

**EFFECT OF CUSTOMER SERVICE PRACTICES ON PERFORMANCE IN THE
HOSPITALITY INDUSTRY: A CASE STUDY OF HOTELS IN NAIROBI COUNTY,
KENYA**

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Abstract

The hospitality industry in Kenya has been growing due to high demand of the services and increased number of both domestic and international tourism. This demand has called for an increase in supply in the market causing a stiff competition among the Hotels within the cities and outside the cities. Managers in the Service delivery organizations including Hotels have opted for strategies to improve customer services. PWC reported that many hotels within Nairobi are operating in losses due poor customer delivery services, and other external factors such as traffic congestion, noise among others. Therefore, this study sought to find out the effect of customer service practices on performance in the hospitality industry. The study was specifically focus on; after sale services and customer orientation and how they influence market performance of hotels in Nairobi County. The study used descriptive research design with a case study method in attempting to describe and explain the mentioned objectives of the study. The population of interest was the three star, four star and five star Hotels within Nairobi County. Data was analysed using descriptive statistics with the help of Statistical Package for Social Sciences (SPSS) IBM 2015 version. In addition linear regression model was used to assist in the determination of the relative importance of each objective on performance of the firm. The study revealed that the factors considered had a positive and significant effect on performance of the Hospitality industry in Nairobi County. The findings on the correlation of the variables indicated that Customer after sale service has the highest strong positive relationship on performance followed by Customer orientation, which also had a strong positive relationship on performance Hotels in Nairobi County. The two variables were found to be statistically significant and with a positive constant implying that increase in Customer after sales services and customer orientation increases the performance of the hotels positively. The study concluded that customer after sales services and Customer orientation increases the market performance of the Hotels in Nairobi County. This may in turn increase the financial performance of these Hotels. Based on the finding the study recommended that Mangers in the Hotels should consider introducing and enhancing Customer after sales service and customer orientation in the Hotels as this will enhance customer retention and performance.

Keywords: *Customer after sale service, Customer Orientation, Performance*

1.1 Introduction

The business environment is more dynamic today than it was 50-60 years ago because people are more stressful and both people and companies seek new challenges. These changes during the last century have led businesses into a new direction. The rise in globalization has led to demand of new products and services. The demands for advisory services have also been on the rise from companies who seek new ways of managing the fast changing market (Anderson, 2011). Transformation of the world to a global village and open markets has encouraged expansion of businesses and entry of new firms to compete in the market intensifying competitive rivalry in the industry (Kinoti, 2012). While rapid changes surround organizations, the service sector face a major challenge caused by consumers increased awareness and exposure to more information. The service companies have to differentiate themselves and strive to be as close as possible to the customers for the business survival. This has led to more emphasize on customer relations, customer care, and development of service strategies to respond to the market situations (Kariuki, 2012).

The service strategy is a distinctive approach employed by a firm to deliver valuable services to the create satisfaction to its customers (Kinoti, 2012). Service strategies includes differentiation, cost leadership, management of human resource to enhance resource capabilities and competence; effective customer care; service standardization to deliver superior value to customers and better technologies; strategic positioning; and general response tactics to counteract internal and external forces such as service diversification to widen geographical coverage and spread risks, market promotion, strategic alliances and partnerships (Kinoti, 2012). Today, many organizations are faced with significant challenges in the area of customer service and service delivery, both internally and externally. The constant change in demographics coupled with high customer

expectations is making organizations rethink its customer service strategies (Buchichi, 2013). Management needs to carefully and critically assess how their companies have performed at developing and implementing a customer-focused service strategy.

