the restaurant" and "layout and decor of the rooms and lobby". These items had factor loadings of .86, .89, .89 and .83 respectively and squared loadings of .74, .79, .78 and .69 respectively.

The destination strategy was represented by six variables; "accessibility", "appearance of the hotel's exterior", "business hours of operation", "location", "parking" and "security". These items had factor loadings of .79, .83, .80, .70, .86 and .78 respectively and squared loadings of .62, .69, .64, .47, .73 and .61 respectively.

The hospitality strategy had six items; "courtesy of front desk staff", "courtesy of restaurant staff", "knowledge and skills of front desk staff", "knowledge and skills of restaurant staff", "reliability of front desk staff" and "reliability of restaurant staff". These variables had loadings of .90, .91, .86, .87, .89 and .93 respectively and squared loadings of .80, .83, .73, .76, .80 and .87 respectively.

The product strategy had four indicators; "food safety", "quality of food", "quality of rooms" and "room amenities". These variables had factor loadings of .86, .91, .89 and .92 respectively and squared loadings of .73, .82, .79 and .85 respectively.

The service strategy had four variables; "level of automation of processes at the front desk", "level of automation of processes at the restaurant", "service speed at the front desk" and "service speed at the restaurant". These items had factor loadings of .74, .83, .89 and .85 respectively and squared loadings of .54, .68, .79 and .72 respectively.

The value strategy was represented by two items; "value of the stay" and "value of the meal". These variables had loadings of .98 and .96 respectively and squared loadings of .97 and .99 respectively.

The communication strategy had seven indicators; "advertising", "experiential marketing", "internet marketing", "personal selling", "relationship marketing", "corporate social responsibility" and "sales promotion". These variables had factor loadings of .78, .77, .83, .86, .77, .63 and .91 respectively and squared loadings of .58, .58, .68, .77, .57 and .83 respectively. However, public relations had a factor loading that was less than .63 thus indicating that it was not best represented by the communication strategy probably because it involves other stakeholders other than customers including employees, communities, suppliers, media, governments and financial institutions.

The findings therefore showed that all the constructs were reliable with loadings and indicator reliabilities above the recommended cut off of .63 and .40 respectively.

Other single item constructs which reflected the measures of performance and were presented as latent variables and endogenous and exogenous variables in the model included customer satisfaction, sales volume, competitive advantages, competitive positions, market penetration, market share, profits, return on investment and cash inflow. These latent variables had single indicators and were respectively labelled after their indicators. The measures of performance were treated as single item constructs since it was assumed that each marketing strategy had a unique impact on each measure of performance thus combining them as latent constructs would not have accurately reflected the actual impact of the marketing strategies.

The composite reliability scores of the ambience, communication, destination, hospitality, product, service and value strategies were .92, .92, .91, .96, .94, .90 and .98 respectively and above the recommended cut off of .70 thus reflecting convergent validity.

The average variance extracted from the ambience, communication, destination, hospitality, product, service and value strategies was also .76, .64, .63, .80, .80, .69 and .96 respectively and above the recommended cut off of .50 thus showing convergent validity. (Appendix V).

In addition, the correlations among all the constructs were smaller than the square roots of their average variance extracted thus reflecting discriminant validity. (Appendix W).

Collinearity issues were investigated using variance inflation factor analysis. All the constructs had acceptable variance inflation factor values below the recommended cut off of <3.33 thus indicating that there were no multi-collinearity issues. (Appendix X).

The results therefore showed that the destination strategy addressed security, accessibility, location, parking, business hours of operation and appearance of the hotel's exterior. The ambience strategy addressed the atmosphere, layout and décor of the rooms, lobby and restaurants. The product strategy covered quality of food, beverages and rooms, food and beverage sanitation and safety and room amenities. The hospitality strategy addressed the courtesy, reliability, knowledge and skills of staff. The service strategy addressed service speed and level of automation of processes at the front desk and restaurant. The value strategy addressed the value of the meal and stay. Lastly, the communication strategy addressed advertising, experiential marketing, internet marketing, personal selling, relationship marketing, sales promotion and corporate social responsibility.

4.6.2 Guests' memorable experiences in four and five star hotels in Kenya

In order to develop marketing strategies and tactics which centred on hotel experiences after developing the new marketing model, the guests had to answer open ended questions on their memorable experiences in four and five star hotels in Kenya. This data was collected from the ninth question in the guests' questionnaire. The data from this question was analysed using narrative analysis.

4.6.2.1 Narrative analysis

Nine factors were generated from this data. These themes were labelled "hospitality standards", "amenities", "food", "service levels", "atmosphere", "environment", "entertainment", "activities" and "prices". The guests therefore had memorable experiences which revolved around the hospitality standards, amenities, food, service levels, atmosphere, environment, entertainment, activities and prices. However, a majority (n=103, 52.50%) consisted of nineteen (9.59%) who remembered the atmosphere, eighteen (9.09%) the hospitality standards and environment, sixteen (8.08%) the hospitality and atmosphere, twelve (6.06%) the hospitality levels, ten (5.05%) the food, nine (4.54%) the atmosphere, environment and hospitality, eight (4.04%) the entertainment and food and seven (3.53%) the hospitality, atmosphere and entertainment. (Appendix Y). The data was presented as written testimonials.

Seven guests (3.53%) kept in memory the accommodation and unique amenities such as spacious rooms, spas, Jacuzzis, saunas, bath tubs, steam baths, swimming pools, extra-large beds, comfortable beds, satellite televisions and free WI-FI which they held were impressive and of high quality. One guest (.50%) stated the following;

> *...I love the artistic bathtub that my daughter and I enjoy; the ambience of the beautiful resort with soothing sights and sounds of pools and fountains scattered throughout the hotel. Not forgetting the high speed WI-FI and latest television technology... (Guest Participant AA)*

Fifty one guests (25.75%) identified the food, which they felt was diverse, unique, delicious, wonderful, superb, excellent, exciting, enjoyable, well cooked, balanced, nutritious, good and fresh, particularly the international delicacies, African dishes, cultural foods, cocktail dinners, candle dinners, breakfast, dinner and luncheon buffets, as being part of their outstanding experiences.

One hundred and six guests (53.53%) could not forget the hospitality standards which they described as being high, superb and excellent and the warm receptions that they received as well from both humble and friendly Kenyans and hotel staff who were genuine, reliable, generous, hospitable, welcoming, warm, orderly, well mannered, experienced and highly skilled. Eighteen guests (9.09%) further recalled the impressive service particularly from the waiters and room service which they saw as being very high, nice, hospitable and good.

> *...the informed, courteous and prompt service by the front office staff set the tone for that hotel. The room was well cleaned and maintained with very comfortable beddings. The food was delicious and I mainly enjoyed our lunch by the pool. The fitness centre was spotless and the air conditioning was excellent. It was an experience of a life time... (Guest Participant BB)*

Fifty seven guests (28.78%) built their memories around the atmosphere, theme and ambience which they thought was exceptional, unique, glamorous, beautiful, attractive, cool, wonderful, serene, relaxing, fun, private, confidential, conducive for work and very comfortable with soothing, relaxing music, appealing landscapes, good ambience, appealing themes, appealing layout, attractive restaurant setups, attractive rooms, peaceful resting rooms and quiet rooms and lecture halls.

Fifty four guests (27.27%) were impressed by the environment, more so the beautiful, superb and wonderful ocean views, ocean breezes, seashores, beach views, the beautiful landscapes, the serene and supreme sandy coastal beaches and the beauty of Kenya which they further described as being fabulous, spectacular, amazing, comfortable, friendly, cool, relaxing, marvellous and conducive for work.

> *...I love the fact that the hotel offers a variety of conference and meeting rooms in the immense compound offering privacy and confidentiality when holding meetings. More of interest, I love the vastness of the compound landscaping with water streams which give me the opportunity to enjoy the glamorous nature... (Guest Participant CC)*

Fifty four guests (27.27%) remembered the entertainment for both kids and adults particularly the fireworks displays for instance on new year, Christmas carols and Easter, the

African nights, Maasai nights, observance of Maasai traditions, cultural nights and other cultural entertainment which they believed was inspiring, very nice, beautiful, good, wonderful, fabulous, impressive, exciting and excellent.

> *...I was impressed by the enchanting evening entertainment from the X dancers and the spacious rooms with nice balconies which gave an excellent view of the amazing and well maintained gardens. They also had a variety of African dishes. I personally enjoyed the nyama choma for dinner... (Guest Participant DD)*

Twenty two guests (11.11%) created memorable experiences out of the activities in which they participated including candle lit dinners, swimming, beach volleyball, scuba diving, steam bathing, sauna treatments, massages, sunbathing at the seashore, exciting touring of wild life parks and Tsavo national park, the different games which they enjoyed such as the ajua game and the opportunities to relax and make friends.

One guest (.50%) could not forget the high prices and bills, while one (.50%) was impressed by the negotiable rates.

> *....I took my clients to the Y hotel, which we thought was very expensive for a four star hotel. The experience was terrible, the prices were too high, and the services and amenities bad, not befitting its status. After two days, we checked out and checked into a neighbouring five star hotel, whose room rates and prices were surprisingly lower than the four star that we had been to, and the atmosphere, services and offers in this hotel matched those expected from five star hotels... (Guest Participant EE)*

4.7 The direct effects in the relationship between the new marketing strategies and performance

The fifth research objective aimed at establishing the direct effects in the relationship between the new marketing strategies and performance. The research question answered was "what are the direct effects in the relationship between the new marketing strategies and performance?". The new marketing strategies were derived from the new marketing model which was developed. Data on the managers' expectations of the performance of the hotels as a result of the marketing strategies was derived from the twenty first question in the

managers' questionnaire. The results showed that the new marketing strategies directly affected customer, market and financial performance.

As illustrated in figure 4, the relationship between the seven marketing strategies and performance were established. Most path coefficients and f statistics (f^2) were also significant. (Appendix Z).
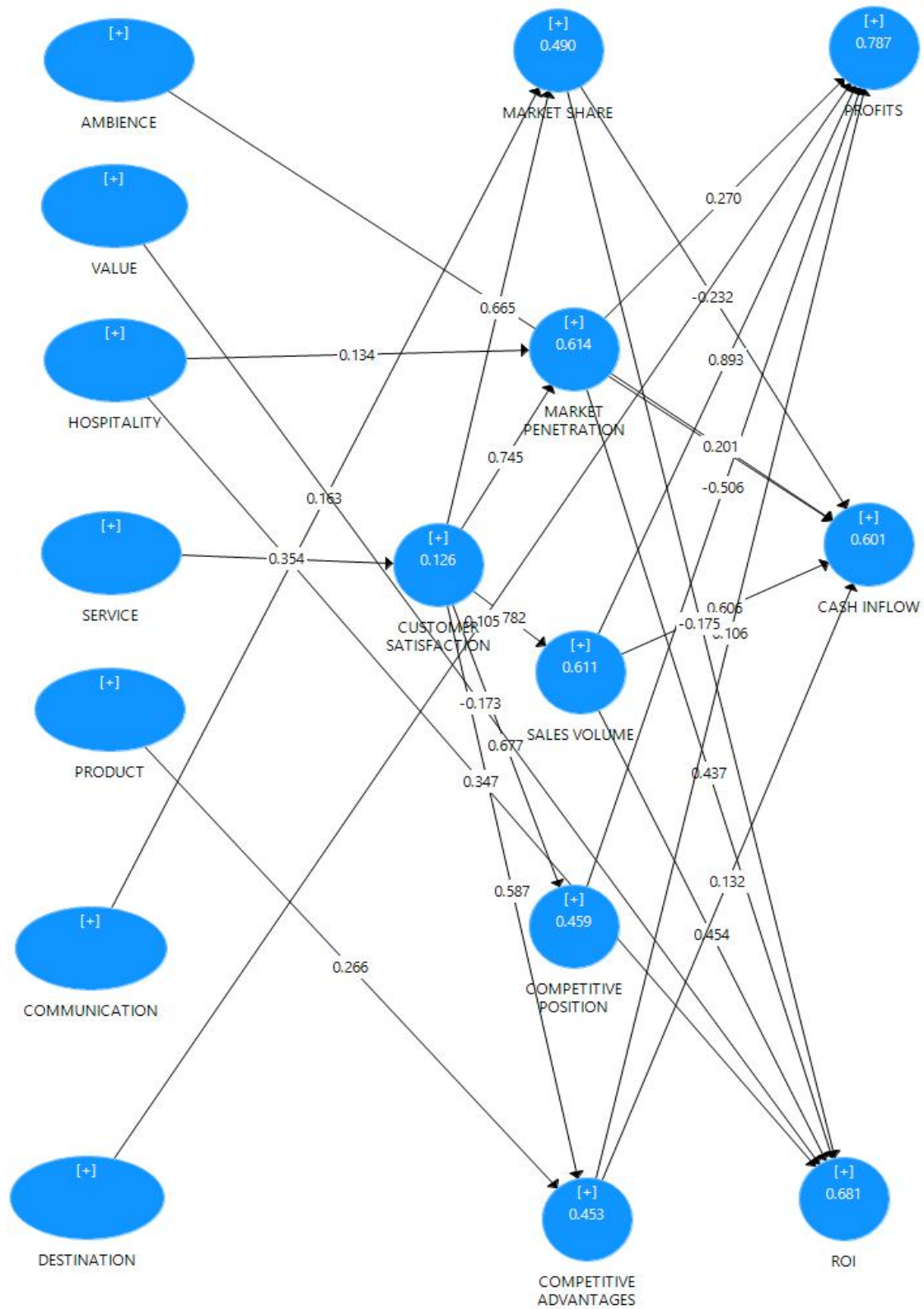
Figure 4 The relationship between the new marketing strategies and performance-path coefficients and R^2

4.7.1 The direct effects in the relationship between the new marketing strategies and customer performance

The results showed that the service strategy directly and positively influenced customer satisfaction (β=.35, t=2.30, p=.022) meaning that investing in efficient service delivery as reflected by service speed and technology can generate customer delight. However, this was a medium effect size (f^2=.24).

4.7.2 The direct effects in the relationship between the new marketing strategies and market performance

The findings depicted that the hospitality strategy directly and positively affected market penetration (β=.13, t=1.99, p=.046) implying that investing in employees who are competent, knowledgeable, hospitable and business oriented, can guarantee excellent services thus delighting customers and raising their esteem or trust hence leading to positive word of mouth and customer lifetime value which would ultimately increase returns. Kandampully (2006) equally states that employees in the hospitality industry greatly determine the quality of service in a challenging environment in which the product and service are consumed simultaneously thus making front line staff marketers. Nonetheless, the effect size was small (f^2=.04).

The results indicated that the product strategy directly and positively influenced competitive advantages (β=.27, t=2.80, p=.005) meaning that the hotels can deliver more value to their customers by offering excellent meals, rooms and amenities, which meet and exceed their expectations, all in safe environments, hence generating guest delight and confidence. Goodman (1996) likewise recognised gourmet and food as sources of competitive advantages. Nevertheless, the effect size was small (f^2=.13).

The findings showed that the communication strategy directly and positively affected market share (β=.17, t=2.23, p=.025) suggesting that advertising, experiential marketing, internet

marketing, personal selling, relationship marketing, corporate social responsibility and sales promotion can attract existing and potential customers from competitors by attractively informing them of their products and services, persuading them to try out their facilities and creating customer lifetime value. Suttle & Akpabio (1998) alike identified sales promotion as an effective tool for attracting customers. Lin *et al.* (2009) too picked experiential marketing as an important element of the marketing mix and moreover linked it to higher value, satisfaction and loyalty. Williams *et al.* (2012, p. 125) further quoted Ozor (1999) who declared that "producers of goods and services are presently aware that promotion does not only inform and persuade, but can strive towards profit making through increased sales". The effect size was however small (f^2=.05).

4.7.3 The direct effects in the relationship between the new marketing strategies and financial performance

The findings indicated that the ambience strategy directly and positively influenced cash inflow (β=.23, t=3.47, p=.001) implying that by focusing on the atmosphere, layout and decor, the hotels can attract more customers or motivate them to increase their average spend. This affirmed that customers are often willing to pay for unique ambience and further illustrated the value of the physical appearance of the hotel as an outer reflection of quality and prestige. Ariffin & Aziz (2012) too viewed the physical evidence as a media for attracting and retaining customers. Nonetheless, the effect size was small (f^2=.13).

The results revealed that the hospitality strategy directly and positively affected return on investment (β=.41, t=3.32, p=.001) meaning that investing in competent employees can increase earnings though the effect size was medium (f^2=.22).

The findings depicted that the destination strategy directly and positively influenced profits (β=.15, t=2.09, p=.036) showing that the location, accessibility, appearance of the hotel's

exterior, hours of operation, security and parking can increase revenue by attracting visitors, encouraging their spending and adding value and convenience despite the high costs of maintaining the destination. Nevertheless, the effect size was small (f^2=.09).

The results showed that the value strategy directly but negatively affected return on investment (β=-.24, t=2.09, p=.036) indicating that increasing the worth of the hotel experience can be an asset, investment and financial sacrifice because benefits given to repeat customers can directly reduce profits. Suttle & Akpabio (1998) likewise concluded that reduced prices reduce profits unless more customers are attracted. Kamau *et al.* (2015) however found that high prices reduce demand for tourism accommodation in Kenya. The results may also mean that the hotels may face stiff competition from other facilities located outside their premises, such as fine dining restaurants and pubs whose prices may be lower. Xie & Chen (2014) on the other hand explained that loyalty programs which focus on functional, psychological, externality and financial values are linked to customer loyalty and increased market share. Slater (1997), as quoted by Kandampully (2006, p. 180), further stated that "customer value contributes to superior market performance and profitability and can be a source of competitive advantage". However, the effect size was small (f^2=.08).

4.7.4 The direct effects in the relationship between customer performance and market performance

The results revealed that customer satisfaction directly and positively influenced market share (β=.66, t=12.12, p=.000, f^2=.86), market penetration (β=.74, t=10.32, p=.000, f^2=1.37), competitive advantages (β=.59, t=6.95, p=.000, f^2=.62), competitive positions (β=.68, t=8.42, p=.000, f^2=.85), and sales volume (β=.78, t=13.85, p=.000, f^2=.18) showing that customer performance influenced market performance.

4.7.5 The direct effects in the relationship between market performance and financial performance

The findings indicated that market penetration directly and positively affected return on investment (β=.36, t=3.19, p=.001, f^2=.21) and cash inflow (β=.28, t=2.04, p=.041, f^2=.09), market share directly but negatively influenced cash inflow (β=-.28, t=2.92, p=.003, f^2=.09), sales volume directly and positively influenced return on investment (β=.37, t=3.62, p=.000, f^2=.23), cash inflow (β=.67, t=4.95, p=.000, f^2=.50) and profits (β=.98, t=14.02, p=.000, f^2=2.30) while competitive positions directly but negatively affected profits (β=-.27, t=4.04, p=.000, f^2=.18) meaning that market performance influenced financial performance.

4.8 Mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance

The sixth research objective aimed at establishing the mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance. The research question answered was "what are the mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance?". The new marketing strategies were derived from the new marketing model which was developed. In addition, data on the managers' expectations of the performance of the hotels as a result of the marketing strategies was derived from the twenty first question in the managers' questionnaire. The results showed that customer performance and market performance mediated the relationship between the new marketing strategies and financial performance. Most indirect and total effects were moreover significant. (Appendices AA and AB). Different types of mediators were also observed. (Appendix AC).

4.8.1 Customer performance as a mediator in the relationship between the new marketing strategies and market performance

The findings revealed that customer satisfaction fully mediated the relationship between the service strategy and competitive positions (β=.24, t=2.01, p=.044) meaning that satisfying the customer can be the only way for the hotels to stay ahead of competitors when adopting technology and speed as tactics for enhanced service delivery. Torres & Kline (2013) similarly established that service had a larger impact on customer delight than physical evidence and hospitality as reflected by staff friendliness, problem solving skills and professionalism. Poon & Low (2005) also felt that good service gives customer satisfaction which generates positive word of mouth, competitive advantages and repeat visits.

The results showed that customer satisfaction indirectly mediated the relationships between the service strategy and competitive advantages (β=.21, t=2.08, p=.037), market penetration (β=.26, t=2.21, p=.027), sales volume (β=.28, t=2.11, p=.034) and market share (β=.24, t=2.14, p=.032) suggesting that delighting customers can be the only way to increase their preferences, favours, numbers, spending and re-patronage when focusing on service efficiency. These findings are consistent with those of Gupta *et al.* (2005) who acknowledged that service quality guarantees customer satisfaction. Pandey & Joshi (2010) also found that service quality particularly reliability and confidence contribute to enhanced customer satisfaction. Chi & Gursoy (2009, p. 252) too purported that customer satisfaction can lead to growth through "offering exceptional customer service by exceeding customers' expectations". Pandey & Joshi (2010) further felt that service quality can affect customer satisfaction, market shares and competitive advantages. Kandampully (2006) moreover asserted that services which focus on the customer are an antecedent to increased market share and profits. Wiley (1991) on the other hand stated that high quality customer service

can be used to increase market share. Lastly, Victorino *et al.* (2005) recognised information technology as a source of competitive advantages.

4.8.2 Market performance as a mediator in the relationship between customer performance and financial performance

The findings indicated that sales volume (β=.28, t=8.26, p=.000) and market penetration (β=.26, t=8.26, p=.000) partially mediated the relationship between customer satisfaction and return on investment implying that meeting customers' expectations can increase purchase, retention and earnings. These findings correspond with expectations based on arguments by Chi & Gursoy (2009) that customer satisfaction and financial performance in terms of profitability and net profit are positively related leading to higher sales and return on investment.