Arendt (2008) study on quality practices implementation in Malaysian hotels suggest the application of service quality management as a key for customer retention. Albrecht and Zemke (2004), gives three ingredients of an effective service strategy: market research: the business mission; and the driving values of the organization. The three elements complement each other in the development of service strategies that that are meaningful to deliver value to customers. Porter (2008) says that, 'a company can outperform rivals only if it can establish a difference that it can preserve'. The three components are key components help in the environmental scanning, development of the organizations objectives and necessary strategies. Further Porters pointed out defining the unique ways of enhancing service to customers is a vital contribution of strategy, through innovativeness, differentiated service packages, facilitating speedy ways of solving customers problems, offering convenience, fostering customer relevance, good relations, reliability, assurance, responsiveness, tangibility, empathy, positive attitude as a distinctive trait of the managerial style, and market leadership. Lovelock (2004) observes seven distinctive characteristics of services that is, intangibility, inseparability, heterogeneity, and perishability, and simultaneity, customer participation in the service process, different standards and criteria of services. Some services are highly intangible than other, for instance, teaching, consultant, legal services are highly intangible with almost nil tangible components; fast food and restaurants, hotels, hospitals, travel and tours, repairs and maintenance are low intangible in that they are combined with tangible objects, such as food products, medicines, machinery, tools and equipment.

1.1.2 Hospitality Industry in Kenya

The hospitality industry is a broad category of fields within the service industry that includes lodging, event planning, theme parks, transportation, cruise line, and additional fields within the tourism industry. The hospitality industry is a several billion dollar industry that mostly depends on the availability of leisure time and disposable income. A hospitality unit such as a restaurant, hotel, or even an amusement park consists of multiple groups such as facility maintenance, direct operations (servers, housekeepers, porters, kitchen workers, bartenders, etc.), management, marketing, and human resources.

Hospitality sector is fast growing to the need for hospitality services in Kenya's tourism industry. It has been estimated that over 600 million international tourists travel to different parts of the world annually, and the need for hospitality services is ever increasing. Kenya is one of the countries that has adopted tourism as a major economic sector and the need for hospitality services is rapidly increasing. The industry has grown steadily over the years and, currently, tourism is a major foreign exchange earner for the country, and it contributes over 12% to the Gross Domestic Product (GDP). The development of Hospitality industry in different parts of the world has shown that the industry presents both opportunities for the economic growth particularly in the development, and generation of employment opportunities for local communities. In Kenya, the rapid development of tourism has presented many challenges to the hospitality sector in the provision of accommodation and food services. The challenges include provision of hospitality services to different interest groups from both within the country and from among the international tourists.

1.2 Statement of the problem

Service strategy is about service transition, achievement of operational effectiveness,

efficiency in service delivery and distinctive performance ensuring greater value to the customer and the service provider. The increasing competition in the business environment has called for all firms to embark on strategic management practices in order to remain relevant in the market. Managers in the Service delivery organizations including hotels have opted for strategies to improve customer services. Today hospitality industry is experiencing enormous growth across geographical boundaries, regionally and globally providing a new perspective with increased number of classified hotels. The positive growth has been attributed to the strategic position and the aspect of tourist sites in the country (PWC report, 2012). This has made it complex to manage and meet the challenges posed by the increasing customer demands and competition within the industry. Leading hotels are known to employ strategies that are different than their competitors in every respect and being innovative to achieve competitive edge. This has made it complex to manage and meet the challenges posed by the increasing customer demands and competition within the industry. Recent report from the ministry of tourism show that the hospitality industry has been experiencing various challenges emanating from both the macro and micro environments. Political factors, insecurity and high cost of operations has been linked as the macro economic factors influencing performance in the Hospitality industry in Kenya. However the aspect of strategic management and quality of services has been a key internal factor. PWC (2015) noted that many hotels within Nairobi are operating in losses due poor customer delivery services, traffic inconvenience among other factors. Therefore this has poised a point of interest on manager to embark on service strategy to revive the industry to its initial place in the market.