The results showed that sales volume (β=.75, t=8.46, p=.000) and competitive positions (β=-.18, t=8.46, p=.000) partially mediated the relationship between customer satisfaction and profits showing that the hotels can please customers in order to ensure constant business as one way of increasing revenue. Making the customer happy can also be another way of staying ahead of competitors though maintaining these leadership positions can reduce revenue. Yet, Torres & Kline (2013) and Dortyol *et al.* (2014) viewed customer satisfaction as an avenue to greater profits and high revenue.

4.8.3 Cross validated redundancy (Q^2) and coefficient of determination (R^2)

The cross validated redundancy score (Q^2) of cash inflow was .55, competitive advantages .39, competitive positions .41, customer satisfaction .01, market penetration .56, market share .47, profits .72, return on investment .63 and sales volume .58. Hence, all the exogenous constructs had predictive relevance since all the values were greater than .00.

The adjusted R^2 for customer satisfaction was .11, competitive advantages .44, competitive positions .45, market penetration .61, market share .48, sales volume .61, cash inflow .58, profits .78 and return on investment .65 meaning that the seven marketing strategies contributed to up to 11.00% of customer satisfaction, 44.00% of competitive advantages, 45.00% of competitive positions, 61.00% of market penetration, 48.00% of market share, 61.00% of sales volume, 58.00% of cash inflow, 78.00% of profits and 65.00% of return on investment.

4.9 Results from Managers' Interviews

The third phase of the study involved interviewing managers. The nine managers who were interviewed were assigned the codes A, B, C, D, E, F, G, H and I. The interviews sought to examine the most appropriate marketing initiatives for four and five star hotels in Kenya by letting the managers freely give their opinions. (Appendix E). The data from the interviews was analysed using thematic analysis. The results showed that the managers felt that the marketing initiatives should focus on the strategic marketing and performance of the hotels. The information from the interviews also provided guidelines on the implementation of the marketing strategies which were developed in the new marketing model.

4.9.1 Thematic analysis

Three themes were developed from the interviews. These themes were labelled "strategic marketing of hotels", "hotel marketing and performance" and "improving the performance of hotels". In order to facilitate presentation of the data, mapping and interpretation was also done. (Appendix AD).

4.9.1.1 Strategic marketing of hotels

The first theme "strategic marketing of hotels" explored the views of eight managers (88.88%) on the marketing strategies employed by four and five star hotels. Of the eight managers, one (11.11%) drew attention to the importance of the customer when he defined what a marketing strategy was.

> *"...a marketing strategy is a plan written down by the management on how to reach the targeted market segment and the techniques to use. It actually states how the hotel will reach the segment after identifying the market, and includes packaging the product to meet the guests' needs and the needs of each segment..." (Management participant A)*

This finding therefore reaffirmed the active role of management in developing marketing strategies and the importance of market segmentation, positioning and addressing customers' needs when marketing hotels.

Seven managers (77.77%) reported that there were different types of marketing strategies available for the hotels which they grouped as internal and external. External ones involved communicating to customers and included promotions, while internal ones focused on in-house operations. Three managers (33.33%) also outlined the value of external marketing strategies in enhancing product awareness among customers and further recommended the adoption of social media platforms such as Twitter and Facebook, guests' comments, tourism organizations like Eco-tourism Kenya and Kenya Tourism Board, expositions, clients' visits and advertisements.

> *"...they (the hotels) should also use newspapers, radios and exhibitions such as the Sarit centre exhibition for all hotels, the Kenyatta International Convention Centre (KICC) exhibition, the wall travel markets in London in October, the Internationale Tourismus-Borse (ITB) in Berlin German etc. In addition they should visit and call customers on one to one basis, use word of mouth spreads and flyers. For example during times when they do promotional rates, there should be a time of the year when they should reduce the rates..." (Management participant D)*

The results moreover showed that the managers appreciated both the traditional and modern marketing tools. Kamau *et al.* (2015) likewise reported that exhibitions and expos such as the Sarit centre and Kenyatta International Convention Centre expos affect tourism awareness and demand. The authors also recommended a more active role of the government particularly the Ministry of Tourism in Kenya in promoting the tourism industry.

Four managers (44.44%) talked about internal marketing strategies which they felt should be implemented before external ones. The value of qualified employees including their training, professionalism, team work, empowerment and motivation then arose thus confirming the importance of hiring professional hoteliers in order to enhance business performance.

Four managers (44.44%) reported that marketing strategies should be customer centric and address the demographic elements, needs, tastes and preferences of customers, develop long-term relationships with customers, address guests' problems, respond to guests' suggestions and communicate the hotels' unique selling points (USP).

> *"...they should address the needs and wants of customers in different segments, the tastes and preferences of customers, and the competitive advantages of the hotel which include the unique selling points..." (Management participant A)*

The findings therefore confirmed that the hotels need to focus on the customer and embrace customer relationship management and niche marketing as sources of competitive advantages.

Four managers (44.44%) explained that the hotels should invest in excellent services, quality, amenities, atmosphere and ambience since they had an impact on customer satisfaction. By responding to the customers' desires, keeping promises and building on guests' memorable experiences, existing and potential clients can be attracted and retained, with the service standards, amenities such as the maintenance and furnishing of rooms and buildings, ambience and quality of products being the major determinants of these experiences thus

generating positive word of mouth and customer loyalty. One manager (11.11%) however reported that quality attracted first time visitors.

> *"...the issue of quality, quality service, quality products such as food and accommodation can help in marketing. Quality is a strategy on its own but a strategy that will only target those people who are visiting the hotel for the first time, so it may not target potential customers..." (Management participant B)*

Thus, the findings showed that the hotels need to embrace experiential marketing, physical evidence and product strategies as their major marketing strategies since they had the greatest impact on customer retention and moreover assure quality in order to attract new customers.

4.9.1.2 Hotel marketing and performance

The second theme "hotel marketing and performance" looked at the impact of the marketing strategies on the performance of the hotels. Eight managers (88.88%) contributed to this theme. There was agreement among the managers that effective marketing created awareness, interest, profits and improved market positions thus confirming that the marketing strategies of the hotels influenced market and financial performance.

One manager (11.11%) felt that market shares could be increased by guaranteeing quality and subsequently generating positive word of mouth. Two managers (22.22%) however posited that customer centric strategies such as understanding different market segments, optimising appropriately in each market segment and sending the right message to the target market had the greatest impact. Four managers (44.44%) on the other hand thought that they could increase profits, sales volumes, competitive advantages and positions by embracing aggressive marketing, building brand value, pleasing the customer and generating positive word of mouth. Two managers (22.22%) moreover echoed that meeting and exceeding customers' expectations affected performance. The findings hence showed that focusing on the customer could improve business performance.

One manager (11.11%) explained how marketing strategies could increase sales volumes, cash inflows and profits, especially by targeting high end guests when adopting the yield management concept.

> *"...if a hotel uses correct marketing strategies which have been tested, of course the hotel will meet the client turnover, and reaching that means higher volume of business, and also high revenue. High revenue will contribute to high profits. So, I would say that with good marketing strategies, the hotel would get higher profits, and then with correct target markets, like targeting high spenders, then the hotel will have high cash inflow. A hotel can target mass visitation such that many people visit it and take one soda each, so the hotel has very little cash inflow compared to when it targets holiday makers or high spenders, who would instead bring in a lot of money. Actually, it is all about yield management, the hotel should make sure that the few people who are visiting the hotel, like this time round when insecurity is a bit high, spend quite highly. This can be done through personalizing the service, personalizing and making sure that the hotel exceeds their (the guests) expectations by delighting them. The hotel can also listen to the guests' comments and complaints and react to them immediately..." (Management participant A)*

Hence, the results highlighted the disadvantages of mass marketing and instead advocated for niche marketing, concentrated market segmentation, focus marketing, yield management and relationship marketing in order to increase business particularly during periods of low demand.

The manager further described incidents in which they delighted customers by listening and responding to their needs and as a result increased their spending.

> *"...a guest will come here and say that we should give a bottle of water with every meal, and just because of that and we have few clients, we can be flexible enough to change our policy and start giving the water immediately. Or we give like a complimentary bottle of water to such a group. By satisfying the guests, the guests will spend a lot...like here, we had hiked the price of beer but listening to the clients' comments, it is a bit high, we just reduced the prices some days to Christmas and they were satisfied though they used to go out and drink in a club nearby. But by reducing that, they are now spending here. See? So it is just about listening to what the customer wants and doing according to them..." (Management participant A)*

The finding nonetheless confirmed the value of being customer driven and personalising and adjusting marketing tactics to meet guests' needs, desires and demands thus solving guests' problems and generating guest delight.

4.9.1.3 Enhancing the performance of hotels

The last theme "enhancing the performance of hotels" looked at the challenges and opportunities available for the hotels. Seven managers (77.77%) discussed this theme. For instance, one manager (11.11%) felt that updating the star ratings of the hotels could avoid self-ratings which created non-uniformity and double speak to customers. One manager (11.11%) also believed that renovating and upgrading the hotels so that they could match their star ratings could improve the entire image of hotels within Mombasa. The findings therefore highlighted the challenges that the hotels face due to lack of an updated star rating list of hotels in Kenya. Kiplagat, Makindi & Obwoyere (2014) similarly posited that improving hotel star ratings can increase earnings.

Five managers (55.55%) admitted that the hotel business was delicate, not highly profitable, intensely competitive due to new entrants particularly at the Kenyan coast and fair play seemed to be underpinned thus resulting in price undercutting and calling for niche marketing. One manager (11.11%) called on the government to build an international convention centre in Mombasa similar to the Kenyatta International Convention Centre in Nairobi in order to mitigate the negative impact of low guest turnover during the off peak tourism season in Mombasa.

> *"...the government involvement in marketing the destination is required. The introduction of an international conference centre at the coast will improve business…" (Management Participant H)*

These findings moreover revealed the need for regulatory policies to curb unfair competition in the industry and the need for further tourism development and investment in the country.

Four managers (44.44%) explained the roles of relationship and experiential marketing in attracting customers and building customer satisfaction, long term relations, retention and brand loyalty. The managers advocated for the use of guests' databases, delivery of

personalised services and proficient solving of guests' problems by not merely passing information.

> *"...the hotels should have a database for collecting data on all guests who visit. The hotels should be able to appreciate repeat customers from the databases for instance by having "halls of fame", somewhere where the hotels post guests' names so that when they return with other guests, the guests will be able to see their names and therefore show them that they are like patrons of the hotels, hence attracting them again and making them feel appreciated..." (Management participant A)*

These results nonetheless highlighted modern trends in relationship and experiential marketing which give the guest a sense of ownership of the hotel. Kamau *et al.* (2015) likewise felt that tourism marketers should use customer databases to improve relationships, sales and brand loyalty.

Five managers (55.55%) stressed the limitations of marketing strategies and remarked that the industry was delicate. For instance, two (22.22%) acknowledged the resident tourist, whom the government of Kenya and tourism stakeholders in the country had been targeting particularly after travel advisories by traditional source markets such as the United States of America and United Kingdom due to threats of terrorism and the Ebola virus outbreak in Africa which moreover increased competition regardless of marketing strategies. One manager (11.11%) also discussed the impact of political instability and the need for fall back plans in case the international market closes. In light of these, another manager (11.11%) discussed the impact of negative publicity and the need for damage control. One manager (11.11%) likewise highlighted the importance of accepting criticism from clients and the need for resultant changes and improvements.

> *"...due to travel advisories and increase in hotels along the Kenyan coast, there is a lot of competition regardless of marketing strategies hence the results are not very positive..."(Management participant H)*

Hence, the findings indicated the negative impact of terrorism on the hotel and tourism industry in the country thus making it a threat that may be impossible for the managers to

control. Fletcher & Morakabati (2008) similarly noted the short term effects of previous terrorism activities and political conflicts in Kenya including drops in the numbers of tourist arrivals and reduced travel and consumption of tourism products particularly among leisure guests. The authors also highlighted other impacts like government condemnations, promotion of domestic tourism, media coverage, travel advisories, security beef ups and enhanced surveillance. They however linked travel advisories to marketing and political motives.

One manager (11.11%) also posited that tightening control systems by having tight controls within the hotels, control systems, reducing wastage and using less costs such as beverage and room maintenance costs to bring in the revenue could raise profits. The manager felt that the costs could be reduced by getting the best suppliers, the best quality from cheap suppliers and avoiding spillages and debts in the hotels. Thus, if the profits are hiked, the salaries will be attractive, staff will be motivated so they will give quality services which will contribute to large market shares. These however fall outside the sales and marketing arena. The finding nonetheless showed that the performance of the hotels can be affected by other factors which are not marketing oriented.

4.10 Experiential-based Marketing Strategies for Four and Five Star hotels in Kenya

The significant gap differences in managers' and guests' expectations and perceptions of the marketing strategies of four and five star hotels in Kenya provided reasons to believe that the hotels could improve their marketing strategies. Thus, the qualitative and quantitative results from the three phases of the study were integrated when developing the new experiential-based marketing strategies for the hotels. Consequently, the information from the guests' interviews, managers' expectations of the marketing strategies, managers' interviews and

open ended answers on guests' memorable experiences was used to develop, examine and validate a new marketing model which highlighted the product, ambience, hospitality, service, destination, value and communication strategies and their respective tactics.

Figure 5 shows the new marketing model which was developed and validated and which can guide the hotels.

SERVICE EXPERIENCES
- Service speed at the front desk
- Service speed at the restaurant
- Level of automation of processes at the front desk
- Level of automation of processes at the restaurant

DESTINATION EXPERIENCES
- Location
- Accessibility
- Security
- Parking availability
- Business hours of operation
- Appearance of hotel's exterior

HOSPITALITY EXPERIENCES
- Courtesy of front desk staff
- Courtesy of restaurant staff
- Reliability of front desk staff
- Reliability of restaurant staff
- Knowledge & skills of front desk staff
- Knowledge & skills of restaurant staff

MARKETING STRATEGIES BASED ON MANAGERS' EXPECTATIONS AND GUESTS' PURCHASE NEEDS AND EXPERIENCES

VALUE EXPERIENCES
- Value for money derived from the stay
- Value for money derived from meal offers

PRODUCT EXPERIENCES
- Quality of food and beverages
- Quality of rooms
- Food and beverage sanitation and safety
- Room amenities

COMMUNICATION EXPERIENCES
- Advertising
- Experiential marketing
- Internet marketing
- Personal selling
- Relationship marketing
- Sales promotions
- Corporate social responsibility

AMBIENCE EXPERIENCES
- Layout and decor of rooms and lobby
- Layout and decor of restaurants
- Atmosphere of rooms and lobby
- Atmosphere of restaurant

Figure 5 A new marketing model for four and five star hotels in Kenya

The conceptual framework in figure 1 is a hybrid marketing model showing the relationship between the guests' purchase decisions, marketing strategies and performance. Meanwhile, the structural equation models in figures 3 and 4 are hybrid marketing models showing the relationship between the marketing tactics, marketing strategies and performance. The new marketing model illustrated in figure 5 is a merged extract of the first halves of the two hybrid models in figures 3 and 4 while excluding the performance variables.

The first half of the hybrid model in the conceptual framework highlights the factors which influence the purchase decisions of guests in hotels and the resultant marketing strategies which are developed in response to the guests' needs, wants, desires and demands. Meanwhile, the first half of the structural equation models in figures 3 and 4 illustrate the marketing strategies and their indicators or tactics. Hence, the new marketing model illustrated in figure 5 gives a visual representation of the marketing strategies and tactics though revolving around the guests' memorable experiences.

The new marketing model illustrates the seven marketing strategies and their tactics. The marketing strategies are the product, hospitality, service, destination, value, ambience and communication strategies. The tactics moreover integrate information on the factors which influence guests' purchase decisions in four and five star hotels, managers' expectations of the marketing strategies of the hotels and the guests' memorable experiences in the hotels.

The destination experience addresses security, accessibility, location, parking, business hours of operation and appearance of the hotel's exterior. The value experience addresses the value of the meal and stay. The ambience experience addresses the atmosphere, layout and décor of the rooms, lobby and restaurants. The product experience covers quality of food, beverages and rooms, food and beverage sanitation and safety and room amenities. The hospitality experience addresses the courtesy, reliability, knowledge and skills of staff. The service

experience addresses service speed and level of automation of processes at the front desk and restaurant. The communication experience addresses advertising, experiential marketing, internet marketing, personal selling, relationship marketing, sales promotion and corporate social responsibility.

The new model is different from the hospitality marketing mix model developed by Bowie & Buttle (2004). First, the new model has been developed for hotels only. Second, the model is based on the major determinants of guests' purchase decisions in four and five star hotels in Kenya. Third, the model integrates guests' and managers' perspectives of guests' purchase decisions and the marketing strategies of hotels. Fourth, the model revolves around guests' memorable experiences in the hotels. Fifth, the marketing strategies focus mostly on the restaurant, conferences and accommodation as the major revenue outlets as posited by Andrews (2010). Sixth, the marketing strategies have addressed modern trends in hotel marketing such as advanced information technology, experiential marketing, relationship marketing, food safety, healthy eating, crowding, internet marketing, guest security, value and customer driven corporate social responsibility. Lastly, unlike the traditional marketing models, the new marketing model does not need manipulation and control of the marketing strategies and tactics and the impact of each strategy and tactic is unique and independent of the rest.

4.10.1 Product experiences

The product strategy was portrayed by the levels of food and beverage sanitation and safety, quality of food and beverages, quality of rooms and room amenities. Quality as a business strategy started gaining momentum in the 1980's and has up to today continued to fascinate scholars and researchers alike thus deserving a central place on the marketing models. It has been defined as exceeding customers' expectations, doing things right the first time and every

other time, doing the right thing, at the right time and the right place or even as being the total effect of the product or service, people, environment and processes. Numerous studies (Heung, 2000; Juwaheer & Ross, 2003; Claver *et al.*, 2006) have been conducted on service quality in the hospitality industry, ranging from simply investigating quality to developing models such as the service quality (SERVQUAL) and gap models. However, successful firms which focus on quality go beyond just simply announcing their quality standards. They go on to deliver exceptional standards. Furthermore, getting an International organization for standardization (ISO) certificate does not mean that the firm has achieved its potential since quality is an ever changing concept which needs to always adapt to the desires of the customer.

The managers agreed that high quality products such as food, amenities, accommodation and function halls (well-maintained rooms) attracted customers consequently making experiences like the dining, meal, accommodation and meetings experiences crucial aspects of the offer.

Then meal and dining experiences can be enhanced by offering enough, diverse, well presented, unique, fresh, appetizing, delicious, superb, hygienic and balanced menus which are conveniently packed, excellent and exciting, serving cultural foods, organizing cocktail dinners, having candle lit dinners and opening specialty restaurants or offering special menus for health conscious guests. The hotels should therefore ensure menu variety by serving local, domestic, regional and international delicacies which will attract and retain guests by providing an array of choices for a wider customer base.

The guests complained about the freshness of menu items. Lack of food safety can increase costs due to negative publicity, loss of business, legal and medical claims. Yet fully adopting the hazard analysis critical control point (HACCP) and ISO 22000 food safety management principles can guarantee quality and safety adherence throughout the food cycle beginning

from purchase to consumption. Efficient demand forecasting and management too can help manage the quantity of food prepared so that left overs are reduced and are not necessarily recycled. Providing a variety of meals including those that have not been over spiced can also convince guests that menu items are fresh. Furthermore, live displays of items such as fish as done with lobsters before food preparation can help create perceptions of freshness. An alternative can be taking up gueridon service where guests will be able to witness the entire meal preparation process.

Rooms which are clean, well maintained, spacious and fully equipped with adequate guest accessories, supplies and unique and artistic amenities such as Jacuzzis, hot baths, steam baths, cold baths, large comfortable beds, dryers, safes, air conditioners, mirrors, sockets, wardrobes, microwaves, mini bars and balconies with impressive views can be used to enhance accommodation experiences. Good examples of complementary items which can further boost accommodation and meeting experiences include reliable room service, motion sensor lightings, intelligent bathrooms, intelligent lighting systems, intelligent air conditioning, intelligent blinds, sophisticated alarm systems, smart entertainment systems, curated lists of music downloads, high definition televisions, room entertainment, satellite televisions, audio visual equipment and information technology like free and stable internet connectivity and WI-FI.

4.10.2 Ambience experiences

The ambience strategy was depicted by the atmosphere, layout and decor. The managers felt that guests paid for the unique ambience and well-furnished environment in the hotel. Thus since the guests also favoured ideal atmospheres, creating peaceful, serene, beautiful, relaxing, wonderful, cool, nice, friendly, comfortable and conducive environments can enhance ambience experiences which will guarantee positive images and give the prestigious

looks that are often associated with excellent hotels and that consequently attract and retain guests.

Nonetheless, constant refurbishment and renovation of the facilities can be the first step towards enhancing ambience experiences. Moreover, the following aspects are closely tied to atmosphere, layout and decor and should therefore form the focal point of operations; the orderliness, uniform, grooming, hygiene, health and physical fitness of employees; seating arrangements; air conditioning; linen such as tablecloths, napkins, table runners, place mats, skirtings and beddings; layout of furniture and equipment like safes, beds, tables and chairs; acoustics and noise levels such as plants, flowers and water; furnishings like curtains; centre pieces such as waterfalls, wildlife displays and aquariums; tangibles like machines, computers, registers, stationery, brochures, newsletters, reading materials, registration documents, key cards, price lists, laundry lists, directories, menus and bill holders; furniture, lighting, walls, wall hangings, paintings and floor finishes; decorations; ceilings; restaurant and bar set ups; and food and beverage service equipment and presentation including buffets, champagne fountains, vending machines, beverage dispensers, chafers, warmers, baskets, coffee urns, punch bowls and fruit, beverage, cocktail, bar, ice and buffet top displays. They should all be clean, well-polished, maintained and attractive.

Controlling the appearance, behaviour, dressing and distance of employees and other customers through outlining dress codes and installing signage on things like parking, noise, smoking, gambling and admission of children in bars can moreover help manage social experiences which also contribute to the atmosphere. The appearance of employees should enhance the ambience experience. Their presentation, dressing, grooming and communication skills speak volumes about the levels of professionalism at the hotel.

Hospitality and non-hospitality studies have also shown that customer to customer interactions affect customers' experiences (Walls *et al.*, 2011) by generating positive and negative emotions which subsequently affect future purchase decisions and word of mouth recommendations (Slatten, Krogh & Connolley, 2011). Grove & Fisk (1997) and Nicholls (2012) posited that customer to customer interactions can generate positive or negative experiences and suggested that hotels use consumer education, specific market segmentation and targeting and employee training to manage these interactions. Hence, looking out to customers such as drunkards who may cause trouble and designating areas like floors, restaurants and bars for each type of customer so they do not mingle unnecessarily can further enhance social experiences (Grove & Fisk, 1997). Investing in convenient architectural designs which observe the ergonometric needs of both customers and employees by providing ample spaces for meetings, working, entertainment, walking, sitting, dining and relaxation can also contribute positively.

4.10.3 Hospitality experiences

The hospitality strategy was reflected by the courtesy, reliability, knowledge and skills of employees. The hotel industry is service oriented with the contact between employees and customers affecting experiences. The managers mentioned the importance of internal marketing, team work and trained personnel for enhanced staff motivation, professional service delivery and customer satisfaction. Poon & Low (2005) likewise posited that internal marketing is important in delivering quality. Kandampully (2006) similarly felt that hospitality firms have to go beyond product focus and build on service aspects as well since the modern consumer is service oriented. This taken together with the fact that it is the hospitality of employees who first greet and welcome guests to hotels that matters, after which the guests can enjoy the product, calls for enhanced hospitality and social experiences

by investing in employees and making sure that they are knowledgeable, skilled, polite, courteous, reliable, friendly, well mannered, helpful, respectful, accurate, genuinely welcoming, humble and warm especially when receiving guests, responding to requests, handling complaints and solving problems. Encouraging them to treat all guests equally, implementing the first come first serve policy, allocating equal time to all guests and using equitable effort and approach in handling and solving their problems can help change the perceptions of residents being ignored.

Employees who are familiar with tourist attractions, the hospitality industry, hotel's surroundings, its products and services will not make guests feel as if they are being misled. Further, since training employees contributes to positive human interaction experiences (Walls *et al.*, 2011), employees who are experienced and informed enough to answer questions and provide professional services during meal service, hotel stay, check in and check out will be assets especially when they are enough in numbers, equipped with excellent communication skills, proficient in the relevant languages, neat, tidy, quiet and highly trained to offer good, superb, high quality service and hospitality.

4.10.4 Service experiences

The service strategy was represented by service speed and level of automation of processes. The managers believed that good, high and excellent service quality was the key to enhanced business performance since it leaves behind satisfied customers, increased business and further triggered positive word of mouth to friends and relatives therefore generating guest loyalty, competitive positions, market share growth and profitability. From the guests' interviews, it was apparent that service speed during the guest cycle mattered and that crowding particularly at the front desk, bars and restaurants could slow down services. Consequently, offering slow personalised services to leisure guests and fast services to

business and conference guests can enhance service experiences. For example, leisure hotels can spend reasonable time in preparing and attending to meals because most of their customers feel that quality and value are worth waiting for. In this way, the customer will perceive quality. Switch board operations, check-in, check-out, problem forwarding, enquiry and follow up on the other hand are areas that often demand prompt services and therefore deserve greater attention.

Room service provides an alternative to table service though with added benefits such as reduced operational and staffing costs for the hotel and more personalised service and individualised attention for the customer. It provides an additional source of income for the hotel thus increasing sales away from the traditional sales points.

Considering the impact of information technology, its adoption can boost service quality and delivery while keeping the techno savvy guest in mind. Tavitiyaman *et al.* (2012, p. 143) likewise believed that information technology was a source of competitive advantage and it improved service as "information technology can distinguish market offerings, help firms meet customer expectations, deliver service standards and performance and mobilise employees and business partners within the organization". Information and communication technology may therefore call for the creation of a technology department and the positions of technology concierges and chief information technology officers in the hotels.

Nonetheless, the guests felt that information technology can improve accuracy, convenience and information security and safety by reducing paper work and creating back up information. The guests felt that investing in WI-FI can enhance accommodation experiences. Hence, the hotels can adopt the following technologies in order to provide tech enhanced experiences and to personalise guests' experiences, increase efficiency, reduce costs and improve service delivery; customer relationship management software; software programs for

scheduling, costing or budgeting; virtual conferencing for meetings from remote locations; artificial intelligence and modelling to facilitate the use of guest data and anticipate future guest requirements; radio frequency identification devices for transaction and performance monitoring; sensing lights on key cards; electronic point of sale billing systems; electronic and cashless payments through visas and mobile phones; advanced decision making systems for managers; micros for menus and their substitutes; automated guest surveys; immediate digital menu order taking on arrival; biometric check-in and check-out; virtual finger prints; automated check in and check out; self-service vending and dispense machines; personal digital assistants for order taking at restaurants; and electronic/online/internet self-service booking, confirmation and bill settlement for rooms and restaurant tables.

The hotels can also adopt smart appliances for both guests and employees. These appliances will facilitate communication, mobility and service delivery. They include wireless technology, wireless and wired internet connections, WI-FI, network architectures, automated room service, smart watches, tablets, i-pads, smart phones and laptops. Consequently, guests and employees should be trained to use these gadgets.

4.10.5 Destination experiences

The destination strategy covered accessibility, appearance of the hotel's exterior, business hours of operation, location, parking and security. The managers clearly highlighted the significance of security in times that witness political instability and threats such as terrorism. Poon & Low (2005) found that due to events like September eleventh, factors such as responsible security personnel greatly determine customer satisfaction. It is very unlikely that guests will patron insecure premises. They will therefore need assurance that they will be safe from terrorists, abductors and kidnappers. Beefing up security through establishing clear policies, investing in inspections and surveillance and security equipment, hiring reliable

employees, conducting employee screening, training staff, having adequate check points and ensuring efficient guest registration, screening, privacy and safety (Branson & Lennox, 2008) can for these reasons enhance destination experiences. Considering previous impact of political events such as the general elections in the country, the hotels should consider working close with the government in building positive publicity in order to instil trust and confidence among guests who are conscious of the political environment and its impact on their travel decisions.

Location and activities such as festivals, events, clubbing, shopping, sightseeing, touring, camping, game drives, sauna treats, sunbathing, swimming, scuba diving, surfing, sports fishing and kiting; beautiful views, appealing landscapes and sceneries like supreme beaches, oceans, shores, game parks, cities, central business districts and built environments; nice, impressive, inspiring and exciting entertainment experiences such as Christmas, Easter and new year celebrations, fireworks displays, animations, traditional, cultural and African dances and nights for adults and kids, games like ajua, sports such as beach volleyball; and soothing, relaxing and inspiring music will contribute to enhanced destination experiences and ideal atmospheres. Nevertheless, the country has witnessed growth in family outings which call for children' facilities and entertainment in the hotels.

Areas adjacent to the beaches provide opportunities for relaxation, beach games and water sport activities such as sport fishing, scuba diving, surfing, kiting and volley ball. They also provide beautiful sceneries and views which can contribute to the atmosphere. The central business district on the other hand offers opportunities for tourist attractions, business travel, shopping venues, entertainment centres, business facilities and access to transport amenities such as airports.

Well-furnished and maintained buildings, walls, walk ways, grounds, live walls and flower beds, adequate parking, ease of access by public and private means and convenient hours of operation are of added value too. These confirmed Walter's *et al.* (2012) notion that the physical environment, which also covers the exterior, landscape, view, built environment, staff uniforms, distance from other customers and music contributed to customers' experiences.

Flexible and extended hours of operation if coupled with appropriate merchandising and promotion can moreover ensure constant business for the hotels while satisfying the guest.

The hotels should also be accessible by all means. Where road travel, which is the most common form of travel, fails, then air, rail and water travel can be valuable alternatives more so at the Kenyan coast where the hotels are located adjacent to the Indian Ocean.

The guests mentioned that the price would not be a major concern especially when someone else was paying for the stay. Conference tourists attending training and team building activities are rarely worried about high rates since the conferences are often sponsored by the organizations they represent. The managers were also for the idea of building an events and conference centre in Mombasa similar to the Kenyatta International Convention Centre in Nairobi that would attract guests particularly during off peak seasons when the weather at the Kenyan coast works against beach and leisure tourism. Thus embracing conference tourism as a destination strategy can work for the hotels.

4.10.6 Value experiences

The value strategy highlighted the value derived from the meal and stay offers. Indeed Walter *et al.* (2012) posited that price and payment affect customers' experiences. The managers too felt that their guests should enjoy value. Thus because the guests also appreciate this value,

offering maximum value for money through exceeding their expectations and delivering quality, efficient, personalised services which are tailored to their needs, all in unique ambience and convenient and accessible locations, can enhance value experiences. The hotels also used discounts and special offers. Poon & Low (2005) as well recommended adding the value of offerings so as to get competitive advantages. Consequently, menus that meet the diverse needs of clients, some of who may have financial, health and religious concerns, tailor made products such as tailor made buffets and décor in rooms, food deliveries, discounts, souvenirs, gifts and value adds such as flexible room rates, extended check ins and check outs, free nights, laundry, meeting rooms, business venues, newspapers, magazines, internet connections, packed meals, breakfast, drinks, baby-sitting, parking, tour guiding and transport to and fro venues such as airports can be used to appreciate new and loyal customers, initiate and maintain successful customer relationship management and effectively apply some of the best sales promotion tools (Suttle & Akpabio, 1998).

The guests challenged the hotels to reduce their prices and rates demonstrating that prestige pricing can reduce guest turnover, spending, purchases and earnings. Yet, prestige pricing can be the best strategy since the uniqueness of the four or five star experience needs to be preserved and guests too associate high prices with value and quality. Low cost leadership will therefore not fit the hotels. Nevertheless the managers were for flexible pricing including negotiable prices in order to lure guests while others advocated for the targeting of high end guests such as holiday makers. Kotler *et al.* (2003) equally viewed prices as tools for creating and managing demand.

Prestige pricing is a strategy that targets high end customers. It can moreover be used to enhance value experiences by offering the guests unique facilities and services at an attractive price. However, negotiable rates too contribute to value experiences and should therefore

form a focal point for the hotels, particularly the ones located at Coastal Kenya, which are affected by seasonality of tourism to a greater extent than their counterparts in Nairobi. Hence, prestige pricing can complement value experiences whereas, as is currently the norm, negotiable rates can increase occupancy more so during periods of low demand such as off peak seasons when the domestic market fills in the gap left by other tourists who are willing and able to part with more money.

4.10.7 Communication experiences

The communication strategy highlighted relationship marketing, experiential marketing, internet marketing, advertising, personal selling, corporate social responsibility and sales promotion. Communication and overall hotel experiences commence the moment the guest is made aware of the product or service on offer, often via promotional media and tools. The guests mentioned that they were attracted to the hotel by its attractive appearance in the promotional material. They also felt that these materials should be of high quality. They called for more promotional efforts particularly among the locals. Mutinda & Mayaka (2012) similarly noted that locals' lack of awareness of tourist destinations reduced domestic travel.

The managers held that the right message should be delivered to guests because marketing plays a great role in attracting, introducing and familiarising them with the product. The managers went on to identify Twitter, Facebook, online guest comments, bookings.com, trip advisor, Ecotourism Kenya, Kenya tourism board, expositions, client visits, advertisements, word of mouth, flyers, promotional rates and exhibitions such as wall market in London and International Tourismus-Borse in Berlin as being powerful promotional tools. Building long-term relationships with guests and adopting sound service management practices through listening to them and efficiently solving their problems were moreover mentioned.

Prasamma (2013) proposed the following list of marketing strategies for standalone hotels; online marketing, videos, Facebook, Twitter and blogs. Whilst it remains important to move with changing times, the traditional tactics such as printed media, electronic media, travel agents, tour operators, sales promotion, personal selling and public relations are still appropriate with modern tools like the internet, trip advisor, bookings.com, social media and word of mouth having being used the most by the guests, a majority of who also indicated that they learnt about the hotel from friends, relatives and business partners, travel agents, advertisements and internet showing that marketers should focus on these media. Torres & Kline (2013) equally described word of mouth as a powerful cost-free marketing tool in the hospitality industry, particularly among loyal customers. Longart (2010) too believed that though underexplored, positive word of mouth can cut on promotional expenses. Bowen & Chen (2001) similarly highlighted the crucial role of word of mouth and claimed that it is the preferred marketing tool for most guests as it increases their confidence especially when positive. Kiplagat *et al.* (2014) on the other hand established that tourists in Kenya often use travel agents and word of mouth. Ndivo *et al.* (2012) however found that travel agents had the least impact on tourism demand in Kenya.

Internet marketing is priceless for several reasons. First, Woodside, Vicente & Duque (2011) argue that e-tourism sales have been predicted to grow enormously with time due to discounted rates and offers, a trend which marketing firms can take advantage of by improving the qualities and contents of their websites. Second, Palmer & McCole (2000) already posited that the internet can be used to develop a niche in the marketplace by increasing the market share and satisfying the customer more so in destination marketing. Third, Heung (2003) found that international travellers use the internet to make hotel bookings or to search travel information because it is convenient, fast and offers better service quality despite being insecure and at times inaccessible and further reported that most

Western travellers particularly Americans use online means for communication and tourism products' transactions. Lastly, Ramanathan & Ramanathan (2011) believed that guest ratings on the internet have an impact on the hotel's reputation since they reflect customer satisfaction.

Customer driven corporate social responsibility initiatives aimed at guests such as the green customer and change advocates in society can moreover enhance the communication experiences. Involving the guests in the hotels' corporate social responsibility activities as seen in events such as marathons and charity walks can also attract and retain them while at the same time embracing societal marketing.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter gives an overview of the summary, conclusions and recommendations of the study.

5.2 Chapter Summaries

Aggressive marketing has boosted Kenya's tourism performance in the past. However, the country's tourism performance relative to competitors is poor. This study aimed at examining marketing models for performance among four and five star hotels in Kenya. The specific objectives of the study were to: examine factors which influence the purchase decisions of guests in four and five star hotels in Kenya, establish the marketing strategies employed by these hotels, assess guests' and managers' perceptions of the hotels' marketing strategies, develop a marketing model for the hotels, establish the direct effects in the relationship between the new marketing strategies and performance and establish the mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance.

The population of study was hotel managers and their customers. Cluster sampling was used to identify fifteen four and five star hotels in Nairobi and Mombasa. The samples were therefore drawn from managers and guests in these hotels. Convenience sampling was used to identify twenty six guests who participated in in-depth interviews and one hundred and ninety eight guests who completed self-administered questionnaires. A selection of one hundred and two managers who filled in self-administered questionnaires and nine managers who responded to semi-structured interviews was also done through convenience sampling. By applying the mixed sequential exploratory fixed research design, guests were first

interviewed, next questionnaires were administered to managers and guests and finally managers were interviewed.

Data was analysed qualitatively and quantitatively using content analysis, thematic analysis, narrative analysis, descriptive analysis, Mann Whitney tests, Wilcoxon signed rank tests and partial least squares structural equation modelling. The interpretation of the interview transcripts on guests' purchase decisions was done using thematic analysis. Open ended questions on the marketing strategies of the hotels were analysed using content analysis. Data on the guests' memorable experiences was analysed using narrative analysis. The managers' interviews were analysed using thematic analysis. Frequencies and percentages were employed when determining the ages, gender, nationalities, frequency of hotel visit, duration of stay and memorable experiences of the guests and when discussing the managers' positions and the hotels' characteristics. Means were computed in order to examine the average age of the guests and the average size and age of the hotels. Mann Whitney and Wilcoxon signed rank tests were calculated to explore gaps in the managers' and guests' perceptions and expectations of the guests' purchase decisions and the hotels' marketing strategies. Partial least squares structural equation modelling was finally performed in order to develop and validate the new marketing model, establish the direct effects in the relationship between the new marketing strategies and performance and establish the mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance. The results were presented as oral testimonies, written testimonies, narratives, verbatim data, tables and figures.

5.3 Summary of Findings and Conclusions

5.3.1 Research objective one: To examine the factors which influence the purchase decisions of guests in four and five star hotels in Kenya

A thematic analysis of the findings from the interviews with guests showed that there were seven main determinants of the guests' purchase decisions in the hotels; atmosphere, hospitality, food, facilities and amenities, location and accessibility, price, value and discounts, and security; as reflected by the quality of rooms, the quality of food and beverages, the nutritional content of menu items, the variety of menu, food safety, cleanliness of the restaurants, cleanliness of the rooms, room amenities, business hours of operation of the restaurants, room services, benefits given to customers, prices of rooms, prices of menu items, value of the meals, value of the stay, service speed at the restaurant, service speed at the front desk, level of automation of processes at the front desk, level of automation of processes at the restaurant, reliability of front desk staff, reliability of restaurant staff, knowledge and skills of front desk staff, knowledge and skills of restaurant staff, courtesy of front desk staff, courtesy of restaurant staff, parking availability, accessibility, location, security, the appearance of staff, the appearance of the hotel's exterior, crowding, other customers, layout and décor at the restaurant, layout and décor at the rooms and lobby, atmosphere of restaurant and atmosphere of rooms and lobby. Thus, it can be concluded that the factors which influence the guests' purchase decisions in four and five star hotels are the atmosphere, food, facilities, amenities, hospitality standards, location, accessibility, price, value, discounts and security levels at the hotels.

5.3.2 Research objective two: To establish the marketing strategies employed by four and five star hotels in Kenya

Content analysis of open ended questions in the managers' questionnaires indicated that the hotels embraced customer relationship management and the major promotion tools especially

sales promotion, personal selling, advertisement, internet marketing, travel agents, tour operators and public relations. Hence, it can be concluded that four and five star hotels in Kenya employ customer relationship management and promotions as their marketing strategies.

5.3.3 Research objective three: To assess guests' and managers' perceptions of the marketing strategies of four and five star hotels in Kenya

The results showed that there were no significant gaps in guests' perceptions and expectations with regards to crowding at the hotel. However, there were gaps with regards to the quality of food and beverages, quality of rooms, nutritional content of menu items, room amenities, food safety, variety of menu, cleanliness of the rooms and restaurant, courtesy of front desk and restaurant staff, reliability of front desk and restaurant staff, knowledge and skills of front desk and restaurant staff, service speed at the front desk and restaurant, level of automation of processes at the restaurant and front desk, atmosphere of the rooms and restaurant, layout and décor of the rooms and restaurant, appearance of staff and the hotel's exterior, other customers, price of rooms and meals, value of the stay and meal, benefits given to repeat guests, parking availability, security, hours of operation of the restaurant, corporate social responsibility, location and accessibility.

The findings indicated that the managers were satisfied with the way the hotels marketed the quality of food and beverages, variety of menu, quality of rooms, cleanliness of rooms, room service, level of automation of processes at the front desk, level of automation of processes at the restaurant, courtesy of staff at the restaurant, knowledge and skills of staff at the front desk, reliability of staff, price of menu items, layout and decor, other customers, appearance of staff, appearance of the hotel's exterior, value for money, business hours of operation of the restaurant, accessibility, location, security and promotion tools such as sales promotion, personal selling and internet marketing. However, there were gaps with regards to the

nutritional content of menu items, food safety, cleanliness of the restaurant, courtesy of front desk staff, knowledge and skills of restaurant staff, price of rooms, benefits, atmosphere, crowding, parking, experiential marketing, relationship marketing, corporate social responsibility and public relations.

The results revealed that the managers and guests equally agreed that the hotels paid a lot of attention to the quality of food and beverage, cleanliness of the rooms, service speed at the front desk, level of automation of processes at the restaurant, knowledge and skills of staff at the front desk, courtesy of restaurant staff, reliability of staff, prices, value for money, atmosphere, layout and decor, business hours of operation of the restaurant, accessibility, location and security. Still, differences were expressed which showed that there were gaps with regards to the variety of menu, nutritional content of menu items, food safety, quality of rooms, cleanliness of the restaurant, room amenities, room service, service speed at the restaurant, level of automation of processes at the front desk, courtesy of front desk staff, knowledge and skills of restaurant staff, benefits, other customers, crowding, appearance of staff, appearance of the hotel's exterior and parking availability.

The findings depicted that managers and guests equally felt that the hotels should pay a lot of attention to the variety of menu, quality of rooms, cleanliness, knowledge and skills of staff at the restaurant, courtesy of staff, service speed, room service, room amenities, level of automation of processes, value for money, benefits, atmosphere of the rooms, layout and décor of the restaurant and appearance of staff. There were however gaps with regards to the nutritional content of menu items, food safety, quality of food and beverages, reliability, knowledge and skills of front desk staff, prices, atmosphere of the restaurant, layout and décor of the rooms, other customers, crowding, appearance of the hotel's exterior, business hours of operation of the restaurant, location, accessibility, security and parking.