Several studies have been carried out in respect to effect of service strategies on performance of a firms, among them: Mwangi (2010), on strategic

responses to competition among large fast food restaurants; Mukwa (2005), on differentiation of strategies used by classified hotels industries in major cities in Kenya. Halimi *et al.*, (2011) stated that organisations should focus on customers and take advantage of their personal information in order to perform personalization. Personalization is the procedure of collecting customers' information which helps the firm to create products and services that perfectly provide the customer's desires and needs in order to maintain a long-term relationship between the company and its customers. Success depends on an accuracy of personalization, which is, offering the right product or services to the right customer. According to Wangari (2007), hair salons that employed competitive strategies recorded high performance. The strategies of cost leadership and differentiation influenced the performance positively. Nzioki (2006) in his study of the Tea Manufacturing sector found out that companies that embraced strategic management had positive performance. The existing research has focused on competitive strategies and strategic management practices without specifically reflecting on the aspect of customer service practices. This study sought to bridge the existing gap by reviewing the effects of customer service practices on performance of the hotels in Kenya.

1.3 General objective

The general objective of the study will be to find out the effects of customer service practices on performance in the hospitality industry.

1.3.1 Specific objectives

1. To assess the effect of customer orientation on performance of hotels in Nairobi County
2. To find out the effect of Customer after sale service on performance of hotels in Nairobi County

1.4 Scope of the study

The study will focus on all three star hotels, four star hotels and five star hotel in Nairobi County.

This study will there for deduce information from a few selected hotels. The research is based in Nairobi because the city is a hub of business in Kenya. The study will focus on two key variables which are; after sale service and customer orientation.

2.0 LITERATURE REVIEW

2.1 Theoretical review

2.2.1 Relationship marketing theory

The study was informed by the relational marketing theory (RM) that builds on the transactional approach to marketing which is defined by Keefe (2004) as "...process of planning and executing the conception, pricing, promotion and distribution of ideas goods and services to create exchanges that satisfy individual and organisational objectives." This definition is centered on the concept of the marketing mix that includes product/service, price, promotion and distribution to ensure customer satisfaction. However, the customer is considered as a passive entity that should either accept or reject the product or service. In turn, Gummesson (2008) defines relationship marketing as the "interaction in the network of relationships," which is a paradigm shift from transactional to relational marketing. Transactional marketing is focused on individual transactions based on finding out customer needs and offering the relevant services. Relational marketing, on the other hand, provides a new approach to communication with customers or a loyalty programme. It emphasizes users or customers rather than products/services. According to the relational marketing theory, every employee has a marketing role as its role is focused on the way the organisation deals with its user community. RM is cross functional or a blend of the two approaches.

2.2.2 Social Exchange Theory

Social exchange theory also seeks to explain what motivates actors to behave as they do (Thibaut & Kelley, 1959; Blau, 1964; Kelley & Thibaut, 1978). The Social Exchange Theory views interpersonal

interactions from a cost-benefit perspective, much akin to an economic exchange except that a social exchange deals with the exchange of intangible social costs and benefits (respect, honour, friendship, and caring) and is not governed by explicit rules or agreements. Like economic exchange, social exchange assumes that individuals take part in an exchange only when they expect rewards from it to justify the costs of taking part in it (Bailey, 2008).

The importance of the theory to the study emanates from the fact that, the theory implies that human interaction is a purely rational process that arises and leads to economic success where both the client and the business benefit. The theory favours openness as it was developed in the 1970s when ideas of freedom and openness were preferred. The theory assumes that the ultimate goal of a relationship is intimacy. The variable customer orientation is based on this theory because the theory is clearly based on intimacy on social cost benefit of each customer.