It can therefore be concluded that guests and managers in four and five star hotels in Kenya have both positive and negative perceptions of the marketing strategies of the hotels.

5.3.4 Research objective four: To develop a marketing model for four and five star hotels in Kenya

Since the existing marketing models could be improved, the researcher developed and validated a new marketing model which was based on guests' memorable experiences of the amenities, food, hospitality, service, atmosphere, environment, entertainment, activities and prices. In view of this, the new marketing model which was presented in figure 5, pinpointed the product, hospitality, services, destination, ambience, value and communication strategies. Subsequently, it can be concluded that a new marketing model which addresses guests' experiences of the destination, hospitality, service, product, ambience, value and communication can be adopted by the hotels.

5.3.5 Research objective five: To establish the direct effects in the relationship between the new marketing strategies and performance

The findings showed that the service strategy directly and positively affected customer satisfaction; the hospitality strategy directly and positively influenced market penetration; the product strategy directly and positively affected competitive advantages; the communication strategy directly and positively influenced market share; the ambience strategy directly and positively affected cash inflow; the hospitality strategy directly and positively influenced return on investment; the destination strategy directly and positively affected profits; the value strategy directly but negatively influenced return on investment; customer satisfaction directly and positively affected market share, competitive advantages, competitive positions, market share and market penetration; market penetration directly and positively influenced return on investment and cash inflow; market share directly but negatively affected cash inflow; sales volume directly and positively influenced return on investment, cash inflow and

profits and competitive positions directly but negatively affected profits. Thus, it can be concluded that the new marketing strategies directly, positively and negatively influence performance.

5.3.6 Research objective six: To establish the mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance

The results showed that customer satisfaction indirectly mediated the relationship between the service strategy and competitive advantages, market penetration, sales volume and market share and fully mediated the relationship between the service strategy and competitive positions. Market penetration and sales volume on the other hand partially mediated the relationship between customer satisfaction and return on investment whereas competitive position and sales volume partially mediated the relationship between customer satisfaction and profits. Hence, it can be concluded that customer performance and market performance partially, fully or indirectly mediate the relationship between the new marketing strategies and financial performance.

5.4 Recommendations for Practice and Further Research

The following recommendations were made at the end of the study.

5.4.1 Recommendations for practice

First, four and five star hotels in Kenya need to encourage their guests to discuss their needs, wants and desires and moreover involve them in developing the products, services and experiences at the hotels.

Second, the hotels need to embrace modern marketing strategies like experiential marketing and internet marketing including Instragram and bookings.com and take advantage of

traditional tools that they have overlooked including some forms of advertisements like mobile marketing; personal selling like dinners and events; sales promotion like games, rebates and sweepstakes; public relations such as press releases and customer driven corporate social responsibility and distributors like sales representatives and motivational houses.

Third, the hotels should close the gaps in guests' and managers' expectations and perceptions of their marketing strategies. The hotels should therefore develop products, services, experiences and marketing strategies which address the needs, desires and wants of guests.

Fourth, the hotels need to adopt the new marketing model and embrace experiential marketing revolving around guests' experiences of the products, hospitality, services, destination, ambience, value and communication in order to delight the customer and improve business performance.

Fifth, the hotels should take advantage of the direct effects of the new marketing strategies on performance.

Sixth, the hotels should take advantage of the mediating roles of customer performance and market performance in the relationship between the new marketing strategies and financial performance as avenues for enhanced performance.

5.4.2 Recommendations for further research

Gaining access to business guests in town hotels has always been a challenge when studying consumer behaviour. However, this study was able to involve resident and check-out guests in the hotels and other tourist attraction sites such as museums, national parks, monuments and beaches. Future studies should nevertheless solely involve either potential customers who have never visited the hotels yet are aware of their existence, customers who have visited the

hotels yet have not spent the night at the hotels but are still informed of their needs and the marketing activities of the hotels, resident guests who are within the premises of the hotels so that they can participate in the study while on site, guests who have left the hotels in order to tour attraction sites or guests who have already checked out of the hotels. Similarities and differences in the findings from the five groups can moreover be explored.

The researcher also used an almost pure sample of guests who were Kenyans by nationality though the marketing model which was developed could apply to local, domestic, regional and international markets. Hence, similar studies should try to balance the number of local, domestic, regional and international guests participating in the study so as to get results that reflect a wide array of respondents thus facilitating further generalization of the findings.

Moreover, by using the mixed sequential exploratory fixed research design, the findings from guests' interviews were validated after the managers and guests filled in the self-administered questionnaires and the managers responded to interviews. However, future studies should involve other important stakeholders in the tourism industry such as the operatives working for the hotels, the local and national tourism boards and marketing distributors like tour operators and travel agents. This will also validate the findings and add to the existing body of knowledge on the strategic marketing of tourism and hospitality facilities in the country.

The study, by being exploratory in nature, documented in detail for the first time, the marketing strategies and performance of four and five star hotels in the country. Yet, similar studies on hotels of lower star ratings are lacking. The study can therefore be extended to these hotels in order to improve their positions and boost the tourism performance of the country relative to competitors. In addition, the study can be replicated in other tourism and hospitality facilities including resorts, tented camps, motels, lodges, fast food establishments

and fine dining restaurants since each sector is unique and similar to the hotels, does contribute to the overall competitiveness of the country.

Some of the relationships between the new marketing strategies and performance were not significant. Further studies can moreover be undertaken, particularly through in-depth interviews with managers at the hotels, with the aim of exploring the underlying reasons behind these relationships. This will advance knowledge and expose opportunities for improved business performance amongst the hotels.

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APPENDICES

Appendix A The indicators and measurement of independent and dependent variables in the questionnaires

Independent Variables

Indicators of factors influencing guests' purchase decisions derived from literature review and thematic analysis of guests' interviews

Variety of menu (range and number of menu items, food, drinks, and sundries presented in the menus, bar lists, buffet tables and other food and beverage displays)
Nutritional content of menu items
Food safety at restaurant
Quality of food and beverages
Quality of rooms
Cleanliness of restaurant
Cleanliness of rooms
Room amenities
Room service provided at the hotel
Service speed at the restaurant
Service speed at the front office
Level of automation of processes at the restaurant (e.g order taking and payment)
Level of automation of processes at the front desk (e.g during check-in, check-out and payment)
Courtesy of personnel at the restaurant
Courtesy of front office personnel
Reliability of employees at the restaurant
Reliability of front office employees
Knowledge and skills of staff at the restaurant
Knowledge and skills of front office staff
Price of menu items
Price of rooms
Value for money derived from the meal
Value for money derived from staying at the hotel
Benefits given to repeat guests
Atmosphere of restaurant (e.g noise, music)
Atmosphere of rooms and lobby (e.g noise, music)
Layout and décor at the restaurant (e.g furniture, colour scheming and furnishing)
Layout and décor of the rooms and lobby (e.g furniture, colour scheming and furnishing)
Other customers in the hotel (e.g appearance and behaviour)
Crowding at the hotel
Appearance of staff at the hotel (e.g uniform)
Appearance of the hotel's exterior (e.g landscape)
Business hours of operation of the restaurant
Location of the hotel (e.g convenience and views)
Accessibility of the hotel
Security at the hotel
Parking availability at the hotel
The hotel's corporate social responsibility efforts

Indicators of marketing strategies in the new and validated model based on the factors which influence guests' purchase decisions, partial least square structural equation modelling of managers' expectations of the marketing strategies of excellent hotels and narrative analysis of the guests' memorable experiences

Product strategy/Experiences
    Food safety at restaurant

Quality of food and beverages
Quality of rooms
Room amenities

Service strategy/Experiences
Service speed at the restaurant
Service speed at the front office
Level of automation of processes at the restaurant (e.g order taking and payment)
Level of automation of processes at the front desk (e.g during check-in, check-out and payment)

Hospitality strategy/Experiences
Courtesy of personnel at the restaurant
Courtesy of front office personnel
Reliability of employees at the restaurant
Reliability of front office employees
Knowledge and skills of staff at the restaurant
Knowledge and skills of front office staff

Value strategy/Experiences
Value for money derived from the meal
Value for money derived from staying at the hotel

Ambience strategy/Experiences
Atmosphere of restaurant (e.g noise, music)
Atmosphere of rooms and lobby (e.g noise, music)
Layout and décor at the restaurant (e.g furniture, colour scheming and furnishing)
Layout and décor of the rooms and lobby (e.g furniture, colour scheming and furnishing)

Destination strategy/Experiences
Appearance of the hotel's exterior (e.g landscape)
Business hours of operation of the restaurant
Location of the hotel (e.g convenience and views)
Accessibility of the hotel
Security at the hotel
Parking availability at the hotel

Communication strategy/Experiences
Advertising
Experiential marketing
Internet marketing
Personal selling
Relationship marketing
Sales promotion
Corporate social responsibility

Indicators of the promotional tools of the hotels derived from literature review

Corporate social responsibility
Experiential marketing
Relationship marketing
Sales promotion
Personal selling
Public relations
Advertising
Internet marketing

Dependent Variable
Performance indicators for the hotels derived from literature review

Customer performance
    Customer satisfaction
    Market image and awareness

Market performance
    Market penetration
    Sales volume
    Market share
    Competitive position
    Competitive advantages

Financial performance
    Cash inflow
    Profits
    Return on investment
    Share prices
    Earnings per share

INTRODUCTION LETTER

Dear Sir/Madam,

Research Topic: Marketing models for performance among four and five star hotels in Kenya

I am Antoneta Njeri Kariru from the Maseno University. I am a Doctor of Philosophy (PHD) student and Tutorial Fellow at Maseno University carrying out a research to develop a marketing model for enhanced competitiveness among four and five star hotels in Kenya.

In participating in this interview, you will have contributed the necessary information required for the success of this study. Any information supplied will be treated with strict confidentiality and it will be used for research purposes only.

For any queries or further information, please contact Antoneta Njeri Kariru at Maseno University, P.O BOX Private Bag, Maseno. Cell Phone No: 0702861175, Email address:antonettanjeri@yahoo.com.

Thank you for your sincere answers and the necessary co-operation.

Yours sincerely,

Antoneta Njeri Kariru

1. What is your nationality?

2. What is your age?

3. Please explain the factors which would be important to you when deciding to visit any four or five star hotel in Kenya and that should subsequently be addressed by the marketing strategies of these hotels.

INTRODUCTION LETTER

Dear Sir/Madam,

Research topic: Marketing models for performance among four and five star hotels in Kenya

I am Antoneta Njeri from the Maseno University. I am a Doctor of Philosophy (PHD) student and Tutorial Fellow at Maseno University carrying out a research to develop a marketing model for enhanced competitiveness among four and five star hotels in Kenya.

In completing the attached questionnaire, you will have contributed the necessary information required for the success of this study. Any information supplied will be treated with strict confidentiality and it will be used for research purposes only.

For any queries or further information, please contact Antoneta Njeri Kariru at Maseno University, C/O ECOHIM department, P.O BOX Private Bag, Maseno. Cell Phone No: 0702861175, Email address:antonettanjeri@yahoo.com.

Thank you for your sincere answers and the necessary co-operation.

Yours sincerely,

Antoneta Njeri Kariru

GUEST'S DEMOGRAPHICS

(Please write or tick where applicable)

1. Please indicate your age.............

2. Please indicate your gender

   ☐ Female

   ☐ Male

3. Please indicate your nationality

   ☐ Kenyan

   ☐ Other (please specify)

4. Have you visited a four or five star hotel in Kenya in the last one week?

   ☐ Yes

   ☐ No

5. Please indicate your reason for visiting the four or five star hotel in Kenya

   ☐ Business

   ☐ Leisure

   ☐ Other (please specify)

6. Please indicate how often you visit the four or five star hotel in Kenya...............

7. Please indicate for how long you stayed in the four or five star hotel that you visited in Kenya..

8. How did you find out about the four or five star hotel that you visited in Kenya?

   ....

9. What is your most memorable experience in the four or five star hotel that you visited in Kenya?..

REVENUE OUTLETS

10. Using the scale provided below, please indicate the extent to which the following factors are important to customers who visit any four or five star hotel. (Tick the appropriate number).

SCALE: *1=Not at all important, 2=Low importance, 3=Somewhat important, 4=Moderately important, 5=Important, 6=Very important, 7=Extremely important*

	Not at all important	Low importance	Somewhat important	Moderately important	Important	Very important	Extremely important
(1). Variety of menu (range and number of menu items, food, drinks and sundries presented in the menus, bar lists, buffet tables and other food and beverage displays)	1	2	3	4	5	6	7
(2). Nutritional content of menu items	1	2	3	4	5	6	7
(3). Food safety at the restaurant	1	2	3	4	5	6	7
(4). Quality of food and beverages	1	2	3	4	5	6	7
(5). Quality of rooms	1	2	3	4	5	6	7
(6). Cleanliness of restaurant	1	2	3	4	5	6	7
(7). Cleanliness of rooms	1	2	3	4	5	6	7
(8). Room amenities	1	2	3	4	5	6	7
(9). Room service provided at the hotel	1	2	3	4	5	6	7
(10). Service speed at the restaurant	1	2	3	4	5	6	7
(11). Service speed at the front office	1	2	3	4	5	6	7
(12). Level of automation of processes at the restaurant (e.g. order taking, payment)	1	2	3	4	5	6	7
(13). Level of automation of processes at the front desk (e.g. during check in, check out, payment)	1	2	3	4	5	6	7
(14). Courtesy of personnel at the restaurant	1	2	3	4	5	6	7
(15). Courtesy of front office personnel	1	2	3	4	5	6	7
(16). Reliability of employees at the restaurant	1	2	3	4	5	6	7
(17). Reliability of front office employees	1	2	3	4	5	6	7
(18). Knowledge and skills of staff at the restaurant	1	2	3	4	5	6	7
(19). Knowledge and skills of front office staff	1	2	3	4	5	6	7
(20). Price of menu items	1	2	3	4	5	6	7
(21). Price of rooms	1	2	3	4	5	6	7
(22). Value for money derived from the meal	1	2	3	4	5	6	7
(23). Value for money derived from staying in the hotel	1	2	3	4	5	6	7
(24). Benefits given to repeat customers	1	2	3	4	5	6	7
(25). Atmosphere of restaurant (e.g. noise, music)	1	2	3	4	5	6	7
(26). Atmosphere of the rooms and lobby (e.g. noise, music)	1	2	3	4	5	6	7
(27). Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(28). Layout and decor of the rooms and lobby (e.g furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(29). Other customers in the hotel (e.g. appearance, behaviour)	1	2	3	4	5	6	7
(30). Crowding at the hotel	1	2	3	4	5	6	7
(31). Appearance of staff at the hotel (e.g. uniform)	1	2	3	4	5	6	7
(32). Appearance of the hotel's exterior (e.g. landscape)	1	2	3	4	5	6	7
(33). Business hours of operation of the restaurant	1	2	3	4	5	6	7

	1	2	3	4	5	6	7
(34). Location of the hotel (e.g. convenience, views)	1	2	3	4	5	6	7
(35). Accessibility of the hotel	1	2	3	4	5	6	7
(36). Security at the hotel	1	2	3	4	5	6	7
(37). Parking availability at the hotel	1	2	3	4	5	6	7
(38). The hotel's Corporate Social Responsibility efforts	1	2	3	4	5	6	7

11. Using the scale provided below, please indicate the extent to which excellent hotels (4 and 5 star hotels) ought to address the following factors. (Please tick the appropriate number).

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1) Variety of menu (range and number of menu items, food, drinks and sundries presented in the menus, bar lists, buffet tables and other food and beverage displays)	1	2	3	4	5	6	7
(2) Nutritional content of menu items	1	2	3	4	5	6	7
(3) Food safety at the restaurant	1	2	3	4	5	6	7
(4) Quality of food and beverages	1	2	3	4	5	6	7
(5) Quality of rooms	1	2	3	4	5	6	7
(6) Cleanliness of restaurant	1	2	3	4	5	6	7
(7) Cleanliness of rooms	1	2	3	4	5	6	7
(8) Room amenities	1	2	3	4	5	6	7
(9) Room service provided at the hotel	1	2	3	4	5	6	7
(10) Service speed at the restaurant	1	2	3	4	5	6	7
(11) Service speed at the front office	1	2	3	4	5	6	7
(12) Level of automation of processes at the restaurant (e.g. order taking, payment)	1	2	3	4	5	6	7
(13) Level of automation of processes at the front desk (e.g. during check in, check out, payment)	1	2	3	4	5	6	7
(14) Courtesy of personnel at the restaurant	1	2	3	4	5	6	7
(15) Courtesy of front office personnel	1	2	3	4	5	6	7
(16) Reliability of employees at the restaurant	1	2	3	4	5	6	7
(17) Reliability of front office employees	1	2	3	4	5	6	7
(18) Knowledge and skills of staff at the restaurant	1	2	3	4	5	6	7
(19) Knowledge and skills of front office staff	1	2	3	4	5	6	7
(20) Price of menu items	1	2	3	4	5	6	7
(21) Price of rooms	1	2	3	4	5	6	7
(22) Value for money derived from the meal	1	2	3	4	5	6	7
(23) Value for money derived from staying in the hotel	1	2	3	4	5	6	7
(24) Benefits given to repeat customers	1	2	3	4	5	6	7

(25) Atmosphere of restaurant (e.g. noise, music)	1	2	3	4	5	6	7
(26) Atmosphere of the rooms and lobby (e.g. noise, music)	1	2	3	4	5	6	7
(27) Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(28) Layout and decor of the rooms and lobby (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(29) Other customers in the hotel (e.g. appearance, behaviour)	1	2	3	4	5	6	7
(30) Crowding at the hotel	1	2	3	4	5	6	7
(31) Appearance of staff at the hotel (e.g. uniform)	1	2	3	4	5	6	7
(32) Appearance of the hotel's exterior (e.g. landscape)	1	2	3	4	5	6	7
(33) Business hours of operation of the restaurant	1	2	3	4	5	6	7
(34) Location of the hotel (e.g. convenience, views)	1	2	3	4	5	6	7
(35) Accessibility of the hotel	1	2	3	4	5	6	7
(36) Security at the hotel	1	2	3	4	5	6	7
(37) Parking availability at the hotel	1	2	3	4	5	6	7
(38) The hotel's Corporate Social Responsibility efforts	1	2	3	4	5	6	7

12. Using the scale provided below, please indicate the extent to which the following factors made you visit the four or five star hotel in Kenya. (Please tick the appropriate number).

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To large extent	To a very large extent
(1) Variety of menu (range and number of menu items, food, drinks and sundries presented in the menus, bar lists, buffet tables and other food and beverage displays)	1	2	3	4	5	6	7
(2) Nutritional content of menu items	1	2	3	4	5	6	7
(3) Food safety at the restaurant	1	2	3	4	5	6	7
(4) Quality of food and beverages	1	2	3	4	5	6	7
(5) Quality of rooms	1	2	3	4	5	6	7
(6) Cleanliness of restaurant	1	2	3	4	5	6	7
(7) Cleanliness of rooms	1	2	3	4	5	6	7
(8) Room amenities	1	2	3	4	5	6	7
(9) Room service provided at the hotel	1	2	3	4	5	6	7
(10) Service speed at the restaurant	1	2	3	4	5	6	7
(11) Service speed at the front office	1	2	3	4	5	6	7
(12) Level of automation of processes at the restaurant (e.g. order taking, payment)	1	2	3	4	5	6	7

(13) Level of automation of processes at the front desk (e.g. during check in, check out, payment)	1	2	3	4	5	6	7
(14) Courtesy of personnel at the restaurant	1	2	3	4	5	6	7
(15) Courtesy of front office personnel	1	2	3	4	5	6	7
(16) Reliability of employees at the restaurant	1	2	3	4	5	6	7
(17) Reliability of front office employees	1	2	3	4	5	6	7
(18) Knowledge and skills of staff at the restaurant	1	2	3	4	5	6	7
(19) Knowledge and skills of front office staff	1	2	3	4	5	6	7
(20) Price of menu items	1	2	3	4	5	6	7
(21) Price of rooms	1	2	3	4	5	6	7
(22) Value for money derived from the meal	1	2	3	4	5	6	7
(23) Value for money derived from staying in the hotel	1	2	3	4	5	6	7
(24) Benefits given to repeat customers	1	2	3	4	5	6	7
(25) Atmosphere of restaurant (e.g. noise, music)	1	2	3	4	5	6	7
(26) Atmosphere of the rooms and lobby (e.g. noise, music)	1	2	3	4	5	6	7
(27) Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(28) Layout and decor of the rooms and lobby (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(29) Other customers in the hotel (e.g. appearance, behaviour)	1	2	3	4	5	6	7
(30) Crowding at the hotel	1	2	3	4	5	6	7
(31) Appearance of staff at the hotel (e.g. uniform)	1	2	3	4	5	6	7
(32) Appearance of the hotel's exterior (e.g. landscape)	1	2	3	4	5	6	7
(33) Business hours of operation of the restaurant	1	2	3	4	5	6	7
(34) Location of the hotel (e.g. convenience, views)	1	2	3	4	5	6	7
(35) Accessibility of the hotel	1	2	3	4	5	6	7
(36) Security at the hotel	1	2	3	4	5	6	7
(37) Parking availability at the hotel	1	2	3	4	5	6	7
(38) The hotel's Corporate Social Responsibility efforts	1	2	3	4	5	6	7

13. Using the scale provided below, please indicate the extent to which the four or five star hotel that you visited in Kenya addressed the following factors. (Please tick the appropriate number).

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1) Variety of menu (range and number of menu items, food, drinks and sundries presented in the menus, bar lists, buffet tables and other food and beverage displays)	1	2	3	4	5	6	7

(2) Nutritional content of menu items	1	2	3	4	5	6	7
(3) Food safety at the restaurant	1	2	3	4	5	6	7
(4) Quality of food and beverages	1	2	3	4	5	6	7
(5) Quality of rooms	1	2	3	4	5	6	7
(6) Cleanliness of restaurant	1	2	3	4	5	6	7
(7) Cleanliness of rooms	1	2	3	4	5	6	7
(8) Room amenities	1	2	3	4	5	6	7
(9) Room service provided at the hotel	1	2	3	4	5	6	7
(10) Service speed at the restaurant	1	2	3	4	5	6	7
(11) Service speed at the front office	1	2	3	4	5	6	7
(12) Level of automation of processes at the restaurant (e.g. order taking, payment)	1	2	3	4	5	6	7
(13) Level of automation of processes at the front desk (e.g. during check in, check out, payment)	1	2	3	4	5	6	7
(14) Courtesy of personnel at the restaurant	1	2	3	4	5	6	7
(15) Courtesy of front office personnel	1	2	3	4	5	6	7
(16) Reliability of employees at the restaurant	1	2	3	4	5	6	7
(17) Reliability of front office employees	1	2	3	4	5	6	7
(18) Knowledge and skills of staff at the restaurant	1	2	3	4	5	6	7
(19) Knowledge and skills of front office staff	1	2	3	4	5	6	7
(20) Price of menu items	1	2	3	4	5	6	7
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(22) Value for money derived from the meal	1	2	3	4	5	6	7
(23) Value for money derived from staying in the hotel	1	2	3	4	5	6	7
(24) Benefits given to repeat customers	1	2	3	4	5	6	7
(25) Atmosphere of restaurant (e.g. noise, music)	1	2	3	4	5	6	7
(26) Atmosphere of the rooms and lobby (e.g. noise, music)	1	2	3	4	5	6	7
(27) Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(28) Layout and decor of the rooms and lobby (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(29) Other customers in the hotel (e.g. appearance, behaviour)	1	2	3	4	5	6	7
(30) Crowding at the hotel	1	2	3	4	5	6	7
(31) Appearance of staff at the hotel (e.g uniform)	1	2	3	4	5	6	7
(32) Appearance of the hotel's exterior (e.g. landscape)	1	2	3	4	5	6	7
(33) Business hours of operation of the restaurant	1	2	3	4	5	6	7
(34) Location of the hotel (e.g. convenience, views)	1	2	3	4	5	6	7
(35) Accessibility of the hotel	1	2	3	4	5	6	7
(36) Security at the hotel	1	2	3	4	5	6	7
(37) Parking availability at the hotel	1	2	3	4	5	6	7
(38) The hotel's Corporate Social Responsibility efforts	1	2	3	4	5	6	7

Thank you for filling in the questionnaire

INTRODUCTION LETTER

Dear Sir/Madam,

Research Topic: Marketing models for performance among four and five star hotels in Kenya

I am Antoneta Njeri from the Ecotourism, Hotel and Institution Management (ECOHIM) department at the Maseno University. I am a Doctor of Philosophy (PHD) student and Tutorial fellow at Maseno University carrying out a research to develop a marketing model for enhanced competitiveness among four and five star hotels in Kenya.

In completing the attached questionnaire, you will have contributed the necessary information required for the success of this study. Any information supplied will be treated with strict confidentiality and it will be used for research purposes only.

The questionnaire is intended for all levels of managers in the hotel who feel that they are knowledgeable and informed enough to answer the questions (Top, Middle and Lower levels) including General Managers, Sectional Heads, Resident Managers, Guest Relations Managers, Operations Managers, Business Development Managers, Departmental heads, Assistant Managers, Supervisors and the Sales and Marketing Teams.

For any queries or further information, please contact Antoneta Njeri Kariru at Maseno University, C/O ECOHIM department, P.O BOX Private Bag, Maseno. Cell Phone No: 0702861175, Email address:antonettanjeri@yahoo.com.

Thank you for your sincere answers and the necessary co-operation.

Yours sincerely,

Antoneta Njeri Kariru

GENERAL INFORMATION   (Please write or tick where applicable)

1. Please indicate your job position............................

2. What is your hotel's star rating?..............

3. Please indicate the type of hotel you work in

    ☐   Vacation

    ☐   Town

    ☐   Other (please specify)

4. Please indicate the types of ownership of the hotel you work in

    ☐   Locally owned hotel

    ☐   Foreign owned hotel

    ☐   Privately owned hotel

    ☐   State owned hotel

    ☐   Independent hotel

    ☐   Chain hotel

    ☐   Other (please specify)

5. Please indicate the number of years that your hotel has been in operation in Kenya............

6. Please indicate the size (number of guest rooms) of your hotel..................

7. Who is responsible for marketing in your organization?.....................

8. Which market/s does your hotel target when creating its marketing strategies?

    ☐   Local market (Kenyans from the hotels' vicinity)

    ☐   National market (Kenyans from other regions of Kenya)

    ☐   Regional market (East Africans)

    ☐   International market (Rest of Africa and the world)

    ☐   Other (please specify)

9.   What is your hotel's marketing objective?....................................

10. Using the scale provided below, please indicate the extent to which excellent hotels (4 and 5 star hotels) ought to use the following promotional tools. (Please tick the appropriate number)

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1) Corporate social responsibility	1	2	3	4	5	6	7
(2) Experiential marketing	1	2	3	4	5	6	7
(3) Relationship marketing	1	2	3	4	5	6	7
(4) Sales promotion	1	2	3	4	5	6	7
(5) Personal selling	1	2	3	4	5	6	7
(6) Public relations	1	2	3	4	5	6	7
(7) Advertising	1	2	3	4	5	6	7
(8) Internet marketing	1	2	3	4	5	6	7

11. Using the scale provided below, please indicate the extent to which your hotel uses the following promotional tools. (Please tick the appropriate number)

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1). Corporate social responsibility	1	2	3	4	5	6	7
(2). Experiential marketing	1	2	3	4	5	6	7
(3). Relationship marketing	1	2	3	4	5	6	7
(4). Sales promotion	1	2	3	4	5	6	7
(5). Personal selling	1	2	3	4	5	6	7
(6). Public relations	1	2	3	4	5	6	7
(7). Advertising	1	2	3	4	5	6	7
(8). Internet marketing	1	2	3	4	5	6	7

REVENUE OUTLETS

12. Using the scale provided below, please indicate the extent to which the following factors are important to customers who visit any four or five star hotel. (Tick the appropriate number)

SCALE: *1=Not at all important, 2=Low importance, 3=Somewhat important, 4=Moderately important, 5=Important, 6=Very important, 7=Extremely important*

	Not at all important	Low importance	Somewhat important	Moderately important	Important	Very important	Extremely important
(1). Variety of menu (range and number of menu items, food, drinks and sundries presented in the menus, bar lists, buffet tables and other food and beverage displays)	1	2	3	4	5	6	7
(2). Nutritional content of menu items	1	2	3	4	5	6	7
(3). Food safety at the restaurant	1	2	3	4	5	6	7
(4). Quality of food and beverages	1	2	3	4	5	6	7
(5). Quality of rooms	1	2	3	4	5	6	7
(6). Cleanliness of restaurant	1	2	3	4	5	6	7
(7). Cleanliness of rooms	1	2	3	4	5	6	7
(8). Room amenities	1	2	3	4	5	6	7
(9). Room service provided at the hotel	1	2	3	4	5	6	7
(10). Service speed at the restaurant	1	2	3	4	5	6	7
(11). Service speed at the front office	1	2	3	4	5	6	7
(12). Level of automation of processes at the restaurant (e.g. order taking, payment)	1	2	3	4	5	6	7
(13). Level of automation of processes at the front desk (e.g. during check in, check out, payment)	1	2	3	4	5	6	7
(14). Courtesy of personnel at the restaurant	1	2	3	4	5	6	7
(15). Courtesy of front office personnel	1	2	3	4	5	6	7
(16). Reliability of employees at the restaurant	1	2	3	4	5	6	7
(17). Reliability of front office employees	1	2	3	4	5	6	7
(18). Knowledge and skills of staff at the restaurant	1	2	3	4	5	6	7
(19). Knowledge and skills of front office staff	1	2	3	4	5	6	7
(20). Price of menu items	1	2	3	4	5	6	7
(21). Price of rooms	1	2	3	4	5	6	7
(22). Value for money derived from the meal	1	2	3	4	5	6	7
(23). Value for money derived from staying in the hotel	1	2	3	4	5	6	7
(24). Benefits given to repeat customers	1	2	3	4	5	6	7
(25). Atmosphere of restaurant (e.g. noise, music)	1	2	3	4	5	6	7
(26). Atmosphere of the rooms and lobby (e.g. noise, music)	1	2	3	4	5	6	7
(27). Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(28). Layout and decor of the rooms and lobby (e.g furniture, colour scheme, furnishing)	1	2	3	4	5	6	7

	1	2	3	4	5	6	7
(29). Other customers in the hotel (e.g. appearance, behaviour)	1	2	3	4	5	6	7
(30). Crowding at the hotel	1	2	3	4	5	6	7
(31). Appearance of staff at the hotel (e.g. uniform)	1	2	3	4	5	6	7
(32). Appearance of the hotel's exterior (e.g. landscape)	1	2	3	4	5	6	7
(33). Business hours of operation of the restaurant	1	2	3	4	5	6	7
(34). Location of the hotel (e.g. convenience, views)	1	2	3	4	5	6	7
(35). Accessibility of the hotel	1	2	3	4	5	6	7
(36). Security at the hotel	1	2	3	4	5	6	7
(37). Parking availability at the hotel	1	2	3	4	5	6	7
(38). The hotel's Corporate Social Responsibility efforts	1	2	3	4	5	6	7

13. Using the scale provided below, please indicate the extent to which excellent hotels (4 and 5 star hotels) ought to address the following factors. (Please tick the appropriate number).

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1). Variety of menu (range and number of menu items, food, drinks and sundries presented in the menus, bar lists, buffet tables and other food and beverage displays)	1	2	3	4	5	6	7
(2). Nutritional content of menu items	1	2	3	4	5	6	7
(3). Food safety at the restaurant	1	2	3	4	5	6	7
(4). Quality of food and beverages	1	2	3	4	5	6	7
(5). Quality of rooms	1	2	3	4	5	6	7
(6). Cleanliness of restaurant	1	2	3	4	5	6	7
(7). Cleanliness of rooms	1	2	3	4	5	6	7
(8). Room amenities	1	2	3	4	5	6	7
(9). Room service provided at the hotel	1	2	3	4	5	6	7
(10). Service speed at the restaurant	1	2	3	4	5	6	7
(11). Service speed at the front office	1	2	3	4	5	6	7
(12). Level of automation of processes at the restaurant (e.g. order taking, payment)	1	2	3	4	5	6	7

	1	2	3	4	5	6	7
(13). Level of automation of processes at the front desk (e.g. during check in, check out, payment)	1	2	3	4	5	6	7
(14). Courtesy of personnel at the restaurant	1	2	3	4	5	6	7
(15). Courtesy of front office personnel	1	2	3	4	5	6	7
(16). Reliability of employees at the restaurant	1	2	3	4	5	6	7
(17). Reliability of front office employees	1	2	3	4	5	6	7
(18). Knowledge and skills of staff at the restaurant	1	2	3	4	5	6	7
(19). Knowledge and skills of front office staff	1	2	3	4	5	6	7
(20). Price of menu items	1	2	3	4	5	6	7
(21). Price of rooms	1	2	3	4	5	6	7
(22). Value for money derived from the meal	1	2	3	4	5	6	7
(23). Value for money derived from staying in the hotel	1	2	3	4	5	6	7
(24). Benefits given to repeat customers	1	2	3	4	5	6	7
(25). Atmosphere of restaurant (e.g. noise, music)	1	2	3	4	5	6	7
(26). Atmosphere of the rooms and lobby (e.g. noise, music)	1	2	3	4	5	6	7
(27). Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(28). Layout and decor of the rooms and lobby (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(29). Other customers in the hotel (e.g. appearance, behaviour)	1	2	3	4	5	6	7
(30). Crowding at the hotel	1	2	3	4	5	6	7
(31). Appearance of staff at the hotel (e.g. uniform)	1	2	3	4	5	6	7
(32). Appearance of the hotel's exterior (e.g. landscape)	1	2	3	4	5	6	7
(33). Business hours of operation of the restaurant	1	2	3	4	5	6	7
(34). Location of the hotel (e.g. convenience, views)	1	2	3	4	5	6	7
(35). Accessibility of the hotel	1	2	3	4	5	6	7
(36). Security at the hotel	1	2	3	4	5	6	7
(37). Parking availability at the hotel	1	2	3	4	5	6	7
(38). The hotel's Corporate Social Responsibility efforts	1	2	3	4	5	6	7

14. Using the scale provided below, please indicate the extent to which the following factors attract customers to your hotel. (Please tick the appropriate number).

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1) Variety of menu (range and number of menu items, food, drinks and sundries presented in the menus, bar lists, buffet tables and other food and beverage displays)	1	2	3	4	5	6	7
(2) Nutritional content of menu items	1	2	3	4	5	6	7
(3) Food safety at the restaurant	1	2	3	4	5	6	7
(4) Quality of food and beverages	1	2	3	4	5	6	7
(5) Quality of rooms	1	2	3	4	5	6	7
(6) Cleanliness of restaurant	1	2	3	4	5	6	7
(7) Cleanliness of rooms	1	2	3	4	5	6	7
(8) Room amenities	1	2	3	4	5	6	7
(9) Room service provided at the hotel	1	2	3	4	5	6	7
(10) Service speed at the restaurant	1	2	3	4	5	6	7
(11) Service speed at the front office	1	2	3	4	5	6	7
(12) Level of automation of processes at the restaurant (e.g. order taking, payment)	1	2	3	4	5	6	7
(13) Level of automation of processes at the front desk (e.g. during check in, check out, payment)	1	2	3	4	5	6	7
(14) Courtesy of personnel at the restaurant	1	2	3	4	5	6	7
(15) Courtesy of front office personnel	1	2	3	4	5	6	7
(16) Reliability of employees at the restaurant	1	2	3	4	5	6	7
(17) Reliability of front office employees	1	2	3	4	5	6	7
(18) Knowledge and skills of staff at the restaurant	1	2	3	4	5	6	7
(19) Knowledge and skills of front office staff	1	2	3	4	5	6	7
(20) Price of menu items	1	2	3	4	5	6	7
(21) Price of rooms	1	2	3	4	5	6	7
(22) Value for money derived from the meal	1	2	3	4	5	6	7
(23) Value for money derived from staying in the hotel	1	2	3	4	5	6	7
(24) Benefits given to repeat customers	1	2	3	4	5	6	7
(25) Atmosphere of restaurant (e.g. noise, music)	1	2	3	4	5	6	7
(26) Atmosphere of the rooms and lobby (e.g. noise, music)	1	2	3	4	5	6	7
(27) Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(28) Layout and decor of the rooms and lobby (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7

(29) Other customers in the hotel (e.g. appearance, behaviour)	1	2	3	4	5	6	7
(30) Crowding at the hotel	1	2	3	4	5	6	7
(31) Appearance of staff at the hotel (e.g. uniform)	1	2	3	4	5	6	7
(32) Appearance of the hotel's exterior (e.g. landscape)	1	2	3	4	5	6	7
(33) Business hours of operation of the restaurant	1	2	3	4	5	6	7
(34) Location of the hotel (e.g. convenience, views)	1	2	3	4	5	6	7
(35) Accessibility of the hotel	1	2	3	4	5	6	7
(36) Security at the hotel	1	2	3	4	5	6	7
(37) Parking availability at the hotel	1	2	3	4	5	6	7
(38) The hotel's Corporate Social Responsibility efforts	1	2	3	4	5	6	7

15. Using the scale provided below, please indicate the extent to which your hotel addresses the following factors. (Please tick the appropriate number).

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1) Variety of menu (range and number of menu items, food, drinks and sundries presented in the menus, bar lists, buffet tables and other food and beverage displays)	1	2	3	4	5	6	7
(2) Nutritional content of menu items	1	2	3	4	5	6	7
(3) Food safety at the restaurant	1	2	3	4	5	6	7
(4) Quality of food and beverages	1	2	3	4	5	6	7
(5) Quality of rooms	1	2	3	4	5	6	7
(6) Cleanliness of restaurant	1	2	3	4	5	6	7
(7) Cleanliness of rooms	1	2	3	4	5	6	7
(8) Room amenities	1	2	3	4	5	6	7
(9) Room service provided at the hotel	1	2	3	4	5	6	7
(10) Service speed at the restaurant	1	2	3	4	5	6	7
(11) Service speed at the front office	1	2	3	4	5	6	7
(12) Level of automation of processes at the restaurant (e.g. order taking, payment)	1	2	3	4	5	6	7
(13) Level of automation of processes at the front desk (e.g. during check in, check out, payment)	1	2	3	4	5	6	7

(14) Courtesy of personnel at the restaurant	1	2	3	4	5	6	7
(15) Courtesy of front office personnel	1	2	3	4	5	6	7
(16) Reliability of employees at the restaurant	1	2	3	4	5	6	7
(17) Reliability of front office employees	1	2	3	4	5	6	7
(18) Knowledge and skills of staff at the restaurant	1	2	3	4	5	6	7
(19) Knowledge and skills of front office staff	1	2	3	4	5	6	7
(20) Price of menu items	1	2	3	4	5	6	7
(21) Price of rooms	1	2	3	4	5	6	7
(22) Value for money derived from the meal	1	2	3	4	5	6	7
(23) Value for money derived from staying in the hotel	1	2	3	4	5	6	7
(24) Benefits given to repeat customers	1	2	3	4	5	6	7
(25) Atmosphere of restaurant (e.g. noise, music)	1	2	3	4	5	6	7
(26) Atmosphere of the rooms and lobby (e.g. noise, music)	1	2	3	4	5	6	7
(27) Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(28) Layout and decor of the rooms and lobby (e.g furniture, colour scheme, furnishing)	1	2	3	4	5	6	7
(29) Other customers in the hotel (e.g. appearance, behaviour)	1	2	3	4	5	6	7
(30) Crowding at the hotel	1	2	3	4	5	6	7
(31) Appearance of staff at the hotel (e.g. uniform)	1	2	3	4	5	6	7
(32) Appearance of the hotel's exterior (e.g. landscape)	1	2	3	4	5	6	7
(33) Business hours of operation of the restaurant	1	2	3	4	5	6	7
(34) Location of the hotel (e.g. convenience, views)	1	2	3	4	5	6	7
(35) Accessibility of the hotel	1	2	3	4	5	6	7
(36) Security at the hotel	1	2	3	4	5	6	7
(37) Parking availability at the hotel	1	2	3	4	5	6	7
(38) The hotel's Corporate Social Responsibility efforts	1	2	3	4	5	6	7

16. Which marketing strategies do you use to market your hotel?

   ....

17. What role does Corporate Social Responsibility (CSR) play in marketing your hotel?

   ....

18. Using the scale provided below, please indicate the extent to which your hotel experiences the following levels of competitiveness as a result of its marketing strategies. (Please tick the appropriate number).

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

Competitiveness as a result of marketing strategies	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1) Profits	1	2	3	4	5	6	7
(2) Sales volume	1	2	3	4	5	6	7
(3) Market share	1	2	3	4	5	6	7
(4) Return on investment	1	2	3	4	5	6	7
(5) Cash inflow	1	2	3	4	5	6	7
(6) Competitive advantages	1	2	3	4	5	6	7
(7) Competitive position	1	2	3	4	5	6	7
(8) Market penetration	1	2	3	4	5	6	7
(9) Customer satisfaction	1	2	3	4	5	6	7
(10) Market image and awareness	1	2	3	4	5	6	7
(11) Share prices	1	2	3	4	5	6	7
(12) Earnings per share	1	2	3	4	5	6	7

19. Please comment on the responses given in question 18 above

....

20. Using the scale provided below, please indicate the extent to which your hotel generally experiences the following levels of competitiveness. (Please tick the appropriate number).

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

General competitiveness	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1) Profits	1	2	3	4	5	6	7
(2) Sales volume	1	2	3	4	5	6	7
(3) Market share	1	2	3	4	5	6	7
(4) Return on investment	1	2	3	4	5	6	7

(5) Cash inflow	1	2	3	4	5	6	7
(6) Competitive advantages	1	2	3	4	5	6	7
(7) Competitive position	1	2	3	4	5	6	7
(8) Market penetration	1	2	3	4	5	6	7
(9) Customer satisfaction	1	2	3	4	5	6	7
(10) Market image and awareness	1	2	3	4	5	6	7
(11) Share prices	1	2	3	4	5	6	7
(12) Earnings per share	1	2	3	4	5	6	7

21. Using the scale provided below, please indicate the extent to which excellent hotels (4 and 5 star hotels) ought to experience the following levels of competitiveness as a result of their marketing strategies. (Please tick the appropriate number).