2.3 Conceptual framework

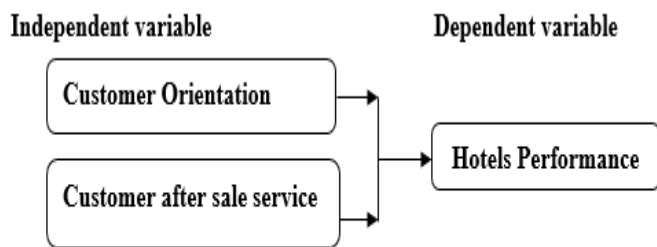


Figure 1 conceptual framework

2.4 Empirical review

2.4.1 After sale service

According to Kotler (2002), attracting a new customer is five times greater than the cost to keep a current customer happy. Gaiardelli, *et al.*, (2007) define after sale service as those activities taking place after the purchase of the product and devoted to supporting customers in the usage and disposal of the goods to make them loyal. While according to Rigopoulou, *et al.*, (2008) after-sales services are

often referred to as “product support activities”, meaning all activities that support the product-centric transaction. Furthermore, as stated in Potluri and Hawariat (2010) the term “after-sales services” has been approached in the literature under two broad perspectives.

Forooz and Rostami (2006) have shown after sale service advantages like:- Competitive advantage, Customer satisfaction, Long- term customer relationship , customer retention and loyalty, New product success and development, High profit, Differentiation and branding. Henley center headlight vision (Anon, 2007) shows more than 1,800 customers who had purchased all the automotive brands sold in the U.S, Excellent service not only reinforces relationships with customers who already feel loyal to a brand. It can also defuse ill will that causes disaffected customers to bad-mouth the brand. According to Potluri and Hawariat (2010), delivery of after-sales service is becoming increasingly critical as businesses do everything in their power to be more cost-effective, boost profit margins, and meet customer demand for a product or service.

After sale service has been important for organization to compete in the market by using such extended services (Vitasek, 2005). It is very important to note that after sale is a key to support marketing performance and to increase customer loyalty, productivity in long run (Saccani, 2006). In sale services, after sale delivery and Installation is very important for customer satisfaction (Irin, 2008). Different customers have different needs some want that the product to be delivered to their destination at right time and right price, others give value to customers needs and wants, on the other hand poor distribution results negative impression (Kotler and Armstrong, 2010).

2.4.2 Customer Orientation

Customer orientation is intended to strengthen long-lasting customer satisfaction and to increase customer loyalty. Al – Azzam (2016) purports that

the customer-orientation strategy is one of the best resources to improve customer satisfaction and increase business profits making it a very important dimension of CRM. Organizations must therefore have a customer-centric culture to implement CRM successfully and consequently develop a competitive advantage. Bang and Kim (2013) view customer orientation as the customers' perception of the firm's atmosphere and culture to understand customers' needs. As such, if customers perceive that employees try to understand and help the customers, it is expected to lead to customer Satisfaction and Commitment. Also, it is also possible that customers would be more committed if customers perceive that the firm tries to learn about them to improve the service.

Abdullateef *et al.*, (2010), state that customer orientation is a type of organizational orientation where the customer needs serves as a basis upon which an organization plans and designs its strategies. Yueh *et al.*, (2010) further add that any organization that adopts the customer orientation approach is more likely to establish the required customer quality, increase customer satisfaction and achieved the desired organizational objectives more efficiently than its competitors. The main determination of customer oriented behaviour is to increase customers' long-lasting satisfaction leading to customer loyalty in the organisation. Customers are active participants in the service process and development, which may contribute to the process of innovation in the service industry. On the other hand, the critical role of employees who are in the front line of organizations should not be ignored (Tajeddini, 2010).

Tajeddini (2010) says that for an organisation to gain competitive advantage and retain their customers, employees should be empowered with the following characteristics: ability to clearly identify and focus on customer needs and wants, be actively involved with the customers by listening and interacting with them, to develop appropriate and/or new solutions to complaints raised by

customers and be, task orientation, responsible, feedback oriented, flexible and committed to the organization. Therefore, customer orientation is considered an important tool for achieving high customer loyalty levels in hotels.