SCALE: *1=To no extent at all, 2=To a very small extent, 3=To a small extent, 4=To a moderate extent, 5=To a considerable extent, 6=To a large extent, 7=To a very large extent*

Competitiveness as a result of marketing strategies	To no extent at all	To a very small extent	To a small extent	To a moderate extent	To a considerable extent	To a large extent	To a very large extent
(1). Profits	1	2	3	4	5	6	7
(2). Sales volume	1	2	3	4	5	6	7
(3). Market share	1	2	3	4	5	6	7
(4). Return on investment	1	2	3	4	5	6	7
(5). Cash inflow	1	2	3	4	5	6	7
(6). Competitive advantages	1	2	3	4	5	6	7
(7). Competitive position	1	2	3	4	5	6	7
(8). Market penetration	1	2	3	4	5	6	7
(9). Customer satisfaction	1	2	3	4	5	6	7
(10). Market image and awareness	1	2	3	4	5	6	7
(11). Share prices	1	2	3	4	5	6	7
(12). Earnings per share	1	2	3	4	5	6	7

22. Please indicate any other comments that you may have

....

Thank you for filling in the questionnaire

INTRODUCTION LETTER

Dear Sir/Madam,

Research Topic: Marketing models for performance among four and five star hotels in Kenya

I am Antoneta Njeri from the Maseno University. I am a Doctor of Philosophy (PHD) student and Tutorial Fellow at Maseno University carrying out a research to develop a marketing model for enhanced competitiveness among four and five star hotels in Kenya.

In participating in this interview, you will have contributed the necessary information required for the success of this study. Any information supplied will be treated with strict confidentiality and it will be used for research purposes only.

For any queries or further information, please contact Antoneta Njeri Kariru at Maseno University, C/O ECOHIM department, P.O BOX Private Bag, Maseno. Cell Phone No: 0702861175, Email address:antonettanjeri@yahoo.com.

Thank you for your sincere answers and the necessary co-operation.

Yours sincerely,

Antoneta Njeri Kariru

1. In your opinion, which factors attract customers to excellent hotels?

2. What does the term 'marketing strategy" mean?

3. Can you give examples of marketing strategies that your hotel uses?

4. In your opinion, which factors should the marketing strategies of excellent hotels address?

5. What do you think is the role of experiential marketing in marketing excellent hotels?

6. What do you think is the role of relationship marketing in marketing excellent hotels?

7. What do you think is the role of corporate social responsibility in marketing excellent hotels?

8. What are the best marketing strategies for hotels in Kenya?

9. In our study, we found that when managers describe a marketing strategy, they would talk about promotions, but there is something that is overlooked, providing quality, atmosphere, information technology, investing in employees through being hospitable and courteous enough e.t.c, which were not given as marketing strategies. Can you comment on this?

10. How do you think effective marketing influences the competitiveness of hotels?

11. Do marketing strategies increase profits, sales volume e.t.c?

Appendix F How the reliability for both qualitative and quantitative approaches of the study was achieved

Technique	Qualitative approach-Interviews/Open ended questions/Secondary data	Quantitative approach-Questionnaires
Sampling technique	Study interviewed a convenient sample of guests who had visited a four and five star hotel in Kenya meaning that they were most informed on the guests' purchase decisions and could freely and willingly participate in the study Study interviewed a convenient sample of managers hence allowing only willing participants who felt they were knowledgeable enough to be involved to participate thus enhancing the accuracy and relevance of the findings	Using convenience sampling, the study administered questionnaires to a sample of guests who had spent at least one night in a four or five star hotel during the study period and were therefore most informed of the marketing strategies of the hotels while increasing accuracy of the data collected Convenience sampling of all managers on the other hand gave them all the chance to participate thus reducing bias that is often associated with the sampling technique
Familiarisation of respondents with instruments	Some guests and managers were given interview schedules to familiarise them with the study	Some guests and managers were given questionnaires to familiarise them with the study
Internal reliability-Cronbach alpha		Cronbach alpha scores were calculated
Composite and indicator reliabilities		Composite and indicator reliabilities were ascertained
Inter-rater agreement	More than two coders were used to process the qualitative data from the interviews after which the results were compared	
Multiple coding	Data was processed at two different periods between the months of September 2014 and May 2015	
Data analysis	A detailed report of data collection, analysis and interpretation methods was provided including the research design adopted, research method used, research strategies applied and findings from both the interviews and open ended questions	

Reputation and methods of data collection	The reputation of the source of secondary data and the methods used to collect the data were established

Appendix G How the validity for both qualitative and quantitative approaches in the study was achieved

Technique	Qualitative approach-Interviews/Open ended questions/Secondary data	Quantitative approach-Questionnaires
Triangulation of data sources	Study adopted the triangulation of data sources by using interviews and secondary data	Study adopted the triangulation of data sources by using questionnaires too
Face validity	Four lecturers in the Ecotourism, Hotel and Institution Management department at the Maseno University went through both the guests' and managers' interview schedules before administration to the final respondents	Four lecturers in the Ecotourism, Hotel and Institution Management department at the Maseno University went through both the guests' and managers' questionnaires before administration to the final respondents
Content validity	Four lecturers in the Ecotourism, Hotel and Institution Management department at the Maseno University went through both the guests' and managers' interview schedules before administration to the final respondents	Four lecturers in the Ecotourism, Hotel and Institution Management department at the Maseno University went through both the guests' and managers' questionnaires before administration to the final respondents
Pilot testing	Pilot testing of interview schedules was done on two guests and two managers and the necessary corrections were made	Pilot testing of questionnaires was done on twenty guests and ten managers and the necessary corrections were made
Convergent and discriminant validity		Convergent and discriminant validity including composite reliabilities, average variance extracted and fornell-larcker criterion were ascertained
Probing and clarification	The researcher used probing and clarification during the interviews with guests and managers	
Reputation and methods of data collection	The reputation of the source of secondary data and the methods used to collect the data was confirmed	

Appendix H Characteristics of hotels and managers who filled in self-administered questionnaires

Characteristics	Frequency	Valid Percent	Cumulative Percent
Level of management of managers			
Top level	50	49	49.00
Middle level	38	37	86.00
Lower level	14	14	100.00
Total	**102**	**100.00**	**100.00**
Number of managers working in hotels of four and five star ratings			
Four star hotels	58	56.90	56.90
Five star hotels	44	43.10	100.00
Total	**102**	**100.00**	**100.00**
Number of managers working in the different types of hotels			
Town hotel	66	64.70	64.70
Vacation hotel	29	28.40	93.10
Beach hotel	5	4.90	98.00
Town and beach hotel	1	1.00	99.00
Leisure and business hotel	1	1.00	100.00
Total	**102**	**100.00**	**100.00**
Number of managers working in hotels with different types of ownership			
Privately owned hotel	36	35.30	35.30
Chain hotel	31	30.40	65.70
Locally owned hotel	13	12.70	78.40
State owned hotel	7	6.90	85.30
Locally and private owned hotel	7	6.90	92.20
Foreign owned hotel	3	2.90	95.10
Independent hotel	2	2.00	97.10
Foreign owned independent hotel	1	1.00	98.00
Local, privately owned chain hotel	1	1.00	99.00
Local, privately owned independent hotel	1	1.00	100.00
Total	**102**	**100.00**	**100.00**
Number of managers working in hotels that have been in operation in Kenya for several years			
Less than 25 years of operation in Kenya	21	20.58	20.58
26-70 years of operation in Kenya	49	48.05	68.63
Over 70 years of operation in Kenya	32	31.37	100.00
Total	**102**	**100.00**	**100.00**
Number of managers working in hotels of various sizes			
No response	1	1.00	1.00
51-100 guest rooms	12	11.80	12.70
101-150 guest rooms	19	18.60	31.40
151-200 guest rooms	47	46.10	77.50
201-250 guest rooms	19	18.60	96.10
Over 250 guest rooms	4	3.90	100.00
Total	**102**	**100.00**	**100.00**

Number of managers working in hotels which target different markets			
Local (Kenyans), national (Kenyans), regional (East Africans) and international markets (Rest of the world)	65	63.70	63.70
Local (Kenyans), national (Kenyans) and international markets (Rest of the world)	13	12.70	76.50
International market (Rest of the world)	11	10.80	87.30
Regional (East Africans) market	10	9.80	97.10
Local (Kenyans) and national (Kenyans) markets	2	2.00	99.00
Local (Kenyans) and regional (East Africans) markets	1	1.00	100.00
Total	**102**	**100.00**	**100.00**

Appendix I Characteristics of guests who were interviewed

Guest participant	Nationality	Gender	Age
A	Kenyan	Male	41
B	Kenyan	Male	34
C	Kenyan	Male	24
D	Kenyan	Female	42
E	Kenyan	Male	30
F	Ugandan	Male	36
G	Somali	Male	48
H	Kenyan	Female	43
I	Kenyan	Female	32
J	Kenyan	Female	52
K	Kenyan	Female	52
L	Kenyan	Male	30
M	Kenyan	Male	23
N	Kenyan	Male	29
O	Sudanese	Male	37
P	Kenyan	Male	40
Q	Kenyan	Male	42
R	Kenyan	Female	46
S	Kenyan	Female	32
T	Kenyan	Male	55
U	Kenyan	Male	20
V	Kenyan	Male	38
W	Kenyan	Male	25
X	Kenyan	Female	32
Y	Kenyan	Male	25
Z	Kenyan	Female	40

N=26

Appendix J Characteristics of guests who filled in self-administered questionnaires

Characteristics	Frequency	Valid Percent	Cumulative percent
Gender			
Female	93	47.00	47.00
Male	105	53.00	100.00
Total	**198**	**100.00**	**100.00**
Age			
Under 20 years	2	1.00	1.00
21-25 years	12	6.10	7.10
26-30 years	41	20.70	27.80
31-35 years	26	13.10	40.90
36-40 years	44	22.00	63.10
41-45 years	23	11.60	74.70
46-50 years	23	11.60	86.40
51-55 years	12	6.10	92.40
56-60 years	8	4.00	96.50
61-65 years	4	2.00	98.50
66-70 years	2	1.00	99.50
Over 70 years	1	0.50	100.00
Total	**198**	**100.00**	**100.00**
Nationality			
Kenyan	115	58.10	58.10
British	12	6.10	64.10
Portuguese	7	3.50	67.70
South African	7	3.50	71.20
Chinese	7	3.00	74.20
Tanzanian	6	3.00	77.80
Dutch	6	2.50	80.80
Indian	5	2.50	83.30
Nigerian	5	2.00	85.90
American	4	2.00	87.90
Italian	4	2.00	89.90
Arabic	4	2.00	91.90
Russian	4	1.00	93.90
Spaniard	2	1.00	94.90
Ugandan	2	1.00	96.00
Rwandese	2	1.00	97.00
German	1	.50	97.50
Cameroonian	1	.50	98.00
Zambian	1	.50	98.50
Somali	1	.50	99.00
Algerian	1	.50	99.50
Liberian	1	.50	100.00
Total	**198**	**100.00**	**100.00**
Reason for visiting the hotel			
Leisure	103	52.00	52.00
Business	57	28.80	80.80
Business and leisure	11	5.60	86.40
Attending a conference	8	4.00	90.40
Attending a seminar	7	3.50	93.90
Attending a training workshop	5	2.50	96.50

Retreat	2	1.00	97.50
Business and attending a training workshop	1	.50	98.00
Attending a wedding function	1	.50	98.50
Honey moon	1	.50	99.00
Business, leisure, workshop and attending a seminar	1	.50	99.50
On tour	1	.50	100.00
Total	**198**	**100.00**	**100.00**

Frequency of visit to the hotel

No response	1	.50	.50
Every week	3	1.50	2.00
Every fortnight	1	.50	2.50
Every month	6	3.00	5.60
Six times a year	3	1.50	7.10
Four times a year	6	3.00	10.10
Three times a year	23	11.60	21.70
Twice a year	39	19.70	41.40
Once a year	73	36.90	78.30
Once or twice a year	4	2.00	80.30
Several times	9	4.50	84.30
Occasionally	15	7.60	92.40
First time to visit	14	7.10	99.50
Second time to visit	1	.50	100.00
Total	**198**	**100.00**	**100.00**

Length of stay at the hotel

One day	8	4.00	4.00
Two days	11	5.60	9.60
Three days	9	4.50	14.10
Four days	17	8.60	22.70
Five days	14	7.10	29.80
Six days	1	.50	30.30
Seven days	41	20.07	51.00
Ten Days	3	1.50	52.50
Eleven days	1	.50	53.00
Fourteen days	30	15.02	68.20
Three weeks	23	11.60	79.80
One month	18	9.10	88.90
Six weeks	5	2.50	91.40
Two months	9	4.50	96.00
Nine weeks	2	1.00	97.00
Three months	6	3.00	100.00
Total	**198**	**100.00**	**100.00**

How the guest found out about the hotel

No response given	6	3.00	3.00
Word of mouth	74	37.40	40.40
Travel agent	34	17.20	57.60
From the organization the guest works for	19	9.60	67.20
Advertisement	18	9.10	76.30
Internet	17	8.60	84.90
Tourism expo	5	2.50	87.40
Internet and friends	5	2.50	89.90
Media	4	2.00	91.90
Word of mouth and advertisement	3	1.50	93.40

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Walk in	2	1.00	94.40
Advertisement and tourism expo	2	1.00	95.50
Travel agent and tourism expo	2	1.00	96.50
Trip advisor	2	.50	97.50
Magazine	1	.50	98.00
Hotel's expo	1	.50	98.50
Word of mouth and tourism expo	1	.50	99.00
Business expo	1	.50	99.50
Media and the organization the guest works for	1	.50	100.00
Total	**198**	**100.00**	**100.00**

Appendix K Skewness and kurtosis of guests' and managers' perceptions and expectations of guests' purchase decisions and the marketing strategies of four and five star hotels in Kenya

	Perceptions on factors influencing guests' purchase decisions in four and five star hotels in Kenya				Expectations of marketing strategies				Perceptions of marketing strategies			
	Guests' perceptions		Managers' perceptions		Guests' expectations		Managers' expectations		Guests' perceptions		Managers' perceptions	
	Skewness	Kurtosis	Skewness	Kurtosis	Skewness	Kurtosis	Skewness	Kurtosis	Skewness	Kurtosis	Skewness	Kurtosis
Variety of menu	-.15	2.78	.75	5.77	-2.41	8.41	.71	1.67	-1.07	2.77	.79	1.71
Nutritional content of menu items	-2.22	5.12	.94	1.63	-3.23	3.27	1.28	.78	-1.14	.74	2.23	1.39
Food safety at the restaurant	-3.62	3.86	.50	6.06	-3.58	5.36	.52	.21	-2.05	4.19	.81	.91
Quality of food and beverages	-3.01	2.45	.66	9.25	-2.53	7.09	.46	.02	-1.30	.99	.64	2.40
Quality of rooms	-1.69	3.53	.59	1.65	-2.28	6.30	.46	1.60	-1.58	4.00	.52	4.70
Cleanliness of restaurant	-2.66	8.03	.47	1.15	-2.07	3.58	.46	1.98	-2.11	5.41	.74	1.51
Cleanliness of rooms	-2.98	1.36	.50	3.95	-2.19	3.86	.42	.67	-2.04	4.35	.70	2.53
Room amenities	-1.29	1.12	.43	-.61	-1.47	1.46	.42	7.15	1.15	8.96	.83	3.17
Room service provided at the hotel	-1.22	.52	.83	-.16	-1.63	1.81	.60	.53	-.45	7.44	.81	.90
Service speed at the restaurant	-2.16	4.96	.43	1.42	-2.79	8.92	.46	6.50	-.78	1.13	1.24	1.98
Service speed at the front office	-1.99	4.91	.52	7.46	-2.92	9.78	.44	7.67	-1.34	2.47	1.20	2.68
Level of automation of processes at the restaurant (e.g order taking, payment)	-.72	-.40	.78	-.54	-1.01	.86	.76	1.08	-.29	-.87	2.02	2.83
Level of automation of processes at the front desk (e.g during check in, check out, payment)	-.75	.20	.80	1.27	-1.30	3.61	.70	1.61	-.34	.39	.89	.23
Courtesy of personnel at the restaurant	-2.45	9.33	.45	1.00	-1.93	3.02	.72	2.12	-1.59	2.35	.72	-.06

Courtesy of front office personnel	-2.54	8.72	.38	5.14	-2.16	4.24	.54	5.81	-1.77	2.88	.67	.23
Reliability of employees at the restaurant	-2.80	1.57	.60	3.46	-3.49	6.79	.54	4.01	.77	.45	.90	1.48
Reliability of front office employees	1.06	7.82	.49	1.83	-2.36	6.06	.47	5.33	-1.99	7.36	1.10	7.05
Knowledge and skills of staff at the restaurant	-1.69	2.73	.57	.86	-1.87	3.00	.58	3.94	-.41	-.99	.70	-.89
Knowledge and skills of front office staff	-1.45	1.36	.61	3.25	-2.18	5.48	.62	2.81	-1.09	1.08	.65	.23
Price of menu items	-2.13	5.99	.89	-.91	-2.62	7.82	1.24	2.15	-1.70	3.79	1.08	4.58
Price of rooms	-2.64	7.88	.83	-.66	-2.15	6.75	1.01	3.05	-1.70	2.81	1.15	3.95
Value for money derived from the meal	-2.21	5.07	.94	5.21	-2.37	6.10	.76	.28	-1.31	2.33	1.27	2.82
Value for money derived from staying in the hotel	-2.61	7.24	.89	5.60	-3.16	1.34	.97	1.67	-1.81	4.91	1.14	4.74
Benefits given to repeat customers	-1.72	3.03	.98	1.46	-2.41	7.06	.83	1.56	-1.20	.75	1.17	5.48
Atmosphere of restaurant (e.g noise, music)	-1.37	1.99	.72	-.98	-2.24	7.07	.58	.16	1.24	5.74	1.00	3.83
Atmosphere of the rooms and lobby (e.g. noise, music)	-1.75	4.14	.87	-.54	-2.75	9.79	.61	.05	-1.06	1.26	1.02	.91
Layout and decor of the restaurant (e.g furniture, colour scheme, furnishing)	-1.40	2.80	1.09	-.57	-1.06	1.05	.66	1.03	-.72	.37	1.02	1.33
Layout and decor of the rooms and lobby (e.g furniture, colour scheme, furnishing)	-1.77	4.98	.90	.84	-1.08	.80	.78	1.34	-.89	1.18	1.08	-.39
Other customers in the hotel (e.g appearance, behaviour)	-.63	-.82	2.00	.52	-.82	.78	1.90	1.30	-.75	.53	1.54	-.77
Crowding at the hotel	-.62	-.33	1.10	-.79	-.60	.62	1.46	.61	-.15	-.98	2.08	1.06
Appearance of staff at the hotel (e.g uniform)	-1.23	1.14	.91	.17	-2.31	5.90	.84	.12	-1.16	2.72	1.32	.73
Appearance of the hotel's exterior (e.g landscape)	-1.01	.77	1.13	2.56	-2.01	5.59	.81	-.37	-.56	-.45	.91	2.06
Business hours of operation of the restaurant	-1.87	4.02	.94	.35	-2.37	5.60	.92	-.08	3.11	5.56	1.06	3.72
Location of the hotel (e.g convenience, views)	-2.44	7.37	.94	3.43	-2.50	7.08	.47	-.20	-.99	.35	.50	1.28
Accessibility of the hotel	-2.80	9.32	.62	.36	-2.33	6.01	.54	.32	-1.25	1.59	.56	4.48

Security at the hotel		-4.57	6.10	.50	6.92	-2.53	5.00	.49	6.26	-2.47	7.43	.39	2.84
Parking availability at the hotel		-.27	-1.57	.67	-.76	-1.18	1.74	.81	.008	-.49	-.71	.64	.92
The hotel's corporate social responsibility activities		-2.13	3.67	1.79	-.64	-2.69	7.33	1.45	-.42	-1.98	3.53	1.48	.51

Appendix L Means, standard deviations, skewness and kurtosis of promotional tools

Promotional tools	Promotional tools used by excellent hotels				Promotional tools used by four and five star hotels in Kenya			
	Mean	SD	Skewness	Kurtosis	Mean	SD	Skewness	Kurtosis
Corporate social responsibility	5.19	1.66	2.77	.23	4.81	1.57	2.47	2.93
Experiential marketing	5.05	1.58	2.51	.15	4.72	1.52	2.34	-.20
Relationship marketing	5.83	1.50	2.25	3.97	5.56	1.45	2.12	1.25
Sales promotion	5.85	1.34	1.81	3.10	5.80	1.20	1.44	1.07
Personal selling	5.84	1.39	1.93	1.46	5.72	1.24	1.54	.84
Public relations	6.17	1.30	1.69	6.38	5.81	1.25	1.57	1.09
Advertising	6.03	1.34	1.82	4.66	5.88	1.26	1.59	1.26
Internet marketing	6.25	1.26	1.59	4.54	6.25	1.07	1.16	4.82

Appendix M Means, standard deviations, skewness and kurtosis of performance measures

Performance indicators	Performance of four and five star hotels in Kenya				Performance of excellent hotels			
	Mean	SD	Skewness	Kurtosis	Mean	SD	Skewness	Kurtosis
Profits	5.84	.99	.98	-1.04	6.26	.92	.85	.87
Sales volume	5.89	1.05	1.10	-.68	6.37	.75	.57	2.58
Market share	5.75	1.11	1.23	-.28	6.27	1.16	1.35	5.55
Return on investment	5.68	1.04	1.08	-.27	6.34	.90	.82	1.19
Cash inflow	5.46	1.16	1.36	-1.08	6.42	.87	.66	2.90
Competitive advantages	5.95	.97	.95	-.61	6.40	.78	.61	2.18
Competitive position	5.96	.94	.89	.04	6.48	.72	.52	4.96
Market penetration	5.90	1.09	1.19	7.11	6.52	.74	.54	1.66
Customer satisfaction	6.07	.93	.86	-.33	6.57	.63	.40	2.08
Market image and awareness	6.15	.82	.68	-.1.13	6.43	.69	.48	.46

Appendix N Mapping of guests' interviews on factors influencing the purchase decisions of guests in four and five star hotels in Kenya

Theme	Sub theme/Guest participant	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
Atmosphere																											
	Environment	■	■	■	■	■	■	■	■																		
	Atmosphere			■	■																						
	Layout and décor									■	■			■												■	
	Crowding											■															
	Other customers											■															
	Appearance of staff						■						■														■
	Appearance of hotel's exterior						■	■		■				■			■										
Facilities and amenities																											
	Level of automation of processes				■																						
	Parking															■	■										
	Quality of rooms										■					■	■										
	Room amenities									■						■											
	Cleanliness				■								■				■										
Food																											
	Quality of food						■									■	■					■					
	Nutritional content of menu items				■										■												
	Variety of menu	■		■			■			■										■							
	Food safety											■													■		
Hospitality standards																											
	Courtesy of staff			■	■					■						■						■	■	■	■		
	Knowledge and skills of staff															■								■	■		
	Service speed				■											■					■						■
	Reliability of staff			■												■					■						

Location and accessibility		
	Location	
	Convenience	
	Accessibility	
Price, value and discounts		
	Prices	
	Value	
	Discounts	
Security		
	Security	

Appendix O Gap differences on managers' and guests' perceptions of the importance of the factors which influence guests' purchase decisions in four and five star hotels

	Managers' perceptions		Guests' perceptions		Managers' perceptions	Guests' perceptions			
	Mean	SD	Mean	SD	Median	Median	Mann Whitney test	U	p
Variety of menu	6.38	.86	6.07	1.11	7.00	7.00	8565.00	-2.33	.020
Nutritional content of menu items	6.12	.97	6.28	1.25	6.00	7.00	8396.00	-2.69	.007
Food safety at the restaurant	6.59	.70	6.76	.71	7.00	7.00	8485.50	-3.29	.001
Quality of food and beverages	6.50	.81	6.69	.62	7.00	7.00	8852.50	-2.21	.027
Quality of rooms	6.48	.76	6.48	.76	7.00	7.00	10092.50	-.009	.993
Cleanliness of restaurant	6.63	.68	6.74	.56	7.00	7.00	9528.50	-1.44	.265
Cleanliness of rooms	6.59	.70	6.72	.61	7.00	7.00	9218.50	-1.63	.101
Room amenities	6.39	.66	6.18	1.03	6.00	7.00	9591.00	-.77	.436
Room service provided at the hotel	6.27	.91	6.19	1.07	7.00	7.00	9956.00	-.22	.826
Service speed at the restaurant	6.52	.65	6.41	.98	7.00	7.00	10053.00	-.07	.941
Service speed at the front office	6.58	.72	6.40	.93	7.00	7.00	9271.00	-1.36	.172
Level of automation of processes at the restaurant (e.g order taking, payment)	6.07	.88	5.78	1.12	6.00	6.00	9057.00	-1.53	.126
Level of automation of processes at the front desk (e.g during check in, check out, payment)	6.21	.89	5.81	1.12	6.00	6.00	8262.50	-2.71	.007
Courtesy of personnel at the restaurant	6.49	.67	6.62	.70	7.00	7.00	8813.50	-2.18	.029
Courtesy of front office personnel	6.64	.62	6.65	.66	7.00	7.00	9885.00	-.38	.702
Reliability of employees at the restaurant	6.47	.77	6.56	.83	7.00	7.00	9165.50	-1.58	.113
Reliability of front office employees	6.49	.70	6.82	1.32	7.00	7.00	9104.00	-1.67	.094
Knowledge and skills of staff at the restaurant	6.32	.75	6.26	1.12	6.00	7.00	9430.50	-1.04	.296
Knowledge and skills of front office staff	6.37	.78	6.31	1.01	7.00	7.00	9748.50	-.55	.582
Price of menu items	5.95	.94	6.35	.97	6.00	7.00	7370.00	-4.17	.000
Price of rooms	6.10	.91	6.53	.97	6.00	7.00	6951.50	-5.15	.000
Value for money derived from the meal	6.25	.97	6.38	1.10	6.00	7.00	8581.50	-2.43	.015

Value for money derived from staying in the hotel	6.32	.94	6.48	1.07	7.00	7.00	8281.50	-3.07	.002
Benefits given to repeat customers	6.05	.99	5.92	1.42	6.00	6.00	8929.50	-.25	.801
Atmosphere of restaurant (e.g noise, music)	6.12	.85	6.29	.88	6.00	7.00	8843.00	-1.90	.056
Atmosphere of the rooms and lobby (e.g. noise, music)	6.13	.93	6.54	.68	6.00	7.00	7733.00	-3.74	.000
Layout and decor of the restaurant (e.g furniture, colour scheme, furnishing)	5.91	1.04	6.00	1.09	6.00	6.00	9484.50	-.90	.363
Layout and decor of the rooms and lobby (e.g furniture, colour scheme, furnishing)	5.99	.94	6.12	1.01	6.00	6.00	9040.50	-1.58	.114
Other customers in the hotel (e.g appearance, behaviour)	5.60	1.41	4.73	1.99	6.00	5.00	7643.50	-3.52	.000
Crowding at the hotel	5.92	1.05	5.14	1.55	6.00	5.00	7265.00	-4.09	.000
Appearance of staff at the hotel (e.g uniform)	6.13	.95	6.02	1.13	6.00	6.00	9807.00	-.43	.663
Appearance of the hotel's exterior (e.g landscape)	5.88	1.06	6.09	.93	6.00	6.00	8941.50	-1.72	.084
Business hours of operation of the restaurant	5.97	.96	6.29	.99	6.00	7.00	7821.50	-3.46	.001
Location of the hotel (e.g convenience, views)	6.12	.97	6.48	.89	6.00	7.00	7531.50	-4.07	.000
Accessibility of the hotel	6.28	.78	6.58	.82	7.00	7.00	7591.50	-.41	.000
Security at the hotel	6.65	.71	6.78	.67	6.00	7.00	9056.00	-2.25	.024
Parking availability at the hotel	6.13	.82	4.13	2.33	6.00	5.00	5264.00	-6.97	.000

Note: 1. Not at all important, 7. Extremely important

Appendix P Marketing strategies employed by four and five star hotels in Kenya-Content analysis

Marketing strategy	Marketing tools	N
Customer relationship management		
	Customer relationship management	8
	Best services to win hotel guests back	3
	Marketing mix	3
	Product differentiation	2
	Focus on customer experiences	1
	Customer feedback tactics	1
	Repeat clients	1
	Good service	1
	Customer loyalty	1
	Market research	1
	High quality service	1
	Local contacts with guests	1
	Guest questionnaires	1
	Guest questionnaires and comments	1
	Creating new business opportunities	1
	Excellent products and services	1
	Pricing strategies	1
Total		**29**
Promotions		
	Advertisements	
	Advertisements	8
	Media	8
	Brochures	6
	Billboards	4
	Radio broadcast	3
	Television broadcast	3
	Flyers	3
	Road shows	2
	Word of mouth	2
	Digital marketing	2
	Prints	2
	Open air caravans	1
	Adverts in dailies	1
	Adverts in print media and radio stations like Capital FM	1
	Posters	1
	Local and international advertising	1
	Electronic services in lifts and reception areas	1
Total		**49**
	Internet marketing	
	Internet marketing	20
	Electronic mails	3
	Trip advisor	2
	Global distribution system	2
	Websites	2
	Online guest comments	1

	Electronic marketing	1
	Internet and websites	1
	Twitter	1
	Facebook	1
Total		**34**
	Personal selling	
	Sales calls and visits	6
	Telephones	4
	One on one campaigns	3
	Familiarisation trips for tour operators, travel agents and customers	3
	Familiarization trips	3
	Door to door marketing	1
	Manage customer accounts with keen follow up	1
	Establishing new accounts with an aim of maintaining them for future business	1
	Sales visits to tour operators	1
Total		**23**
	Sales promotion	
	Sales promotion	2
	Discounts to resident guests	2
	Gift vouchers	2
	Special offers at different seasons	2
	Value adds	1
	Free nights	1
	Holiday packages	1
	Special offers in low occupancy to boost sales	1
	Complementary offers to repeat guests and honeymooners	1
Total		**13**
	Travel agents and tour operators	
	Travel agents	6
	Tour operators	6
	Travel agents and tour operators	2
Total		**14**
	Public relations	
	Exhibitions	4
	Events	3
	Expos and trade fairs	3
	Corporate social responsibility	3
	Sponsoring events	2
	Public relations	1
	Trade fairs and exhibitions	1
	Partnerships	1
	International trade fairs	1
	Local and international expos	1
	Trade fairs	1
Total		**21**

Appendix Q Gap differences on guests' expectations and perceptions on the marketing strategies of four and five star hotels in Kenya addressing the factors which influence their purchase decisions

	Guests' expectations		Guests' perceptions		Guests' expectations	Guests' perceptions	Wilcoxon tests	
	Mean	SD	Mean	SD	Median	Median	z	p
Variety of menu	6.44	.88	5.84	1.06	7.00	6.00	-6.89	.000
Nutritional content of menu items	6.55	.93	6.27	.88	7.00	6.00	-4.45	.000
Food safety at the restaurant	6.78	.58	6.53	.85	7.00	7.00	-4.59	.000
Quality of food and beverages	6.73	.58	6.44	.77	7.00	7.00	-5.48	.000
Quality of rooms	6.70	.57	6.18	.98	7.00	7.00	-7.67	.000
Cleanliness of restaurant	6.77	.48	6.58	.73	7.00	6.00	-4.02	.000
Cleanliness of rooms	6.76	.53	6.50	.87	7.00	7.00	-5.02	.000
Room amenities	6.48	.78	6.21	1.16	7.00	7.00	-6.52	.000
Room service provided at the hotel	6.48	.84	5.86	1.03	7.00	6.00	-6.76	.000
Service speed at the restaurant	6.55	.93	5.98	.96	7.00	6.00	-6.65	.000
Service speed at the front office	6.63	.76	6.12	.98	7.00	6.00	-6.42	.000
Level of automation of processes at the restaurant (e.g. order taking, payment)	6.20	.84	5.57	1.18	7.00	6.00	-7.41	.000
Level of automation of processes at the front desk (e.g. during check in, check out, payment)	6.23	.79	5.72	1.04	6.00	6.00	-6.86	.000
Courtesy of personnel at the restaurant	6.66	.66	6.44	.82	6.00	7.00	-3.97	.000
Courtesy of front office personnel	6.68	.65	6.45	.89	7.00	7.00	-3.84	.000
Reliability of employees at the restaurant	6.66	.77	6.25	.84	7.00	6.00	-6.13	.000
Reliability of front office employees	6.65	.70	6.39	.85	7.00	7.00	-4.22	.000
Knowledge and skills of staff at the restaurant	6.59	.72	5.96	.96	7.00	6.00	-7.05	.000
Knowledge and skills of front office staff	6.62	.70	6.23	.86	7.00	6.00	-5.75	.000
Price of menu items	6.50	.99	5.93	1.24	7.00	6.00	-7.15	.000
Price of rooms	6.49	1.03	5.94	1.40	7.00	6.00	-6.37	.000
Value for money derived from the meal	6.44	1.06	6.01	1.09	7.00	6.00	-5.60	.000

Value for money derived from staying in the hotel	6.51	1.09	6.20	.99	7.00	6.00	-5.06	.000
Benefits given to repeat guests	6.18	1.21	5.35	1.74	7.00	6.00	-7.03	.000
Atmosphere of restaurant (e.g. noise, music)	6.59	.69	6.44	1.14	7.00	6.00	-5.95	.000
Atmosphere of the rooms and lobby (e.g. noise, music)	6.67	.66	6.26	.82	7.00	6.00	-6.00	.000
Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	6.38	.70	5.89	1.01	7.00	6.00	-6.50	.000
Layout and decor of the rooms and lobby (e.g. furniture, colour scheme, furnishing)	6.42	.70	6.00	.93	7.00	6.00	-6.01	.000
Other customers in the hotel (e.g. appearance, behaviour)	5.53	1.20	5.08	1.46	7.00	6.00	-3.93	.000
Crowding at the hotel	5.08	1.66	4.44	1.69	6.00	5.00	-.67	.503
Appearance of staff at the hotel (e.g. uniform)	6.58	.77	6.00	.99	7.00	6.00	-6.80	.000
Appearance of the hotel's exterior (e.g. landscape)	6.45	.77	5.99	.93	7.00	6.00	-5.42	000
Business hours of operation of the restaurant	6.55	.89	6.42	1.35	7.00	7.00	-3.86	.000
Location of the hotel (e.g. convenience, views)	6.63	.76	6.38	.73	7.00	7.00	-4.54	.000
Accessibility of the hotel	6.69	.65	6.38	.74	7.00	7.00	-3.15	.000
Security at the hotel	6.78	.55	6.62	.72	7.00	7.00	-5.09	.002
Parking availability at the hotel	5.31	1.37	4.67	1.79	6.00	6.00	-4.88	.000

Note: 1. To no extent at all, 7. To a very large extent

Appendix R Gap differences on managers' expectations and perceptions on the marketing strategies of four and five star hotels in Kenya addressing the factors which influence the guests' purchase decisions

	Managers' expectations		Managers' perceptions		Managers' expectations	Managers' perceptions	Wilcoxon tests	
	Mean	SD	Mean	SD	Median	Median	z	p
Variety of menu	6.33	.84	6.22	.88	7.00	6.00	-1.20	.230
Nutritional content of menu items	6.22	1.13	5.61	1.49	7.00	7.00	-5.03	.000
Food safety at the restaurant	6.55	1.49	6.28	.72	7.00	7.00	-2.98	.003
Quality of food and beverages	6.52	.68	6.48	.80	7.00	7.00	-.51	.610
Quality of rooms	6.56	.68	6.53	.72	7.00	7.00	-.26	.788
Cleanliness of restaurant	6.59	.67	6.34	.86	7.00	7.00	-2.87	.004
Cleanliness of rooms	6.59	.64	6.44	.83	7.00	7.00	-1.68	.093
Room amenities	6.53	.65	6.28	.91	7.00	7.00	-3.05	.002
Room service provided at the hotel	6.42	.77	6.27	.90	7.00	7.00	-1.43	.152
Service speed at the restaurant	6.56	.68	6.15	1.11	7.00	7.00	-3.36	.001
Service speed at the front office	6.59	.66	6.22	1.09	7.00	7.00	-3.00	.003
Level of automation of processes at the restaurant (e.g. order taking, payment)	6.30	.87	5.72	1.42	7.00	6.00	-3.54	.000
Level of automation of processes at the front desk (e.g. during check in, check out, payment)	6.29	.83	6.08	.94	6.00	7.00	-1.94	.052
Courtesy of personnel at the restaurant	6.48	.85	6.42	.84	7.00	7.00	-.53	.591
Courtesy of front office personnel	6.57	.73	6.32	.82	7.00	7.00	-2.98	.003
Reliability of employees at the restaurant	6.50	.74	6.34	.94	7.00	7.00	-1.83	.067
Reliability of front office employees	6.48	.68	6.37	1.05	7.00	7.00	-.98	.323
Knowledge and skills of staff at the restaurant	6.49	.76	6.30	.84	7.00	7.00	-2.11	.034
Knowledge and skills of front office staff	6.41	.78	6.31	.80	7.00	7.00	-1.22	.222
Price of menu items	6.15	1.11	6.07	1.04	6.00	7.00	-.57	.564
Price of rooms	6.24	1.07	5.97	.87	7.00	7.00	-2.28	.022

Value for money derived from the meal	6.28	.87	6.11	1.12	7.00	7.00	-1.80	.071
Value for money derived from staying in the hotel	6.32	.94	6.25	1.06	7.00.	7.00	-.57	.569
Benefits given to repeat customers	6.31	.91	6.59	1.15	7.00	6.00	-2.99	.003
Atmosphere of restaurant (e.g. noise, music)	6.46	.76	6.00	.99	6.00	7.00	-4.43	.000
Atmosphere of the rooms and lobby (e.g. noise, music)	6.36	.71	6.07	1.01	6.00	7.00	-2.74	.006
Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	6.30	.81	6.07	1.01	6.00	6.00	-1.86	.062
Layout and decor of the rooms and lobby (e.g. furniture, colour scheme, furnishing)	6.25	.88	6.10	1.04	6.00	6.00	-1.07	.283
Other customers in the hotel (e.g. appearance, behaviour)	5.86	1.37	5.76	1.24	7.00	6.00	-.98	.323
Crowding at the hotel	6.08	1.21	5.76	1.44	7.00	6.00	-2.00	.045
Appearance of staff at the hotel (e.g. uniform)	6.35	.91	6.15	1.14	7.00	6.00	-1.76	.077
Appearance of the hotel's exterior (e.g. landscape)	6.26	.90	6.19	.95	7.00	6.00	-.43	.661
Business hours of operation of the restaurant	6.22	.96	6.15	1.03	7.00	6.00	-.59	.551
Location of the hotel (e.g. convenience, views)	6.49	.68	6.43	.71	7.00	7.00	-.61	.536
Accessibility of the hotel	6.46	.74	6.50	.75	7.00	7.00	-.59	.552
Security at the hotel	6.60	.70	6.62	.62	7.00	7.00	-.33	.741
Parking availability at the hotel	6.26	.90	6.43	.80	7.00	5.00	-2.18	.029
Experiential marketing	5.05	1.58	4.72	1.52	5.00	5.00	-2.43	.015
Relationship marketing	5.83	1.50	5.56	1.45	5.00	5.00	-2.50	.012
Sales promotion	5.85	1.34	5.80	1.20	6.00	6.00	-1.92	.156
Personal selling	5.84	1.39	5.72	1.24	6.00	6.00	-1.73	.082
Public relations	6.17	1.30	5.81	1.25	6.00	6.00	-3.56	.000
Advertising	6.03	1.34	5.88	1.26	7.00	6.00	-1.74	.054
Internet marketing	6.25	1.26	6.25	1.07	6.00	6.00	-.80	.418
Corporate social responsibility	5.19	1.66	4.81	1.57	7.00	7.00	-2.88	.004

Note: 1. To no extent at all, 7. To a very large extent

Appendix S Gap differences on managers' and guests' perceptions on the marketing strategies of four and five star hotels in Kenya addressing the factors which influence guests' purchase decisions

	Managers' perceptions		Guests' perceptions		Managers' perceptions	Guests' perception	Mann Whitney test	
	Mean	SD	Mean	SD	Median	Median	U	p
Variety of menu	6.22	.88	5.84	1.06	6.00	6.00	-3.13	.002
Nutritional content of menu items	5.61	1.49	6.27	.88	7.00	6.00	-3.79	.000
Food safety at the restaurant	6.28	.90	6.53	.85	7.00	7.00	-2.86	.004
Quality of food and beverages	6.48	.80	6.44	.77	7.00	7.00	-.56	.575
Quality of rooms	6.53	.72	6.18	.98	7.00	7.00	-3.28	.001
Cleanliness of restaurant	6.34	.86	6.58	.73	7.00	7.00	-2.60	.009
Cleanliness of rooms	6.44	.83	6.50	.87	7.00	7.00	-.93	.348
Room amenities	6.28	.91	6.21	1.16	7.00	6.00	-3.32	.001
Room service provided at the hotel	6.27	.90	5.86	1.03	7.00	6.00	-3.40	.001
Service speed at the restaurant	6.15	1.11	5.98	.96	7.00	6.00	-2.21	.027
Service speed at the front office	6.22	1.09	6.12	.98	7.00	6.00	-1.51	.129
Level of automation of processes at the restaurant (e.g. order taking, payment)	5.72	1.42	5.57	1.18	6.00	6.00	-1.75	.079
Level of automation of processes at the front desk (e.g. during check in, check out, payment)	6.08	.94	5.72	1.04	7.00	7.00	-2.91	.004
Courtesy of personnel at the restaurant	6.42	.84	6.44	.82	7.00	7.00	-.03	.976
Courtesy of front office personnel	6.32	.82	6.45	.89	7.00	7.00	-1.98	.047
Reliability of employees at the restaurant	6.34	.94	6.25	.84	7.00	7.00	-1.37	.170
Reliability of front office employees	6.37	1.05	6.39	.85	7.00	6.00	-.64	.525
Knowledge and skills of staff at the restaurant	6.30	.84	5.96	.96	7.00	6.00	-2.85	.004
Knowledge and skills of front office staff	6.31	.80	6.23	.86	7.00	6.00	-.65	.570
Price of menu items	6.07	1.04	5.93	1.24	7.00	6.00	-.56	.574
Price of rooms	5.97	1.07	5.94	1.40	7.00	6.00	-1.03	.300
Value for money derived from the meal	6.11	1.12	6.01	1.09	7.00	6.00	-1.12	.261
Value for money derived from staying in the hotel	6.25	1.06	6.20	.99	7.00	6.00	-.81	.413