2.4.3 Hotel performance

Today, the performance of hospitality industry is subjective of customer focus and provision of an excellent service responding to customer needs, and creating greater customer value. Deloitte (2010) stated that, consumers are increasingly environmentally aware, which present further challenges for hospitality industry. The rationale for service strategy development centers on creation of sustainable competitive advantage. Consumer change in behavior patterns and attitudes highly influence market growth and changes in the market. Newsweek (2012), indicates that, hospitality industry has grown in stride with tourism industry, and that by year 2020, the World Travel Organization predicts a triple growth with the industry becoming one of the largest industries in the world. The market orientation is grounded on the marketing concept and forms the foundation of the marketing management paradigm (Kirca, Jayachandran and Bearden, 2005). According to Kotler (2003), firms that operate according to the marketing concept create profits through customer satisfaction. The marketing concept as a business philosophy is where superior business performance is considered to be the outcome of being more effective in anticipating and satisfying customer needs better than competitors

2.5 Summary of the literature

Customer service is a series of activities designed to enhance the level of customer satisfaction that is, the feeling that a product or service has met the customer expectation. Customer service plays an important role in an organization's ability to generate income and revenue. From that perspective, customer service should be included as part of an overall approach to systematic

improvement. A customer service experience can change the entire perception a customer has of the organization. Any industry that deals with service delivery must focus on customers services and differentiate them self in the market to achieve competitive advantage. The Relationship marketing theory, The Identify, Differentiate, Interact and Customise (IDIC) Theory, Social Exchange Theory have well explained the important of customer service practices and their influence to ward better performance. These theories have provided the basis of empirical discussion on study variables which are customer relations, customer care services, after sales services and customer orientation.

2.6 Critique of existing literature

The problem of customer service practices in various organizations has become rampant recently, creating an area of interest to many scholars. There are several researches conducted to sort out the problem of effective strategic service practice among the various organizations. Mwangi (2010), on strategic responses to competition among large fast food restaurants; Mukwa (2005), on differentiation of strategies used by classified hotels industries in major cities in Kenya. Kiange (2011) investigated managers’ perception of customer expectations in hotel industry in Kenya. The results showed that assurance, empathy and tangibles were regarded as the most important factors affecting service quality. This research was however limited to managers’ perception of customer expectations and failed to take into account customer’s expectations.

3.0 RESEARCH METHODOLOGY

The study applied a descriptive research design with survey method to establish the characters in explaining the effects of customer service practices on performance in the hospitality industry. The population of interest for the study consisted of all three star, four star and five star hotels in Nairobi County. A census of these registered hotels was

obtained from the ministry of tourism. There were 68 (3star-5star) registered hotels in Nairobi County in the year 2016. The study used the old classification of the hotels as this would provide response based on experience. The study targeted respondents from all level of management. However majority of respondent came from the lower level as they are much involved in direct customer conduct.

Hotel	Number of hotels	percentage
3 star	14	21
4 star	38	55
5 star	16	24
Totals	68	100

In this study, emphasis was given to primary sources by use of structured questionnaires. The respondents in each of the hotels involved the Managers. Subordinate Employees were much involved as they have more encounter with the customers.

data was analysed using descriptive statistics. Data was presented by use of, tables, percentages and frequencies to provide a visual presentation of the data, for ease of understanding and analysis. The analysis was done with the aid of the statistical package for social sciences (SPSS) software. The study also used multiple regression analysis to establish the relationship between the dependent and the independent variables. The regression model is as follows:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \varepsilon$$

Where:

Y = performance,

β_0 = Constant Term,

β_1 = Beta coefficients,

X_1 = after sale service,

X_2 = customer orientation and

ε = Error Term

4.0 RESULTS AND DISCUSSION

4.1 Customer orientation

Table 4.1 Customer orientation

Opinion Statement	Mean	Std. Deviation
Our hotel has clear ideas of its customers and their needs	4.07	1.294
Meeting our customers' needs is a priority compared to meeting our own internal needs	4.16	1.222
Our hotel encourages our customers to get involved in the process of defining service targets and standards in the hotel where I work	4.14	1.342
Our hotel knows exactly what aspects and characteristics of our service our customers value the most	4.09	1.286
Customers are encouraged to regularly give our hotel feedback about our business performance	4.07	1.232
Total average	4.12	1.28