Benefits given to repeat customers	6.59	1.10	5.35	1.70	6.00	6.00	-2.51	.012
Atmosphere of restaurant (e.g. noise, music)	6.00	.99	6.44	1.14	7.00	6.00	-.89	.368
Atmosphere of the rooms and lobby (e.g. noise, music)	6.07	1.01	6.26	.82	7.00	6.00	-1.24	.212
Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	6.07	1.01	5.89	1.04	6.00	6.00	-1.78	.074
Layout and decor of the rooms and lobby (e.g. furniture, colour scheme, furnishing)	6.10	1.04	6.00	.93	6.00	6.00	-1.42	.153
Other customers in the hotel (e.g. appearance, behaviour)	5.76	1.24	5.08	1.46	6.00	6.00	-3.87	.000
Crowding at the hotel	5.76	1.44	4.44	1.69	6.00	6.00	-6.50	.000
Appearance of staff at the hotel (e.g. uniform)	6.15	1.14	6.00	.99	6.00	6.00	-2.15	.031
Appearance of the hotel's exterior (e.g. landscape)	6.19	.95	5.99	.93	6.00	6.00	-2.08	037
Business hours of operation of the restaurant	6.15	1.03	6.42	1.35	6.00	6.00	-.75	.448
Location of the hotel (e.g. convenience, views)	6.43	.71	6.38	.73	7.00	7.00	-.42	.670
Accessibility of the hotel	6.50	.75	6.38	.74	7.00	7.00	-1.08	.277
Security at the hotel	6.62	.62	6.62	.72	7.00	7.00	-.32	.743
Parking availability at the hotel	6.43	.80	4.67	1.79	5.00	5.00	-8.77	.000

Note: 1. To no extent al all, 7. To a very large extent

Appendix T Gap differences on managers' and guests' expectations on the marketing strategies of four and five star hotels in Kenya addressing the factors which influence the guests' purchase decisions

	Managers' expectations		Guests' expectations		Managers' expectations	Guests' expectations			
	Mean	SD	Mean	SD	Median	Median	Mann Whitney test	U	p
Variety of menu	6.33	.84	6.44	.88	7.00	7.00	9193.50	-1.45	.145
Nutritional content of menu items	6.22	1.13	6.55	.93	7.00	7.00	8538.00	-2.64	.008
Food safety at the restaurant	6.55	.72	6.78	.58	7.00	7.00	8558.00	-3.04	.002
Quality of food and beverages	6.52	.68	6.73	.58	7.00	7.00	8510.50	-2.89	.004
Quality of rooms	6.56	.68	6.70	.57	7.00	7.00	9169.50	-1.66	.096
Cleanliness of restaurant	6.59	.67	6.77	.48	7.00	7.00	8932.50	-2.22	.026
Cleanliness of rooms	6.59	.64	6.76	.53	7.00	7.00	8810.50	-2.46	.014
Room amenities	6.53	.65	6.48	.78	7.00	7.00	10056.00	-.06	.945
Room service provided at the hotel	6.42	.77	6.48	.84	7.00	7.00	9371.50	-1.19	.233
Service speed at the restaurant	6.56	.68	6.55	.93	7.00	7.00	9484.50	-1.07	.284
Service speed at the front office	6.59	.66	6.63	.76	7.00	7.00	9417.00	-1.21	.224
Level of automation of processes at the restaurant (e.g. order taking, payment)	6.30	.87	6.20	.84	7.00	7.00	9252.50	-1.28	.198
Level of automation of processes at the front desk (e.g. during check in, check out, payment)	6.29	.83	6.23	.79	6.00	6.00	9471.00	-.96	.337
Courtesy of personnel at the restaurant	6.48	.85	6.66	.66	7.00	6.00	9150.50	-1.71	.087
Courtesy of front office personnel	6.57	.73	6.68	.65	7.00	7.00	9280.50	-1.50	.133
Reliability of employees at the restaurant	6.50	.74	6.66	.77	7.00	7.00	8688.00	-2.52	.012
Reliability of front office employees	6.48	.68	6.65	.70	7.00	7.00	8287.50	-3.13	.002
Knowledge and skills of staff at the restaurant	6.49	.68	6.59	.72	7.00	7.00	9214.50	-1.51	.130
Knowledge and skills of front office staff	6.41	.78	6.62	.70	7.00	7.00	8487.00	-2.72	.007
Price of menu items	6.15	1.11	6.50	.99	6.00	7.00	7992.00	-3.46	.001
Price of rooms	6.24	1.00	6.49	1.03	7.00	7.00	8132.50	-3.29	.001

Value for money derived from the meal	6.28	.87	6.44	1.06	7.00	.00	8404.00	-2.78	.005
Value for money derived from staying in the hotel	6.32	.98	6.51	1.09	7.00	7.00	8166.00	-.51	.605
Benefits given to repeat customers	6.31	.91	6.18	1.21	7.00	7.00	9763.50	-1.34	.180
Atmosphere of restaurant (e.g. noise, music)	6.46	.76	6.59	.69	6.00	7.00	9297.00	-4.51	.000
Atmosphere of the rooms and lobby (e.g. noise, music)	6.36	.71	6.67	.66	6.00	7.00	7429.00	-.59	.550
Layout and decor of the restaurant (e.g. furniture, colour scheme, furnishing)	6.30	.81	6.38	.70	6.00	7.00	9714.50	-1.33	.182
Layout and decor of the rooms and lobby (e.g. furniture, colour scheme, furnishing)	6.25	.88	6.42	.70	6.00	7.00	9241.00	-3.00	.003
Other customers in the hotel (e.g. appearance, behaviour)	5.86	1.37	5.53	1.20	7.00	7.00	8034.00	-.53	.000
Crowding at the hotel	6.08	1.21	5.08	1.66	7.00	6.00	6400.50	-2.15	.031
Appearance of staff at the hotel (e.g. uniform)	6.35	.91	6.58	.77	7.00	7.00	8828.00	-1.63	.103
Appearance of the hotel's exterior (e.g. landscape)	6.26	.90	6.45	.77	7.00	7.00	9064.50	-3.65	000
Business hours of operation of the restaurant	6.22	.96	6.55	.89	7.00	7.00	7916.50	-2.66	.008
Location of the hotel (e.g. convenience, views)	6.49	.89	6.63	.76	7.00	7.00	8382.50	-3.24	.001
Accessibility of the hotel	6.46	.74	6.69	.65	7.00	7.00	8279.50	-2.96	.003
Security at the hotel	6.60	.70	6.78	.55	7.00	7.00	8647.00	-6.26	.000
Parking availability at the hotel	6.26	.90	5.31	1.37	7.00	6.00	5831.50	-3.59	.000

Note: 1. To no extent at all, 7. To a very large extent

Appendix U t-statistics of indicators of latent variables in the new and validated model

	t statistics	p values
Accessibility <--- Destination	4.30	.000
Advertising <--- Communication	5.82	.000
Appearance of hotel's exterior <--- Destination	4.85	.000
Atmosphere of restaurant <--- Ambience	13.73	.000
Atmosphere of rooms <--- Ambience	13.52	.000
Automation at front office <--- Service	3.38	.001
Automation at restaurant <--- Service	4.37	.000
Business hours of operation <--- Destination	5.70	.000
Courtesy of front desk staff <--- Hospitality	13.30	.000
Courtesy of restaurant staff <--- Hospitality	21.56	.000
Experiential marketing <--- Communication	6.84	.000
Food Safety <--- Product	9.22	.000
Internet Marketing <--- Communication	7.15	.000
Knowledge and skills of front desk staff <--- Hospitality	15.96	.000
Knowledge and skills of restaurant staff <--- Hospitality	20.25	.000
Layout and decor of restaurant <--- Ambience	10.12	.000
Layout and decor of rooms <--- Ambience	7.71	.000
Location <--- Destination	3.15	.002
Parking availability <--- Destination	5.60	.000
Personal selling <--- Communication	7.97	.000
Corporate social responsibility <--- Communication	3.63	.000
Quality of food <--- Product	9.58	.000
Quality of rooms <--- Product	8.54	.000
Relationship marketing <--- Communication	5.21	.000
Reliability of front desk staff <--- Hospitality	21.05	.000
Reliability of restaurant Staff <--- Hospitality	24.61	.000
Room amenities <--- Product	9.81	.000
Sales promotion <---Communication	9.02	.000
Security <---Destination	3.94	.000
Service speed at front desk <---Service	6.28	.000
Service speed at restaurant <---Service	5.49	.000
Value of hotel stay <---Value	10.38	.000
Value of meal <---Value	10.89	.000

Appendix V Reliability and convergent validity of constructs in the new and validated model

Latent variable	Indicators	Factor loadings	Indicator reliability i.e. loadings^2	Composite reliability	Average variance extracted
Ambience	Atmosphere of the restaurant	.86	.74	.92	.75
	Atmosphere of the rooms	.88	.79		
	Layout and decor of the restaurant	.88	.78		
	Layout and decor of the rooms	.83	.69		
Communication	Advertising	.76	.58	.92	.64
	Experiential marketing	.76	.58		
	Internet marketing	.82	.68		
	Personal selling	.88	.77		
	Relationship marketing	.75	.57		
	Sales promotion	.91	.83		
	Corporate social responsibility	.63	.40		
Destination	Accessibility	.79	.62	.91	.63
	Appearance of hotel's exterior	.83	.69		
	Business hours of operation	.80	.64		
	Location	.69	.47		
	Parking availability	.86	.73		
	Security	.78	.61		
Hospitality	Courtesy of staff at the front desk	.89	.80	.96	.80
	Courtesy of staff at the restaurant	.91	.83		
	Knowledge and skills of staff at the front desk	.85	.73		
	Knowledge and skills of staff at the restaurant	.87	.76		
	Reliability of staff at the front desk	.89	.80		
	Reliability of staff at the restaurant	.93	.87		
Product	Food safety	.86	.73	.94	.80
	Quality of food	.90	.82		
	Quality of rooms	.88	.79		
	Room amenities	.92	.85		
Service	Automation of processes at the front desk	.73	.54	.89	.68
	Automation of processes at the restaurant	.83	.68		
	Service speed at the front desk	.89	.79		
	Service speed at the restaurant	.85	.72		
Value	Value of the stay	.98	.97	.97	.95
	Value of the meal	.96	.93		

Appendix W Fornell-larcker criterion for the discriminant validity of constructs in the new and validated model

	Ambience	Cash inflow	Communication	Competitive advantages	Competitive position	Customer satisfaction	Destination	Hospitality	Market penetration	Market share	Product	Profits	Return on investment	Sales volume	Service	Value
Ambience	.87															
Cash inflow	.32	SIC														
Communication	.19	.10	.80													
Competitive advantages	.17	.60	.17	SIC												
Competitive position	.17	.51	.15	.70	SIC											
Customer satisfaction	.12	.65	.10	.62	.68	SIC										
Destination	.64	.39	.19	.32	.18	.22	.80									
Hospitality	.55	.33	.18	.39	.26	.21	.79	.89								
Market penetration	.16	.58	.09	.65	.83	.77	.28	.29	SIC							
Market share	.10	.37	.23	.31	.59	.68	.19	.12	.65	SIC						
Product	.61	.26	.28	.34	.18	.12	.77	.73	.17	.02	.89					
Profits	.11	.72	.14	.51	.38	.58	.32	.23	.55	.53	.17	SIC				
Return on investment	.27	.76	.09	.57	.59	.61	.33	.42	.71	.43	.27	.72	SIC			
Sales volume	.11	.69	.12	.61	.64	.78	.22	.19	.67	.67	.15	.84	.69	SIC		
Service	.63	.42	.25	.41	.34	.35	.72	.79	.34	.20	.72	.28	.40	.31	.82	
Value	.59	.11	.18	.14	.11	.07	.64	.71	.08	.16	.57	.08	.09	.02	.62	.97

NB: SIC-Single item construct

Appendix X Variance inflation factor values of inner model (direct effects) in the new and validated model

	Cash inflow	Competitive advantages	Competitive position	Customer satisfaction	Market penetration	Market share	Profits	Return on investment	Sales volume
Ambience	1.03								
Communication					1.01				
Competitive advantages	2.24						2.27		
Competitive position							3.25		
Customer satisfaction		1.02	1.00		1.05	1.01			1.00
Destination							1.16		
Hospitality					1.05			2.60	
Market penetration	2.82						3.20	2.34	
Market share	2.42							2.43	
Product		1.02							
Sales volume	2.72						2.03	2.32	
Service				1.00					
Value								2.46	

Appendix Y Guests' memorable experiences in four and five star hotels in Kenya-Narrative analysis

Most memorable experiences in four and five star hotels	Frequency	Percent	Cumulative percent
No response	5	2.52	2.52
Atmosphere	19	9.59	12.11
Hospitality and environment	18	9.09	21.20
Hospitality and atmosphere	16	8.08	29.28
Hospitality	12	6.06	35.34
Food	10	5.05	40.39
Atmosphere, environment and hospitality	9	4.54	44.93
Entertainment and food	8	4.04	48.97
Hospitality, atmosphere and entertainment	7	3.53	52.50
Food and atmosphere	4	2.02	54.52
Hospitality and entertainment	4	2.02	56.54
Amenities	4	2.02	58.56
Entertainment	4	2.02	60.58
Environment	4	2.02	63.00
Service and food	4	2.02	65.02
Hospitality and food	4	2.02	67.04
Hospitality, entertainment and food	4	2.02	69.06
Service	4	2.02	71.08
Activities and entertainment	4	2.02	73.10
Environment, entertainment and hospitality	4	2.02	75.12
Hospitality, entertainment and activities	4	2.02	76.63
Making friends	3	1.51	78.14
Service and atmosphere	3	1.51	79.65
Hospitality	3	1.51	81.16
Environment and entertainment	3	1.51	82.67
Atmosphere, hospitality and activities	3	1.51	83.68
Entertainment, food, hospitality and atmosphere	2	1.01	84.69
Entertainment, food, hospitality and activities	2	1.01	85.70
Hospitality, atmosphere and food	2	1.01	86.71
Activities and food	2	1.01	87.72
Entertainment, food, atmosphere, environment and hospitality	2	1.01	88.73
Hospitality, environment and food	2	1.01	89.74
Hospitality, atmosphere, price and environment	2	1.01	91.85
Service, environment and atmosphere	2	1.01	92.35
Activities	1	.50	92.85
Entertainment, food and environment	1	.50	93.35
Environment, entertainment and service	1	.50	93.85
Hospitality, food and activities	1	.50	94.35
Entertainment, atmosphere, environment and hospitality	1	.50	94.85
Entertainment, food and activities	1	.50	95.35
Atmosphere, environment, hospitality and service	1	.50	95.85
Environment and atmosphere	1	.50	96.35
Hospitality, entertainment, environment and food	1	.50	96.85
Service, amenities and meals	1	.50	97.35
Hospitality, environment and amenities	1	.50	97.85
Service, hospitality and prices	1	.50	98.35
Prices, service and activities	1	.50	98.85
Activities and amenities	1	.50	99.35
Activities, food and atmosphere	1	.50	99.85
Entertainment, environment, atmosphere and activities	1	.50	100.00
Total	**198**	**100.00**	**100.00**

Appendix Z Path coefficients, f^2 statistics, t statistics and p values of direct relationships between exogenous and endogenous variables in the new and validated model

	Direct effects	f^2 statistic	t statistics	p values
Ambience ---> Cash inflow	.23	.13	3.47	.001
Communication ---> Market share	.17	.05	2.24	.025
Competitive advantages ---> Cash inflow	.13	.02	0.90	.037
Competitive advantages ---> Profits	.13	.02	1.45	.015
Competitive position ---> Profits	-.27	.18	4.04	.000
Customer satisfaction ---> Competitive advantages	.59	.62	6.95	.000
Customer satisfaction ---> Competitive position	.68	.85	8.42	.000
Customer satisfaction ---> Market penetration	.74	1.37	10.35	.000
Customer satisfaction ---> Market share	.66	.86	12.12	.000
Customer satisfaction ---> Sales volume	.78	1.57	13.85	.000
Destination ---> Profits	.15	.09	2.09	.036
Hospitality -- -> Market penetration	.13	.04	1.99	.046
Hospitality ---> Return on investment	.41	.22	3.32	.001
Market penetration ---> Cash inflow	.28	.09	2.05	.041
Market penetration ---> Return on investment	.36	.21	3.19	.001
Market share ---> Cash inflow	-.28	.09	2.92	.003
Product ---> Competitive advantages	.27	.13	2.81	.005
Sales volume ---> Cash inflow	.67	.50	4.95	.000
Sales volume ---> Profits	.98	2.30	14.02	.000
Sales volume ---> Return on investment	.37	.23	3.63	.000
Service ---> Customer satisfaction	.35	.14	2.30	.022
Value ---> Return on investment	-.24	.08	2.09	.036

Appendix AA Path coefficients, t-statistics and p values of indirect relationships in the new and validated model

	Indirect effects	t statistics	p values
Communication ---> Cash inflow	-.05	1.62	.104
Customer satisfaction ---> Cash inflow	.54	6.57	.000
Customer satisfaction ---> Profits	.58	8.46	.000
Customer satisfaction ---> Return on investment	.56	8.26	.000
Hospitality ---> Cash inflow	.04	1.34	.181
Hospitality ---> Return on investment	.05	1.57	.117
Service ---> Cash inflow	.19	1.91	.056
Service ---> Competitive advantages	.21	2.09	.037
Service ---> Competitive position	.24	2.02	.044
Service ---> Market penetration	.26	2.21	.027
Service ---> Market share	.24	2.14	.032
Service ---> Profits	.21	2.00	.046
Service ---> Return on investment	.20	2.12	.034
Service ---> Sales volume	.28	2.12	.034
Product --->Cash inflow	-.04	0.87	.390
Product --->Profits	.03	1.25	.210

Appendix AB Path coefficients, t-statistics and p values of total effects in the new and validated model

	Total effects	t statistics	p values
Ambience ---> Cash inflow	.23	3.47	.001
Communication ---> Cash inflow	-.05	1.62	.104
Communication ---> Market share	.17	2.24	.025
Competitive position ---> Profits	-.27	4.04	.000
Customer satisfaction ---> Cash inflow	.54	6.57	.000
Customer satisfaction ---> Competitive advantages	.59	6.95	.000
Customer satisfaction ---> Competitive position	.68	8.42	.000
Customer satisfaction ---> Market penetration	.74	10.35	.000
Customer satisfaction ---> Market share	.66	12.12	.000
Customer satisfaction ---> Profits	.58	8.46	.000
Customer satisfaction ---> Return on investment	.56	8.26	.000
Customer satisfaction ---> Sales volume	.78	13.85	.000
Destination ---> Profits	.15	2.09	.036
Hospitality ---> Cash inflow	.04	1.34	.181
Hospitality -- -> Return on investment	.13	3.82	.000
Market penetration ---> Cash inflow	.28	2.05	.041
Market penetration ---> Return on investment	.36	3.19	.001
Market share ---> Cash inflow	-.28	2.92	.003
Product ---> Competitive advantages	.27	2.81	.005
Sales volume ---> Cash inflow	.67	4.95	.000
Sales volume ---> Profits	.98	14.02	.000
Sales volume ---> Return on investment	.37	3.63	.000
Service ---> Cash inflow	.19	1.91	.056
Service ---> Competitive advantages	.21	2.09	.037
Service ---> Competitive position	.24	2.02	.044
Service ---> Customer satisfaction	.35	2.30	.022
Service ---> Market penetration	.26	2.21	.027
Service ---> Market share	.24	2.14	.032
Service ---> Profits	.21	2.00	.046
Service ---> Return on investment	.20	2.12	.034
Service ---> Sales volume	.28	2.12	.034
Value ---> Return on investment	-.24	2.09	.036
Product --->Cash inflow	.004	.087	.390
Product --->Competitive advantages	.37	2.89	.000
Product --->Profits	.003	1.25	.210

Appendix AC Nature of mediators in the new and validated model

Mediator	Nature of mediation	Relationship between
Customer satisfaction	Indirect	Service strategy and competitive advantages
Customer satisfaction	Indirect	Service strategy and market penetration
Customer satisfaction	Indirect	Service strategy and sales volume
Customer satisfaction	Indirect	Service strategy and market share
Customer satisfaction	Full	Service strategy and competitive position
Sales volume	Partial	Customer satisfaction and return on investment
Market penetration	Partial	Customer satisfaction and return on investment
Sales volume	Partial	Customer satisfaction and profits
Competitive position	Partial	Customer satisfaction and profits

Theme	Sub theme/Management participant	A	B	C	D	E	F	G	H	I
Strategic marketing of hotels										
	Marketing strategy-definition	■								
	External marketing-definition and importance	■		■	■					
	Internal marketing-definition and importance		■			■	■	■		
	Need for marketing strategies to focus on the customer				■		■			
	Marketing strategies should meet customer needs	■							■	
	Offering excellent services, quality, amenities, atmosphere and ambience to enhance customer satisfaction		■	■	■	■				
Hotel marketing and performance										
	Contribution of marketing strategies to performance		■		■	■		■		
	Using quality to increase market shares						■			
	Embracing customer focused marketing strategies		■		■					
	Increasing profits, sales volume, cash inflow, profits, competitive advantages and competitive positions by pleasing the customer	■				■		■		■
	Adopting yield management	■								
	Delighting customers	■								
	Value of marketing strategies				■				■	
	Opportunities for improvement									
Enhancing the performance of hotels										
	Challenges in marketing the hotels							■	■	
	Opportunities for marketing the hotels							■		
	Competition in the hotel industry			■						■
	Fair play in the hotel industry		■					■		
	Role of relationship marketing		■	■						■
	Role of experiential marketing					■	■			
	Limitations of marketing strategies					■	■	■	■	■
	Non-marketing strategies-tightening control systems					■				