The study sought to examine the respondent’s level of agreement or disagreement on the various measures of customer orientation. Table 4.1, presents the relevant results which show that on a scale of 1 to 5 (where 1= strongly disagree and strongly agree=5) the means and standard deviations were; Our hotel has clear ideas of its customers and their needs 4.07, Meeting our customers' needs is a priority compared to meeting our own internal needs 4.16, Our hotel encourages our customers to get involved in the process of defining service targets and standards in the hotel where I work 4.14, Our hotel knows exactly what aspects and characteristics of our service our customers value the most 4.09 and Customers are encouraged to regularly give our hotel feedback about our business performance 4.07. The implication of these findings is that customer relations is a key determinant of hospitality industry performance.

4.2 Customer After, Sales Service

Table 4.2 Customer After, Sales Service

Opinion Statement	Mean	Std. Deviation
We offer cash discounts to our frequent customers	4.21	1.221
We provide free transport to customers	4.23	1.225
Our hotels are involved in CSR activities	4.12	1.211
Offers are provided during off peak seasons	4.16	1.293
Total average	4.18	1.239

The study sought to examine the respondent’s level of agreement or disagreement on the various measures of customer after sale service. Table 4.2, presents the relevant results which show that on a scale of 1 to 5 (where 1= strongly disagree and strongly agree=5) the means and standard deviations were; We offer cash discounts to our frequent customers 4.21, We provide free transport to customers 4.23, Our hotels are involved in CSR activities 4.12 and Offers are provided during off peak seasons 4.16. The implication of these findings is that customer relations is a key determinant of hospitality industry performance.

4.3 Performance

Table 4.3 Performance

Opinion Statement	Mean	Std. Deviation
We have frequent identified customers	4.10	1.137
New customers in the hotel are referred by existing customers	4.19	1.114
The hotel capacity has increased over the last five years	4.16	1.118
The hotels sales have recently increased	4.19	1.088
The profit margin have increased due to increase numbers of customers	4.18	1.121
Total average	4.16	1.115

The study sought to examine the respondent’s level of agreement or disagreement on the various measures of organizational performance. Table 4.3, presents the relevant results which show that on a

scale of 1 to 5 (where 1= strongly disagree and strongly agree=5) the means and standard deviations were; we have frequent identified customers 4.10, new customers in the hotel are referred by existing customers 4.19, the hotel capacity has increased over the last five years

4.16, the hotels sales have recently increased 4.19 and the profit margin have increased due to increase numbers of customers 4.18.

4.4 Correlation Analysis

Table 4.4 Correlation Analysis

		Customer orientation	Customer After sale	performance
Customer orientation	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	57		
Customer After sale	Pearson Correlation	0.554**	1	
	Sig. (2-tailed)	.000		
	N	57	57	
performance	Pearson Correlation	0.687**	0.810**	1
	Sig. (2-tailed)	.000	.000	
	N	57	57	57

From table 4.4 it can be observed that the correlation between the independent variables and the dependent variable was high and positive at 0.687 and 0.810 for customer orientation and customer after sale service respectively. The interpretation was that the level of collinearity between the independent variable was not very high. This shows that the level of association between the independent and dependent variables can be identified uniquely. This can be further interpreted that customer orientation and customer after sale service strong influence the performance of the Hotels in Nairobi County.

4.5 Regression Analysis

Table 4.5 Regression Result

	Unstandardized Coefficients		Standardized Coefficients	t-statistic	p-value
	Beta	Std. Error	Beta		
(Constant)	2.629	0.430		6.114	0.000
Customer orientation	0.191	0.069	0.191	2.747	0.008
Customer after sale	0.347	0.078	0.347	4.468	0.000
F=> 74.541		P-value => 0.000		Adjusted R Square	0.84

4.5.1 Customer orientation

From table 4.5, the regression coefficient of customer orientation was found to be 0.191. This value shows that holding other variables in the model constant, an increase in customer orientation by one unit causes the hotels performance to increase by 0.191 units. The value of the coefficient is also positive. The positive effect shows that there is a positive relationship between customer orientation and hotels performance.

The coefficient was also statistically significant with a t-statistic value of 2.747. The p-value was found to be 0.008 as an indicator of level of significant. These findings support those of Abdullateef *et al.*, (2010) and Yueh *et al.*, (2010). According to Abdullateef *et al.*, (2010), customer orientation is a type of organizational orientation where the customer needs serves as a basis upon which an organization plans and designs its strategies. Yueh *et al.*, (2010) further add that any organization that adopts the customer orientation approach is more likely to establish the required customer quality, increase customer satisfaction and achieved the desired organizational objectives more efficiently than its competitors. The main determination of customer oriented behaviour is to increase customers' long-lasting satisfaction leading to customer loyalty in the organisation.

4.5.2 Customer after sale

From table 4.5, the regression coefficient of Customer after sale was found to be 0.347. This value shows that holding other variables in the model constant, an increase in Customer after sale by one unit causes the hotels performance to increase by 0.347 units. The value of the coefficient is also positive. The positive effect shows that there is a positive relationship between Customer after sale and hotels performance.

The coefficient was also statistically significant with a t-statistic value of 4.468. The p-value was found to be 0.000. These findings support those of Potluri and Hawariat (2010); Vitasek, (2005) and Saccani, (2006) who found that Customer orientation can have effect on performance. According to Potluri and Hawariat (2010), delivery of after-sales service is becoming increasingly critical as businesses do everything in their power to be more cost-effective, boost profit margins, and meet customer demand for a product or service.

Vitasek (2005), note that, after sale service has been important for organization to compete in the market by using such extended services. Saccani (2006), it is very important to note that after sale is a key to support marketing performance and to increase customer loyalty, productivity in long run.

5.0 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of the findings

The measurers of Customer orientation and Customer after sale service were found to have effect on the hotels performance as shown by the various responses from the respondents that were presented using table where the response was also presented in percentage form. The variables were found to have a positive effect on hotel performance. This meant that increase in Customer orientation and Customer after sale service facilitated the increase in hotel performance in

hotels in Nairobi County. The findings therefore showed that for hotels in Nairobi County to perform better they should improve and implement strategies to conduct Customer orientation. The finding can be generalized to all Hotels in the Hospitality

5.3 Conclusion

The study noted that customer after sales services in Kenya has influence on hotels performance. the findings that, customer after sales services had a positive effect on hotel performance were good indications that increase in customer after sales motivate better performance of the hotels in Nairobi. This meant that enhancing customer after sales would have a positive effect on hotel performance. Customer orientation had a positive effect on hotel performance were good indications that increase in customer orientation motivate better performance of the hotels in Nairobi County. From the findings it was found that the variables were key in the management process as depicted by the high number of respondents who agreed with the statements. The study thus concluded that there was a high level of customer after sales service in the hotels in Nairobi. The study further concluded that customer orientation was in the hospitality industry was a determining factors to not only performance but also for effective competition.

5.4 Recommendation

Since the study variables were found to be a determinant of hotels performance, the owners of the hotels in Nairobi should keep a keen eye on improving customer orientation and after sales services offered to customer. The study recommends Hotels Managers to come up with more innovative ways of enhancing their Customer Orientation among hotels' management teams and employees in general.

The various stakeholders in the Hospitality industry should come up with attractive packages and offers to their Customers as this may lead to customer retention and better recommendations. From the

regression model it was noted that the variables included were only able to explained 84% of the variation in hotel performance. This study therefore recommends the improvement of this model by including more variables that are relevant in explaining the variation some of which have been mentioned above.

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